

Tipco Asphalt Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month and nine-month periods ended  
30 September 2019

## Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Tipco Asphalt Public Company Limited

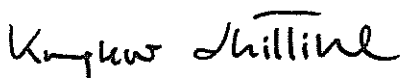
I have reviewed the accompanying consolidated statement of financial position of Tipco Asphalt Public Company Limited and its subsidiaries as at 30 September 2019, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Tipco Asphalt Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.



Krongkaew Limkittikul

Certified Public Accountant (Thailand) No. 5874

EY Office Limited

Bangkok: 6 November 2019

Tipco Asphalt Public Company Limited and its subsidiaries

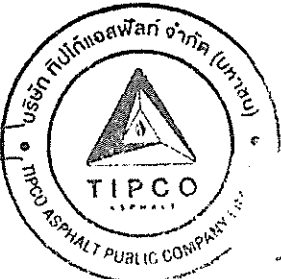
Statement of financial position

As at 30 September 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,627,211	1,103,711	823,622	269,949
Trade and other receivables	3, 4	5,762,456	5,041,904	5,000,176	4,467,235
Inventories	5	8,133,900	7,321,720	7,215,287	6,292,330
Price hedging contracts	19	244,669	660,803	244,669	660,803
Other current assets		261,720	262,350	53,638	45,053
<b>Total current assets</b>		<b>16,029,956</b>	<b>14,390,488</b>	<b>13,337,392</b>	<b>11,735,370</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	7,717,240	7,693,265
Investments in joint ventures		113,519	130,496	67,553	67,553
Investments in associates		576,662	540,899	243,447	243,447
Long-term loans to related parties	4	-	-	1,019,756	1,248,756
Investment properties		256,933	256,933	94,342	94,342
Property, plant and equipment	7	7,845,397	8,127,640	950,811	900,029
Goodwill		146,294	146,294	-	-
Other intangible assets		199,613	230,016	72,822	87,874
Leasehold rights		294,340	318,526	2,564	2,735
Deferred tax assets		90,517	94,055	69,430	96,470
Other non-current assets		18,096	18,119	4,073	3,932
<b>Total non-current assets</b>		<b>9,541,371</b>	<b>9,862,978</b>	<b>10,242,038</b>	<b>10,438,403</b>
<b>Total assets</b>		<b>25,571,327</b>	<b>24,253,466</b>	<b>23,579,430</b>	<b>22,173,773</b>

The accompanying notes are an integral part of the interim financial statements.



Tipco Asphalt Public Company Limited and its subsidiaries


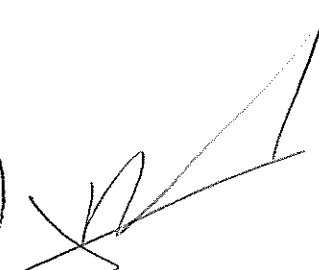
Statement of financial position (continued)

As at 30 September 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions		4,676,785	6,936,126	4,179,883	6,450,174
Trade and other payables	4, 8	7,037,138	4,015,397	7,679,285	4,544,661
Short-term loan from related party	4	-	-	80,000	25,000
Current portion of long-term loans from financial institutions	9	35,689	131,615	-	-
Income tax payable		151,073	127,569	123,025	76,260
Price hedging contracts	19	196,819	152,721	196,819	152,721
Other current liabilities		87,737	116,591	16,566	110,706
Total current liabilities		12,185,241	11,480,019	12,275,578	11,359,522
Non-current liabilities					
Long-term loans from financial institutions -					
net of current portion	9	47,380	79,906	-	-
Long-term loan from related party	4	6,311	6,944	-	-
Provision for long-term employee benefits	10	185,336	149,496	129,193	107,684
Total non-current liabilities		239,027	236,346	129,193	107,684
Total liabilities		12,424,268	11,716,365	12,404,771	11,467,206

The accompanying notes are an integral part of the interim financial statements.

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	14				
Registered					
1,579,883,570 ordinary shares of Baht 1 each		1,579,884	1,579,884	1,579,884	1,579,884
Issued and fully paid					
1,576,370,570 ordinary shares (2018: 1,573,821,570 ordinary shares) of Baht 1 each		1,576,371	1,573,822	1,576,371	1,573,822
Premium on share capital		1,137,317	1,118,474	1,137,317	1,118,474
Share subscription	14	3,364	8,074	3,364	8,074
Non-controlling interests of subsidiary acquired					
by the Company at price lower than book value		6,238	6,238	-	-
Change in the Company's interest in subsidiaries					
which did not result in a loss of control		(570,311)	(570,311)	-	-
Capital reserve for share-based payment transactions		174,753	174,753	174,753	174,753
Retained earnings					
Appropriated - statutory reserve		172,123	172,123	172,123	172,123
Unappropriated		11,542,987	10,163,249	8,115,020	7,259,324
Other components of shareholders' equity		(1,060,352)	(264,281)	(4,289)	399,997
Equity attributable to owners of the Company		12,982,490	12,382,141	11,174,659	10,706,567
Non-controlling interests of the subsidiaries		164,569	154,960	-	-
Total shareholders' equity		13,147,059	12,537,101	11,174,659	10,706,567
Total liabilities and shareholders' equity		25,571,327	24,253,466	23,579,430	22,173,773

The accompanying notes are an integral part of the interim financial statements.

*(Signature)*

Directors



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
<b>Revenues</b>					
Sales and service income		9,449,307	7,031,604	8,703,225	6,212,679
Other income					
Dividend income from subsidiary	4	-	-	61,367	-
Dividend income from associate	4	-	-	-	67,779
Gain on exchange		134,083	917	142,222	27,803
Others		53,513	14,203	55,592	38,536
<b>Total revenues</b>		<b>9,636,903</b>	<b>7,046,724</b>	<b>8,962,406</b>	<b>6,346,797</b>
<b>Expenses</b>					
Cost of sales and services		8,523,565	6,160,176	8,127,292	5,622,281
(Gain) loss from price hedging contracts	19	(140,366)	64,994	(140,366)	65,645
Reversal of reduction of cost of inventory to net realisable value	5	(9,413)	(689)	(5,214)	-
		8,373,786	6,224,481	7,981,712	5,687,926
Selling expenses		43,906	46,397	26,869	24,163
Administrative expenses		291,305	317,392	170,635	159,480
Other expenses					
Allowance for doubtful accounts (reversal)		(15,805)	8,492	(5,003)	4,663
Damages and expenses from a fire - net of insurance claim	20	67,971	345,035	-	-
<b>Total expenses</b>		<b>8,761,163</b>	<b>6,941,797</b>	<b>8,174,213</b>	<b>5,876,232</b>
<b>Profit before share of profit from investments in joint ventures, associates, finance cost and income tax</b>		<b>875,740</b>	<b>104,927</b>	<b>788,193</b>	<b>470,565</b>
Share of profit from investments in joint ventures		5,437	2,259	-	-
Share of profit from investments in associates		13,825	7,751	-	-
<b>Profit before finance cost and income tax</b>		<b>895,002</b>	<b>114,937</b>	<b>788,193</b>	<b>470,565</b>
Finance cost		(45,982)	(43,869)	(30,797)	(28,521)
<b>Profit before income tax</b>		<b>849,020</b>	<b>71,068</b>	<b>757,396</b>	<b>442,044</b>
Income tax	12	(130,787)	(58,178)	(104,209)	(42,425)
<b>Profit for the period</b>		<b>718,233</b>	<b>12,890</b>	<b>653,187</b>	<b>399,619</b>
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currencies		(35,307)	(184,143)	-	-
Change in fair value of hedging instruments of cash flow hedges - net of income tax	12, 19	3,623	(141,555)	3,623	(141,555)
Other comprehensive income for the period		(31,684)	(325,698)	3,623	(141,555)
<b>Total comprehensive income for the period</b>		<b>686,549</b>	<b>(312,808)</b>	<b>656,810</b>	<b>258,064</b>

The accompanying notes are an integral part of the interim financial statements.

(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit attributable to:				
Equity holders of the Company	712,081	6,268	<u>653,187</u>	<u>399,619</u>
Non-controlling interests of the subsidiaries	<u>6,152</u>	<u>6,622</u>		
	<u>718,233</u>	<u>12,890</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	685,404	(310,811)	<u>656,810</u>	<u>258,064</u>
Non-controlling interests of the subsidiaries	<u>1,145</u>	<u>(1,997)</u>		
	<u>686,549</u>	<u>(312,808)</u>		
Earnings per share (Baht)	13			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.452</u>	<u>0.004</u>	<u>0.414</u>	<u>0.255</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.451</u>	<u>0.004</u>	<u>0.414</u>	<u>0.254</u>

The accompanying notes are an integral part of the interim financial statements.



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
<b>Revenues</b>					
Sales and service income		27,324,526	18,061,010	24,828,604	16,119,762
Other income					
Dividend income from subsidiaries	4	-	-	284,867	362,181
Dividend income from associates	4	-	-	41,750	80,212
Gain on exchange		341,850	32,201	346,856	60,903
Others		97,048	59,020	125,394	107,024
<b>Total revenues</b>		<b>27,763,424</b>	<b>18,152,231</b>	<b>25,627,471</b>	<b>16,730,082</b>
<b>Expenses</b>					
Cost of sales and services		25,027,729	15,863,706	23,761,440	14,693,357
(Gain) loss from price hedging contracts	19	(72,550)	282,571	(68,443)	278,122
Reduction of cost of inventories to net realisable value (reversal)	5	(790,701)	(18,145)	(918,575)	1,542
		24,164,478	16,128,132	22,774,422	14,973,021
Selling expenses		125,559	127,065	74,181	68,260
Administrative expenses		807,114	907,714	472,688	467,231
Other expenses					
Bad debt and allowance for doubtful accounts (reversal)		(763)	10,490	(3,691)	4,921
Damages and expenses from a fire - net of insurance claim	20	(211,747)	345,035	-	-
<b>Total expenses</b>		<b>24,884,641</b>	<b>17,518,436</b>	<b>23,317,600</b>	<b>15,513,433</b>
<b>Profit before share of profit from investments in joint ventures, associates, finance cost and income tax</b>		<b>2,878,783</b>	<b>633,795</b>	<b>2,309,871</b>	<b>1,216,649</b>
Share of profit from investments in joint ventures		20,439	1,891	-	-
Share of profit from investments in associates		78,386	72,110	-	-
<b>Profit before finance cost and income tax</b>		<b>2,977,608</b>	<b>707,796</b>	<b>2,309,871</b>	<b>1,216,649</b>
Finance cost		(159,618)	(108,835)	(106,022)	(63,524)
<b>Profit before income tax</b>		<b>2,817,990</b>	<b>598,961</b>	<b>2,203,849</b>	<b>1,153,125</b>
Income tax	12	(320,112)	(156,477)	(245,246)	(107,445)
<b>Profit for the period</b>		<b>2,497,878</b>	<b>442,484</b>	<b>1,958,603</b>	<b>1,045,680</b>

## Other comprehensive income:

Other comprehensive income to be reclassified

to profit or loss in subsequent periods:

Exchange differences on translation of

financial statements in foreign currencies

(405,401) (115,159) - -

Change in fair value of hedging instruments

of cash flow hedges - net of income tax

(404,286) (169,145) (404,286) (169,145)

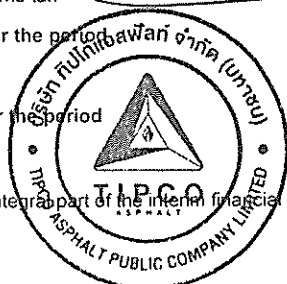
Other comprehensive income for the period

(809,687) (284,304) (404,286) (169,145)

Total comprehensive income for the period

1,688,191 158,180 1,554,317 876,535

The accompanying notes are an integral part of the interim financial statements.





(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

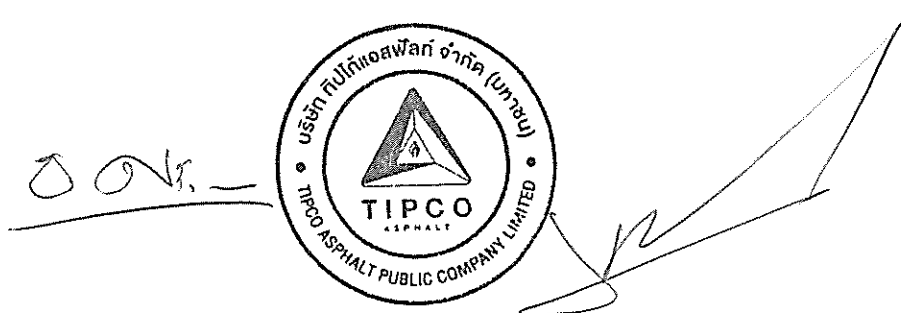
Statement of comprehensive income (continued)

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit attributable to:				
Equity holders of the Company	2,482,645	431,534	<u>1,958,603</u>	<u>1,045,680</u>
Non-controlling interests of the subsidiaries	<u>15,233</u>	<u>10,950</u>		
	<u>2,497,878</u>	<u>442,484</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	1,686,574	155,171	<u>1,554,317</u>	<u>876,535</u>
Non-controlling interests of the subsidiaries	<u>1,617</u>	<u>3,009</u>		
	<u>1,688,191</u>	<u>158,180</u>		
Earnings per share (Baht)	13			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>1.576</u>	<u>0.276</u>	<u>1.243</u>	<u>0.668</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>1.574</u>	<u>0.274</u>	<u>1.242</u>	<u>0.665</u>

The accompanying notes are an integral part of the interim financial statements.



(Unaudited but reviewed)

## Tippo Asphalt Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
	Issued and paid-up share capital	Premium on share capital	Share subscription	Non-controlling interests of subsidiary acquired by the Company at price lower than book value	Change in the Company's interest in subsidiaries which did not result in a loss of control	Capital reserve for share-based payment transactions	Retained earnings		Other components of equity			Total equity attributable to non-controlling shareholders' interests of the subsidiaries	Total shareholders' equity	
							Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currencies	Change in fair value of hedging instruments of cash flow hedges	Total other components of shareholders' equity			
Balance as at 1 January 2018	1,562,465	1,046,879	8,639	6,238	(570,311)	155,756	172,123	11,008,948	(589,750)	-	(589,750)	12,800,987	128,253	12,929,240
Profit for the period	-	-	-	-	-	-	-	431,534	-	-	-	431,534	10,950	442,484
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(107,218)	(169,145)	(276,363)	(7,941)	(7,941)	(284,304)
Total comprehensive income for the period	7,266	43,711	23,336	-	-	-	-	431,534	(107,218)	(169,145)	(276,363)	155,171	3,009	158,180
The warrant holders exercised warrants (Note 14)	-	-	-	-	-	-	-	-	-	-	-	74,313	-	74,313
Increase in share capital of subsidiary (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-	-	18,300
Share-based payment transactions	-	-	-	-	-	13,494	-	-	-	-	-	13,494	-	13,494
Dividend paid (Note 15)	-	-	-	-	-	-	-	(1,407,766)	-	-	-	(1,407,766)	-	(1,407,766)
Balance as at 30 September 2018	1,569,731	1,090,590	31,975	6,238	(570,311)	169,250	172,123	10,032,716	(696,968)	(169,145)	(866,113)	11,636,199	149,562	11,785,761
Balance as at 1 January 2019	1,573,822	1,118,474	8,074	6,238	(570,311)	174,753	172,123	10,163,249	(664,278)	399,997	(264,281)	12,382,141	154,960	12,537,101
Profit for the period	-	-	-	-	-	-	-	2,482,645	-	-	-	2,482,645	15,233	2,497,878
Other comprehensive income for the period	-	-	-	-	-	-	-	-	(391,785)	(404,286)	(796,071)	(796,071)	(13,616)	(809,687)
Total comprehensive income for the period	-	-	-	-	-	-	-	2,482,645	(391,785)	(404,286)	(796,071)	1,686,574	1,617	1,688,191
The warrant holders exercised warrants (Note 14)	2,549	18,843	(4,710)	-	-	-	-	-	-	-	-	16,682	-	16,682
Increase in share capital of subsidiary (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-	-	7,992
Dividend paid (Note 15)	-	-	-	-	-	-	-	(1,102,907)	-	-	-	(1,102,907)	-	(1,102,907)
Balance as at 30 September 2019	1,576,371	1,137,317	3,364	6,238	(570,311)	174,753	172,123	11,542,997	(1,056,063)	(4,289)	(1,060,352)	12,982,490	164,569	13,147,059

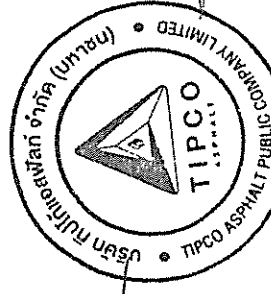
(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity (continued)  
For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

	Separate financial statements									
	Issued and paid-up share capital	Premium on share capital	Share subscription	Capital reserve for share-based payment transactions	Retained earnings		Other components of equity			
					Appropriated statutory reserve	Unappropriated	Other comprehensive		Total other components of shareholders' equity	Total shareholders' equity
							income	Change in fair value of hedging instruments of cash flow hedges		
Balance as at 1 January 2018	1,562,465	1,046,879	8,639	155,756	172,123	7,874,174	-	-	-	10,820,036
Profit for the period	-	-	-	-	-	1,045,680	-	-	-	1,045,680
Other comprehensive income for the period	-	-	-	-	-	-	(169,145)	(169,145)	(169,145)	(169,145)
Total comprehensive income for the period	-	-	-	-	-	1,045,680	(169,145)	(169,145)	(169,145)	876,535
The warrant holders exercised warrants (Note 14)	7,266	43,711	23,336	-	-	-	-	-	-	74,313
Share-based payment transactions	-	-	-	13,494	-	-	-	-	-	13,494
Dividend paid (Note 15)	-	-	-	-	-	(1,407,766)	-	-	-	(1,407,766)
Balance as at 30 September 2018	1,569,731	1,090,590	31,975	169,250	172,123	7,512,088	(169,145)	(169,145)	(169,145)	10,376,612
Balance as at 1 January 2019	1,573,822	1,118,474	8,074	174,753	172,123	7,259,324	399,997	399,997	399,997	10,706,567
Profit for the period	-	-	-	-	-	1,958,603	-	-	-	1,958,603
Other comprehensive income for the period	-	-	-	-	-	-	(404,286)	(404,286)	(404,286)	(404,286)
Total comprehensive income for the period	-	-	-	-	-	1,958,603	(404,286)	(404,286)	(404,286)	1,554,317
The warrant holders exercised warrants (Note 14)	2,549	18,843	(4,710)	-	-	-	-	-	-	16,682
Dividend paid (Note 15)	-	-	-	-	-	(1,102,907)	-	-	-	(1,102,907)
Balance as at 30 September 2019	1,576,371	1,137,317	3,364	174,753	172,123	8,115,020	(4,289)	(4,289)	(4,289)	11,174,659

The accompanying notes are an integral part of the interim financial statements.



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

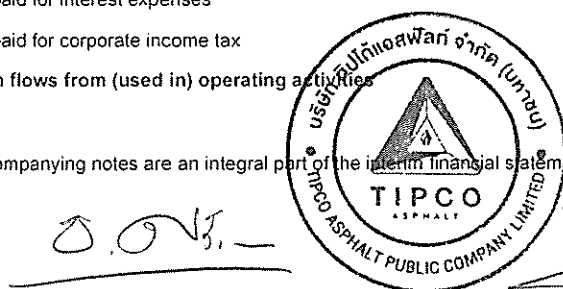
## Cash flow statement

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from operating activities:</b>				
Profit before income tax	2,817,990	598,961	2,203,849	1,153,125
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	593,739	756,258	149,740	206,631
Written off withholding tax	49	-	-	-
Written off inventories	198	-	-	-
Bad debt and allowance for doubtful accounts (reversal)	(763)	10,490	(3,691)	4,921
Reduction of cost of inventories to net realisable value (reversal)	(790,701)	(18,145)	(918,575)	1,542
Allowance for loss on impairment from fire at a subsidiary	-	288,741	-	-
Allowance for impairment loss on equipment	2,388	-	-	-
Dividend income from subsidiaries	-	-	(284,867)	(362,181)
Dividend income from associate	-	-	(41,750)	(80,212)
Unrealised gain on exchange	(100,262)	(67,231)	(47,575)	(26,982)
Loss (gain) on sales of equipment	(18,974)	14,120	(13,883)	(3,283)
Share of profit from investments in joint ventures	(20,439)	(1,891)	-	-
Share of profit from investments in associates	(78,386)	(72,110)	-	-
Share-based payment transactions	-	13,494	-	10,774
Provision for long-term employee benefits	37,821	12,358	21,509	6,884
Change in fair value of forward exchange contracts	(14,945)	(739)	(3,581)	(1,269)
Change in fair value of price hedging contracts	39,039	(343,939)	39,039	(343,939)
Change in fair value of interest rate swap contracts	-	(736)	-	(890)
Interest expenses	140,975	98,217	100,931	61,053
Profit from operating activities before changes in operating assets and liabilities	2,607,729	1,287,848	1,201,146	626,174
Operating assets (increase) decrease				
Trade and other receivables	(719,253)	(897,396)	(546,817)	(1,217,677)
Inventories	(20,968)	(3,094,302)	(4,382)	(2,723,966)
Other current assets	(50,936)	(99,126)	(38,436)	(81,857)
Other non-current assets	(28)	36,423	(140)	(1,715)
Operating liabilities increase (decrease)				
Trade and other payables	3,141,284	373,526	3,399,643	591,325
Other current liabilities	(20,195)	61,248	(41,272)	(110,082)
Other non-current liabilities	-	(139)	-	(126)
Cash flows from (used in) operating activities	4,937,633	(2,331,918)	3,969,742	(2,917,924)
Cash paid for interest expenses	(141,112)	(61,550)	(103,445)	(60,477)
Cash paid for corporate income tax	(276,546)	(159,370)	(154,534)	(66,896)
Net cash flows from (used in) operating activities	4,519,975	(2,552,838)	3,711,763	(3,045,297)

The accompanying notes are an integral part of the interim financial statements.



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the nine-month period ended 30 September 2019

(Unit: Thousand Baht)

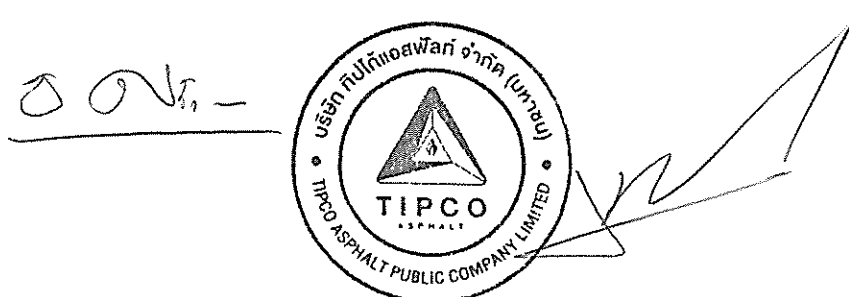
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from investing activities:</b>				
Cash paid for investment in subsidiary	-	-	(54,985)	(23,892)
Cash paid for investment in joint venture	-	(46,552)	-	(28,180)
Dividend received from subsidiaries	-	-	284,867	362,181
Dividend received from associates	41,750	80,212	41,750	80,212
Decrease in long-term loans to related party	-	-	9,540	-
Cash paid for acquisition of equipment	(585,597)	(378,320)	(146,781)	(104,204)
Cash paid for acquisition of computer software	(6,728)	(14,004)	(5,616)	(10,122)
Proceeds from sales of equipment	79,760	28,487	16,017	3,738
<b>Net cash flows from (used in) investing activities</b>	<b>(470,815)</b>	<b>(330,177)</b>	<b>144,792</b>	<b>279,733</b>
<b>Cash flows from financing activities:</b>				
Cash receipts from shares subscription of subsidiary	17,951	7,969	-	-
Increase (decrease) in short-term loans from financial institutions	(2,239,054)	4,442,863	(2,270,291)	4,303,616
Increase (decrease) in short-term loans from related party	-	-	55,000	(201,000)
Cash paid under finance lease agreements	(127)	(202)	-	-
Repayment of long-term loans	(122,348)	(298,309)	-	-
Cash receipts from increase in capital	13,318	42,338	13,318	42,338
Cash receipts from shares subscription	3,364	31,975	3,364	31,975
Dividend paid to shareholders	(1,104,273)	(1,405,780)	(1,104,273)	(1,405,780)
<b>Net cash flows from (used in) financing activities</b>	<b>(3,431,169)</b>	<b>2,820,854</b>	<b>(3,302,882)</b>	<b>2,771,149</b>
<b>Exchange differences on translation of</b>				
<b>financial statements in foreign currencies</b>	<b>(94,491)</b>	<b>(116,241)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>523,500</b>	<b>(178,402)</b>	<b>553,673</b>	<b>5,585</b>
Cash and cash equivalents at beginning of period	1,103,711	1,025,410	269,949	153,903
<b>Cash and cash equivalents at end of period</b>	<b>1,627,211</b>	<b>847,008</b>	<b>823,622</b>	<b>159,488</b>

## Supplemental cash flows information

## Non-cash transactions:

Purchase of equipment for which cash has not been paid	87,091	4,006	-	-
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The accompanying notes are an integral part of the interim financial statements.



**Tipco Asphalt Public Company Limited and its subsidiaries**

**Notes to the interim consolidated financial statements**

**For the three-month and nine-month periods ended 30 September 2019**

**1. General information**

**1.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

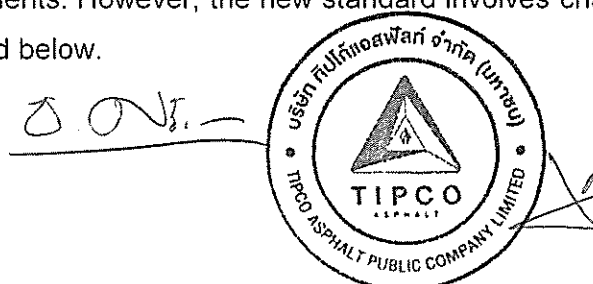
**1.2 Basis of consolidation**

The consolidated interim financial statements include the financial statements of Tipco Asphalt Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018.

**1.3 New financial reporting standards**

**(a) Financial reporting standards that became effective in the current period**

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below.



## **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

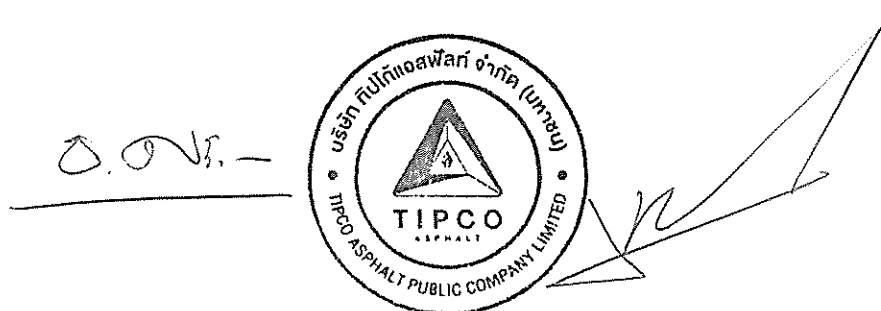
TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

### **(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.



## Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## TFRS 16 Leases

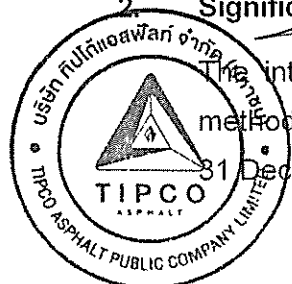
TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted

## 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018.





(Unaudited but reviewed)

## 3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<b><u>Trade receivables - related parties</u></b> (Note 4)				
Aged on the basis of due dates				
Not yet due	673,600	366,725	1,367,615	1,051,575
Past due				
Up to 3 months	82,750	49,900	356,058	294,008
3 - 6 months	24,890	-	80,600	232,569
6 - 9 months	-	-	14,896	563
9 - 12 months	-	-	346	5,699
Over 12 months	-	-	214,225	235,325
Total	781,240	416,625	2,033,740	1,819,739
Less: Allowance for doubtful accounts	-	-	(209,524)	(230,936)
Total trade receivables - related parties, net	781,240	416,625	1,824,216	1,588,803
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	3,785,808	3,275,547	2,648,730	2,060,353
Past due				
Up to 3 months	734,239	656,903	146,572	205,283
3 - 6 months	269,672	199,723	63,218	15,502
6 - 9 months	84,094	50,682	23,899	23,917
9 - 12 months	40,969	48,300	1,071	10,796
Over 12 months	296,929	315,601	65,751	69,664
Total	5,211,711	4,546,756	2,949,241	2,385,515
Less: Allowance for doubtful accounts	(297,471)	(313,455)	(66,329)	(70,021)
Total trade receivables - unrelated parties, net	4,914,240	4,233,301	2,882,912	2,315,494
Total trade receivables - net	5,695,480	4,649,926	4,707,128	3,904,297
<b><u>Other receivables</u></b>				
Amounts due from related parties (Note 4)	20,796	29,104	251,834	203,526
Accounts receivable from price hedging contracts	37,871	355,905	37,871	355,905
Other receivables	8,309	6,969	3,343	3,507
Total other receivables	66,976	391,978	293,048	562,938
Trade and other receivables - net	5,762,456	5,041,904	5,000,176	4,467,235



#### 4. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon among the Company, its subsidiaries and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policies
	2019	2018	2019	2018	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales and services	-	-	1,650	1,678	Cost plus certain margin
Rental and service income	-	-	2	2	Contract price
Technical and administrative assistance income	-	-	12	17	Contract price
Interest income	-	-	10	10	At rate of 1.4 - 2.5 percent and LIBOR plus 1.5 percent per annum
Dividend income	-	-	61	-	
Purchases of goods	-	-	3	-	Cost plus certain margin
Rental and service expenses	-	-	573	472	Contract price
Interest expenses	-	-	-	1	At rate of 1.0 percent per annum
<b><u>Transactions with joint ventures</u></b>					
Sales and services	642	214	642	214	Market price/Contract price
<b><u>Transactions with associates</u></b>					
Sales and services	89	65	80	57	Market price/Contract price
Dividend income	-	-	-	68	
<b><u>Transactions with related companies</u></b>					
Sales and services	169	487	163	469	Market price/Contract price
Rental and service expenses	22	19	21	17	Contract price
Technical and administrative assistance expenses	9	9	9	9	Contract price

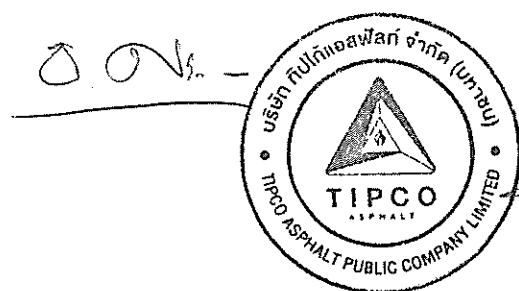


(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate		Transfer pricing policies
	financial statements		financial statements		
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales and services	-	-	4,767	4,555	Cost plus certain margin
Rental and service income	-	-	7	5	Contract price
Technical and administrative assistance income	-	-	36	53	Contract price
Interest income	-	-	30	27	At rate of 1.4 - 2.5 percent and LIBOR plus 1.5 percent per annum
Dividend income	-	-	285	362	
Purchase of goods	-	-	9	18	Cost plus certain margin
Rental and service expenses	-	-	1,776	1,336	Contract price
Interest expense	-	-	-	1	At rate of 1.0 percent per annum
<b><u>Transactions with joint ventures</u></b>					
Sales and services	1,668	363	1,668	360	Market price/Contract price
Purchase of goods	-	111	-	-	Market price/Contract price
<b><u>Transactions with associates</u></b>					
Sales and services	166	165	133	147	Market price/Contract price
Rental and service income	1	1	1	1	Contract price
Dividend income	-	-	42	80	
<b><u>Transactions with related companies</u></b>					
Sales and services	950	1,510	935	1,492	Market price/Contract price
Rental and service income	1	1	1	1	Contract price
Rental and service expenses	65	59	61	55	Contract price
Technical and administrative assistance expenses	33	24	33	24	Contract price

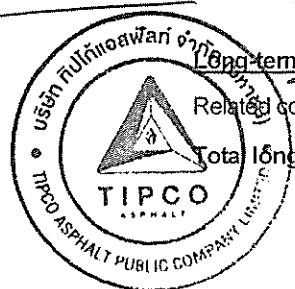


(Unaudited but reviewed)

The balances of the accounts as at 30 September 2019 and 31 December 2018 between the Company and its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
<b><u>Trade and other receivables - related parties</u></b> (Note 3)				
Subsidiaries	-	-	1,519,471	1,629,441
Joint ventures	476,941	140,949	475,154	138,953
Associates	152,218	97,043	122,211	63,840
Related companies (common shareholders and directors)	172,878	207,737	168,738	191,031
Total trade and other receivables - related parties	802,036	445,729	2,285,574	2,023,265
Less : Allowance for doubtful accounts	-	-	(209,524)	(230,936)
Total trade and other receivables - related parties, net	802,036	445,729	2,076,050	1,792,329
<b><u>Long-term loans to related parties</u></b>				
Subsidiaries	-	-	1,019,756	1,248,756
Total long-term loans to related parties	-	-	1,019,756	1,248,756
<b><u>Trade and other payables - related parties</u></b> (Note 8)				
Subsidiaries	-	-	1,214,307	1,115,471
Joint ventures	399	399	399	399
Associates	513	194	-	98
Related companies (common shareholders and directors)	64,613	78,707	64,270	78,048
Total trade and other payables - related parties	65,525	79,300	1,278,976	1,194,016
<b><u>Advance received from customer - related parties</u></b>				
Subsidiary	-	-	-	53,399
Related company (common shareholder and directors)	22	224	22	224
Total advance received from customer - related parties	22	224	22	53,623
<b><u>Short-term loan from related party</u></b>				
Subsidiary	-	-	80,000	25,000
Total short-term loan from related party	-	-	80,000	25,000
<b><u>Long-term loan from related party</u></b>				
Related company (shareholder of subsidiary)	6,311	6,944	-	-
Total long-term loan from related party	6,311	6,944	-	-



(Unaudited but reviewed)

The balances and the movements of loans between the Company and those related companies were as follows:

(Unit: Thousand Baht)

		Consolidated financial statements		
		Exchange differences on translation		
		Balance as at	of financial	Balance as at
Company's name	Related by	31 December 2018	statements	30 September 2019
		(Audited)		

**Long-term loan from related party**

Zhenjiang Highway Materials Company	Shareholder of subsidiary	6,944	(633)	6,311
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(Unit: Thousand Baht)

		Separate financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December	during	during	30 September
Company's name	Related by	2018	the period	the period	2019
		(Audited)			

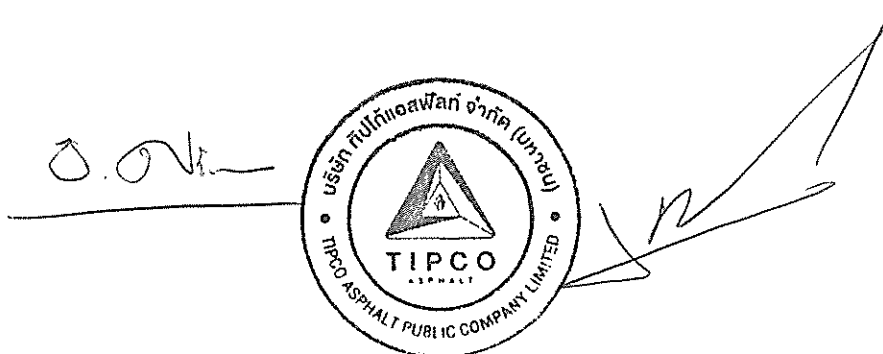
**Long-term loans to related parties**

AD Shipping Pte. Ltd.	Subsidiary	225,994	-	(38,301) *	(6,507)	181,186
Reta Link Pte. Ltd.	Subsidiary	145,282	-	(9,540)	(7,988)	127,754
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	877,480	-	(135,778) *	(30,886)	710,816
<b>Total</b>		<b>1,248,756</b>	<b>-</b>	<b>(183,619)</b>	<b>(45,381)</b>	<b>1,019,756</b>

**Short-term loan from related party**

Raycol Asphalt Co., Ltd.	Subsidiary	25,000	80,000	(25,000)	-	80,000
<b>Total</b>		<b>25,000</b>	<b>80,000</b>	<b>(25,000)</b>	<b>-</b>	<b>80,000</b>

\* AD Shipping Pte. Ltd. and Pacific Bitumen Shipping Pte. Ltd. offset their long-term loans to be repaid with outstanding balances of account payable to the Company.



(Unaudited but reviewed)

Directors and management's benefits

For the three-month and nine-month periods ended 30 September 2019 and 2018, the Company and its subsidiaries had employee benefit expenses of their directors and management as detailed below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	37	37	34	34
Post-employment benefits	1	1	1	1
Total	38	38	35	35

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	111	115	101	104
Post-employment benefits	3	3	3	3
Share-based payment transactions	-	8	-	7
Total	114	126	104	114

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 11 to the interim financial statements.



## 5. Inventories

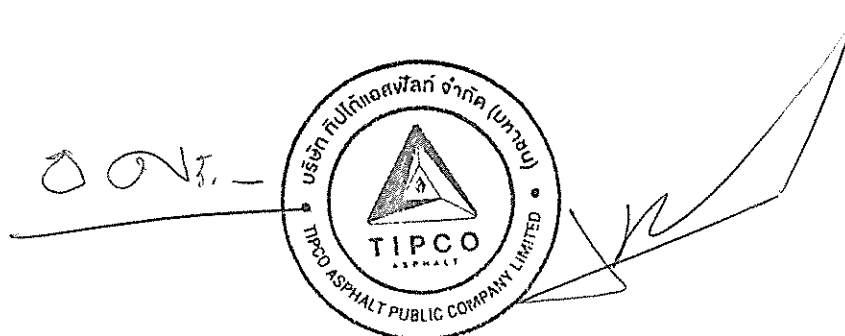
Movements in the reduction of cost to net realisable value of inventory account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 1 January 2019</b>	977,910	934,348
Reversal of reduction of cost to net realisable value of inventory account during the period	(790,701)	(918,575)
Written-off of inventories damaged by a fire	(169,902)	-
Exchange differences on translation of financial statements	(709)	-
<b>Balance as at 30 September 2019</b>	16,598	15,773

## 6. Investments in subsidiaries

In March 2018, Tipco Asphalt Lao Company Limited ("TAL") called for a payment for shares at 70 percent of the registered share capital from shareholders or amounting to LAK 18,673 million. The Company needed to pay for such shares at 75 percent or amounting to LAK 14,004 million (approximately Baht 55 million). During 2018, the Company already paid for such share capital amounting to LAK 6,133 million (approximately Baht 24 million).

In April 2019, TAL called for a payment for shares at 30 percent of the registered share capital from shareholders or amounting to LAK 8,003 million. The Company needed to pay for such shares at 75 percent or amounting to LAK 6,002 million (approximately Baht 24 million). In May 2019, the Company paid for such share capital and unpaid share capital under the first call total amounting to LAK 13,873 million (approximately Baht 55 million).



(Unaudited but reviewed)

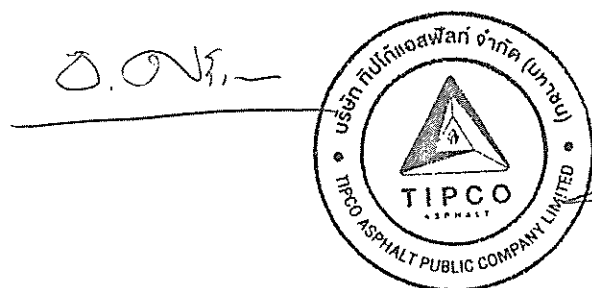
## 7. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	8,127,640	900,029
Acquisitions during the period - at cost	644,633	146,781
Disposals/written-off during the period - net book value		
at disposal/written-off date	(60,786)	(2,134)
Depreciation for the period	(492,982)	(93,865)
Allowance for impairment loss on equipment	(2,388)	-
Exchange differences on translation of		
financial statements	(370,720)	-
Net book value as at 30 September 2019	7,845,397	950,811

## 8. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
		(Audited)		(Audited)
Trade payables	6,238,436	3,228,501	6,078,212	2,998,782
Trade payables - related parties (Note 4)	985	352	1,162,508	917,035
Other payables - related parties (Note 4)	64,540	78,948	116,468	276,981
Accounts payable from price hedging				
contracts	34,032	53,518	34,032	53,518
Accrued expenses	699,145	654,078	288,065	298,345
Total trade and other payables	7,037,138	4,015,397	7,679,285	4,544,661





## 9. Long-term loans from financial institutions

Movements in the long-term loan account during the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2019	211,521
Repayments	(122,348)
Unrealised gain on exchange	(6,104)
Balance as at 30 September 2019	83,069
Less: Current portion	(35,689)
Long-term loans - net of current portion	47,380

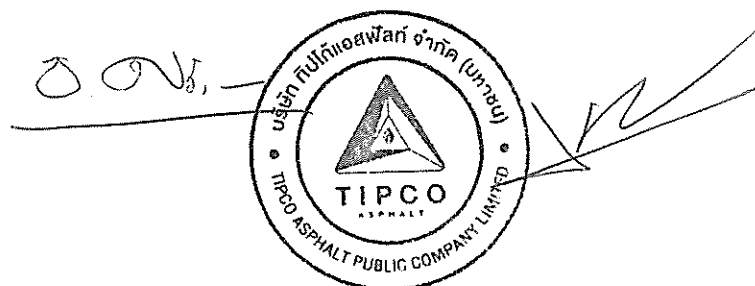
### Loan covenants

The loan agreements of the subsidiaries contain certain restrictive covenants pertaining to, among others things, the maintenance of financial ratios, the corporate guarantees from the Company and its subsidiaries, the loan to related parties, restriction on dividend payment, the maintenance of shareholders and the limitation on creation of additional long-term debt.

## 10. Provision for long-term employee benefits

Movements in provision for long-term employee benefits account for the nine-month period ended 30 September 2019 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	149,496	107,684
Current service cost and interest cost	21,183	8,481
Past service cost	16,638	13,028
Exchange differences on translation of financial statements	(1,981)	-
Balance as at 30 September 2019	185,336	129,193



On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities. The Company and its subsidiaries recorded the effect of such change by recognising past service costs as expenses in the statement of comprehensive income for the nine-month period ended 30 September 2019.

## 11. Credit facilities

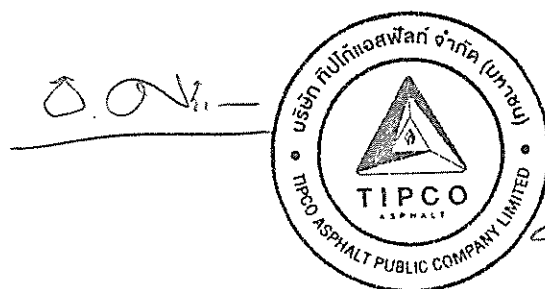
The credit facilities of the Company and its subsidiaries granted by financial institutions are secured by the following collaterals:

- a) The guarantees of the Company, its subsidiaries and a shareholder of a subsidiary;
- b) The pledges/mortgages of the assets of subsidiaries which the net book values as at 30 September 2019 and 31 December 2018 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	
	30 September 2019	31 December 2018
		(Audited)
Leasehold rights - net	127	137
Property, plant and equipment - net	2,700	3,166

- c) The prohibition from creating lien over assets of the Company and its subsidiaries;
- d) Financial support letters provided by the Company and its subsidiaries to banks;
- e) The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawdown by the subsidiaries.



**12. Income tax**

Income tax for the three-month and nine-month periods ended 30 September 2019 and 2018 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Current income tax charge	(133,692)	(73,610)	(103,365)	(39,319)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	2,905	15,432	(844)	(3,106)
<b>Income tax reported in the statement of comprehensive income</b>	<u>(130,787)</u>	<u>(58,178)</u>	<u>(104,209)</u>	<u>(42,425)</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Current income tax charge	(298,817)	(161,988)	(202,197)	(95,489)
Adjustment in respect of income tax of previous year	(850)	-	898	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(20,445)	5,511	(43,947)	(11,956)
<b>Income tax reported in the statement of comprehensive income</b>	<u>(320,112)</u>	<u>(156,477)</u>	<u>(245,246)</u>	<u>(107,445)</u>



(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2019 and 2018 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September	
	Consolidated / Separate financial statements	
	<u>2019</u>	<u>2018</u>
Deferred tax relating to change in fair value of hedging instruments of cash flow hedges	<u>(907)</u>	<u>6,076</u>

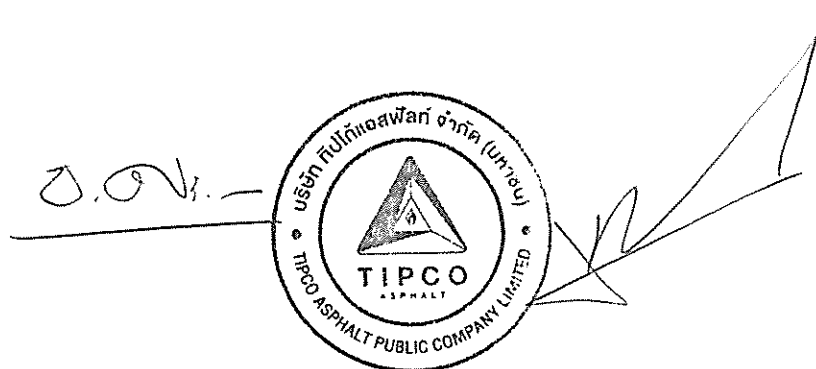
(Unit: Thousand Baht)

	For the nine-month periods ended 30 September	
	Consolidated / Separate financial statements	
	<u>2019</u>	<u>2018</u>
Deferred tax relating to change in fair value of hedging instruments of cash flow hedges	<u>16,907</u>	<u>7,467</u>

### 13. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period.



(Unaudited but reviewed)

The following tables set forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the three-month periods ended 30 September						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity						
holders of the Company	712,081	6,268	1,576,388	1,569,864	0.452	0.004
<b>Effect of potential ordinary shares</b>						
ESOP-W4	-	-	-	947		
ESOP-W5	-	-	1,120	2,995		
	-	-	1,120	3,942		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders						
assuming the conversion						
of warrants to ordinary shares	<u>712,081</u>	<u>6,268</u>	<u>1,577,508</u>	<u>1,573,806</u>	0.451	0.004

Separate financial statements						
For the three-month periods ended 30 September						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity						
holders of the Company	653,187	399,619	1,576,388	1,569,864	0.414	0.255
<b>Effect of potential ordinary shares</b>						
ESOP-W4	-	-	-	947		
ESOP-W5	-	-	1,120	2,995		
	-	-	1,120	3,942		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders						
assuming the conversion						
of warrants to ordinary shares	<u>653,187</u>	<u>399,619</u>	<u>1,577,508</u>	<u>1,573,806</u>	0.414	0.254

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(Unaudited but reviewed)

## Consolidated financial statements

For the nine-month periods ended 30 September

	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	2,482,645	431,534	1,575,360	1,566,320	1.576	0.276
<b>Effect of potential ordinary shares</b>						
ESOP-W3	-	-	-	152		
ESOP-W4	-	-	-	1,461		
ESOP-W5	-	-	1,628	5,252		
	-	-	1,628	6,865		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>2,482,645</u>	<u>431,534</u>	<u>1,576,988</u>	<u>1,573,185</u>	1.574	0.274

## Separate financial statements

For the nine-month periods ended 30 September

	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	1,958,603	1,045,680	1,575,360	1,566,320	1.243	0.668
<b>Effect of potential ordinary shares</b>						
ESOP-W3	-	-	-	152		
ESOP-W4	-	-	-	1,461		
ESOP-W5	-	-	1,628	5,252		
	-	-	1,628	6,865		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>1,958,603</u>	<u>1,045,680</u>	<u>1,576,988</u>	<u>1,573,185</u>	1.242	0.665



#### 14. Share capital

Below is the summary of the share registration from exercise of ESOP-W4 and ESOP-W5 warrants during the current period.

	First quarter	Second quarter	Third quarter	Total
Number of warrants exercised (units)	882,500	754,000	800,000	2,436,500
Number of ordinary shares issued (shares)	995,000	754,000	800,000	2,549,000
Amount of cash received (Baht)	8,073,525	6,461,780	6,856,000	21,391,305
Share registration date	10 January 2019	11 April 2019	4 July 2019	
Paid-up capital after share registration	Baht 1,574,816,570	Baht 1,575,570,570	Baht 1,576,370,570	
	(1,574,816,570	(1,575,570,570	(1,576,370,570	
	ordinary shares of	ordinary shares of	ordinary shares of	
	Baht 1 each)	Baht 1 each)	Baht 1 each)	

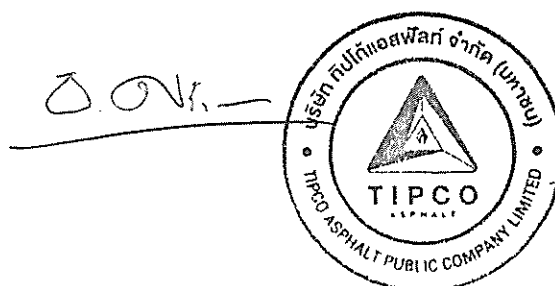
As at 30 September 2019, the Company received advance subscription from the exercise of ESOP-W5 warrants as follows:

	ESOP-W5
Number of warrants exercised (units)	392,500
Number of ordinary shares issued (shares)	392,500
Amount of cash received (Baht)	3,363,725

The Company registered the paid-up capital increase from exercise of such warrants with the Ministry of Commerce on 7 October 2019. The paid-up capital after share registration is Baht 1,576,763,070 (1,576,763,070 ordinary shares of Baht 1 each).



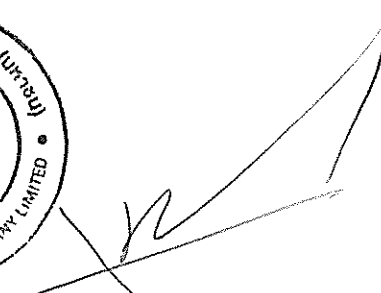
As at 30 September 2019 and 31 December 2018, the remaining unexercised of warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Company and its subsidiaries are summarised below.

	30 September 2019	31 December 2018
		(Audited)
ESOP-W4	-	46,100 units
ESOP-W5	1,598,500 units	3,545,000 units



## 15. Dividend

Dividends	Approved by	Total dividend (Million Baht)	Dividend per share (Baht per share)
Final dividend for 2017	Annual General Meeting of the shareholders on 5 April 2018	1,407.8	0.90
Total for the nine-month period ended 30 September 2018		1,407.8	0.90
Final dividend for 2018	Annual General Meeting of the shareholders on 5 April 2019	472.4	0.30
Interim dividends for 2019	Board of Directors' Meeting on 13 August 2019	630.5	0.40
Total for the nine-month period ended 30 September 2019		1,102.9	0.70

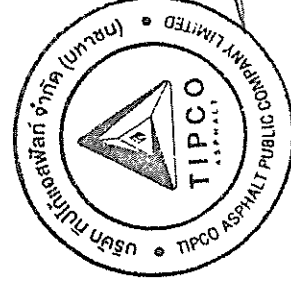


**16. Segment information**

The Company and its subsidiaries are engaged in single operating segment which is manufacturing and trading of asphalt and petroleum oil products. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products. The Board of Directors of the group is the chief operating decision makers of the Company and its subsidiaries. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment. Therefore, financial information by segment for the three-month and nine-month periods ended 30 September 2019 and 2018 have been presented only by geographical area, as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September					
	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions	
	2019	2018	2019	2018	2019	2018
Revenues from external customers	7,524	4,948	1,925	2,084	-	-
Inter-segment revenues	1,607	1,544	437	27	(2,044)	(1,571)
Total revenues	9,131	6,492	2,362	2,111	(2,044)	(1,571)
Segment operating profit (loss) attributable to equity holders of the company	626	345	102	(258)	(16)	(80)
					712	7



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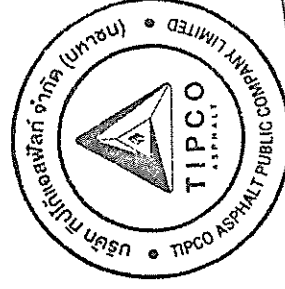
(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues from external customers	21,910	13,045	5,415	5,016	-	-	27,325	18,061
Inter-segment revenues	4,462	4,066	1,296	144	(5,758)	(4,210)	-	-
Total revenues	26,372	17,111	6,711	5,160	(5,758)	(4,210)	27,325	18,061
Segment operating profit (loss) attributable to equity holders of the company	2,065	722	406	(198)	12	(92)	2,483	432

Transfer prices between the segments are as set out in Note 4 to the interim financial statements.



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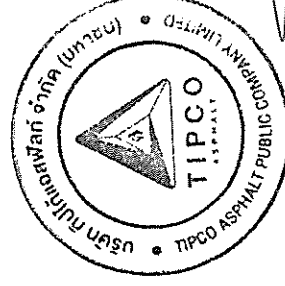
(Unaudited but reviewed)

## 17. Commitments and contingent liabilities

### 17.1 Capital commitments

The Company and its subsidiaries had outstanding capital commitments relating to the purchase of machinery, equipment and construction of building as follows:

Foreign currency	Consolidated financial statements		Separate financial statements		(Unit: Million)
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	
Baht	91	115	83	109	(Audited)
Malaysia Ringgit	64	63	-	-	
Vietnam Dong	16,242	26,742	-	-	



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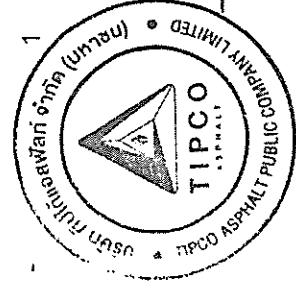
## 17.2 Operating lease commitments

The Company and its subsidiaries have entered into several agreements in respect of the lease of buildings, warehouses, motor vehicles, and other service agreements.

Future minimum rental and service fees payable under these agreements are as follows:

		As at 30 September 2019					(Unit: Million)	
Payable within:		Consolidated financial statements					Separate financial statements	
		Baht	US Dollar	Vietnam Dong	Indonesia Rupiah	Malaysia Ringgit	Renminbi	Baht
1 year		88	-	3,620	805	1	-	78
2 to 5 years		76	-	8,278	2,667	-	1	65
Over 5 years		-	1	28,063	2,944	-	1	-

		As at 31 December 2018 (Audited)					(Unit: Million)	
Payable within:		Consolidated financial statements					Separate financial statements	
		Baht	US Dollar	Vietnam Dong	Indonesia Rupiah	Malaysia Ringgit	Renminbi	Baht
1 year		68	1	4,510	1,486	2	-	59
2 to 5 years		32	1	7,873	2,722	-	1	28
Over 5 years		-	1	29,649	3,444	-	1	-



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### 17.3 Long-term service commitments

The Company has entered into a service agreement with Colas S.A. under which it receives management and marketing services and advice on methods and systems of management and technical assistance in the manufacture of Asphalt Emulsion and Modified Asphalt. Under this agreement, the Company agrees to pay an annual lump sum administrative fee of Euro 145,000 plus a technical assistance fee equivalent to 0.75 percent of the consolidated revenues of the Company and its subsidiaries generated from the stipulated products. The fees for the nine-month periods ended 30 September 2019 and 2018 amounted to approximately Baht 33 million and Baht 24 million, respectively.

### 17.4 Crude oil purchase commitments

During the year 2014, the Company entered into an agreement with a company in Venezuela to purchase crude oil amounting to 44 million barrels. The term of the agreement is 4 years and ends in December 2017. However, on 25 May 2016, the Company has amended such agreement to increase the crude oil quantity by another 33 million barrels, to totaling 77 million barrels, and extend the term of agreement to another 3 years ending in December 2020.

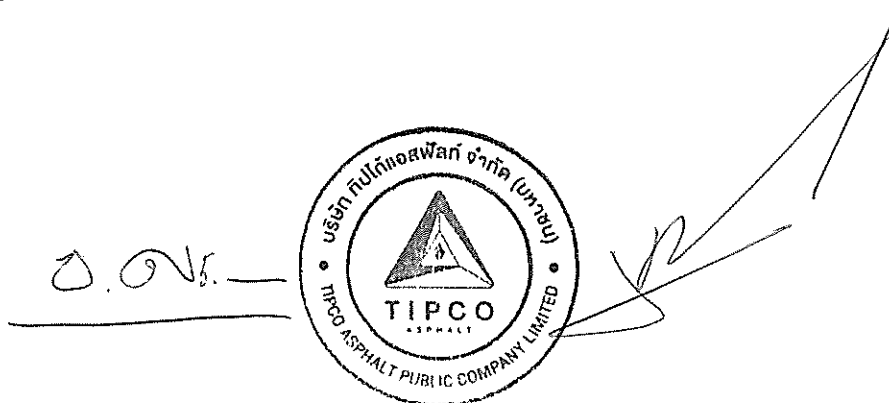
As at 30 September 2019, the Company had outstanding commitment in respect of receiving crude oil under such purchase agreement of approximately 21 million barrels.

### 17.5 Bank guarantees

The outstanding bank guarantees issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business are summarised below.

(Unit: Million)

Foreign currency	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Audited)		(Audited)
Baht	3	3	2	2
Malaysia Ringgit	8	9	-	-



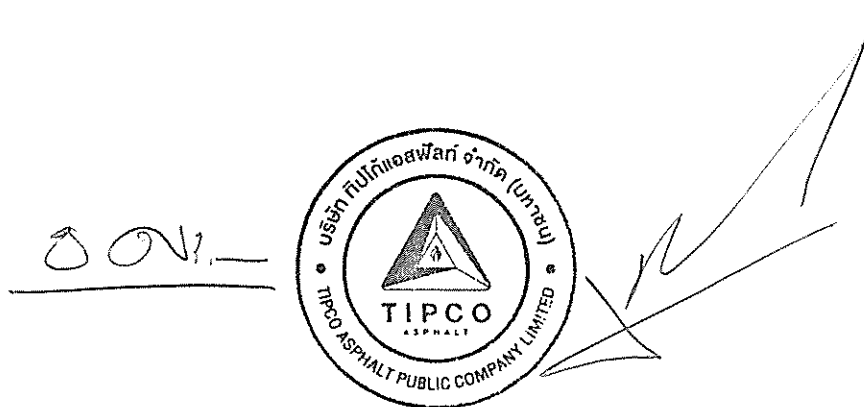
**18. Foreign currency risk**

The balances of financial assets and liabilities of the Company and its subsidiaries denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2019	2018	2019	2018	2019	2018
	(Million)	(Million) (Audited)	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	(Audited)
US Dollar	81	37	151	148	30.6	32.4
Euro	-	-	-	2	33.4	37.1
Yen	-	-	3	1	0.3	0.3
Myanmar Kyat	-	-	-	2	0.0200	0.0209

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 September	31 December	30 September	31 December	30 September	31 December
	2019	2018	2019	2018	2019	2018
	(Million)	(Million) (Audited)	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	(Audited)
US Dollar	151	112	169	164	30.6	32.4
Euro	-	-	-	2	33.4	37.1
Renminbi	50	52	-	-	4.3	4.7
Malaysia Ringgit	-	-	4	3	7.3	7.8
Indonesia Rupiah	-	-	9	76	0.0022	0.0022
Myanmar Kyat	-	-	-	2	0.0200	0.0209



(Unaudited but reviewed)

The Company and its subsidiaries had the following outstanding foreign exchange contracts of which maturity dates are within one year.

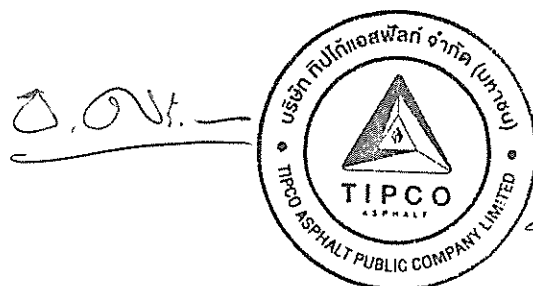
As at 30 September 2019

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold amount (Million)	Bought amount (Million)	Sold amount (Million)	Bought amount (Million)	Sold (Per 1 foreign currency unit)	Bought
US Dollar	93	12	93	11	30.4 - 31.2 Baht	30.5 - 30.9 Baht
US Dollar	-	3	-	-	-	23,245 - 23,270 Vietnam Dong
US Dollar	-	13	-	-	-	14,061 - 14,448 Indonesia Rupiah

As at 31 December 2018 (Audited)

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold amount (Million)	Bought amount (Million)	Sold amount (Million)	Bought amount (Million)	Sold (Per 1 foreign currency unit)	Bought
US Dollar	6	8	6	7	32.4 - 32.7 Baht	32.6 - 33.0 Baht
US Dollar	-	5	-	-	-	23,245 - 23,348 Vietnam Dong
US Dollar	-	11	-	-	-	14,458 - 15,391 Indonesia Rupiah
Euro	-	12	-	12	-	1.1 US Dollar

In addition, the Company and its subsidiaries exposed to foreign exchange risk on their investments in overseas subsidiaries, joint ventures and associates, loans to overseas subsidiaries and loans from financial institution. These investments and loans are currently not hedged by derivative financial instruments.



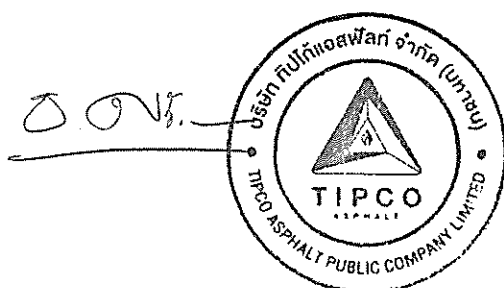
**19. Raw materials and finished goods price risk**

As at 30 September 2019 and 31 December 2018, the Company had outstanding price hedging contracts which are presented in the statements of financial position at fair value and were summarised below.

		(Unit: Million Baht)	
		Consolidated/Separate financial statements	
Contract type	Type of product	30 September 2019	31 December 2018
			(Audited)
<u>Contracts presented as assets</u>			
Sold forward contract	Crude oil	136	27
Sold forward contract	Petroleum product	95	634
Bought forward contract	Petroleum product	14	-
Total price hedging contracts presented as assets		245	661
<u>Contracts presented as liabilities</u>			
Sold forward contract	Crude oil	4	9
Sold forward contract	Petroleum product	71	22
Bought forward contract	Crude oil	59	-
Bought forward contract	Petroleum product	63	-
Four-way collar options	Crude oil	-	122
Total price hedging contracts presented as liabilities		197	153

Regarding hedge accounting for cash flow hedges of forecasted sales, the Company recognised gain and loss arising from changes in fair value of the forward contract other comprehensive income as follows:

		(Unit: Million Baht)			
		Consolidated/Separate financial statements			
		For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
		2019	2018	2019	2018
Gain (loss) arising from changes in fair value of forward contract in other comprehensive income		5	(148)	(421)	(177)





**20. Damages and expenses from a fire - net of insurance claim**

A fire broke out on 5 July 2018 at a subsidiary's crude oil tanks in Malaysia, resulting in the carrying value of damaged assets totaling USD 8.8 million, or equivalent to Baht 289.9 million, and related expenses totaling USD 2.1 million, or equivalent to Baht 68.2 million, was recorded in the statement of comprehensive income for the year ended 31 December 2018.

During the nine-month period ended 30 September 2019, the subsidiary had incurred additional operating expense for crude storage, logistic handling and other related expenses amounted to USD 7.6 million or Baht 238 million. Some of these expenses will be recurring until the damaged crude tanks are back in service.

In May 2019, the subsidiary received a partial payment pursuant to its insurance claim to MYR 60 million or approximately Baht 450 million which was presented under the caption "Damages and expenses from a fire - net of insurance claim" in the statement of comprehensive income for the nine-month period ended 30 September 2019.

In October 2019, the subsidiary received the second partial payment pursuant to its insurance claim to MYR 20 million or approximately Baht 146 million. The subsidiary recorded such transaction in profit or loss in the fourth quarter of 2019.

The management of the Company and its subsidiary believed that there would be no substantial loss resulting from the incident because of insurance coverage for the assets and business interruption. Currently, the management of the Company and its subsidiary is in the process of negotiating insurance claim to the insurance company.

**21. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's authorised directors on 6 November 2019.

