

Tipco Asphalt Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2017

Independent Auditor's Report

To the Shareholders of Tipco Asphalt Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Tipco Asphalt Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Tipco Asphalt Public Company Limited (the Company) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tipco Asphalt Public Company Limited and its subsidiaries and of Tipco Asphalt Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

The revenue from sales is significant in amount in the financial statements and directly affects the Company financial performance. I therefore focus on revenue recognition to ensure that revenue is recognised in the correct period.

I assessed the appropriateness and tested the effectiveness of the internal controls of the Company with respect to the revenue cycle by examining supporting documents, on a sampling basis, for actual sales transactions occurring during the year and expanding the scope of audit near the end of the reporting period. I also audited credit notes that the Company issued after the period-end. In addition, I performed analytical procedures on disaggregated data to detect possible irregularities in sale transactions throughout the period, particularly for accounting entries made through journal vouchers.

Valuation of financial instruments

The Group has entered into the financial instruments to protect the exposure from the fluctuation in price of raw materials and finished goods, exchange rate of foreign currency and interest rate of loans, with many counterparties, and presented the fair value of such financial instruments in statement of financial position. Management therefore relied on a valuation technique and model suggested by counterparties, in which the assumptions used in the model were based on comparable and observable market inputs. The difference in assumption used in calculation affected the fair value of such financial instruments presented in statement of financial position.

I gained an understanding of the transaction and recording process of fair value of financial instruments. I recalculated the fair value of such financial instruments. I sent the confirmation to counterparties to determine the completeness of transaction and verified supporting documents, on a sampling basis, for actual transactions occurring during the year and after the period-end. In addition, I tested the appropriateness of fair value used by comparing to available market inputs. Moreover, I examined the information disclosed in notes to the financial statements for appropriateness and completeness.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No. 3930

EY Office Limited

Bangkok: 13 February 2018

Tipco Asphalt Public Company Limited and its subsidiaries

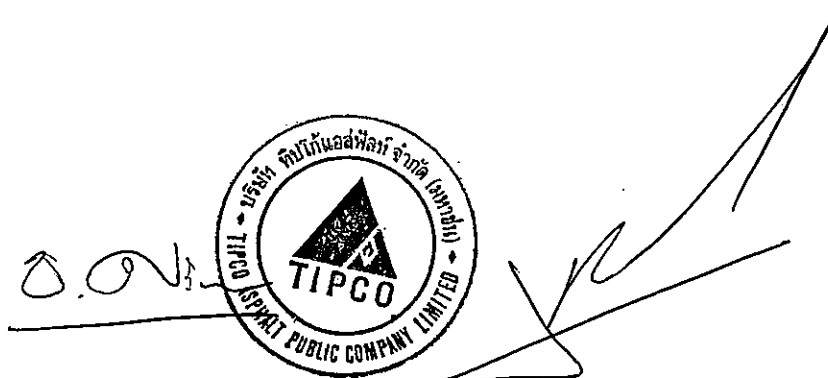
Statement of financial position

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents		1,025,410,421	1,333,229,093	153,903,305	234,077,594
Trade and other receivables	6, 7	3,667,896,644	3,491,349,459	3,138,407,368	2,653,403,952
Short-term loans to related parties	7	-	-	32,514,600	-
Inventories	8	3,892,145,391	3,769,635,960	3,072,990,826	3,106,106,733
Price hedging contracts	33, 34	344,889,174	514,320,894	344,889,174	514,320,894
Other current assets		323,625,336	252,395,469	61,727,713	30,897,467
Total current assets		9,253,966,966	9,360,930,875	6,804,432,986	6,538,806,640
Non-current assets					
Investments in subsidiaries	9	-	-	7,631,132,471	7,335,599,937
Investments in joint ventures	10	42,047,725	30,951,742	-	-
Investments in associates	11	526,641,530	435,085,897	243,447,034	243,447,034
Long-term loans to related parties	7	-	-	1,290,158,909	636,652,215
Investment properties	12	256,932,559	199,432,559	94,342,234	99,837,943
Property, plant and equipment	13	8,558,655,479	8,690,381,515	865,067,859	885,156,564
Goodwill		146,293,504	146,293,504	-	-
Other intangible assets	14	260,995,385	228,849,463	103,481,916	53,722,488
Leasehold rights	15	331,790,689	375,084,549	2,962,729	3,190,631
Deferred tax assets - net	26	88,749,652	25,116,082	92,628,726	56,428,448
Interest rate swap contracts	19, 33	154,149	389,373	-	-
Other non-current assets		46,470,312	10,100,618	2,208,307	4,232,430
Total non-current assets		10,258,730,984	10,141,685,302	10,325,430,185	9,318,267,690
Total assets		19,512,697,950	19,502,616,177	17,129,863,171	15,857,074,330

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



Tipco Asphalt Public Company Limited and its subsidiaries

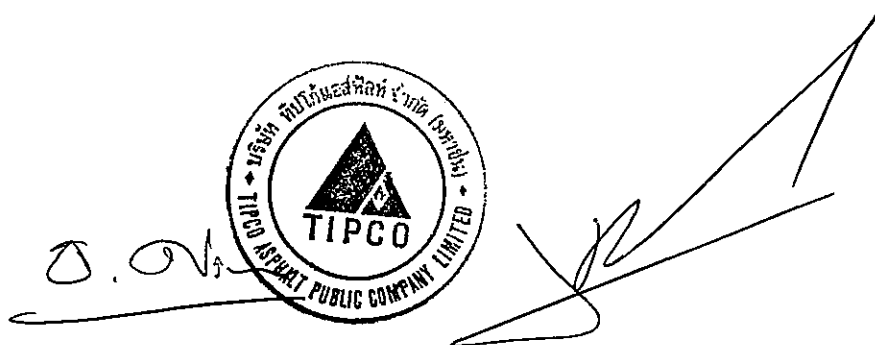
Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	2,026,716,961	1,468,287,723	1,677,195,906	1,269,830,852
Trade and other payables	7, 17	2,982,455,370	4,053,188,900	3,477,470,270	4,118,004,563
Short-term loans from related party	7	-	-	256,000,000	-
Current portion of long-term loans from financial institutions	18	324,862,596	377,855,875	-	-
Income tax payable		48,817,391	224,788,486	10,238,461	150,578,848
Price hedging contracts	33, 34	774,516,833	50,331,376	774,516,833	50,331,376
Other current liabilities		67,750,532	137,203,504	25,976,584	44,683,043
Total current liabilities		6,225,119,683	6,311,655,864	6,221,398,054	5,633,428,682
Non-current liabilities					
Long-term loans from financial institutions -					
net of current portion	18	212,322,840	777,903,321	-	-
Long-term loan from related party	7	7,371,315	7,570,206	-	-
Interest rate swap contracts	19, 33	889,671	9,537,502	889,671	9,537,502
Provision for long-term employee benefits	21	137,624,257	130,486,627	87,540,137	87,497,314
Other non-current liabilities		130,636	391,387	-	-
Total non-current liabilities		358,338,719	925,889,043	88,429,808	97,034,816
Total liabilities		6,583,458,402	7,237,544,907	6,309,827,862	5,730,463,498

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



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Shareholders' equity					
Share capital	22				
Registered					
1,579,343,570 ordinary shares of Baht 1 each		1,579,343,570	1,579,343,570	1,579,343,570	1,579,343,570
Issued and fully paid					
1,562,464,570 ordinary shares (2016: 1,552,998,070 ordinary shares) of Baht 1 each		1,562,464,570	1,552,998,070	1,562,464,570	1,552,998,070
Premium on share capital		1,046,878,673	1,008,953,799	1,046,878,673	1,008,953,799
Share subscription	22	8,638,781	4,825,807	8,638,781	4,825,807
Non-controlling interests of subsidiary acquired by the Company at price lower than book value		6,237,755	6,237,755	-	-
Change in the Company's interest in subsidiaries which did not result in a loss of control		(570,310,802)	(570,310,802)	-	-
Capital reserve for share-based payment transactions	23	155,756,068	119,382,361	155,756,068	119,382,361
Retained earnings					
Appropriated - statutory reserve	24	172,123,329	172,123,329	172,123,329	172,123,329
Unappropriated		11,008,947,953	9,873,733,941	7,874,173,888	7,268,327,466
Other components of shareholders' equity		(589,750,271)	(13,503,665)	-	-
Equity attributable to owners of the Company		12,800,986,056	12,154,440,595	10,820,035,309	10,126,610,832
Non-controlling interests of the subsidiaries		128,253,492	110,630,675	-	-
Total shareholders' equity		12,929,239,548	12,265,071,270	10,820,035,309	10,126,610,832
Total liabilities and shareholders' equity		19,512,697,950	19,502,616,177	17,129,863,171	15,857,074,330

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



Directors



Tipco Asphalt Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Revenues					
Sales and service income		28,260,329,614	24,037,769,819	23,862,492,964	19,111,116,711
Other income					
Dividend income from subsidiaries and associate	9, 11	-	-	393,447,765	969,938,019
Gain on exchange		244,459,050	65,673,695	242,359,242	72,667,090
Others		337,670,331	191,308,738	383,872,365	223,132,443
Total revenues		28,842,458,995	24,294,752,252	24,882,172,336	20,376,854,263
Expenses					
Cost of sales and services		24,108,781,591	19,948,811,574	21,305,674,104	17,287,611,209
(Gain) loss from price hedging contracts	33, 34	740,492,785	(403,342,481)	775,228,013	(393,841,528)
Reversal of reduction of cost of inventory to net realisable value	8	(67,452,010)	(197,244,020)	(174,714,169)	(188,040,059)
		24,781,822,366	19,348,225,073	21,906,187,948	16,705,729,622
Selling expenses		158,547,029	259,426,515	89,461,001	107,401,408
Administrative expenses		1,177,877,983	1,045,427,861	642,005,340	566,909,879
Other expenses					
Reversal of allowance for doubtful accounts		(112,063,488)	(153,033,460)	(71,363,550)	(45,883,762)
Impairment loss of investment in subsidiary	9	-	-	-	8,300,000
Reversal of allowance for impairment loss on investment properties	12	(57,500,000)	-	(9,000,000)	-
Total expenses		25,948,683,890	20,500,045,989	22,557,290,739	17,342,457,147
Profit before share of profit from investments in joint ventures and associates, finance cost and income tax		2,893,775,105	3,794,706,263	2,324,881,597	3,034,397,116
Share of profit from investments in joint ventures and associates	10, 11	139,780,225	97,720,104	-	-
Profit before finance cost and income tax		3,033,555,330	3,892,426,367	2,324,881,597	3,034,397,116
Finance cost		(105,967,714)	(110,043,611)	(47,458,823)	(32,527,390)
Profit before income tax		2,927,587,616	3,782,382,756	2,277,422,774	3,001,869,726
Income tax	26	(370,632,231)	(655,138,744)	(277,100,689)	(432,568,030)
Profit for the year		2,556,955,385	3,127,244,012	2,006,322,085	2,569,301,696
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(578,467,791)	(48,002,313)	-	-
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>		<i>(578,467,791)</i>	<i>(48,002,313)</i>	<i>-</i>	<i>-</i>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial (gain) loss - net of income tax	21, 26	(1,421,198)	2,944,625	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>		<i>(1,421,198)</i>	<i>2,944,625</i>	<i>-</i>	<i>-</i>
Other comprehensive income for the year		(579,888,989)	(45,057,688)	-	-
Total comprehensive income for the year		1,977,066,396	3,082,186,324	2,006,322,085	2,569,301,696

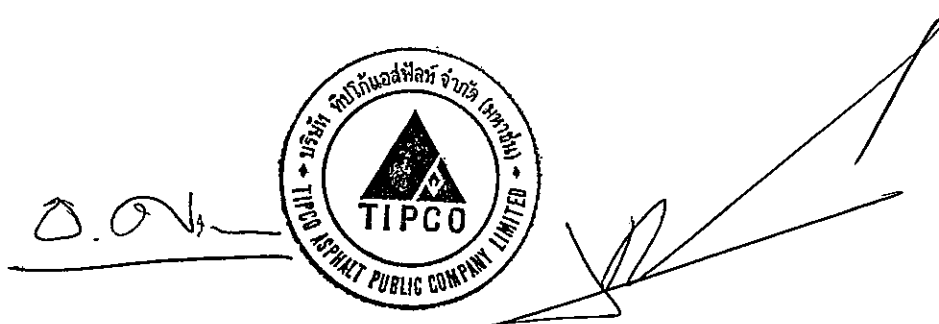
The accompanying notes are an integral part of the financial statements.

Tipco Asphalt Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2017

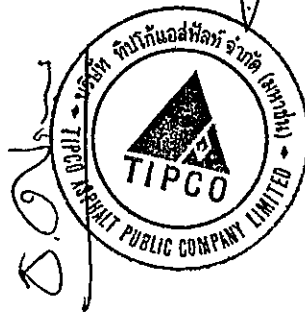
(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit attributable to:					
Equity holders of the Company		2,537,110,873	3,110,133,633	2,006,322,085	2,569,301,696
Non-controlling interests of the subsidiaries		19,844,512	17,110,379		
		<u>2,556,955,385</u>	<u>3,127,244,012</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,959,443,069	3,074,074,056	2,006,322,085	2,569,301,696
Non-controlling interests of the subsidiaries		17,623,327	8,112,268		
		<u>1,977,066,396</u>	<u>3,082,186,324</u>		
Earnings per share	29				
Basic earnings per share					
Profit attributable to equity holders of the Company		1.63	2.01	1.29	1.66
Diluted earnings per share					
Profit attributable to equity holders of the Company		1.61	1.98	1.28	1.64

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



Tipco Asphalt Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2017



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Consolidated financial statements

	Equity attributable to owners of the Company		(Unit: Baht)	
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	Equity attributable to owners of the Company			

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

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

	Separate financial statements						(Unit: Baht)	
	Issued and paid-up share capital	Premium on share capital	Share subscription	Capital reserve for share-based payment transactions	Retained earnings			Total shareholders' equity
					Appropriated statutory reserve	Unappropriated		
Balance as at 1 January 2016	1,543,850,070	969,634,291	554,020	75,456,879	172,123,329	5,782,337,269	8,543,955,858	
Profit for the year	-	-	-	-	-	2,569,301,696	2,569,301,696	
Other comprehensive income for the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	2,569,301,696	2,569,301,696	
Increase in share capital	9,148,000	39,319,508	(554,020)	-	-	-	47,913,488	
Cash receipts from share subscription	-	-	4,825,807	-	-	-	4,825,807	
Share-based payment transactions (Note 23)	-	-	-	43,925,482	-	-	43,925,482	
Dividend paid (Note 31)	-	-	-	-	-	(1,083,311,499)	(1,083,311,499)	
Balance as at 31 December 2016	1,552,998,070	1,008,953,799	4,825,807	119,382,361	172,123,329	7,268,327,466	10,126,610,832	
Balance as at 1 January 2017	1,552,998,070	1,008,953,799	4,825,807	119,382,361	172,123,329	7,268,327,466	10,126,610,832	
Profit for the year	-	-	-	-	-	2,006,322,085	2,006,322,085	
Other comprehensive income for the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	-	2,006,322,085	2,006,322,085	
Increase in share capital (Note 22)	9,466,500	37,924,874	(4,825,807)	-	-	-	42,565,567	
Cash receipts from share subscription (Note 22)	-	-	8,638,781	-	-	-	8,638,781	
Share-based payment transactions (Note 23)	-	-	-	36,373,707	-	-	36,373,707	
Dividend paid (Note 31)	-	-	-	-	-	(1,400,475,663)	(1,400,475,663)	
Balance as at 31 December 2017	1,562,464,570	1,046,878,673	8,638,781	155,756,068	172,123,329	7,874,173,888	10,820,035,309	

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

Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:				
Profit before income tax	2,927,587,616	3,782,382,756	2,277,422,774	3,001,869,726
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,007,091,685	825,693,577	196,644,669	111,476,345
Written off goodwill	-	525,700	-	-
Written off withholding tax	23	3,214	-	-
Reversal of allowance for doubtful accounts	(112,063,488)	(157,147,372)	(71,363,550)	(45,883,762)
Reversal of reduction of cost of inventory to net realisable value	(67,452,010)	(197,244,020)	(174,714,169)	(188,040,059)
Dividend income from subsidiaries and associate	-	-	(393,447,765)	(969,938,019)
Allowance for impairment loss on investment in subsidiary	-	-	-	8,300,000
Unrealised (gain) loss on exchange rate	(3,876,026)	17,288,709	114,710,062	36,606,830
(Gain) loss on sales of land and equipment	(74,308,830)	5,410,161	(26,583,972)	(1,465,028)
Gain on sale of investment properties	-	-	(45,504,435)	-
Reversal of allowance for impairment loss on investment properties	(57,500,000)	-	(9,000,000)	-
Share of profit from investments in joint ventures and associates	(139,780,225)	(97,720,104)	-	-
Share-based payment transactions	36,373,707	43,925,482	29,040,190	35,129,260
Provision for long-term employee benefits	17,564,423	17,090,819	8,960,025	9,868,931
Change in fair value of forward exchange contracts	(524,743)	(696,960)	882,779	526,598
Change in fair value of price hedging contracts	893,617,177	391,158,966	893,617,177	391,946,803
Change in fair value of interest rate swap contracts	(8,412,606)	(9,797,099)	(8,647,831)	(9,485,418)
Interest expenses	95,810,436	107,075,018	50,317,734	36,825,632
Profit from operating activities before changes in operating assets and liabilities	4,514,127,139	4,727,948,847	2,842,333,688	2,417,737,839
(Increase) decrease in operating assets				
Trade and other receivables	(47,180,928)	669,364,898	(438,352,789)	300,219,321
Inventories	(56,104,468)	(886,418,566)	207,830,076	(918,554,694)
Other current assets	(193,763,529)	(117,846,786)	(91,807,376)	(32,938,726)
Other non-current assets	3,458,154	99,459,218	2,018,642	(3,358,766)
Increase (decrease) in operating liabilities				
Trade and other payables	(1,096,671,047)	1,553,831,537	(438,242,234)	2,150,484,792
Other current liabilities	(69,887,805)	(98,896,205)	(19,867,688)	(14,111,696)
Other non-current liabilities	(13,371,419)	-	(8,917,202)	-
Cash flows from operating activities	3,040,636,097	5,947,441,944	2,054,995,117	3,899,478,070
Cash paid for interest expenses	(72,130,854)	(136,253,656)	(58,021,356)	(46,049,438)
Cash paid for corporate income tax	(613,599,181)	(975,928,771)	(447,641,353)	(710,315,832)
Net cash flows from operating activities	2,354,906,062	4,835,259,517	1,549,332,408	3,143,112,800

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

Tipco Asphalt Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities:				
Cash paid for investments in subsidiaries	-	-	(288,199,017)	(1,910,497,858)
Cash paid for investments in new subsidiaries - net from cash and cash equivalent received	-	(1,278,659,519)	-	(1,513,222,360)
Cash paid for acquisition of short-term loan in new subsidiaries from related party	-	-	-	(448,158,750)
Cash paid for investment in associate	-	(225,043,454)	-	(225,043,454)
Cash paid for acquisition of long-term loan in subsidiary	-	-	-	(190,763,020)
Dividends received from subsidiaries and associate	38,448,365	4,838,209	188,448,245	644,076,424
(Increase) decrease in short-term loans to related parties	-	-	(37,434,236)	6,452,506
Increase in long-term loans to related parties	-	-	(738,958,425)	(34,620,000)
Acquisition of equipment	(1,238,669,894)	(1,209,975,155)	(106,783,508)	(413,809,728)
Acquisition of computer software	(65,365,638)	(33,681,868)	(63,485,202)	(31,149,681)
Proceeds from sales of investment properties	-	-	60,000,000	-
Proceeds from sales of land and equipment	99,099,377	3,581,148	32,406,777	1,626,855
Net cash flows used in investing activities	(1,166,487,790)	(2,738,940,639)	(954,005,366)	(4,115,109,066)
Cash flows from financing activities:				
Cash paid for acquisition of non-controlling interests of subsidiaries	-	(387,511,747)	-	-
Increase in short-term loans from financial institutions	590,649,159	1,049,938,942	417,685,114	1,246,340,682
Increase (decrease) in short-term loans from related parties	-	(448,158,750)	256,000,000	325,000,000
Cash paid under finance lease agreements	(640,953)	(9,897,651)	(380,380)	(1,995,492)
Repayment of long-term loans	(609,366,639)	(1,312,788,873)	-	-
Cash receipts from capital increase	42,565,567	47,913,488	42,565,567	47,913,488
Cash receipts from share subscription	8,638,781	4,825,807	8,638,781	4,825,807
Dividend paid to shareholders	(1,400,010,413)	(1,083,303,479)	(1,400,010,413)	(1,083,303,479)
Dividend paid to non-controlling interests of subsidiaries	(510)	(7,443,818)	-	-
Net cash flows from (used in) financing activities	(1,368,165,008)	(2,146,425,281)	(675,501,331)	538,781,006
Exchange differences on translation of financial statements in foreign currencies	(128,071,936)	29,814,969	-	-
Net decrease in cash and cash equivalents	(307,818,572)	(20,291,434)	(80,174,289)	(433,215,260)
Cash and cash equivalents at beginning of year	1,333,279,093	1,353,520,527	234,077,594	667,292,854
Cash and cash equivalents at end of year	1,025,460,421	1,333,229,093	153,903,305	234,077,594
Supplemental cash flows information				
Non-cash transactions				
Accounts payable from purchase of equipment	5,361,098	7,926,107	-	-
Settlement of dividend received from subsidiary with account payable, short-term loans from and accrued interest expenses to related parties (Note 9)	-	-	204,999,520	325,861,595
Settlement of cash paid from purchase of investments in subsidiaries with short-term loans to and accrued interest income from subsidiaries and cash received from capital reduction in subsidiary (Note 9)	-	-	-	1,378,801,641

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

Tipco Asphalt Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2017

1. General information

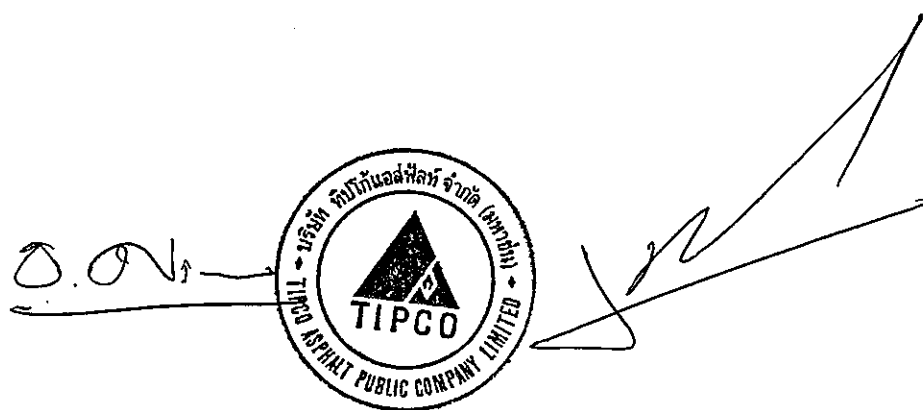
Tipco Asphalt Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The major shareholders of the Company are Supsakorn family and Colas Group, a company incorporated in French Republic. The Company is principally engaged in the manufacture and distribution of asphalt and petroleum products and its registered address is 118/1 Rama 6 Road, Samsen-nai Sub district, Phayathai District, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.



2.2 Basis of consolidation

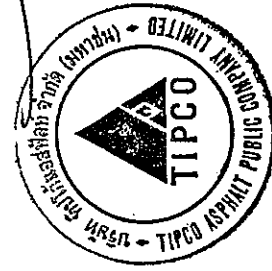
a) The consolidated financial statements include the financial statements of the Company and the following subsidiaries:

Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		<u>2017</u> (Million Baht)	<u>2016</u> (Million Baht)	<u>2017</u> (%)	<u>2016</u> (%)
<u>Subsidiaries incorporated in Thailand</u>					
Raycol Asphalt Co., Ltd.	Manufacture and distribution of asphalt products	111	111	100.00	100.00
Thai Bitumen Co., Ltd.	Manufacture and distribution of asphalt products	375	375	99.99	99.99
Tipco Maritime Co., Ltd.	Shipping management and agency	2	2	99.99	99.99
Alpha Maritime Co., Ltd.	Marine transportation	143	143	99.99	99.99
Bitumen Marine Co., Ltd.	Marine transportation	150	150	99.99	99.99
Delta Shipping Co., Ltd.	Marine transportation	80	80	99.99	99.99
Tasco Shipping Co., Ltd.	Marine transportation	290	290	99.99	99.99

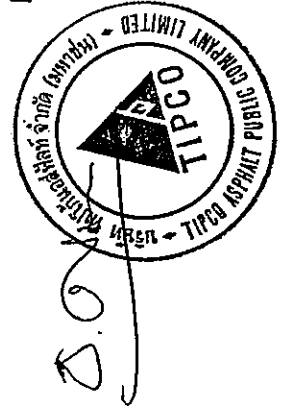


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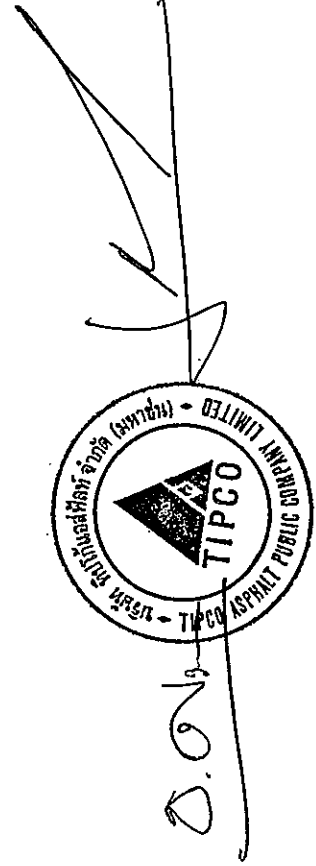
Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		2017	2016	2017	2016
		(Million Baht)	(Million Baht)	(%)	(%)
<u>Subsidiaries incorporated in Malaysia</u>					
Kemaman Oil Corporation Sdn Bhd ("KOC")	Holding company and manufacture and distribution of asphalt and petroleum products	151.96	151.96	100.00	100.00
		Million ringgit	Million ringgit		
Kemaman Bitumen Company Sdn Bhd	Manufacture and distribution of asphalt and petroleum products	305.55	305.55	100.00	100.00
		Million ringgit	Million ringgit		
KBC Trading Sdn Bhd	Distribution of asphalt products	0.30	0.30	30.00	30.00
		Million ringgit	Million ringgit		
(10% owned by the Company and 20% owned by KOC)					
<u>Subsidiaries incorporated in Singapore</u>					
KBC Energy Pte. Ltd. (100% owned by KOC)	Dormant	0.01	0.01	100.00	100.00
		Million USD	Million USD		
Pacific Bitumen Shipping Pte. Ltd.	Marine transportation	0.04	0.01	100.00	100.00
		Million USD	Million USD		
Highway Resources Pte. Ltd. ("HR")	Distribution of asphalt products	4.78	4.78	100.00	100.00
		Million SGD	Million SGD		
AD Shipping Pte. Ltd.	Marine transportation	7.13	7.13	100.00	100.00
		Million SGD	Million SGD		
Reta Link Pte. Ltd.	Marine transportation	0.05	0.05	100.00	100.00
		Million SGD	Million SGD		



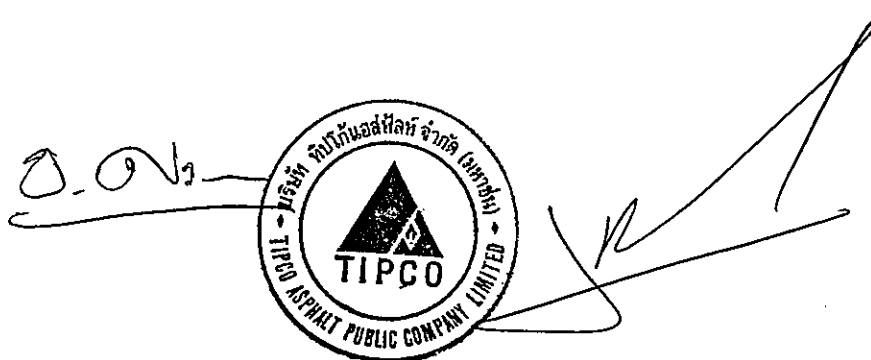
Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		<u>2017</u> (Million Baht) (Except for other specified currency)	<u>2016</u> (Million Baht)	<u>2017</u> (%)	<u>2016</u> (%)
<u>Subsidiary incorporated in Vietnam</u>					
Asphalt Distribution Co., Ltd. (100% owned by HR)	Manufacture and distribution of asphalt products	115,650 Million VND	115,650 Million VND	100.00	100.00
<u>Subsidiaries incorporated in Indonesia</u>					
PT Asphalt Bangun Sarana ("ABS")	Manufacture and distribution of asphalt products	58,450 Million IDR	58,450 Million IDR	99.98	99.98
PT Saranaraya Reka Cipta (100% owned by ABS)	Manufacture and distribution of asphalt products	10,477 Million IDR	10,477 Million IDR	99.98	99.98
<u>Subsidiary incorporated in Cambodia</u>					
Tipco Asphalt (Cambodia) Co., Ltd.	Manufacture and distribution of asphalt products	20.00 Million riel	20.00 Million riel	100.00	100.00
<u>Subsidiary incorporated in Hong Kong</u>					
Tasco International (Hong Kong) Ltd. ("TIHK")	Holding company	97.97	30.97	100.00	100.00



Company's name	Nature of business	Paid-up capital		Shareholding percentage	
		<u>2017</u> (Million Baht) (Except for other specified currency)	<u>2016</u> (Million Baht)	<u>2017</u> (%)	<u>2016</u> (%)
<u>Subsidiaries incorporated in China (owned by TIHK)</u>					
Langfang Tongtai Road Material Co., Ltd.	Manufacture and distribution of asphalt products	2.10 Million USD	2.10 Million USD	51.00	51.00
Zhenjiang Tipco Asphalt Co., Ltd.	Manufacture and distribution of asphalt products	20.00 Million RMB	20.00 Million RMB	51.00	51.00
Tipco Asphalt (Xinhui) Co., Ltd.	Manufacture and distribution of asphalt products	30.00 Million RMB	30.00 Million RMB	100.00	100.00
Guangzhou Tipco Asphalt Trading Co., Ltd.	Distribution of asphalt products	6.00 Million RMB	6.00 Million RMB	100.00	100.00



- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated as from the date on which the Company obtains control and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as those of the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currencies" in the statement of changes in shareholders' equity.
 - f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
 - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
 - h) The financial statements of KBC Trading Sdn Bhd are included in the consolidated financial statements even though the Company's and its subsidiary shareholding in KBC Trading Sdn Bhd is 30 percent. This is because the Company and its subsidiary have control over those companies through their boards of directors, and they are therefore regarded as subsidiaries.
- 2.3 The separate financial statements present investments in subsidiaries, joint ventures and associates under the cost method.



3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

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

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which were effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards did not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

A handwritten signature in black ink is written over a circular stamp. The stamp features a triangle with the letters 'TPCO' inside. The text around the triangle reads 'TPCO PUBLIC COMPANY LIMITED' in English and Thai. The signature is a stylized, cursive script.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Vessel operating income consists of time charters and voyage charters. Income from time charters is recognised when the right to use a vessel is transferred to a lessee for an agreed period of time, while income from voyage charters is recognised by reference to the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

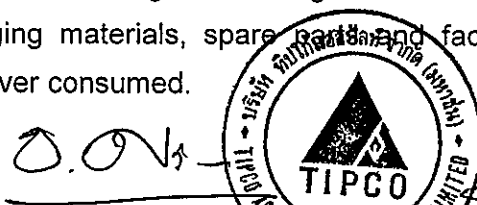
4.3 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (the weighted average cost method) and net realisable value. Cost of finished goods includes all production costs and attributable factory overheads.

Raw materials, packaging materials, spare parts and factory supplies are valued at the lower of cost determined under the weighted average cost method and net realisable value. Raw materials, packaging materials, spare parts and factory supplies are charged to production costs whenever consumed.



4.5 Investments

- a) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method less allowance for loss on impairment.

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the estimated useful lives of 5 and 20 years. Depreciation is included in profit or loss. No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

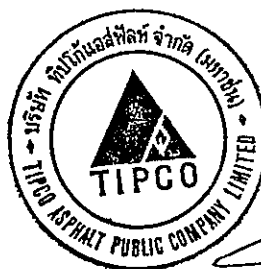
4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and less allowance for loss on impairment of assets (if any).

Building and equipment acquired through business combination are initially recognised at their fair value on the date of business acquisition. Following the initial recognition, the building and equipment are carried at cost less accumulated depreciation and less allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs less residual value on the straight-line basis over the following estimated useful lives:

Land improvement	20 years
Buildings and complements	20 to 47 years
Building improvements	20 to 30 years
Machinery, tools and equipment	5 to 20 years
Furniture and office equipment	3 to 5 years
Vehicles	5 to 10 years
Vessels, tools and equipment	2.5 to 30 years



Depreciation is included in profit or loss.

No depreciation is provided on land, construction in progress and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and less allowance for loss on impairment of assets (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

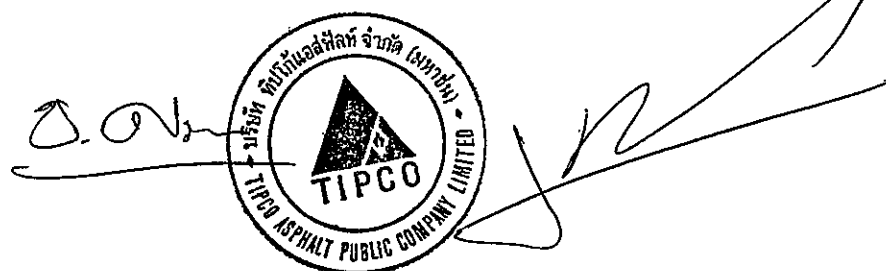
	<u>Useful lives</u>
Computer software	5 years
Customer Relationship	12 years
Non-competition clause	5 years

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less allowance for impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of group of cash-generating unit that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate the recoverable amount of each group of cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss and will not be reversed in future periods.



4.10 Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation and less allowance for impairment loss of leasehold rights (if any). Amortisation is calculated by reference to cost on a straight-line basis over the lease periods.

The amortisation is included in profit or loss.

4.11 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors and officers with authority in the planning and direction of operations of the Company and its subsidiaries.

4.12 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the shorter of the useful life of the assets and the lease period, if the Company and its subsidiaries expect not to purchase such assets at the end of the lease period.

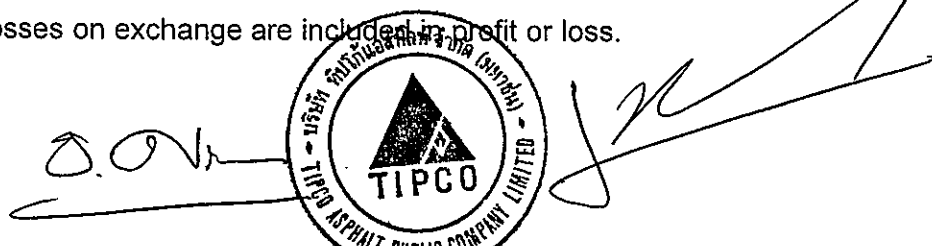
Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements of each entity are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of the reporting period.

Gains and losses on exchange are included in profit or loss.

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4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, such reversal except for that of goodwill, is recognised in profit or loss. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

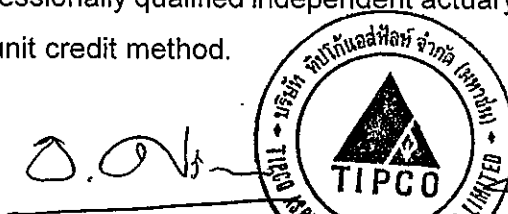
Defined contribution plans

The Company, its subsidiaries, and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and contributions of the Company and its subsidiaries are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company and its local subsidiaries provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.



Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

4.16 Equity-settled share-based payment transactions

The Company and its subsidiaries recognise the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the expected life of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

4.18 Income Tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

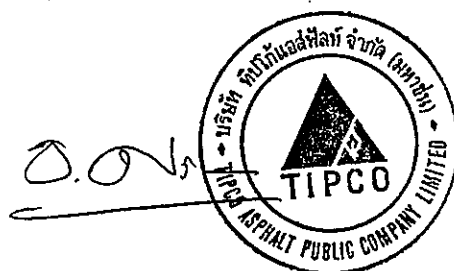
Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.



At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items those are recorded directly to shareholders' equity.

4.19 Derivatives

Forward exchange contracts

Forward exchange contracts are presented in the financial statements at fair value. Unrealised gain or loss from the forward contracts is recorded in profit or loss.

Price hedging contracts

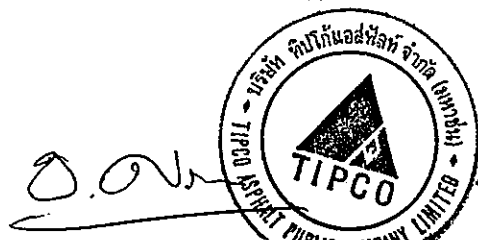
Forward price hedging contracts and option contracts with banks are presented in the financial statements at fair value. Unrealised gain or loss from the price hedging contracts is recorded in profit or loss.

Interest rate swap contracts

Interest rate swap contracts are the contracts under which the counter-parties agreed to exchange the amounts of interest, which are determined based on the pre-determined notional amount and the interest rates over the periods specified in the contracts. The Company and its subsidiaries recognised, on an accrual basis, the net amount of interest to be received or paid for each period under the interest rate swap contracts as income/expense in profit or loss. The interest rate swap contracts are presented in the financial statements at fair value. Unrealised gain or loss on interest rate swap contract of the Company and its subsidiaries is recorded in profit or loss.

4.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

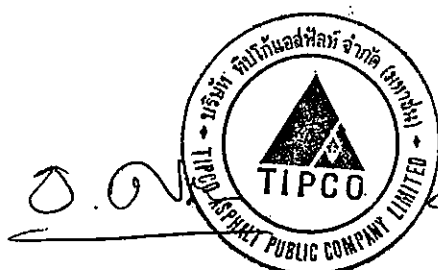
The preparation of financial statements in conformity with financial reporting standards accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.



Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment of the Company and its subsidiaries and to review estimate useful lives and residual values when there are changes.

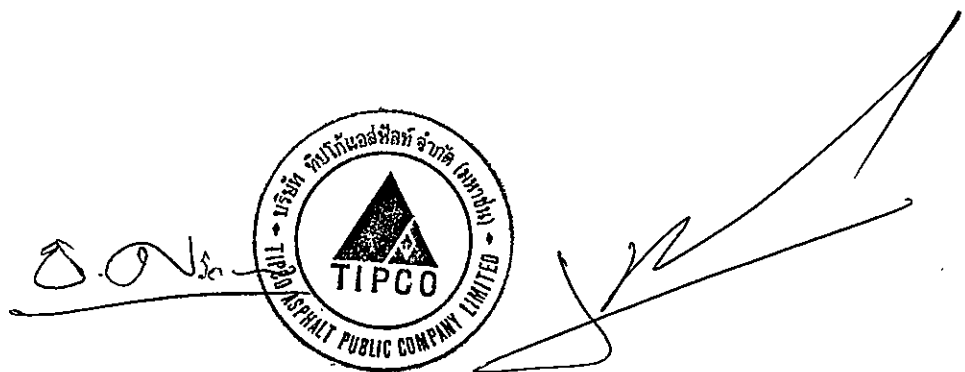
In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.



6. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade receivables - related parties</u> (Note 7)				
Aged on the basis of due dates				
Not yet due	347,626	336,669	1,094,424	478,604
Past due				
Up to 3 months	7,791	4,393	775	4,193
3 - 6 months	-	-	44,300	-
6 - 9 months	-	-	3,558	5,128
9 - 12 months	-	-	54	5,184
Over 12 months	-	10,063	244,360	314,752
Total	355,417	351,125	1,387,471	807,861
Less: Allowance for doubtful accounts	-	-	(245,207)	(314,739)
Total trade receivables - related parties, net	355,417	351,125	1,142,264	493,122
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	2,577,871	2,199,534	1,728,593	1,591,689
Past due				
Up to 3 months	513,027	509,623	46,430	119,968
3 - 6 months	109,450	18,869	6,961	240
6 - 9 months	24,111	9,829	7,450	-
9 - 12 months	15,832	32,091	4	-
Over 12 months	329,728	443,952	63,567	64,989
Total	3,570,019	3,213,898	1,853,005	1,776,886
Less: Allowance for doubtful accounts	(324,274)	(456,244)	(63,158)	(64,989)
Total trade receivables - unrelated parties, net	3,245,745	2,757,654	1,789,847	1,711,897
Total trade receivables - net	3,601,162	3,108,779	2,932,111	2,205,019
<u>Other receivables</u>				
Amounts due from related parties (Note 7)	16,614	10,874	153,380	100,235
Accounts receivable from price				
hedging contracts	44,298	344,974	44,298	344,974
Other receivables	5,823	26,722	8,618	3,176
Total other receivables	66,735	382,570	206,296	448,385
Trade and other receivables - net	3,667,897	3,491,349	3,138,407	2,653,404

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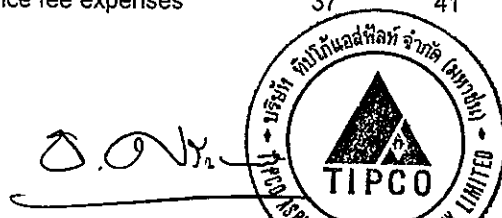


7. Related party transactions

During the year, 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 between the Company and its subsidiaries and those related parties.

(Unit: Million Baht)

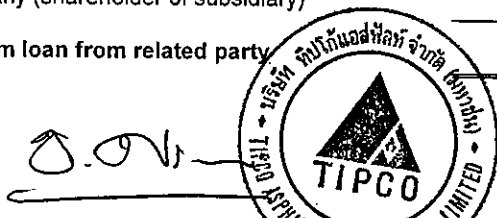
	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	2017	2016	2017	2016	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales and service income	-	-	4,059	2,701	Cost plus certain margin
Rental and service income	-	-	20	95	Contract price
Technical assistance fee income	-	-	65	12	Contract price
Interest income	-	-	21	13	At rate of 1.4 - 2.5 percent and LIBOR plus 1.5 percent per annum
Dividend income	-	-	355	965	
Purchases of goods	-	-	21	73	Cost plus certain margin
Rental and service expenses	-	-	2,236	2,398	Contract price
Interest expense	-	-	-	1	At rate of 1.0 - 4.0 percent per annum
<u>Transactions with joint ventures</u>					
Sales and service income	1,405	1,397	1,305	1,144	Market price / contract price
Rental and service income	-	2	-	-	Contract price
Rental and service expenses	-	7	-	7	Contract price
<u>Transactions with associates</u>					
Sales and service income	342	408	279	302	Market price / contract price
Rental and service income	1	4	1	1	Contract price
Rental and service expenses	1	2	-	2	Contract price
Dividend income	-	-	38	5	
<u>Transactions with related companies</u>					
Sales and service income	1,177	1,196	1,169	1,196	Market price / contract price
Rental and service income	3	2	3	2	Contract price
Rental and service expenses	87	87	80	79	Contract price
Technical assistance fee expenses	37	41	37	41	Contract price



The balances of the accounts between the Company and its subsidiaries and those related companies as at 31 December 2017 and 2016 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<u>Trade and other receivables- related parties</u> (Note 6)				
Subsidiaries	-	-	1,197,418	588,753
Joint venture	115,089	159,017	115,086	157,507
Associates	114,379	123,685	86,253	82,962
Related companies (common shareholders and directors)	142,563	79,297	142,094	78,874
Total trade and other receivables - related parties	372,031	361,999	1,540,851	908,096
Less : Allowance for doubtful accounts	-	-	(245,207)	(314,739)
Total trade and other receivables - related parties, net	372,031	361,999	1,295,644	593,357
<u>Short-term loans to related party</u>				
Subsidiary	-	-	32,515	-
Total short-term loans to related party	-	-	32,515	-
<u>Long-term loans to related parties</u>				
Subsidiaries	-	-	1,290,159	636,652
Total long-term loans to related parties	-	-	1,290,159	636,652
<u>Trade and other payables - related parties</u> (Note 17)				
Subsidiaries	-	-	1,116,243	897,937
Joint venture	-	12	-	12
Associates	270	754	20	201
Related companies (common shareholders and directors)	126,017	89,883	124,626	89,314
Total trade and other payables - related parties	126,287	90,649	1,240,889	987,464
<u>Short - term loans from related parties</u>				
Subsidiaries	-	-	256,000	-
Total short-term loans from related parties	-	-	256,000	-
<u>Long-term loan from related party</u>				
Related company (shareholder of subsidiary)	7,371	7,570	-	-
Total long-term loan from related party	7,371	7,570	-	-



Loans to related parties and loans from related parties

As at 31 December 2017 and 2016, the balances of loans between the Company and those related companies and the movement were as follows:

(Unit: Thousand Baht)

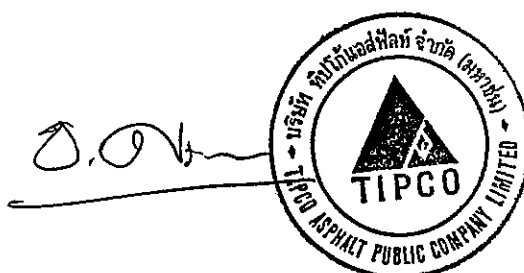
		Consolidated financial statements		
		Exchange differences		
		Balance as at	on translation of	Balance as at
		31 December	financial statements in	31 December
Company's name	Related by	2016	foreign currencies	2017
<u>Long-term loan from related party</u>				
	Shareholder of			
Zhenjiang Highway Materials Company	subsidiary	7,570	(199)	7,371

(Unit: Thousand Baht)

		Separate financial statements				
Company's name	Related by	Balance as at 31 December 2016	Increase during the year	Decrease during the year	Loss on exchange	Balance as at 31 December 2017
<u>Short-term loans to related party</u>						
Highway Resources Pte. Ltd.	Subsidiary	-	120,848	(83,414)	(4,919)	32,515
<u>Long-term loans to related parties</u>						
AD Shipping Pte. Ltd.	Subsidiary	285,270	-	-	(25,153)	260,117
Reta Link Pte. Ltd.	Subsidiary	160,465	-	-	(14,149)	146,316
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	190,917	738,958	-	(46,149)	883,726
Total		636,652	738,958	-	(85,451)	1,290,159

Short - term loans from related parties

Raycol Asphalt Co., Ltd.	Subsidiary	-	55,000	-	-	55,000
Thai Bitumen Co., Ltd.	Subsidiary	-	201,000	-	-	201,000
Total		-	256,000	-	-	256,000



Directors and management's benefits

During 2017 and 2016, the Company and its subsidiaries had employee benefit expenses of their directors and management as detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	129	129	112	109
Post-employment benefits and other long-term benefits (Note 21)	4	6	4	4
Share-based payment transactions (Note 23)	21	26	18	22
Total	154	161	134	135

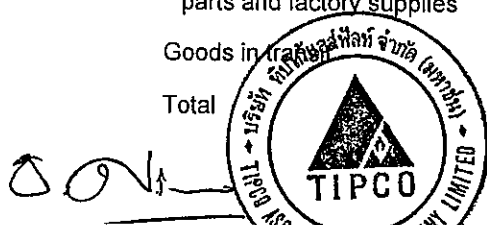
Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 20 to the financial statements.

8. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Finished goods	1,231,605	695,131	(19,610)	(10,194)	1,211,995	684,937
Raw materials	1,153,291	798,941	(5,749)	(83,958)	1,147,542	714,983
Packaging materials, spare parts and factory supplies	114,197	111,306	(2,935)	(546)	111,262	110,760
Goods in transit	1,421,346	2,258,956	-	-	1,421,346	2,258,956
Total	3,920,439	3,864,334	(28,294)	(94,698)	3,892,145	3,769,636

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduction of cost to net realisable value		Inventories - net	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Finished goods	645,516	402,423	-	(2,143)	645,516	400,280
Raw materials	1,019,547	693,901	-	(174,959)	1,019,547	518,942
Packaging materials, spare parts and factory supplies	25,488	9,005	(2,935)	(546)	22,553	8,459
Goods in transit	1,385,375	2,178,426	-	-	1,385,375	2,178,426
Total	3,075,926	3,283,755	(2,935)	(177,648)	3,072,991	3,106,107



9. Investments in subsidiaries

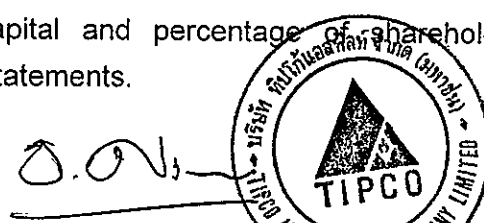
Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Investment cost		(Unit: Thousand Baht) Dividend received during the year	
	2017	2016	2017	2016
<u>Domestic subsidiaries</u>				
Raycol Asphalt Co., Ltd.	580,712	580,712	-	177,600*
Thai Bitumen Co., Ltd. ("Thai Bitumen")	374,916	374,916	150,000	787,500*
Less: Provision for impairment loss of investment	(60,775)	(60,775)	-	-
Tipco Maritime Co., Ltd.	1,999	1,999	-	-
Alpha Maritime Co., Ltd.	142,999	142,999	-	-
Bitumen Marine Co., Ltd.	149,999	149,999	165,000**	-
Delta Shipping Co., Ltd.	79,999	79,999	40,000**	-
Tasco Shipping Co., Ltd.	289,999	289,999	-	-
<u>Overseas subsidiaries</u>				
Tasco International (Hong Kong) Ltd. ("TIHK")	417,216	130,008	-	-
Add: Additional investment cost from the acquisition of subsidiary under common control	115,849	115,849	-	-
Less: Provision for impairment loss of investment	(65,420)	(65,420)	-	-
Kemaman Oil Corporation Sdn Bhd ("KOC")	1,303,035	1,303,035	-	-
Kemaman Bitumen Company Sdn Bhd ("KBC")	2,752,967	2,752,967	-	-
KBC Trading Sdn Bhd ("KBT")	1,377	1,377	-	-
Tipco Asphalt (Cambodia) Co., Ltd.	165	165	-	-
PT Asphalt Bangun Sarana	337,254	337,254	-	-
Pacific Bitumen Shipping Pte. Ltd. ("PBS")	1,340	350	-	-
Highway Resources Pte. Ltd.	717,054	717,054	-	-
AD Shipping Pte. Ltd. ("ADS")	430,232	430,232	-	-
Reta Link Pte. Ltd. ("RTL")	28,682	28,682	-	-
Total investments in subsidiaries	7,599,599	7,311,401	355,000	965,100
Cost of share-based payment transactions, under warrants to purchase new ordinary shares of the Company issued to the subsidiaries' employees (Note 23)	31,533	24,199		
Total investments in subsidiaries - net	7,631,132	7,335,600		

* Raycol Asphalt Co., Ltd. and Thai Bitumen Co., Ltd. offset the partial dividend paid in 2016 against the short-term loans and accrued interest from the Company.

** Bitumen Marine Co., Ltd. and Delta Shipping Co., Ltd. offset the dividend against the amount due from the Company.

The paid-up capital and percentage of shareholding were presented in Note 2.2 to the financial statements.



Warrants to purchase new ordinary shares of the Company issued to the subsidiaries' employees

During 2017, the Company recorded cost of share-based payment transactions, under warrants to purchase new ordinary shares of the Company issued to the subsidiaries' employees (Note 23) amounted to Baht 7.3 million (2016: Baht 8.8 million), as a cost of investments in subsidiaries.

Investment in new subsidiaries in 2016

During 2016, the Company and a subsidiary acquired ordinary shares of companies in asphalt business and vessel business from Colas S.A. The Company and a subsidiary paid for such ordinary shares (net from cash and cash equivalent received) approximately Baht 1,279 million (The Company only: approximately Baht 1,513 million) and received the transfer of such shares during 2016.

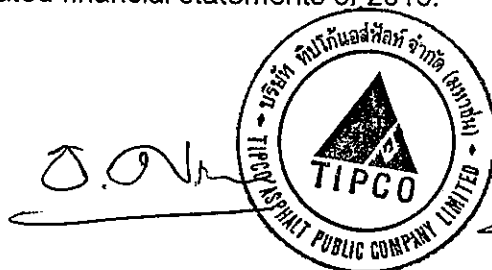
As a result of the investment transactions in new subsidiaries, the Company has control over such subsidiaries from the acquisition date onward. Under TFRS No.3 (revised 2015), the Company must consider the net fair value of the identifiable assets, liabilities and contingent liabilities of new subsidiaries on the acquisition date. During 2016, the Company and its subsidiary completed the assessments of the fair values of identifiable assets and liabilities of such subsidiaries and recorded fair values of assets and liabilities incurred from the acquisition in the consolidated financial statements of 2016.

In addition, during 2016, the Company entered into Loan Purchase Agreement with Colas S.A. to purchase short-term loans of USD 12.5 million (approximately Baht 488 million) that Colas S.A. granted to ADS and RTL. The Company already paid for the purchase of such loans during 2016.

Investment in Raycol Asphalt Co., Ltd. ("Raycol")

During 2016, the Company had acquired the ordinary shares of Raycol from the previous shareholders, the related parties. The Company paid for the ordinary shares and received the transfer of such shares during 2016.

As a result of the transactions, the shareholding of the Company in Raycol increased from 41.44 percent to 100 percent and the Company recorded the change in the subsidiary interest amounting to Baht 262 million under the caption of "Change in the Company's interest in subsidiaries which does not result in a loss of control" in shareholders' equity in the consolidated financial statements of 2016.



Shareholding restructure in subsidiaries in 2016

During the year 2016, the Company received the tax privilege for a company that operates as an international headquarters ("IHQ"). The privilege includes a reduction and an exemption from corporate income tax from income for a period of 15 years, as defined in the terms announced by the Revenue Department. As such, the Company restructured the shareholding in its subsidiaries by entering into Agreements for Sales and Purchase of Shares with KOC, TIHK and Thai Bitumen to purchase all ordinary shares of KOC, KBC, KBT and PBS. The agreements stated the amount that the Company shall pay to KOC, TIHK and Thai Bitumen totaling Baht 2,902 million. Subsequently, the Company and TIHK entered into the memorandum of understanding to offset cash payment from the purchase of ordinary shares of KOC, KBC and KBT with loans to TIHK. In addition, the Company and Thai Bitumen entered into the memorandum of understanding to offset cash payment from the purchase of ordinary shares of KOC and KBC with cash received from the capital reduction in Thai Bitumen.

From the Agreement for Sales and Purchase of Shares and the memorandum of understanding, the Company paid the net amount of Baht 1,523 million to KOC, TIHK and Thai Bitumen. The Company paid for such shares and received the share transfer during 2016.

In addition, the Agreement for Sales and Purchase of Shares made with TIHK stated that the Company shall purchase a long-term loan of USD 5.35 million (approximately Baht 191 million) that TIHK had provided to PBS. The Company paid for the purchase of such loan during 2016.

Investment in Thai Bitumen Company Limited ("Thai Bitumen")

During 2016, Thai Bitumen had reduced its registered and paid up share capital by Baht 1,125 million, through the retirement of 11.25 million shares of Baht 100 each. Thai Bitumen completed the share reduction process during 2016 and returned the reduction of capital to the Company by offsetting with cash receipts from the disposal of investment in KOC and KBC as described above.

Investment in Tasco International (Hong Kong) Limited ("TIHK")

In November 2017, the Board of Director's meeting of TIHK passed a resolution to approve the increase in its registered and paid up capital by HKD 67 million (approximately Baht 287 million), through the issue of 67 million new shares of HKD 1 each. As a result of the capital increase, TIHK's registered and paid-up capital consists of 97,966,000 shares of HKD 1 each, totaling HKD 97,966,000. TIHK completed the share increase process and registered the new share capital on 29 November 2017.



Investment in Pacific Bitumen Shipping Pte. Ltd. ("PBS")

In October 2017, the extraordinary shareholders' meeting of PBS passed a resolution to approve the increase in its registered and paid up capital of USD 29,500 (approximately Baht 1 million), through the issue of 29,500 new ordinary shares of USD 1 each. The Company has invested in such new shares in full. As a result of the capital increase, PBS's registered and paid-up capital consists of 39,500 shares of USD 1 each, totaling USD 39,500. PBS completed the share increase process and registered the new share capital on 11 October 2017.

Investment in Tipco Asphalt Lao Co., Ltd. ("TAL")

On 9 August 2017, the Board of Directors Meeting No.5/2017 of the Company passed a resolution to approve the investment in a new company incorporated in Lao People's Democratic Republic. This company will be engaged in the manufacture and distribution of asphalt emulsion and other asphalt products. The Company will has 75 percent of shareholding in such company. Subsequently, on 24 October 2017, the Company entered into a Joint Venture Agreement with Seneoudom Company Limited, a company incorporated in Lao People's Democratic Republic, to establish TAL. TAL completed the incorporation process on 12 January 2018 with the registered share capital of LAK 26,675 million.

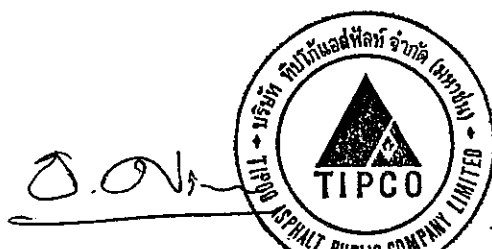
10. Investments in joint ventures

10.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the subsidiaries of the Company and other companies. Details of these investments are as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements					
	Shareholding		Cost		Carrying amounts	
	percentage				based on equity method	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(%)	(%)				
Asia Bitumen Trading Pte. Ltd. (Distribution of asphalt and petroleum products)	50	50	242	242	38,362	30,952
Borneo Asphalt Sdn Bhd (Distribution of asphalt products)	50	-	4,759	-	3,686	-
Total			5,001	242	42,048	30,952



Investment in Borneo Asphalt Sdn Bhd ("BA")

In June 2017, Kemaman Bitumen Company Sdn Bhd ("KBC") invested in BA a new company incorporated in Malaysia with the registered capital of MYR 2, which is the joint venture with Senari Synergy Sdn Bhd, to trade bitumen. KBC has 50 percent of shareholding in this company.

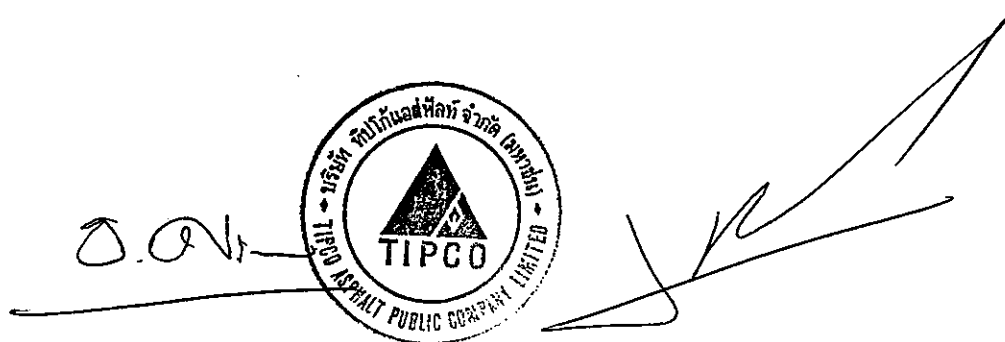
In October 2017, BA increased its registered capital by MYR 99,998 from MYR 2 to MYR 100,000 and KBC invested 50 percent in such capital or equivalent to MYR 49,999 (approximately Baht 0.4 million). BA registered the paid-up capital increase on 16 October 2017.

In November 2017, BA increased its registered capital by MYR 1,100,000 from MYR 100,000 to MYR 1,200,000 and KBC invested 50 percent in such capital or equivalent to MYR 550,000 (approximately Baht 4.4 million). BA registered the paid-up capital increase on 11 November 2017.

10.2 Share of comprehensive income

During the year, the subsidiaries of the Company recognised its share of profit (loss) from investments in the joint ventures in the consolidated financial statements as follows:

Joint ventures	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of profit (loss) from investments in joint ventures during the year	
	2017	2016
Asia Bitumen Trading Pte. Ltd.	10,660	9,573
Borneo Asphalt Sdn Bhd	(1,074)	-
Total	9,586	9,573

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10.3 Summarised financial information about material joint ventures

Summarised information about financial position as at 31 December 2017 and 2016:


(Unit: Million Baht)

	Asia Bitumen Trading Pte. Ltd.	
	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	155.72	73.35
Trade and other receivables	255.89	193.86
Other assets	5.74	1.34
Trade and other payables	(287.28)	(200.77)
Other current liabilities	(53.35)	(5.87)
Net assets	76.72	61.91
Shareholding percentage (%)	50	50
Carrying amounts of joint venture based on equity method	38.36	30.95

Summarised information about profit and loss for the years ended 31 December 2017 and 2016:

(Unit: Million Baht)

	Asia Bitumen Trading Pte. Ltd.	
	<u>2017</u>	<u>2016</u>
Total revenues	3,260.77	2,735.56
Cost of goods sold	(3,198.41)	(2,675.93)
Total expenses	(41.04)	(40.48)
Profit for the year	21.32	19.15



11. Investments in associates

11.1 Details of associates:

(Unit: Thousand Baht)

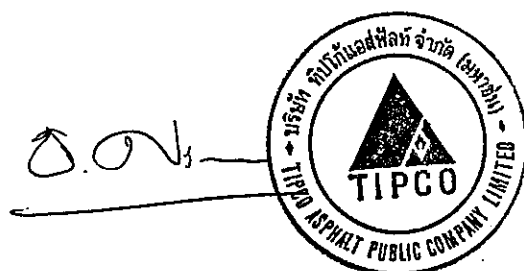
		Consolidated financial statements					
Company's name	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017	2016	2017	2016	2017	2016
		(%)	(%)				
Colasie Co., Ltd.	Holding company	40	40	18,404	18,404	271,835	209,055
PT Sarana Distribusi Aspal Nusantara	Barge rental service	49	49	1,313	1,313	645	988
Thai Slurry Seal Company Limited	Road rehabilitation contractor	25	25	225,043	225,043	254,162	225,043
Total investments in associates				244,760	244,760	526,642	435,086

(Unit: Thousand Baht)

		Separate financial statements					
Company's name	Nature of business	Shareholding percentage		Cost		Carrying amounts based on cost method	
		2017	2016	2017	2016	2017	2016
		(%)	(%)				
Colasie Co., Ltd.	Holding company	40	40	18,404	18,404	18,404	18,404
Thai Slurry Seal Company Limited	Road rehabilitation contractor	25	25	225,043	225,043	225,043	225,043
Total investments in associates				243,447	243,447	243,447	243,447

Investment in Thai Slurry Seal Company Limited ("Thai Slurry Seal")

During 2016, the Company subscribed 1,243,334 new ordinary shares of Thai Slurry Seal at Baht 181 per share, totaling Baht 225 million. The Company paid for such shares subscriptions during 2016.



11.2 Share of profit and dividend received

The Company has recognised its share of profit from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in		Dividend received	
	associate during the year		during the year by the Company	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Colasie Co., Ltd.	101,290	88,147	38,448	4,838
PT Sarana Distribusi				
Aspal Nusantara	(215)	-	-	-
Thai Slurry Seal Company Limited	29,119	-	-	-
Total	<u>130,194</u>	<u>88,147</u>	<u>38,448</u>	<u>4,838</u>


11.3 Summarised financial information about material associates

Financial information of Colasie Co., Ltd.

Financial information of Colasie Co., Ltd. as at 31 December 2017 and 2016 and for the years then ended are summarised below.

(Unit: Million Euro)

	<u>2017</u>	<u>2016</u>
Paid-up capital	1.04	1.04
Total assets	5.57	3.72
Total liabilities	-	0.01
Total revenues	4.37	2.59
Profit for the year	4.40	2.53



Financial information of Thai Slurry Seal Company Limited

Summarised information about financial position of Thai Slurry Seal as at 31 December 2017 and 2016 are as follows:

	(Unit: Million Baht)	
	<u>2017</u>	<u>2016</u>
Current assets	748	495
Non-current assets	748	834
Current liabilities	(465)	(408)
Non-current liabilities	(125)	(131)
Net assets	906	790
Net assets attributable to the Company's investment (25%)	227	198
Goodwill	27	27
Carrying amounts of the associate based on equity method	254	225

Summarised information about comprehensive income for the year ended 31 December 2017 are summarised below.

	(Unit: Million Baht)
	<u>2017</u>
Total revenues	1,794
Cost of goods sold	(1,457)
Total expenses	(221)
Profit for the year	116



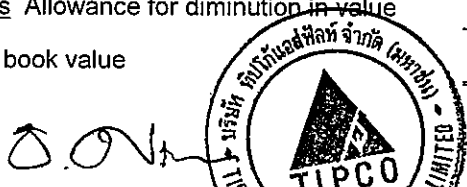
12. Investment properties

(Unit: Thousand Baht)

Consolidated financial statements			
	The Company's land, buildings and equipment located at Petchburi Plant	Land of Thai Bitumen	Total
As at 31 December 2017:			
Cost	268,377	383,608	651,985
<u>Less</u> Accumulated depreciation	(138,692)	-	(138,692)
<u>Less</u> Allowance for diminution in value	(86,885)	(169,475)	(256,360)
Net book value	42,800	214,133	256,933
As at 31 December 2016:			
Cost	268,377	383,608	651,985
<u>Less</u> Accumulated depreciation	(138,692)	-	(138,692)
<u>Less</u> Allowance for diminution in value	(95,885)	(217,975)	(313,860)
Net book value	33,800	165,633	199,433

(Unit: Thousand Baht)

Separate financial statements			
	The Company's land, buildings and equipment located at Petchburi Plant	The Company's land for rent located at Suratthani Province	Total
As at 31 December 2017:			
Cost	268,377	61,438	329,815
<u>Less</u> Accumulated depreciation	(138,692)	(9,896)	(148,588)
<u>Less</u> Allowance for diminution in value	(86,885)	-	(86,885)
Net book value	42,800	51,542	94,342
As at 31 December 2016:			
Cost	268,377	76,524	344,901
<u>Less</u> Accumulated depreciation	(138,692)	(10,486)	(149,178)
<u>Less</u> Allowance for diminution in value	(95,885)	-	(95,885)
Net book value	33,800	66,038	99,838



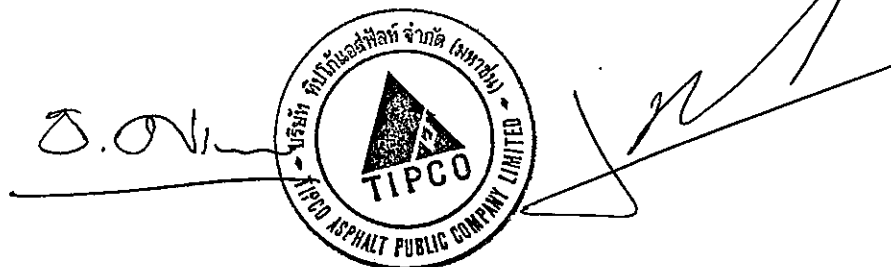
A reconciliation of the net book value of investment properties for 2017 and 2016 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net book value at beginning of year	199,433	199,433	99,837	99,838
Disposals - net book value	-	-	(14,495)	-
Depreciation charged during the year	-	-	-	(1)
Reversal of allowance for diminution in value	57,500	-	9,000	-
Net book value at end of year	256,933	199,433	94,342	99,837

The fair values of the investment properties, appraised by an independent professional valuer using the Sales Comparison Approach, as at 31 December 2017 and 2016 are stated below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
The Company's land for rent located at				
Suratthani Province	-	-	213,000	141,000
The Company's land, buildings and equipment				
located at Petchburi Plant	42,800	33,800	42,800	33,800
Land of Thai Bitumen	219,908	165,633	-	-

In December 2017, the Company and Thai Bitumen arranged for an independent professional valuer to appraise the value of the land, buildings and equipment using the Sales Comparison Approach, with the valuer appraising the assets at Baht 262.7 million. As a result of the appraisal, the Company and Thai Bitumen reversed an allowance for impairment loss of the assets amounting to Baht 57.5 million and presented in the consolidated profit or loss for 2017 (The Company only: amounting to Baht 9.0 million)



13. Property, plant and equipment

(Unit: Thousand Baht)

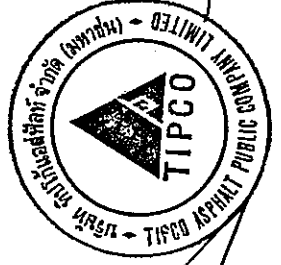
Cost	Consolidated financial statements					
	Land and land improvement	Buildings, improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation
As at 1 January 2016	661,268	656,115	4,906,961	834,045	2,433,361	1,594,620
Increase from investments in new subsidiaries (Note 9)	-	117,793	175,195	174,435	778,715	11,771
Additions	230	8,081	75,440	326,316	75,222	656,184
Transferred from leasehold rights (Note 15)	-	7,919	50,076	-	-	-
Disposals/write-off	(35,397)	(61,892)	(34,576)	(24,063)	(60,553)	-
Transfer in (transfer out)	15,141	59,387	1,745,918	186,710	(1,724)	(2,005,432)
As at 31 December 2016	641,242	787,403	6,919,014	1,497,443	3,225,021	257,143
Additions	5,969	3,636	83,555	36,638	91,009	1,015,298
Disposals/write-off	(907)	(2,221)	(21,226)	(172,259)	(5,044)	-
Transfer in (transfer out)	12,991	24,764	69,281	12,646	927,389	(1,047,071)
As at 31 December 2017	659,295	813,582	7,050,624	1,374,468	4,238,375	225,370
						14,361,714



(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Accumulated depreciation							
As at 1 January 2016	329,686	436,098	2,355,524	647,345	512,460	-	4,281,113
Depreciation for the year	16,450	59,934	361,468	108,615	178,555	-	725,022
Accumulated depreciation on disposals/write-off	(31,858)	(45,274)	(46,052)	(13,175)	(30,594)	-	(166,953)
As at 31 December 2016	314,278	450,758	2,670,940	742,785	660,421	-	4,839,182
Depreciation for the year	13,913	40,589	497,489	132,545	214,440	-	898,976
Accumulated depreciation on disposals/write-off	(906)	(1,493)	(19,511)	(162,495)	-	-	(184,405)
As at 31 December 2017	327,285	489,854	3,148,918	712,835	874,861	-	5,553,753
Allowance for impairment loss							
As at 1 January 2016	1,183	50,431	23,421	1,985	-	2,828	79,848
Disposals/write-off	-	-	(1,613)	-	-	-	(1,613)
As at 31 December 2016	1,183	50,431	21,808	1,985	-	2,828	78,235
Disposals/write-off	-	-	(496)	-	-	-	(496)
As at 31 December 2017	1,183	50,431	21,312	1,985	-	2,828	77,739



(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Vessels	Construction in progress and equipment under installation	Total
Translation adjustments							
As at 1 January 2016	-	30,851	244,232	5,045	-	70,158	350,286
Translation adjustments during the year	-	(10,325)	(30,848)	(3,020)	(3,348)	(22,212)	(69,753)
As at 31 December 2016	-	20,526	213,384	2,025	(3,348)	47,946	280,533
Translation adjustments during the year	-	7,904	(365,415)	(12,884)	(61,274)	(20,431)	(452,100)
As at 31 December 2017	-	28,430	(152,031)	(10,859)	(64,622)	27,515	(171,567)
Net book value							
As at 31 December 2016	325,781	306,740	4,439,650	754,698	2,561,252	302,261	8,690,382
As at 31 December 2017	330,827	301,727	3,728,363	648,789	3,298,892	250,057	8,558,655
Depreciation for the year							
2016 (Baht 555 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							725,022
2017 (Baht 702 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)							898,976



(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Buildings, building improvements and complements	Machinery, tools and equipment	Furniture, office equipment and vehicles	Construction in progress and equipment under installation	Total
Cost						
As at 1 January 2016	464,113	240,664	511,391	602,269	98,269	1,916,706
Additions	-	-	13,373	270,232	130,205	413,810
Disposals/write-off	(159)	(714)	(24,340)	(8,878)	-	(34,091)
Transfer in (transfer out)	10,419	22,871	43,857	99,671	(176,818)	-
As at 31 December 2016	474,373	262,821	544,281	963,294	51,656	2,296,425
Additions	5,784	1,681	34,168	11,439	53,712	106,784
Disposals/write-off	(907)	(577)	(8,942)	(138,024)	-	(148,450)
Transfer in (transfer out)	1,286	1,416	32,933	2,963	(38,598)	-
As at 31 December 2017	480,536	265,341	602,440	839,672	66,770	2,254,759
Accumulated depreciation						
As at 1 January 2016	218,623	181,515	480,493	482,847	-	1,363,478
Depreciation for the year	11,299	6,827	16,130	46,280	-	80,536
Accumulated depreciation on disposal/write-off	(159)	(690)	(24,333)	(8,747)	-	(33,929)
As at 31 December 2016	229,763	187,652	472,290	520,380	-	1,410,085
Depreciation for the year	10,364	6,744	30,615	72,320	-	120,043
Accumulated depreciation on disposal/write-off	(905)	(478)	(8,698)	(131,539)	-	(141,620)
As at 31 December 2017	239,222	193,918	494,207	461,161	-	1,388,508



(Unit: Thousand Baht)

Separate financial statements

	Buildings, building	Land improvements and improvement	Machinery, tools and equipment	Furniture, office equipment and vehicles	Construction in progress and equipment under installation	Total
Allowance for impairment loss						
As at 31 December 2016	-	1,183	-	-	-	1,183
As at 31 December 2017	-	1,183	-	-	-	1,183
Net book value						
As at 31 December 2016	75,169	243,427	71,991	442,914	51,656	885,157
As at 31 December 2017	71,423	240,131	108,233	378,511	66,770	865,068
Depreciation for the year						
2016 (Baht 42 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						80,536
2017 (Baht 85 million included in manufacturing cost, and the balance in selling expenses and administrative expenses)						120,043

As at 31 December 2017, certain items of plant and equipment items had been fully depreciated but were still in use. The original cost of those assets amounted to approximately Baht 2,433 million (2016: Baht 1,602 million) (The Company only: Baht 1,087 million (2016: Baht 1,073 million)).



14. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

	Consolidated financial statements					(Unit: Thousand Baht)		
	Separate financial statements							
	Computer software	Customer relationship	Non-competition clause	Computer software under installation	Total	Computer software	Computer software under installation	Total
As at 31 December 2017:								
Cost	167,525	177,083	11,724	2,020	358,352	140,406	1,977	142,383
<u>Less</u> Accumulated amortisation	(63,253)	(29,514)	(5,269)	-	(98,036)	(38,901)	-	(38,901)
Translation adjustments	1,212	-	(533)	-	679	-	-	-
Net book value	105,484	147,569	5,922	2,020	260,995	101,505	1,977	103,482
As at 31 December 2016:								
Cost	95,576	177,083	11,723	9,567	293,949	69,330	9,567	78,897
<u>Less</u> Accumulated amortisation	(48,217)	(14,757)	(2,688)	-	(65,662)	(25,175)	-	(25,175)
Translation adjustments	339	-	223	-	562	-	-	-
Net book value	47,698	162,326	9,258	9,567	228,849	44,155	9,567	53,722



A reconciliation of the net book value of intangible assets for the years 2017 and 2016 is presented below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	228,849	31,541	53,722	30,498
Increase from investments in				
new subsidiaries (Note 9)	-	189,813	-	-
Acquisition of computer software	65,366	33,682	63,486	31,149
Amortisation	(32,445)	(26,701)	(13,726)	(7,925)
Translation adjustments	(775)	514	-	-
Net book value at end of year	260,995	228,849	103,482	53,722

15. Leasehold rights

The Company and its subsidiaries entered into agreements to lease buildings and land. The lease agreements can be summarised below.

Leasee	Country the leased asset located in	Lease period (year)	Lease agreement ending year	Prepaid lease amount at inception of the lease
1. The Company	China	30	2031	1.4 million renminbi
2. A subsidiary in China	China	30	2029	5.7 million renminbi
3. A subsidiary in China	China	50	2050	6.9 million renminbi
4. A subsidiary in China	China	45	2055	2.5 million renminbi
5. A subsidiary in Malaysia	Malaysia	50	2055	19.8 million ringgit
6. A subsidiary in Malaysia	Malaysia	50	2063	11.0 million ringgit
7. A subsidiary in Vietnam	Vietnam	20	2032	36,257 million Vietnam Dong



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The book value of the leasehold rights as at 31 December 2017 and 2016 can be summarised below.

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost	427,284	427,284	6,837	6,837
<u>Less</u> Accumulated amortisation	(77,541)	(66,979)	(3,874)	(3,646)
<u>Less</u> Allowance for impairment loss	(12,019)	(12,019)	-	-
Translation adjustments	(5,933)	26,799	-	-
Net book value	<u>331,791</u>	<u>375,085</u>	<u>2,963</u>	<u>3,191</u>

A reconciliation of the net book value of leasehold rights for the years 2017 and 2016 are presented below.

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Net book value at beginning of year	375,085	399,248	3,191	3,419
Increase from investments in				
new subsidiaries (Note 9)	-	57,702	-	-
Transfer out to property, plant and				
equipment (Note 13)	-	(57,995)	-	-
Amortisation	(10,562)	(9,379)	(228)	(228)
Translation adjustments	(32,732)	(14,491)	-	-
Net book value at end of year	<u>331,791</u>	<u>375,085</u>	<u>2,963</u>	<u>3,191</u>



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16. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Trust receipts	1,629,196	1,269,831	1,629,196	1,269,831
Promissory note	48,000	-	48,000	-
Loans in Vietnam Dong	36,820	99,040	-	-
Loan in Indonesia Rupiah	312,701	99,417	-	-
Total	<u>2,026,717</u>	<u>1,468,288</u>	<u>1,677,196</u>	<u>1,269,831</u>

The Trust Receipts is revolving in nature and used to fund the working capital of crude inventory and receivables which have less than four months cash conversion cycle.

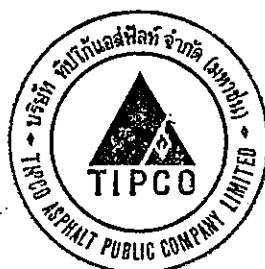
Short-term loans from local banks carry interest at the rates ranging from 1.65 to 2.64 percent per annum (2016: 0.75 to 1.30 percent per annum).

Short-term loans from overseas financial institutions, located in the same country of overseas subsidiaries, carry interest at the rates ranging from 3.80 to 8.35 percent per annum (2016: 4.00 to 9.85 percent per annum).

17. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Trade and other payables - related parties	126,287	90,649	1,240,889	987,464
(Note 7)				
Trade and other payables - unrelated parties	2,269,160	3,248,180	1,884,722	2,761,440
Accounts payable from price hedging contracts	27,102	184,200	27,102	184,200
Accrued expenses	559,906	530,160	324,757	184,901
Total trade and other payables	<u>2,982,455</u>	<u>4,053,189</u>	<u>3,477,470</u>	<u>4,118,005</u>



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18. Long-term loans from financial institutions

Loan	Borrower	Interest rate	Repayment schedule	(Unit: Thousand Baht)	
				Consolidated financial statements	
				2017	2016
Long-term loans in Baht from Bank in Thailand					
(1)	Thai Bitumen Company Limited	Fixed rate	Quarterly installments, as stipulated in the agreement, commencing from November 2014	171,000	243,000
(2)	Tasco Shipping Company Limited	Fixed rate for the first three years and for the fourth to the eighth years at a rate referenced to BIBOR	Quarterly installments as stipulated in the agreement, commencing from May 2012	69,400	98,900
(3)	Tasco Shipping Company Limited	Rate referenced to THBFX	Quarterly installments as stipulated in the agreements, commencing from October 2012	150,615	213,615
Long-term loans in USD from bank in Thailand					
(4)	Alpha Maritime Company Limited	Rate referenced to LIBOR	Quarterly installments as stipulated in the agreements, commencing from July 2015	146,170	241,937
Long-term loans in USD from bank in Malaysia					
(5)	Kemaman Bitumen Company Sdn Bhd	Rate referenced to USD LIBOR	Quarterly installments as stipulated in the agreements, commencing from December 2016	-	358,307
Total				537,185	1,155,759
Less: Current portion				(324,862)	(377,856)
Long-term loans from financial institutions - net of current portion				212,323	777,903



During the year 2017, two subsidiaries repaid long-term loan from banks amounted to 6.32 USD million before the repayment schedule specified in its loan agreements which no penalty for such repayment.

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.

19. Interest rate swap contracts

The Company and a subsidiary have entered into interest rate swap contracts to change interest rates from floating rates to fixed rates. Details are as follows:

Counterparty	Agreements start	Fixed interest rate as per agreement (%)	Agreements expire	Notional amount balance	
				31 December 2017	31 December 2016
The Company	September 2014	1.20 to 1.26	December 2017	-	USD 25 million
The Company	October 2014	1.15 to 1.26	December 2017	-	USD 25 million
The Company	May 2012	5.21	March 2018	Baht 53 million	Baht 285 million
KBC	December 2013	0.93	April 2018	USD 2 million	USD 7 million

20. Credit facilities

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

- The guarantees by the Company, its subsidiaries and a shareholder of a subsidiary.
- The pledges/mortgages by the assets of subsidiaries of which the net book value as at 31 December 2017 and 2016 of the assets are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	
	2017	2016
Leasehold rights - net	165	315
Property, plant and equipment - net	3,518	5,421

- The prohibition from creating lien over assets of the Company and its subsidiaries.
- Financial support letters provided by the Company and its subsidiaries to banks.
- The Company allows its subsidiaries to use its facilities obtained from banks, with the Company responsible to the banks for the amounts drawn down by the subsidiaries.

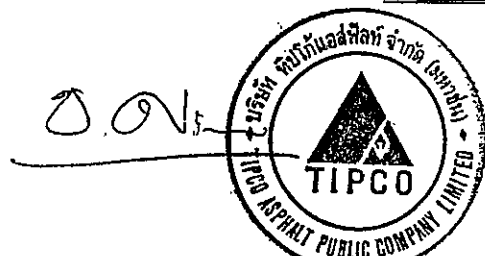
21. Provision for long-term employee benefits

Provision for long-term employee benefits, which is compensations on employees' retirement and long service awards, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Provision for long-term employee				
benefits at beginning of year	130,487	112,941	87,497	92,746
Increase from investments in				
new subsidiaries (Note 9)	-	19,955	-	-
Included in profit or loss:				
Defined benefit plans				
Current service cost	12,878	12,115	6,515	7,188
Interest cost	4,057	4,320	1,977	2,196
Long service award	(451)	(936)	(474)	(926)
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(446)	-	-
Financial assumptions changes	1,879	(3,803)	-	-
Experience adjustments	16	331	-	-
Benefits paid during the year	(8,818)	(15,420)	(7,975)	(13,707)
Translation adjustments	(2,424)	1,430	-	-
Provision for long-term employee				
benefits at end of year	<u>137,624</u>	<u>130,487</u>	<u>87,540</u>	<u>87,497</u>

Long-term employee benefit expenses included in the profit or loss consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cost of sales	6,899	6,669	2,921	2,898
Selling and administrative expenses	10,665	10,422	6,039	6,971
Total expense recognised in profit or loss	<u>17,564</u>	<u>17,091</u>	<u>8,960</u>	<u>9,869</u>



The Company and its subsidiaries in Thailand expect to pay Baht 7 million of long-term employee benefits during the next year (Separate financial statements: Baht 6 million) (2016: Baht 8 million, separate financial statements: Baht 6 million).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit was 9 years (Separate financial statements: 9 years) (2016: 9 years, separate financial statements: 9 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.5 - 7.1	2.5 - 8.3	2.5	2.5
Future salary increase rate	5.0 - 7.0	5.0 - 7.0	5.0	5.0
Staff turnover rate (depending on age of employee)	0.0 - 15.0	0.0 - 15.0	0.0 - 15.0	0.0 - 15.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

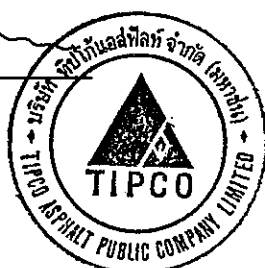
(Unit: Million Baht)

	31 December 2017			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(7)	8	(4)	4
Salary increase rate	10	(9)	6	(5)

	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Staff turnover rate	(5)	6	(4)	4

(Unit: Million Baht)

	31 December 2016			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(24)	31	(5)	5
Salary increase rate	30	(26)	5	(4)
Staff turnover rate	(4)	4	(3)	3



22. Share capital

Below is the summary of the share registration from exercise of ESOP-W3 and ESOP-W4 warrants during the year.

	<u>2017</u>
Number of warrants exercised (warrants)	946,650
Number of ordinary shares issued (shares)	9,466,500
Amount of cash received (Baht)	47,391,374
Paid-up capital after share registration	1,579,343,570

As at 31 December 2017, the Company received advance subscription from the exercise of ESOP-W3 and ESOP-W4 warrants as follows:

	<u>ESOP-W3</u>	<u>ESOP-W4</u>	<u>Total</u>
Number of warrants exercised (warrants)	10,000	164,100	174,100
Number of ordinary shares issued (shares)	100,000	1,641,000	1,741,000
Amount of cash received (Baht)	530,600	8,108,181	8,638,781

The Company registered the capital increase from the exercise of such warrants with the Ministry of Commerce on 10 January 2018.

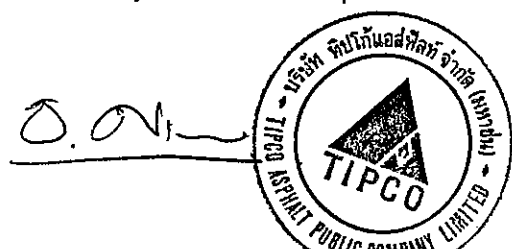
23. Warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Company and subsidiaries ("ESOP")

The expenses recognised for employee services received during 2017 of the Company and its subsidiaries were totaled Baht 36 million (2016: Baht 44 million) (the Company only: Baht 29 million (2016: Baht 35 million)).

As at 31 December 2017, the fair value of remaining option granted and the inputs of the model used were summarised below.

	<u>ESOP-W5</u>
Fair value of options granted	Baht 9.02 per share
Dividend yield	1.77%
Expected stock volatility*	40.30%
Risk-free interest rate	2.48%
Expected life of share options	3 years
Model used	Black-Scholes

* The expected volatility of the share options is based on historical data of the Company's stock price.



As at 31 December 2017 and 2016, the remain unexercised of ESOP are summarised below.

	<u>2017</u>	<u>2016</u>
ESOP-W2	-	15,000 units
ESOP-W3	50,000 units	138,200 units
ESOP-W4	236,700 units	1,178,300 units
ESOP-W5	11,140,000 units	11,140,000 units

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

25. Expenses by nature

Significant expenses by nature are as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Salary and wages and other employee benefits	1,205	1,319	532	531
Depreciation and maintenance expenses	1,072	942	155	139
Costs related to production of goods and services (excluding of staff cost, depreciation and maintenance expenses)	22,692	18,858	20,826	17,103



26. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2017</u>	<u>2016</u>
Current income tax:		
Current income tax charge	(437,648)	(687,607)
Adjustment in respect of income tax of previous year	10,260	44
Deferred tax:		
Relating to origination and reversal of temporary differences	56,756	32,424
Income tax expense reported in the statement of comprehensive income	(370,632)	(655,139)

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

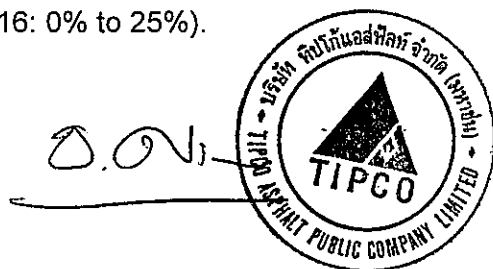
	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	<u>2017</u>	<u>2016</u>
Deferred tax relating to actuarial gain	(459)	(982)



Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accounting profit before tax	<u>2,927,588</u>	<u>3,782,383</u>	<u>2,277,423</u>	<u>3,001,870</u>
Income tax at Thai corporate income tax rate of 20%	(585,518)	(756,477)	(455,485)	(600,374)
Adjustment in respect of income tax of previous year	10,260	44	-	-
Utilisation of previously unrecognised tax losses and capital allowance	87,113	97,588	-	-
Difference in tax rate in group companies	(26,185)	2,389	-	-
Effects of:				
Non-deductible expenses	(33,437)	(83,297)	(6,820)	(30,721)
Additional expenses deductions allowed	15,907	16,171	11,954	12,201
Exemption of income	(7,608)	-	71,000	193,988
Promotional privileges (Note 27)	27,173	45,604	-	-
Tax privilege for a company that operates as an international trading center	108,597	-	108,597	-
Tax privilege for a company that operates as an international headquarters	10,655	-	10,655	-
Tax privileges for maritime commerce (Note 28)	6,981	28,727	-	-
Share of profit from investment in joint ventures and associates	27,956	19,544	-	-
Others	(12,526)	(25,432)	(11,002)	(7,662)
Total	<u>143,698</u>	<u>1,317</u>	<u>184,384</u>	<u>167,806</u>
Income tax expenses reported in the statement of comprehensive income	<u>(370,632)</u>	<u>(655,139)</u>	<u>(271,101)</u>	<u>(432,568)</u>

The tax rates enacted at the end of the reporting period of the Company and its subsidiaries is 0% to 25% (2016: 0% to 25%).

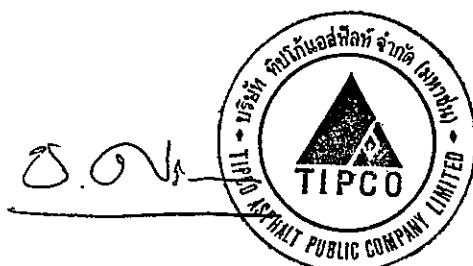


The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statement	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax assets				
Provision for long-term employee benefits	29,211	27,061	17,508	17,499
Allowance for doubtful accounts	39,261	47,516	61,673	75,946
Reduce cost of inventories to				
net realisable value	4,265	15,932	587	35,530
Allowance for asset impairment	51,519	63,018	17,614	19,414
Fair value of price hedging contracts	23,150	10,066	23,149	10,066
Others	6,269	22,552	284	15,111
Total	<u>153,675</u>	<u>186,145</u>	<u>120,815</u>	<u>173,566</u>
Deferred tax liabilities				
Fair value of price hedging contracts	(10,308)	(102,864)	(10,308)	(102,864)
Difference depreciation for tax purpose	(19,758)	(15,294)	(17,819)	(14,010)
Fair value of forward exchange contracts	(65)	(264)	(59)	(264)
Fair value adjustment of assets from				
investments in subsidiaries (Note 9)	(34,794)	(42,607)	-	-
Total	<u>(64,925)</u>	<u>(161,029)</u>	<u>(28,186)</u>	<u>(117,138)</u>
Deferred tax assets - net	<u>88,750</u>	<u>25,116</u>	<u>92,629</u>	<u>56,428</u>

As at 31 December 2017 and 2016, the overseas subsidiaries had deductible temporary differences and unused tax losses on which deferred tax assets have not been recognised as these subsidiaries believed that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses, as follows:

	<u>2017</u>	<u>2016</u>
	(Million)	(Million)
USD	14	16
Ringgit	98	89
Renminbi	27	24



27. Promotional privileges

The subsidiaries were granted investment promotional privileges by the Board of Investment. Important tax privileges granted to the companies are summarised below.

	Exemption of corporate income tax not exceeding of the stipulated amount for 8 years commencing from
Bitumen Marine Company Limited Marine transportation	15 June 2015
Tasco Shipping Company Limited Marine transportation	24 May 2011 19 December 2012
Alpha Maritime Company Limited Marine transportation	28 June 2011 9 October 2014

In addition, Kemaman Bitumen Company Sdn Bhd received tax privilege in reduction of corporate income tax in Malaysia from the stipulated investment amount.

28. Tax privileges for maritime commerce

The subsidiaries in Thailand which engaged in marine transportation business, are entitled to withholding income tax privileges under the Revenue Department Instruction No. Por 110/2545 since they are international marine transportation business operators, whereby income from vessel rental is subject to withholding tax at a rate of 1%. Moreover, the subsidiaries are exempted from corporate income tax on their income from international marine transportation under Announcement of the Director-General of the Revenue Department No. 72.

29. Earnings per share

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

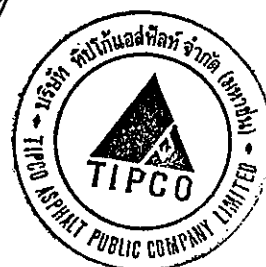
Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued without consideration of exercising period.



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

Consolidated financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity holders						
of the Company	2,537,111	3,110,134	1,557,968	1,548,578	1.63	2.01
Effect of dilutive potential						
ordinary shares						
ESOP-W2	-	-	89	189		
ESOP-W3	-	-	682	5,211		
ESOP-W4	-	-	6,515	9,325		
ESOP-W5	-	-	6,553	5,407		
	-	-	13,839	20,132		
Diluted earnings per share						
Profit of ordinary shareholders						
assuming the conversion of						
warrants to ordinary shares	<u>2,537,111</u>	<u>3,110,134</u>	<u>1,571,807</u>	<u>1,568,710</u>	1.61	1.98
Separate financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share						
Profit attributable to equity						
holders of the Company	2,006,322	2,569,302	1,557,968	1,548,578	1.29	1.66
Effect of dilutive potential						
ordinary						
shares						
ESOP-W2	-	-	89	189		
ESOP-W3	-	-	682	5,211		
ESOP-W4	-	-	6,515	9,325		
ESOP-W5	-	-	6,553	5,407		
	-	-	13,839	20,132		
Diluted earnings per share						
Profit of ordinary shareholders						
assuming the conversion of						
warrants to ordinary shares	<u>2,006,322</u>	<u>2,569,302</u>	<u>1,571,807</u>	<u>1,568,710</u>	1.28	1.64



30. 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 has been presented only by geographical based on locations of each company, as follows:

(Unit: Million Baht)

	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue from external customers	22,460	18,973	5,800	5,065	-	-	28,260	24,038
Intersegment revenues	3,418	2,007	1,423	1,255	(4,841)	(3,262)	-	-
Total revenue	25,878	20,980	7,223	6,320	(4,841)	(3,262)	28,260	24,038
Segment operating income	2,031	2,487	505	612	1	11	2,537	3,110

Non-current assets (other than deferred tax assets-net)

(Unit: Million Baht)

	Geographic segment located in Thailand		Geographic segment located in overseas		Total	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Non-current assets	3,448	3,688	6,679	6,428	10,127	10,116

Transfer prices between the segments are as set out in Note 7 to the financial statements.



31. Dividend

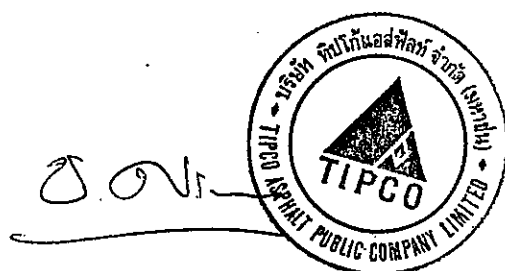
Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht per share)
Final dividends for 2015	Annual General Meeting of the shareholders on 11 April 2016	617.6	0.4
Interim dividends for 2016	Board of Directors' meeting on 9 August 2016	465.7	0.3
Total for 2016		1,083.3	0.7
Final dividends for 2016	Annual General Meeting of the shareholders on 5 April 2017	932.3	0.6
Interim dividends for 2017	Board of Directors' meeting on 9 August 2017	468.2	0.3
Total for 2017		1,400.5	0.9

32. Commitments and contingent liabilities

32.1 Capital commitment

As at 31 December 2017 and 2016, the Company and its subsidiaries had outstanding capital commitments relating to the purchase of leasehold rights, machinery, equipment, computer software and vessel, as follows:

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2017</u> (Million)	<u>2016</u> (Million)	<u>2017</u> (Million)	<u>2016</u> (Million)
Baht	40	114	25	95
Ringgit	10	9	-	-
US Dollar	-	22	-	-
Vietnam Dong	23,972	29,314	-	-



32.2 Operating lease commitments

The Company and its subsidiaries have entered into several agreements in respect of the lease of buildings, warehouses and motor vehicles, and other service agreements. The terms of the agreements are generally between 1 and 5 years.

Future minimum rental and service fees payable under these agreements as at 31 December 2017 and 2016 were as follows:

(Unit: Million)

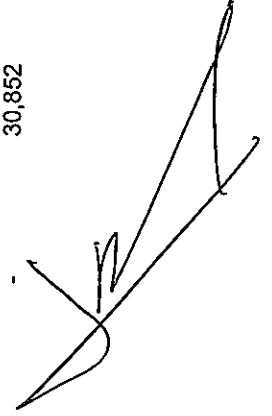
As at 31 December 2017

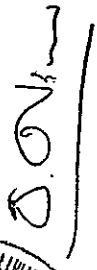
Payable within:	Consolidated financial statements					Separate financial statements		
	Baht	US Dollar	Vietnam Dong	Renminbi	Indonesia Rupiah	Malaysian Ringgit	Baht	US Dollar
1 year	65	8	3,366	-	2,095	2	57	7
2 to 5 years	24	-	7,977	-	3,055	-	20	-
Over 5 years	-	-	29,295	-	4,111	-	-	-

(Unit: Million)

As at 31 December 2016

Payable within:	Consolidated financial statements					Separate financial statements		
	Baht	US Dollar	Vietnam Dong	Renminbi	Indonesia Rupiah	Malaysian Ringgit	Baht	US Dollar
1 year	70	2	3,839	1	2,178	2	61	-
2 to 5 years	50	-	10,554	-	3,405	-	43	-
Over 5 years	-	-	30,852	-	4,778	-	-	-





32.3 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 year-ended 31 December 2017 and 2016 amounted to approximately Baht 37 million and Baht 41 million, respectively.

32.4 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 2017, 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 31 December 2017, the Company had outstanding commitment in respect of receiving crude oil under such purchase agreement of approximately 45 million barrels.

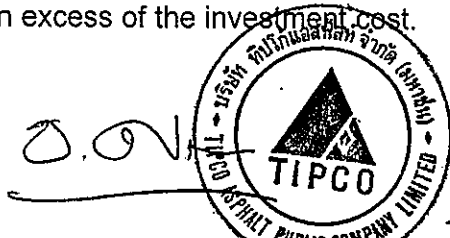
32.5 Bank guarantees

As at 31 December 2017 and 2016, there were 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 which are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements	
	<u>2017</u> (Million)	<u>2016</u> (Million)	<u>2017</u> (Million)	<u>2016</u> (Million)
Baht	3	14	2	12
Ringgit	10	7	-	-
Indonesia Rupiah	-	253	-	-

32.6 Tax assessment

An oversea subsidiary, of which investment cost is Baht 3 million, has been assessed by the authority on corporate income tax, withholding tax and value added tax by approximately USD 18 million (equivalent to Baht 593 million), covering the years 2008 - 2012 and 2014. The management has appointed an independence tax advisor to appeal the assessments and the independence tax advisor is of an opinion that the case is defensible. The Company's management believes that there will not be any significant loss resulting from the assessment in excess of the investment cost.



33. Fair value of financial instruments

The assets and liabilities of the Company and its subsidiaries that were measured at fair value are derivatives. The level in determining the fair value of such assets and liabilities is level 2.

As at 31 December 2017 and 2016, the fair value of such assets and liabilities are presented below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Financial assets measured at fair value				
Forward exchange contracts	2,637	1,322	1,987	1,322
Price hedging contracts	344,889	514,321	344,889	514,321
Interest rate swap contracts	154	389	-	-
Financial liabilities measured at fair value				
Forward exchange contracts	3,690	2,901	3,569	2,022
Price hedging contracts	774,517	50,331	774,517	50,331
Interest rate swap contracts	890	9,538	890	9,538

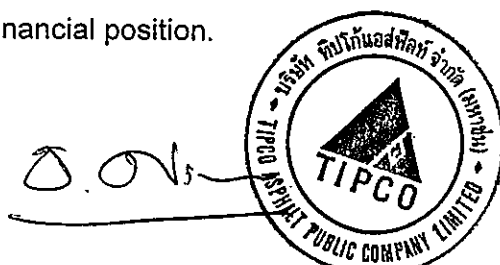
34. Financial instruments

34.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, trade and other payables, liabilities under finance lease agreements and loans. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and loans, as stated in statements of financial position.




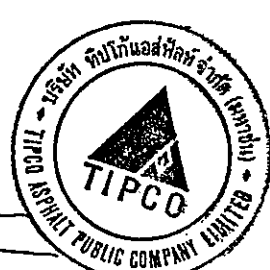
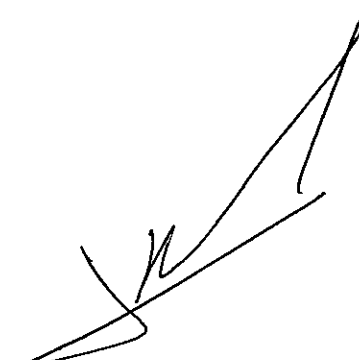
Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks, short-term loans from banks, liabilities under finance lease agreements and long-term borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2017					
	Fixed interest rates		Floating	Non-		
	Within		interest	interest		
	1 year	1-5 years	rate	bearing	Total	Interest rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	158	-	236	631	1,025	0.1 - 5.5
Trade and other receivables	-	-	-	3,668	3,668	-
Financial liabilities						
Short-term loans from financial institutions	2,027	-	-	-	2,027	Note 16
Trade and other payables	-	-	-	2,982	2,982	-
Long-term loans from financial institutions	72	99	366	-	537	Note 18
Long-term loans from related parties	-	-	-	7	7	-

(Unit: Million Baht)

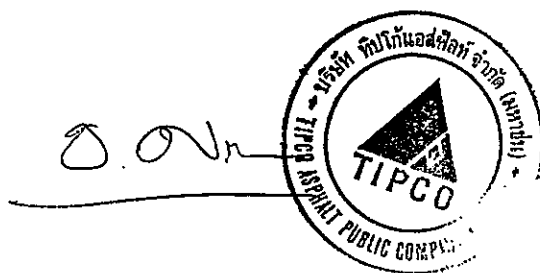
Consolidated financial statements

	As at 31 December 2016					
	Fixed interest rates		Floating	Non-		
	Within		interest	interest		
	1 year	1-5 years	rate	bearing	Total	Interest rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	223	-	284	826	1,333	0.3 - 4.7
Trade and other receivables	-	-	-	3,491	3,491	-
Financial liabilities						
Short-term loans from financial institutions	1,468	-	-	-	1,468	Note 16
Trade and other payables	-	-	-	4,053	4,053	-
Liabilities under finance lease agreements	1	-	-	-	1	2.6
Long-term loans from financial institutions	72	171	913	-	1,156	Note 18
Long-term loans from related parties	-	-	-	8	8	-

(Unit: Million Baht)

Separate financial statements

	As at 31 December 2017					
	Fixed interest rates		Floating	Non-		
	Within		interest	interest		
	1 year	1-5 years	rate	bearing	Total	Interest rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	68	86	154	0.3 - 0.6
Trade and other receivables	-	-	-	3,138	3,138	-
Short-term loans to related party	33	-	-	-	33	Note 7
Long-term loans to related parties	-	884	406	-	1,290	Note 7
Financial liabilities						
Short-term loans from financial institutions	1,677	-	-	-	1,677	Note 16
Trade and other payables	-	-	-	3,477	3,477	-
Short-term loans from related parties	256	-	-	-	256	Note 7



(Unit: Million Baht)

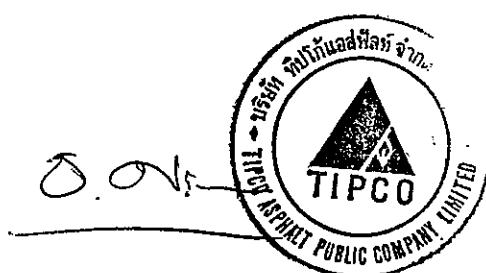
Separate financial statements						
As at 31 December 2016						
	Fixed interest rates		Floating	Non-	Total	Interest rate (% p.a.)
	Within		interest	interest		
	1 year	1-5 years	rate	bearing		
Financial assets						
Cash and cash equivalents	-	-	76	158	234	0.3 - 0.6
Trade and other receivables	-	-	-	2,653	2,653	-
Long-term loans to related parties	-	191	446	-	637	Note 7
Financial liabilities						
Short-term loans from financial institutions	1,270	-	-	-	1,270	Note 16
Trade and other payables	-	-	-	4,118	4,118	-

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

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

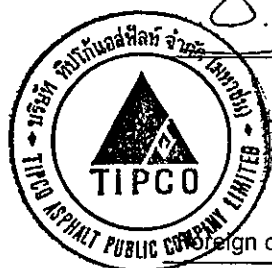
Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	28	27	60	112	32.7	35.8
Euro	-	-	33	1	39.0	37.8
Yen	-	-	3	4	0.3	0.3
Ringgit	7	1	33	7	8.1	8.0
Vietnam Dong	5	-	-	-	0.0014	0.0016



Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 December		as at 31 December		as at 31 December	
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	86	47	62	114	32.7	35.8
Euro	-	-	32	1	39.0	37.8
Renminbi	58	64	-	-	5.0	5.1
Ringgit	-	-	-	2	8.1	8.0
Indonesia Rupiah	-	-	11	-	0.0024	0.0027

The Company and its subsidiaries outstanding foreign exchange contracts which maturity date within one year are summarised below.

As at 31 December 2017						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought		
	amount	amount	amount	amount	Sold	Bought
	(Million)	(Million)	(Million)	(Million)	Per 1 US Dollar	
US Dollar	9	13	8	12	32.5 - 33.2 Baht	32.5 - 33.2 Baht
US Dollar	-	1	-	-	-	22,721
						Vietnam Dong
US Dollar	-	8	-	-	-	13,588 - 13,664
						Indonesia Rupiah



As at 31 December 2016						
Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought		
	amount	amount	amount	amount	Sold	Bought
	(Million)	(Million)	(Million)	(Million)		
US Dollar	5	9	5	9	34.9 - 36.0 Baht	35.6 - 36.1 Baht
US Dollar	-	3	-	-	-	13,500 - 13,630
						Indonesia Rupiah

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.

Risk from fluctuation in raw materials and finished goods prices

The Company and its subsidiaries is exposed to risk from fluctuations in the price of raw materials and finished goods. To manage these risks, the Company and its subsidiaries have entered into forward/future contracts to purchase/sell of raw materials and finished goods, and option contracts to purchase/sell of raw materials and finished goods to hedge the risk from fluctuation in such prices.

As at 31 December 2017 and 2016, the Company and its subsidiaries had outstanding price hedging contracts which maturity date within one year are presented in the statements of financial position at fair value and were summarised below.

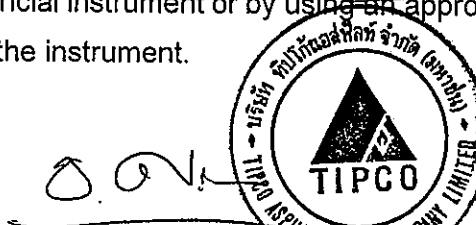
(Unit: Million Baht)

Contract type	Type of product	Consolidated/ Separate financial statements	
		2017	2016
<u>Contracts presented as assets</u>			
Bought forward contract	Crude oil	195	205
Bought forward contract	Petroleum product	-	10
Sold forward contract	Crude oil	-	9
Four-way collar option	Crude oil	150	290
Total price hedging contracts presented as assets		345	514
<u>Contracts presented as liabilities</u>			
Bought forward contract	Crude oil	-	2
Sold forward contract	Crude oil	697	32
Sold forward contract	Petroleum product	-	16
Two-way collar option	Crude oil	78	-
Total price hedging contracts presented as liabilities		775	50

34.2 Fair value of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position. For derivatives, fair value is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.



35. Capital management

The primary objective of the capital management of the Company and its subsidiaries is to ensure that they have an appropriate financial structure and preserve the ability to continue their business as a going concern.

The Group manages its capital position with reference to financial ratio. As at 31 December 2017 and 2016, these financial ratios were as follow:

Financial Ratio	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Interest Bearing Short-term Debt-to-Equity Ratio	0.18 : 1	0.15 : 1	0.18 : 1	0.13 : 1
Interest Bearing Long-term Debt-to-Equity Ratio	0.02 : 1	0.06 : 1	-	-

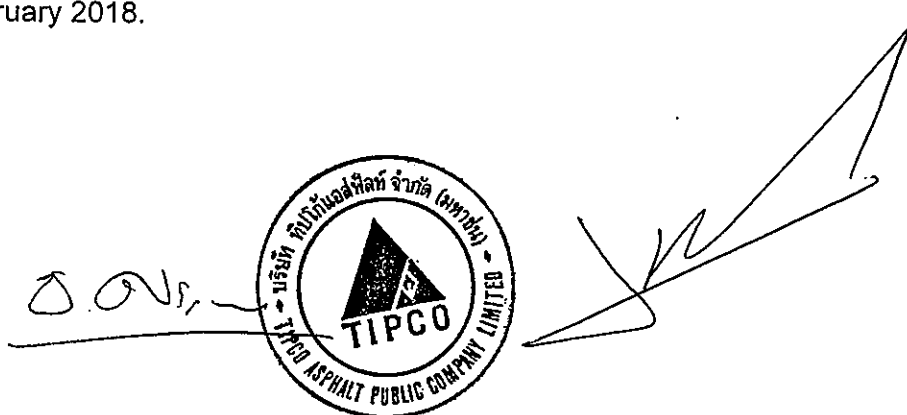
The Trust Receipts (in Note 16) is revolving in nature and used to fund the working capital of crude inventory and receivables which have less than four-month cash conversion cycle.

36. Events after the reporting period

On 11 January 2018, the Board of Directors Meeting No.1/2018 of the Company passed a resolution to approve the investment in a new company incorporated in Philippines. This company will be engaged in the manufacture and distribution of asphalt products. The Company will have 40 percent of shareholding in this company. Subsequently, on 16 January 2018, the Company entered into a Joint Venture Agreement with P-H-O-E-N-I-X Petroleum Philippines, Inc., a company incorporated Philippines, and Carlito B. Castrillo, a Filipino citizen, to establish this company. Currently, this new company is in the process of fulfilling legal requirements relating to the establishment.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 13 February 2018.

A handwritten signature is written over a circular stamp. The stamp contains the text "บริษัท ทีพีซีแอสฟัลท์ จำกัด (มหาชน)" at the top, "TIPCO" in the center, and "TIPCO ASPHALT PUBLIC COMPANY LIMITED" at the bottom. A large, stylized handwritten mark is to the right of the stamp.