

Tipco Asphalt Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month and six-month periods ended 30 June 2017



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

To the Shareholders of Tipco Asphalt Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Tipco Asphalt Public Company Limited and its subsidiaries as at 30 June 2017, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2017, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Tipco Asphalt Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

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

Supachai Phanyawattano  
Certified Public Accountant (Thailand) No. 3930

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		904,129	1,333,229	145,341	234,078
Trade and other receivables	3, 4	3,712,276	3,491,349	2,453,542	2,653,404
Short-term loan to related party	4	-	-	84,536	-
Inventories	5	3,715,083	3,769,636	3,118,491	3,106,107
Price hedging contracts	20	65,040	514,321	65,040	514,321
Other current assets		318,794	252,395	43,383	30,897
<b>Total current assets</b>		<b>8,715,322</b>	<b>9,360,930</b>	<b>5,910,333</b>	<b>6,538,807</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	7,339,530	7,335,600
Investment in joint ventures	7	37,046	30,952	-	-
Investments in associates		480,915	435,086	243,447	243,447
Long-term loans to related parties	4	-	-	784,767	636,652
Investment properties		199,433	199,433	85,342	99,838
Property, plant and equipment	8	8,463,201	8,690,382	862,906	885,157
Goodwill		146,294	146,294	-	-
Other intangible assets		236,186	228,849	70,544	53,722
Leasehold rights		361,043	375,085	3,077	3,191
Deferred tax assets - net	13	91,219	25,116	101,060	56,428
Interest rate swap contracts	11	350	389	-	-
Other non-current assets		14,133	10,100	4,029	4,232
<b>Total non-current assets</b>		<b>10,029,820</b>	<b>10,141,686</b>	<b>9,494,702</b>	<b>9,318,267</b>
<b>Total assets</b>		<b>18,745,142</b>	<b>19,502,616</b>	<b>15,405,035</b>	<b>15,857,074</b>

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



นายชัยวัฒน์ ศรีวรรณวัฒน์

นายอัครเดช นามะกุล

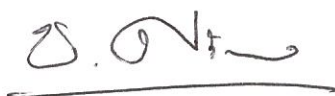
Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions		1,846,809	1,468,288	1,496,331	1,269,831
Trade and other payables	4, 9	2,709,610	4,053,189	2,912,779	4,118,005
Current portion of long-term loans					
from financial institutions	10	344,502	377,856	-	-
Short-term loan from related party	4	-	-	25,000	-
Income tax payable		363,276	224,788	293,923	150,579
Price hedging contracts	20	81,358	50,331	81,358	50,331
Other current liabilities		97,467	137,204	49,381	44,683
Total current liabilities		5,443,022	6,311,656	4,858,772	5,633,429
Non-current liabilities					
Long-term loans from financial institutions -					
net of current portion	10	384,501	777,903	-	-
Long-term loan from related party	4	7,378	7,570	-	-
Interest rate swap contracts	11	1,144	9,538	1,144	9,538
Provision for long-term employee benefits		138,772	130,878	90,424	87,497
Total non-current liabilities		531,795	925,889	91,568	97,035
Total liabilities		5,974,817	7,237,545	4,950,340	5,730,464

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

  
นายชัยวัฒน์ ศรีวรรณวัฒน์



  
นายจัสส์ มาร์แชด



Tipco Asphalt Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	15				
Registered					
1,579,343,570 ordinary shares		1,579,344	1,579,344	1,579,344	1,579,344
Issued and fully paid					
1,554,329,570 ordinary shares (31 December 2016:					
1,552,998,070 ordinary shares) of Baht 1 each		1,554,330	1,552,998	1,554,330	1,552,998
Premium on share capital		1,014,688	1,008,954	1,014,688	1,008,954
Share subscription	15	31,556	4,826	31,556	4,826
Non-controlling interests of subsidiary acquired					
by the Company at price lower than book value		6,238	6,238	-	-
Change in the Company's interest in subsidiaries					
which did not result in a loss of control		(570,311)	(570,311)	-	-
Capital reserve for share-based payment transactions		138,866	119,382	138,866	119,382
Retained earnings					
Appropriated - statutory reserve		172,123	172,123	172,123	172,123
Unappropriated		10,522,906	9,873,734	7,543,132	7,268,327
Other components of shareholders' equity		(215,982)	(13,504)	-	-
Equity attributable to owners of the Company		12,654,414	12,154,440	10,454,695	10,126,610
Non-controlling interests of the subsidiaries		115,911	110,631	-	-
<b>Total shareholders' equity</b>		<b>12,770,325</b>	<b>12,265,071</b>	<b>10,454,695</b>	<b>10,126,610</b>
<b>Total liabilities and shareholders' equity</b>		<b>18,745,142</b>	<b>19,502,616</b>	<b>15,405,035</b>	<b>15,857,074</b>

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

นายชัยวัฒน์ ศรีวรรณวัฒน์

Directors

นายจำลอง มารีแซด



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 June 2017

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

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
			(Restated)		
Revenues					
Sales and service income		8,211,323	5,499,620	6,756,502	4,147,612
Other income					
Dividend income from associate		-	-	38,448	
Gain on exchange	19	49,428	31,517	44,677	37,088
Others		56,275	75,289	68,006	73,276
Total revenues		8,317,026	5,606,426	6,907,633	4,257,976
Expenses					
Cost of sales and services		7,404,622	4,353,614	6,340,234	3,566,550
Loss from price hedging contracts	20	260,723	315,295	281,953	317,399
Reduction of cost of inventories to net realisable value (reversal)	5	5,057	(112,687)	10,750	(60,954)
		7,670,402	4,556,222	6,632,937	3,822,995
Selling expenses		38,515	72,039	24,076	30,755
Administrative expenses		251,756	235,387	125,634	115,744
Other expenses					
Reversal of allowance for doubtful accounts		(36,272)	(52,014)	(10,174)	(2,782)
Total expenses		7,924,401	4,811,634	6,772,473	3,966,712
Profit before share of profit from investment in joint ventures, associates, finance cost and income tax					
		392,625	794,792	135,160	291,264
Share of profit from investments in joint ventures		6,010	9,377	-	-
Share of profit from investments in associates		34,598	25,615	-	-
Profit before finance cost and income tax		433,233	829,784	135,160	291,264
Finance cost		(29,061)	(26,416)	(14,075)	(9,428)
Profit before income tax		404,172	803,368	121,085	281,836
Income tax	13	(54,860)	(122,666)	(14,858)	(57,697)
Profit for the period		349,312	680,702	106,227	224,139
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currencies		17,805	(13,508)	-	-
Other comprehensive income for the period		17,805	(13,508)	-	-
Total comprehensive income for the period		367,117	667,194	106,227	224,139



(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2017

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
<b>Profit attributable to:</b>				
Equity holders of the Company	344,049	689,129	106,227	224,139
Non-controlling interests of the subsidiaries	5,263	(8,427)		
	<u>349,312</u>	<u>680,702</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	362,311	682,875	106,227	224,139
Non-controlling interests of the subsidiaries	4,806	(15,681)		
	<u>367,117</u>	<u>667,194</u>		
<b>Earnings per share (Baht)</b>	14			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.22</u>	<u>0.45</u>	<u>0.07</u>	<u>0.15</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.22</u>	<u>0.44</u>	<u>0.07</u>	<u>0.14</u>

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

  
นายชัยวัฒน์ ศรีวรรณวัฒน์



  
นายจักษ์ มารีแซล



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the six-month period ended 30 June 2017

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

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
			(Restated)		
Revenues					
Sales and service income		16,561,804	12,104,101	14,104,902	9,670,952
Other income					
Dividend income from subsidiaries	6	-	-	205,000	-
Dividend income from associate		-	-	38,448	-
Gain on exchange	19	183,484	52,587	166,884	54,313
Others		127,814	99,668	156,485	97,831
Total revenues		16,873,102	12,256,356	14,671,719	9,823,096
Expenses					
Cost of sales and services		14,068,542	9,580,922	12,576,127	8,515,046
Loss from price hedging contracts	20	453,122	194,769	483,215	206,057
Reversal of reduction of cost of inventories to net realisable value	5	(71,630)	(256,348)	(162,000)	(256,357)
		14,450,034	9,519,343	12,897,342	8,464,746
Selling expenses		73,726	113,320	42,744	52,812
Administrative expenses		537,158	511,753	266,619	262,348
Other expenses					
Reversal of allowance for doubtful accounts		(54,116)	(95,787)	(18,366)	(3,748)
Total expenses		15,006,802	10,048,629	13,188,339	8,776,158
Profit before share of profit from investment in joint ventures, associates, finance cost and income tax					
		1,866,300	2,207,727	1,483,380	1,046,938
Share of profit from investments in joint ventures		7,773	10,590	-	-
Share of profit from investments in associates		84,361	56,020	-	-
Profit before finance cost and income tax		1,958,434	2,274,337	1,483,380	1,046,938
Finance cost		(54,803)	(73,800)	(25,549)	(27,378)
Profit before income tax		1,903,631	2,200,537	1,457,831	1,019,560
Income tax	13	(313,622)	(334,275)	(250,750)	(207,202)
Profit for the period		1,590,009	1,866,262	1,207,081	812,358
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currencies		(205,759)	(115,943)	-	-
Other comprehensive income for the period		(205,759)	(115,943)	-	-
Total comprehensive income for the period		1,384,250	1,750,319	1,207,081	812,358



(Unaudited but reviewed)

Tipco Asphalt Public Company Limited and its subsidiaries

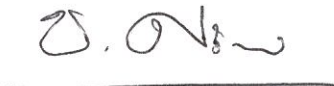
Statement of comprehensive income (continued)

For the six-month period ended 30 June 2017

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
<b>Profit attributable to:</b>				
Equity holders of the Company	1,581,448	1,861,822	1,207,081	812,358
Non-controlling interests of the subsidiaries	8,561	4,440		
	<u>1,590,009</u>	<u>1,866,262</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	1,378,970	1,753,817	1,207,081	812,358
Non-controlling interests of the subsidiaries	5,280	(3,498)		
	<u>1,384,250</u>	<u>1,750,319</u>		
<b>Earnings per share (Baht)</b>	14			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>1.02</u>	<u>1.21</u>	<u>0.78</u>	<u>0.53</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>1.01</u>	<u>1.19</u>	<u>0.77</u>	<u>0.52</u>

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

  
นายชัยวัฒน์ ศรีวรรณวัฒน์




  
นายจาคัส มาร์แซล

(Unaudited but reviewed)

Tait Public Company Limited and its subsidiaries  
of changes in shareholders' equity  
-month period ended 30 June 2017

(Unit: Thousand Baht)

Consolidated financial statements																			
Equity attributable to owners of the Company																			
												Other components of equity							
												Non-controlling interests of subsidiary acquired by the Company at price lower than book value	Change in the Company's interest in subsidiaries which did not result in a loss of control	Capital reserve for share-based payment transactions	Retained earnings	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Issued and paid-up share capital	Premium on share capital	Share subscription																	
1,543,850	969,634	554	6,238	(308,455)	75,457	7,843,967	172,123	-	25,501	25,501	10,328,869	235,617	-	10,564,486					
-	-	-	-	-	-	1,861,822	-	-	-	-	1,861,822	4,440	-	1,866,262					
-	-	-	-	-	-	-	-	-	(108,005)	(108,005)	(108,005)	(7,938)	-	(115,943)					
-	-	-	-	-	-	1,861,822	-	-	(108,005)	(108,005)	1,753,817	(3,498)	-	1,750,319					
at 30 June 2016 (restated)																			
-	-	-	-	(261,853)	-	-	-	-	-	-	(261,853)	(125,659)	-	(387,512)					
449	1,860	(554)	-	-	-	-	-	-	-	-	1,755	-	-	1,755					
-	-	43,841	-	-	-	-	-	-	-	-	43,841	-	-	43,841					
-	-	-	-	-	23,516	-	-	-	-	-	23,516	-	-	23,516					
-	-	-	-	-	-	(617,555)	-	-	-	-	(617,555)	-	-	(617,555)					
1,544,299	971,494	43,841	6,238	(570,308)	98,973	9,088,234	172,123	-	(82,504)	(82,504)	11,272,390	106,460	-	11,378,850					
at 1 January 2017																			
1,552,998	1,008,954	4,826	6,238	(570,311)	119,382	9,873,734	172,123	-	(13,504)	(13,504)	12,154,440	110,631	-	12,265,071					
-	-	-	-	-	-	1,581,448	-	-	-	-	1,581,448	8,561	-	1,590,009					
-	-	-	-	-	-	-	-	-	(202,478)	(202,478)	(202,478)	(3,281)	-	(205,759)					
1,332	5,734	(4,826)	-	-	-	1,581,448	-	-	(202,478)	(202,478)	1,378,970	5,280	-	1,384,250					
-	-	-	-	-	-	-	-	-	-	-	2,240	-	-	2,240					
-	-	31,556	-	-	-	-	-	-	-	-	31,556	-	-	31,556					
-	-	-	-	-	19,484	-	-	-	-	-	19,484	-	-	19,484					
-	-	-	-	-	-	(932,276)	-	-	-	-	(932,276)	-	-	(932,276)					
1,554,330	1,014,688	31,556	6,238	(570,311)	138,866	10,522,906	172,123	-	(215,982)	(215,982)	12,654,414	115,911	-	12,770,325					
at 30 June 2017																			





anying notes are an integral part of the interim financial statements.

นายชัยวัฒน์ ศรีวรรณวัฒน์

นายจำลอง มาร์แชล



(Unaudited but reviewed)

co Asphalt Public Company Limited and its subsidiaries  
 tement of changes in shareholders' equity (continued)  
 the six-month period ended 30 June 2017

(Unit: Thousand Baht)

## Separate financial statements

	Issued and paid-up share capital	Premium on share capital	Share subscription	Capital reserve for share-based payment transactions	Retained earnings	Total shareholders' equity
				Appropriated statutory reserve	Unappropriated	
<b>ance as at 1 January 2016</b>	1,543,850	969,634	554	75,457	5,782,337	8,543,955
fit for the period	-	-	-	-	812,358	812,358
er comprehensive income for the period	-	-	-	-	-	-
al comprehensive income for the period	-	-	-	-	812,358	812,358
ease in share capital	449	1,860	(554)	-	-	1,755
h receipts from share subscription	-	-	43,841	-	-	43,841
ire-based payment transactions	-	-	-	23,516	-	23,516
dend paid (Note 16)	-	-	-	-	(617,555)	(617,555)
<b>ance as at 30 June 2016</b>	1,544,299	971,494	43,841	98,973	5,977,140	8,807,870
<b>ance as at 1 January 2017</b>	1,552,998	1,008,954	4,826	119,382	7,268,327	10,126,610
fit for the period	-	-	-	-	1,207,081	1,207,081
er comprehensive income for the period	-	-	-	-	-	-
al comprehensive income for the period	-	-	-	-	1,207,081	1,207,081
ease in share capital (Note 15)	1,332	5,734	(4,826)	-	-	2,240
h receipts from share subscription (Note 15)	-	-	31,556	-	-	31,556
ire-based payment transactions	-	-	-	19,484	-	19,484
dend paid (Note 16)	-	-	-	-	(932,276)	(932,276)
<b>ance as at 30 June 2017</b>	1,554,330	1,014,688	31,556	138,866	7,543,132	10,454,695



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

นายชัยวัฒน์ ศรีวรรณวัฒน์

นายชัยวัฒน์ ศรีวรรณวัฒน์

นายจำลอง มาร์แชล



(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Cash flow statement

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u> (Restated)	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities:</b>				
Profit before income tax	1,903,631	2,200,537	1,457,831	1,019,560
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	490,848	404,708	84,494	50,588
Reversal of allowance for doubtful accounts	(54,116)	(95,787)	(18,366)	(3,748)
Reversal of reduction of cost of inventories to net realisable value	(71,630)	(256,348)	(162,000)	(256,357)
Dividend income from subsidiaries	-	-	(205,000)	-
Dividend income from associate	-	-	(38,448)	-
Unrealised (gain) loss on exchange	(23,186)	(14,115)	50,800	15,669
Gain on sales of investment properties	-	-	(45,504)	-
Gain on sales of land and equipment	(49,398)	(2,118)	(5,122)	(531)
Share of profit from investments in joint ventures	(7,773)	(10,590)	-	-
Share of profit from investments in associates	(84,361)	(56,020)	-	-
Share-based payment transactions	19,484	23,516	15,554	18,837
Provision for long-term employee benefits	8,191	7,560	4,480	4,935
Change in fair value of forward exchange contracts	2,685	(2,735)	2,513	(310)
Change in fair value of price hedging contracts	480,308	755,887	480,308	756,675
Change in fair value of interest rate swap contracts	(8,355)	6,678	(8,394)	5,823
Interest expenses	54,677	59,396	31,354	16,872
Profit from operating activities before changes in operating assets and liabilities	2,661,005	3,020,569	1,644,500	1,628,013
(Increase) decrease in operating assets				
Trade and other receivables	(119,298)	1,604,209	231,866	1,146,802
Inventories	126,165	(565,187)	149,616	(460,685)
Other current assets	(108,198)	(51,332)	(20,006)	(12,270)
Other non-current assets	(4,037)	100,104	(13,526)	(164)
Increase (decrease) in operating liabilities				
Trade and other payables	(1,336,846)	108,722	(983,473)	716,997
Other current liabilities	(44,146)	(48,207)	2,012	50,233
<b>Cash flows from operating activities</b>	<b>1,174,645</b>	<b>4,168,878</b>	<b>1,010,989</b>	<b>3,068,926</b>
Cash paid for interest expenses	(44,587)	(28,095)	(39,401)	(8,996)
Cash paid for corporate income tax	(244,767)	(541,060)	(152,038)	(398,238)
<b>Net cash flows from operating activities</b>	<b>885,291</b>	<b>3,599,723</b>	<b>819,550</b>	<b>2,661,692</b>



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

(Unaudited but reviewed)

## Tipco Asphalt Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(Restated)		
<b>Cash flows from investing activities:</b>				
Cash paid to acquisition of investment in subsidiaries	-	-	-	(1,454,026)
Cash paid for investment in new subsidiaries - net from cash and cash equivalent received	-	(1,256,982)	-	(1,513,222)
Cash paid to acquisition of short-term loan in new subsidiaries from related party	-	-	-	(448,159)
Increase in short-term loans to related party	-	-	(86,306)	-
Increase in long-term loans to related party	-	-	(188,753)	-
Cash paid for acquisition of equipment	(415,942)	(578,554)	(39,889)	(110,755)
Cash paid for acquisition of computer software	(22,897)	(5,420)	(22,371)	(3,882)
Proceeds from sales of investment properties	-	-	60,000	-
Proceeds from sales of land and equipment	70,662	676	8,680	634
<b>Net cash flows used in investing activities</b>	<b>(368,177)</b>	<b>(1,840,280)</b>	<b>(268,639)</b>	<b>(3,529,410)</b>
<b>Cash flows from financing activities:</b>				
Cash paid to acquisition of non-controlling interests of subsidiary	-	(387,512)	-	-
Increase in short-term loans from financial institutions	396,302	654,677	233,880	837,915
Increase (decrease) in short-term loans from related parties	-	(448,159)	25,000	125,000
Cash paid under finance lease agreements	(513)	(9,000)	(380)	(1,292)
Repayment of long-term loans	(396,250)	(704,944)	-	-
Cash receipt from capital increase	2,240	1,755	2,240	1,755
Cash receipts from shares subscription	31,556	43,841	31,556	43,841
Dividend paid to shareholders	(931,944)	(617,577)	(931,944)	(617,577)
<b>Net cash flows from (used in) financing activities</b>	<b>(898,609)</b>	<b>(1,466,919)</b>	<b>(639,648)</b>	<b>389,642</b>
<b>Exchange differences on translation of financial statements in foreign currencies</b>	<b>(47,605)</b>	<b>(721)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(429,100)</b>	<b>291,803</b>	<b>(88,737)</b>	<b>(478,076)</b>
Cash and cash equivalents at beginning of period	1,333,229	1,353,521	234,078	667,293
<b>Cash and cash equivalents at end of period</b>	<b>904,129</b>	<b>1,645,324</b>	<b>145,341</b>	<b>189,217</b>

## Supplemental cash flows information

## Non-cash transactions:

Purchase of equipment for which cash has not been paid	413	19,072	-	-
Settlement of dividend received from subsidiaries with account payable (Note 6)	-	-	205,000	-
Dividend income from associate which cash has not been received	38,448	-	38,448	-

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



**Tipco Asphalt Public Company Limited and its subsidiaries**  
**Notes to interim consolidated financial statements**  
**For the three-month and six-month periods ended 30 June 2017**

**1. General information**

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


These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

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

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

**1.2 Basis of consolidation**

The consolidated interim financial statements include the financial statements of Tipco Asphalt Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2016.

  
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### 1.3 New financial reporting standards

During the period, the Company and its subsidiaries adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which 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. However, one standard involves changes to key principles, which is summarised below.


#### TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard did not have any significant impact on the Company and its subsidiaries' financial statements because the management decided to continue accounting for such investments under the cost method in the separate financial statements.

### 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

  
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**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<b><u>Trade receivables - related parties</u></b> (Note 4)				
Aged on the basis of due dates				
Not yet due	566,206	336,669	845,718	478,604
Past due				
Up to 3 months	53,963	4,393	48,078	4,193
3 - 6 months	34,727	-	10,594	-
6 - 9 months	937	-	24	5,128
9 - 12 months	-	-	-	5,184
Over 12 months	-	10,063	297,443	314,752
Total	655,833	351,125	1,201,857	807,861
Less: Allowance for doubtful accounts	-	-	(297,443)	(314,739)
Total trade receivables - related parties, net	655,833	351,125	904,414	493,122
<b><u>Trade receivables - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	1,882,998	2,199,534	1,030,922	1,591,689
Past due				
Up to 3 months	756,433	509,623	91,305	119,968
3 - 6 months	75,828	18,869	767	240
6 - 9 months	18,176	9,829	1,155	-
9 - 12 months	4,091	32,091	-	-
Over 12 months	382,503	443,952	63,898	64,989
Total	3,120,029	3,213,898	1,188,047	1,776,886
Less: Allowance for doubtful accounts	(388,810)	(456,244)	(63,920)	(64,989)
Total trade receivables - unrelated parties, net	2,731,219	2,757,654	1,124,127	1,711,897
Total trade receivables - net	3,387,052	3,108,779	2,028,541	2,205,019
<b><u>Other receivables</u></b>				
Amounts due from related parties (Note 4)	49,951	10,874	158,524	100,235
Accounts receivable from price				
hedging contracts	260,092	344,974	260,092	344,974
Other receivables	15,181	26,722	6,385	3,176
Total other receivables	325,224	382,570	425,001	448,385
Trade and other receivables - net	3,712,276	3,491,349	2,453,542	2,653,404



(Unaudited but reviewed)

#### 4. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policies
	2017	2016	2017	2016	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales and services	-	-	723	766	Cost plus certain margin
Rental and service income	-	-	4	7	Contract price
Technical and administrative assistance income	-	-	19	3	Contract price
Interest income	-	-	3	4	At rate of 2.00 - 2.25 percent and LIBOR plus 1.50 percent per annum
Purchase of goods	-	-	25	28	Cost plus certain margin
Rental and service expenses	-	-	550	575	Contract price
<b><u>Transactions with joint venture</u></b>					
Sales and services	416	359	383	290	Market price / Contract price
Rental and service income	-	1	-	-	Contract price
<b><u>Transactions with associates</u></b>					
Sales and services	74	-	56	-	Market price / Contract price
Rental and service income	1	-	1	-	Contract price
Dividend income	-	-	38	-	
<b><u>Transactions with related companies</u></b>					
Sales and services	346	319	346	282	Market price / Contract price
Rental and service expenses	11	18	9	11	Contract price
Technical and administrative assistance expenses	8	9	8	9	Contract price



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(Unit: Million Baht)

For the six-month periods ended 30 June					
	Consolidated		Separate		Transfer pricing policies
	financial statements		financial statements		
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales and services	-	-	1,754	1,463	Cost plus certain margin
Rental and service income	-	-	9	19	Contract price
Technical and administrative assistance income	-	-	38	6	Contract price
Interest income	-	-	5	6	At rate of 2.00 - 2.25 percent and LIBOR plus 1.50 percent per annum
Dividend income	-	-	205	-	
Purchase of goods	-	-	59	51	Cost plus certain margin
Rental and service expenses	-	-	1,183	1,292	Contract price
<b><u>Transactions with joint venture</u></b>					
Sales and services	641	468	566	375	Market price / Contract price
Rental and service income	-	2	-	-	Contract price
Rental and service expenses	-	7	-	7	Contract price
<b><u>Transactions with associates</u></b>					
Sales and services	192	-	151	-	Market price / Contract price
Rental and service income	1	-	1	-	Contract price
Dividend income	-	-	38	-	
<b><u>Transactions with related companies</u></b>					
Sales and services	557	974	555	902	Market price / Contract price
Rental and service income	2	1	2	1	Contract price
Rental and service expenses	22	28	18	19	Contract price
Technical and administrative assistance expenses	21	21	21	21	Contract price

  
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(Unaudited but reviewed)

The balances of the accounts as at 30 June 2017 and 31 December 2016 between the Company and its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<b><u>Trade and other receivables - related parties</u></b> (Note 3)				
Subsidiaries	-	-	719,851	588,753
Joint venture	289,811	159,017	289,488	157,507
Associates	201,225	123,685	136,716	82,962
Related companies (common shareholders and directors)	214,748	79,297	214,326	78,874
Total trade and other receivables - related parties	705,784	361,999	1,360,381	908,096
Less : Allowance for doubtful accounts	-	-	(297,443)	(314,739)
<b>Total trade and other receivables - related parties, net</b>	<b>705,784</b>	<b>361,999</b>	<b>1,062,938</b>	<b>593,357</b>
<b><u>Short-term loan to related party</u></b>				
Subsidiary	-	-	84,536	-
<b>Total long-term loan to related party</b>	<b>-</b>	<b>-</b>	<b>84,536</b>	<b>-</b>
<b><u>Long-term loans to related parties</u></b>				
Subsidiaries	-	-	784,767	636,652
<b>Total long-term loans to related parties</b>	<b>-</b>	<b>-</b>	<b>784,767</b>	<b>636,652</b>
<b><u>Trade and other payables - related parties</u></b> (Note 9)				
Subsidiaries	-	-	758,538	897,937
Joint venture	-	12	-	12
Associates	115	754	17	201
Related companies (common shareholders and directors)	108,053	89,883	107,880	89,314
<b>Total trade and other payables - related parties</b>	<b>108,168</b>	<b>90,649</b>	<b>866,435</b>	<b>987,464</b>
<b><u>Short-term loan from related party</u></b>				
Subsidiary	-	-	25,000	-
<b>Total short-term loan from related party</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>-</b>
<b><u>Long-term loan from related party</u></b>				
Related company (shareholder of subsidiary)	7,378	7,570	-	-
<b>Total long-term loan from related party</b>	<b>7,378</b>	<b>7,570</b>	<b>-</b>	<b>-</b>



(Unaudited but reviewed)

Loans to related parties and loan from related party

As at 30 June 2017 and 31 December 2016, the balances of loans between the Company and those related companies and the movements were as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
Company's name	Related by	Balance as at 31 December 2016 (Audited)	Exchange differences on translation of financial statements in foreign currencies	Balance as at 30 June 2017

Long-term loan from related party

Zhenjiang Highway Materials Company	Shareholder of subsidiary	7,570	(192)	7,378
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(Unit: Thousand Baht)

Separate financial statements					
Company's name	Related by	Balance as at 31 December 2016 (Audited)	Increase during the year	Decrease during the year	Balance as at 30 June 2017

Short-term loan to related party

Highway Resources Pte. Ltd.	Subsidiary	-	120,848	(34,542)	(1,770)	84,536
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Long-term loans to related parties

AD Shipping Pte. Ltd.	Subsidiary	285,270	-	-	(14,754)	270,516
Reta Link Pte. Ltd.	Subsidiary	160,465	-	-	(8,300)	152,165
Pacific Bitumen Shipping Pte. Ltd.	Subsidiary	190,917	188,753	-	(17,584)	362,086
Total		636,652	188,753	-	(40,638)	784,767

Short-term loan from related party

Raycol Asphalt Co., Ltd.	Subsidiary	-	25,000	-	-	25,000
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Directors and management's benefits

For the three-month and six-month periods ended 30 June 2017 and 2016, the Company and its subsidiaries had employee benefit expenses of their directors and management as detailed below.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	33	32	29	27
Post-employment benefits	1	2	1	1
Share-based payment transactions	1	2	1	2
Total	35	36	31	30

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	69	64	60	53
Post-employment benefits	2	3	2	2
Share-based payment transactions	2	5	2	5
Total	73	72	64	60

Guarantee obligations with related parties

The Company and its subsidiaries have outstanding guarantee obligations with its related parties, as described in Note 12 to the interim financial statements.

  
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## 5. Inventories

Movements in the reduction of cost to net realisable value of inventory account during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Balance as at 1 January 2017</b>	94,698	177,648
Reversal of reduction of cost to net realisable value of inventory account during the period	(71,630)	(162,000)
Exchange differences on translation of financial statements in foreign currencies	19	-
<b>Balance as at 30 June 2017</b>	<u>23,087</u>	<u>15,648</u>

## 6. Investments in subsidiaries

During the six-month period ended 30 June 2017, the Company recorded cost of share-based payment transactions with respect to warrants for the purchase of new ordinary shares of the Company issued to the subsidiaries' employees amounting to Baht 3.9 million (2016: Baht 4.7 million), as a cost of investments in subsidiaries.

During the first quarter of 2017, Bitumen Marine Co., Ltd. and Delta Shipping Co., Ltd. declared the dividend payments of Baht 165 million and Baht 40 million, respectively. When making the dividend payments, such subsidiaries offset the dividend against the amount due from the Company.

### Investment in new subsidiaries in the year 2016

During the year 2016, the Company acquired ordinary shares in certain companies in asphalt business and vessel business from Colas S.A., a foreign related company. From the acquisition of such ordinary shares, the Company had control over such subsidiaries from 1 January 2016 (the acquisition date) onwards. Under TFRS No.3 (revised 2015), the Company had to consider the net fair value of the identifiable assets, liabilities and contingent liabilities of new subsidiaries on the acquisition date.

In the fourth quarter of the year 2016, the Company completed the assessments of the fair values of the identifiable assets and liabilities of such subsidiaries and presented the fair value of the acquirees' identifiable assets and liabilities in the consolidated financial statements for the year 2016. However, the Company restated the interim consolidated financial statements for the three-month and six-month periods ended 30 June 2016 and presented the amount after being restated in this interim consolidated financial statements.



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(Unaudited but reviewed)

The amounts of adjustments affecting the interim consolidated financial statements for the three-month and six-month periods ended 30 June 2016 are summarised below.

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2016	For the six-month period ended 30 June 2016
<b>The consolidated statements of comprehensive income</b>		
<b>Profit or loss:</b>		
Increase in cost of sales and services	16,291	32,581
Increase in administrative expenses	232	464
Decrease in income tax expenses	(3,362)	(6,724)
Decrease in profit attributable to equity holders of the Company	(13,161)	(26,321)
Decrease in basis earnings per share (Baht)	-	(0.01)
Decrease in diluted earnings per share (Baht)	(0.01)	(0.01)

## 7. Investments in joint ventures

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

## 8. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2017</b>	8,690,382	885,157
Acquisitions during the period - at cost	403,400	39,889
Disposals/written-off during the period - net book value at disposal/written-off date	(21,749)	(3,558)
Depreciation for the period	(429,644)	(58,582)
Exchange differences on translation of financial statements in foreign currencies	(179,188)	-
<b>Net book value as at 30 June 2017</b>	8,463,201	862,906





(Unaudited but reviewed)

## 9. Trade and other payables

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	30 June 2017	31 December 2016
	(Audited)	(Audited)
Trade payables - related parties (Note 4)	367	984
Trade payables - unrelated parties	1,764,783	3,011,926
Amounts due to related parties (Note 4)	107,801	89,665
Accounts payable from price hedging contracts	331,529	184,200
Accrued expenses	358,804	530,160
Other payables	146,326	236,254
Total trade and other payables	2,709,610	4,053,189

## 10. Long-term loans

Movements in the long-term loan account during the six-month period ended 30 June 2017 are summarised below.

(Unit: Thousand Baht)	
	Consolidated
	financial statements
Balance as at 1 January 2017	1,155,759
Repayments	(396,250)
Unrealised gain on exchange	(12,013)
Exchange differences on translation of financial statements in foreign currencies	(18,493)
Balance as at 30 June 2017	729,003
Less: Current portion	(344,502)
Long-term loans - net of current portion	384,501

During the six-month period ended 30 June 2017, a subsidiary repaid long-term loan from bank amounted to USD 1.3 million (approximately Baht 46 million) before the repayment schedule specified in its loan agreements which no penalty for such repayment.

### Loan covenants

The loan agreements of subsidiaries contain certain restrictive covenants as were disclosed in the consolidated financial statements for the year ended 31 December 2016.



(Unaudited but reviewed)

## 11. Interest rate swap contracts

The Company and Kemaman Bitumen Sdn Bhd ("KBC") 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	
				30 June 2017	31 December 2016
					(Audited)
The Company	September 2014	1.20 to 1.26	December 2017	USD 25 million	USD 25 million
The Company	October 2014	1.15 to 1.26	December 2017	USD 25 million	USD 25 million
The Company	May 2012	5.21	March 2018	Baht 135 million	Baht 257 million
KBC	December 2013	0.93	April 2018	USD 4 million	USD 7 million

## 12. Credit facilities

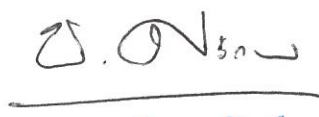
The credit facilities of the Company and its subsidiaries granted by financial institutions are secured by the following collaterals:

- The guarantees of the Company, its subsidiaries and a shareholder of a subsidiary;
- The pledges/mortgages of the assets of subsidiaries which the net book value as at 30 June 2017 and 31 December 2016 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	
	30 June 2017	31 December 2016
		(Audited)
Leasehold rights - net	306	315
Property, plant and equipment - net	5,133	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 drawdown by the subsidiaries.









(Unaudited but reviewed)

### 13. Income tax

Income tax for the three-month and six-month periods ended 30 June 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Restated)			
<b>Current income tax:</b>				
Current income tax charge	(82,176)	(37,811)	(50,331)	(21,046)
Adjustment in respect of income tax of previous year	563	-	563	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	26,753	(84,855)	34,910	(36,651)
<b>Income tax reported in the statement of comprehensive income</b>	<b>(54,860)</b>	<b>(122,666)</b>	<b>(14,858)</b>	<b>(57,697)</b>

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Restated)			
<b>Current income tax:</b>				
Current income tax charge	(383,840)	(438,010)	(295,945)	(312,435)
Adjustment in respect of income tax of previous year	563	-	563	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	69,655	103,735	44,632	105,233
<b>Income tax reported in the statement of comprehensive income</b>	(313,622)	(334,275)	(250,750)	(207,202)

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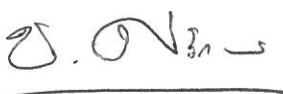
#### 14. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all 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.

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

Consolidated financial statements						
For the three-month periods ended 30 June						
		Weighted average number		Earnings per share		
Profit for the period		of ordinary shares				
<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)	
	(Restated)				(Restated)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
344,049	689,129	1,554,469	1,544,389	0.22	0.45	
<b>Effect of potential ordinary shares</b>						
ESOP-W2	-	120	122			
ESOP-W3	-	742	8,697			
ESOP-W4	-	9,259	9,322			
ESOP-W5	-	5,910	4,971			
-	-	16,031	23,112			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares						
344,049	689,129	1,570,500	1,567,501	0.22	0.44	







(Unaudited but reviewed)

Separate financial statements						
For the three-month periods ended 30 June						
Profit for the period		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)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
106,227	224,139	1,554,469	1,544,389	0.07	0.15	
<b>Effect of potential ordinary shares</b>						
ESOP-W2	-	120	122			
ESOP-W3	-	742	8,697			
ESOP-W4	-	9,259	9,322			
ESOP-W5	-	5,910	4,971			
-	-	16,031	23,112			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares						
106,227	224,139	1,570,500	1,567,501	0.07	0.14	

Consolidated financial statements						
For the six-month periods ended 30 June						
Profit for the period		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)	
	(Restated)				(Restated)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
1,581,448	1,861,822	1,554,192	1,544,126	1.02	1.21	
<b>Effect of potential ordinary shares</b>						
ESOP-W2	-	120	264			
ESOP-W3	-	909	8,682			
ESOP-W4	-	9,328	9,386			
ESOP-W5	-	5,947	5,229			
-	-	16,304	23,561			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares						
1,581,448	1,861,822	1,570,496	1,567,687	1.01	1.19	





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Separate financial statements						
For the six-month periods ended 30 June						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2017	2016	2017	2016	2017	2016	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
1,207,081	812,358	1,554,192	1,544,126	0.78	0.53	
<b>Effect of potential ordinary shares</b>						
ESOP-W2	-	120	264			
ESOP-W3	-	909	8,682			
ESOP-W4	-	9,328	9,386			
ESOP-W5	-	5,947	5,229			
-	-	16,304	23,561			
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares						
1,207,081	812,358	1,570,496	1,567,687	0.77	0.52	

## 15. Share capital

Below is the summary of the share registration from exercise of ESOP-W3 warrants during the current period.

	First quarter	Second quarter	Total
Number of warrants exercised (warrants)	90,950	42,200	133,150
Number of ordinary shares issued (shares)	909,500	422,000	1,331,500
Amount of cash received (Baht)	4,825,807	2,239,132	7,064,939
Share registration date	13 January 2017	10 April 2017	
Paid-up capital after share registration	Baht 1,553,907,570 (1,553,907,570 ordinary shares of Baht 1 each)	Baht 1,554,329,570 (1,554,329,570 ordinary shares of Baht 1 each)	

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As at 30 June 2017, the Company received advance subscription from the exercise of the warrants as follows:

	<u>ESOP-W3</u>	<u>ESOP-W4</u>	<u>Total</u>
Number of warrants exercised (warrants)	36,000	600,000	636,000
Number of ordinary shares issued (shares)	360,000	6,000,000	6,360,000
Amount of cash received (Baht)	1,910,160	29,646,000	31,556,160

The Company registered the paid-up capital increase from the exercise of such ESOP with the Ministry of Commerce on 11 July 2017.

As at 30 June 2017 and 31 December 2016, the remaining unexercised of warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Company and its subsidiaries ("ESOP") are summarised below.

	<u>30 June 2017</u>	<u>31 December 2016</u>
		(Audited)
ESOP-W2	-	15,000 units
ESOP-W3	60,000 units	138,200 units
ESOP-W4	578,300 units	1,178,300 units
ESOP-W5	11,140,000 units	11,140,000 units

## 16. Dividend

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend</u>
		(Million Baht)	per share (Baht per share)
Final dividends for 2015	Annual General Meeting of the shareholders on 11 April 2016	617.6	0.4
Total for the six-month period ended 30 June 2016		617.6	0.4
Final dividends for 2016	Annual General Meeting of the shareholders on 5 April 2017	932.3	0.6
Total for the six-month period ended 30 June 2017		932.3	0.6

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## 17. Segment information

The Company and its subsidiaries are engaged in single operating segment which is manufacturing and trading of asphalt and petroleum oil products. Whereas, the marine logistic business complements the manufacturing and trading of asphalt and petroleum oil products. The Board of Directors of the group is the chief operating decision makers of the Company and its subsidiaries. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment. Therefore, financial information by segment for the three-month and six-month periods ended 30 June 2017 and 2016 have been presented only by geographical area, as follows:

	For three-month periods ended 30 June						(Unit: Million Baht)		
	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions			Consolidated financial statements	
	2017	2016	2017	2016	2017	2016		2017	2016
				(Restated)					(Restated)
Revenues from external customers	6,607	4,027	1,605	1,473	-	-	8,212	5,500	
Inter-segment revenues	639	623	348	287	(987)	(910)	-	-	
Total revenues	7,246	4,650	1,953	1,760	(987)	(910)	8,212	5,500	
Segment operating profit attributable to equity holders of the company	173	509	154	174	17	6	344	689	

	For six-month periods ended 30 June						(Unit: Million Baht)	
	Geographic segment located in Thailand		Geographic segment located in overseas		Eliminated transactions		Consolidated financial statements	
	2017	2016	2017	2016 (Restated)	2017	2016	2017	2016 (Restated)
Revenues from external customers	13,946	9,636	2,616	2,468	-	-	16,562	12,104
Inter-segment revenues	1,303	1,080	801	668	(2,104)	(1,748)	-	-
Total revenues	15,249	10,716	3,417	3,136	(2,104)	(1,748)	16,562	12,104
Segment operating profit attributable to equity holders of the company	1,198	1,453	382	393	1	16	1,581	1,862

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

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## 18. Commitments and contingent liabilities

### 18.1 Capital commitments

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

Foreign currency	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
(Unit: Million)				
Baht	74	(Audited) 114	51	(Audited) 95
Ringgit	14	9	-	-
US Dollar	16	22	-	-
Vietnam Dong	16,973	29,314	-	-

### 18.2 Operating lease commitments

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

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

Consolidated financial statements						Separate financial statements			
Million Baht		Million US Dollar		Million Vietnam Dong		Million Renminbi		Million Indonesia Rupiah	
30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016
(Audited)		(Audited)		(Audited)		(Audited)		(Audited)	
67	70	9	2	3,503	3,839	-	1	1,582	2,178
31	50	-	-	9,524	10,554	-	-	3,222	3,405
-	-	-	-	30,149	30,852	-	-	4,444	4,778

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### 18.3 Long-term service commitments

The Company had long-term service commitments as were disclosed in the consolidated financial statements for the year ended 31 December 2016.

### 18.4 Crude oil purchase commitments

The Company had crude oil purchase commitments as were disclosed in the consolidated financial statements for the year ended 31 December 2016.

### 18.5 Bank guarantees

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

Foreign currency	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Audited)		(Audited)
Baht	3	14	2	12
Ringgit	8	7	-	-
Indonesia Rupiah	253	253	-	-

## 19. Foreign currency risk

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

Foreign currency	Consolidated financial statements				Average exchange rate	
	Financial assets		Financial liabilities			
	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		(Audited)
US Dollar	28	27	81	112	34.0	35.8
Euro	-	-	2	1	38.9	37.8
Renminbi	-	-	1	-	5.0	5.1
Yen	-	-	1	4	0.3	0.3
Ringgit	6	1	9	7	7.9	8.0



(Unaudited but reviewed)

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016
	(Million)	(Million) (Audited)	(Million)	(Million) (Audited)	(Baht per 1 foreign currency unit)	(Audited)
US Dollar	60	47	85	114	34.0	35.8
Euro	-	-	2	1	38.9	37.8
Renminbi	69	64	1	-	5.0	5.1
Ringgit	-	-	6	2	7.9	8.0

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

As at 30 June 2017

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought	Sold	Bought
	amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Per 1 US Dollar)	
US Dollar	8	9	8	9	33.9 - 34.4 Baht	34.0 - 35.0 Baht
US Dollar	-	1	-	-	-	13,384 - 13,438
						Indonesia Rupiah
US Dollar	-	5	-	-	-	22,848 Vietnam
						Dong

As at 31 December 2016 (Audited)

Foreign currency	Consolidated		Separate		Contractual exchange rate	
	financial statements		financial statements			
	Sold	Bought	Sold	Bought	Sold	Bought
	amount	amount	amount	amount		
	(Million)	(Million)	(Million)	(Million)	(Per 1 US Dollar)	
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 venture and associates, loans to overseas subsidiaries and loans from financial institution. These investments and loans are currently not hedged by derivative financial instruments.



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## 20. Raw materials and finished goods price risk

As at 30 June 2017 and 31 December 2016, the Company and its subsidiaries had outstanding price hedging contracts which are presented in the statements of financial position at fair value and were summarised below.

		(Unit: Million Baht)	
		Consolidated/ Separate financial statements	
Contract type	Type of product	30 June 2017	31 December 2016
			(Audited)
<u>Contracts presented as assets</u>			
Bought forward contract	Crude oil	42	205
Bought forward contract	Petroleum product	-	10
Sold forward contract	Crude oil	19	9
Four-ways collar option	Crude oil	4	290
Total price hedging contracts presented as assets		65	514
<u>Contracts presented as liabilities</u>			
Bought forward contract	Crude oil	13	2
Sold forward contract	Crude oil	-	32
Sold forward contract	Petroleum product	-	16
Four-ways collar option	Crude oil	68	-
Total price hedging contracts presented as liabilities		81	50

## 21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 8 August 2017.

  
นายชัยวัฒน์ ศรีวรรณ ๘ ส.ค. ๕๖



  
นายจักษ์ มาร์เชด