

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS**

**THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Thai Central Chemical Public Company Limited and its subsidiaries and the separate statement of financial position of Thai Central Chemical Public Company Limited as at September 30, 2017, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2017, and the related consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2017, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with Thai Standard on Review Engagements No. 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

**BANGKOK**  
November 14, 2017

Manoon Manusook  
Certified Public Accountant (Thailand)  
Registration No. 4292  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2017

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
	2017	2016	2017	2016	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4.2	3,777,432	6,091,852	3,529,642	5,999,577
Temporary investments	5	1,601,657	252,242	1,400,000	100,000
Trade and other receivables	6	953,601	819,628	880,600	751,955
Inventories	14	2,367,778	1,678,290	2,260,871	1,594,463
Other current assets		416	530	351	447
Total Current Assets		<u>8,700,884</u>	<u>8,842,542</u>	<u>8,071,464</u>	<u>8,446,442</u>
<b>NON-CURRENT ASSETS</b>					
Investment in an associate	21.1.1	135,889	135,677	98,000	98,000
Investments in subsidiaries	21.1.2	-	-	552,855	219,084
Investment properties	7	25,810	28,648	25,810	28,648
Property, plant and equipment	8	1,832,335	1,616,115	1,626,323	1,544,057
Leasehold right	9	85,119	93,344	-	-
Intangible asset	10	545,901	545,901	545,901	545,901
Deferred tax assets	11	36,945	41,028	31,221	35,679
Other non-current assets		5,798	4,535	4,798	4,527
Total Non-current Assets		<u>2,667,797</u>	<u>2,465,248</u>	<u>2,884,908</u>	<u>2,475,896</u>
<b>TOTAL ASSETS</b>		<u><u>11,368,681</u></u>	<u><u>11,307,790</u></u>	<u><u>10,956,372</u></u>	<u><u>10,922,338</u></u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2017

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
	2017	2016	2017	2016	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	12	21,690	10,843	-	-
Trade and other payables	13	1,240,095	886,551	1,160,858	836,237
Current portion of liabilities under					
finance lease agreements	15	6,994	5,120	4,186	2,569
Current income tax payable		178,533	376,405	174,850	373,320
Other current liabilities		33,362	26,154	17,159	15,529
Total Current Liabilities		<u>1,480,674</u>	<u>1,305,073</u>	<u>1,357,053</u>	<u>1,227,655</u>
<b>NON-CURRENT LIABILITIES</b>					
Liabilities under finance lease agreements	15	9,541	9,071	4,597	3,614
Employee benefit obligations	16	127,589	126,295	99,626	100,436
Deferred tax liabilities	11	116,609	116,609	109,180	109,180
Other non-current liabilities		12,251	14,754	11,580	10,745
Total Non-current Liabilities		<u>265,990</u>	<u>266,729</u>	<u>224,983</u>	<u>223,975</u>
<b>TOTAL LIABILITIES</b>		<u>1,746,664</u>	<u>1,571,802</u>	<u>1,582,036</u>	<u>1,451,630</u>

**THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**AS AT SEPTEMBER 30, 2017**

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2017	2016	2017	2016
<b>LIABILITIES AND SHAREHOLDERS’ EQUITY (CONTINUED)</b>					
SHAREHOLDERS’ EQUITY					
SHARE CAPITAL					
Authorized share capital					
584,716,118 ordinary shares of Baht 3 each,		1,754,148	1,754,148	1,754,148	1,754,148
Issued and paid-up share capital					
584,714,068 ordinary shares of Baht 3 each, fully paid		1,754,142	1,754,142	1,754,142	1,754,142
DISCOUNT ON ORDINARY SHARES	19	(43,570)	(43,570)	(43,570)	(43,570)
RETAINED EARNINGS					
Appropriated					
Legal reserve		175,415	175,415	175,415	175,415
Unappropriated		7,676,500	7,764,283	7,488,349	7,584,721
Other components of shareholders’ equity		(25,483)	1,328	-	-
TOTAL ATTRIBUTIONS TO OWNERS					
OF THE PARENT		9,537,004	9,651,598	9,374,336	9,470,708
NON-CONTROLLING INTERESTS		85,013	84,390	-	-
TOTAL SHAREHOLDERS’ EQUITY		9,622,017	9,735,988	9,374,336	9,470,708
<b>TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY</b>		<b>11,368,681</b>	<b>11,307,790</b>	<b>10,956,372</b>	<b>10,922,338</b>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
Revenues from sales		3,938,244	4,926,671	3,836,373	4,836,586
Revenues from services		28,409	27,648	-	-
Cost of the sale of goods		(2,894,571)	(3,465,359)	(2,814,986)	(3,395,315)
Cost of rendering of services		(13,324)	(13,688)	-	-
<b>Gross profit</b>		<b>1,058,758</b>	<b>1,475,272</b>	<b>1,021,387</b>	<b>1,441,271</b>
Other income	17	28,413	35,954	29,951	35,398
<b>Profit before expenses</b>		<b>1,087,171</b>	<b>1,511,226</b>	<b>1,051,338</b>	<b>1,476,669</b>
Selling expenses		(87,583)	(118,826)	(79,768)	(110,105)
Administrative expenses		(92,055)	(75,042)	(77,299)	(64,514)
Managements' remuneration	21.2.1	(14,275)	(12,761)	(14,257)	(12,743)
Total expenses		(193,913)	(206,629)	(171,324)	(187,362)
<b>Profit before finance costs and income tax expense</b>		<b>893,258</b>	<b>1,304,597</b>	<b>880,014</b>	<b>1,289,307</b>
Finance costs		(811)	(1,885)	(366)	(1,096)
Share of profit from investment in an associate		76	63	-	-
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<b>892,523</b>	<b>1,302,775</b>	<b>879,648</b>	<b>1,288,211</b>
INCOME TAX EXPENSE		(178,422)	(258,691)	(175,381)	(255,788)
<b>PROFIT FOR THE PERIOD</b>		<b>714,101</b>	<b>1,044,084</b>	<b>704,267</b>	<b>1,032,423</b>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
 “UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Item that will be reclassified subsequently to profit or loss</b>					
Exchange differences on translation of financial statements of foreign subsidiary		(7,505)	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>706,596</u>	<u>1,044,084</u>	<u>704,267</u>	<u>1,032,423</u>
<b>PROFIT ATTRIBUTABLE TO</b>					
Owners of the parent		710,803	1,040,726	704,267	1,032,423
Non-controlling interests		3,298	3,358	-	-
		<u>714,101</u>	<u>1,044,084</u>	<u>704,267</u>	<u>1,032,423</u>
<b>TOTAL COMPREHENSIVE INCOME</b>					
<b>ATTRIBUTABLE TO</b>					
Owners of the parent		703,298	1,040,726	704,267	1,032,423
Non-controlling interests		3,298	3,358	-	-
		<u>706,596</u>	<u>1,044,084</u>	<u>704,267</u>	<u>1,032,423</u>
<b>BASIC EARNINGS ATTRIBUTABLE TO</b>					
<b>OWNERS OF THE PARENT PER SHARE</b>	<b>BAHT</b>	1.22	1.78	1.20	1.77
<b>WEIGHTED AVERAGE NUMBER</b>					
<b>OF ORDINARY SHARES</b>	<b>THOUSAND SHARES</b>	584,714	584,714	584,714	584,714

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
Revenues from sales		9,882,520	10,345,508	9,564,371	10,107,351
Revenues from services		86,192	86,096	-	-
Cost of the sale of goods		(7,295,194)	(7,721,214)	(7,045,873)	(7,532,276)
Cost of rendering of services		(37,592)	(41,577)	-	-
<b>Gross profit</b>		<u>2,635,926</u>	<u>2,668,813</u>	<u>2,518,498</u>	<u>2,575,075</u>
Other income	17	84,335	73,995	102,326	89,645
<b>Profit before expenses</b>		<u>2,720,261</u>	<u>2,742,808</u>	<u>2,620,824</u>	<u>2,664,720</u>
Selling expenses		(197,118)	(262,453)	(174,222)	(239,537)
Administrative expenses		(232,068)	(206,732)	(189,419)	(174,641)
Managements' remuneration	21.2.1	(35,171)	(31,499)	(34,817)	(31,145)
Other expenses		(11,912)	-	(9,495)	-
Total expenses		<u>(476,269)</u>	<u>(500,684)</u>	<u>(407,953)</u>	<u>(445,323)</u>
<b>Profit before finance costs and income tax expense</b>		<u>2,243,992</u>	<u>2,242,124</u>	<u>2,212,871</u>	<u>2,219,397</u>
Finance costs		(2,530)	(5,462)	(1,241)	(3,721)
Share of profit from investment in an associate	21.1.1	212	210	-	-
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		<u>2,241,674</u>	<u>2,236,872</u>	<u>2,211,630</u>	<u>2,215,676</u>
INCOME TAX EXPENSE	11	(447,336)	(445,732)	(436,917)	(439,245)
<b>PROFIT FOR THE PERIOD</b>		<u><u>1,794,338</u></u>	<u><u>1,791,140</u></u>	<u><u>1,774,713</u></u>	<u><u>1,776,431</u></u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017  
 “UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
<b>OTHER COMPREHENSIVE INCOME</b>					
<b>Item that will be reclassified subsequently to profit or loss</b>					
Exchange differences on translation of financial statements of foreign subsidiary		(26,811)	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>1,767,527</u>	<u>1,791,140</u>	<u>1,774,713</u>	<u>1,776,431</u>
<b>PROFIT ATTRIBUTABLE TO</b>					
Owners of the parent		1,783,302	1,781,928	1,774,713	1,776,431
Non-controlling interests		11,036	9,212	-	-
		<u>1,794,338</u>	<u>1,791,140</u>	<u>1,774,713</u>	<u>1,776,431</u>
<b>TOTAL COMPREHENSIVE INCOME</b>					
<b>ATTRIBUTABLE TO</b>					
Owners of the parent		1,756,491	1,781,928	1,774,713	1,776,431
Non-controlling interests		11,036	9,212	-	-
		<u>1,767,527</u>	<u>1,791,140</u>	<u>1,774,713</u>	<u>1,776,431</u>
<b>BASIC EARNINGS ATTRIBUTABLE TO</b>					
<b>OWNERS OF THE PARENT PER SHARE</b>	<b>BAHT</b>	3.05	3.05	3.04	3.04
<b>WEIGHTED AVERAGE NUMBER</b>					
<b>OF ORDINARY SHARES</b>	<b>THOUSAND SHARES</b>	584,714	584,714	584,714	584,714

See condensed notes to the financial statements



THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED”

Unit : Thousand Baht

Notes	Attributions to owners of the parent				Total attributions to owners of the parent	Non-controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Discount on ordinary shares	Retained earnings Appropriated Legal reserve	Unappropriated			
Beginning balances as at January 1, 2016	1,754,142	(43,570)	175,415	6,335,766	-	84,252	8,306,005
Dividends paid	20	-	-	(877,071)	-	-	(877,071)
Dividends paid to non-controlling interests of subsidiaries	20	-	-	-	-	(10,413)	(10,413)
Total comprehensive income for the period	-	-	-	1,781,928	-	9,212	1,791,140
<b>Ending balances as at September 30, 2016</b>	<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,240,623</u>	<u>-</u>	<u>83,051</u>	<u>9,209,661</u>
Beginning balances as at January 1, 2017	1,754,142	(43,570)	175,415	7,764,283	1,328	84,390	9,735,988
Dividends paid	20	-	-	(1,871,085)	-	-	(1,871,085)
Dividends paid to non-controlling interests of subsidiaries	20	-	-	-	-	(10,413)	(10,413)
Total comprehensive income for the period	-	-	-	1,783,302	(26,811)	11,036	1,767,527
<b>Ending balances as at September 30, 2017</b>	<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,676,500</u>	<u>(25,483)</u>	<u>85,013</u>	<u>9,622,017</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEPARATE FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED”

Unit : Thousand Baht

	Notes	Issued and paid-up share capital	Discount on ordinary shares	Retained earnings		Total shareholders' equity
				Appropriated Legal reserve	Unappropriated	
Beginning balances as at January 1, 2016		1,754,142	(43,570)	175,415	6,167,653	8,053,640
Dividends paid	20	-	-	-	(877,071)	(877,071)
Total comprehensive income for the period		-	-	-	1,776,431	1,776,431
<b>Ending balances as at September 30, 2016</b>		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,067,013</u>	<u>8,953,000</u>
Beginning balances as at January 1, 2017		1,754,142	(43,570)	175,415	7,584,721	9,470,708
Dividends paid	20	-	-	-	(1,871,085)	(1,871,085)
Total comprehensive income for the period		-	-	-	1,774,713	1,774,713
<b>Ending balances as at September 30, 2017</b>		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,488,349</u>	<u>9,374,336</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED”

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax expense		2,241,674	2,236,872	2,211,630	2,215,676
Adjusted by					
Doubtful debt (Reversal)		(628)	7,287	(403)	6,996
Loss on diminution in value of inventories (Reversal)		189	(200)	189	(200)
Depreciation		121,352	111,091	112,425	102,475
Amortization - leasehold right		1,408	-	-	-
Gain on sales of investment properties		(20,368)	-	(20,368)	-
Gain on sales of property, plant and equipment		(2,208)	(3,413)	(402)	(1,508)
Employee benefit obligations expense		9,095	9,670	6,991	7,439
Share of profit from investment in an associate		(212)	(210)	-	-
Unrealized loss on foreign exchange rate		7,712	8,824	6,898	8,105
Dividend income		-	-	(15,837)	(10,837)
Interest income		(40,537)	(39,556)	(38,285)	(37,401)
Interest expenses		908	1,262	286	362
Profit from operation before changes in operating assets and liabilities		2,318,385	2,331,627	2,263,124	2,291,107
Increase in trade and other receivables		(133,874)	(507,017)	(128,935)	(518,088)
Increase in inventories		(689,677)	(525,349)	(666,597)	(475,150)
Decrease in other current assets		114	1,543	96	1,501
Increase in other non-current assets		(1,263)	(26,888)	(271)	(26,889)
Increase in trade and other payables		312,629	670,587	297,972	650,821
Increase (decrease) in other current liabilities		(3,110)	57,016	(7,778)	56,588
Cash paid for employee benefit obligations		(7,801)	(18,179)	(7,801)	(17,973)
Increase (decrease) in other non-current liabilities		(2,503)	3,818	835	3,445
Cash paid for operations		1,792,900	1,987,158	1,750,645	1,965,362
Cash paid for income tax		(641,125)	(359,380)	(630,929)	(351,680)
Net cash provided by operating activities		1,151,775	1,627,778	1,119,716	1,613,682

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2017

“UNAUDITED”

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2017	2016	2017	2016
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Increase in temporary investments		(1,349,415)	(2,895)	(1,300,000)	-
Cash paid for purchase of investment in subsidiary		-	-	(333,771)	-
Cash received from sale of investment properties		23,606	-	23,606	-
Cash paid for purchases of investment properties		(400)	-	(400)	-
Cash paid for purchases of					
property, plant and equipment		(289,878)	(239,695)	(163,677)	(235,325)
Proceeds from sales of property, plant and equipment		5,171	4,170	3,359	2,254
Dividend received from subsidiaries		-	-	15,837	10,837
Interest received		41,372	41,902	39,284	39,522
Net cash used in investing activities		<u>(1,569,544)</u>	<u>(196,518)</u>	<u>(1,715,762)</u>	<u>(182,712)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash received from bank overdrafts and short-term					
borrowings from financial institutions		10,917	15,313	-	-
Cash repayment for liabilities under					
finance lease agreements		(5,280)	(4,234)	(2,630)	(1,880)
Cash payment for dividend		(1,870,973)	(877,071)	(1,870,973)	(877,071)
Cash payment for dividend - subsidiaries		(10,413)	(10,413)	-	-
Cash paid for interest		(908)	(1,262)	(286)	(362)
Net cash used in financing activities		<u>(1,876,657)</u>	<u>(877,667)</u>	<u>(1,873,889)</u>	<u>(879,313)</u>
Exchange differences on translation of financial statements					
of foreign subsidiary		(19,994)	-	-	-
Net increase (decrease) in cash and cash equivalents		<u>(2,314,420)</u>	<u>553,593</u>	<u>(2,469,935)</u>	<u>551,657</u>
Cash and cash equivalents as at January 1,		<u>6,091,852</u>	<u>4,661,749</u>	<u>5,999,577</u>	<u>4,578,355</u>
<b>Cash and cash equivalents as at September 30,</b>	4.2	<u><u>3,777,432</u></u>	<u><u>5,215,342</u></u>	<u><u>3,529,642</u></u>	<u><u>5,130,012</u></u>

See condensed notes to the financial statements

**THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2017**  
**“Unaudited”**

**1. OPERATIONS AND GENERAL INFORMATION**

The major principal business operations of the Company and its subsidiaries (“the Group”) are summarized as follows:

1.1 The operation of the Company

Thai Central Chemical Public Company Limited (“the Company”) is a listed company in The Stock Exchange of Thailand with its head office located at 21/35-46 Thai Wah Tower 1, 14-16th Floor, South Sathorn Road, Thungmahamek, Sathorn, Bangkok. The Company is a producer, importer and dealer of various chemical fertilizer compound. The major shareholders of the Company are Sojitz Corporation holding 43.92% and ISTS (Thailand) Co., Ltd. holding 39.53%.

1.2 The operations of subsidiaries

1.2.1 N.I.M. Company Limited was registered in Thailand with its office located at 205 Metro Building, 8th Floor, Rajawongse Road, Bangkok. The company’s main business is to lease out tank yard for containing liquid chemicals.

1.2.2 MC Agro-Chemicals Company Limited was registered in Thailand with its office located at 581 Moo 4, Bangpoo Industrial Estate Soi 12, Sukhumvit Road, Samutprakarn. The company’s main business is to trade formulated products and provide repacking services.

1.2.3 TCCC Myanmar Limited was registered in the republic of the union of Myanmar with its office located at Lot No. C-15 & C-18 Thilawa SEZ zone A, Yangon Region, the republic of the union of Myanmar. In order to be a producer, importer and dealer of various chemical fertilizer compound.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS**

2.1 These consolidated and separate interim financial statements of Thai Central Chemical Public Company Limited (the “Company”) are prepared in Thai Baht and in compliance with Thai Accounting Standard (“TAS”) No. 34 (Revised 2016) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to the interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

2.2 The consolidated and separate statements of financial position as at December 31, 2016, presented here in for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2017 are not necessarily an indication nor anticipation of the operating results for the full year.

2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and nine-month periods ended September 30, 2017 should be read in conjunction with the audited financial statements for the year ended December 31, 2016.

2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2017 have included the subsidiaries’ interim financial statements for the three-month and nine-month periods ended September 30, 2017 which were reviewed.

2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 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 does not have any significant impact on the Company’s financial statements.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding 56 Thai Financial Reporting Standards (TFRSs) that will be effective for the financial statements for the period beginning on or after January 1, 2018 onwards, which has been announced in the Royal Gazette on September 26, 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 Company and its subsidiaries’s management will adopt such TFRSs in the preparation of the Company and its subsidiaries’s financial statements when it becomes effective. The Company and its subsidiaries’s management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiaries in the period of initial application.

2.8 The consolidated interim financial statements include the account balances of the Company and the subsidiaries, after eliminating intercompany transactions and balances. The Company’s holdings in subsidiaries are as follows:

	As at September 30, 2017		As at December 31, 2016
	Percentage of holding	Percentage of holding	Percentage of holding
N.I.M. Company Limited	51.00	51.00	51.00
MC Agro-Chemicals Company Limited	99.99	99.99	99.99
TCCC Myanmar Limited	99.99	-	99.99

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2016.

The consolidated and separate interim financial statements are prepared in English version from the consolidated and separate financial statements followed the laws which is in Thai. In the event of any conflict or be interpreted in two different languages, the Thai version consolidated and separate interim financial statements in accordance with Thailand law is superseded.

### 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

Non-cash transactions are as follows:

4.1 Purchases of property, plant and equipment for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2017	Financial Statements 2016	Financial Statements 2017	Financial Statements 2016
Payables-Assets acquisition as at January 1,	9,771	55,437	9,768	55,435
<u>Add</u> Purchases of property, plant and equipment	340,536	216,238	197,648	209,253
<u>Less</u> Purchases of property, plant and equipment under finance lease agreements	(7,624)	(3,506)	(5,230)	(889)
<u>Less</u> Cash payments	(289,878)	(239,695)	(163,677)	(235,325)
Payables-Assets acquisition as at September 30,	<u>52,805</u>	<u>28,474</u>	<u>38,509</u>	<u>28,474</u>
Liabilities under finance lease agreements (including current portion) as at January 1,	14,191	14,955	6,183	7,916
<u>Add</u> Purchases of property, plant and equipment under finance lease agreements	7,624	3,506	5,230	889
<u>Less</u> Cash payments	(5,280)	(4,234)	(2,630)	(1,880)
Liabilities under finance lease agreements (including current portion) as at September 30,	<u>16,535</u>	<u>14,227</u>	<u>8,783</u>	<u>6,925</u>

4.2 Cash and cash equivalents

Cash and cash equivalents as at September 30, 2017 and December 31, 2016, consist of the following:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements As at September 30, 2017	Financial Statements As at December 31, 2016	Financial Statements As at September 30, 2017	Financial Statements As at December 31, 2016
Cash on hand	893	734	528	435
Bank deposits in savings and current accounts	2,275,667	2,475,585	2,128,036	2,383,939
Cheque on hand	1,395	15,531	1,076	15,201
Time deposits with maturity not more than 3 months (interest rates 1.20% - 1.40% p.a.)	<u>1,499,477</u>	<u>3,600,002</u>	<u>1,400,002</u>	<u>3,600,002</u>
	<u>3,777,432</u>	<u>6,091,852</u>	<u>3,529,642</u>	<u>5,999,577</u>

## 5. TEMPORARY INVESTMENTS

Temporary investments as at September 30, 2017 and December 31, 2016, consist of the following:

		Unit : Thousand Baht			
		Consolidated		Financial Statements	
		As at		As at	
		September 30,	December 31,	September 30,	December 31,
		2017	2016	2017	2016
Time deposits	Maturity date over				
	3 months but less than 1 year	1.00 - 1.45	0.87 - 1.50	<u>1,601,657</u>	<u>252,242</u>

		Unit : Thousand Baht			
		Separate		Financial Statements	
		As at		As at	
		September 30,	December 31,	September 30,	December 31,
		2017	2016	2017	2016
Time deposits	Maturity date over				
	3 months but less than 1 year	1.38	1.40	<u>1,400,000</u>	<u>100,000</u>

## 6. TRADE AND OTHER RECEIVABLES

6.1 Trade and other receivables as at September 30, 2017 and December 31, 2016, consist of the following:

		Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at		As at	
		September 30,	December 31,	September 30,	December 31,
		2017	2016	2017	2016
Trade receivables		918,649	736,896	848,096	672,806
Other receivables		13,614	31,362	14,280	32,212
Prepaid expenses		10,164	42,047	7,927	38,200
Accrued income		7,607	8,093	7,009	7,660
Advance payments		3,567	1,230	3,288	1,077
		<u>953,601</u>	<u>819,628</u>	<u>880,600</u>	<u>751,955</u>



6.2 Trade receivables as at September 30, 2017 and December 31, 2016, are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2017	As at December 31, 2016	As at September 30, 2017	As at December 31, 2016
Number of outstanding trade receivables	555	476	198	183
Other companies				
Current	892,112	688,384	824,606	625,761
Overdue				
Less than or up to 3 months	35,092	55,302	32,418	54,652
More than 3 months up to 6 months	314	605	-	-
More than 6 months up to 12 months	-	2,892	-	2,815
More than 12 months	28,253	27,310	27,593	26,502
	<u>955,771</u>	<u>774,493</u>	<u>884,617</u>	<u>709,730</u>
Related companies				
Current	59	212	-	-
	<u>59</u>	<u>212</u>	<u>-</u>	<u>-</u>
Total trade receivables	955,830	774,705	884,617	709,730
<u>Less</u> Allowance for doubtful debt	<u>(37,181)</u>	<u>(37,809)</u>	<u>(36,521)</u>	<u>(36,924)</u>
Trade receivables	<u>918,649</u>	<u>736,896</u>	<u>848,096</u>	<u>672,806</u>

## 7. INVESTMENT PROPERTIES

As at September 30, 2017 and December 31, 2016, the Company's investment properties represent land and buildings received from debt settlement and purchased by the Company of which the book value were Baht 25.81 million and Baht 28.65 million, respectively.

## 8. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the nine-month period ended September 30, 2017, are as follows:

	Consolidated	Unit : Thousand Baht
	Financial Statements	Separate Financial Statements
Property, plant and equipment - net as at January 1, 2017	1,616,115	1,544,057
<u>Add</u> Purchase during the period	340,536	197,648
<u>Less</u> Decrease during the period	(2,964)	(2,957)
Depreciation for the period	(121,352)	(112,425)
Property, plant and equipment - net as at September 30, 2017	<u>1,832,335</u>	<u>1,626,323</u>

As at September 30, 2017 and December 31, 2016, the costs of assets which are fully depreciated but still in use as the following:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>September 30,</b>	<b>December 31,</b>	<b>September 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Gross carrying amount of property, plant and equipment which are fully depreciated and still in use	2,335,210	2,356,158	2,099,619	2,117,979

As at September 30, 2017 and December 31, 2016, the Company used land, land improvements, buildings and its improvements which have total net book values of Baht 532.12 million and Baht 549.38 million, respectively (see Note 22.3), are used as collateral with a local financial institution for guarantee credit facilities.

As at September 30, 2017 and December 31, 2016, land, building and its improvements of a subsidiary which has total net book values of Baht 25.40 million and Baht 27.69 million, respectively (see Notes 12 and 22.3), are used as collateral with a local financial institution for guarantee bank overdrafts and credit facilities.

## **9. LEASEHOLD RIGHT**

As at November 17, 2016, TCCC Myanmar Limited, entered into the land leasehold agreement with an entity in the republic of the union of Myanmar, for its operating premise, in amounting to USD 2.49 million or equivalent to Baht 93.58 million. Such leasehold right will be expired on June 4, 2064.

As at September 30, 2017 and December 31, 2016, net book value of leasehold right for land is Baht 85.12 million and Baht 93.34 million, respectively.

## **10. INTANGIBLE ASSET**

Intangible asset represents the right to use the trademarks. The Company engaged an independent appraiser to determine the fair value of the right to use the trademarks referred to above in accordance with the Notification of the Stock Exchange Commission dated April 30, 2004 regarding the opinion for accounting treatment for intangible assets. According to the report of the independent appraiser dated January 5, 2017, the appraisal values of the fair value of such right as at December 31, 2016 by using the Discounted Cash Flow Approach. It showed that the fair value was higher than the carrying values.

## 11. DEFERRED INCOME TAX AND INCOME TAX EXPENSE

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income tax assets and liabilities relate to income taxes issued by the same taxation authority. Deferred income tax as at September 30, 2017 and December 31, 2016, consist of the following:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Deferred tax assets	36,945	41,028	31,221	35,679
Deferred tax liabilities	116,609	116,609	109,180	109,180

Movements of deferred tax assets and liabilities for the nine-month periods ended September 30, 2017 and 2016 are as follows:

### Consolidated Financial Statements As at September 30, 2017

	Unit : Thousand Baht		
	Balances as at January 1, 2017	Recognized in profit or loss	Balances as at September 30, 2017
Allowance for doubtful debt	7,562	(126)	7,436
Allowance for diminution in value of inventories	172	38	210
Provision for sale promotions	8,915	(5,814)	3,101
Allowance for impairment of investment properties	680	-	680
Employee benefit obligations	23,699	1,819	25,518
Total deferred tax assets	41,028	(4,083)	36,945
Gain on fair value adjustment from investment in subsidiary to an associate	7,429	-	7,429
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	116,609	-	116,609

**As at September 30, 2016**

	Unit : Thousand Baht		
	Balances as at January 1, 2016	Recognized in profit or loss	Balances as at September 30, 2016
Allowance for doubtful debt	7,087	1,457	8,544
Allowance for diminution in value of inventories	183	(68)	115
Provision for sale promotions	8,635	(8,137)	498
Allowance for impairment of investment properties	4,961	-	4,961
Employee benefit obligations	26,391	387	26,778
Total deferred tax assets	<u>47,257</u>	<u>(6,361)</u>	<u>40,896</u>
Gain on fair value adjustment from investment in subsidiary to an associate	7,429	-	7,429
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	<u>116,609</u>	<u>-</u>	<u>116,609</u>

**Separate Financial Statements**

**As at September 30, 2017**

	Unit : Thousand Baht		
	Balances as at January 1, 2017	Recognized in profit or loss	Balances as at September 30, 2017
Allowance for doubtful debt	7,385	(81)	7,304
Allowance for diminution in value of inventories	172	38	210
Provision for sale promotions	8,915	(5,814)	3,101
Allowance for impairment of investment properties	680	-	680
Employee benefit obligations	18,527	1,399	19,926
Total deferred tax assets	<u>35,679</u>	<u>(4,458)</u>	<u>31,221</u>
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	<u>109,180</u>	<u>-</u>	<u>109,180</u>

**As at September 30, 2016**

	Unit : Thousand Baht		
	Balances as at January 1, 2016	Recognized in profit or loss	Balances as at September 30, 2016
Allowance for doubtful debt	6,901	1,399	8,300
Allowance for diminution in value of inventories	183	(68)	115
Provision for sale promotions	8,635	(8,137)	498
Allowance for impairment of investment properties	4,961	-	4,961
Employee benefit obligations	20,990	(18)	20,972
Total deferred tax assets	<u>41,670</u>	<u>(6,824)</u>	<u>34,846</u>
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	<u>109,180</u>	<u>-</u>	<u>109,180</u>

Income tax expense for the nine-month periods ended September 30, 2017 and 2016, consist of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Current tax expense in respect of the current period	443,253	439,371	432,459	432,421
Deferred tax relating to temporary differences	4,083	6,361	4,458	6,824
Income tax expense	<u>447,336</u>	<u>445,732</u>	<u>436,917</u>	<u>439,245</u>

The income tax expense for the nine-month periods ended September 30, 2017 and 2016 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2017	2016	2017	2016
Profit before income tax expense	<u>2,241,674</u>	<u>2,236,872</u>	<u>2,211,630</u>	<u>2,215,676</u>
Income tax calculated at 20%	448,335	447,374	442,326	443,135
Effect of transactions that are not taxable income and expenses	<u>(999)</u>	<u>(1,642)</u>	<u>(5,409)</u>	<u>(3,890)</u>
Income tax expense	<u>447,336</u>	<u>445,732</u>	<u>436,917</u>	<u>439,245</u>
	%	%	%	%
Effective tax rate	19.96	19.93	19.76	19.82

The Company and its subsidiaries uses corporate income tax at the rate of 20%.

## 12. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions, as at September 30, 2017 and December 31, 2016, consist of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2017	As at December 31, 2016	As at September 30, 2017	As at December 31, 2016
Borrowings from financial institutions	<u>21,690</u>	<u>10,843</u>	<u>-</u>	<u>-</u>

As at September 30, 2017 and December 31, 2016, a subsidiary has credit lines from a financial institution for overdrafts and other facilities which carried interest at the rate of Minimum Overdraft Rate (MOR) and mortgaged by land, buildings and its improvements (see Note 8).

### 13. TRADE AND OTHER PAYABLES

Trade and other payables as at September 30, 2017 and December 31, 2016, consist of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
Trade payables	612,673	371,544	571,970	351,371
Other payables	79,026	59,478	77,535	58,564
Accrued dividend	1,963	-	1,963	-
Accrued expenses	202,367	237,222	165,324	207,995
Advance received from customers (see Note 14)	70,809	80,740	70,809	80,740
Deferred sales (see Note 14)	273,257	137,567	273,257	137,567
	<u>1,240,095</u>	<u>886,551</u>	<u>1,160,858</u>	<u>836,237</u>

### 14. DEFERRED SALES AND ADVANCE RECEIVED FROM CUSTOMERS

Deferred sales and advance received from customers represent obligations that the Company has to deliver fertilizer to the holders of the fertilizer notes which have been issued by the Company to its customers.

Deferred sales represent the issued fertilizer notes which have not yet been delivered fertilizer and not yet been received the payment. The Company has accounted for such outstanding balance of the unpaid and undelivered fertilizer notes in trade receivables at the same amount. However, in the business practice, the customers may cancel the undelivered fertilizer notes which they have not paid for while the Company is unable to cancel the undelivered fertilizer notes.

While inventories as at September 30, 2017 and December 31, 2016, have obligations totaling Baht 344.07 million (comprised deferred sales of Baht 273.26 million and advance received from customers of Baht 70.81 million) and Baht 218.31 million (comprised deferred sales of Baht 137.57 million and advance received from customers of Baht 80.74 million), respectively, for delivery of fertilizer to the customers for the issued fertilizer notes but not yet delivered by presenting as deferred sales and advance received from customers (see Note 13).

Inventories - net as at September 30, 2017 and December 31, 2016, consist of the following:

	<b>Consolidated</b>		<b>Unit : Thousand Baht</b>	
	<b>Financial Statements</b>		<b>Separate</b>	
	<b>As at September 30, 2017</b>	<b>As at December 31, 2016</b>	<b>As at September 30, 2017</b>	<b>As at December 31, 2016</b>
Inventories - cost	2,368,827	1,679,150	2,261,920	1,595,323
<u>Less</u> Allowance for diminution in value of inventories	(1,049)	(860)	(1,049)	(860)
	<u>2,367,778</u>	<u>1,678,290</u>	<u>2,260,871</u>	<u>1,594,463</u>

#### 15. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements as at September 30, 2017 and December 31, 2016, consist of the following:

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	<b>Minimum lease payments</b>		<b>Unit : Thousand Baht</b>	
			<b>Present value of minimum lease payments</b>	
	<b>As at September 30, 2017</b>	<b>As at December 31, 2016</b>	<b>As at September 30, 2017</b>	<b>As at December 31, 2016</b>
Not later than 1 year	7,665	5,747	6,994	5,120
Later than 1 year and not later than 5 years	10,008	9,600	9,541	9,071
	<u>17,673</u>	<u>15,347</u>	<u>16,535</u>	<u>14,191</u>
<u>Less</u> Deferred interest	(1,138)	(1,156)	-	-
Present value of minimum lease payments	<u>16,535</u>	<u>14,191</u>	<u>16,535</u>	<u>14,191</u>

	<b>Unit : Thousand Baht</b>	
	<b>As at September 30, 2017</b>	<b>As at December 31, 2016</b>
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	6,994	5,120
Liabilities under finance lease agreements	9,541	9,071
	<u>16,535</u>	<u>14,191</u>

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	Minimum lease payments		Unit : Thousand Baht Present value of minimum lease payments	
	As at September 30, 2017	As at December 31, 2016	As at September 30, 2017	As at December 31, 2016
	Not later than 1 year	4,516	2,839	4,186
Later than 1 year and not later than 5 years	4,789	3,772	4,597	3,614
	9,305	6,611	8,783	6,183
<u>Less</u> Deferred interest	(522)	(428)	-	-
Present value of minimum lease payments	8,783	6,183	8,783	6,183

	Unit : Thousand Baht	
	As at September 30, 2017	As at December 31, 2016
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	4,186	2,569
Liabilities under finance lease agreements	4,597	3,614
	8,783	6,183

**16. EMPLOYEE BENEFIT OBLIGATIONS**

The Company and its subsidiaries operate post-employment benefits obligation due upon retirement under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans.

Amounts recognized in the statements of profit or loss and other comprehensive income in respect of the post-employment benefit obligation due upon retirement for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Current service cost	6,855	6,949	5,298	5,371
Interest cost	2,240	2,721	1,693	2,068
Total	9,095	9,670	6,991	7,439

Movements in employee benefit obligations for the nine-month periods ended September 30, 2017 and 2016 are as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Employee benefit obligations as at January 1,	126,295	142,398	100,436	115,391
Current service cost	6,855	6,949	5,298	5,371
Interest cost	2,240	2,721	1,693	2,068
Benefit paid	(7,801)	(18,179)	(7,801)	(17,973)
Employee benefit obligations as at September 30,	127,589	133,889	99,626	104,857



The principal actuarial assumptions used to calculate the employee benefit obligations as at September 30, 2017 and December 31, 2016 are as follows:

	Consolidated and Separate Financial Statements	
	As at September 30, 2017 (% p.a.)	As at December 31, 2016 (% p.a.)
Discount rate	2.82	2.82
Turnover rate	0 - 5	0 - 5
	Depend on range of employee age	Depend on range of employee age
Expected rate of salary increase	5	5

## 17. OTHER INCOME

Other income for the three-month and nine-month periods ended September 30, 2017 and 2016, consist of the following:

**For the three-month period ended September 30,**

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Interest income	9,088	11,971	8,048	11,315
Rental income	1,470	1,386	4,683	4,473
Gain on sale of property, plant and equipment	-	1,961	-	327
Gain on exchange rate	9,799	14,157	10,022	14,234
Others	8,056	6,479	7,198	5,049
	<u>28,413</u>	<u>35,954</u>	<u>29,951</u>	<u>35,398</u>

**For the nine-month period ended September 30,**

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Interest income	40,538	39,557	38,285	37,401
Rental income	4,327	4,178	13,937	14,166
Gain on sale of investment properties	20,368	-	20,368	-
Gain on sale of property, plant and equipment	2,208	3,414	402	1,508
Gain on exchange rate	-	10,667	-	11,727
Dividend income	-	-	15,837	10,837
Others	16,894	16,179	13,497	14,006
	<u>84,335</u>	<u>73,995</u>	<u>102,326</u>	<u>89,645</u>

## 18. EXPENSES BY NATURE

Expenses by nature for the nine-month periods ended September 30, 2017 and 2016 have been arrived at the following significant expenses:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	2017	2016	2017	2016
Changes in finished goods and work in process	(208,595)	(280,296)	(191,139)	(238,103)
Cost of finished goods purchased	220,170	196,565	-	-
Raw materials used	6,572,958	7,192,806	6,556,315	7,128,309
Employee benefit expenses	442,010	379,370	396,021	331,177
Depreciation	121,352	111,091	112,425	102,475
Amortization - leasehold right	1,408	-	-	-
Loss on diminution in value of inventories (Reversal)	189	(200)	189	(200)
Doubtful debts (Reversal)	(628)	7,287	(403)	6,996

## 19. DISCOUNT ON ORDINARY SHARES

Discount on ordinary shares as at September 30, 2017 and December 31, 2016, consist of the following:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at September 30, 2017	As at December 31, 2016	As at September 30, 2017	As at December 31, 2016
Premium on ordinary shares	2,280,000	2,280,000	2,280,000	2,280,000
Discount on ordinary shares	(2,323,570)	(2,323,570)	(2,323,570)	(2,323,570)
	<u>(43,570)</u>	<u>(43,570)</u>	<u>(43,570)</u>	<u>(43,570)</u>

## 20. DIVIDENDS

On March 29, 2017, the ordinary shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 3.20 per share, totaling Baht 1,871.08 million as an appropriation of net profit for 2016 in the portion that is not entitled to tax privilege from the Board of Investment. Such dividend was paid in April 2017.

On March 29, 2016, the ordinary shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 1.50 per share, totaling Baht 877.07 million as an appropriation of net profit for 2015 in the portion that is not entitled to tax privilege from the Board of Investment. Such dividend was paid in April 2016.

The Annual General Shareholders' Meetings of subsidiaries passed a resolution to distribute annual dividends for the year 2016 to their ordinary shareholders as follows:

Company name	General shareholders' meeting date	Dividend per share (Baht)	Dividend paid to		Total amount
			Owners of parent	Non-controlling interests	
N.I.M. Company Limited	April 11, 2017	1.70	10,837	10,413	21,250
MC Agro-Chemicals Company Limited	April 26, 2017	10.00	5,000	-	5,000
			<u>15,837</u>	<u>10,413</u>	<u>26,250</u>

The Annual General Shareholders' Meetings of a subsidiary passed a resolution to distribute annual dividends for the year 2015 to ordinary shareholders as follows:

Company name	General shareholders' meeting date	Dividend per share (Baht)	Dividend paid to		Total amount
			Owners of parent	Non-controlling interests	
N.I.M. Company Limited	April 7, 2016	1.70	10,837	10,413	21,250

## 21. TRANSACTIONS BETWEEN RELATED PARTIES

Transactions between related parties are as follows:

### 21.1 Investments

#### 21.1.1 Investment in an associate

As at September 30, 2017

Company Name	Type of Business	Paid-up Capital	Ownership %	Investment		Dividend received
				Cost	Equity	
				Method	Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	<u>98,000</u>	<u>135,889</u>	-

As at December 31, 2016

Company Name	Type of Business	Paid-up Capital	Ownership %	Investment		Dividend received
				Cost	Equity	
				Method	Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	<u>98,000</u>	<u>135,677</u>	-

Aggregate information of an associate is not individually material

Share of profit from investment in an associate for the nine-month periods ended September 30, consist of the following:

	<b>Unit : Thousand Baht Consolidated Financial Statements</b>	
	<b>2017</b>	<b>2016</b>
Share of profit from investment in an associate	<u>212</u>	<u>210</u>

### 21.1.2 Investments in subsidiaries

Company Name	Type of Business	Paid-up Capital		Ownership %		Unit : Thousand Baht Cost	
		As at	As at	As at	As at	As at	As at
		September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
N.I.M. Company Limited	Leased out tank yard for containing chemical	125,000	125,000	51.00	51.00	63,750	63,750
MC Agro-Chemicals Company Limited	Repacking and formulating	50,000	50,000	99.99	99.99	49,999	49,999
TCCC Myanmar Limited	Producer, importer and distributor	439,106	105,335	99.99	99.99	439,106	105,335
						<u>552,855</u>	<u>219,084</u>

On October 3, 2016, the Company invested in the ordinary shares of USD 12.50 million of TCCC Myanmar Limited, a subsidiary of the Company which was incorporated in the republic of the union of Myanmar in order to be a producer, importer and dealer of varies chemical fertilizer compound.

## 21.2 Business transactions with related parties

### 21.2.1 Transactions with related parties for the three-month and nine-month periods ended September 30, 2017 and 2016, consist of the following:

For the three-month period ended September 30,

Account name/ Company's name	Relationship	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
		2017	2016	2017	2016
<b>Revenue from sales and services</b>					
Sojitz Corporation	Major shareholder	<u>3,147</u>	<u>3,047</u>	<u>-</u>	<u>-</u>
<b>Other income</b>					
N.I.M. Company Limited	Subsidiary	-	-	3,500	3,374
MC Agro-Chemicals Company Limited	Subsidiary	-	-	25	25
		<u>-</u>	<u>-</u>	<u>3,525</u>	<u>3,399</u>
<b>Purchases</b>					
Sojitz Corporation	Major shareholder	<u>5,169</u>	<u>3,330</u>	<u>-</u>	<u>-</u>
<b>Purchase assets</b>					
Metro Systems Corporation Public Company Limited	Related Company	<u>4,601</u>	<u>-</u>	<u>4,601</u>	<u>-</u>
<b>Other expenses</b>					
Metro Systems Corporation Public Company Limited	Related Company	<u>620</u>	<u>590</u>	<u>557</u>	<u>539</u>

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements 2017	Financial Statements 2016	Financial Statements 2017	Financial Statements 2016
<b>Managements' remuneration</b>					
Short-term employee benefits	Directors	14,275	12,761	14,257	12,743

For the nine-month period ended September 30,

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements 2017	Financial Statements 2016	Financial Statements 2017	Financial Statements 2016
<b>Revenue from sales and services</b>					
Sojitz Corporation	Major shareholder	7,291	6,017	-	-
<b>Other income</b>					
N.I.M. Company Limited	Subsidiary	-	-	10,437	10,864
MC Agro-Chemicals Company Limited	Subsidiary	-	-	71	58
		-	-	10,508	10,922
<b>Dividend income</b>					
N.I.M. Company Limited	Subsidiary	-	-	10,837	10,837
MC Agro-Chemicals Company Limited	Subsidiary	-	-	5,000	-
		-	-	15,837	10,837
<b>Purchases</b>					
Sojitz Corporation	Major shareholder	8,810	5,727	-	-
<b>Purchase assets</b>					
Metro Systems Corporation Public Company Limited	Related Company	4,601	-	4,601	-
<b>Other expenses</b>					
N.I.M. Company Limited	Subsidiary	-	-	-	3
Metro Systems Corporation Public Company Limited	Related Company	1,835	1,770	1,670	1,617
		1,835	1,770	1,670	1,620
<b>Managements' remuneration</b>					
Short-term employee benefits	Directors	35,171	31,499	34,817	31,145

21.2.2 Balances as at September 30, 2017 and December 31, 2016, consist of the following:

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		September 30, 2017	December 31, 2016	September 30, 2017	December 31, 2016
<b>Trade receivables</b>					
Sojitz Corporation Group	Major shareholder	59	212	-	-
<b>Other receivables</b>					
N.I.M. Company Limited	Subsidiary	-	-	624	777
MC Agro-Chemicals Company Limited	Subsidiary	-	-	76	87
		-	-	700	864
<b>Trade payables</b>					
Sojitz Corporation Group	Major shareholder	5,113	8,554	-	-
<b>Other payables</b>					
Metro Systems Corporation Public Company Limited	Related Company	415	210	397	192

## 22. COMMITMENTS AND LETTERS OF GUARANTEE

22.1 The Company has capital commitment for capital expenditure as at September 30, 2017 and December 31, 2016 of Baht 55.08 million and Baht 97.31 million, respectively.

A foreign subsidiary has capital commitment for capital expenditure as at September 30, 2017 of USD 0.96 million (or equivalent Baht 32.18 million) (as at December 31, 2016: nil).

22.2 As at September 30, 2017 and December 31, 2016, the Company and its subsidiaries have leased office building, vehicles and office equipment under operating lease agreements. The minimum future lease payments are summarized as follows:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at September 30, 2017	As at December 31, 2016	As at September 30, 2017	As at December 31, 2016
Within 1 year	41,867	24,133	37,051	21,659
1 - 5 years	30,347	20,888	30,302	15,462
Total	<u>72,214</u>	<u>45,021</u>	<u>67,353</u>	<u>37,121</u>

For the nine-month periods ended September 30, 2017 and 2016, the Company and its subsidiaries recognized rental fees from operating lease agreements in the consolidated financial statements of Baht 33.57 million and Baht 26.24 million, respectively, and for the separate financial statements of Baht 31.32 million and Baht 25.48 million, respectively.

- 22.3 The Company and its subsidiaries are granted credit facilities from financial institutions which consisted of bank overdrafts and short-term borrowings, letters of credit, forward contracts and letters of guarantee.

As at September 30, 2017 and December 31, 2016, the unused credit facilities, consist of:

	Currency	Unit : Million			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,	
	2017	2016	2017	2016	
Credit facilities*	Baht	11,667.74	11,595.29	11,493.65	11,401.16
	USD	16.55	22.14	16.55	22.14
Forward contracts	Baht	2,304.14	2,590.36	2,297.10	2,571.95
	USD	161.01	154.81	155.35	148.25
Letters of guarantee	Baht	91.34	91.34	91.34	91.34

As at September 30, 2017 and December 31, 2016, credit facilities of the Company and its subsidiary pledged by land, buildings and its improvements (see Note 8).

\* The Company has been allowed by certain banks to have forward exchange contracts equal to the line of letters of credit and trust receipts granted by such banks.

- 22.4 As at September 30, 2017 and December 31, 2016, the Company has letters of guarantee issued by banks which are unsecured as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2017	2016	2017	2016
Letters of guarantee for electricity	8,831	8,831	8,656	8,656

- 22.5 As at September 30, 2017, the Company has commitment with a bank regarding the outstanding letters of credit amounting to USD 3.63 million (or equivalent to Baht 121.62 million) and as at December 31, 2016 amounting to USD 7.98 million and EUR 0.06 million (or equivalent to Baht 289.46 million).

### 23. SEASONALITY OF OPERATION

The main business of the Company is the manufacturing, import and distribution of chemical fertilizer. The main revenues of the Company are received seasonally within a financial year especially in the second and third quarters of each year. Such main revenues are recognized when incur in each quarter. For supplementary financial information, total revenues, cost of sales and total comprehensive income for the twelve-month periods ended September 30, 2017 and 2016 were shown as below:

	Consolidated		Unit : Thousand Baht	
	Financial Statements	Financial Statements	Separate	Separate
	2017	2016	2017	2016
Revenues from sales	11,705,935	12,454,036	11,296,963	12,137,514
Revenues from services	112,732	115,223	-	-
Costs of sales of goods	8,600,562	9,519,597	8,278,180	9,267,536
Costs of rendering of services	54,016	57,047	-	-
Total comprehensive income	2,306,889	1,902,549	2,292,422	1,862,351

### 24. BUSINESS SEGMENT INFORMATION

The Company's main business is to manufacture, import and distribute various chemical fertilizer compounds. The subsidiaries' main businesses are to import and distribute industrial chemical, textile, plastics and solvents, and provide the lease of containing liquid chemical which most of revenue are from domestic. The business segment information of the Company and its subsidiaries classified by industries is as follows:

For the three-month and nine-month periods ended September 30, 2017

	Sales and other income		Total comprehensive income		Assets employed
	For the three-month period ended	For the nine-month period ended	For the three-month period ended	For the nine-month period ended	
Headquarters - Fertilizer	3,836,373	9,564,371			
- Other income	29,951	102,326			
	3,866,324	9,666,697	879,724	2,196,005	10,956,372
Rental services	29,287	89,622	8,385	28,100	223,175
Others	103,203	323,074	4,414	17,569	704,800
<u>Less</u> Intersegment revenues	(3,450)	(26,134)			
Total revenues	3,995,364	10,053,259			
Profit before income tax expense			892,523	2,241,674	
<u>Less</u> Income tax expense			(178,422)	(447,336)	
Total comprehensive income			714,101	1,794,338	
					11,884,347
<u>Less</u> Intersegment assets					(515,666)
<u>Less</u> Non-controlling interests in total comprehensive income			(3,298)	(11,036)	
Exchange differences on translation of financial statements of foreign subsidiary			(7,505)	(26,811)	
Total comprehensive income attributable to owners of the parent			703,298	1,756,491	
Consolidated assets as at September 30, 2017					11,368,681



For the three-month and nine-month periods ended September 30, 2016

	Sales and other income		Total comprehensive income		Assets employed
	For the three-month period ended	For the nine-month period ended	For the three-month period ended	For the nine-month period ended	
Headquarters - Fertilizer	4,836,586	10,107,351			
- Other income	35,398	89,645			
	4,871,984	10,196,996	1,288,274	2,205,049	10,884,312
Rental services	29,458	88,305	8,568	23,520	220,157
Others	92,307	243,120	5,933	8,303	275,669
<u>Less</u> Intersegment revenues	(3,413)	(22,612)			
Total revenues	4,990,336	10,505,809			
Profit before income tax expense			1,302,775	2,236,872	
<u>Less</u> Income tax expense			(258,691)	(445,732)	
Total comprehensive income			1,044,084	1,791,140	
					11,380,138
<u>Less</u> Intersegment assets					(76,881)
<u>Less</u> Non-controlling interests in total comprehensive income			(3,358)	(9,212)	
Total comprehensive income attributable to owners of the parent			1,040,726	1,781,928	
Consolidated assets as at September 30, 2016					11,303,257

## 25. DISCLOSURE OF FINANCIAL INSTRUMENTS

### 25.1 Forward exchange contracts

As at September 30, 2017 and December 31, 2016, the Company and its subsidiary entered into various forward exchange contracts with banks to hedge certain portions of their assets and liabilities denominated in foreign currencies. The details of such contracts, fair values and valuation techniques of the financial instruments are as follows:

Unit : Thousand							
Forward exchange purchase contracts				The remaining period (days)	Net fair value gain (loss) Baht	Fair value hierarchy	Valuation technique(s)
	Currency	Amount	Average rate				
<b>As at September 30, 2017</b>							
The Company	USD	15,090	33.6691	6 - 279	(5,148)	Level 2	Discounted cash flow*
	EURO	78	40.2210	364	12		
	YEN	20,993	0.3106	265	(225)		
Subsidiary	USD	2,228	33.6258	13 - 171	(567)		
<b>As at December 31, 2016</b>							
The Company	USD	16,087	35.4648	48 - 337	7,452	Level 2	Discounted cash flow*
	EURO	57	38.2566	262	32		
Subsidiary	USD	979	35.4354	19 - 115	316		
Forward exchange sell contracts				The remaining period (days)	Net fair value gain (loss) Baht	Fair value hierarchy	Valuation technique(s)
	Currency	Amount	Average rate				
<b>As at September 30, 2017</b>							
The Company	USD	8,175	33.3917	80 - 171	1,895	Level 2	Discounted cash flow*
<b>As at December 31, 2016</b>							
The Company	USD	6,003	35.4191	63 - 168	(1,553)	Level 2	Discounted cash flow*

\* Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contracted forward exchange rates, discounted at a rate that reflects the credit risk of various counterparties.

25.2 Assets and liabilities in foreign currencies

As at September 30, 2017 and December 31, 2016, the Company and its subsidiaries have assets and liabilities in foreign currencies which part of them are entered into various forward exchange contracts with banks to hedge certain portions of their assets and liabilities denominated in foreign currencies as follows:

		<b>Unit : Thousand</b>	
		<b>Foreign assets</b>	
		<b>Currency</b>	<b>Amount</b>
<b>As at September 30, 2017</b>			
The Company		USD	8,417
		MMK	4,084
Subsidiaries		USD	5,987
		MMK	3,679
<b>As at December 31, 2016</b>			
The Company		USD	6,161
		MMK	2,481
Subsidiaries		USD	361
		MMK	954
		<b>Unit : Thousand</b>	
		<b>Foreign liabilities</b>	
		<b>Currency</b>	<b>Amount</b>
<b>As at September 30, 2017</b>			
The Company		USD	13,455
Subsidiary		USD	1,304
<b>As at December 31, 2016</b>			
The Company		USD	7,862
Subsidiary		USD	658

**26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION**

The interim financial information was approved for issuance by the authorized directors of the Company on November 14, 2017.