

**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 March 31, 2018, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period ended March 31, 2018, 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
May 15, 2018**

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 MARCH 31, 2018

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.3	5,276,734	4,679,930	5,119,737	4,476,263
Current investments	5	173,258	973,265	-	800,000
Trade and other current receivables	6.1	1,182,454	794,665	1,147,115	725,020
Inventories	14	2,870,659	2,042,056	2,756,045	1,935,605
Other current assets		51	588	-	516
Total Current Assets		<u>9,503,156</u>	<u>8,490,504</u>	<u>9,022,897</u>	<u>7,937,404</u>
NON-CURRENT ASSETS					
Investment in an associate	21.1.1	136,027	135,962	98,000	98,000
Investments in subsidiaries	21.1.2	-	-	552,855	552,855
Investment properties	7	25,810	25,810	25,810	25,810
Property, plant and equipment	8	1,872,090	1,866,233	1,603,944	1,606,460
Leasehold right	9	78,750	82,898	-	-
Intangible asset	10	547,450	547,565	545,901	545,901
Deferred tax assets	11	36,974	42,985	32,505	37,733
Other non-current assets		5,565	6,016	4,095	4,798
Total Non-current Assets		<u>2,702,666</u>	<u>2,707,469</u>	<u>2,863,110</u>	<u>2,871,557</u>
TOTAL ASSETS		<u><u>12,205,822</u></u>	<u><u>11,197,973</u></u>	<u><u>11,886,007</u></u>	<u><u>10,808,961</u></u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2018

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	12	5,735	9,461	-	-
Trade and other current payables	13	2,912,323	898,215	2,834,335	820,827
Current portion of liabilities under					
finance lease agreements	15	6,987	7,074	4,131	4,186
Current income tax payable		261,632	218,914	256,433	214,487
Current provision for employee benefit	16	7,987	19,289	6,250	13,286
Other current liabilities		35,731	31,607	18,607	15,592
Total Current Liabilities		<u>3,230,395</u>	<u>1,184,560</u>	<u>3,119,756</u>	<u>1,068,378</u>
NON-CURRENT LIABILITIES					
Liabilities under finance lease agreements	15	6,889	8,570	2,963	3,944
Deferred tax liabilities	11	116,609	116,609	109,180	109,180
Non-current provision for employee benefit	16	108,539	111,679	88,918	92,694
Other non-current liabilities		15,835	15,845	15,535	15,545
Total Non-current Liabilities		<u>247,872</u>	<u>252,703</u>	<u>216,596</u>	<u>221,363</u>
TOTAL LIABILITIES		<u>3,478,267</u>	<u>1,437,263</u>	<u>3,336,352</u>	<u>1,289,741</u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2018

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		March 31,	December 31,	March 31,	December 31,
		2018	2017	2018	2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
(CONTINUED)					
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		6,812,981	7,820,018	6,663,668	7,633,233
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(51,223)	-33,766	-	-
TOTAL ATTRIBUTIONS TO OWNERS					
OF THE PARENT		8,647,745	9,672,239	8,549,655	9,519,220
NON-CONTROLLING INTERESTS		79,810	88,471	-	-
TOTAL SHAREHOLDERS' EQUITY		8,727,555	9,760,710	8,549,655	9,519,220
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		12,205,822	11,197,973	11,886,007	10,808,961

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
Revenues from sales		1,634,223	1,979,027	1,563,054	1,893,704
Revenues from services		29,479	29,200	-	-
Cost of sales of goods		(1,293,423)	(1,487,469)	(1,236,317)	(1,419,779)
Cost of rendering of services		(10,969)	(12,851)	-	-
Gross profit		359,310	507,907	326,737	473,925
Other income	17	19,662	40,903	40,385	41,732
Profit before expenses		378,972	548,810	367,122	515,657
Selling expenses		(55,574)	(43,841)	(47,827)	(36,058)
Administrative expenses		(89,795)	(70,888)	(56,073)	(57,167)
Managements' remuneration	21.2.1	(8,657)	(10,068)	(8,339)	(10,050)
Other expenses		(8,003)	(20,919)	(7,329)	(19,068)
Total expenses		(162,029)	(145,716)	(119,568)	(122,343)
Profit before finance costs and income tax expense		216,943	403,094	247,554	393,314
Finance costs		(400)	(784)	(155)	(363)
Share of profit from investment in an associate	21.1.1	65	74	-	-
PROFIT BEFORE INCOME TAX EXPENSE		216,608	402,384	247,399	392,951
INCOME TAX EXPENSE	11	(50,015)	(79,980)	(47,536)	(77,702)
PROFIT FOR THE PERIOD		166,593	322,404	199,863	315,249

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
OTHER COMPREHENSIVE INCOME (LOSS)					
Item that will be reclassified subsequently to profit or loss					
Exchange differences on translation of financial statements of foreign subsidiary		(17,457)	-13,785	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>149,136</u>	<u>308,619</u>	<u>199,863</u>	<u>315,249</u>
PROFIT ATTRIBUTABLE TO					
Owners of the parent		162,391	318,725	-	-
Non-controlling interests		4,202	3,679	-	-
		<u>166,593</u>	<u>322,404</u>	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO					
Owners of the parent		144,934	304,940	-	-
Non-controlling interests		4,202	3,679	-	-
		<u>149,136</u>	<u>308,619</u>	<u>-</u>	<u>-</u>
BASIC EARNINGS ATTRIBUTABLE TO					
OWNERS OF THE PARENT PER SHARE	BAHT	0.28	0.55	0.34	0.54
WEIGHTED AVERAGE NUMBER					
OF ORDINARY SHARES	THOUSAND SHARES	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 THREE-MONTH PERIOD ENDED MARCH 31, 2018

“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				Other components of shareholders' equity Exchange differences on translation of financial statements of foreign subsidiary
Beginning balances as at January 1, 2017		1,754,142	(43,570)	175,415	7,764,283	1,328	9,651,598	84,390	9,735,988
Dividends paid	20	-	-	-	(1,871,085)	-	(1,871,085)	-	(1,871,085)
Total comprehensive income for the period		-	-	-	318,725	(13,785)	304,940	3,679	308,619
Ending balances as at March 31, 2017		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>6,211,923</u>	<u>(12,457)</u>	<u>8,085,453</u>	<u>88,069</u>	<u>8,173,522</u>
Beginning balances as at January 1, 2018		1,754,142	(43,570)	175,415	7,820,018	(33,766)	9,672,239	88,471	9,760,710
Dividends paid	20	-	-	-	(1,169,428)	-	(1,169,428)	-	(1,169,428)
Dividends to non-controlling interests of subsidiaries	20	-	-	-	-	-	-	(12,863)	(12,863)
Total comprehensive income for the period		-	-	-	162,391	(17,457)	144,934	4,202	149,136
Ending balances as at March 31, 2018		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>6,812,981</u>	<u>(51,223)</u>	<u>8,647,745</u>	<u>79,810</u>	<u>8,727,555</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 THREE-MONTH PERIOD ENDED MARCH 31, 2018

“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, 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		-	-	-	315,249	315,249
Ending balances as at March 31, 2017		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>6,028,885</u>	<u>7,914,872</u>
Beginning balances as at January 1, 2018		1,754,142	(43,570)	175,415	7,633,233	9,519,220
Dividends paid	20	-	-	-	(1,169,428)	(1,169,428)
Total comprehensive income for the period		-	-	-	199,863	199,863
Ending balances as at March 31, 2018		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>6,663,668</u>	<u>8,549,655</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED”

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax expense		216,608	402,384	247,399	392,951
Adjusted by					
Doubtful debt		4,091	2,910	4,101	2,994
Loss for diminution in value of inventories		1,350	704	1,619	704
Depreciation		54,535	37,802	48,276	34,961
Amortization - leasehold right		427	485	-	-
Amortization - intangible assets		41	-	-	-
Gain on sales of investment properties		-	(20,757)	-	(20,368)
Gain on sales of property, plant and equipment		(1,918)	-	(1,918)	-
Employee benefit obligations expense		3,144	3,051	2,474	2,350
Share of profit from investment in an associate		(65)	(74)	-	-
Unrealized loss on foreign exchange rate		12,160	29,633	11,881	27,428
Dividend income		-	-	(18,387)	-
Interest income		(12,472)	-14,885	(11,860)	-14,317
Interest expenses		236	846	95	87
Profit from operation before changes in operating assets and liabilities		278,137	442,099	283,680	426,790
Increase in trade and other current receivables		(393,744)	(230,456)	(411,733)	(226,450)
Increase in inventories		(829,953)	(965,337)	(822,059)	(947,405)
(Increase) decrease in other current assets		537	(2,234)	516	(438)
(Increase) decrease in other non-current assets		451	(634)	703	(281)
Increase in trade and other current payables		848,021	655,564	859,315	648,706
Decrease in other current liabilities		(8,838)	(2,624)	(9,085)	(2,850)
Cash paid for employee benefit obligations		(17,586)	(7,801)	(13,286)	(7,801)
Increase (decrease) in other non-current liabilities		(10)	1,239	(10)	340
Cash paid for operations		(122,985)	(110,184)	(111,959)	(109,389)
Cash paid for income tax		(1,286)	(1,568)	(362)	(617)
Net cash used in operating activities		(124,271)	(111,752)	(112,321)	(110,006)

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

“UNAUDITED”

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in current investments		800,007	(310,269)	800,000	(300,000)
Cash paid for incorporation of a subsidiary		-	-	-	(333,771)
Cash received from sale of investment properties		-	23,800	-	23,800
Cash paid for purchases of					
property, plant and equipment		(85,628)	(99,036)	(61,660)	(101,041)
Proceeds from sales of property, plant and equipment		3,741	860	3,741	471
Interest received		13,397	15,476	14,845	15,192
Net cash provided by (used in) investing activities		<u>731,517</u>	<u>(369,169)</u>	<u>756,926</u>	<u>(695,349)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received (paid) from bank overdrafts and					
short-term borrowings from financial institutions		(3,712)	11,278	-	-
Cash repayment for liabilities under					
finance lease agreements		(1,768)	(1,481)	(1,036)	(756)
Cash paid for interest		(236)	(846)	(95)	(87)
Net cash provided by (used in) financing activities		<u>(5,716)</u>	<u>8,951</u>	<u>(1,131)</u>	<u>(843)</u>
Exchange differences on translation of financial statements					
of foreign subsidiary		(4,726)	(10,106)	-	-
Net increase (decrease) in cash and cash equivalents		<u>596,804</u>	<u>(482,076)</u>	<u>643,474</u>	<u>(806,198)</u>
Cash and cash equivalents as at January 1,		<u>4,679,930</u>	<u>6,091,852</u>	<u>4,476,263</u>	<u>5,999,577</u>
Cash and cash equivalents as at March 31,	4.3	<u><u>5,276,734</u></u>	<u><u>5,609,776</u></u>	<u><u>5,119,737</u></u>	<u><u>5,193,379</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 PERIOD ENDED MARCH 31, 2018
“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 Province. 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 2017) “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, 2017, presented herein 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 period ended March 31, 2018 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 TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month period ended March 31, 2018, should be read in conjunction with the audited financial statements for the year ended December 31, 2017.
- 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 period ended March 31, 2018, have included the subsidiaries' interim financial statements for the three-month period ended March 31, 2018 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, 2018. 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 Thai Financial Reporting Standard No. 15 "Revenue from Contracts with Customers" which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

The Group's and the Company's management will adopt such TFRSs in the preparation of the Group's and the Company's financial statements when it becomes effective. The Group's and the Company's management is in the process to assess the impact of these TFRSs on the financial statements of the Group and the Company 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 March 31, 2018		2017	As at December 31, 2017	
	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		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, 2017.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Purchases of property, plant and equipment for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Payables-Assets acquisition as at January 1,	33,785	9,771	18,077	9,768
<u>Add</u> Purchases of property, plant and equipment	71,151	151,181	47,583	108,764
<u>Less</u> Purchases of property, plant and equipment under finance lease agreements	-	(1,649)	-	(1,649)
<u>Less</u> Cash payments	(85,628)	(99,036)	(61,660)	(101,041)
Payables-Assets acquisition as at March 31,	<u>19,308</u>	<u>60,267</u>	<u>4,000</u>	<u>15,842</u>
Liabilities under finance lease agreements (including current portion) as at January 1,	15,644	14,191	8,130	6,183
<u>Add</u> Purchases of property, plant and equipment under finance lease agreements	-	1,649	-	1,649
<u>Less</u> Cash payments	(1,768)	(1,481)	(1,036)	(756)
Liabilities under finance lease agreements (including current portion) as at March 31,	<u>13,876</u>	<u>14,359</u>	<u>7,094</u>	<u>7,076</u>

4.2 The cash flow from bank overdraft and short-term borrowing from financial institutions for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Bank overdraft and short-term borrowings from financial institutions as at January 1,	9,461	10,843	-	-
<u>Add/(less)</u> Cash received (paid)	(3,712)	11,278	-	-
<u>Less</u> Unrealized loss on foreign exchange rate	(14)	-	-	-
Bank overdraft and short-term borrowings from financial institutions as at March 31,	<u>5,735</u>	<u>22,121</u>	<u>-</u>	<u>-</u>

4.3 Cash and cash equivalents

Cash and cash equivalents as at March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements As at March 31, 2018	Financial Statements As at December 31, 2017	Financial Statements As at March 31, 2018	Financial Statements As at December 31, 2017
Cash on hand	904	992	505	574
Bank deposits in savings and current accounts	1,275,516	2,075,876	1,119,230	1,872,939
Cheque on hand	312	3,060	-	2,748
Time deposits with maturity within 3 months (interest rates 1.12% - 1.35% per annum)	4,000,002	2,600,002	4,000,002	2,600,002
	<u>5,276,734</u>	<u>4,679,930</u>	<u>5,119,737</u>	<u>4,476,263</u>

5. CURRENT INVESTMENTS

Current investments as at March 31, 2018 and December 31, 2017, consist of:

	Maturity date		Interest rate (% per annum)		Unit : Thousand Baht Consolidated	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017	Financial Statements As at March 31, 2018	Financial Statements As at December 31, 2017
Time deposits	Maturity date over 3 months but less than 1 year		1 - 1.38	1 - 1.50	<u>173,258</u>	<u>973,265</u>

	Maturity date		Interest rate (% per annum)		Separate	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017	Financial Statements As at March 31, 2018	Financial Statements As at December 31, 2017
Time deposits	Maturity date over 3 months but less than 1 year		-	1.38	<u>-</u>	<u>800,000</u>

6. TRADE AND OTHER CURRENT RECEIVABLES

6.1 Trade and other current receivables as at March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2018	2017	2018	2017
Trade receivables	1,111,587	713,539	1,065,011	649,556
Other receivables	13,673	25,914	14,442	26,861
Prepaid expenses	36,136	45,839	29,634	40,175
Accrued income	6,340	8,506	5,075	7,735
Advance payments	5,434	867	5,282	693
Advance payment for bidding	9,284	-	9,284	-
Dividend receivables	-	-	18,387	-
	<u>1,182,454</u>	<u>794,665</u>	<u>1,147,115</u>	<u>725,020</u>

6.2 Trade receivables as at March 31, 2018 and December 31, 2017, are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2018	2017	2018	2017
Number of outstanding trade receivables	<u>463</u>	<u>421</u>	<u>203</u>	<u>152</u>
Other companies				
Current	1,097,191	700,553	1,051,516	638,068
Overdue				
Less than or up to 3 months	25,141	19,668	24,481	18,253
More than 3 months up to 6 months	38	252	-	-
More than 6 months up to 12 months	292	70	-	-
More than 12 months	24,909	28,177	24,249	27,517
	<u>1,147,571</u>	<u>748,720</u>	<u>1,100,246</u>	<u>683,838</u>
Related companies				
Current	241	101	-	-
	<u>241</u>	<u>101</u>	<u>-</u>	<u>-</u>
Total trade receivables	1,147,812	748,821	1,100,246	683,838
<u>Less</u> Allowance for doubtful debt	<u>(36,225)</u>	<u>(35,282)</u>	<u>(35,235)</u>	<u>(34,282)</u>
	<u>1,111,587</u>	<u>713,539</u>	<u>1,065,011</u>	<u>649,556</u>

7. INVESTMENT PROPERTIES

As at March 31, 2018 and December 31, 2017, the Company's investment properties represent land received from debt settlement and purchased by the Company of which the book value were Baht 25.81 million.

8. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the three-month period ended March 31, 2018, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Property, plant and equipment - net as at January 1, 2018	1,866,233	1,606,460
<u>Add</u> Purchase during the period	71,151	47,583
<u>Less</u> Decrease during the period	(1,823)	(1,823)
Depreciation for the period	(54,535)	(48,276)
Exchange differences on translation of financial statements of foreign subsidiary	(8,936)	-
Property, plant and equipment - net as at March 31, 2018	1,872,090	1,603,944

As at March 31, 2018 and December 31, 2017, the costs of assets which are fully depreciated but still in use as the following:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Gross carrying amount of property, plant and equipment which are fully depreciated and still in use	2,377,623	2,340,545	2,142,037	2,106,473

As at March 31, 2018 and December 31, 2017, the Company used land, land improvements, buildings and its improvements which have total net book values of Baht 514.53 million and Baht 524.00 million, respectively (see Note 22.3), are used as collateral with a local financial institution for guarantee credit facilities.

As at March 31, 2018 and December 31, 2017, land, building and its improvements of a subsidiary which has total net book values of Baht 23.87 million and Bah 24.62 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 2.62 million or equivalent to Baht 93.58 million. Such leasehold right will be expired on June 4, 2064.

As at March 31, 2018 and December 31, 2017, net book value of leasehold right for land is Baht 78.75 million and Baht 82.90 million, respectively.

10. INTANGIBLE ASSET

Intangible asset consists of right to use the trademarks and right to use software. For 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 8, 2018, the appraisal values of the fair value of such right as at December 26, 2017 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 March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Deferred tax assets	36,974	42,985	32,505	37,733
Deferred tax liabilities	116,609	116,609	109,180	109,180

Movements of deferred tax assets and liabilities for the three-month periods ended March 31, 2018 and 2017 are as follows:

Consolidated Financial Statements As at March 31, 2018

	Unit : Thousand Baht		
	Balances as at January 1, 2018	Recognized in profit or loss	Balances as at March 31, 2018
Allowance for doubtful debt	7,056	189	7,245
Allowance for diminution in value of inventories	1,502	271	1,773
Provision for sale promotions	8,649	(4,678)	3,971
Allowance for impairment of investment properties	680	-	680
Provision for employee benefit	23,537	(232)	23,305
Deferred benefits for energy saving	1,561	(1,561)	-
Total deferred tax assets	42,985	(6,011)	36,974
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 March 31, 2017

	Unit : Thousand Baht		
	Balances as at January 1, 2017	Recognized in profit or loss	Balances as at March 31, 2017
Allowance for doubtful debt	7,562	582	8,144
Allowance for diminution in value of inventories	172	141	313
Provision for sale promotions	8,915	(4,748)	4,167
Allowance for impairment of investment properties	680	-	680
Provision for employee benefit	23,699	610	24,309
Total deferred tax assets	<u>41,028</u>	<u>(3,415)</u>	<u>37,613</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 March 31, 2018**

	Unit : Thousand Baht		
	Balances as at January 1, 2018	Recognized in profit or loss	Balances as at March 31, 2018
Allowance for doubtful debt	6,856	191	7,047
Allowance for diminution in value of inventories	1,448	325	1,773
Provision for sale promotions	8,649	(4,678)	3,971
Allowance for impairment of investment properties	680	-	680
Provision for employee benefit	18,539	495	19,034
Deferred benefits for energy saving	1,561	(1,561)	-
Total deferred tax assets	<u>37,733</u>	<u>(5,228)</u>	<u>32,505</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 March 31, 2017

	Unit : Thousand Baht		
	Balances as at January 1, 2017	Recognized in profit or loss	Balances as at March 31, 2017
Allowance for doubtful debt	7,385	599	7,984
Allowance for diminution in value of inventories	172	141	313
Provision for sale promotions	8,915	(4,748)	4,167
Allowance for impairment of investment properties	680	-	680
Provision for employee benefit	18,527	470	18,997
Total deferred tax assets	<u>35,679</u>	<u>(3,538)</u>	<u>32,141</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 three-month periods ended March 31, 2018 and 2017, consist of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2018	2017	2018	2017
Current tax expense in respect of the current period	44,004	76,565	42,308	74,164
Deferred tax relating to temporary differences	6,011	3,415	5,228	3,538
Income tax expense	<u>50,015</u>	<u>79,980</u>	<u>47,536</u>	<u>77,702</u>

The income tax expense for the three-month periods ended March 31, 2018 and 2017 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2018	2017	2018	2017
Profit before income tax expense	<u>216,608</u>	<u>402,384</u>	<u>247,399</u>	<u>392,951</u>
Income tax calculated at 20%	43,322	80,477	49,480	78,590
Effect of transactions that are not taxable income and expenses	<u>6,693</u>	<u>(497)</u>	<u>(1,944)</u>	<u>(888)</u>
Income tax expense	<u>50,015</u>	<u>79,980</u>	<u>47,536</u>	<u>77,702</u>
	%	%	%	%
Effective tax rate	23.09	19.87	19.21	19.77

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 March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Bank overdraft and short-term borrowings from financial institutions	<u>5,735</u>	<u>9,461</u>	<u>-</u>	<u>-</u>

As at March 31, 2018 and December 31, 2017, a subsidiary has credit lines from a local 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 CURRENT PAYABLES

Trade and other current payables as at March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Trade payables	825,649	361,322	787,733	334,200
Other payables	120,008	95,783	103,571	94,733
Accrued dividend	1,184,472	-	1,171,610	2,182
Accrued expenses	95,296	238,488	82,054	187,090
Advance received from customers (see Note 14)	74,526	72,027	74,526	72,027
Deferred sales (see Note 14)	612,372	130,595	614,841	130,595
	<u>2,912,323</u>	<u>898,215</u>	<u>2,834,335</u>	<u>820,827</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 in the consolidated financial statements as at March 31, 2018 and December 31, 2017, have obligations totaling Baht 686.90 million (comprised deferred sales of Baht 612.37 million and advance received from customers of Baht 74.53 million) and Baht 202.62 million (comprised deferred sales of Baht 130.59 million and advance received from customers of Baht 72.03 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 March 31, 2018 and December 31, 2017, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Inventories - cost	2,879,516	2,049,563	2,764,902	1,942,843
<u>Less</u> Allowance for diminution in value of inventories	(8,857)	(7,507)	(8,857)	(7,238)
	<u>2,870,659</u>	<u>2,042,056</u>	<u>2,756,045</u>	<u>1,935,605</u>

15. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements as at March 31, 2018 and December 31, 2017, consist of:

Consolidated Financial Statements

	Minimum lease payments		Unit : Thousand Baht	
			Present value of minimum lease payments	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Not later than 1 year	7,520	7,696	6,987	7,074
Later than 1 year and not later than 5 years	7,203	8,984	6,889	8,570
	<u>14,723</u>	<u>16,680</u>	<u>13,876</u>	<u>15,644</u>
<u>Less</u> Deferred interest	(847)	(1,036)	-	-
Present value of minimum lease payments	<u>13,876</u>	<u>15,644</u>	<u>13,876</u>	<u>15,644</u>

	Unit : Thousand Baht	
	As at	As at
	March 31, 2018	December 31, 2017
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	6,987	7,074
Liabilities under finance lease agreements	<u>6,889</u>	<u>8,570</u>
	<u>13,876</u>	<u>15,644</u>

Separate Financial Statements

	Unit : Thousand Baht			
	Minimum lease payments		Present value of minimum lease payments	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Not later than 1 year	4,377	4,484	4,131	4,186
Later than 1 year and not later than 5 years	3,095	4,118	2,963	3,944
	<u>7,472</u>	<u>8,602</u>	<u>7,094</u>	<u>8,130</u>
<u>Less</u> Deferred interest	(378)	(472)	-	-
Present value of minimum lease payments	<u><u>7,094</u></u>	<u><u>8,130</u></u>	<u><u>7,094</u></u>	<u><u>8,130</u></u>

	Unit : Thousand Baht	
	As at March 31, 2018	As at December 31, 2017
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	4,131	4,186
Liabilities under finance lease agreements	<u>2,963</u>	<u>3,944</u>
	<u><u>7,094</u></u>	<u><u>8,130</u></u>

16. PROVISION FOR EMPLOYEE BENEFIT

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 in respect of the post-employment benefit obligation due upon retirement for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Current service cost	2,383	2,304	1,896	1,786
Interest cost	761	747	578	564
	<u>3,144</u>	<u>3,051</u>	<u>2,474</u>	<u>2,350</u>

Movements in provision for employee benefit for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements 2018	Financial Statements 2017	Financial Statements 2018	Financial Statements 2017
Provision for employee benefit as at January 1, (Including current portion)	130,968	126,295	105,980	100,436
Current service cost	2,383	2,304	1,896	1,786
Interest cost	761	747	578	564
Benefit paid	<u>(17,586)</u>	<u>(7,801)</u>	<u>(13,286)</u>	<u>(7,801)</u>
Provision for employee benefit as at March 31, (Including current portion)	<u><u>116,526</u></u>	<u><u>121,545</u></u>	<u><u>95,168</u></u>	<u><u>94,985</u></u>

The principal actuarial assumptions used to calculate the provision for employee benefit as at March 31, 2018 and December 31, 2017 are as follows:

	Consolidated and Separate Financial Statements	
	As at March 31, 2018 (% p.a.)	As at December 31, 2017 (% p.a.)
Discount rate	2.93	2.93
Turnover rate	0 - 6	0 - 6
	Depend on range of employee age	Depend on range of employee age
Salary increasing rate	0 - 5	0 - 5
Gold price rate	19,900	19,900
Future gold price growth	3	3

17. OTHER INCOME

Other income for the three-month periods ended March 31, 2018 and 2017, consist of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
Interest income	12,472	14,885	11,860	14,317
Rental income	1,847	1,347	5,236	4,555
Dividend income	-	-	18,387	-
Gain on sale of investment properties	-	20,757	-	20,368
Gain on sale of property, plant and equipment	1,918	-	1,918	-
Others	3,425	3,914	2,984	2,492
	<u>19,662</u>	<u>40,903</u>	<u>40,385</u>	<u>41,732</u>

18. EXPENSES BY NATURE

Significant expenses by nature for the three-month periods ended March 31, 2018 and 2017, consist of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2018	2017	2018	2017
Changes in finished goods and work in process	(94,281)	(113,382)	(82,135)	(105,537)
Cost of finished goods purchased	65,458	68,753	-	-
Raw materials used	1,161,252	1,341,631	1,160,078	1,334,272
Employee benefit expenses	120,624	116,890	99,362	101,904
Depreciation	54,535	37,802	48,276	34,961
Amortization - intangible assets	41	-	-	-
Amortization - leasehold right	427	485	-	-
Loss for diminution in value of inventories	1,349	704	1,619	704
Doubtful debts	943	2,910	953	2,994

19. DISCOUNT ON ORDINARY SHARES

Discount on ordinary shares as at March 31, 2018 and December 31, 2017, consist of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
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, 2018, the ordinary shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 2 per share, totaling Baht 1,169.43 million as an appropriation of net profit for 2017. Such dividend was paid in April 2018.

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 1,871.09 million as an appropriation of net profit for 2016. Such dividend was paid in April 2017.

The Annual General Shareholders' Meetings of subsidiaries passed a resolution to distribute annual dividends for the year 2017 to ordinary shareholders as follows:

Company name	General shareholders' meeting date	Dividend per share (Baht)	Unit : Thousand Baht		Total amount
			Dividend paid to Owners of parent	Non- controlling interests	
N.I.M. Company Limited	March 30 , 2018	2.10	13,387	12,863	26,250
MC Agro-Chemicals Company Limited	March 30, 2018	10.00	<u>5,000</u>	<u>-</u>	<u>5,000</u>
			<u>18,387</u>	<u>12,863</u>	<u>31,250</u>

21. TRANSACTIONS BETWEEN RELATED PARTIES

Transactions between related parties are as follows:

21.1 Investments

21.1.1 Investment in an associate

As at March 31, 2018

Company name	Type of business	Paid-up capital	Ownership %	Unit : Thousand Baht		
				Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	98,000	136,027	-

As at December 31, 2017

Company name	Type of business	Paid-up capital	Ownership %	Unit : Thousand Baht		
				Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	98,000	135,962	-

Aggregate information of an associate is not individually material.

Share of profit from investment in an associate for the three-month periods ended March 31, consist of:

	Unit : Thousand Baht Consolidated Financial Statements	
	2018	2017
Share of profit from investment in an associate	65	74

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
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
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	439,106	99.99	99.99	439,106	439,106
						552,855	552,855

21.2 Business transactions with related parties

21.2.1 Transactions with related parties for the three-month periods ended March 31, 2018 and 2017, consist of the following:

Account name/ Company's name	Relationship	Consolidated		Unit : Thousand Baht	
		Financial Statements		Separate	
		2018	2017	2018	2017
Revenues from sales and services					
Sojitz Corporation Group	Major shareholder	2,862	1,980	-	-
TCCC Myanmar Limited	Subsidiary	-	-	9,797	-
		<u>2,862</u>	<u>1,980</u>	<u>9,797</u>	<u>-</u>
Other income					
N.I.M. Company Limited	Subsidiary	-	-	3,651	3,459
MC Agro-Chemicals Company Limited	Subsidiary	-	-	20	20
		<u>-</u>	<u>-</u>	<u>3,671</u>	<u>3,479</u>
Dividend income					
N.I.M. Company Limited	Subsidiary	-	-	13,387	-
MC Agro-Chemicals Company Limited	Subsidiary	-	-	5,000	-
		<u>-</u>	<u>-</u>	<u>18,387</u>	<u>-</u>
Purchases					
Sojitz Corporation Group	Major shareholder	<u>3,020</u>	<u>3,641</u>	<u>-</u>	<u>-</u>
Other expenses					
Metro Systems Corporation Public Company Limited	Related Company	<u>608</u>	<u>608</u>	<u>557</u>	<u>557</u>
Managements' remuneration					
	Directors	<u>8,657</u>	<u>10,068</u>	<u>8,339</u>	<u>10,050</u>

21.2.2 Balances as at March 31, 2018 and December 31, 2017, consist of the following:

Account name/ Company's name	Relationship	Consolidated		Unit : Thousand Baht	
		Financial Statements		Separate	
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Trade receivables					
Sojitz Corporation Group	Major shareholder	241	101	-	-
TCCC Myanmar Limited	Subsidiary	-	-	12,255	-
		<u>241</u>	<u>101</u>	<u>12,255</u>	<u>-</u>
Other receivables					
N.I.M. Company Limited	Subsidiary	-	-	831	881
MC Agro-Chemicals Company Limited	Subsidiary	-	-	21	104
		<u>-</u>	<u>-</u>	<u>852</u>	<u>985</u>
Advance receivable					
Sojitz Corporation Group	Major shareholder	<u>66</u>	<u>-</u>	<u>66</u>	<u>-</u>
Accrued dividend income					
N.I.M. Company Limited	Subsidiary	-	-	13,387	-
MC Agro-Chemicals Company Limited	Subsidiary	-	-	5,000	-
		<u>-</u>	<u>-</u>	<u>18,387</u>	<u>-</u>
Trade payables					
Sojitz Corporation Group	Major shareholder	<u>7,462</u>	<u>6,570</u>	<u>-</u>	<u>-</u>

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Other payables					
Metro Systems Corporation Public Company Limited	Related Company	217	217	199	199
Forward sales					
TCCC Myanmar Limited	Subsidiary	-	-	2,469	-

22. COMMITMENTS AND LETTERS OF GUARANTEE

22.1 The Company has capital expenditure commitment as at March 31, 2018 and December 31, 2017, of Baht 65.73 million and Baht 63.63 million, respectively.

A foreign subsidiary has capital expenditure commitment as at March 31, 2018 and December 31, 2017, of USD 0.05 million (or equivalent Baht 1.54 million) and USD 0.31 million (or equivalent Baht 10.21 million), respectively.

22.2 As at March 31, 2018 and December 31, 2017, 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:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at March 31, 2018	As at December 31, 2017	As at March 31, 2018	As at December 31, 2017
Within 1 year	43,396	39,809	32,627	33,534
1 - 5 years	21,908	26,706	18,109	23,712
	<u>65,304</u>	<u>66,515</u>	<u>50,736</u>	<u>57,246</u>

For the three-month periods ended March 31, 2018 and 2017, the Company and its subsidiaries recognized rental fees from operating lease agreements in the consolidated financial statements of Baht 12.20 million and Baht 10.51 million, respectively, and for the separate financial statements of Baht 10.15 million and Baht 9.38 million, respectively.

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

As at March 31, 2018 and December 31, 2017, the unused credit facilities, consist of:

	Currency	Consolidated		Unit : Million	
		Financial Statements		Separate	
		As at	As at	As at	As at
		March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Credit facilities*	Baht	11,263.52	11,267.39	11,077.43	11,077.53
	USD	30.00	30.00	30.00	30.00
	EUR	-	0.04	-	-
Forward contracts	Baht	2,496.48	2,502.62	2,476.48	2,482.62
	USD	145.44	157.39	139.41	151.35
Letters of guarantee	Baht	91.34	91.34	91.34	91.34

As at March 31, 2018 and December 31, 2017, 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 March 31, 2018 and December 31, 2017, the Company has letters of guarantee issued by banks which are unsecured as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Letters of guarantee for electricity	8,831	8,831	8,656	8,656

- 22.5 As at March 31, 2018 and December 31, 2017, the Company has commitment with a bank regarding the outstanding letters of credit of USD 0.26 million and EUR 0.06 million (or equivalent to Baht 10.52 million) and USD 10.30 million and EUR 0.05 million (or equivalent to Baht 340.42 million), respectively.

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 March 31, 2018 and 2017 were shown as below:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2018	Financial Statements 2017	Separate Financial Statements 2018	Separate Financial Statements 2017
Revenues from sales	11,081,448	12,574,004	10,689,152	12,205,025
Revenues from services	113,848	112,496	-	-
Costs of sales of goods	8,294,226	9,169,720	7,986,586	8,877,217
Costs of rendering of services	49,675	56,722	-	-
Total comprehensive income	1,776,065	2,515,445	1,810,174	2,498,545

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 period ended March 31, 2018

	Sales and other income	Unit : Thousand Baht	
		Total comprehensive income (loss)	Assets employed
Headquarters - Fertilizer	1,563,054		
- Other income	40,385		
	<u>1,603,439</u>	225,768	11,886,007
Rental services	30,478	10,712	224,601
Others	81,302	(19,872)	644,845
<u>Less</u> Intersegment revenues	<u>(31,790)</u>		
Total revenues	<u>1,683,429</u>		
Profit before income tax expense		216,608	
<u>Less</u> Income tax expense		<u>(50,015)</u>	
Profit for the period		<u>166,593</u>	
			<u>12,755,453</u>
<u>Less</u> Intersegment assets			<u>(549,631)</u>
<u>Less</u> Non-controlling interests in total comprehensive income		(4,202)	
Exchange differences on translation of financial statements of foreign subsidiary		<u>(17,457)</u>	
Total comprehensive income attributable to owners of the parent		<u>144,934</u>	
Consolidated assets as at March 31, 2018			<u><u>12,205,822</u></u>

For the three-month period ended March 31, 2017

	Sales and other income	Unit : Thousand Baht	
		Total comprehensive income (loss)	Assets employed
Headquarters - Fertilizer	1,893,704		
- Other income	<u>41,732</u>		
	1,935,436	393,025	11,984,960
Rental services	29,501	9,361	220,602
Others	87,671	(2)	741,563
<u>Less</u> Intersegment revenues	<u>(3,404)</u>		
Total revenues	<u>2,049,204</u>		
Profit before income tax expense		402,384	
<u>Less</u> Income tax expense		<u>(79,980)</u>	
Profit for the period		<u>322,404</u>	
			<u>12,947,125</u>
<u>Less</u> Intersegment assets			<u>(516,029)</u>
<u>Less</u> Non-controlling interests in total comprehensive income		(3,679)	
Exchange differences on translation of financial statements of foreign subsidiary		<u>(13,785)</u>	
Total comprehensive income attributable to owners of the parent		<u>304,940</u>	
Consolidated assets as at March 31, 2017			<u><u>12,431,096</u></u>

25. DISCLOSURE OF FINANCIAL INSTRUMENTS

25.1 Forward exchange contracts

As at March 31, 2018 and December 31, 2017, the Company and its subsidiary entered into various forward exchange contracts with local financial institutions 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				
As at March 31, 2018							
The Company	USD	30,376	31.2024	6 - 273	(315)	Level 2	Discounted cash flow*
	EUR	63	39.4448	182 - 222	(16)		
	YEN	2,999	0.3106	88	(48)		
Subsidiary	USD	1,467	31.7039	34 - 182	(801)		
As at December 31, 2017							
The Company	USD	16,151	32.8037	13 - 272	(2,120)	Level 2	Discounted cash flow*
	EUR	110	39.7764	8 - 272	17		
	YEN	20,993	0.3106	173	(398)		
Subsidiary	USD	1,460	33.0740	6 - 151	(636)		

Forward exchange sell contracts				The remaining period (days)	Net fair value gain (loss) Baht	Fair value hierarchy	Valuation technique(s)
	Currency	Amount	Average rate				
As at March 31, 2018							
The Company	USD	4,311	31.2436	109 - 186	1,497	Level 2	Discounted cash flow*
As at December 31, 2017							
The Company	USD	5,642	32.7750	67 - 160	1,973	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 March 31, 2018 and December 31, 2017, 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:

			Unit : Thousand	
			Foreign assets	
			Currency	Amount
As at March 31, 2018				
The Company			USD	3,708
			MMK	5,349
Subsidiaries			USD	2,623
			MMK	32,437
As at December 31, 2017				
The Company			USD	5,980
			MMK	3,897
Subsidiaries			USD	3,973
			MMK	6,605
Unit : Thousand				
Foreign liabilities				
			Currency	Amount
As at March 31, 2018				
The Company			USD	18,967
			EUR	12
			YEN	2,999
Subsidiary			USD	1,010
As at December 31, 2017				
The Company			USD	8,240
			EUR	6
Subsidiary			USD	852

26. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved for issuance by the authorized directors of the Company on May 15, 2018.