

**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, 2019, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and, cash flows for the three-month period then ended 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 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, 2019

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, 2019

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,
		2019	2018	2019	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.3	5,098,196	5,516,734	5,014,694	5,443,612
Current investments	5	165,325	175,324	-	-
Trade and other current receivables	6.1	582,453	419,239	573,988	425,673
Inventories	7	2,748,849	2,347,286	2,470,660	2,110,633
Other current assets		5,859	447	5,725	395
Total Current Assets		<u>8,600,682</u>	<u>8,459,030</u>	<u>8,065,067</u>	<u>7,980,313</u>
NON-CURRENT ASSETS					
Investment in an associate	22.1.1	136,325	136,247	98,000	98,000
Investments in subsidiaries	22.1.2	-	-	552,855	552,855
Investment properties	8	29,213	25,810	29,213	25,810
Property, plant and equipment	9	1,807,808	1,836,020	1,544,311	1,567,004
Leasehold right	10	78,493	80,508	-	-
Intangible assets	11	547,046	547,256	545,901	545,901
Deferred tax assets	12	34,214	36,562	29,264	31,898
Other non-current assets		5,898	5,920	4,018	4,002
Total Non-current Assets		<u>2,638,997</u>	<u>2,668,323</u>	<u>2,803,562</u>	<u>2,825,470</u>
TOTAL ASSETS		<u><u>11,239,679</u></u>	<u><u>11,127,353</u></u>	<u><u>10,868,629</u></u>	<u><u>10,805,783</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, 2019

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,
		2019	2018	2019	2018
LIABILITIES AND SHAREHOLDERS’ EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	13	116,652	35,333	-	-
Trade and other current payables	14	1,569,907	728,569	1,521,253	662,791
Current portion of liabilities under					
finance lease agreements	16	5,404	5,424	2,297	2,556
Current income tax payable		142,338	125,993	138,112	123,280
Current provision for employee benefits	17	4,355	12,294	4,355	7,763
Other current liabilities		20,735	28,162	8,897	14,908
Total Current Liabilities		<u>1,859,391</u>	<u>935,775</u>	<u>1,674,914</u>	<u>811,298</u>
NON-CURRENT LIABILITIES					
Liabilities under finance lease agreements	16	4,509	4,532	1,013	1,751
Deferred tax liabilities	12	116,609	116,609	109,180	109,180
Non-current provision for employee benefits	17	126,509	123,634	102,678	105,106
Other non-current liabilities		20,739	20,073	15,831	15,835
Total Non-current Liabilities		<u>268,366</u>	<u>264,848</u>	<u>228,702</u>	<u>231,872</u>
TOTAL LIABILITIES		<u>2,127,757</u>	<u>1,200,623</u>	<u>1,903,616</u>	<u>1,043,170</u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2019

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
LIABILITIES AND SHAREHOLDERS’ EQUITY					
(CONTINUED)					
SHAREHOLDERS’ EQUITY					
SHARE CAPITAL					
Authorized share capital					
584,716,118 ordinary shares of Baht 3 each,		<u>1,754,148</u>	<u>1,754,148</u>	<u>1,754,148</u>	<u>1,754,148</u>
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	20	(43,570)	(43,570)	(43,570)	(43,570)
RETAINED EARNINGS					
Appropriated					
Legal reserve		175,415	175,415	175,415	175,415
Unappropriated					
		7,172,415	7,984,499	7,079,026	7,876,626
OTHER COMPONENTS OF SHAREHOLDERS’ EQUITY		<u>(44,524)</u>	<u>(37,490)</u>	<u>-</u>	<u>-</u>
TOTAL ATTRIBUTIONS TO OWNERS					
OF THE PARENT		9,013,878	9,832,996	8,965,013	9,762,613
NON-CONTROLLING INTERESTS		<u>98,044</u>	<u>93,734</u>	<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS’ EQUITY		<u>9,111,922</u>	<u>9,926,730</u>	<u>8,965,013</u>	<u>9,762,613</u>
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		<u><u>11,239,679</u></u>	<u><u>11,127,353</u></u>	<u><u>10,868,629</u></u>	<u><u>10,805,783</u></u>

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, 2019

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
Revenues from sales		1,235,158	1,634,223	1,196,219	1,563,054
Revenues from services		32,226	29,479	-	-
Cost of sales of goods		(1,047,687)	(1,293,423)	(1,019,951)	(1,236,317)
Cost of rendering of services		(13,271)	(10,969)	-	-
Gross profit		206,426	359,310	176,268	326,737
Other income	18	29,277	19,662	32,316	40,385
Profit before expenses		235,703	378,972	208,584	367,122
Selling expenses		(54,039)	(55,574)	(40,214)	(47,827)
Administrative expenses		(82,517)	(89,795)	(62,071)	(56,073)
Managements' remuneration	22.2.2	(8,919)	(8,657)	(8,901)	(8,339)
Other expenses		-	(8,003)	-	(7,329)
Total expenses		(145,475)	(162,029)	(111,186)	(119,568)
Profit before finance costs and income tax expense		90,228	216,943	97,398	247,554
Finance costs		(1,024)	(400)	(73)	(155)
Share of profit from investment in an associate	22.1.1	77	65	-	-
PROFIT BEFORE INCOME TAX EXPENSE		89,281	216,608	97,325	247,399
INCOME TAX EXPENSE		(19,984)	(50,015)	(17,854)	(47,536)
PROFIT FOR THE PERIOD		69,297	166,593	79,471	199,863

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2019	2018	2019	2018	
OTHER COMPREHENSIVE INCOME (LOSS)					
Item that will be reclassified subsequently to profit or loss					
Exchange differences on translation of financial statements of a foreign subsidiary	(7,034)	(17,457)	-	-	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	62,263	149,136	79,471	199,863	
PROFIT ATTRIBUTABLE TO					
Owners of the parent	64,987	162,391	-	-	
Non-controlling interests	4,310	4,202	-	-	
	69,297	166,593	-	-	
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO					
Owners of the parent	57,953	144,934	-	-	
Non-controlling interests	4,310	4,202	-	-	
	62,263	149,136	-	-	
BASIC EARNINGS ATTRIBUTABLE TO					
OWNERS OF THE PARENT PER SHARE	BAHT	0.11	0.28	0.14	0.34
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, 2019

“UNAUDITED”

Unit : Thousand Baht

	Note	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 a foreign subsidiary
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	21	-	-	-	(1,169,428)	-	(1,169,428)	-	(1,169,428)
Dividends to non-controlling interests of subsidiaries	21	-	-	-	-	-	-	(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>
Beginning balances as at January 1, 2019		1,754,142	(43,570)	175,415	7,984,499	(37,490)	9,832,996	93,734	9,926,730
Dividends paid	21	-	-	-	(877,071)	-	(877,071)	-	(877,071)
Total comprehensive income for the period		-	-	-	64,987	(7,034)	57,953	4,310	62,263
Ending balances as at March 31, 2019		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,172,415</u>	<u>(44,524)</u>	<u>9,013,878</u>	<u>98,044</u>	<u>9,111,922</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, 2019

“UNAUDITED”

Unit : Thousand Baht

	Note	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, 2018		1,754,142	(43,570)	175,415	7,633,233	9,519,220
Dividends paid	21	-	-	-	(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>
Beginning balances as at January 1, 2019		1,754,142	(43,570)	175,415	7,876,626	9,762,613
Dividends paid	21	-	-	-	(877,071)	(877,071)
Total comprehensive income for the period		-	-	-	79,471	79,471
Ending balances as at March 31, 2019		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,079,026</u>	<u>8,965,013</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, 2019

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expense	89,281	216,608	97,325	247,399
Adjusted by				
Doubtful debts	1,335	943	1,346	953
Loss for diminution in value of inventories (reversal)	(452)	1,350	(452)	1,619
Loss for diminution in value of investment property (reversal)	(3,402)	-	(3,402)	-
Depreciation	59,913	54,535	51,890	48,276
Amortization - leasehold right	428	427	-	-
Amortization - intangible assets	184	41	-	-
Gain on sales of property, plant and equipment	(566)	(1,918)	(149)	(1,918)
Loss on write off property, plant and equipment	17	-	-	-
Employee benefit obligations expense	3,136	3,144	1,927	2,474
Share of profit from investment in an associate	(77)	(65)	-	-
Unrealized (gain) loss on foreign exchange rate	(4,845)	12,160	(4,666)	11,881
Dividend income	-	-	-	(18,387)
Interest income	(15,556)	(12,472)	(14,950)	(11,860)
Finance costs	1,024	236	73	95
Profit from operation before changes in operating assets and liabilities	130,420	274,989	128,942	280,532
Increase in trade and other current receivables	(163,003)	(390,596)	(148,502)	(408,585)
Increase in inventories	(401,111)	(829,953)	(359,575)	(822,059)
Decrease in other current assets	267	537	349	516
(Increase) decrease in other non-current assets	21	451	(17)	703
Increase (decrease) in trade and other current payables	(33,674)	848,021	(16,254)	859,315
Decrease in other current liabilities	(7,799)	(8,838)	(6,011)	(9,085)
Cash paid for employee benefit obligations	(8,200)	(17,586)	(7,763)	(13,286)
Increase (decrease) in other non-current liabilities	666	(10)	(5)	-10
Cash used in operations	(482,413)	(122,985)	(408,836)	(111,959)
Cash paid for income tax	(1,291)	(1,286)	(387)	(362)
Net cash used in operating activities	(483,704)	(124,271)	(409,223)	(112,321)

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

“UNAUDITED”

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease in current investments		9,999	800,007	-	800,000
Cash paid for purchases of property, plant and equipment		(37,540)	(85,628)	(32,863)	(61,660)
Proceeds from sales of property, plant and equipment		1,029	3,741	272	3,741
Interest received		14,159	13,397	13,941	14,845
Net cash provided by (used in) investing activities		<u>(12,353)</u>	<u>731,517</u>	<u>(18,650)</u>	<u>756,926</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from (payment for) bank overdrafts and short-term borrowings from financial institutions		81,694	-3,712	-	-
Cash repayment for liabilities under finance lease agreements		(2,349)	(1,768)	(997)	(1,036)
Interest paid		(526)	(236)	(48)	(95)
Net cash provided by (used in) financing activities		<u>78,819</u>	<u>(5,716)</u>	<u>(1,045)</u>	<u>(1,131)</u>
Exchange differences on translation of financial statements of foreign subsidiary		(1,300)	(4,726)	-	-
Net increase (decrease) in cash and cash equivalents		(418,538)	596,804	(428,918)	643,474
Cash and cash equivalents as at January 1,		5,516,734	4,679,930	5,443,612	4,476,263
Cash and cash equivalents as at March 31,	4.3	<u><u>5,098,196</u></u>	<u><u>5,276,734</u></u>	<u><u>5,014,694</u></u>	<u><u>5,119,737</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, 2019
“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 manufacture, importer, exporter and distributor 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%.

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

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 manufacture, import and distribute agricultural chemicals.

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 2018) “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, 2018, 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, 2019 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, 2019, should be read in conjunction with the audited financial statements for the year ended December 31, 2018.
- 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, 2019, 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 and its subsidiaries have adopted the revised and new Thai Financial Reporting Standards including the Guideline on accounting issued by the Federation of Accounting Professions which become effective for the financial statements for the accounting periods beginning on or after January 1, 2019. These Thai 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 except the revenue recognition under the Thai Financial Reporting Standard No. 15 "Revenue from Contracts with Customers" that requires the Company and its subsidiaries to recognize revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. This new accounting policy superseded the previous accounting policies regarding revenue recognition. However, the adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' interim 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 Accounting Standards, Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follows:

Group of Financial Instruments Standards

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

Thai Financial Reporting Standards No. 16 "Leases"

This financial reporting standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of the entity. An entity shall consider the terms and conditions of contracts and all relevant facts and circumstances when applying this Standard. An entity shall apply this Standard consistently to contracts with similar characteristics and in similar circumstances.

The Group's and the Company's management will adopt such TFRS 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 considered that such TFRS does not have material impact on the Group's and the Company's financial statements 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, 2019		As at December 31, 2018
	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, 2018.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Purchases of property, plant and equipment for the three-month periods ended March 31, 2019 and 2018 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2019	Financial Statements 2018	Separate Financial Statements 2019	Separate Financial Statements 2018
Payables-Assets acquisition as at January 1,	13,054	33,785	13,054	18,077
<u>Add</u> Purchases of property, plant and equipment	36,303	71,151	29,320	47,583
<u>Less</u> Purchases of property, plant and equipment under finance lease agreements	(2,306)	-	-	-
<u>Less</u> Cash payments	(37,540)	(85,628)	(32,863)	(61,660)
Payables-Assets acquisition as at March 31,	<u>9,511</u>	<u>19,308</u>	<u>9,511</u>	<u>4,000</u>
Liabilities under finance lease agreements (including current portion) as at January 1,	9,956	15,644	4,307	8,130
<u>Add</u> Purchases of property, plant and equipment under finance lease agreements	2,306	-	-	-
<u>Less</u> Cash payments	(2,349)	(1,768)	(997)	(1,036)
Liabilities under finance lease agreements (including current portion) as at March 31,	<u>9,913</u>	<u>13,876</u>	<u>3,310</u>	<u>7,094</u>

4.2 The cash flow from bank overdraft and short-term borrowing from financial institutions for the three-month periods ended March 31, 2019 and 2018 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2019	Financial Statements 2018	Separate Financial Statements 2019	Separate Financial Statements 2018
Bank overdraft and short-term borrowings from financial institutions as at January 1,	35,333	9,461	-	-
<u>Add</u> Cash received	81,694	(3,712)	-	-
<u>less</u> Unrealized loss on foreign exchange rate	(375)	(14)	-	-
Bank overdraft and short-term borrowings from financial institutions as at March 31,	<u>116,652</u>	<u>5,735</u>	<u>-</u>	<u>-</u>

4.3 Cash and cash equivalents

Cash and cash equivalents as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements As at March 31, 2019	Financial Statements As at December 31, 2018	Financial Statements As at March 31, 2019	Financial Statements As at December 31, 2018
Cash on hand	1,171	1,088	737	641
Bank deposits in savings and current accounts	1,794,928	2,291,920	1,712,314	2,221,979
Cheque on hand	2,095	3,724	1,641	990
Time deposits with maturity within 3 months (interest rates 1.20% - 1.60% per annum)	3,300,002	3,220,002	3,300,002	3,220,002
	<u>5,098,196</u>	<u>5,516,734</u>	<u>5,014,694</u>	<u>5,443,612</u>

5. CURRENT INVESTMENTS

Current investments as at March 31, 2019 and December 31, 2018, consist of:

	Maturity date		Interest rate (% per annum)		Unit : Thousand Baht Consolidated	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Time deposits	Maturity date over 3 months but less than 1 year		1 - 1.53	1 - 1.53	<u>165,325</u>	<u>175,324</u>

6. TRADE AND OTHER CURRENT RECEIVABLES

6.1 Trade and other current receivables as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements As at March 31, 2019	Financial Statements As at December 31, 2018	Financial Statements As at March 31, 2019	Financial Statements As at December 31, 2018
Trade receivables (see Note 6.2)	529,931	345,204	534,955	359,563
Other receivables	2,391	11,148	3,329	12,469
Prepaid expenses	34,869	47,161	27,537	38,703
Accrued income	7,494	5,970	6,701	5,570
Advance payments	7,768	472	1,466	84
Advance payment for bidding	-	9,284	-	9,284
	<u>582,453</u>	<u>419,239</u>	<u>573,988</u>	<u>425,673</u>

6.2 Trade receivables as at March 31, 2019 and December 31, 2018, are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Number of outstanding trade receivables	386	349	169	135
Other companies				
Current	488,634	335,514	445,386	277,643
Overdue				
Less than or up to 3 months	46,936	13,705	43,464	12,881
More than 3 months up to 6 months	5	144	-	-
More than 6 months up to 12 months	84	-	-	-
More than 12 months	24,440	24,647	23,522	23,719
	560,099	374,010	512,372	314,243
Related companies				
Current	108	135	51,941	62,875
Overdue				
Less than or up to 3 months	-	-	-	10,457
	108	135	51,941	73,332
Total trade receivables	560,207	374,145	564,313	387,575
<u>Less</u> Allowance for doubtful debt	(30,276)	(28,941)	(29,358)	(28,012)
	529,931	345,204	534,955	359,563

7. INVENTORIES

Inventories - net as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Inventories - cost				
<u>Less</u> Allowance for diminution in value of inventories	2,750,564	2,349,453	2,472,375	2,112,800
	(1,715)	(2,167)	(1,715)	(2,167)
	2,748,849	2,347,286	2,470,660	2,110,633

As at March 31, 2019 and December 31, 2018, inventories in the consolidated financial statement included inventories which were under obligation that the Company and a subsidiary have to delivery of fertilizer to the holders of the delivery orders (the “fertilizer notes”) which have been issued by the Company and a subsidiary to their customers of Baht 266.37 million and Baht 254.83 million, respectively (see Note 15).

As at March 31, 2019 and December 31, 2018, inventories in the separate financial statement included inventories which were under obligation that the Company has to delivery of fertilizer to the holders of the fertilizer notes which have been issued by the company to its customers of Baht 258.86 million and Baht 240.15 million, respectively (see Note 15).

8. INVESTMENT PROPERTIES

As at March 31, 2019 and December 31, 2018, the Company's investment properties represent land received from debt settlement and purchased by the Company of which the book value were Baht 29.21 million and 25.81 million, respectively.

9. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the three-month period ended March 31, 2019, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Property, plant and equipment - net as at January 1, 2019	1,836,020	1,567,004
<u>Add</u> Purchase during the period	36,303	29,320
<u>Less</u> Decrease during the period	(485)	(123)
Depreciation for the period	(59,913)	(51,890)
Exchange differences on translation of financial statements of foreign subsidiary	(4,117)	-
Property, plant and equipment - net as at March 31, 2019	<u>1,807,808</u>	<u>1,544,311</u>

As at March 31, 2019 and December 31, 2018, 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, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Gross carrying amount of property, plant and equipment which are fully depreciated and still in use	<u>2,741,189</u>	<u>2,736,536</u>	<u>2,447,050</u>	<u>2,441,608</u>

As at March 31, 2019 and December 31, 2018, the Company used land, land improvements, buildings and its improvements which have total net book value of Baht 489.33 million and Baht 495.56 million, respectively (see Note 23.3), are used as collateral with a local financial institution for guarantee credit facilities.

As at March 31, 2019 and December 31, 2018, land, building and its improvements of a subsidiary which have total net book value of Baht 21.56 million (see Notes 13 and 23.3), are used as collateral with a local financial institution for guarantee bank overdrafts and credit facilities.

10. 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, 2019 and December 31, 2018, net book value of leasehold right for land is Baht 78.49 million and Baht 80.51 million, respectively.

11. INTANGIBLE ASSETS

Intangible assets consist 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 21, 2019, the appraisal values of the fair value of such right as at January 2, 2019 by using the Relief from Royalty Method. It showed that the fair value was higher than the carrying values.

12. 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, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements		Financial Statements	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Deferred tax assets	34,214	36,562	29,264	31,898
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, 2019 and 2018 are as follows:

Consolidated Financial Statements As at March 31, 2019

	Unit : Thousand Baht		
	Balances as at January 1, 2019	Recognized in profit or loss	Balances as at March 31, 2019
Allowance for doubtful debt	5,788	267	6,055
Allowance for diminution in value of inventories	434	(91)	343
Provision for sale promotions	4,161	(2,518)	1,643
Allowance for impairment of investment properties	680	(680)	-
Provision for employee benefits	25,499	674	26,173
Total deferred tax assets	36,562	(2,348)	34,214
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, 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

**Separate Financial Statements
As at March 31, 2019**

	Unit : Thousand Baht		
	Balances as at January 1, 2019	Recognized in profit or loss	Balances as at March 31, 2019
Allowance for doubtful debt	5,602	270	5,872
Allowance for diminution in value of inventories	434	(91)	343
Provision for sale promotions	4,161	(2,518)	1,643
Allowance for impairment of investment properties	680	(680)	-
Provision for employee benefits	21,021	385	21,406
Total deferred tax assets	31,898	(2,634)	29,264
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	109,180	-	109,180

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	37,733	(5,228)	32,505
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	109,180	-	109,180

Income tax expense for the three-month periods ended March 31, 2019 and 2018, consists of the following:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Current tax expense in respect of the current period	17,636	44,004	15,220	42,308
Deferred tax relating to temporary differences	2,348	6,011	2,634	5,228
Income tax expense	<u>19,984</u>	<u>50,015</u>	<u>17,854</u>	<u>47,536</u>

The income tax expense for the three-month periods ended March 31, 2019 and 2018 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Profit before income tax expense	<u>89,281</u>	<u>216,608</u>	<u>97,325</u>	<u>247,399</u>
Income tax calculated at 20%	17,856	43,322	19,465	49,480
Effect of transactions that are not taxable income and expenses	<u>2,128</u>	<u>6,693</u>	<u>(1,611)</u>	<u>(1,944)</u>
Income tax expense	<u>19,984</u>	<u>50,015</u>	<u>17,854</u>	<u>47,536</u>
	%	%	%	%
Effective tax rate	22.38	23.09	18.34	19.21

The Company and its subsidiaries in Thailand use corporate income tax at the rate of 20%. Whilst, the foreign subsidiary uses corporate income tax at the rate of 25%.

13. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions, as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Bank overdrafts and short-term borrowings from financial institutions	<u>116,652</u>	<u>35,333</u>	<u>-</u>	<u>-</u>

As at March 31, 2019 and December 31, 2018, 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 9).

14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Trade payables	266,518	253,037	240,247	228,043
Other payables	80,111	64,256	77,810	63,185
Accrued dividends	879,351	2,280	879,351	2,280
Accrued expenses	77,555	154,170	64,987	129,132
Advance received from customers (see Note 15)	76,698	149,165	76,694	149,163
Deferred sales (see Note 15)	189,674	105,661	182,164	90,988
	<u>1,569,907</u>	<u>728,569</u>	<u>1,521,253</u>	<u>662,791</u>

15. DEFERRED SALES AND ADVANCE RECEIVED FROM CUSTOMERS

Deferred sales and advance received from customers represent obligations that the Company and a subsidiary have to deliver fertilizer to the holders of delivery orders (the “fertilizer note”) which have been issued by the Company and a subsidiary 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 and a subsidiary have 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 and a subsidiary are unable to cancel the undelivered fertilizer notes.

While inventories in the consolidated and separate financial statements as at March 31, 2019 and December 31, 2018, included inventories which were under the obligations that the Company and a subsidiary issued fertilizer notes or received payments from customers but the fertilizer has not been delivered (see Note 7). The Company and a subsidiary have recorded such transactions as “Advance received from customers” and “Deferred sales”, respectively. These obligations as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Advance received from customers (see Note 14)	76,698	149,165	76,694	149,163
Deferred sales (see Note 14)	189,674	105,661	182,164	90,988
	<u>266,372</u>	<u>254,826</u>	<u>258,858</u>	<u>240,151</u>

16. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements as at March 31, 2019 and December 31, 2018, consist of:

Consolidated Financial Statements

	Minimum lease payments		Unit : Thousand Baht Present value of minimum lease payments	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Not later than 1 year	5,773	5,801	5,404	5,424
Later than 1 year and not later than 5 years	4,748	4,719	4,509	4,532
	<u>10,521</u>	<u>10,520</u>	<u>9,913</u>	<u>9,956</u>
<u>Less</u> Deferred interest	(608)	(564)	-	-
Present value of minimum lease payments	<u>9,913</u>	<u>9,956</u>	<u>9,913</u>	<u>9,956</u>

	Unit : Thousand Baht	
	As at March 31, 2019	As at December 31, 2018
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	5,404	5,424
Liabilities under finance lease agreements	4,509	4,532
	<u>9,913</u>	<u>9,956</u>

Separate Financial Statements

	Minimum lease payments		Unit : Thousand Baht Present value of minimum lease payments	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
Not later than 1 year	2,408	2,711	2,297	2,556
Later than 1 year and not later than 5 years	1,079	1,821	1,013	1,751
	<u>3,487</u>	<u>4,532</u>	<u>3,310</u>	<u>4,307</u>
<u>Less</u> Deferred interest	(177)	(225)	-	-
Present value of minimum lease payments	<u>3,310</u>	<u>4,307</u>	<u>3,310</u>	<u>4,307</u>

	Unit : Thousand Baht	
	As at March 31, 2019	As at December 31, 2018
Presented in the statements of financial position as follows:		
Current portion of liabilities under finance lease agreements	2,297	2,556
Liabilities under finance lease agreements	1,013	1,751
	<u>3,310</u>	<u>4,307</u>

17. PROVISION FOR EMPLOYEE BENEFITS

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 benefits obligation due upon retirement for the three-month periods ended March 31, 2019 and 2018 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Current service cost	2,348	2,383	1,298	1,896
Interest cost	788	761	629	578
	<u>3,136</u>	<u>3,144</u>	<u>1,927</u>	<u>2,474</u>

Movements in provision for employee benefits for the three-month periods ended March 31, 2019 and 2018 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Provision for employee benefits as at January 1, (Including current portion)	135,928	130,968	112,869	105,980
Current service cost	2,348	2,383	1,298	1,896
Interest cost	788	761	629	578
Benefit paid	<u>(8,200)</u>	<u>(17,586)</u>	<u>(7,763)</u>	<u>(13,286)</u>
Provision for employee benefits as at March 31, (Including current portion)	<u>130,864</u>	<u>116,526</u>	<u>107,033</u>	<u>95,168</u>

The principal actuarial assumptions used to calculate the provision for employee benefits as at March 31, 2019 and December 31, 2018, are as follows:

	Consolidated and Separate Financial Statements	
	As at March 31, 2019 (% p.a.)	As at December 31, 2018 (% p.a.)
Discount rate	2.75	2.75
Turnover rate	0 - 6	0 - 6
	Depend on range of employee age	Depend on range of employee age
Salary increasing rate	0 - 6	0 - 6
Gold price rate per Baht (Baht)	19,500	19,500
Future gold price growth	3	3

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act, which is in the process of being announced in the Royal Gazette. The new Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate. The management of the Company judgmentally considered that the plan amendment has occurred and recognized past service cost as an expense when the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act. The Company have recorded the effect of such plan amendment and already recognized past service cost as an expense of Baht 10.88 million in the statement of comprehensive income for the year ended December 31, 2018.

Subsequently, on April 5, 2019, the Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette which will be effective after 30 days from the date announced in Royal Gazette.

18. OTHER INCOME

Other income for the three-month periods ended March 31, 2019 and 2018, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2019	2018	Financial Statements 2019	2018
Interest income	15,556	12,472	14,950	11,860
Rental income	1,248	1,847	4,690	5,236
Dividend income	-	-	-	18,387
Gain on sale of property, plant and equipment	566	1,918	149	1,918
Gain on foreign exchange rate-net	5,061	-	5,152	-
Others	6,846	3,425	7,375	2,984
	<u>29,277</u>	<u>19,662</u>	<u>32,316</u>	<u>40,385</u>

19. EXPENSES BY NATURE

Significant expenses by nature for the three-month periods ended March 31, 2019 and 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2019	2018	2019	2018
Changes in finished goods and work in process	(370,897)	(94,281)	(256,798)	(82,135)
Cost of finished goods purchased	44,849	65,458	-	-
Raw materials used	1,102,781	1,161,252	1,102,781	1,160,078
Employee benefit expenses	77,946	120,624	54,682	99,362
Depreciation	59,913	54,535	51,890	48,276
Amortization - intangible assets	184	41	-	-
Amortization - leasehold right	428	427	-	-
Loss for diminution in value of inventories (reversal)	(452)	1,350	(452)	1,619
Doubtful debts	1,335	943	1,346	953

20. DISCOUNT ON ORDINARY SHARES

Discount on ordinary shares as at March 31, 2019 and December 31, 2018, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
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>

21. DIVIDENDS

On March 28, 2019, 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 profit for 2018. Such dividend was paid in April 2019.

On March 29, 2018, the ordinary shareholders' meeting of the Company passed a resolution to pay dividends to shareholders at Baht 2.00 per share, totaling Baht 1,169.43 million as an appropriation of profit for 2017. Such dividend was paid in April 2018.

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)	Dividend paid to		Total amount
			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	5,000	-	5,000
			<u>18,387</u>	<u>12,863</u>	<u>31,250</u>

22. TRANSACTIONS BETWEEN RELATED PARTIES

Transactions between related parties are as follows:

22.1 Investments

22.1.1 Investment in an associate

As at March 31, 2019

Company name	Type of business	Paid-up capital	Ownership %	Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	<u>98,000</u>	<u>136,325</u>	-

As at December 31, 2018

Company name	Type of business	Paid-up capital	Ownership %	Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Leased out warehouse	200,000	49.00	<u>98,000</u>	<u>136,247</u>	-

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	
	2019	2018
Share of profit from investment in an associate	<u>77</u>	<u>65</u>

22.1.2 Investments in subsidiaries

Company name	Type of business	Unit : Thousand Baht					
		Paid-up capital		Ownership %		Cost	
		As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018	As at March 31, 2019	As at December 31, 2018
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	Manufacture, import and distribute agricultural chemicals	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
						<u>552,855</u>	<u>552,855</u>

22.2 Business transactions with related parties

22.2.1 Balances as at March 31, 2019 and December 31, 2018, consist of:

Account name/ Company's name	Relationship	Unit : Thousand Baht			
		Consolidated		Separate	
		Financial Statements March 31, 2019	Financial Statements December 31, 2018	Financial Statements March 31, 2019	Financial Statements December 31, 2018
Trade receivables					
Sojitz Corporation Group	Major shareholder	108	135	-	-
TCCC Myanmar Limited	Subsidiary	-	-	51,941	73,332
		<u>108</u>	<u>135</u>	<u>51,941</u>	<u>73,332</u>
Other receivables					
N.I.M. Company Limited	Subsidiary	-	-	940	552
MC Agro-Chemicals Company Limited	Subsidiary	-	-	7	86
TCCC Myanmar Limited	Subsidiary	-	-	186	712
		<u>-</u>	<u>-</u>	<u>1,133</u>	<u>1,350</u>
Trade payables					
Sojitz Corporation Group	Major shareholder	9,118	6,523	-	-
Other payables					
Metro Systems Corporation Public Company Limited	Related Company	215	217	197	199
Other current liabilities					
TCCC Myanmar Limited	Subsidiary	-	-	-	17

22.2.2 Transactions with related parties for the three-month periods ended March 31, 2019 and 2018, consist of:

Account name/ Company name	Relationship	Consolidated		Unit : Thousand Baht Separate	
		Financial Statements		Financial Statements	
		2019	2018	2019	2018
Revenues from sales and services					
Sojitz Corporation Group	Major shareholder	1,349	2,862	-	-
TCCC Myanmar Limited	Subsidiary	-	-	51,791	9,797
		<u>1,349</u>	<u>2,862</u>	<u>51,791</u>	<u>9,797</u>
Other income					
N.I.M. Company Limited	Subsidiary	-	-	3,732	3,651
MC Agro-Chemicals Company Limited	Subsidiary	-	-	6	20
TCCC Myanmar Limited	Subsidiary	-	-	510	-
		<u>-</u>	<u>-</u>	<u>4,248</u>	<u>3,671</u>
Dividend income					
N.I.M. Company Limited	Subsidiary	-	-	-	13,387
MC Agro-Chemicals Company Limited	Subsidiary	-	-	-	5,000
		<u>-</u>	<u>-</u>	<u>-</u>	<u>18,387</u>
Purchases					
Sojitz Corporation Group	Major shareholder	<u>6,067</u>	<u>3,020</u>	<u>-</u>	<u>-</u>
Other expenses					
Metro Systems Corporation Public Company Limited	Related Company	<u>606</u>	<u>608</u>	<u>555</u>	<u>557</u>
Managements' remuneration	Directors	<u>8,919</u>	<u>8,657</u>	<u>8,901</u>	<u>8,339</u>

23. COMMITMENTS AND LETTERS OF GUARANTEE

23.1 The Company has capital expenditure commitment as at March 31, 2019 and December 31, 2018, of Baht 37.43 million and Baht 37.29 million, respectively.

A subsidiary has capital expenditure commitment as at December 31, 2018, of USD 0.01 million (or equivalent Baht 0.34 million). (2019: nil).

23.2 As at March 31, 2019 and December 31, 2018, 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	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2019	2018	2019	2018
Within 1 year	35,609	39,520	28,013	29,976
1 - 5 years	<u>27,351</u>	<u>25,165</u>	<u>26,278</u>	<u>25,049</u>
	<u>62,960</u>	<u>64,685</u>	<u>54,291</u>	<u>55,025</u>

For the three-month periods ended March 31, 2019 and 2018, the Company and its subsidiaries recognized rental fees from operating lease agreements in the consolidated financial statements of Baht 11.34 million and Baht 12.20 million, respectively, and for the separate financial statements of Baht 8.37 million and Baht 10.15 million, respectively.

- 23.3 As at March 31, 2019 and December 31, 2018, 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. Moreover, the Company used land, land improvements, building and its improvements as collateral (see Note 9).

As at March 31, 2019 and December 31, 2018, the unused credit facilities, consist of:

	Currency	Consolidated		Unit : Million	
		Financial Statements		Separate	
		As at	As at	As at	As at
		March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Credit facilities*	Baht	11,210.18	11,627.23	11,034.51	11,466.53
	USD	32.00	30.00	30.00	30.00
Forward exchange contracts	Baht	2,448.30	2,483.13	2,428.30	2,466.08
	USD	153.56	167.54	147.21	162.24
Letters of guarantee	Baht	91.34	91.34	91.34	91.34

* 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.

- 23.4 As at March 31, 2019 and December 31, 2018, the Company and a subsidiary have 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, 2019	December 31, 2018	March 31, 2019	December 31, 2018
Letters of guarantee for electricity	8,831	8,831	8,656	8,656

- 23.5 As at March 31, 2019 and December 31, 2018, the Company has commitment with a bank regarding the outstanding letters of credit of USD 17.23 million (or equivalent to Baht 550.88 million) and USD 1.62 million (or equivalent to Baht 52.82 million), respectively.

As at December 31, 2018, a subsidiary has commitment with a bank regarding the outstanding letters of credit of USD 0.07 million (or equivalent Baht 2.31 million). (As at March 31, 2019: nil).

24. 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, 2019 and 2018 were shown as below:

	Consolidated		Unit : Thousand Baht	
	Financial Statements 2019	2018	Separate Financial Statements 2019	2018
Revenues from sales	9,806,209	11,081,448	9,553,308	10,689,152
Revenues from services	119,530	113,848	-	-
Costs of sales of goods	7,743,239	8,294,226	7,553,493	7,986,586
Costs of rendering of services	48,972	49,675	-	-
Total comprehensive income	1,228,056	1,776,065	1,283,100	1,810,174

25. BUSINESS SEGMENT INFORMATION

The Company's main business is to manufacture, import, export and distribute various chemical fertilizer compound. The subsidiaries' main businesses are to manufacture, import and distribute various chemical fertilizer compound, solvents, industrial chemical, rental services and others. The Company and subsidiaries have a single geographical segment because the company and subsidiaries carry on the significant businesses in Thailand. The business segment information of the Company and its subsidiaries classified by industries is as follows:

For the three-month period ended March 31, 2019

	Sales and other income	Unit : Thousand Baht	
		Total comprehensive income (loss)	Assets employed
Fertilizer	1,262,159	81,177	11,313,867
Rental services	29,249	11,013	236,643
Others	61,292	(2,909)	264,408
<u>Less</u> Intersegment revenues	<u>(55,962)</u>		
Total revenues	<u>1,296,738</u>		
Profit before income tax expense		89,281	
<u>Less</u> Income tax expense		<u>(19,984)</u>	
Profit for the period		<u>69,297</u>	
			<u>11,814,918</u>
<u>Less</u> Intersegment assets			<u>(575,239)</u>
<u>Less</u> Non-controlling interests in total comprehensive income		(4,310)	
Exchange differences on translation of financial statements of foreign subsidiary		(7,034)	
Total comprehensive income attributable to owners of the parent		<u>57,953</u>	
Consolidated assets as at March 31, 2019			<u>11,239,679</u>

For the three-month period ended March 31, 2018

	Sales and other income	Unit : Thousand Baht Total comprehensive income (loss)	Assets employed
Fertilizer	1,603,474	225,768	12,266,507
Rental services	30,478	10,712	224,601
Others	81,267	(19,872)	264,345
<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>

26. DISCLOSURE OF FINANCIAL INSTRUMENTS

26.1 Forward exchange contracts

As at March 31, 2019 and December 31, 2018, 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:

Forward exchange purchase contracts				The remaining period (days)	Net fair value gain (loss) (Thousand Baht)	Fair value hierarchy	Valuation technique(s)
	Currency	Amount (Thousand Baht)	Average Rate (Baht)				
As at March 31, 2019							
The Company	USD	26,496	31.5654	11 – 265	5,445	Level 2	Discounted cash flow*
Subsidiary	USD	1,156	32.1199	3 - 89	(400)		
As at December 31, 2018							
The Company	USD	9,224	32.4827	5 - 272	(1,090)	Level 2	Discounted cash flow*
Subsidiary	USD	2,298	32.8139	3 - 179	(964)		

Forward exchange sell contracts				The remaining period (days)	Net fair value gain (loss) (Thousand Baht)	Fair value hierarchy	Valuation technique(s)
	Currency	Amount (Thousand Baht)	Average Rate (Baht)				
As at March 31, 2019							
The Company	USD	1,646	31.6683	10 - 158	235	Level 2	Discounted cash flow*
As at December 31, 2018							
The Company	USD	2,563	32.4910	93 - 178	848	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.

26.2 Assets and liabilities in foreign currencies

As at March 31, 2019 and December 31, 2018, 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, 2019		
The Company	USD	1,751
	MMK	4,303
Subsidiaries	USD	698
	MMK	248,572
As at December 31, 2018		
The Company	USD	2,710
	MMK	4,739
Subsidiaries	USD	461
	MMK	132,832

	Unit : Thousand	
	Foreign liabilities	
	Currency	Amount
As at March 31, 2019		
The Company	USD	5,168
Subsidiary	USD	1,318
As at December 31, 2018		
The Company	USD	5,325
Subsidiary	USD	1,681

27. EVENT AFTER THE REPORTING PERIOD

The Annual General Shareholders' Meetings of subsidiaries passed a resolution to distribute annual dividends for the year 2018 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 18, 2019	3.00	19,125	18,375	37,500
MC Agro-Chemicals Company Limited	April 24, 2019	4.00	2,000	-	2,000
			<u>21,125</u>	<u>18,375</u>	<u>39,500</u>

28. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved for issuance by the authorized directors of the Company on May 15, 2019.