

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

TO THE BOARD OF DIRECTORS

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Thai Central Chemical Public Company Limited and its subsidiaries and the separate statement of financial position of Thai Central Chemical Public Company Limited as at September 30, 2020, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020, and the related consolidated and separate statements of changes in shareholders' equity, and cash flows for the nine-month period ended September 30, 2020, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements No. 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

BANGKOK
November 16, 2020

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

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2020	2019	2020	2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.3	3,517,697	3,507,123	3,347,489	3,399,179
Current investments	2.6 and 7.1	-	2,675,452	-	2,500,000
Trade and other current receivables	5.1	895,259	559,126	938,887	579,801
Inventories	6	1,940,202	1,755,555	1,700,312	1,539,088
Other current financial assets	2.6 and 7.1	3,760,572	-	3,603,996	-
Other current assets		882	588	563	525
Total Current Assets		<u>10,114,612</u>	<u>8,497,844</u>	<u>9,591,247</u>	<u>8,018,593</u>
NON-CURRENT ASSETS					
Investment in an associate	22.1.1	136,758	136,569	98,000	98,000
Investments in subsidiaries	22.1.2	-	-	552,855	552,855
Investment properties	8	29,213	29,213	39,527	39,527
Property, plant and equipment	9	1,613,111	1,702,143	1,371,997	1,453,818
Leasehold right	10	-	73,095	-	-
Right-of-use assets	10	142,149	-	61,888	-
Other intangible assets other than goodwill	11	545,956	546,454	545,901	545,901
Deferred tax assets	12	44,246	39,983	38,123	33,623
Other non-current assets		6,374	6,632	5,037	5,354
Total Non-current Assets		<u>2,517,807</u>	<u>2,534,089</u>	<u>2,713,328</u>	<u>2,729,078</u>
TOTAL ASSETS		<u><u>12,632,419</u></u>	<u><u>11,031,933</u></u>	<u><u>12,304,575</u></u>	<u><u>10,747,671</u></u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2020	2019	2020	2019
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	13	135,148	90,986	-	-
Trade and other current payables	14	1,277,856	541,376	1,150,984	470,629
Current portion of lease liabilities	16	18,472	3,810	16,876	1,177
Corporate income tax payable		170,009	131,481	168,414	127,872
Current provision for employee benefits	17	17,789	19,520	7,806	11,611
Other current liabilities		24,691	23,618	9,959	11,708
Total Current Liabilities		<u>1,643,965</u>	<u>810,791</u>	<u>1,354,039</u>	<u>622,997</u>
NON-CURRENT LIABILITIES					
Lease liabilities	16	47,000	3,010	45,658	575
Deferred tax liabilities	12	116,609	116,609	109,180	109,180
Non-current provision for employee benefits	17	151,796	153,838	132,050	130,834
Other non-current liabilities		17,306	14,293	16,034	11,734
Total Non-current Liabilities		<u>332,711</u>	<u>287,750</u>	<u>302,922</u>	<u>252,323</u>
TOTAL LIABILITIES		<u>1,976,676</u>	<u>1,098,541</u>	<u>1,656,961</u>	<u>875,320</u>

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2020

Unit : Thousand Baht

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2020	2019	2020	2019
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					
		8,733,098	8,015,150	8,761,627	7,986,364
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		<u>(51,012)</u>	<u>(59,663)</u>	<u>-</u>	<u>-</u>
TOTAL ATTRIBUTIONS TO OWNERS					
OF THE PARENT		10,568,073	9,841,474	10,647,614	9,872,351
NON-CONTROLLING INTERESTS		<u>87,670</u>	<u>91,918</u>	<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY		<u>10,655,743</u>	<u>9,933,392</u>	<u>10,647,614</u>	<u>9,872,351</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u><u>12,632,419</u></u>	<u><u>11,031,933</u></u>	<u><u>12,304,575</u></u>	<u><u>10,747,671</u></u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2020	2019	2020	2019
Revenues from sales		3,675,309	2,951,175	3,505,386	2,776,092
Revenues from services		28,562	37,468	-	-
Cost of sales of goods		(2,646,830)	(2,315,868)	(2,507,824)	(2,149,402)
Cost of rendering of services		(11,776)	(13,609)	-	-
Gross profit		1,045,265	659,166	997,562	626,690
Other income	18	35,599	22,781	37,232	25,502
Profit before expenses		1,080,864	681,947	1,034,794	652,192
Selling expenses		(110,145)	(121,805)	(93,769)	(104,802)
Administrative expenses		(78,541)	(68,096)	(56,411)	(44,161)
Managements' remuneration	22.2.2	(9,023)	(9,470)	(9,005)	(9,002)
Total expenses		(197,709)	(199,371)	(159,185)	(157,965)
Profit from operating activities		883,155	482,576	875,609	494,227
Finance costs		(1,163)	(1,487)	(611)	(99)
Share of profit from investment in an associate	22.1.1	44	85	-	-
PROFIT BEFORE INCOME TAX EXPENSE		882,036	481,174	874,998	494,128
INCOME TAX EXPENSE		(170,532)	(101,452)	(167,791)	(98,091)
PROFIT FOR THE PERIOD		711,504	379,722	707,207	396,037

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2020	2019	2020	2019	
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	4,112	(2,344)	-	-	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	715,616	377,378	707,207	396,037	
PROFIT ATTRIBUTABLE TO					
Owners of the parent	707,077	374,634	-	-	
Non-controlling interests	4,427	5,088	-	-	
	711,504	379,722	-	-	
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO					
Owners of the parent	711,189	372,290	-	-	
Non-controlling interests	4,427	5,088	-	-	
	715,616	377,378	-	-	
BASIC EARNINGS ATTRIBUTABLE TO					
OWNERS OF THE PARENT PER SHARE	BAHT	1.21	0.64	1.21	0.68
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 COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2020	2019	2020	2019
Revenues from sales		8,002,916	7,307,920	7,648,507	6,975,534
Revenues from services		89,047	105,159	-	-
Cost of sales of goods		(5,907,486)	(5,862,519)	(5,601,335)	(5,567,921)
Cost of rendering of services		(31,803)	(42,695)	-	-
Gross profit		2,152,674	1,507,865	2,047,172	1,407,613
Other income	18	87,396	71,759	115,632	100,813
Profit before expenses		2,240,070	1,579,624	2,162,804	1,508,426
Selling expenses		(249,928)	(280,467)	(207,106)	(233,199)
Administrative expenses		(235,051)	(232,539)	(165,425)	(165,508)
Managements' remuneration	22.2.2	(28,085)	(27,554)	(27,581)	(27,050)
Total expenses		(513,064)	(540,560)	(400,112)	(425,757)
Profit from operating activities		1,727,006	1,039,064	1,762,692	1,082,669
Finance costs		(3,762)	(3,999)	(1,539)	(280)
Share of profit from investment in an associate	22.1.1	189	236	-	-
PROFIT BEFORE INCOME TAX EXPENSE		1,723,433	1,035,301	1,761,153	1,082,389
INCOME TAX EXPENSE	12	(349,704)	(216,103)	(342,705)	(208,273)
PROFIT FOR THE PERIOD		1,373,729	819,198	1,418,448	874,116

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2020	2019	2020	2019	
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	8,651	(19,805)	-	-	
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,382,380	799,393	1,418,448	874,116	
PROFIT ATTRIBUTABLE TO					
Owners of the parent	1,361,133	807,337	-	-	
Non-controlling interests	12,596	11,861	-	-	
	1,373,729	819,198	-	-	
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO					
Owners of the parent	1,369,784	787,532	-	-	
Non-controlling interests	12,596	11,861	-	-	
	1,382,380	799,393	-	-	
BASIC EARNINGS ATTRIBUTABLE TO					
OWNERS OF THE PARENT PER SHARE	BAHT	2.33	1.38	2.43	1.49
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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“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	Other components of shareholders' equity Exchange differences on translation of financial statements of a foreign subsidiary				
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)
Dividends to non-controlling interests of subsidiaries		-	-	-	-	-	-	(18,375)	(18,375)
Total comprehensive income for the period		-	-	-	807,337	(19,805)	787,532	11,861	799,393
Ending balances as at September 30, 2019		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,914,765</u>	<u>(57,295)</u>	<u>9,743,457</u>	<u>87,220</u>	<u>9,830,677</u>
Beginning balances as at January 1, 2020		1,754,142	(43,570)	175,415	8,015,150	(59,663)	9,841,474	91,918	9,933,392
Dividends paid	21	-	-	-	(643,185)	-	(643,185)	-	(643,185)
Dividends to non-controlling interests of subsidiaries		-	-	-	-	-	-	(16,844)	(16,844)
Total comprehensive income for the period		-	-	-	1,361,133	8,651	1,369,784	12,596	1,382,380
Ending balances as at September 30, 2020		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>8,733,098</u>	<u>(51,012)</u>	<u>10,568,073</u>	<u>87,670</u>	<u>10,655,743</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEPARATE FINANCIAL STATEMENTS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“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, 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		-	-	-	874,116	874,116
Ending balances as at September 30, 2019		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>7,873,671</u>	<u>9,759,658</u>
Beginning balances as at January 1, 2020		1,754,142	(43,570)	175,415	7,986,364	9,872,351
Dividends paid	21	-	-	-	(643,185)	(643,185)
Total comprehensive income for the period		-	-	-	1,418,448	1,418,448
Ending balances as at September 30, 2020		<u>1,754,142</u>	<u>(43,570)</u>	<u>175,415</u>	<u>8,761,627</u>	<u>10,647,614</u>

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expense	1,723,433	1,035,301	1,761,153	1,082,389
Adjusted by				
Doubtful debts	8,332	2,934	7,952	2,953
Loss on diminution in value of inventories (Reversal)	9,543	(1,788)	9,543	(1,788)
Reversal of loss on diminution in value of investment property	-	(3,402)	-	(3,402)
Depreciation and amortization	199,863	190,350	173,161	160,564
(Gain) loss on sales of property, plant and equipment	(1,676)	(599)	(1,098)	111
Loss on write-off property, plant and equipment	-	212	-	-
Employee benefit obligations expense	10,297	11,240	9,022	6,773
Share of profit from investment in an associate	(189)	(236)	-	-
Unrealized loss on foreign exchange rate	1,021	2,255	389	2,004
Dividend income	-	-	(20,531)	(21,125)
Interest income	(39,883)	(45,813)	(38,381)	(43,937)
Finance costs	3,762	3,999	1,539	280
Total adjustments from reconciliation of gain balances	1,914,503	1,194,453	1,902,749	1,184,822
Changes in operating assets and liabilities				
Increase in trade and other current receivables	(351,157)	(308,972)	(372,554)	(278,513)
(Increase) decrease in inventories	(194,190)	214,431	(170,767)	193,295
(Increase) decrease in other current assets	(294)	377	(38)	395
(Increase) decrease in other non-current assets	258	473	317	(148)
Increase in trade and other current payables	736,170	214,382	674,751	162,367
Increase (decrease) in other current liabilities	1,073	(3,927)	(1,749)	(2,872)
Cash paid for employee benefit obligations	(14,070)	(9,192)	(11,611)	(8,754)
Increase (decrease) in other non-current liabilities	3,013	(1,453)	4,300	(75)
Net cash provided by operations	2,095,306	1,300,572	2,025,398	1,250,517
Cash paid for income tax	(315,439)	(241,261)	(306,663)	(231,679)
Net cash provided by operating activities	1,779,867	1,059,311	1,718,735	1,018,838

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

“UNAUDITED”

Unit : Thousand Baht

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2020	2019	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES					
(Increase) decrease in current investments	2.6	2,675,452	(985,128)	2,500,000	(1,000,000)
Increase in other current financial assets - Time deposits with maturity date over 3 months but less than 1 year	2.6	(3,756,549)	-	(3,600,000)	-
Cash paid for purchases of property, plant and equipment		(99,964)	(109,219)	(82,803)	(99,958)
Proceeds from sales of property, plant and equipment		4,288	2,946	3,207	1,564
Dividend received from subsidiaries		-	-	20,531	21,125
Interest received		47,126	45,793	44,720	44,244
Net cash used in investing activities		(1,129,647)	(1,045,608)	(1,114,345)	(1,033,025)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bank overdrafts and short-term borrowings from financial institutions		39,837	101,156	-	-
Cash repayment for lease agreements		(13,486)	(5,492)	(11,357)	(2,105)
Cash payment for dividend		(643,184)	(877,094)	(643,184)	(877,094)
Cash payment for dividend - subsidiaries		(16,844)	(18,375)	-	-
Interest paid		(6,307)	(3,487)	(1,539)	(280)
Net cash used in financing activities		(639,984)	(803,292)	(656,080)	(879,479)
Exchange differences on translation of financial statements of a foreign subsidiary		338	(5,375)	-	-
Net increase (decrease) in cash and cash equivalents		10,574	(794,964)	(51,690)	(893,666)
Cash and cash equivalents as at January 1,		3,507,123	5,516,734	3,399,179	5,443,612
Cash and cash equivalents as at September 30,	4.3	3,517,697	4,721,770	3,347,489	4,549,946

See condensed notes to the financial statements

THAI CENTRAL CHEMICAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020
“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 944 Mitrtown Office Tower, 8th Floor, Room No. 801-806 and 809-810, Rama 4 Road, Wangmai, Pathumwan, Bangkok.

The Company is a manufacturer, 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%.

1.2 The operations of subsidiaries

1.2.1 N.I.M. Company Limited was registered in Thailand with its office located at 284 Moo 1, Pakklong Bangplakod Sub-district, Prasa Mutjedi District, Samutprakarn Province. 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 chemical products.

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. The company’s main business is to manufacture, import and distribute various chemical fertilizer compound.

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the business environment. Nevertheless, the Group’s management will continue monitoring the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

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

- 2.1 These consolidated and separate interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard (“TAS”) No. 34 “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, 2019, 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 and nine-month periods ended September 30, 2020 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRS”), but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and nine-month periods ended September 30, 2020, should be read in conjunction with the audited financial statements for the year ended December 31, 2019.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2020, have included the subsidiaries’ interim financial statements for the three-month and nine-month periods ended September 30, 2020 which were reviewed.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2020. 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 Group’s financial statements. However, the new standards which become effective for fiscal year and involve changes to key principles are summarized below:

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.

The Group’s management has assessed the impact of such Financial Instruments Standards for the classification of financial assets and financial liabilities as follows:

	Consolidated financial statements			Unit : Thousand Baht
	(i)	(ii)	(iii) = (i)+(ii)	
	Carrying amount as of December 31, 2019	Reclassifications	Carrying amount as of January 1, 2020	Category
Current investments				
Time deposits with maturity date over 3 months but less than 1 year	2,675,452	(2,675,452)	-	
Other current assets				
Derivative assets - forward exchange contracts	196	(196)	-	
Other current financial assets				
Time deposits with maturity date over 3 months but less than 1 year	-	2,675,452	2,675,452	Financial asset measured at amortized cost
Derivative assets - forward exchange contracts	-	196	196	Financial assets FVTPL
Total	-	2,675,648	2,675,648	
Other current liabilities				
Derivative liabilities - forward exchange contracts	300	(300)	-	
Other current financial liabilities				
Derivative liabilities - forward exchange contracts	-	300	300	Financial liabilities FVTPL

Unit : Thousand Baht

	Separate financial statements			Category
	(i) Carrying amount as of December 31, 2019	(ii) Reclassifications	(iii) = (i)+(ii) Carrying amount as of January 1, 2020	
Current investments				
Time deposits with maturity date over 3 months but less than 1 year	2,500,000	(2,500,000)	-	
Other current assets				
Derivative assets - forward exchange contracts	196	(196)	-	
Other current financial assets				
Time deposits with maturity date over 3 months but less than 1 year	-	2,500,000	2,500,000	Financial asset measured at amortized cost
Derivative assets - forward exchange contracts	-	196	196	Financial assets FVTPL
Total	-	2,500,196	2,500,196	

As at September 30, 2020, current investments of Baht 3,756.55 million and Baht 3,600.00 million are classified as other current financial assets in the consolidated and separate financial statements, respectively (see Note 7).

Thai Financial Reporting Standard No. 16 “Leases” (“TFRS 16”)

TFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. This TFRS superseded the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No. 17 “Leases”, Thai Accounting Standard Interpretation No. 15 “Operating Lease - Incentives”, Thai Accounting Standard Interpretation No. 27 “Evaluating the Substance of Transactions involving the Legal Form of a Lease” and Thai Financial Reporting Standard Interpretation No. 4 “Determining whether an Arrangement contains a Lease”.

a) Impact of the new definition of a lease

The change in definition of a lease mainly relates to the concept of control. TFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on “risk and rewards” in TAS 17 and TFRIC 4.

The Group applies the definition of a lease and related guidance set out in TFRS 16 to all lease contracts entered into or changed on or after January 1, 2020 (whether it is a lessor or a lease in the lease contract). In preparation for the first-time application of TFRS 16, the Group has carried out an implementation project. The project has shown that the new definition in TFRS 16 will not significantly change the scope of contracts that meet the definition of a lease for the Group.

b) Impact on Lessee Accounting

Former operating leases

TFRS 16 changes how the Group accounts for lease previously classified as operating leases under TAS 17, which were off balance sheet.

Applying TFRS 16, for all leases (except short-term leases and leases of low-value assets as noted in c), the Group:

- 1) Recognizes right-of-use assets and lease liabilities in the statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with TFRS 16.
- 2) Recognizes depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income.
- 3) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.

Lease incentives (e.g. rent free period) are recognized as part of the measurement of the right-of-use assets and lease liabilities whereas under TAS 17 they resulted in the recognition of a lease incentive, amortized as a reduction of rental expenses on a straight-line basis.

Under TFRS 16, right-of-use assets are tested for impairment in accordance with TAS 36.

c) Short-term leases and leases at low-value assets

For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group has opted to recognize a lease expense on a straight-line basis as permitted by TFRS 16. This expense is presented in the statement of comprehensive income.

The Group has used the following practical expedients to leases previously classified as operating leases applying TAS 17.

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group has adjusted the right-of-use asset at the date of initial application by the amount of provision for onerous leases recognized under TAS 37 in the statement of financial position immediately before the date of initial application as an alternative to performing an impairment review.
- The Group has elected not to recognize right-of-use assets and lease liabilities to leases for which the lease term end within 12 months of the date of initial application.

- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

Former finance leases

For leases that were classified as finance leases applying TAS 17, the carrying amount of the leased assets and obligations under finance leases measured applying TAS 17 immediately before the date of initial application is reclassified to right-of-use assets and lease liabilities respectively without any adjustments, except in cases where the Group has elected to apply the low-value lease recognition exemption.

The right-of-use asset and the lease liability are accounted for applying TFRS 16 from January 1, 2020.

Financial impact of the initial application of TFRS 16

The Group's management has applied TFRS 16 which the comparative information has not been restated and is presented under TAS 17 and TFRIC 4.

The Group recognized lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17. The right-of-use assets were measured at amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates. The weight average lessees incremental borrowing rate applied to lease liabilities recognized in the statement of financial position on January 1, 2020 is 3.56% per annum.

The following table shows the operating lease commitments disclosed applying TAS 17 at December 31, 2019, discounted using incremental borrowing rate at the date of initial application and the lease liabilities recognized in the statement of financial position at the date of initial application.

	(Unit : Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments at December 31, 2019	45,865	36,813
Short-term leases and leases of low-value assets	(20,108)	(11,056)
Effect of discounting the above amounts	(1,328)	(1,328)
Lease liabilities recognized at January 1, 2020	<u>24,429</u>	<u>24,429</u>

The Group has recognized the right-of-use assets at amount equal to the lease liability of Baht 24.43 million in the consolidated and separate financial statements, and reclassified leasehold right of Baht 73.10 million as at January 31, 2020 as right-of-use assets, upon the transition to TFRS 16 (see Note 10).

In addition, the Federation of Accounting Professions has announced two Accounting Treatment Guidances, which have been announced in the Royal Gazette on April 22, 2020. The Group elected to apply one Accounting Treatment Guidance, detail as follows:

Accounting Treatment Guidance on “The temporary relief measures for additional accounting alternatives to alleviate the impacts from COVID-19 outbreak”

This accounting treatment guidance is the option for all entities applying Financial Reporting Standards for Publicly Accountable Entities. Since the preparation of financial statements during the period, which COVID-19 situation still be highly uncertainty as at the end of reporting period may cause the entities’ management to use the critical judgment in the estimation or the measurement and recognition of accounting transactions. Objective of this accounting treatment guidance is to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation. The entities can apply this accounting treatment guidance for the preparation of financial statements with the reporting period ending within the period from January 1, 2020 to December 31, 2020.

The Group has elected to apply the following temporary relief measures:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.

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, Thai Accounting Standards Interpretation 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, 2021 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, except for the revisions of definitions and accounting requirements as follows:

Definition of Business

The revised Thai Financial Reporting Standard No.3 “Business Combinations” clearly clarifies the definition of business and introduce an optional concentration test. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. This revised financial reporting standard requires prospective method for such amendment. Earlier application is permitted.

Definition of Materiality

The revised definition of materiality resulted in the amendment of Thai Accounting Standards No.1 “Presentation of Financial Statements” and Thai Accounting Standards No.8 “Accounting Policies, Changes in Accounting Estimates and Errors”, including other financial reporting standards which refer to materiality. This amendment is intended to make the definition of material to comply with the Conceptual Framework which requires prospective method for such amendment.

The Interest Rate Reform

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in Thai Financial Reporting Standard No.9 “Financial Instruments” and Thai Financial Reporting Standard No.7 “Financial Instruments: Disclosures”.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group 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 shareholdings in subsidiaries are as follows:

	As at		As at
	September 30,		December 31,
	2020	2019	2019
	Percentage of shareholding		Percentage of shareholding
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

- 2.9 The interim consolidated and separate financial statements are prepared in English version followed the consolidated and separate interim financial statements prepared in Thai language under Thai laws. In the event of any conflict or different interpretation in the two languages, the Thai version of interim consolidated and separate financial statements will prevail.

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, 2019, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2. Accounting policies which significantly changed are as follows:

Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated and separate statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value.

Financial assets

The Group's financial asset represents time deposits with maturity date over 3 months but less than 1 year which is measured subsequently in their amortized costs.

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Leases

The Group's management has applied TFRS 16 which the comparative information has not been restated and is presented under TAS 17. The details of accounting policies under both TAS 17 and TFRS 16 are as follows.

a) Policies applicable from January 1, 2020

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets i.e. personal computers. For these leases, the Group recognizes the lease payments in the statement of comprehensive income on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentive receivables;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and decrease in book value to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and recognizes the identified impairment loss as described in the “Property, Plant and Equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the statement of comprehensive income.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and recognized the lease and associated non-lease components as a single arrangement instead. The Group has used this practical expedient.

b) Policies applicable prior to January 1, 2020

Operating lease

Lease in which substantially all the risk and reward of ownership of assets remains with the lessor is accounted for as operating lease. Rentals applicable to such operating lease are charged as an expense to the statement of comprehensive income over the lease term.

Finance lease

Lease in which substantially all the risk and reward of ownership, other than legal title is transferred to the Group are accounted for as a finance lease. The Group capitalized the leased asset at the lower of present value of the underlying lease payments or at the fair value of the leased asset at the contractual date. The leased asset is depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is calculated by the effective interest rate method over the term of the contract. Interest or financial charge and depreciation are recognized as expenses in the statement of comprehensive income.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Purchases of property, plant and equipment for the nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Payables - acquisitions of property, plant and equipment as at January 1,	8,649	13,054	5,749	13,054
<u>Add</u> Purchases of property, plant and equipment	97,460	115,604	83,199	102,736
<u>Less</u> Purchases of property, plant and equipment under finance lease agreements	-	(3,607)	-	-
<u>Less</u> Cash payments	(99,964)	(109,219)	(82,803)	(99,958)
Payables - asset acquisitions of property, plant and equipment as at September 30,	<u>6,145</u>	<u>15,832</u>	<u>6,145</u>	<u>15,832</u>
Finance lease liabilities recognized under TAS 17 (including current portion) at January 1,	6,820	9,956	1,752	4,307
<u>Add</u> Lease liabilities recognized at January 1, 2020 (see Note 2.6)	24,429	-	24,429	-
Lease liabilities (including current portion) as at January 1,	31,249	9,956	26,181	4,307
<u>Add</u> Lease liabilities during the periods	47,709	3,607	47,710	-
<u>Less</u> Cash payments	(13,486)	(5,492)	(11,357)	(2,105)
Lease liabilities (including current portion) as at September 30,	<u>65,472</u>	<u>8,071</u>	<u>62,534</u>	<u>2,202</u>

- 4.2 The cash flows from bank overdrafts and short-term borrowings from financial institutions for the nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Bank overdrafts and short-term borrowings from financial institutions as at January 1,	90,986	35,333	-	-
<u>Add</u> Cash received	39,837	101,156	-	-
<u>Less</u> Unrealized gain (loss) on foreign exchange rate from financial statement translation	4,325	(2,068)	-	-
Bank overdrafts and short-term borrowings from financial institutions as at September 30,	<u>135,148</u>	<u>134,421</u>	<u>-</u>	<u>-</u>

- 4.3 Cash and cash equivalents

Cash and cash equivalents as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Cash on hand	954	1,076	560	560
Bank deposits in savings and current accounts	2,866,741	1,953,136	2,696,927	1,848,617
Cheque on hand	-	2,909	-	-
Time deposits with maturity within 3 months (interest rates 0.55% - 0.75% per annum)	650,002	1,550,002	650,002	1,550,002
	<u>3,517,697</u>	<u>3,507,123</u>	<u>3,347,489</u>	<u>3,399,179</u>

5. TRADE AND OTHER CURRENT RECEIVABLES

- 5.1 Trade and other current receivables as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Trade receivables (see Note 5.2)	866,521	499,156	915,279	527,843
Other receivables	5,910	4,563	7,243	5,563
Prepaid expenses	13,789	43,669	7,939	36,012
Accrued income	6,848	11,518	6,617	10,383
Advance payments	2,191	220	1,809	-
	<u>895,259</u>	<u>559,126</u>	<u>938,887</u>	<u>579,801</u>

5.2 Trade receivables as at September 30, 2020 and December 31, 2019, are classified by aging as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Number of outstanding trade receivables	531	341	200	165
Other companies				
Current	797,996	452,185	738,447	418,391
Overdue				
Less than or up to 3 months	41,828	48,192	40,132	45,617
More than 3 months up to 6 months	-	-	-	-
More than 6 months up to 12 months	4,305	-	4,305	-
More than 12 months	23,182	23,317	22,293	22,428
	867,311	523,694	805,177	486,436
Related companies (see Note 22.2.1)				
Current	36,599	4,519	146,221	69,574
	36,599	4,519	146,221	69,574
Total trade receivables	903,910	528,213	951,398	556,010
<u>Less</u> Loss allowance for trade receivables	(37,389)	(29,057)	(36,119)	(28,167)
	866,521	499,156	915,279	527,843

6. INVENTORIES

Inventories as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Inventories	1,950,357	1,756,167	1,710,467	1,539,700
<u>Less</u> Allowance for diminution in value of inventories	(10,155)	(612)	(10,155)	(612)
	1,940,202	1,755,555	1,700,312	1,539,088

As at September 30, 2020 and December 31, 2019, inventories in the consolidated financial statements 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 292.40 million and Baht 184.96 million, respectively (see Note 15).

As at September 30, 2020 and December 31, 2019, inventories in the separate financial statements 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 291.61 million and Baht 171.77 million, respectively (see Note 15).

7. CURRENT INVESTMENTS AND OTHER CURRENT FINANCIAL ASSETS

7.1 Current investments and other current financial assets as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
	Current financial assets			
Time deposits (see Note 7.2)	3,756,549	-	3,600,000	-
Derivatives – Forward contracts	4,023	-	3,996	-
	<u>3,760,572</u>	<u>-</u>	<u>3,603,996</u>	<u>-</u>
Current investments				
Time deposits (see Note 7.2)	-	2,675,452	-	2,500,000

7.2 Time deposits as at September 30, 2020 and December 31, 2019, consist of:

	Maturity date		Interest rate (% per annum)		Unit : Thousand Baht Consolidated Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
	Time deposits	Maturity date over 3 months but less than 1 year		0.25 - 1	1 - 1.75	<u>3,756,549</u>

	Maturity date		Interest rate (% per annum)		Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
	Time deposits	Maturity date over 3 months but less than 1 year		0.60 - 0.90	1.50 - 1.75	<u>3,600,000</u>

8. INVESTMENT PROPERTIES

As at September 30, 2020 and December 31, 2019, the Group's investment properties in the consolidated financial statement represent land received from debt settlement and purchased by the Company of which the book value were Baht 29.21 million.

As at September 30, 2020 and December 31, 2019, the Company's investment properties in the separate financial statement represent land held to earn rentals and non-operating land which were received from debt settlement and purchased by the Company of which the book value were Baht 39.53 million.

9. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the nine-month period ended September 30, 2020, are as follows:

	Consolidated Financial Statements	Unit : Thousand Baht Separate Financial Statements
Property, plant and equipment - net as at December 31, 2019	1,702,143	1,453,818
<u>Less</u> Equipment under finance leases - net as at December 31, 2019 (see Note 10)	<u>(10,381)</u>	<u>(2,822)</u>
Property, plant and equipment - net as at January 1, 2020	1,691,762	1,450,996
<u>Add</u> Purchase during the period	97,460	83,199
<u>Add</u> Transfer equipment from right-of-use assets (see Note 10)	2,375	1,809
<u>Less</u> Disposal during the period	(2,612)	(2,109)
Depreciation for the period	(184,546)	(161,898)
Exchange differences on translation of financial statements of a foreign subsidiary	<u>8,672</u>	<u>-</u>
Property, plant and equipment - net as at September 30, 2020	<u><u>1,613,111</u></u>	<u><u>1,371,997</u></u>

As at September 30, 2020 and December 31, 2019, 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 September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Gross carrying amount of plant and equipment which are fully depreciated but still in use	<u>2,828,189</u>	<u>2,804,153</u>	<u>2,530,882</u>	<u>2,510,200</u>

As at September 30, 2020 and December 31, 2019, the Company used certain land, land improvements and buildings which have total net book value of Baht 446.09 million and Baht 467.12 million, respectively, as collateral with a local financial institution for guarantee credit facilities (see Note 23.3).

As at September 30, 2020 and December 31, 2019, a subsidiary used all land and buildings which have total net book value of Baht 21.56 million as collateral with local financial institutions for guarantee bank overdrafts and credit facilities (see Notes 13 and 23.3).

10. LEASEHOLD RIGHT AND RIGHT-OF-USE ASSETS

Movements of right-of-use assets for the nine-month period ended September 30, 2020, are as follow:

	Unit : Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Right-of-use assets - net as at December 31, 2019	-	-
<u>Add</u> Leasehold right as at January 1, 2020 (see Note 2.6)	73,095	-
<u>Add</u> Right-of-use assets - net from operating leases under TAS 17 as at January 1, 2020 (see Note 2.6)	24,429	24,429
<u>Add</u> Right-of-use assets - net from equipment under finance leases (see Note 9)	10,381	2,822
Right-of-use assets - net as at January 1, 2020	107,905	27,251
<u>Add</u> Purchase during the period	47,709	47,709
<u>Less</u> Transfer to equipment (see Note 9)	(2,375)	(1,809)
<u>Less</u> Amortization for the period	(14,790)	(11,263)
Exchange differences on translation of financial statements of a foreign subsidiary	3,700	-
Right-of-use assets - net as at September 30, 2020	142,149	61,888

As at November 17, 2016, TCCC Myanmar Limited entered into the land leasehold agreement with a local supplier 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 included in right-of-use assets in the consolidated financial statements as at September 30, 2020 and it will be expired on June 4, 2064.

11. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill 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 14, 2020, the appraisal values of the fair value of such right as at January 2, 2020 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 September 30, 2020 and December 31, 2019, consist of:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements As at September 30, 2020	Financial Statements As at December 31, 2019	Financial Statements As at September 30, 2020	Financial Statements As at December 31, 2019
Deferred tax assets	44,246	39,983	38,123	33,623
Deferred tax liabilities	116,609	116,609	109,180	109,180

Movements of deferred tax assets and liabilities for the nine-month periods ended September 30, 2020 and 2019 are as follows:

Consolidated Financial Statements
As at September 30, 2020

	Unit : Thousand Baht		
	Balances as at January 1, 2020	Recognized in profit or loss	Balances as at September 30, 2020
Loss allowance for trade receivables	5,811	1,591	7,402
Allowance for diminution in value of inventories	123	1,908	2,031
Provision for sale promotions	1,700	(4)	1,696
Provision for employee benefits	32,349	1,567	33,916
Financial assets FVTPL	-	(799)	(799)
Total deferred tax assets	39,983	4,263	44,246
Gain on fair value adjustment from investment in a subsidiary to an associate	7,429	-	7,429
Accumulated amortization - right for use of trademarks	109,180	-	109,180
Total deferred tax liabilities	116,609	-	116,609

As at September 30, 2019

	Unit : Thousand Baht		
	Balances as at January 1, 2019	Recognized in profit or loss	Balances as at September 30, 2019
Allowance for doubtful debt	5,788	587	6,375
Allowance for diminution in value of inventories	434	(358)	76
Provision for sale promotions	4,161	(3,689)	472
Allowance for impairment of investment properties	680	(680)	-
Provision for employee benefits	25,499	2,096	27,595
Total deferred tax assets	36,562	(2,044)	34,518
Gain on fair value adjustment from investment in a 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 September 30, 2020**

	Unit : Thousand Baht		
	Balances as at January 1, 2020	Recognized in profit or loss	Balances as at September 30, 2020
Loss allowance for trade receivables	5,633	1,591	7,224
Allowance for diminution in value of inventories	123	1,908	2,031
Provision for sale promotions	1,700	(4)	1,696
Provision for employee benefits	26,167	1,804	27,971
Financial assets FVTPL	-	(799)	(799)
Total deferred tax assets	<u>33,623</u>	<u>4,500</u>	<u>38,123</u>
Accumulated amortization - right for use of trademarks	<u>109,180</u>	-	<u>109,180</u>
Total deferred tax liabilities	<u>109,180</u>	-	<u>109,180</u>

As at September 30, 2019

	Unit : Thousand Baht		
	Balances as at January 1, 2019	Recognized in profit or loss	Balances as at September 30, 2019
Allowance for doubtful debt	5,602	591	6,193
Allowance for diminution in value of inventories	434	(358)	76
Provision for sale promotions	4,161	(3,689)	472
Allowance for impairment of investment properties	680	(680)	-
Provision for employee benefits	21,021	1,157	22,178
Total deferred tax assets	<u>31,898</u>	<u>(2,979)</u>	<u>28,919</u>
Accumulated amortization - right for use of trademarks	<u>109,180</u>	-	<u>109,180</u>
Total deferred tax liabilities	<u>109,180</u>	-	<u>109,180</u>

Income tax expense for the nine-month periods ended September 30, 2020 and 2019 consists of the following:

	Consolidated		Unit : Thousand Baht Separate	
	Financial Statements 2020	2019	Financial Statements 2020	2019
Current tax expense in respect of the current period	353,967	214,059	347,205	205,294
Deferred tax relating to temporary differences	(4,263)	2,044	(4,500)	2,979
Income tax expense	<u>349,704</u>	<u>216,103</u>	<u>342,705</u>	<u>208,273</u>

The income tax expense for the nine-month periods ended September 30, 2020 and 2019 can be reconciled to the accounting profit as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Profit before income tax expense	1,723,433	1,035,301	1,761,153	1,082,389
Income tax calculated at 20%	344,687	207,060	352,231	216,478
Tax effects of transactions that are not taxable income and expenses	5,017	9,043	(9,526)	(8,205)
Income tax expense	349,704	216,103	342,705	208,273
	%	%	%	%
Effective tax rate	20.29	20.87	19.46	19.24

For the nine-month periods ended September 30, 2020 and 2019, the Company and subsidiaries in Thailand have applied the tax rate of 20% for calculating tax expense and deferred income tax.

For the nine-month periods ended September 30, 2020 and 2019, the foreign subsidiary applied the tax rate of each country for calculating tax expense and deferred income tax.

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

Bank overdrafts and short-term borrowings from financial institutions as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Bank overdrafts and short-term borrowings from financial institutions	135,148	90,986	-	-

As at September 30, 2020 and December 31, 2019, a subsidiary has credit lines from local financial institutions for bank overdrafts and other facilities which carried interest during 1.80% - 2.75% and 2.65% - 2.70% per annum, respectively and mortgaged by all land and buildings (see Note 9).

As at September 30, 2020 and December 31, 2019, a subsidiary has credit lines from foreign financial institutions for short-term borrowings and other facilities with interest rate during 0.65% - 0.70% and 2.31% - 2.36% per annum, respectively, and guaranteed by the Company (see Note 23.5).

14. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Trade payables	764,694	157,153	671,946	131,895
Other payables	81,954	62,434	77,483	58,209
Accrued dividends	2,333	2,332	2,333	2,332
Accrued expenses	136,474	134,494	107,615	106,426
Advance received from customers (see Note 15)	57,792	74,217	57,719	74,175
Deferred sales (see Note 15)	234,609	110,746	233,888	97,592
	<u>1,277,856</u>	<u>541,376</u>	<u>1,150,984</u>	<u>470,629</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 September 30, 2020 and December 31, 2019, 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 6). The Company and a subsidiary have recorded such transactions as “Deferred sales” and “Advance received from customers”, respectively (see Note 14).

16. LEASE LIABILITIES

Lease liabilities as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Current portion of lease liabilities	18,472	3,810	16,876	1,177
Lease liabilities	47,000	3,010	45,658	575
Present value of minimum lease payments	<u>65,472</u>	<u>6,820</u>	<u>62,534</u>	<u>1,752</u>

17. PROVISION FOR EMPLOYEE BENEFITS

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

Amounts recognized in the statements of comprehensive income in respect of the post-employment benefit obligations due upon retirement for the nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Current service cost	8,643	8,876	7,703	4,885
Interest cost	1,654	2,364	1,319	1,888
	<u>10,297</u>	<u>11,240</u>	<u>9,022</u>	<u>6,773</u>

Movements in provision for employee benefits for the nine-month periods ended September 30, 2020 and 2019 are as follows:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Provision for employee benefits as at January 1, (Including current portion)	173,358	135,928	142,445	112,869
Current service cost	8,643	8,876	7,703	4,885
Interest cost	1,654	2,364	1,319	1,888
Benefit paid	<u>(14,070)</u>	<u>(9,192)</u>	<u>(11,611)</u>	<u>(8,754)</u>
Provision for employee benefits as at September 30, (Including current portion)	<u>169,585</u>	<u>137,976</u>	<u>139,856</u>	<u>110,888</u>

The principal actuarial assumptions used to calculate the provision for employee benefits as at September 30, 2020 and December 31, 2019, are as follows:

	Consolidated and Separate	
	Financial Statements	
	As at September 30, 2020 (% p.a.)	As at December 31, 2019 (% p.a.)
Discount rate	1.50	1.50
Turnover rate	0 - 6	0 - 6
	Depend on range of employee age	Depend on range of employee age
Expected rate of salary increase	4 - 5	4 - 5
Future gold price growth	3	3
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017

18. OTHER INCOME

Other income for the three-month and nine-month periods ended September 30, 2020 and 2019 consist of:

For the three-month periods ended September 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Interest income	7,625	13,504	7,260	12,883
Rental income	1,480	1,495	5,036	4,705
Gain on sale of property, plant and equipment	446	-	353	-
Gain on foreign exchange rate - net	17,005	4,284	14,796	4,336
Others	9,043	3,498	9,787	3,578
	<u>35,599</u>	<u>22,781</u>	<u>37,232</u>	<u>25,502</u>

For the nine-month periods ended September 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Interest income	39,883	45,813	38,381	43,937
Rental income	4,709	4,081	15,285	13,972
Gain on sale of property, plant and equipment	1,676	599	1,098	-
Gain on foreign exchange rate - net	26,520	6,611	23,877	6,973
Dividend income	-	-	20,531	21,125
Others	14,608	14,655	16,460	14,806
	<u>87,396</u>	<u>71,759</u>	<u>115,632</u>	<u>100,813</u>

19. EXPENSES BY NATURE

Significant expenses by nature for the three-month and nine-month periods ended September 30, 2020 and 2019 consist of:

For the three-month periods ended September 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Changes in finished goods and work in process	160,780	546,830	123,342	405,399
Cost of finished goods purchased	42,994	23,473	-	-
Raw materials used	2,239,661	1,581,294	2,178,716	1,579,385
Employee benefit expenses	126,297	126,799	103,979	101,839
Depreciation and amortization	68,443	67,501	59,461	55,120
Loss for diminution in value of inventories (Reversal)	8,411	(346)	8,411	(346)
Doubtful debts (Reversal)	(2,134)	(5,457)	(2,358)	(5,450)

For the nine-month periods ended September 30,

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	2020	2019	2020	2019
Changes in finished goods and work in process	(30,015)	113,421	(59,990)	76,179
Cost of finished goods purchased	107,656	90,299	-	-
Raw materials used	5,181,986	4,951,616	5,071,780	4,947,355
Employee benefit expenses	373,435	375,802	303,784	302,776
Depreciation and amortization	199,863	190,350	173,161	160,564
Loss for diminution in value of inventories (Reversal)	9,542	(1,788)	9,542	(1,788)
Doubtful debts	8,333	2,934	7,951	2,953

20. DISCOUNT ON ORDINARY SHARES

Discount on ordinary shares as at September 30, 2020 and December 31, 2019, consist of:

	Consolidated Financial Statements		Unit : Thousand Baht Separate Financial Statements	
	As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
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 24, 2020, the Board of Directors' meeting of the Company approved interim dividend payment as an appropriation of profit for the year 2019 at Baht 1.10 per share, totaling Baht 643.20 million. Such interim dividend was paid in April 2020.

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 the year 2018. Such dividend was paid in April 2019.

The Annual General Shareholders' meetings of subsidiaries passed a resolution to distribute annual dividends as an appropriation of profit for the year 2019 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	April 23, 2020	2.75	17,531	16,844	34,375
MC Agro-Chemicals Company Limited	April 21, 2020	6.00	3,000	-	3,000
			<u>20,531</u>	<u>16,844</u>	<u>37,375</u>

The Annual General Shareholders' meetings of subsidiaries passed a resolution to distribute annual dividends as appropriation of profit 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 the 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>

22. TRANSACTIONS BETWEEN RELATED PARTIES

Transactions between related parties are as follows:

22.1 Investments

22.1.1 Investment in an associate

As at September 30, 2020

Company name	Type of business	Paid-up capital	Ownership %	Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Lease out warehouse	200,000	49.00	<u>98,000</u>	<u>136,758</u>	-

As at December 31, 2019

Company name	Type of business	Paid-up capital	Ownership %	Investment		Dividend received
				Cost Method	Equity Method	
Central Pacific (Thailand) Corporation Limited	Lease out warehouse	200,000	49.00	<u>98,000</u>	<u>136,569</u>	-

Aggregate information of an associate is not individually material.

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

	Unit : Thousand Baht Consolidated Financial Statements	
	2020	2019
Share of profit from investment in an associate	<u>44</u>	<u>85</u>

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

	Unit : Thousand Baht Consolidated Financial Statements	
	2020	2019
Share of profit from investment in an associate	<u>189</u>	<u>236</u>

22.1.2 Investments in subsidiaries

Company name	Type of business	Paid-up capital		Ownership %		Unit : Thousand Baht Cost	
		As at	As at	As at	As at	As at	As at
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
N.I.M. Company Limited	Lease out tank yard for containing liquid chemicals	125,000	125,000	51.00	51.00	63,750	63,750
MC Agro-Chemicals Company Limited	Manufacture, import and distribute Chemical products	50,000	50,000	99.99	99.99	49,999	49,999
TCCC Myanmar Limited	Manufacture, import and distribute various chemical fertilizer compound	439,106	439,106	99.99	99.99	<u>439,106</u>	<u>439,106</u>
						<u>552,855</u>	<u>552,855</u>

22.2 Business transactions with related parties

22.2.1 Balances as at September 30, 2020 and December 31, 2019, consist of:

Account name/ Company's name	Relationship	Consolidated		Unit : Thousand Baht Separate	
		Financial Statements		Financial Statements	
		As at September 30, 2020	As at December 31, 2019	As at September 30, 2020	As at December 31, 2019
Trade receivables					
TCCC Myanmar Limited	Subsidiary	-	-	109,622	65,055
Atlas fertilizer corporation	Related Company	-	4,519	-	4,519
Thanathepthong Company Limited*	Related Company	14,825	-	14,825	-
Thanathephanuthong Company Limited*	Related Company	9,044	-	9,044	-
Thanathepsarndinthalai Company Limited*	Related Company	12,730	-	12,730	-
		<u>36,599</u>	<u>4,519</u>	<u>146,221</u>	<u>69,574</u>
Other receivables					
N.I.M. Company Limited	Subsidiary	-	-	877	718
MC Agro-Chemicals Company Limited	Subsidiary	-	-	31	45
TCCC Myanmar Limited	Subsidiary	-	-	771	513
		<u>-</u>	<u>-</u>	<u>1,679</u>	<u>1,276</u>
Trade payables					
Sojitz Corporation Group	Major shareholder	3,341	2,883	-	-
Deferred Sales					
Thanathepthong Company Limited*	Related Company	13,902	-	13,902	-
Thanathephanuthong Company Limited*	Related Company	4,836	-	4,836	-
Thanathepsarndinthalai Company Limited*	Related Company	9,802	-	9,802	-
		<u>28,540</u>	<u>-</u>	<u>28,540</u>	<u>-</u>

* During the third quarter of the year 2020, the Company changed the key management who has the relationship with Thanathepthong Group. Therefore, the Company disclosed the business transactions with such Group which were incurred after change.

22.2.2 Transactions with related parties for the three-month and nine-month periods ended September 30, 2020 and 2019 consist of:

For the three-month periods ended September 30,

Account name/ Company's name	Relationship	Consolidated		Unit : Thousand Baht	
		Financial Statements		Separate	
		2020	2019	2020	2019
Revenues from sales and services					
Sojitz Corporation Group	Major shareholder	-	816	-	-
TCCC Myanmar Limited	Subsidiary	-	-	26,451	4,894
Thanathepthong Company Limited*	Related Company	924	-	924	-
Thanathephanuthong Company Limited*	Related Company	4,207	-	4,207	-
ThanathepsarndinThai Company Limited*	Related Company	2,928	-	2,928	-
		<u>8,059</u>	<u>816</u>	<u>34,510</u>	<u>4,894</u>
Other income					
N.I.M. Company Limited	Subsidiary	-	-	3,858	3,527
MC Agro-Chemicals Company Limited	Subsidiary	-	-	11	8
TCCC Myanmar Limited	Subsidiary	-	-	1,026	508
		<u>-</u>	<u>-</u>	<u>4,895</u>	<u>4,043</u>
Purchases					
Sojitz Corporation Group	Major shareholder	3,285	3,249	-	-
Purchases Assets					
Metro Systems Corporation Public Company Limited	Related Company	-	3,384	-	3,384
Other expenses					
Metro Systems Corporation Public Company Limited	Related Company	170	623	153	554
Managements' remuneration					
	Directors	9,023	9,470	9,005	9,002

For the nine-month periods ended September 30,

Account name/ Company's name	Relationship	Consolidated		Unit : Thousand Baht	
		Financial Statements		Separate	
		2020	2019	2020	2019
Revenues from sales and services					
Sojitz Corporation Group	Major shareholder	-	2,973	-	-
TCCC Myanmar Limited	Subsidiary	-	-	107,982	89,955
Thanathepthong Company Limited*	Related Company	924	-	924	-
Thanathephanuthong Company Limited*	Related Company	4,207	-	4,207	-
ThanathepsarndinThai Company Limited*	Related Company	2,928	-	2,928	-
		<u>8,059</u>	<u>2,973</u>	<u>116,041</u>	<u>89,955</u>
Other income					
N.I.M. Company Limited	Subsidiary	-	-	11,514	10,879
MC Agro-Chemicals Company Limited	Subsidiary	-	-	29	22
TCCC Myanmar Limited	Subsidiary	-	-	2,797	1,729
		<u>-</u>	<u>-</u>	<u>14,340</u>	<u>12,630</u>
Dividend income					
N.I.M. Company Limited	Subsidiary	-	-	17,531	19,125
MC Agro-Chemicals Company Limited	Subsidiary	-	-	3,000	2,000
		<u>-</u>	<u>-</u>	<u>20,531</u>	<u>21,125</u>
Purchases					
Sojitz Corporation Group	Major shareholder	3,910	9,622	-	-
Purchases Assets					
Metro Systems Corporation Public Company Limited	Related Company	-	3,384	-	3,384
Other expenses					
Metro Systems Corporation Public Company Limited	Related Company	1,198	1,833	1,068	1,662
Managements' remuneration					
	Directors	28,085	27,554	27,581	27,050

* During the third quarter of the year 2020, the Company changed the key management who has the relationship with Thanathep Group. Therefore, the Company disclosed the business transactions with such Group which were incurred after change.

Purchases and sales with related companies, subsidiaries and Sojitz Corporation Group, terms and prices are those agreed upon by the buyer and the seller based on market prices.

23. COMMITMENTS AND LETTERS OF GUARANTEE

- 23.1 The Company has capital expenditure commitment as at September 30, 2020 and December 31, 2019, of Baht 21.80 million and Baht 15.21 million, respectively.

A subsidiary has capital expenditure commitments as at December 31, 2019, of Baht 7.25 million (as at September 30, 2020: Nil).

- 23.2 For the nine-month period ended September 30, 2020, the Group recognized rental for short-term leases and leases of low-value assets in the consolidated and separate interim financial statements of Baht 19.42 million and Baht 7.87 million, respectively.

As at September 30, 2020, the Group has commitments according to short-term leases and leases of low-value assets in the consolidated and separate interim financial statements of Baht 12.10 million and Baht 7.55 million, respectively.

- 23.3 As at September 30, 2020 and December 31, 2019, the Group is 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. The Company and a subsidiary used land, land improvements and buildings as collateral (see Note 9).

As at September 30, 2020 and December 31, 2019, the unused credit facilities, consist of:

	Currency	Unit : Million			
		Consolidated		Separate	
		Financial Statements		Financial Statements	
		As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,	
	2020	2019	2020	2019	
Credit facilities*	Baht	10,911.08	11,623.62	10,736.20	11,426.96
	USD	38.50	39.50	30.00	30.00
Forward exchange contracts	Baht	2,499.57	2,656.77	2,482.62	2,636.77
	USD	157.11	166.24	150.88	159.66
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 September 30, 2020 and December 31, 2019, the Company and a subsidiary have letters of guarantee issued by banks which are unsecured as follows:

	Unit : Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Letters of guarantee for electricity	8,831	8,831	8,656	8,656

- 23.5 As at September 30, 2020 and December 31, 2019, the Company has commitment for being as a guarantor of short-term borrowings and other facilities for a subsidiary of USD 12.00 million (or equivalent to Baht 381.91 million) and USD 12.00 million (or equivalent to Baht 363.98 million), respectively (see Note 13).

As at September 30, 2020 and December 31, 2019, the Company has commitment for being as a guarantor for a subsidiary in order to purchase of raw materials and single fertilizer of USD 0.56 million (or equivalent to Baht 17.76 million) and USD 3.09 million (or equivalent to Baht 95.07 million), respectively.

- 23.6 As at September 30, 2020 and December 31, 2019, the Company has commitment with a bank regarding the outstanding letters of credit of USD 9.50 million (or equivalent to Baht 302.26 million) and USD 6.35 million (or equivalent to Baht 192.61 million), respectively.

As at September 30, 2020 and December 31, 2019, a subsidiary has commitment with a bank regarding the outstanding letters of credit of USD 0.10 million (or equivalent to Baht 3.07 million) and USD 0.04 million (or equivalent to Baht 1.15 million), respectively.

24. SEASONALITY OF OPERATION

The Company's main business is to manufacture, import, export and distribute various chemical fertilizer compound. The main revenues of the Company are received seasonally within a financial year especially in the second and third quarters of each year. Such main revenues are recognized when incur in each quarter. For supplementary financial information, total revenues, cost of sales and total comprehensive income for the twelve-month periods ended September 30, 2020 and 2019 were shown as below:

	Consolidated		Unit : Thousand Baht	
	Financial Statements		Separate	
	2020	2019	2020	2019
Revenues from sales of goods	9,375,881	8,657,000	8,956,376	8,244,749
Revenues from rendering of services	117,595	133,118	-	-
Costs of sales of goods	7,020,384	6,983,211	6,662,868	6,627,476
Costs of rendering of services	37,267	55,031	-	-
Total comprehensive income	1,476,090	896,775	1,544,515	975,795

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, chemical products, rental services and others. The business segment information of the Company and its subsidiaries classified by industries is as follows:

For the three-month period ended September 30, 2020

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income (loss)	Assets employed
Fertilizer section					
- Revenues from sales	3,648,530	-	3,648,530		
- Other income	27,138	12,301	39,439		
	<u>3,675,668</u>	<u>12,301</u>	<u>3,687,969</u>	867,290	12,769,907
Rental services section					
- Revenues from services	-	27,648	27,648		
- Other income	166	361	527		
	<u>166</u>	<u>28,009</u>	<u>28,175</u>	11,373	233,852
Others section					
- Revenues from sales	53,231	913	54,144		
- Other income	526	-	526		
	<u>53,757</u>	<u>913</u>	<u>54,670</u>	3,373	271,406
<u>Less</u> Intersegment revenues			<u>(31,300)</u>		
Total revenues			<u>3,739,514</u>		
Profit before income tax expense				882,036	
<u>Less</u> Income tax expense				<u>(170,532)</u>	
Total comprehensive income				<u>711,504</u>	
					<u>13,275,165</u>
<u>Less</u> Intersegment assets					<u>(641,947)</u>
Total assets					<u>12,633,218</u>
<u>Less</u> Non-controlling interests in total comprehensive income				(4,427)	
Exchange differences on translation of financial statements of foreign subsidiary				4,112	
Total comprehensive income attributable to owners of the parent				<u>711,189</u>	
Consolidated assets as at September 30, 2020					<u>12,633,218</u>

For the nine-month period ended September 30, 2020

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income (loss)	Assets employed
Fertilizer section					
- Revenues from sales	7,950,600	-	7,950,600		
- Other income	65,409	53,677	119,086		
	<u>8,016,009</u>	<u>53,677</u>	<u>8,069,686</u>	1,690,078	12,769,907
Rental services section					
- Revenues from services	-	83,785	83,785		
- Other income	959	1,438	2,397		
	<u>959</u>	<u>85,223</u>	<u>86,182</u>	32,150	233,852
Others section					
- Revenues from sales	160,299	5,261	165,560		
- Other income	730	54	784		
	<u>161,029</u>	<u>5,315</u>	<u>166,344</u>	1,205	271,406
<u>Less</u> Intersegment revenues			<u>(142,664)</u>		
Total revenues			<u>8,179,548</u>		
Profit before income tax expense				1,723,433	
<u>Less</u> Income tax expense				<u>(349,704)</u>	
Total comprehensive income				<u>1,373,729</u>	
					<u>13,275,165</u>
<u>Less</u> Intersegment assets					<u>(641,947)</u>
Total assets					<u>12,633,218</u>
<u>Less</u> Non-controlling interests in total comprehensive income				(12,596)	
Exchange differences on translation of financial statements of foreign subsidiary				<u>8,651</u>	
Total comprehensive income attributable to owners of the parent				<u>1,369,784</u>	
Consolidated assets as at September 30, 2020					<u>12,633,218</u>

For the three-month period ended September 30, 2019

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income (loss)	Assets employed
Fertilizer section					
- Revenues from sales	2,904,335	-	2,904,335		
- Other income	6,849	17,591	24,440		
	<u>2,911,184</u>	<u>17,591</u>	<u>2,928,775</u>	464,347	11,384,537
Rental services section					
- Revenues from services	-	28,681	28,681		
- Other income	1,176	619	1,795		
	<u>1,776</u>	<u>29,300</u>	<u>30,476</u>	12,981	220,951
Others section					
- Revenues from sales	51,735	8,787	60,522		
- Other income	589	-	589		
	<u>52,324</u>	<u>8,787</u>	<u>61,111</u>	3,846	252,948
<u>Less</u> Intersegment revenues			<u>(8,853)</u>		
Total revenues			<u>3,011,509</u>		
Profit before income tax expense				481,174	
<u>Less</u> Income tax expense				<u>(101,452)</u>	
Total comprehensive income				<u>379,722</u>	
					<u>11,858,436</u>
<u>Less</u> Intersegment assets					<u>(540,477)</u>
Total assets					<u>11,317,959</u>
<u>Less</u> Non-controlling interests in total comprehensive income				(5,088)	
Exchange differences on translation of financial statements of foreign subsidiary				<u>(2,344)</u>	
Total comprehensive income attributable to owners of the parent				<u>372,290</u>	
Consolidated assets as at September 30, 2019					<u>11,317,959</u>

For the nine-month period ended September 30, 2019

	Unit : Thousand Baht				
	Recognized at the point of time	Recognized over time	Revenues and other income	Total comprehensive income (loss)	Assets employed
Fertilizer section					
- Revenues from sales	7,200,712	-	7,200,712		
- Other income	43,154	57,920	101,074		
	<u>7,243,866</u>	<u>57,920</u>	<u>7,301,786</u>	996,203	11,384,537
Rental services section					
- Revenues from services	-	84,060	84,060		
- Other income	1,788	1,844	3,632		
	<u>1,788</u>	<u>85,904</u>	<u>87,692</u>	30,276	220,951
Others section					
- Revenues from sales	197,164	21,099	218,263		
- Other income	763	45	808		
	<u>197,927</u>	<u>21,144</u>	<u>219,071</u>	8,822	252,948
<u>Less</u> Intersegment revenues			<u>(123,475)</u>		
Total revenues			<u>7,485,074</u>		
Profit before income tax expense				1,035,301	
<u>Less</u> Income tax expense				<u>(216,103)</u>	
Total comprehensive income				<u>819,198</u>	
					<u>11,858,436</u>
<u>Less</u> Intersegment assets					<u>(540,477)</u>
Total assets					<u>11,317,959</u>
<u>Less</u> Non-controlling interests in total comprehensive income				(11,861)	
Exchange differences on translation of financial statements of foreign subsidiary				<u>(19,805)</u>	
Total comprehensive income attributable to owners of the parent				<u>787,532</u>	
Consolidated assets as at September 30, 2019					<u>11,317,959</u>

26. DISCLOSURE OF FINANCIAL INSTRUMENTS

26.1 Forward exchange contracts

As at September 30, 2020 and December 31, 2019, the Group 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)	Average Rate (Baht)				
As at September 30, 2020							
The Company	USD	24,689	31.3005	2 - 185	6,816	Level 2	Discounted cash flow*
Subsidiaries	USD	1,374	31.4708	44 - 175	26		
As at December 31, 2019							
The Company	USD	7,002	30.2798	7 - 185	(673)	Level 2	Discounted cash flow*
Subsidiaries	USD	917	30.3042	51 - 186	(210)		

Forward exchange sell contracts				The remaining period (days)	Net fair value gain (loss) (Thousand Baht)	Fair value hierarchy	Valuation technique(s)
	Currency	Amount (Thousand)	Average Rate (Baht)				
As at September 30, 2020							
The Company	USD	4,392	31.1969	104 - 366	(2,820)	Level 2	Discounted cash flow*
As at December 31, 2019							
The Company	USD	2,207	30.2875	87 - 155	869	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 September 30, 2020 and December 31, 2019, the Group has assets and liabilities in foreign currencies which part of them are entered into various forward exchange contracts to hedge certain portions of their assets and liabilities denominated in foreign currencies as follows:

	Unit : Thousand	
	Currency	Amount
Foreign assets		
As at September 30, 2020		
The Company	USD	3,823
Subsidiaries	USD	1,788
	MMK	1,450,203
As at December 31, 2019		
The Company	USD	2,428
Subsidiaries	USD	474
	MMK	446,548

	Unit : Thousand	
	Foreign liabilities	
	Currency	Amount
As at September 30, 2020		
The Company	USD	19,084
	EUR	4
Subsidiaries	USD	6,821
As at December 31, 2019		
The Company	USD	3,106
	EUR	4
Subsidiaries	USD	3,406

27. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The interim financial information was approved for issuance by the authorized directors of the Company on November 16, 2020.