



บริษัท บงชก คอร์ปอเรชั่น จำกัด (มหาชน)
สำนักงานใหญ่ : 2098 อาคารเอ็ม ทาวเวอร์ ชั้นที่ 8
ถนนสุขุมวิท แขวงคลองเตย เขตคลองเตย
กรุงเทพมหานคร 10260
โทรศัพท์ 0 2335 8888
โทรสาร 0 2335 8000
เว็บไซต์-ข้อมูลผู้ถือหุ้น 0107536000269

Bangchak Corporation Public Company Limited
Head Office : 2098 M Tower Building, 8th Floor,
Sukhumvit Road, Bangchak, Phrakhanong,
Bangkok 10260 Thailand.
Tel +66 2 335 8888
Fax +66 2 335 8000
www.bangchak.co.th

- TRANSLATION -

12000/001/2017

November 13, 2017

Subject : Submission of Reviewed Financial Statements and Performance Explanation for the three-month period and the nine-month period ended September 30, 2017

Attention : President of The Stock Exchange of Thailand

Attachment: A copy of reviewed financial statements of Bangchak Corporation Public Company Limited and its subsidiaries Explanation for the three-month period and the nine-month period ended September 30, 2017 with a copy of English translation

Bangchak Corporation Public Company Limited (“the Company”) is pleased to submit financial statements and consolidated financial statements for the three-month period and the nine-month period ended September 30, 2017 which has been reviewed by the Company’s Auditor and the Audit Committee, details of which are as per attachment. The Company’s performance is summarized as follows;

- 1) For the nine-month period ended September 30, 2017, the Consolidated Financial Statements recorded revenue from sale of goods and rendering of services of THB 125,832 million with a net profit of THB 4,838 million. Attributed to the non-controlling interests of THB 446 million, the remaining net profit to the owners of the Company was THB 4,393 million (EPS 3.19 Baht.)
- 2) For the three-month period ended September 30, 2017, the Consolidated Financial Statements recorded revenue from sale of goods and rendering of services of THB 39,009 million with a net profit of THB 1,495 million. Attributed to the non-controlling interests of THB 179 million, the remaining net profit to the owners of the Company was THB 1,316 million (EPS 0.96 Baht.)

In Q3/2017, the company and its subsidiaries recorded total EBITDA of THB 3,580 million, performance improved, especially for the Refinery Business, of which average crude run remains high, and gross refinery margin improved from the increase of crack spread for all products, along with a record of inventory gain from rising average crude oil price during the quarter. Marketing Business was in the low season; the monsoon season, resulting in lowered sales and marketing margin. However there were market share gains for the service station channel and the company was able to consistently retain its second place in the

market. The Power Plant Business realized additional share of profit from its investment in geothermal power plant in Indonesia. As for the Biofuel Business, performance improved from both the Biodiesel Business and the Ethanol Business. However, the Biodiesel Business was still suffering from inventory loss from the declining of the crude palm oil price. The Exploration and Production Business recorded impairment losses of the entire exploration and evaluation expenditure from the cease development of an oil field by an amount of THB 1,368.27 million. During this quarter the company and its subsidiaries recorded an inventory gain of THB 415 million. Furthermore, the company received corporate income tax returns in the amount of THB 671 million from 2009 and 2010.

The company and its subsidiaries performance of each business is summarized as follows;

- **Refinery Business** recorded an EBITDA of THB 2,198 million. Refinery business recorded an average crude run at 110.03 KBD. During this quarter there was a malfunction with the Hydrocracking Unit, causing it to run sub-optimally. Gross refinery margin was 6.66 USD/BBL (+1.04 USD/BBL YoY, +0.28 USD/BBL QoQ), GRM was higher from the increase in crack spread of most finished oil products, while Dated Brent and Dubai crude spread (DTD/DB) was as well widened, affecting crude cost to adjust upwards. From the rise in average crude oil price during this quarter there was an inventory gain of THB 450 million.
- **Marketing Business** recorded an EBITDA of THB 474 million, Marketing business sales volume was 1,417 million liters, majority of the decrease in sales volume can be attributed to industrial market sales which was at low season, and the start of monsoon season led to flooding in various areas. Also, there was an intense competition in the industrial market. While sales volume of the retail market was slightly lower, consequently due to the seasonal factor which had lower tourist travel. However, the company was able to continuously maintain its 2nd place in terms of service station market share. Total marketing margin was at 0.73 THB/Litre.
- **Power Plant Business** which is currently under BCPG Plc., a subsidiary of the company, recorded an EBITDA of THB 781 million, and a sales revenue of THB 854 million. Currently, total PPA for the power plant in operation is 160 MW. The amount of electricity sold in this quarter increased from the previous year from the commercial operation commencement of various solar power plants both in Thailand and Japan, but decreased from Q2/2017 from the entering of rainy season which lowered the average irradiation hours. The wind power plant business in the Philippines recorded a share of loss of THB 4 million as it was the low season. Moreover, there was a share of profit from the share acquisition for investment in geothermal power plant in Indonesia. However, there was an increment in Selling, General and Administrative expense from the same period of the

previous year, mainly from the financial advisory expense regarding funding activity, but Selling, General and Administrative expense was lower than the previous year. Moreover, there was a loss from FX forward contract of THB 255 million, due to the continuous appreciation of THB.

- **Bio-Based Products Business** recorded an EBITDA of THB 159 million, comprised of EBITDA from Biodiesel Business of THB 68 million, EBITDA from Bangchak Bioethanol (Chachoengsao) Co., Ltd. of THB 74 million, and share of profit from Ubon Bio Ethanol Co, Ltd of THB 17 million. Bio-Based Products business recorded a sales revenue of THB 1,932 million, attributed to the Biodiesel Business THB 1,653 million, a decline from the previous quarter, due to average selling price of B100 product adjusting downward, while sales volume of B100 products increased, as B100 mixing portion with diesel fuel was at 7% throughout the quarter, leading to an increase of the Biofuel Business average production rate to 689 thousand litres per day. However, there was an Inventory Loss of THB 54 million. For the Ethanol Business, Bangchak Bioethanol (Chachoengsao) Co., Ltd. recorded revenue of THB 279 million, an increase from the higher sales volume, and the average production rate was 129 thousand litres per day.
 - **Exploration and Production Business** recorded an EBITDA of Baht 44 million, sales revenue of THB 336 million, total sales volume of 203,807 barrels. Selling price in this quarter declined, following the decreasing crude price. Production decreased according to the Natural-Decline Production Curve. In the quarter, there was an impairment loss of the exploration and evaluation expenditure in the amount of USD 39.99 million or approximately THB 1,368.27 million, from the cease development of the Mid-Galoc oil field, which was deemed unsuitable for further commercial development.
- 3) As of September 30, 2017, total Assets of the Company and its subsidiaries were THB 107,355 million, increased by THB 5,572 million compared to the end of 2016. Total Liabilities of the Company and its subsidiaries were THB 60,280 million, increased by THB 2,406 million. The Consolidated financial statement reported total equity of THB 47,075 million, increased by THB 3,166 million. Total equity attributable to owners of the Company of THB 42,589 million and reported a book value of THB 30.93 per share.

The Company, a listed company in the Stock Exchange of Thailand, has concentrated on transparent business operation harmonious with the good corporate governance practice. So as to enable investors to better understand the Company's financial status and business operations-apart from the sole financial data in financial statements, as well as to adequately access information for decision in a security

investment so the Company herewith conducts Management's Discussion and Analysis of Business Operations for the three-month period and the nine-month period ended September 30, 2017.

Please be informed accordingly.

Yours sincerely,

- Signed -

(Mr. Surachai Kositsareewong)
Senior Executive Vice President,
Accounting and Finance

Investor Relations Division
Tel. 0-2335-8663