

## **Independent Auditor's Report**

### **To the shareholders of The Bangchak Petroleum Public Company Limited**

I have audited the accompanying consolidated and separate financial statements of the Bangchak Petroleum Public Company Limited and its subsidiaries (the "Group") and of the Bangchak Petroleum Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility for the Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

*Emphasis of Matter*

Without qualifying my opinion, I draw attention to note 4 to the financial statements, the finalization of the valuation of net assets of a foreign entity which the Company acquired on 19 September 2014 was completed in the 2<sup>nd</sup> quarter of 2015. The corresponding figures presented are based on the audited financial statements as at and for the year ended 31 December 2014 after making the adjustments described in note 4.

(Winid Silamongkol)  
Certified Public Accountant  
Registration No. 3378

KPMG Phoomchai Audit Ltd.  
Bangkok  
18 February 2016

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Statement of financial position**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		31 December		31 December	
<b>Assets</b>		2015	2014 (Restated)	2015	2014
		<i>(Baht)</i>			
<b><i>Current assets</i></b>					
Cash and cash equivalents	6	7,871,868,029	7,954,246,322	5,468,589,618	6,709,626,823
Current investments	7	4,518,563,720	622,690,759	4,500,000,000	-
Trade accounts receivable	5,8	5,234,363,216	5,835,075,583	5,311,536,208	6,303,126,093
Other receivables	5,9	742,471,470	1,259,510,097	505,703,600	1,100,484,015
Short-term loans to related parties	5	-	-	389,616,500	-
Current portion of long-term loans to related parties	5	-	-	302,800,000	-
Inventories	10	13,944,669,465	14,058,695,674	13,247,975,779	13,360,363,489
Oil fuel fund subsidies receivable		825,115,582	1,214,535,798	825,115,582	1,214,535,798
Other current assets		489,417,534	1,349,700,145	438,646,215	1,281,236,168
Asset classified as held for sale	7	173,236,050	-	173,236,050	-
<b>Total current assets</b>		<b>33,799,705,066</b>	<b>32,294,454,378</b>	<b>31,163,219,552</b>	<b>29,969,372,386</b>
<b><i>Non-current assets</i></b>					
Investments in subsidiaries	5,11	-	-	6,144,718,811	8,459,498,317
Investments in associate	5,12	774,329,976	761,927,907	763,229,520	763,229,520
Long-term loans to related parties	5	-	-	8,883,635,060	-
Other long-term investments	7	328,398,837	323,408,815	136,357,385	323,408,815
Investment properties	13	459,340,000	459,340,000	459,340,000	459,340,000
Property, plant and equipment	14	40,043,905,957	38,136,122,923	24,990,584,721	29,038,049,296
Leasehold rights	15	1,643,500,554	1,395,755,456	1,643,500,554	1,395,755,456
Intangible assets	16	2,778,845,972	1,647,813,683	204,870,296	233,614,467
Deferred tax assets	17	559,603,859	657,878,660	550,203,092	653,919,498
Other non-current assets	5,18	1,554,686,417	1,288,829,135	863,924,906	841,361,069
<b>Total non-current assets</b>		<b>48,142,611,572</b>	<b>44,671,076,579</b>	<b>44,640,364,345</b>	<b>42,168,176,438</b>
<b>Total assets</b>		<b>81,942,316,638</b>	<b>76,965,530,957</b>	<b>75,803,583,897</b>	<b>72,137,548,824</b>

The accompanying notes are an integral part of these financial statements.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014 (Restated)	2015	2014
<i>(Baht)</i>					
<b>Liabilities and equity</b>					
<i>Current liabilities</i>					
Trade accounts payable	5,20	4,994,448,174	5,774,357,206	4,475,029,203	5,618,449,881
Other payables	5,21	2,754,650,682	2,359,475,792	1,875,305,879	2,169,031,980
Current portion of long-term loans					
from financial institutions	19	1,026,315,586	1,311,913,075	880,840,541	825,494,128
Excise tax and oil fuel fund payable		777,803,136	932,998,213	777,803,136	932,998,213
Income tax payable		77,873,228	3,583,378	54,785,693	-
Current portion of finance lease liabilities	5	-	84,838,358	-	84,838,358
Other current liabilities	5	857,598,429	842,200,457	826,216,458	832,445,225
<b>Total current liabilities</b>		<b>10,488,689,235</b>	<b>11,309,366,479</b>	<b>8,889,980,910</b>	<b>10,463,257,785</b>
<i>Non-current liabilities</i>					
Long-term loans from financial institutions	19	16,647,688,123	15,901,352,447	14,051,226,841	14,284,542,782
Debentures	19	15,984,205,787	12,985,121,724	15,984,205,787	12,985,121,724
Finance lease liabilities	5	-	919,493,018	-	919,493,018
Deferred tax liabilities	17	280,470,359	149,779,145	-	-
Liabilities on long-term lease		43,373,684	26,526,314	43,373,684	26,526,314
Employee benefit obligations	22	1,571,345,064	1,188,507,063	1,513,980,322	1,168,973,275
Provision for the decommissioning cost		847,873,770	443,249,239	-	-
Other non-current liabilities	5	95,245,649	76,164,832	60,074,579	39,792,505
<b>Total non-current liabilities</b>		<b>35,470,202,436</b>	<b>31,690,193,782</b>	<b>31,652,861,213</b>	<b>29,424,449,618</b>
<b>Total liabilities</b>		<b>45,958,891,671</b>	<b>42,999,560,261</b>	<b>40,542,842,123</b>	<b>39,887,707,403</b>

The accompanying notes are an integral part of these financial statements.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014 (Restated)	2015	2014
<i>(Baht)</i>					
<b>Equity</b>					
Share capital	23				
Authorised share capital		<u>1,376,923,157</u>	<u>1,531,643,461</u>	<u>1,376,923,157</u>	<u>1,531,643,461</u>
Issued and paid-up share capital		1,376,923,157	1,376,923,157	1,376,923,157	1,376,923,157
Additional paid-in capital :					
Share premium on ordinary shares	24	11,157,460,051	11,157,460,051	11,157,460,051	11,157,460,051
Share premium on subsidiary of the Company		18,621,225	18,621,225	-	-
Capital surplus on registered and paid-up share reduction	24	189,617,759	189,617,759	189,617,759	189,617,759
Retained earnings					
Appropriated					
Legal reserve	24	153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated		22,706,157,789	20,666,883,964	22,383,576,461	19,372,676,108
Other components of equity		<u>-120,962,723</u>	<u>-253,758,024</u>	<u>-</u>	<u>-</u>
<b>Total equity attributable to owners of the Company</b>		<b><u>35,480,981,604</u></b>	<b><u>33,308,912,478</u></b>	<b><u>35,260,741,774</u></b>	<b><u>32,249,841,421</u></b>
Non-controlling interests		502,443,363	657,058,218	-	-
<b>Total equity</b>		<b><u>35,983,424,967</u></b>	<b><u>33,965,970,696</u></b>	<b><u>35,260,741,774</u></b>	<b><u>32,249,841,421</u></b>
<b>Total liabilities and equity</b>		<b><u>81,942,316,638</u></b>	<b><u>76,965,530,957</u></b>	<b><u>75,803,583,897</u></b>	<b><u>72,137,548,824</u></b>

(Pichai Chunchavajira)  
Chairman

(Chaiwat Kovavisarach)  
President

The accompanying notes are an integral part of these financial statements.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Statement of income**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014 (Restated)	2015	2014
<i>(Baht)</i>					
Revenue from sale of goods and rendering of services	5,25	151,140,356,979	183,016,095,727	144,346,156,871	178,300,350,812
Cost of sale of goods and rendering of services	5	(139,686,216,222)	(178,472,757,479)	(135,749,445,007)	(176,384,226,363)
<b>Gross Profit</b>		<b>11,454,140,757</b>	<b>4,543,338,248</b>	<b>8,596,711,864</b>	<b>1,916,124,449</b>
Investment income	5,26	248,495,773	166,828,166	2,616,783,493	1,592,838,083
Other income	5,27	294,386,903	1,030,476,181	444,144,004	1,021,486,299
Selling expenses	5,28	(3,215,083,173)	(2,817,130,737)	(2,332,965,512)	(2,028,838,643)
Administrative expenses	5,29	(1,960,320,790)	(1,663,132,596)	(1,516,808,059)	(1,371,003,214)
Gain (loss) from crude and product oil price hedging contract		(406,596,647)	499,256,974	(471,971,840)	499,256,974
Gain (loss) from foreign currencies forward contract		(155,416,710)	84,211,137	(161,933,060)	84,211,137
Gain on foreign exchange		177,589,625	673,578,261	22,373,076	377,883,827
Reversal of allowance for loss (loss) from impairment of assets	14	(64,877,240)	(1,157,239,074)	128,802,744	(828,339,740)
Share of profit of associate	12	12,402,069	5,148,901	-	-
<b>Profit before finance costs and income tax expense</b>		<b>6,384,720,567</b>	<b>1,365,335,461</b>	<b>7,325,136,710</b>	<b>1,263,619,172</b>
Finance costs	32	(1,614,563,861)	(1,426,796,802)	(1,463,223,916)	(1,293,813,887)
<b>Profit (loss) before income tax expense</b>		<b>4,770,156,706</b>	<b>(61,461,341)</b>	<b>5,861,912,794</b>	<b>(30,194,715)</b>
Income tax (expense) credit	33	(672,775,197)	690,525,886	(735,727,507)	326,298,955
<b>Profit for the year</b>		<b>4,097,381,509</b>	<b>629,064,545</b>	<b>5,126,185,287</b>	<b>296,104,240</b>
<b>Profit (loss) attributable to:</b>					
Owners of the Company		4,150,763,667	695,916,161	5,126,185,287	296,104,240
Non-controlling interests		(53,382,158)	(66,851,616)	-	-
<b>Profit for the year</b>		<b>4,097,381,509</b>	<b>629,064,545</b>	<b>5,126,185,287</b>	<b>296,104,240</b>
<b>Earnings per share</b>					
Basic earnings per share	35	3.01	0.51	3.72	0.22

(Pichai Chunhavajira)  
Chairman

(Chaiwat Kovavisarach)  
President

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**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		For the year ended 31 December		For the year ended 31 December	
		2015	2014 (Restated)	2015	2014
<i>(Baht)</i>					
Profit for the year		<u>4,097,381,509</u>	<u>629,064,545</u>	<u>5,126,185,287</u>	<u>296,104,240</u>
<b>Other comprehensive income</b>					
<i>Item that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains (losses)	22	<u>(184,597,800)</u>	<u>-</u>	<u>(187,823,494)</u>	<u>-</u>
		<b><u>(184,597,800)</u></b>	<b><u>-</u></b>	<b><u>(187,823,494)</u></b>	<b><u>-</u></b>
<i>Items that are or may be reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		99,021,611	(330,850,673)	-	-
Net change in fair value of available-for-sale investment	7	<u>14,592,245</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<b><u>113,613,856</u></b>	<b><u>(330,850,673)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b><u>(70,983,944)</u></b>	<b><u>(330,850,673)</u></b>	<b><u>(187,823,494)</u></b>	<b><u>-</u></b>
<b>Total comprehensive income for the year</b>		<b><u>4,026,397,565</u></b>	<b><u>298,213,872</u></b>	<b><u>4,938,361,793</u></b>	<b><u>296,104,240</u></b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		4,099,028,960	442,158,137	4,938,361,793	296,104,240
Non-controlling interests		<u>(72,631,395)</u>	<u>(143,944,265)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<b><u>4,026,397,565</u></b>	<b><u>298,213,872</u></b>	<b><u>4,938,361,793</u></b>	<b><u>296,104,240</u></b>

The accompanying notes are an integral part of these financial statements.

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements								
		Share premium		Capital surplus on registered and paid-up share reduction	Retained earnings		Other component of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Note	Issued and paid-up share capital	Share premium	Share premium on subsidiaries of the Company		Legal reserve	Unappropriated	Currency translation differences			
<i>(Baht)</i>										
<b>Year ended 31 December 2014</b>										
<b>Balance at 1 January 2014</b>										
	1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	21,828,179,058	-	34,723,965,596	250,255,593	34,974,221,189
<b>Transactions with owners, recorded directly in equity</b>										
<i>Contributions by and distributions to owners of the Company</i>										
	-	-	-	-	-	1,584,389	-	1,584,389	-	1,584,389
36	-	-	-	-	-	(1,858,795,644)	-	(1,858,795,644)	(87,010,609)	(1,945,806,253)
<b>Total contributions by and distributions to owners of the Company</b>										
	-	-	-	-	-	(1,857,211,255)	-	(1,857,211,255)	(87,010,609)	(1,944,221,864)
<b>Changes in ownership interests in subsidiary</b>										
4	-	-	-	-	-	-	-	-	637,757,499	637,757,499
<b>Total changes in ownership interests in subsidiary</b>										
	-	-	-	-	-	-	-	-	637,757,499	637,757,499
<b>Total transactions with owners, recorded directly in equity</b>										
	-	-	-	-	-	(1,857,211,255)	-	(1,857,211,255)	550,746,890	(1,306,464,365)
<b>Comprehensive income (loss) for the year - restated</b>										
	-	-	-	-	-	695,916,161	-	695,916,161	(66,851,616)	629,064,545
	-	-	-	-	-	-	(253,758,024)	(253,758,024)	(77,092,649)	(330,850,673)
<b>Total comprehensive income (loss) for the year - restated</b>										
	-	-	-	-	-	695,916,161	(253,758,024)	442,158,137	(143,944,265)	298,213,872
<b>Balance at 31 December 2014 - restated</b>										
	1,376,923,157	11,157,460,051	18,621,225	189,617,759	153,164,346	20,666,883,964	(253,758,024)	33,308,912,478	657,058,218	33,965,970,696

The accompanying notes are an integral part of these financial statements.



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Statement of changes in equity**

**Consolidated financial statements**

Note	Share premium		Capital surplus on registered and paid-up share reduction	Retained earnings		Other component of equity			Equity attributable to owners of the Company	Non-controlling interests	Total equity	
	Issued and paid-up share capital	Share premium		Share premium on subsidiaries of the Company	Legal reserve	Unappropriated	Currency translation differences	Fair value changes in available-for-sale investment				Total other components of equity
<b>Year ended 31 December 2015</b>												
	<b>1,376,923,157</b>	<b>11,157,460,051</b>	<b>18,621,225</b>	<b>189,617,759</b>	<b>153,164,346</b>	<b>20,682,556,106</b>	<b>(271,885,532)</b>	-	<b>(271,885,532)</b>	<b>33,306,457,112</b>	<b>659,513,584</b>	<b>33,965,970,696</b>
						(15,672,142)	18,127,508	-	18,127,508	2,455,366	(2,455,366)	-
4	-	-	-	-	-	(15,672,142)	18,127,508	-	18,127,508	2,455,366	(2,455,366)	-
	<b>1,376,923,157</b>	<b>11,157,460,051</b>	<b>18,621,225</b>	<b>189,617,759</b>	<b>153,164,346</b>	<b>20,666,883,964</b>	<b>(253,758,024)</b>	-	<b>(253,758,024)</b>	<b>33,308,912,478</b>	<b>657,058,218</b>	<b>33,965,970,696</b>
<b>Transactions with owners, recorded directly in equity</b>												
<i>Contributions by and distributions to owners of the Company</i>												
						501,606	-	-	-	501,606	-	501,606
	-	-	-	-	-	501,606	-	-	-	501,606	-	501,606
36	-	-	-	-	-	(1,927,461,440)	-	-	-	(1,927,461,440)	(81,983,460)	(2,009,444,900)
						(1,926,959,834)	-	-	-	(1,926,959,834)	(81,983,460)	(2,008,943,294)
	-	-	-	-	-	(1,926,959,834)	-	-	-	(1,926,959,834)	(81,983,460)	(2,008,943,294)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,926,959,834)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,926,959,834)</b>	<b>(81,983,460)</b>	<b>(2,008,943,294)</b>
<b>Comprehensive income for the year</b>												
						4,150,763,667	-	-	-	4,150,763,667	(53,382,158)	4,097,381,509
	-	-	-	-	-	4,150,763,667	-	-	-	4,150,763,667	(53,382,158)	4,097,381,509
						(184,530,008)	118,203,056	14,592,245	132,795,301	(51,734,707)	(19,249,237)	(70,983,944)
	-	-	-	-	-	(184,530,008)	118,203,056	14,592,245	132,795,301	(51,734,707)	(19,249,237)	(70,983,944)
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,966,233,659</b>	<b>118,203,056</b>	<b>14,592,245</b>	<b>132,795,301</b>	<b>4,099,028,960</b>	<b>(72,631,395)</b>	<b>4,026,397,565</b>
	<b>1,376,923,157</b>	<b>11,157,460,051</b>	<b>18,621,225</b>	<b>189,617,759</b>	<b>153,164,346</b>	<b>22,706,157,789</b>	<b>(135,554,968)</b>	<b>14,592,245</b>	<b>(120,962,723)</b>	<b>35,480,981,604</b>	<b>502,443,363</b>	<b>35,983,424,967</b>

The accompanying notes are an integral part of these financial statements.

The Bangchak Petroleum Public Company Limited and its Subsidiaries  
Statement of changes in equity

Note	Separate financial statements					Total equity
	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		
				Legal reserve	Unappropriated	
				(Baht)		
<b>Year ended 31 December 2014</b>						
Balance at 1 January 2014	1,376,923,157	11,157,460,051	189,617,759	153,164,346	20,935,367,512	33,812,532,825
<b>Transactions with owners, recorded directly in equity</b>						
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	36	-	-	-	(1,858,795,644)	(1,858,795,644)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	-	(1,858,795,644)	(1,858,795,644)
<b>Comprehensive income for the year</b>						
Profit or loss	-	-	-	-	296,104,240	296,104,240
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>		-	-	-	<b>296,104,240</b>	<b>296,104,240</b>
<b>Balance at 31 December 2014</b>	<b>1,376,923,157</b>	<b>11,157,460,051</b>	<b>189,617,759</b>	<b>153,164,346</b>	<b>19,372,676,108</b>	<b>32,249,841,421</b>
<b>Year ended 31 December 2015</b>						
Balance at 1 January 2015	1,376,923,157	11,157,460,051	189,617,759	153,164,346	19,372,676,108	32,249,841,421
<b>Transactions with owners, recorded directly in equity</b>						
<i>Contributions by and distributions to owners of the Company</i>						
Dividends to owners of the Company	36	-	-	-	(1,927,461,440)	(1,927,461,440)
<i>Total contributions by and distributions to owners of the Company</i>		-	-	-	(1,927,461,440)	(1,927,461,440)
<b>Comprehensive income for the year</b>						
Profit or loss	-	-	-	-	5,126,185,287	5,126,185,287
Other comprehensive income	-	-	-	-	(187,823,494)	(187,823,494)
<b>Total comprehensive income for the year</b>		-	-	-	<b>4,938,361,793</b>	<b>4,938,361,793</b>
<b>Balance at 31 December 2015</b>	<b>1,376,923,157</b>	<b>11,157,460,051</b>	<b>189,617,759</b>	<b>153,164,346</b>	<b>22,383,576,461</b>	<b>35,260,741,774</b>

The accompanying notes are an integral part of these financial statements.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Statement of cash flows**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014 (Restated)	2015	2014
	<i>(Baht)</i>			
<b>Cash flows from operating activities</b>				
Profit for the year	4,097,381,509	629,064,545	5,126,185,287	296,104,240
<i>Adjustments for</i>				
Depreciation	4,465,625,941	3,120,164,148	3,186,401,021	2,648,042,280
Amortisation	242,840,119	193,287,673	240,356,112	191,742,787
(Reversal of) allowance for bad and doubtful debts expense	(265,525)	(4,436,671)	547,028	(3,604,679)
Unrealised (gain) loss on foreign exchange	270,237,527	(269,058,835)	430,395,860	26,093,552
(Reversal of) allowance for loss on decline in value of inventories	(881,650,321)	998,672,911	(887,298,737)	992,244,768
(Reversal of) allowance for loss from impairment of assets	64,877,240	1,157,239,074	(128,802,744)	828,339,740
(Gain) loss on disposal of property, plant and equipment	74,964,514	(7,428,483)	75,061,787	(8,571,681)
Investment Income	(248,495,773)	(166,828,166)	(2,616,783,493)	(1,592,838,083)
Gain on disposal of investment in subsidiaries to related party	-	-	(173,645,000)	-
Provision for employee benefit	144,533,333	118,355,023	138,566,343	112,887,118
Deferred revenue	(1,531,570)	(1,149,678)	(1,531,570)	(1,149,678)
Provision for customer loyalty programmes	22,908,705	23,958,831	22,908,705	23,958,831
Share of profit of associate, net of income tax expense	(12,402,069)	(5,148,901)	-	-
Finance costs	1,614,563,861	1,426,796,802	1,463,223,916	1,293,813,887
Income tax expense (credit)	672,775,197	(690,525,886)	735,727,507	(326,298,955)
	<u>10,526,362,688</u>	<u>6,522,962,387</u>	<u>7,611,312,022</u>	<u>4,480,764,127</u>
<b>Changes in operating assets and liabilities</b>				
Trade accounts receivable	807,464,878	3,056,518,964	999,153,391	3,150,606,415
Other receivables	652,340,347	(428,854,525)	519,568,549	(366,187,984)
Inventories	1,287,325,856	2,113,587,403	997,220,531	2,104,930,237
Other current assets	1,412,243,054	740,969,157	1,373,151,507	647,807,561
Other non-current assets	(64,048,491)	(57,207,253)	(64,359,991)	(62,181,076)
Trade accounts payable	(1,007,121,583)	(5,862,757,457)	(1,144,521,302)	(5,819,553,082)
Other payables	(402,594,442)	140,522,756	(411,686,231)	207,759,278
Other current liabilities	(416,380,375)	837,065,112	(112,958,202)	640,852,263
Employee benefit obligations	(29,061,584)	(32,837,181)	(28,338,664)	(32,114,261)
Other non-current liabilities	(56,351,711)	(206,764,725)	(66,811,257)	(173,412,991)
Cash generated from operating activities	<u>12,710,178,637</u>	<u>6,823,204,638</u>	<u>9,671,730,353</u>	<u>4,779,270,487</u>
Income tax paid	<u>(677,222,726)</u>	<u>(755,221,946)</u>	<u>(530,269,535)</u>	<u>(736,364,087)</u>
<b>Net cash from operating activities</b>	<b><u>12,032,955,911</u></b>	<b><u>6,067,982,692</u></b>	<b><u>9,141,460,818</u></b>	<b><u>4,042,906,400</u></b>

The accompanying notes are an integral part of these financial statements.

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2015	2014 (Restated)	For the year ended 31 December 2015	2014
	(Baht)			
<i>Cash flows from investing activities</i>				
Interest received	211,751,409	166,457,157	292,525,857	126,903,437
(Increase) decrease in current investments	(3,895,872,961)	108,755,793	(4,500,000,000)	-
(Increase) decrease in long-term investments	(164,788,726)	(57,627,418)	12,518,274	(57,627,418)
Net cash outflow from issue of subsidiary's share capital	-	-	(3,761,201,842)	(5,851,286,247)
Net cash outflow on acquisition of subsidiary	(2,407,131,997)	(2,479,568,552)	-	-
Cash inflow from disposal of investment in subsidiaries	-	-	4,085,103,300	-
Cash inflow from capital distribution from subsidiary	-	-	2,300,000,000	-
Loans to related parties	-	-	(6,667,122,000)	-
Repayment of loans from related party	-	-	648,234,000	-
Dividend income	1,989,194	-	2,253,116,298	1,392,341,986
Purchase of property, plant and equipment	(4,644,673,923)	(7,349,671,007)	(3,457,736,154)	(3,629,300,997)
Sale of property, plant and equipment	53,322,851	12,469,490	52,571,775	12,440,703
Increase in leasehold right	(390,100,277)	(343,925,042)	(390,100,277)	(343,925,042)
Purchase of intangible assets	(107,259,638)	(99,173,858)	(54,488,813)	(38,271,527)
<b>Net cash used in investing activities</b>	<b>(11,342,764,068)</b>	<b>(10,042,283,437)</b>	<b>(9,186,579,582)</b>	<b>(8,388,725,105)</b>
<i>Cash flows from financing activities</i>				
Interest paid	(1,615,148,027)	(1,439,161,988)	(1,439,062,873)	(1,307,800,524)
Proceeds from issuance of debentures	2,996,100,000	9,987,059,760	2,996,100,000	9,987,059,760
Proceeds from long - term loans	1,122,011,539	-	-	-
Repayment of long - term loans	(1,356,122,669)	(1,254,237,066)	(825,494,128)	(776,659,058)
Dividend paid	(2,039,444,891)	(1,945,806,253)	(1,927,461,440)	(1,858,795,644)
<b>Net cash from (used in) financing activities</b>	<b>(892,604,048)</b>	<b>5,347,854,453</b>	<b>(1,195,918,441)</b>	<b>6,043,804,534</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(202,412,205)</b>	<b>1,373,553,708</b>	<b>(1,241,037,205)</b>	<b>1,697,985,829</b>
Cash and cash equivalents as at 1 January	7,954,246,322	6,527,404,199	6,709,626,823	5,011,640,994
Effect of exchange rate changes on balances held in foreign currencies	120,033,912	53,288,415	-	-
<b>Cash and cash equivalents as at 31 December</b>	<b>7,871,868,029</b>	<b>7,954,246,322</b>	<b>5,468,589,618</b>	<b>6,709,626,823</b>

The accompanying notes are an integral part of these financial statements.

**The Bangchak Petroleum Public Company Limited  
and its Subsidiaries**

Financial statements for the year ended  
31 December 2015  
and  
Independent Auditor's Report

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

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# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 18 February 2016.

### 1 General information

The Bangchak Petroleum Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office as follows:

Head office : 555/1, Energy Complex Building A, Floor 10th, Vibhavadi Rangsit Road, Chatuchak, Bangkok.

Refinery plant : 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Bangchak, Phakanong, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 23 April 1993.

On 30 April 2015, PTT Public Company Limited had divested its entire shareholding in the Company to Vayupak Fund 1 and Social Security Office.

On 31 December 2015, major shareholders of the Company during the period were Vayupak Fund 1 and Social Security Office holding 15.60% and 14.31% of issued and paid-up capital respectively. (As at 31 December 2014: the major shareholder of the Company was PTT Public Plc. which held 27.22% of issued and paid-up capital.)

The principal businesses of the Company are operating an oil refinery and marketing the finished products through its service stations under its company’s brand. The Company’s oil market includes consumers in various sectors, such as transportation, aviation, shipping, construction, industrial and agriculture. The sale of oil is also made through the major and the minor oil traders.

Details of the Company’s subsidiaries as at 31 December 2015 and 2014 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Direct subsidiaries</i>				
The Bangchak Green Net Co., Ltd.	Manage BCP service stations and consumer goods retailer	Thailand	49.00	49.00
The Bangchak Biofuel Co., Ltd.	Production and distribution of biodiesel	Thailand	70.00	70.00
BCPG Co., Ltd.	Holding and Operating in renewable energy	Thailand	100.00	-
BCP Energy International Pte Ltd.	Holding and Operating in international business	Singapore	100.00	100.00
BCP Innovation Pte. Ltd.	Holding and Operating in international business	Singapore	100.00	-

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2015	2014
<i>Indirect subsidiaries</i>				
The Bangchak Solar Energy Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
The Bangchak Solar Energy (Prachinburi) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
The Bangchak Solar Energy (Burirum) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
The Bangchak Solar Energy (Burirum1) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd.	Production of electricity from solar cell	Thailand	100.00	100.00
Nido Petroleum Limited	Exploration and production of petroleum	Australia	81.41	81.4

**2 Basis of preparation of the financial statements**

**(a) Statement of compliance**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group’s operations are disclosed in note 41.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except items described in notes to financial statements.

**(c) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.



# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### (d) *Use of estimates and judgements*

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Note 4	Significant acquisitions
Note 13	Valuation of investment properties
Note 14	Property, plant and equipment
Note 17 and 33	Current and deferred taxation
Note 22	Measurement of defined benefit obligations
Note 37	Financial instruments
Note 39	Contingent liabilities and contingent assets

#### *Measurement of fair values*

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

#### *Fair value hierarchy*

These fair value measurements for financial assets and liabilities are categorised into 3 levels in the fair value hierarchy based on the inputs to valuation techniques used as follows;

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: unobservable inputs and assumptions for fair value measurement for the assets or liabilities.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in the lowest level input that is significant to the entire measurement. The Group/Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 37.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 3 Significant accounting policies

*The accounting policies set out below have been applied consistently to all periods presented in these financial statements.*

#### (a) *Basis of consolidation*

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates.

##### *Business combinations*

The Group applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest (NCI) in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

##### *Acquisitions from entities under common control*

Business combinations of entities or businesses under common control are accounted for using a method similar to the pooling of interest method and in accordance with the Guideline issued in 2009 by the FAP.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### *Loss of control*

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### *Interests in equity-accounted investees*

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

## **(b) Foreign currencies**

### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency using the foreign exchange rates ruling at the dates of the transactions.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Foreign currency differences are generally recognized in profit or loss. However, foreign currency differences arising from the translation of the following items are recognized in other comprehensive income:

- available-for-sale equity investments (except on impairment in which case foreign currency differences that have been recognized in other comprehensive income are reclassified to profit or loss)

### *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are stated at exchange rates at the reporting date.

The revenues and expenses of foreign are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

### **(c) *Derivative financial instruments***

Derivative financial instruments are used to manage exposure to foreign exchange, interest rate arising from operational, financing and investment activities. Derivative financial instruments are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

### **(d) *Hedging***

#### *Hedge of future foreign currency transactions*

Gains and losses from forward exchange contracts and currency swaps used to hedge anticipated future currency transactions are deferred until the forecasted transaction occurs. Where the hedged item is a recognised asset or liability, it is translated at the contracted forward rates. Transaction fee and discounts are amortised to profit and loss on a straight-line basis over the life of the agreements.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### *Hedge of interest rates*

Interest differentials under swap arrangements are accrued and recorded as adjustments to the interest expense relating to the hedged loans.

### *Hedge of crack spread*

Difference between the fixed prices of contracts and the settlement prices are recognised in the statement of income in the period in which the contracts mature.

### **(e) Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of for the purpose of the statement of cash flows.

### **(f) Trade and other accounts receivable**

Trade and other accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

### **(f) Inventories**

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

### **(g) Non-current assets held for sale**

Non-current assets that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. The assets are measured at the lower of their carrying value and fair value less cost to sell.

### **(h) Investment**

#### *Investments in associates and subsidiaries*

Investments in associates and subsidiaries in the separated financial statements of the Company are accounted for using the cost method.

#### *Investments in other debt and equity securities*

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt

## **The Bangchak Petroleum Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

securities is amortised using the effective interest rate method over the period to maturity. Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

#### *Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

#### **(h) *Investment properties***

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

No depreciation is provided on land.

#### **(i) *Property, plant and equipment***

##### *Recognition and measurement*

##### *Owned assets*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

### *Subsequent costs*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	20 - 30 years
Machinery, equipment refinery plants and terminal	2 - 30 years
Equipment solar plants	5 - 25 years
Marketing and office equipment	5 - 20 years
Vehicles	5 years

No depreciation is provided on freehold land, platinum catalyst and assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### *Oil and Gas Properties*

When the technical and commercial feasibility of an undeveloped oil or gas field has been demonstrated, the field enters its development phase. The costs of oil and gas assets are transferred from exploration and evaluation expenditure and reclassified into development phase.

The costs of oil and gas properties include past exploration and evaluation costs, pre-production development costs and the ongoing costs of continuing to develop reserves for production as well as decommission costs.

Depletion charges are calculated using a unit of production method over the life of the estimated Proved plus Probable reserves.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### (j) *Leasehold right*

Leasehold rights are the rights obtained from the land lease contracts, which are amortised on a straight-line method over the contractual period.

Leasehold rights are presented at cost deducted by accumulated amortisation and impairment losses.

### (k) *Intangible assets*

#### *Other intangible assets*

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

#### *Subsequent expenditure*

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

#### *Amortizations*

Amortization is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

The right to use and the cost of development of computer software	3-8 years
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Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### *Exploration and Evaluation Expenditure*

Exploration and evaluation expenditure is stated at cost as intangible assets and is accumulated in respect of each identifiable area of interest. These costs are capitalised until the viability of the area of interest is determined.

Accumulated costs in relation to an abandoned area are written off through profit or loss in the period in which the decision to abandon the area is made.

Once an area of interest enters the development phase, exploration and evaluation expenditures are transferred to oil and gas properties.

### (l) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.



## **The Bangchak Petroleum Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

#### *Calculation of recoverable amount*

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### *Reversals of impairment*

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

Impairment losses on goodwill are never reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(m) Interest-bearing liabilities**

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

#### **(n) Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

#### **(o) Employee benefits**

##### *Defined contribution plans*

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

##### *Defined benefit plans*

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

### *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### *Share-based payments*

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as personnel expenses in profit or loss.

### **(p) Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### (q) *Share capital*

#### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

### (r) *Revenue*

Revenue excludes value added taxes and other sales taxes and is arrived at after deduction of trade discounts and volume rebates.

#### *Sale of goods and services rendered*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

#### *Income from sale of electricity*

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied as stipulated in the contract. Income from the sale of electricity is entitled to receive ADDER for a period of 10 years from the commencement of commercial sales. Thereafter, subsequent to this initial period income from sale of electricity is recognised at normal rates.

#### *Income from operating rights*

Income from operating right is recognised in accordance with the timing of the rights utilization and with conditions as stipulated in the contract.

#### *Loyalty programmes*

The Group has a customer loyalty programme whereby customers are awarded credits (Points) entitling customers to the right to purchase products from the Group at a discount or qualify for a free gift. The fair value of the consideration received or receivable in respect of the initial sale is allocated between the Points and the other components of the sale. The amount allocated to the Points is estimated by reference to the fair value of the right to purchase products at a discount or fair value of the free gift. The fair value is estimated based on the amount of the discount adjusted to take into account the expected forfeiture rate. Such amount is deferred and revenue is recognised only when the Points are redeemed and the Group has fulfilled its obligations to supply the products. The amount of revenue recognised in those circumstances is based on the number of Points that have been redeemed in exchange for discounted products, relative to the total number of Points that is expected to be redeemed. Deferred revenue is also released to profit or loss when it is no longer considered probable that the Points will be redeemed.

#### *Investments*

Revenue from investments comprises dividend and interest income from investments and bank deposits.

#### *Dividend income*

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

### *Interest income*

Interest income is recognised in profit or loss as it accrues.

### (s) *Finance costs*

Finance costs comprise interest expense on borrowings unwinding of the discount on provisions and contingent consideration.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

### (t) *Lease payments*

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

### (u) *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (v) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

### (w) *Segment reporting*

Segment results that are reported to the Group's president (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 4 Significant acquisitions

### *Nido Petroleum Limited*

On 30 July 2014, BCP Energy International Pte. Ltd., ("BCP Energy") a subsidiary of the Company entered into a share purchase agreement of Nido Petroleum Limited ("NIDO") with Petroleum International Investment Corporation to purchase 402.95 million common shares (equivalent to 19.66% of total issued shares capital) at AUD 0.055 per share for a total consideration of AUD 22.2 million.

NIDO is incorporated in Australia and its principal activities are the exploration and production of petroleum and natural gas. Taking control of NIDO enable the Company to expand the business into exploration and production of petroleum business and form the fundamental development of exploration and production of petroleum business in accordance with the Company's expansion direction.

On 4 August 2014, BCP Energy entered a bid implementation deed to make a recommended tender offer to purchase all of the outstanding shares that it does not hold at the same price as the Share Purchase Agreement via an off-market takeover with the offer period of one month, from 19 August 2014 to 19 September 2014 which further extended to 3 October 2014.

On 19 September 2014, BCP Energy achieved over 50.10% relevant interest in NIDO shares and free of all remaining conditions. NIDO thereby became a subsidiary of the Group from 19 September 2014.

At the end of the offer period on 3 October 2014, BCP Energy has acquired 1,781.50 million common shares in NIDO, representing 81.41% equity interest for a total consideration of AUD 97.98 million (approximately Baht 2,706.91 million).

The purchase under this condition is in accordance with TFRS 3 (Revised 2012) Business

## The Bangchak Petroleum Public Company Limited and its Subsidiaries

### Notes to the financial statements

Combinations, requires the recognition of assets, liabilities and contingent liabilities acquired at the acquisition date at fair value, including goodwill (if any). The The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired during the measurement period, which must not exceed one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the valuation of net assets of NIDO which the Company acquired on 19 September 2014 was completed in the 2nd quarter of 2015.

The following summaries the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	<b>Recognized value</b>	<b>Fair value</b> <i>(in million Baht)</i>	<b>Adjustments</b>
Cash and cash equivalents	750.47	750.47	-
Trade and other accounts receivable	654.34	654.34	-
Inventories	87.50	87.56	0.06
Property, plant and equipment	1,366.46	2,028.87	662.41
Intangible assets	1,378.63	1,493.93	115.30
Other assets	137.96	137.96	-
Trade and other accounts payable	(349.07)	(349.07)	-
Income tax payable	(108.05)	(108.05)	-
Long-term loans from financial institutions	(554.48)	(554.48)	-
Deferred tax liabilities	(168.07)	(386.21)	(218.14)
Employee benefit obligations	(1.03)	(1.03)	-
Provision for the decommissioning cost	(409.67)	(409.67)	-
<b>Net identifiable assets and liabilities</b>	<b>2,784.99</b>	<b>3,344.62</b>	<b>559.63</b>
<i>Less non-controlling interests</i>	<i>(533.46)</i>	<i>(637.71)</i>	<i>(104.25)</i>
<b>Net assets acquired</b>	<b>2,251.53</b>	<b>2,706.91</b>	<b>445.38</b>
Goodwill	455.38	-	(455.38)
<b>Total consideration</b>	<b>2,706.91</b>	<b>2,706.91</b>	<b>-</b>
Cash acquired	(750.47)	(750.47)	-
<b>Net consideration</b>	<b>1,956.44</b>	<b>1,956.44</b>	<b>-</b>

The consolidated financial statements as at 31 December 2014 included in these financial statements have been restated to reflect new information obtained about facts and circumstances that existed as of the acquisition date and the subsequently recognized adjustments as follows;

#### The impacts to the consolidated statement of financial position as at 31 December 2014:

<i>Assets</i>	<i>(in million Baht)</i>
Property, plant and equipment increase	662.41
Allowance for impairment losses increase	(662.41)
<b>Net</b>	<b>-</b>
Intangible assets increase	115.30
Allowance for impairment losses increase	(115.30)
<b>Net</b>	<b>-</b>
Goodwill decrease	(455.38)
Allowance for impairment losses decrease	455.38

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Net

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**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

<i>Liability</i>	<i>(in million Baht)</i>
Deferred tax liabilities increase	(218.14)
Reversal of deferred tax liabilities	218.14
<b>Net</b>	<b>-</b>
<i>Equity</i>	
Retained earnings decrease	(15.67)
Other component of equity increase	18.13
<b>Equity of the Company increase</b>	<b>2.46</b>
Non-controlling interests decrease	(2.46)
<b>Total equity</b>	<b>-</b>

**The impacts for the year ended 31 December 2014:**

	<i>(in million Baht)</i>
<b>Statement of income</b>	
Increase in cost of goods sold	(19.32)
Increase in loss from impairment of assets	(335.76)
Decrease in income tax expense	227.74
<b>Profit for the year - decrease</b>	<b>(127.34)</b>
<b>Profit (loss) attributable to :</b>	
Owners of the Company decrease	(15.67)
Non-controlling interests decrease	(111.67)
<b>Profit for the year - decrease</b>	<b>(127.34)</b>
<b>Decrease in basis earnings per share (in Baht)</b>	<b>(0.01)</b>
<b>Statement of comprehensive income</b>	
Decrease in profit for the year	(127.34)
Other comprehensive income - increase	23.04
<b>Total comprehensive income - decrease</b>	<b>(104.30)</b>
<b>Total comprehensive income (loss) attributable to :</b>	
Owners of the Company increase	2.46
Non-controlling interests decrease	(106.76)
<b>Total comprehensive income for the year - decrease</b>	<b>(104.30)</b>

*Galoc Production Company WLL*

On 12 December 2014, Nido Petroleum Limited (“NIDO”), a subsidiary within the group entered into Sale and Purchase Agreement with Otto Energy Limited (“OTTO”) whereby NIDO will acquire 100 percent of the shares in Galoc Production Company WLL (“GPC”) for a purchase price of USD 108 million adjusted with share of net income from 1 July 2014 until the completion of the transaction which was conditional on OTTO’s shareholder approval which was received on 20 January 2015. NIDO has finalised all remaining conditions with respect to the transaction and completed its acquisition in GPC shares on 17 February 2015 for a total consideration of USD 87.4 million (approximately Baht 2,876.04 million). The acquisition of GPC which holds a 33% interest in the Galoc oil field in Philippines will increase NIDO’s working interest in the Galoc oil field from 22.88% to 55.88% and assume operatorship of the Galoc oil field.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

The acquisition of 100% of the share capital of GPC represents the acquisition of a joint operation that is carrying on a business. The Group applied its accounting policy based on the asset acquisition accounting.

The following summarises of assets acquired and liabilities assumed recognized at the acquisition date:

	<i>(in million Baht)</i>
Cash and cash equivalents	201.13
Trade and other accounts receivable	162.56
Inventories	223.59
Property, plant and equipment	2,112.91
Intangible assets	855.75
Other assets	232.71
Trade and other accounts payable	(273.18)
Income tax payable	(57.10)
Provision for the decommissioning cost	(287.07)
Other liabilities	(274.01)
<b>Net identifiable assets and liabilities</b>	<b><u>2,897.29</u></b>
<b>Total consideration</b>	<b>2,897.29</b>
Cash acquired	(201.13)
<b>Net consideration</b>	<b><u>2,696.16</u></b>

For the period from 17 February 2015 to 31 December 2015, the said Company contributed net profit of USD 11.72 million (approximately Baht 404.46 million) to the Group's results.

## 5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Vayupak Fund 1	Thailand	Major shareholder, some common directors
Social Security Office	Thailand	Major shareholder, some common directors
Ubon Bio Ethanol Co., Ltd.	Thailand	Associate, Shareholding 21.28 %
Ubon Agricultural Energy Co., Ltd.	Thailand	Indirect associate, representative from the Company as director
Fuel Pipeline Transportation Ltd.	Thailand	Shareholding, representative from the Company as director
The Bangchak Green Net Co., Ltd.	Thailand	Subsidiary, Shareholding 49 % and representative from the Company as director
The Bangchak Biofuel Co., Ltd.	Thailand	Subsidiary, Shareholding 70 % and representative from the Company as director

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
BCPG Co.,Ltd	Thailand	Subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy Co., Ltd.	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy (Prachinburi) Co., Ltd.	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy (Burirum) Co., Ltd.	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy (Burirum1) Co., Ltd.	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
The Bangchak Solar Energy (Nakhon Ratchasima) Co.,Ltd	Thailand	Indirect subsidiary, Shareholding 100 % and representative from the Company as director
BCP Energy International Pte.Ltd.	Singapore	Subsidiary, Shareholding 100 % and representative from the Company as director
BCP Innovation Pte. Ltd.	Singapore	Subsidiary, Shareholding 100% and representative from the Company as director
Nido Petroleum Limited	Australia	Indirect Subsidiary, Shareholding 81.41 % and representative from the Company as director
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
<b><i>PTT Public Company Limited Group</i></b>		<b><i>Nature of relationships until 30 April 2015</i></b>
PTT Public Company Limited	Thailand	Major shareholder, some common directors
PTT ICT Solutions Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT International Trading Pte. Ltd.	Singapore	Major shareholder as the Company's shareholder
IRPC Plc.	Thailand	Major shareholder as the Company's shareholder
Thai Oil Plc.	Thailand	Major shareholder as the Company's Shareholder

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
<b><i>PTT Public Company Limited Group (Continue)</i></b>		
Energy Complex Co., Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT Global Chemical Plc.	Thailand	Major shareholder as the Company's shareholder
Star Petroleum Refining Co.,Ltd.	Thailand	Major shareholder as the Company's shareholder
PTT Energy Solutions Co.,Ltd.	Thailand	Major shareholder as the Company's shareholder
NPC Safety and Environmental Service Co., Ltd.	Thailand	Related Company of Major Shareholder
Thai Lube Base Plc.	Thailand	Related Company of Major Shareholder
IRPC Oil Co., Ltd.	Thailand	Related Company of Major Shareholder
PTTEP Siam Co., Ltd.	Thailand	Related Company of Major Shareholder
PTT Tank Termianl Co.,Ltd.	Thailand	Related Company of Major Shareholder

The pricing policies for particular types of transactions are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Sale of goods	Market price/ Contractually agreed prices
Rendering of service	Contractually agreed prices
Purchase of goods/raw materials	Market price/ Contractually agreed prices
Receiving of services	Contractually agreed prices
Technical assistance fee	Contractually agreed prices
Royalty expense	Contractually agreed prices
Interest expense	Contractually agreed rate with reference to market rate and deposit interest rate

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Significant transactions with related parties for the year ended 31 December 2015 and 2014 of which **significant transactions with PTT Public Company Limited group for 2015 were the transactions up until 30 April 2015** as follows;

<i>Year ended 31 December</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Subsidiaries</b>				
Sales of goods	-	-	27,495.08	31,565.62
Purchases of goods	-	-	4,353.63	3,926.17
Other income	-	-	204.18	32.31
Dividend income	-	-	2,181.13	1,462.34
Interest income	-	-	206.96	-
Interest expenses	-	-	0.39	0.47
Other expenses	-	-	20.53	21.32
<b>Associate and indirect associate</b>				
Sales of goods	38.75	21.70	38.75	21.70
Purchase of goods	1,300.68	1,326.32	1,300.68	1,326.32
Other income	0.02	0.02	0.02	0.02
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	163.63	132.98	137.65	125.44
Post-employment benefits and other long-term benefits	11.78	7.74	11.78	6.15
<b>Total key management personnel compensation</b>	<b>175.41</b>	<b>140.72</b>	<b>149.43</b>	<b>131.59</b>
<b>Other related parties</b>				
Other income	5.75	5.68	5.75	5.68
Pipeline transportation expenses	390.16	335.78	390.16	335.78
Dividend income	1.99	-	1.99	-
<b>PTT Public Company Limited Group</b>				
Sales of goods	6,123.20	19,076.31	6,116.97	18,956.67
Purchases of raw materials	29,036.31	132,210.49	29,007.85	132,086.40
Other income	44.64	129.23	44.64	129.23
Service expense	102.88	305.76	102.88	305.76
Other expense	11.20	48.69	11.20	48.69
Interest expenses	18.45	58.38	18.45	58.38

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Balances as at 31 December 2015 and 2014 with related parties (as at 31 December 2015, no outstanding balances with PTT Public Company Limited Group because of the termination of related parties since 30 April 2015) were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Trade accounts receivable - related parties</b>				
<b>Subsidiaries</b>				
The Bangchak Green Net Co., Ltd.	-	-	842.97	942.94
The Bangchak Biofuel Co., Ltd.	-	-	0.99	1.06
<b>Associate and indirect associate</b>				
Ubon Bio Ethanol Co., Ltd.	1.57	1.85	1.57	1.85
Ubon Agricultural Energy Co., Ltd	0.02	4.87	0.02	4.87
<b>Other related parties</b>				
Fuel Pipeline Transportation Limited	0.33	0.33	0.33	0.33
<b>PTT Public Company Limited Group</b>				
PTT Public Company Limited	-	617.78	-	614.25
IRPC Plc.	-	57.59	-	57.59
	<u>1.92</u>	<u>682.42</u>	<u>845.88</u>	<u>1,622.89</u>
<i>Less allowance for doubtful accounts</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<b>Net</b>	<b><u>1.92</u></b>	<b><u>682.42</u></b>	<b><u>845.88</u></b>	<b><u>1,622.89</u></b>
Bad and doubtful debts expense for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other receivables - related parties</b>				
<b>Dividend receivable</b>				
<b>Subsidiary</b>				
The Bangchak Biofuel Co., Ltd.	-	-	-	70.00
<b>Other accounts receivable</b>				
<b>Subsidiaries</b>				
BCPG Co., Ltd.	-	-	38.07	-
The Bangchak Solar Energy Co., Ltd.	-	-	0.39	0.43
The Bangchak Solar Energy (Prachinburi) Co., Ltd.	-	-	-	0.22
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	-	-	-	0.16
The Bangchak Solar Energy (Burirum) Co., Ltd.	-	-	-	0.16
The Bangchak Solar Energy (Burirum1) Co., Ltd.	-	-	-	0.16
The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd.	-	-	-	0.16
BCP Energy International Pte Ltd.	-	-	-	57.68
Nido Petroleum Limited	-	-	87.12	-
BCP Innovation Pte. Ltd.	-	-	1.65	-

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>PTT Public Company Limited Group</b>				
PTT Public Company Limited	-	415.68	-	415.68
PTTEP Siam Co., Ltd.	-	-	-	-
<b>Total</b>	<b>-</b>	<b>415.68</b>	<b>127.23</b>	<b>544.65</b>

<i>Loan to related parties</i>	<b>Rate</b>		<b>Consolidated</b>		<b>Separate</b>	
	2015	2014	<b>financial statements</b>		<b>financial statements</b>	
			2015	2014	2015	2014
	<i>(%)</i>		<i>(in million Baht)</i>			
<b>Short-term loans</b>						
<b>Subsidiaries</b>						
BCP Innovation Pte. Ltd.	2.00	-	-	-	179.62	-
BCPG Co., Ltd.	2.5-4.22	-	-	-	210.00	-
			<b>-</b>	<b>-</b>	<b>389.62</b>	<b>-</b>
<b>Long-term loan</b>						
<b>Subsidiaries</b>						
Nido Petroleum Limited	6.36	-	-	-	3,168.44	-
BCPG Co., Ltd.	2.5-4.22	-	-	-	6,018.00	-
Total			-	-	9,186.44	-
Less current portion due within one year			-	-	(302.80)	-
<b>Total loan to related parties</b>			<b>-</b>	<b>-</b>	<b>8,883.64</b>	<b>-</b>

Movements during the year ended 31 December 2015 and 2014 of loans to related parties were as follows:

	<b>Consolidated financial</b>		<b>Separate financial</b>	
	<b>statements</b>		<b>statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Short-term loan</b>				
<b>Subsidiary</b>				
At 1 January	-	-	-	-
Increase	-	-	380.99	-
Effect of change in exchange rates	-	-	8.63	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>389.62</b>	<b>-</b>
<b>Long-term loan</b>				
<b>Subsidiary</b>				
At 1 January	-	-	-	-
Increase	-	-	9,552.14	-
Decrease	-	-	(648.23)	-
Effect of change in exchange rates	-	-	282.53	-
Less current portion due within one year	-	-	(302.80)	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>8,883.64</b>	<b>-</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Trade accounts payable - related parties</b>				
<b>Subsidiaries</b>				
The Bangchak Green Net Co., Ltd.	-	-	2.89	2.17
The Bangchak Biofuel Co., Ltd.	-	-	241.50	301.80
The Bangchak Solar Energy Co., Ltd.	-	-	-	0.48
<b>Associate</b>				
Ubun Bio Ethanol Co., Ltd.	113.29	151.63	113.29	151.63
<b>PTT Public Company Limited</b>				
<b>Group</b>				
PTT Public Company Limited	-	4,278.23	-	4,258.79
Thai Oil Plc.	-	165.52	-	165.52
Thai Lube Base Plc.	-	2.73	-	2.73
IRPC Plc.	-	168.76	-	168.76
IRPC Oil Co., Ltd.	-	6.47	-	6.47
<b>Total</b>	<b><u>113.29</u></b>	<b><u>4,773.34</u></b>	<b><u>357.68</u></b>	<b><u>5,058.35</u></b>
<b>Other accounts payable - related parties</b>				
<b>Subsidiary</b>				
The Bangchak Green Net Co., Ltd.	-	-	0.36	-
<b>Other related party</b>				
Fuel Pipeline Transportation Ltd.	30.08	34.34	30.08	34.34
<b>PTT Public Company Limited</b>				
<b>Group</b>				
PTT Public Company Limited	-	830.29	-	830.29
Energy Complex Co., Ltd.	-	0.19	-	0.19
<b>Total</b>	<b><u>30.08</u></b>	<b><u>864.82</u></b>	<b><u>30.44</u></b>	<b><u>864.82</u></b>



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Investment in subsidiaries</i></b>				
The Bangchak Green Net Co., Ltd.	-	-	0.49	0.49
The Bangchak Biofuel Co., Ltd.	-	-	197.05	197.05
The Bangchak Solar Energy Co., Ltd.	-	-	-	4,100.00
The Bangchak Solar Energy (Prachinburi) Co., Ltd.	-	-	-	686.00
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	-	-	-	345.45
The Bangchak Solar Energy (Burirum) Co., Ltd.	-	-	-	369.95
The Bangchak Solar Energy (Burirum1) Co., Ltd.	-	-	-	374.85
The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd.	-	-	-	335.21
BCPG Co., Ltd.	-	-	3,700.00	-
BCP Energy International Pte Ltd.	-	-	2,933.57	2,875.86
BCP Innovation Pte. Ltd.	-	-	3.49	-
	-	-	6,834.60	9,284.86
<i>Less provision for impairment</i>	-	-	(689.88)	(825.36)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>6,144.72</b>	<b>8,459.50</b>
<b><i>Investment in associate</i></b>				
Ubon Bio Ethanol Co., Ltd.	774.33	761.93	763.23	763.23
<b><i>Other non-current assets</i></b>				
<b>Other related party</b>				
Fuel Pipeline Transportation Ltd.	20.73	26.41	20.73	26.41
<b>PTT Public Company Limited Group</b>				
Energy Complex Co., Ltd.	-	4.76	-	4.76
<b>Total</b>	<b>20.73</b>	<b>31.17</b>	<b>20.73</b>	<b>31.17</b>
<b><i>Finance lease liabilities</i></b>				
<b>PTT Public Company Limited</b>				
Current	-	84.84	-	84.84
Non-current	-	919.49	-	919.49
<b><i>Other current liabilities</i></b>				
<b>Subsidiaries</b>				
The Bangchak Green Net Co., Ltd.	-	-	29.40	29.02
BCPG Co., Ltd.	-	-	0.23	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>29.63</b>	<b>29.02</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Other non-current liabilities</i></b>				
<b>Subsidiary</b>				
BCPG Co., Ltd.	-	-	5.45	-
<b>Other related party</b>				
Fuel Pipeline Transportation., Ltd.	3.45	3.92	3.45	3.92
<b>Total</b>	<u><b>3.45</b></u>	<u><b>3.92</b></u>	<u><b>8.90</b></u>	<u><b>3.92</b></u>

***Significant agreements with related parties***

***Fuel Pipeline Transportation Agreement***

During 1997, the Company entered into a fuel pipeline transportation agreement with a related company. The related company will provide transportation service of fuel products to Don-muang and Suvarnabhumi International Airport and transportation service for petroleum products to fuel depot at Bang-pa-in. The agreement has no specified expiry date and can be terminated by either party by giving at least 60 days written notice for termination to the other party.

***Bio-diesel Sales and Purchase Agreement***

During 2008, the Company entered into a Bio-diesel Sales and Purchase Agreement with a subsidiary for a period of seven years to start from the commencement of the Bio-diesel Plant's commercial operations. The Company will purchase bio-diesel oil at yearly average volumes not less than 60% of maximum bio-diesel production capacity at the market prices as stipulated in the agreement.

During 2014, the Company entered into a Bio-diesel Sales and Purchase Agreement with a subsidiary for a period of eight years to start from the commencement of the Bio-diesel Plant's 2 commercial operations. The Company will purchase bio-diesel oil at yearly average volumes not less than 60% of maximum bio-diesel production capacity at the market prices as stipulated in the agreement.

***Service Station Operating Right Agreement***

During 2013, the Company entered into Service Station Operating Right Agreement which include the right to operate within service station with a subsidiary for a period of 5 years. The subsidiary agreed to pay the fee at agreed prices as stipulated in the agreement. For mutual interest under the agreement, the subsidiary agreed to purchase the finish oil products at contractually agreed prices. During the third quarter of 2015, the Company signed the memorandum of understanding to cancel the operating right fee in the contract and agree the incremental selling price of oil product to the subsidiary as stipulated in the memorandum.

***Store Operation Right Agreement***

During 2013, the Company entered into Store Operation Right Agreement with a subsidiary for a period of 5 years to operate retail stores within service stations under the Company's brand. The subsidiary agreed to pay the fee under agreed prices as stipulated in the agreement. During the third quarter of 2015, the Company signed the memorandum of understanding to cancel the operating right fee in the contract.

# **The Bangchak Petroleum Public Company Limited and its Subsidiaries**

## **Notes to the financial statements**

### ***Management Service Agreement for Electricity Generation from Solar Cell***

The Company entered into management service agreement with a subsidiary for managing and producing electricity from solar cell and green energy learning center for a period of 5 years commencing from 1 August 2012 to 31 July 2017. The Company agreed to pay the fee on monthly basis. Management service fees and conditions are as stipulated in the agreement. During the fourth quarter of 2015, the Company and the subsidiary has terminated the contract.

### ***Management Service***

The Company entered into management service agreement with subsidiaries for general management service. The Company agreed to provide human resources to manage operation process in accordance with subsidiaries' direction. Management service fees and conditions are as stipulated in the agreement.

### ***Loan Agreement***

The Company has an unsecured loan agreement with Nido Petroleum Limited, indirect subsidiary of the Company for the credit facility of USD 120 million. The loan bears interest and repayment schedule as stipulated in the agreement.

In November 2015, the Company has entered into unsecured loan agreement with BCPG Co.,Ltd., a subsidiary of the Company for the credit facility of Baht 3,028 million, payable in 20 instalments on quarterly basis with the first payment due in March 2016. The loan bears interest and repayment schedule as stipulated in the agreement. Subsequently in January 2016, the Company has terminated the loan agreement and entered into the new agreement with the same terms and conditions as stipulated in the previous agreement.

In November 2015, the Company has entered into unsecured loan agreement with BCPG Co.,Ltd., a subsidiary of the Company for the credit facility of Baht 3,100 million with repayment schedule in January 2016. The loan bears interest and conditions as stipulated in the agreement. Subsequently in January 2016, the Company has entered into another loan agreement to extend the repayment schedule to May 2017 with the same terms and conditions as stipulated in the previous agreement.

In December 2015, the Company has entered into unsecured loan agreement with BCPG Co.,Ltd., a subsidiary of the Company for the credit facility of Baht 830 million with repayment schedule in January 2016. The loan bears interest and conditions as stipulated in the agreement. Subsequently in January 2016, the Company has entered into another loan agreement to extend the repayment schedule to December 2016 with the same terms and conditions as stipulated in the previous agreement.

In July 2015, the Company has an unsecured loan agreement with BCP Innovation Pte. Ltd., direct subsidiary of the Company totalling of USD 5 million. The loan bears interest and repayment schedule as stipulated in the agreement. Subsequently, in January 2016, the Company has entered into consecutive loan agreement to extend the repayment schedule to February 2016 with the same terms and conditions as stipulated in the previous agreement.

### ***Significant agreements with PTT Public Company Limited Group (related parties up until 30 April 2015)***

#### ***Feedstock Supply Agreement***

During 2006, the Company entered into Feedstock Supply Agreement, to enhance the Company's feedstock supply, whereby PTT Public Company Limited will supply crude oil and other feed stocks

## **The Bangchak Petroleum Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

for the refinery process commencing from 16 May 2006 and shall be in effect for a period of twelve years after Process Quality Improvement (PQI)'s commercial operation date.

#### ***Oil-Product Sales and Purchase Agreement***

During 2006, the Company entered into Sale and Purchase Agreement with the PTT Public Company Limited, to accommodate the additional Gasoline production outputs from the PQI project after commercial operation date. PTT Public Company Limited will purchase minimum level of 30% of refined petroleum products (not include aviation fuel and fuel oil) from the refinery. This agreement shall be in effect for a period of twelve years after PQI's commercial operation date.

Since 2007, the Company has entered into five oil products purchase agreements with PTT Public Company. PTT Public Company will provide oil products at quantities and prices as stipulated in the agreement. The agreement has no specified expiry date and can be terminated by either party by giving at least 90 days written notice for termination to the other party.

#### ***Petroleum and Gas Tank Storage Service Agreement***

The Company entered into Petroleum and Gas Tank Storage Service Agreement with the PTT Public Company Limited for a period of 15 years from 1 January 2009 to 31 December 2023 with the service fee as stipulated in the agreement.

#### ***Office Rental and Service Agreements***

The Company entered into office rental and service agreements with a related company for a period of 3 years commencing from 1 October 2012 to 30 September 2015 and with a renewable option for another period of 3 years. Office rental fees and conditions are as stipulated in the agreement.

#### ***Establishment and Management Service Agreement for NGV Service Station***

The Company entered into establishment and management service agreement for NGV service station with PTT Public Company Limited. PTT Public Company Limited has the right to utilize the lands and/or lands with building. The Company will receive the fee for land utilization and management fee for service station as stipulated in the agreements. Establishment agreements shall be in effect for a period of 8 – 23 years which will be expired between 2016 - 2031. Management service agreement for service station shall be effect for 1 year which will be annually reviewed.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**6 Cash and cash equivalents**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Cash on hand	101.52	47.90	0.62	0.66
Cash at banks - current accounts	828.64	535.65	72.42	63.49
Cash at banks - savings accounts	6,726.23	4,224.20	5,395.55	3,645.48
Highly liquid short-term investments	215.48	3,146.50	-	3,000.00
<b>Total</b>	<b>7,871.87</b>	<b>7,954.25</b>	<b>5,468.59</b>	<b>6,709.63</b>

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB)	6,929.15	7,655.20	5,370.49	6,704.25
United States Dollars (USD)	698.94	251.48	98.10	5.38
Others	243.78	47.57	-	-
<b>Total</b>	<b>7,871.87</b>	<b>7,954.25</b>	<b>5,468.59</b>	<b>6,709.63</b>

**7 Investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Current investment</i></b>				
Short-term deposits at financial institutions	4,518.56	622.69	4,500.00	-
	<b>4,518.56</b>	<b>622.69</b>	<b>4,500.00</b>	<b>-</b>
<b><i>Other long-term investments</i></b>				
<b><i>Available-for-sale equity security</i></b>				
Western Lithium USA Corporation	192.04	-	-	-
<b><i>Other long-term investments</i></b>				
<b><i>Non-marketable equity securities</i></b>				
Fuel Pipeline Transportation Ltd.	65.57	65.57	65.57	65.57
ASEAN Potash Mining Plc. (former as ASEAN Potash Chaiyaphum Plc.)	-	173.24	-	173.24
Core Flexible Fund (former as MFC Energy Fund)	112.46	124.97	112.46	124.97
Less: Allowance for impairment	(44.71)	(43.43)	(44.71)	(43.43)
<b>Non-marketable equity securities - net</b>	<b>325.36</b>	<b>320.35</b>	<b>133.32</b>	<b>320.35</b>
<b><i>Debt securities held to maturity</i></b>				
Government bonds	3.00	3.00	3.00	3.00
Add: Premium on investments	0.04	0.06	0.04	0.06
<b>Debt securities held to maturity - net</b>	<b>3.04</b>	<b>3.06</b>	<b>3.04</b>	<b>3.06</b>
<b>Other long-term investments</b>	<b>328.40</b>	<b>323.41</b>	<b>136.36</b>	<b>323.41</b>
<b>Total</b>	<b>4,846.96</b>	<b>946.10</b>	<b>4,636.36</b>	<b>323.41</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Movement of available-for-sale equity security during the year ended 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Other long-term investments</b>				
<b>Available-for-sale equity security</b>				
At 1 January	-	-	-	-
Acquisition	177.31	-	-	-
Change in fair value of available-for-sale investment	14.59	-	-	-
Gain on exchange rate	0.14	-	-	-
<b>At 31 December</b>	<b>192.04</b>	<b>-</b>	<b>-</b>	<b>-</b>

On 28 December 2015, the Company has entered into Sale and Purchase Agreement with S Group AEC (Thailand) Company Limited to sell total ownership in ASEAN Potash Chaiphum Public Company Limited totaling 1.93 million shares or approximately 10.66% of the paid up capital for a total consideration of Baht 202.70 million. The transaction was completed on 14 January 2016, therefore, the Company has reclassified other long term investment in ASEAN Potash Chaiphum Public Company Limited to asset classified as held for sale.

Investments of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht, except investment in Western Lithium USA Corporation which was dominated in Canadian Dollar.

## 8 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Related parties	5	1.92	682.42	845.88	1,622.89
Other parties		5,254.31	5,178.63	4,487.53	4,706.21
<b>Total</b>		<b>5,256.23</b>	<b>5,861.05</b>	<b>5,333.41</b>	<b>6,329.10</b>
Less: allowance for doubtful accounts		(21.87)	(25.97)	(21.87)	(25.97)
<b>Net</b>		<b>5,234.36</b>	<b>5,835.08</b>	<b>5,311.54</b>	<b>6,303.13</b>
(Reversal of) bad and doubtful debts expense for the year		(1.36)	(4.44)	(0.55)	(3.60)

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Related parties</b>				
Within credit terms	1.92	682.42	845.88	1,622.89
Less: allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b><u>1.92</u></b>	<b><u>682.42</u></b>	<b><u>845.88</u></b>	<b><u>1,622.89</u></b>
<b>Other parties</b>				
Within credit terms	5,163.78	5,106.26	4,402.35	4,635.61
Overdue:				
Less than 3 months	66.89	41.33	61.65	39.65
3-6 months	0.58	1.28	0.50	1.25
6-12 months	0.50	4.00	0.47	3.93
Over 12 months	22.56	25.76	22.56	25.77
	<b><u>5,254.31</u></b>	<b><u>5,178.63</u></b>	<b><u>4,487.53</u></b>	<b><u>4,706.21</u></b>
Less: allowance for doubtful accounts	(21.87)	(25.97)	(21.87)	(25.97)
<b>Net</b>	<b><u>5,232.44</u></b>	<b><u>5,152.66</u></b>	<b><u>4,465.66</u></b>	<b><u>4,680.24</u></b>
<b>Total</b>	<b><u>5,234.36</u></b>	<b><u>5,835.08</u></b>	<b><u>5,311.54</u></b>	<b><u>6,303.13</u></b>

The normal credit term granted by the Group ranges from 1 days to 90 days.

The currency denomination of trade accounts receivable as at 31 December was as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB)	4,136.36	4,511.71	4,413.09	4,979.76
United States Dollars (USD)	1,098.00	1,323.37	898.45	1,323.37
<b>Total</b>	<b><u>5,234.36</u></b>	<b><u>5,835.08</u></b>	<b><u>5,311.54</u></b>	<b><u>6,303.13</u></b>



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**9 Other receivables**

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
<b>Related parties</b>	5	<b>-</b>	<b>415.68</b>	<b>127.23</b>	<b>544.65</b>
<b>Other parties</b>					
Receivable from oil hedging contracts		7.70	33.55	7.70	33.55
Insurance compensation receivable		-	243.30	-	243.30
Prepaid expenses		314.84	253.46	237.70	218.76
Others		419.93	313.52	133.07	60.22
<b>Total</b>		<b>742.47</b>	<b>1,259.51</b>	<b>505.70</b>	<b>1,100.48</b>

**10 Inventories**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Crude oil	5,565.79	8,740.22	5,331.14	8,513.67
Finished oil products	7,706.39	5,692.37	7,351.95	5,283.67
Materials and supplies	878.18	706.49	776.14	659.10
Consumer products	18.03	22.64	-	-
	14,168.39	15,161.72	13,459.23	14,456.44
<i>Less: allowance for obsolete and slow moving</i>	(106.70)	(104.35)	(106.30)	(103.84)
<i>allowance for decline in value</i>	(117.02)	(998.67)	(104.95)	(992.24)
<b>Net</b>	<b>13,944.67</b>	<b>14,058.70</b>	<b>13,247.98</b>	<b>13,360.36</b>

As at 31 December 2015 and 2014, the Company's inventories included petroleum legal reserve of 377.45 million liters with approximated value of Baht 3,988.14 million and 586.75 million liters with approximated value of Baht 9,966.95 million, respectively.

The cost of inventories which is recognized as an expense and included in 'cost of sale of goods' for the year ended 31 December 2015 amounting to Baht 87,779.69 million (2014: Baht 113,797.76 million).

**11 Investments in subsidiaries**

	Separate financial statements	
	2015	2014
	<i>(in million Baht)</i>	
<b>Subsidiaries</b>		
At 1 January	8,459.50	3,433.57
Acquisitions	3,761.20	5,851.29
Disposals	(3,911.46)	-
Capital distribution	(2,300.00)	-
Reversal (loss) from impairment	135.48	(825.36)
<b>At 31 December - net</b>	<b>6,144.72</b>	<b>8,459.50</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Investments in subsidiaries as at 31 December 2015 and 2014, and dividend income for the years then ended were as follows:

	<b>Separate financial statements</b>											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Subsidiaries</b>												
The Bangchak Green Net Co., Ltd.	49.00	49.00	1.00	1.00	0.49	0.49	-	-	0.49	0.49	30.38	-
The Bangchak Biofuel Co., Ltd.	70.00	70.00	281.50	281.50	197.05	197.05	-	-	197.05	197.05	191.24	202.96
The Bangchak Solar Energy Co., Ltd.	-	100.00	-	4,100.00	-	4,100.00	-	-	-	4,100.00	1,409.99	1,025.00
The Bangchak Solar Energy (Prachinburi) Co., Ltd.	-	49.00	-	1,400.00	-	686.00	-	-	-	686.00	183.51	72.03
The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	-	49.00	-	705.00	-	345.45	-	-	-	345.45	94.21	39.75
The Bangchak Solar Energy (Burirum) Co., Ltd.	-	49.00	-	755.00	-	369.95	-	-	-	369.95	90.56	43.47
The Bangchak Solar Energy (Burirum1) Co., Ltd.	-	49.00	-	765.00	-	374.85	-	-	-	374.85	89.96	39.54
The Bangchak Solar Energy (Nakhon Ratchasima) Co.,Ltd.	-	49.00	-	684.10	-	335.21	-	-	-	335.21	91.28	39.59
BCPG Co., Ltd.	100.00	-	3,700.00	-	3,700.00	-	-	-	3,700.00	-	-	-

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	Ownership interest		Paid-up capital		Separate financial statements				At cost - net		Dividend income	
	2015	2014	2015	2014	Cost		Impairment		2015	2014	2015	2014
	(%)				2015	2014	2015	2014	<i>(in million Baht)</i>		2015	2014
<b>Subsidiaries</b>												
<b>(Continue)</b>												
BCP Energy												
International Pte. Ltd.	100.00	100.00	2,933.57	2,875.86	2,933.57	2,875.86	(689.88)	(825.36)	2,243.69	2,050.50	-	-
BCP Innovation Pte. Ltd	100.00	100.00	3.49	-	3.49	-	-	-	3.49	-	-	-
<b>Total</b>					<b><u>6,834.60</u></b>	<b><u>9,284.86</u></b>	<b><u>(689.88)</u></b>	<b><u>(825.36)</u></b>	<b><u>6,144.72</u></b>	<b><u>8,459.50</u></b>	<b><u>2,181.13</u></b>	<b><u>1,462.34</u></b>

## **The Bangchak Petroleum Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

All subsidiaries were incorporated in Thailand, except BCP Energy International Pte. Ltd. And BCP Innovation PTE. LTD. which was incorporated and operating in Singapore.

#### *Change in investment in subsidiaries*

On 30 July 2014, the Company established BCP Energy International Pte. Ltd., in Singapore, representing a 100% ownership with initial registered capital of USD 0.1 million (divided into 0.1 million shares at par value of USD 1) for the purposes of overseas operations of the energy, petrochemical and natural resources businesses. At the Extraordinary Meeting of Shareholders of BCP Energy International Pte. Ltd., held on 28 August 2014, the shareholders approved the increase of registered share capital from USD 0.1 million (divided into 0.1 million shares at par value of USD 1) to USD 20.74 million (divided into 20.74 million shares at par value of USD 1). The subsidiary had called up and received full payment of paid-up capital.

At the Extraordinary Meeting of Shareholders of BCP Energy International Pte. Ltd., held on 28 November 2014, the shareholders approved the increase of registered share capital from USD 20.74 million (divided into 20.74 million shares at par value of USD 1) to USD 89.52 million (divided into 89.52 million shares at par value of USD 1). The subsidiary had called up and received full payment of paid-up capital. At the Board of Directors Meeting of BCP Energy International Pte. Ltd., held on 9 March 2015, the meeting approved the increase of registered share capital from USD 89.52 million (divided into 89.52 million shares at par value of USD 1) to USD 91.31 million (divided into 91.31 million shares at par value of USD 1). The subsidiary had called up and received full payment of paid-up capital.

On 23 June 2015, the Company established BCP Innovation Pte. Ltd, in Singapore, representing a 100% ownership with initial registered capital of USD 0.1 million (divided into 0.1 million shares at par value of USD 1) for the purposes of overseas operations of the energy petrochemical and natural resource businesses. The subsidiary had called up and received full payment of paid-up capital.

At the Board of Directors Meeting of Bangchak Solar Energy Co., Ltd., held on 29 September 2015, the meeting approved the decrease of registered share capital from Baht 4,100 million (divided into 41.00 million shares at par value of Baht 100) to Baht 1,800 million (divided into 18 million shares at par value of Baht 100). The subsidiary had returned full amount of the decrease of registered share capital to the Company.

#### *The impairment of investment in subsidiary*

During the year ended 31 December 2015, the Company has allowance for impairment loss in investment in BCP Energy International Pte Ltd. Baht 689.88 million (2014: Baht 825.36 million) due to the lower recoverable amount than the carrying amount of the investment of BCP Energy International Pte Ltd. in NIDO Petroleum Limited.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### *Business restructuring*

On 17 July 2015, the Company established BCPG Co., Ltd., in Thailand, representing a 100% ownership with initial registered capital of Baht 20 million (divided into 2 million shares at par value of Baht 10) for the purposes of investing and operating in renewable energy business. Subsequently on 30 October 2015, the subsidiary has increased share capital from Baht 20 million (divided into 2 million shares at par value of Baht 10) to Baht 3,700 million (divided into 370 million shares at par value of Baht 10). The subsidiary had called up and received full payment of paid-up capital.

On 28 October 2015, the Company sold solar power plant business with a capacity of 38-MW under power purchase agreement to BCPG Co.,Ltd at net book value of asset for a total consideration of Baht 3,266.16 million.

On 1 November 2015, the Company sold 49% equity interests in The Bangchak Solar Energy (Burirum) Co., Ltd., The Bangchak Solar Energy (Burirum1) Co., Ltd., The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd., The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd., The Bangchak Solar Energy (Prachinburi) Co., Ltd. to BCPG Co., Ltd., at net book value of assets for a total consideration of Baht 2,154.60 million. Subsequently on 1 December 2015, the Company has sold 100% equity interest in The Bangchak Solar Energy Co., Ltd., to BCPG Co., Ltd. at net book value of asset for a total consideration of Baht 1,930.50 million. The Company has recognised gain from divestment of the subsidiaries to BCPG Co., Ltd. totaling Baht 173.65 million in the separate statement of income for the year ended 31 December 2015.

The business restructuring is considered to be a Business Combination of Entities under Common Control.

## 12 Investments in associate

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Associate</b>				
At 1 January	761.93	756.78	763.23	763.23
Share of net profit of equity-accounted associate	12.40	5.15	-	-
<b>At 31 December</b>	<b>774.33</b>	<b>761.93</b>	<b>763.23</b>	<b>763.23</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Investments in associate as at 31 December 2015 and 2014, and dividend income from those investments for the years then ended, were as follows:

**Consolidated financial statements**

	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	%						<i>(in million Baht)</i>							
<b>Associate</b>														
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	<u>763.23</u>	<u>763.23</u>	<u>774.33</u>	<u>761.93</u>	-	-	<u>774.33</u>	<u>761.93</u>	-	-
<b>Total</b>					<u><b>763.23</b></u>	<u><b>763.23</b></u>	<u><b>774.33</b></u>	<u><b>761.93</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>774.33</b></u>	<u><b>761.93</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

None of the Group's equity-accounted investee is publicly listed and consequently does not have published price quotations.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At equity - net		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	(%)						<i>(in million Baht)</i>					
<b>Associate</b>												
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	<u>763.23</u>	<u>763.23</u>	<u>-</u>	<u>-</u>	<u>763.23</u>	<u>763.23</u>	<u>-</u>	<u>-</u>
<b>Total</b>					<u><b>763.23</b></u>	<u><b>763.23</b></u>	<u><b>-</b></u>	<u><b>-</b></u>	<u><b>763.23</b></u>	<u><b>763.23</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

None of the Company's equity-accounted investee is publicly listed and consequently does not have published price quotations.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

*Associate*

The summary of financial data, presented in fair value as at the acquisition date, of the associates of the Company, the differences of accounting policies and the reconciliation between the summary of financial data and the book value of the Group interests were as follows:

	Ubon Bio Ethanol Co., Ltd (in million Baht)
	2015
Revenue	3,663.42
Profit for the year	58.28
Other comprehensive income	-
<b>Total comprehensive income</b>	<b>58.28</b>
Non-controlling interests	-
Owners of the Company	58.28
Current assets	1,205.96
Non-current assets	5,726.91
Current liabilities	(2,434.40)
Non-current liabilities	(1,668.08)
<b>Net assets</b>	<b>2,830.39</b>
Non-controlling interests	-
Owners of the Company	2,830.39
Group interests in net assets at 1 January 2015	761.93
Total comprehensive income of the Group	12.40
<b>Net equity to the Group at 31 December 2015</b>	<b>774.33</b>



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**13 Investment Properties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<i>Cost</i>				
At 1 January	459.34	459.34	459.34	459.34
<b>At 31 December</b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>
<i>Depreciation and impairment losses</i>				
At 1 January	-	-	-	-
<b>At 31 December</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<i>Net book value</i>				
At 1 January	459.34	459.34	459.34	459.34
<b>At 31 December</b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>	<b><u>459.34</u></b>

Investment properties were revalue as at 31 December 2015 and 2014 by an independent professional valued, at market value. The appraisal value is totalling Baht 1,013.21 million (2014: Baht 598.72 million).

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**14 Property, plant and equipment**

(a) The Group

**Consolidated financial statements**

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Exploration and production of petroleum assets	Marketing and office equipments <i>(in million Baht)</i>	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
<b>Cost</b>											
At 1 January 2014	1,399.50	1,340.79	36,819.36	6,335.23	-	4,447.67	239.26	243.58	-	1,566.35	52,391.74
Acquired through business acquisition - restated	-	66.88	-	-	4,148.62	-	-	-	-	-	4,215.50
Additions	0.87	2.01	112.24	0.15	-	7.42	-	4.71	-	7,098.21	7,225.61
Transfers	-	631.20	3,141.99	3,367.22	(25.99)	457.17	-	5.95	-	(7,649.06)	(71.52)
Disposals	(0.81)	(1.79)	(768.01)	-	-	(50.69)	-	(18.81)	-	-	(840.11)
Effect of movement in exchange rate	-	(2.29)	-	-	(45.35)	-	-	-	-	-	(47.64)
<b>At 31 December 2014 and 1 January 2015 - restated</b>	<b>1,399.56</b>	<b>2,036.80</b>	<b>39,305.58</b>	<b>9,702.60</b>	<b>4,077.28</b>	<b>4,861.57</b>	<b>239.26</b>	<b>235.43</b>	<b>-</b>	<b>1,015.50</b>	<b>62,873.58</b>
Acquired through business acquisition	-	-	-	-	3,715.64	-	-	-	-	-	3,715.64
Additions	-	239.34	1,324.86	2,999.95	173.42	40.43	-	1.84	-	3,609.94	8,389.78
Transfers	20.00	31.54	554.21	(12.09)	(15.46)	539.10	-	62.84	27.78	(1,159.27)	48.65
Disposals	(8.77)	(38.00)	(1,614.77)	(3,510.21)	-	(211.15)	-	(11.27)	-	-	(5,394.17)
Effect of movement in exchange rate	-	6.92	-	-	590.49	-	-	-	-	-	597.41
<b>At 31 December 2015</b>	<b>1,410.79</b>	<b>2,276.60</b>	<b>39,569.88</b>	<b>9,180.25</b>	<b>8,541.37</b>	<b>5,229.95</b>	<b>239.26</b>	<b>288.84</b>	<b>27.78</b>	<b>3,466.17</b>	<b>70,230.89</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**Consolidated financial statements**

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Exploration and production of petroleum assets	Marketing and office equipments <i>(in million Baht)</i>	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
<b><i>Depreciation and impairment losses</i></b>											
At 1 January 2014	(14.06)	(516.33)	(15,240.33)	(332.26)	-	(3,206.50)	-	(165.43)	-	-	(19,474.91)
Acquired through business acquisition - restated	-	(61.04)	-	-	(2,125.59)	-	-	-	-	-	(2,186.63)
Depreciation charge for the year	-	(86.53)	(2,177.63)	(361.39)	(132.35)	(334.51)	-	(27.70)	-	-	(3,120.11)
(Losses) reversal of impairment losses	(1.75)	-	2.02	-	(883.98)	(3.44)	-	-	-	-	(887.15)
Disposals	-	1.30	721.06	-	-	47.15	-	18.41	-	-	787.92
Effect of movement in exchange rate	-	2.06	-	-	141.36	-	-	-	-	-	143.42
<b>At 31 December 2014 and 1 January 2015 - restated</b>	<b>(15.81)</b>	<b>(660.54)</b>	<b>(16,694.88)</b>	<b>(693.65)</b>	<b>(3,000.56)</b>	<b>(3,497.30)</b>	<b>-</b>	<b>(174.72)</b>	<b>-</b>	<b>-</b>	<b>(24,737.46)</b>
Acquired through business acquisition	-	-	-	-	(1,602.73)	-	-	-	-	-	(1,602.73)
Depreciation charge for the year	-	(96.65)	(2,720.10)	(400.10)	(875.19)	(342.34)	-	(29.94)	(1.31)	-	(4,465.63)
Reversal of impairment losses	1.73	-	0.02	-	(58.20)	4.33	-	-	-	-	(52.12)
Transfer	-	-	-	3.07	-	(83.68)	-	-	-	-	(80.61)
Disposals	-	18.09	320.77	518.12	-	163.66	-	11.00	-	-	1,031.64
Effect of movement in exchange rate	-	(6.45)	-	-	-	(273.62)	-	-	-	-	(280.07)
<b>At 31 December 2015</b>	<b>(14.08)</b>	<b>(745.55)</b>	<b>(19,094.19)</b>	<b>(572.56)</b>	<b>(5,810.30)</b>	<b>(3,755.33)</b>	<b>-</b>	<b>(193.66)</b>	<b>(1.31)</b>	<b>-</b>	<b>(30,186.98)</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**Consolidated financial statements**

	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Exploration and production of petroleum assets	Marketing and office equipments <i>(in million Baht)</i>	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
<b>Net book value</b>											
<b>At 1 January 2014</b>											
Owned assets	1,385.44	824.46	20,432.86	6,002.97	-	1,241.17	239.26	78.15	-	1,566.35	31,770.66
Assets under finance leases	-	-	1,146.17	-	-	-	-	-	-	-	1,146.17
	<b>1,385.44</b>	<b>824.46</b>	<b>21,579.03</b>	<b>6,002.97</b>	<b>-</b>	<b>1,241.17</b>	<b>239.26</b>	<b>78.15</b>	<b>-</b>	<b>1,566.35</b>	<b>32,916.83</b>
<b>At 31 December 2014 and 1 January 2015 - restated</b>											
Owned assets	1,383.75	1,376.26	21,518.02	9,008.95	1,076.72	1,364.27	239.26	60.71	-	1,015.50	37,043.44
Assets under finance leases	-	-	1,092.68	-	-	-	-	-	-	-	1,092.68
	<b>1,383.75</b>	<b>1,376.26</b>	<b>22,610.70</b>	<b>9,008.95</b>	<b>1,076.72</b>	<b>1,364.27</b>	<b>239.26</b>	<b>60.71</b>	<b>-</b>	<b>1,015.50</b>	<b>38,136.12</b>
<b>At 31 December 2015</b>											
Owned assets	1,396.71	1,531.05	20,475.69	8,607.69	2,731.07	1,474.62	239.26	95.18	26.47	3,466.17	40,043.91
Assets under finance leases	-	-	-	-	-	-	-	-	-	-	-
	<b>1,396.71</b>	<b>1,531.05</b>	<b>20,475.69</b>	<b>8,607.69</b>	<b>2,731.07</b>	<b>1,474.62</b>	<b>239.26</b>	<b>95.18</b>	<b>26.47</b>	<b>3,466.17</b>	<b>40,043.91</b>

As at 31 December 2015, certain subsidiaries have mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 5,005.08 million (2014: Baht 3,860.90 million).

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 47.96 million (2014: Baht 24.18 million), with a capitalization rate of 4.64-4.83 % (2014: 4.04-4.91%) (see note 32).

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2015 amounted to 6,039.51 Baht million (2014: 4,593.78 Baht million).

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

*Impairment loss in Nido Petroleum Limited*

For the year ended 31 December 2015 and 2014, due to sharp decline of the crude oil price in the world market, the Group recognized impairment loss in NIDO Petroleum Limited as follows:

	<i>Note</i>	Consolidated financial statements	
		2015	2014 (Restated)
		<i>(in million Baht)</i>	
<b>Impairment losses</b>			
Property, plant and equipment		58.20	883.98
Intangible assets	<i>16</i>	-	269.95
<b>Total</b>		<b><u>58.20</u></b>	<b><u>1,153.93</u></b>

The recoverable amount used in assessing the impairment loss is based on value in use which was the estimated future cash flows are discounted to their present value. The key assumptions used in the cash flow projections include the oil prices, oil reserve, production profile, discount rates, and capital expenditure. The key assumption were estimated by the Management. The forecast oil price are based on the world market and upon past experience of the industry. Production profiles are based on a proved and probable reserve certified by independent expert (Gaffney, Cline & Associates) and also the long-term view of global supply and demand. The discount rate is derived from weighted average cost of capital of 7.79% (2014: 8.52%). The capital expenditure was determined based on project management estimation and long term planning.

The sensitivity analysis in the key assumptions was estimated. The calculations were performed assuming a change to the variable being tested only. It is estimated that if the oil price assumption for all future years were to be increased by around 19%, this would cause the recoverable amount to be equal to the carrying amount.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

(b) The Company

	Separate financial statements									
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments <i>(in million Baht)</i>	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
<b>Cost</b>										
At 1 January 2014	986.15	723.32	36,164.96	3,521.56	4,301.57	239.27	218.62	-	995.46	47,150.91
Additions	-	-	110.43	-	-	-	-	-	3,631.59	3,742.02
Transfers	-	37.22	3,120.80	0.72	426.97	-	5.95	-	(3,636.29)	(44.63)
Disposals	(0.81)	(1.33)	(767.03)	-	(50.06)	-	(18.30)	-	-	(837.53)
<b>At 31 December 2014 and 1 January 2015</b>	<b>985.34</b>	<b>759.21</b>	<b>38,629.16</b>	<b>3,522.28</b>	<b>4,678.48</b>	<b>239.27</b>	<b>206.27</b>	<b>-</b>	<b>990.76</b>	<b>50,010.77</b>
Additions	-	-	1,322.95	-	-	-	-	-	2,188.23	3,511.18
Transfers	20.00	9.89	544.20	(12.09)	539.10	-	62.84	27.78	(1,127.58)	64.14
Disposals	(8.77)	(37.75)	(1,613.13)	(3,510.19)	(206.02)	-	(9.13)	-	-	(5,384.99)
<b>At 1 December 2015</b>	<b>996.57</b>	<b>731.35</b>	<b>38,883.18</b>	<b>-</b>	<b>5,011.56</b>	<b>239.27</b>	<b>259.98</b>	<b>27.78</b>	<b>2,051.41</b>	<b>48,201.10</b>
<b>Depreciation and impairment losses</b>										
At 1 January 2014	(14.06)	(454.25)	(15,087.84)	(241.88)	(3,158.78)	-	(151.19)	-	-	(19,108.00)
Depreciation charge for the year	-	(36.98)	(2,133.95)	(145.84)	(308.05)	-	(23.22)	-	-	(2,648.04)
(Losses) reversal of impairment losses	(1.75)	-	2.02	-	(3.44)	-	-	-	-	(3.17)
Disposals	-	1.20	720.69	-	46.55	-	18.05	-	-	786.49
<b>At 31 December 2014 and 1 January 2015</b>	<b>(15.81)</b>	<b>(490.03)</b>	<b>(16,499.08)</b>	<b>(387.72)</b>	<b>(3,423.72)</b>	<b>-</b>	<b>(156.36)</b>	<b>-</b>	<b>-</b>	<b>(20,972.72)</b>
Depreciation charge for the period	-	(37.31)	(2,675.37)	(133.46)	(312.62)	-	(26.33)	(1.31)	-	(3,186.40)
Reversal of impairment losses	1.73	-	0.02	-	4.34	-	-	-	-	6.09
Transfer	-	-	-	3.06	(83.68)	-	-	-	-	(80.62)
Disposals	-	18.01	319.60	518.12	158.53	-	8.87	-	-	1,023.13
<b>At 31 December 2015</b>	<b>(14.08)</b>	<b>(509.33)</b>	<b>(18,854.83)</b>	<b>-</b>	<b>(3,657.15)</b>	<b>-</b>	<b>(173.82)</b>	<b>(1.31)</b>	<b>-</b>	<b>(23,210.52)</b>



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Separate financial statements</b>									
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Marketing and office equipments	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
	<i>(in million Baht)</i>									
<b>Net book value</b>										
<b>At 1 January 2014</b>										
Owned assets	972.09	269.07	19,930.95	3,279.68	1,142.79	239.27	67.43	-	995.46	26,896.74
Assets under finance leases	-	-	1,146.17	-	-	-	-	-	-	1,146.17
	<b>972.09</b>	<b>269.07</b>	<b>21,077.12</b>	<b>3,279.68</b>	<b>1,142.79</b>	<b>239.27</b>	<b>67.43</b>	<b>-</b>	<b>995.46</b>	<b>28,042.91</b>
<b>At 31 December 2014 and 1 January 2015</b>										
Owned assets	969.53	269.18	21,037.40	3,134.56	1,254.76	239.27	49.91	-	990.76	27,945.37
Assets under finance leases	-	-	1,092.68	-	-	-	-	-	-	1,092.68
	<b>969.53</b>	<b>269.18</b>	<b>22,130.08</b>	<b>3,134.56</b>	<b>1,254.76</b>	<b>239.27</b>	<b>49.91</b>	<b>-</b>	<b>990.76</b>	<b>29,038.05</b>
<b>At 31 December 2015</b>										
Owned assets	982.49	222.02	20,028.35	-	1,354.41	239.27	86.16	26.47	2,051.41	24,990.58
Assets under finance leases	-	-	-	-	-	-	-	-	-	-
	<b>982.49</b>	<b>222.02</b>	<b>20,028.35</b>	<b>-</b>	<b>1,354.41</b>	<b>239.27</b>	<b>86.16</b>	<b>26.47</b>	<b>2,051.41</b>	<b>24,990.58</b>

On 28 May 2015, the Company entered into Cogeneration Power Plant Purchase Agreement with PTT Public Company Limited for a consideration of Baht 1,291.79 million and also cancelled Cogeneration Purchase and Sales Agreement for steam and electricity with the said company. The Company reversed assets and liabilities under financial lease which were previously recognized in accordance with Thai Financial Reporting Interpretations Committee 4 (TFRIC 4) Determining whether an arrangement contains a lease.

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 27.47 million (2014: Baht 22.37 million), with a capitalization rate of 4.64-4.83% (2014: 4.59 - 4.91%) (see note 32).

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2015 amounted to Baht 5,989.05 million (2014: Baht 4,506.31 million).

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**15 Leasehold Rights**

	<b>Consolidated and Separate financial statements</b> <i>(in million Baht)</i>
<i>Cost</i>	
At 1 January 2014	2,660.95
Addition	343.90
Disposals	(290.16)
<b>At 31 December 2014 and 1 January 2015</b>	<b>2,714.69</b>
Addition	383.60
Disposals	(6.50)
<b>At 31 December 2015</b>	<b>3,091.79</b>
<i>Amortisation and impairment losses</i>	
At 1 January 2014	(1,489.30)
Amortisation charge for the year	(120.32)
Disposals	290.16
(Reversal of) impairment losses	0.52
<b>At 31 December 2014 and 1 January 2015</b>	<b>(1,318.94)</b>
Amortisation charge for the year	(130.12)
Disposals	0.86
Impairment losses	(0.09)
<b>At 31 December 2015</b>	<b>(1,448.29)</b>
<i>Net book value</i>	
<b>At 1 January 2014</b>	<b>1,171.65</b>
<b>At 31 December 2014 and 1 January 2015</b>	<b>1,395.75</b>
<b>At 31 December 2015</b>	<b>1,643.50</b>

On 27 February 2004, The Treasury Department permitted the Company to settle by instalments, the leasehold fee of Baht 551.63 million for an extension of the lease agreement of state-owned land on which the Company's refinery is located. The initial lease agreement, which due for expiration on 1 April 2015, will be extended for period of 18 years under the new lease agreement, which will expire on 31 March 2033. The Company has extended the amortisation period of existing leasehold rights to 31 March 2033, which corresponds to the period of the new agreement. The annually instalments of the leasehold fee are as followed;

Period	<i>(in million Baht)</i>
The year 2007 - 2009	137.90
The year 2010 - 2012	183.88
The year 2013 - 2015	229.85
<b>Total</b>	<b>551.63</b>

As at 31 December 2015, there is no remaining balance of the above leasehold right (2014: Baht 76.62 million).

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**16 Intangible assets**

**Consolidated financial statements**

	Right to use and cost of development of computer software	Exploration and evaluation expenditure <i>(in million Baht)</i>	The right to connect power distribution system	Total
<b>Cost</b>				
At 1 January 2014	411.30	-	20.60	431.90
Acquisitions through business acquisition - restated	-	1,891.57	-	1,891.57
Additions	43.45	154.51	-	197.96
Disposals	(0.04)	-	-	(0.04)
Effect of movements in exchange rates	-	19.32	-	19.32
<b>At 31 December 2014 and 1 January 2015 - restated</b>	<b>454.71</b>	<b>2,065.40</b>	<b>20.60</b>	<b>2,540.71</b>
Acquisitions through business acquisition	-	855.75	-	855.75
Additions	36.72	51.68	17.82	106.22
Disposals	(0.20)	(11.50)	(20.60)	(32.30)
Effect of movements in exchange rates	-	346.08	-	-
<b>At 31 December 2015</b>	<b>491.23</b>	<b>3,307.41</b>	<b>17.82</b>	<b>3,816.46</b>
<b>Amortisation and impairment losses</b>				
At 1 January 2014	(191.13)	-	(1.20)	(191.13)
Acquisitions through business acquisition - restated	-	(397.64)	-	(397.64)
Amortisation for the year	(41.03)	-	(0.82)	(41.03)
Disposals	0.04	-	-	0.04
Impairment losses - restated	-	(269.95)	-	(269.95)
Effect of movements in exchange rates	-	8.83	-	8.83
<b>At 31 December 2014 and 1 January 2015 - restated</b>	<b>(232.12)</b>	<b>(658.76)</b>	<b>(2.02)</b>	<b>(892.90)</b>
Amortisation for the period	(49.25)	-	(0.82)	(50.07)
Disposals	0.20	-	2.78	2.98
Effect of movements in exchange rates	-	(97.62)	-	(97.62)
<b>At 31 December 2015</b>	<b>(281.17)</b>	<b>(756.38)</b>	<b>(0.06)</b>	<b>(1,037.61)</b>
<b>Net book value</b>				
At 1 January 2014	220.17	-	19.40	239.57
<b>At 31 December 2014 and 1 January 2015 - restated</b>	<b>222.59</b>	<b>1,406.64</b>	<b>18.58</b>	<b>1,647.81</b>
<b>At 31 December 2015</b>	<b>210.06</b>	<b>2,551.03</b>	<b>17.76</b>	<b>2,778.85</b>

**The Bangkok Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Separate financial statements</b>		
	Right to use and cost of development of computer software	Right to use and cost of development of computer software <i>(in million Baht)</i>	Total
<b>Cost</b>			
At 1 January 2014	403.49	20.60	424.09
Addition	38.28	-	38.28
Disposals	(0.04)	-	(0.04)
<b>At 31 December 2014 and 1 January 2015</b>	<b>441.73</b>	<b>20.60</b>	<b>462.33</b>
Additions	36.67	-	36.67
Disposals	(0.20)	(20.60)	(20.80)
<b>At 31 December 2015</b>	<b>478.20</b>	<b>-</b>	<b>478.20</b>
<b>Amortisation and impairment losses</b>			
At 1 January 2014	(187.24)	(1.20)	(188.44)
Amortisation for the year	(39.49)	(0.83)	(40.32)
Disposals	0.04	-	0.04
<b>At 31 December 2014 and 1 January 2015</b>	<b>(226.69)</b>	<b>(2.03)</b>	<b>(228.72)</b>
Amortisation for the year	(46.83)	(0.75)	(47.58)
Disposals	0.19	2.78	2.97
<b>At 31 December 2015</b>	<b>(273.33)</b>	<b>-</b>	<b>(273.33)</b>
<b>Net book value</b>			
At 1 January 2014	<b>216.25</b>	<b>19.40</b>	<b>235.65</b>
At 31 December 2014 and 1 January 2015	<b>215.04</b>	<b>18.57</b>	<b>233.61</b>
At 31 December 2015	<b>204.87</b>	<b>-</b>	<b>204.87</b>

**17 Deferred tax**

Deferred tax assets and liabilities as at 31 December were as follows:

	<b>Consolidated financial statements</b>			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Total	835.33	1,175.63	(556.20)	(667.53)
Set off of tax	(275.73)	(517.75)	275.73	517.75
<b>Net deferred tax assets (liabilities)</b>	<b>559.60</b>	<b>657.88</b>	<b>(280.47)</b>	<b>(149.78)</b>
<b>Separate financial statements</b>				
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Total	611.52	998.53	(61.32)	(334.61)
Set off of tax	(61.32)	(334.61)	61.32	334.61
<b>Net deferred tax assets</b>	<b>550.20</b>	<b>653.92</b>	<b>-</b>	<b>-</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Movements in total deferred tax assets and liabilities during the year were as follows:

	<b>Consolidated financial statement</b>					<b>At 31 December 2015</b>
	<b>At 1 January 2015 (Restated)</b>	<u>(Charged)/Credited to:</u>			Exchange differences	
		Profit/loss (Note 33)	Other comprehensive income <i>(in million Baht)</i>	Acquired in business acquisition		
<b>Deferred tax assets</b>						
Loss from impairment of assets	215.55	(30.12)	-	-	-	185.43
Property, plant and equipment	223.05	17.62	-	3.10	13.67	257.44
Employee benefit obligation	237.45	22.99	46.16	-	-	306.60
Loss carry forward	460.18	(426.30)	-	-	2.81	36.69
Inventories	-	20.99	-	-	-	20.99
Others	39.40	(11.28)	-	-	0.06	28.18
<b>Total</b>	<b>1,175.63</b>	<b>(406.10)</b>	<b>46.16</b>	<b>3.10</b>	<b>16.54</b>	<b>835.33</b>
<b>Deferred tax liabilities</b>						
Inventories	(131.77)	131.77	-	-	-	-
Property, plant and equipment	(403.06)	273.93	-	(266.84)	(42.21)	(438.18)
Leasehold rights	(1.27)	0.07	-	-	-	(1.20)
Provision for the decommissioning cost	(82.00)	(13.04)	-	-	(7.82)	(102.86)
Finance lease liabilities	(0.77)	0.79	-	-	(0.02)	-
Income from insurance compensation	(48.66)	48.66	-	-	-	-
Others	-	(13.26)	-	-	(0.70)	(13.96)
<b>Total</b>	<b>(667.53)</b>	<b>428.92</b>	<b>-</b>	<b>(266.84)</b>	<b>(50.75)</b>	<b>(556.20)</b>
<b>Net</b>	<b>508.10</b>	<b>(22.82)</b>	<b>46.19</b>	<b>(263.74)</b>	<b>(34.25)</b>	<b>279.13</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**Consolidated financial statement**

	<b>At 1 January 2014</b>	(Charged)/ Credited to: Profit/loss (Restated) <i>(Note 33)</i>	Acquired in business acquisition (Restated)	Exchange differences (Restated)	<b>At 31 December 2014 (Restated)</b>
			<i>(in million Baht)</i>		
<b><i>Deferred tax assets</i></b>					
Loss from impairment of assets	90.89	124.66	-	-	215.55
Property, plant and equipment	89.65	(6.61)	108.76	31.25	223.05
Employee benefit obligation	220.48	16.97	-	-	237.45
Loss carry forward	-	391.73	56.62	11.83	460.18
Others	21.88	17.29	0.01	0.22	39.40
<b>Total</b>	<b>422.90</b>	<b>544.04</b>	<b>165.39</b>	<b>43.30</b>	<b>1,175.63</b>
<b><i>Deferred tax liabilities</i></b>					
Inventories	-	(131.77)	-	-	(131.77)
Property, plant and equipment	(83.48)	236.78	(482.77)	(73.59)	(403.06)
Leasehold rights	(1.34)	0.07	-	-	(1.27)
Provision for the decommissioning cost	-	4.38	(67.12)	(19.26)	(82.00)
Finance lease liabilities	-	1.25	(1.71)	(0.31)	(0.77)
Income from insurance compensation	-	(48.66)	-	-	(48.66)
<b>Total</b>	<b>(84.82)</b>	<b>(62.05)</b>	<b>(551.60)</b>	<b>(93.16)</b>	<b>(667.53)</b>
<b>Net</b>	<b>338.08</b>	<b>606.09</b>	<b>(368.21)</b>	<b>(49.86)</b>	<b>508.10</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	At 1 January 2015	Separate financial statements (Charged) / credited to		At 31 December 2015
		Profit/loss (Note 33)	Other comprehensive income	
		<i>(in million Baht)</i>		
<b><i>Deferred tax assets</i></b>				
Loss from impairment of assets	215.55	(30.12)	-	185.43
Property, plant and equipment	89.88	(15.67)	-	74.21
Employee benefit obligation	233.79	22.05	46.95	302.79
Inventories	-	20.99	-	20.99
Loss carry forward	421.74	(421.74)	-	-
Others	37.57	(9.47)	-	28.10
<b>Total</b>	<b>998.53</b>	<b>(433.96)</b>	<b>46.95</b>	<b>611.52</b>
<b><i>Deferred tax liabilities</i></b>				
Inventories	(131.77)	131.77	-	-
Property, plant and equipment	(162.91)	102.79	-	(60.12)
Leasehold rights	(1.27)	0.07	-	(1.20)
Income from insurance compensation	(48.66)	48.66	-	-
<b>Total</b>	<b>(344.61)</b>	<b>283.29</b>	<b>-</b>	<b>(61.32)</b>
<b>Net</b>	<b>653.92</b>	<b>(150.67)</b>	<b>46.95</b>	<b>550.20</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>At 1 January 2014</b>	<b>Separate financial statements (Charged) / credited to</b>	<b>At 31 December 2014</b>
		Profit/loss (Note 33) (in million Baht)	
<b><i>Deferred tax assets</i></b>			
Loss from impairment of assets	90.89	124.66	215.55
Property, plant and equipment	89.62	0.26	89.88
Employee benefit obligation	217.64	16.15	233.79
Loss carry forward	-	421.74	421.74
Others	21.68	15.89	37.57
<b>Total</b>	<b>419.83</b>	<b>578.70</b>	<b>998.53</b>
<b><i>Deferred tax liabilities</i></b>			
Inventories	-	(131.77)	(131.77)
Property, plant and equipment	(83.48)	(79.43)	(162.91)
Leasehold rights	(1.34)	0.07	(1.27)
Income from insurance compensation	-	(48.66)	(48.66)
<b>Total</b>	<b>(84.82)</b>	<b>(259.79)</b>	<b>(344.61)</b>
<b>Net</b>	<b>335.01</b>	<b>318.91</b>	<b>653.92</b>



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**18 Other non-current assets**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Fixed deposit for staff welfare	511.88	420.17	511.88	420.17
Investment in service stations	160.14	152.96	160.14	152.96
Deposit paid for investment	-	351.36	-	-
Others	882.67	364.34	191.90	268.23
<b>Total</b>	<b><u>1,554.69</u></b>	<b><u>1,288.83</u></b>	<b><u>863.92</u></b>	<b><u>841.36</u></b>

**19 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Current</i></b>				
Current portion of long-term loans from financial institutions				
secured	145.48	486.42	-	-
unsecured	880.84	825.49	880.84	825.49
<b>Total Current</b>	<b><u>1,026.32</u></b>	<b><u>1,311.91</u></b>	<b><u>880.84</u></b>	<b><u>825.49</u></b>
<b><i>Non-current</i></b>				
Long -term loans from financial institutions				
secured	2,596.46	1,616.81	-	-
unsecured	14,051.23	14,284.54	14,051.23	14,284.54
	<b><u>16,647.69</u></b>	<b><u>15,901.35</u></b>	<b><u>14,051.23</u></b>	<b><u>14,284.54</u></b>
Debenture				
unsecured	15,984.21	12,985.12	15,984.21	12,985.12
	<b><u>15,984.21</u></b>	<b><u>12,985.12</u></b>	<b><u>15,984.21</u></b>	<b><u>12,985.12</u></b>
<b>Total Non-current</b>	<b><u>32,631.90</u></b>	<b><u>28,886.47</u></b>	<b><u>30,035.44</u></b>	<b><u>27,269.66</u></b>
<b>Total</b>	<b><u>33,658.22</u></b>	<b><u>30,198.38</u></b>	<b><u>30,916.28</u></b>	<b><u>28,095.15</u></b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

## The Bangchak Petroleum Public Company Limited and its Subsidiaries

### Notes to the financial statements

Details of the Group's loans from financial institutions as at 31 December were as follows:

	Facilities		Interest	Repayment Terms	Consolidated		Separates	
	Currency	(million)	Interest Rates (%) p.a.		Financial statements	2014	2015	2014
					2015	2014	2015	2014
					<i>(in million Baht)</i>			
<b>Long-term loans from financial institutions</b>								
The Company	Baht	9,000	THBFIX 6M plus a margin	The principle will be repayable in 20 instalments commencing in June 2011	2,239.90	2,435.24	2,239.90	2,435.24
The Company	USD	200	LIBOR plus a margin	The principle will be repayable on 1 August 2018	7,200.63	6,553.10	7,200.63	6,553.10
The Company	Baht	4,200	Fixed Interest Rate	The principle will be repayable in 26 instalments commencing in March 2013	3,001.54	3,301.69	3,001.54	3,301.69
The Company	Baht	3,500	THBFIX 6M plus a margin	The principle will be repayable in 23 instalments commencing in December 2011	2,490.00	2,820.00	2,490.00	2,820.00
Subsidiary	Baht	1,508	THBFIX 6M plus a margin	The principle will be repayable in 20-34 instalments commencing in August 2013	1,118.23	1,233.04	-	-
Subsidiary	USD	12	Fixed Interest Rate	The principle will be repayable in 34 instalments commencing in August 2013	273.89	298.05	-	-
Subsidiary	Baht	2,049	Fixed Deposit Rate plus a margin	The principle will be repayable in 24 instalments commencing in January 2017	1,349.82	224.69	-	-
Subsidiary	USD	30	US LIBOR plus a margin	The principle will be repayable in December 2015	-	347.45	-	-
<b>Total</b>					<b>17,674.01</b>	<b>17,213.26</b>	<b>14,932.07</b>	<b>15,110.03</b>
<i>Less: Current portion</i>					<i>(1,026.32)</i>	<i>(1,311.91)</i>	<i>(880.84)</i>	<i>(825.49)</i>
<b>Net</b>					<b>16,647.69</b>	<b>15,901.35</b>	<b>14,051.23</b>	<b>14,284.54</b>

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

The loan agreements contain certain conditions and restrictions such as maintaining of certain debt to equity ratio, debt service coverage ratio and current ratio.

As at 31 December 2015, the Group and the Company had unutilised credit facilities totalling Baht 11,925 million and Baht 11,665 million, respectively (2014: Baht 14,362 million and Baht 12,25 million, respectively).

The Company entered into a sponsor support agreement with a subsidiary under the conditions as stipulated in the loan agreement with a financial institution to provide support in the event that the subsidiary cannot repay the loan in accordance with loan schedule which has a minimum facility of Baht 400 million. In case a subsidiary cannot find insurance protection for flood, the Company is responsible to repair subsidiary's power plant to normal condition.

### Debentures

Detail of debentures as at 31 December 2015 and 2014 were as follows;

	Consolidated financial statements		Separate financial statements	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	<i>(in million Baht)</i>			
Debentures	16,000.00	13,000.00	16,000.00	13,000.00
Less Unamortized deferred expenses on debentures	(15.79)	(14.88)	(15.79)	(14.88)
<b>Total</b>	<b>15,984.21</b>	<b>12,985.12</b>	<b>15,984.21</b>	<b>12,985.12</b>

On 3 March 2015, the Company issued long-term debentures which are named-registered, unsubordinated, unsecured with a face value of Baht 1,000 each with interest payment dates on 30 June and 30 December. The details are as follows:

Amount (in million Baht)	Interest rate (per annum)	Term (Years)	Maturity Date
2,000	4.72	12	3 March 2027
1,000	5.05	15	3 March 2030

On 11 April 2014, the Company issued long-term debentures which are named-registered, unsubordinated, unsecured and no bond holder representative with a face value of Baht 1,000 each with interest payment dates on 30 June and 30 December. The details are as follows:

Amount (in million Baht)	Interest rate (per annum)	Term (Years)	Maturity Date
2,000	3.73	3	11 April 2017
2,000	4.35	5	11 April 2019
2,500	4.81	7	11 April 2021
3,500	5.18	10	11 April 2024

## The Bangchak Petroleum Public Company Limited and its Subsidiaries

### Notes to the financial statements

On 30 April 2012, the Company issued long-term debentures which are named-registered, unsubordinated, unsecured and no bond holder representative with a face value of Baht 1,000 each with interest payment dates on 30 June and 30 December. The details are as follows:

Amount (in million Baht)	Interest rate (per annum)	Term (Years)	Maturity Date
2,000	4.92	7	30 April 2019
1,000	5.35	10	30 April 2022

In connection with the terms of the rights and responsibilities of the debentures issuer, the company, as the issuer, has to comply with certain restrictions and conditions as stipulated therein, such as maintaining certain financial ratios etc.

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Within one year	1,026.32	1,311.91	880.84	825.49
After one year but within five years	19,330.51	17,497.22	17,705.94	16,656.07
After five years	13,301.39	11,389.25	12,329.50	10,613.59
<b>Total</b>	<b><u>33,658.22</u></b>	<b><u>30,198.38</u></b>	<b><u>30,916.28</u></b>	<b><u>28,095.15</u></b>

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Property, plant and equipment	5,005.08	3,860.90	-	-
<b>Total</b>	<b><u>5,005.08</u></b>	<b><u>3,860.90</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

The currency denomination of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Thai Baht (THB)	26,457.58	23,927.83	23,715.64	21,542.05
United States Dollars (USD)	7,200.64	6,900.55	7,200.64	6,553.10
<b>Total</b>	<b><u>33,658.22</u></b>	<b><u>30,198.38</u></b>	<b><u>30,916.28</u></b>	<b><u>28,095.15</u></b>

**The Bangkok Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**20 Trade accounts payable**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
<i>Note</i>		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Related parties	5	113.29	4,773.34	357.68	5,058.35
Other parties		4,881.16	1,001.02	4,177.35	560.10
<b>Total</b>		<b>4,994.45</b>	<b>5,774.36</b>	<b>4,475.03</b>	<b>5,618.45</b>

The currency denomination of trade accounts payable as at 31 December were as follows:

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
Thai Baht (THB)		4,685.84	5,671.98	4,475.03	5,618.45
United States Dollars (USD)		271.09	86.89	-	-
Others		37.52	15.49	-	-
<b>Total</b>		<b>4,994.45</b>	<b>5,774.36</b>	<b>4,475.03</b>	<b>5,618.45</b>

**21 Other payables**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
<i>Note</i>		2015	2014	2015	2014
		<i>(in million Baht)</i>			
<b>Related parties</b>	5	<b>30.08</b>	<b>864.82</b>	<b>30.44</b>	<b>864.82</b>
<b>Other parties</b>					
Accrued expenses		973.60	589.02	903.08	474.98
Liabilities from forward contract		235.69	0.22	235.69	0.22
Other accounts payable		1,515.28	905.42	706.10	829.01
<b>Total</b>		<b>2,754.65</b>	<b>2,359.48</b>	<b>1,875.31</b>	<b>2,169.03</b>

**22 Employee benefit obligations**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2015	2014	2015	2014
		<i>(in million Baht)</i>			
<b>Statement of financial position obligations for:</b>					
Post-employment benefits		1,530.55	1,142.67	1,484.46	1,125.82
Other long-term employee benefits		40.80	45.84	29.52	43.15
<b>Total</b>		<b>1,571.35</b>	<b>1,188.51</b>	<b>1,513.98</b>	<b>1,168.97</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<i>For the year ended 31 December</i>				
<b>Statement of income:</b>				
<b>Recognised in profit or loss</b>				
Post-employment benefits	140.20	113.63	134.74	108.75
Other long-term employee benefits	4.33	4.70	3.83	4.14
<b>Total</b>	<b><u>144.53</u></b>	<b><u>118.33</u></b>	<b><u>138.57</u></b>	<b><u>112.89</u></b>
<b>Recognised in other comprehensive income:</b>				
Actuarial losses recognised in the year	184.60	-	187.82	-
Cumulative actuarial losses recognised	<u>236.54</u>	<u>51.94</u>	<u>239.76</u>	<u>51.94</u>

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Movement in the present value of the defined benefit obligations:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<i>(in million Baht)</i>			
Defined benefit obligations at 1 January	1,188.51	1,102.42	1,168.97	1,088.20
<b>Include in profit or loss:</b>				
Acquisitions through business acquisition	8.24	1.03	-	-
Benefits paid by the plan	(29.06)	(32.84)	(28.34)	(32.12)
Current service costs and interest	144.53	118.36	138.57	112.89
<b>Included in other comprehensive income</b>				
Actuarial loss	230.75	-	234.78	-
Effect of movement in exchange rate	28.38	(0.46)	-	-
<b>Defined benefit obligations at 31 December</b>	<b><u>1,571.35</u></b>	<b><u>1,188.51</u></b>	<b><u>1,513.98</u></b>	<b><u>1,168.97</u></b>

Actuarial losses recognised in other comprehensive income arising from:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	<i>(in million Baht)</i>			
Demographic assumptions	(52.80)	-	(52.08)	-
Financial assumptions	247.23	-	246.67	-
Experience adjustment	36.31	-	40.19	-
<b>Total</b>	<b><u>230.74</u></b>	<b><u>-</u></b>	<b><u>234.78</u></b>	<b><u>-</u></b>



# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Discount rate	2.3-4.8	4	3.4	4
Future salary growth	3-6	4-10	6	4-10
Turnover rate	0-64	0-63	0-7	0-6.1

At 31 December 2015, the weighted-average duration of the defined benefit obligation was 16.25-31.76 years (2014: 14.84 years).

### Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statements		Separate financial statements	
	<i>(in million Baht)</i>			
<b>Defined benefit obligation 31 December 2015</b>	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(199.69)	236.94	(166.76)	196.32
Future salary growth (1% movement)	164.60	(147.60)	185.08	(160.95)
Turnover rate (1% movement)	(65.48)	57.54	(64.19)	56.78

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

## 23 Share capital

	Par value per share <i>(in Baht)</i>	2015		2014	
		Number	Baht <i>(million shares / million Baht)</i>	Number	Baht
<b>Authorised</b>					
At 1 January					
ordinary shares	1	1,376.92	1,376.92	1,531.64	1,531.64
<b>At 31 December</b>					
ordinary shares	1	<b>1,376.92</b>	<b>1,376.92</b>	<b>1,531.64</b>	<b>1,531.64</b>
<b>Issued and paid-up</b>					
At 1 January					
ordinary shares	1	1,376.92	1,376.92	1,376.92	1,376.92
Issue of new shares	1	-	-	-	-
<b>At 31 December</b>					

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

	Par value per share	2015		2014	
	1	Number	Baht	Number	Baht
ordinary shares		<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>
<b>24 Additional paid-in capital and reserves</b>					

### *Share premium*

Section 51 of the Public Companies Act B.E. 2535 (1992) requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

### *Capital surplus on registered and paid-up share reduction*

On 6 July 2004, the Company registered with the Ministry of Commerce, the reduction in the Company’s registered share capital from Baht 1,032,761,220 to Baht 843,143,461 and the paid-up share capital from Baht 753,040,940 to Baht 563,423,181. These changes were due to the reduction of 189,617,759 shares held by the Siam DR Co., Ltd. to be consistent with the number of “Depository Receipts of BCP’s Ordinary Shares (DR)” which were issued and offered by the Siam DR Co., Ltd. The Company received consent from the Siam DR Co., Ltd. for reducing the mentioned number of shares without capital payback. The Company proceeded the share reduction to Capital on registered and paid-up share reduction account.

### *Legal reserve*

Section 116 of the Public Companies Act B.E. 2535 (1992) Section 116 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

## **25 Operating segments**

The Group has six reportable segments, as described below, which are the Group’s strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group’s reportable segments.

<i>Segment 1</i>	<i>Refinery</i>
<i>Segment 2</i>	<i>Marketing</i>
<i>Segment 3</i>	<i>Electricity</i>
<i>Segment 4</i>	<i>Biofuel</i>
<i>Segment 5</i>	<i>Exploration and production of petroleum</i>
<i>Segment 6</i>	<i>Others</i>

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, financial costs, depreciation and amortization, gain on foreign exchange and impairment losses on assets (Group’s EBITDA), as included in the internal management reports that are reviewed by the Group’s CODM. Group’s EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

Information about reportable segments

	<b>2015</b>							
	<b>Refinery</b>	<b>Marketing</b>	<b>Electricity</b>	<b>Biofuel</b>	<b>Exploration and production of petroleum</b>	<b>Others</b>	<b>Eliminations</b>	<b>Total</b>
	<i>(in million Baht)</i>							
External revenue	30,456.94	114,267.71	3,010.04	1,061.38	2,344.28	-	-	151,140.36
Inter-segment revenue	106,847.88	0.34	-	4,352.62	-	-	(111,200.84)	-
<b>Total revenue</b>	<b>137,304.82</b>	<b>114,268.05</b>	<b>3,010.04</b>	<b>5,414.00</b>	<b>2,344.28</b>	<b>-</b>	<b>(111,200.84)</b>	<b>151,140.36</b>
Group's EBITDA	5,096.57	2,497.31	3,005.10	354.61	471.72	(170.64)	(173.43)	11,081.24
Depreciation and amortization								(4,708.47)
Gain on foreign exchange								177.59
Impairment loss on assets								(64.88)
Finance costs								(100.76)
Income tax expense								(1,614.56)
Others								(672.78)
<b>Profit for the period</b>								<b>4,097.38</b>
Interest revenue	195.74	242.95	13.60	0.82	0.34	0.13	(207.07)	246.51
Financial costs	1,154.65	173.07	219.35	10.12	277.34	1.93	(204.91)	1,614.56
Depreciation and amortisation	2,697.02	557.63	504.64	60.63	878.49	10.06	-	4,708.47
Segments assets	43,908.68	12,720.48	15,424.83	2,599.83	4,839.05	2,449.45	-	81,942.32
Investments in associate	-	-	-	774.33	-	-	-	774.33
Capital expenditure	2,385.49	1,568.24	3,304.40	1,137.21	128.11	-	-	8,523.45

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	<b>2014 (Restated)</b>						
	<b>Refinery</b>	<b>Marketing</b>	<b>Electricity</b>	<b>Biofuel</b>	<b>Exploration and production of petroleum</b>	<b>Eliminations</b>	<b>Total</b>
				<i>(in million Baht)</i>			
External revenue	40,667.42	137,940.31	2,692.32	1,391.29	324.76	-	183,016.10
Inter-segment revenue	130,579.98	5.96	-	3,925.01	-	(134,510.95)	-
<b>Total revenue</b>	<b>171,247.40</b>	<b>137,946.27</b>	<b>2,692.32</b>	<b>5,316.30</b>	<b>324.76</b>	<b>(134,510.95)</b>	<b>183,016.10</b>
Group's EBITDA	137.09	2,207.79	2,572.30	303.33	(58.06)	-	5,162.45
Depreciation and amortization							(3,313.45)
Gain on foreign exchange							673.58
Impairment loss on assets							(1,157.25)
Finance costs							(1,426.80)
Income tax expense							690.53
<b>Profit for the period</b>							<b>629.06</b>
Interest revenue	59.52	78.28	27.88	0.82	0.33	-	166.83
Financial costs	1,000.59	143.44	223.40	20.46	38.91	-	1,426.80
Depreciation and amortisation	2,175.00	505.58	439.43	60.23	133.21	-	3,313.45
Segments assets	49,075.61	10,240.73	12,921.02	1,139.96	3,588.21	-	6,965.53
Investments in associate	-	-	-	761.93	-	-	761.93
Capital expenditure	2,880.92	1,393.01	3,694.58	18.94	56.98	-	8,044.43

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

***Geographical segments***

In presenting information on the basis of geographical segments, segment sales are based on the entity's country of domicile. Segment non-current assets (exclude derivatives and deferred tax) are based on the geographical location of the assets.

***Geographical information***

	<b>Revenue</b>	
	2015	2014
	<i>(in million Baht)</i>	
Thailand	135,251.08	161,426.72
Malasia	7,687.80	14,911.13
Korea	1,485.06	1,379.92
Philippines	45.29	324.77
Singapore	2,179.13	375.47
Others	45.29	4,598.09
<b>Total</b>	<b><u>151,140.36</u></b>	<b><u>183,016.10</u></b>

  

	<b>Non-current assets</b>	
	2015	2014
	<i>(in million Baht)</i>	
Thailand	42,514.94	41,084.97
Philippines	4,956.84	2,827.61
Indonesia	102.72	90.87
Australia	8.51	9.75
<b>Total</b>	<b><u>47,583.01</u></b>	<b><u>44,013.20</u></b>

***Major customer***

Revenues from one customer of the Group's 1 and 2 segments represents approximately Baht 14,481 million (2014: Baht 15,054.77 million) of the Group's total revenues.

**26 Investment income**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
<b><i>Dividend income</i></b>					
Related parties	5	-	-	2,181.13	1,462.34
		<u>-</u>	<u>-</u>	<u>2,181.13</u>	<u>1,462.34</u>
Other investment income		248.50	166.83	435.65	130.50
<b>Total</b>		<b><u>248.50</u></b>	<b><u>166.83</u></b>	<b><u>2,616.78</u></b>	<b><u>1,529.84</u></b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**27 Other income**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Fee for land utilisation and management fee for NGV service station	88.87	89.88	82.13	84.11
Income from insurance compensation	75.64	764.32	75.64	764.32
Gain on disposal of investment in subsidiaries	-	-	173.65	-
Others	129.88	176.28	112.72	173.06
<b>Total</b>	<b><u>294.39</u></b>	<b><u>1,030.48</u></b>	<b><u>444.14</u></b>	<b><u>1,021.49</u></b>

**28 Selling expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Personnel	964.38	744.95	434.72	300.65
Advertising	312.54	258.73	216.00	162.13
Depreciation and amortisation	509.99	476.07	501.14	467.52
Distribution	256.86	332.24	256.86	332.24
Others	1,171.31	1,005.14	924.25	766.30
<b>Total</b>	<b><u>3,215.08</u></b>	<b><u>2,817.13</u></b>	<b><u>2,332.97</u></b>	<b><u>2,028.84</u></b>

**29 Administrative expenses**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Personnel	809.93	716.82	568.83	612.98
Advertising	169.17	161.31	165.18	160.56
Depreciation and amortisation	128.25	105.58	116.30	98.40
Professional and consultant fees	268.55	212.64	193.85	155.15
Others	584.42	466.78	472.65	343.91
<b>Total</b>	<b><u>1,960.32</u></b>	<b><u>1,663.13</u></b>	<b><u>1,516.81</u></b>	<b><u>1,371.00</u></b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**30 Employee benefit expenses**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
<b><i>Management</i></b>					
Wages and salaries		108.83	106.13	85.69	98.59
Contribution to provident funds		7.55	4.53	6.02	4.53
Pension		11.78	7.74	11.78	6.15
Others		47.25	22.32	45.94	22.32
	5	<u>175.41</u>	<u>140.72</u>	<u>149.43</u>	<u>131.59</u>
<b><i>Other employees</i></b>					
Wages and salaries		1,483.69	1,227.85	800.80	760.02
Contribution to provident funds		81.43	69.46	66.09	61.91
Pension		132.75	111.42	126.79	106.73
Others		546.32	376.88	436.17	281.33
		<u>2,244.19</u>	<u>1,785.61</u>	<u>1,429.85</u>	<u>1,209.99</u>
<b>Total</b>		<u><b>2,419.60</b></u>	<u><b>1,926.33</b></u>	<u><b>1,579.28</b></u>	<u><b>1,341.58</b></u>

*Defined contribution plans*

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.



**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**31 Expenses by nature**

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Included in cost of sales of goods:</i></b>				
Changes in inventories of finished goods and work in progress	2,014.02	(664.35)	2,068.28	(532.12)
Raw materials and consumables used	86,647.01	113,397.91	87,799.69	113,797.76
Tax expenses and oil fuel fund	26,099.92	11,535.00	26,099.92	11,535.00
Depreciation	4,006.57	2,704.03	2,760.71	2,246.20
Loss on decline in value of inventories	(881.65)	998.67	(887.30)	992.24
<b><i>Included in selling expenses:</i></b>				
Depreciation	354.35	343.42	345.53	334.91
<b><i>Included in administrative expenses:</i></b>				
Depreciation	104.71	72.71	80.16	66.93

**32 Finance costs**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in million Baht)</i>			
Interest payable to financial institutions		824.42	838.89	697.27	734.80
Interest payable to Debentures		735.73	488.16	735.73	488.16
Amortisation of transaction costs capitalised		35.39	41.64	30.90	30.05
Others		66.99	82.29	26.79	63.17
		<b>1,662.53</b>	<b>1,450.98</b>	<b>1,490.69</b>	<b>1,316.18</b>
<i>Less</i> Capitalised as cost of assets under construction	14	(47.96)	(24.18)	(27.47)	(22.37)
<b>Net</b>		<b>1,614.57</b>	<b>1,426.80</b>	<b>1,463.22</b>	<b>1,293.81</b>

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**33 Income tax expense**

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Current tax expense</b>					
Current year		(695.59)	12.03	(585.06)	-
Under (over) provided in prior years		(0.01)	(96.47)	-	(7.39)
		<u>(695.60)</u>	<u>(84.44)</u>	<u>(585.06)</u>	<u>(7.39)</u>
<b>Deferred tax expense</b>					
Movements in temporary differences	17	22.82	(606.09)	(150.67)	(318.91)
		<u>22.82</u>	<u>(606.09)</u>	<u>(150.67)</u>	<u>(318.91)</u>
<b>Total</b>		<u>(672.78)</u>	<u>(690.53)</u>	<u>(735.73)</u>	<u>(326.30)</u>

**Reconciliation of effective tax rate**

	Rate (%)	Consolidated financial statements	
		2015 (in million Baht)	2014 (in million Baht)
Profit before income tax expense		4,770.16	(61.46)
Income tax using the Thai corporation tax rate	20.00	954.03	-
The impact of differences in tax rates for foreign entities		(23.73)	-
Income not subject to tax / Expenses that are deductible at a greater amount		(373.06)	(428.73)
Expenses not deductible / Other adjustments		169.12	(165.33)
Current year loss not recognized as deferred tax assets		13.64	-
Under (over) provided in prior years		0.02	(96.47)
Others		(67.24)	-
<b>Total</b>	<b>14.10</b>	<b>672.78</b>	<b>(690.53)</b>

**Reconciliation of effective tax rate**

	Rate (%)	Separate financial statements	
		2015 (in million Baht)	2014 (in million Baht)
Profit (loss) before income tax expense		5,861.91	(30.19)
Income tax using the Thai corporation tax rate	20.00	1,172.38	-
Income not subject to tax / Expenses that are deductible at a greater amount		(495.09)	(455.34)
Expenses not deductible / Other adjustments		58.43	136.43
Under (over) provided in prior years		-	(7.39)
<b>Total</b>	<b>12.55</b>	<b>735.72</b>	<b>(326.30)</b>

*Income tax reduction*

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods (2013 and 2014) which begin on or after 1 January 2013 and 2014, respectively.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

### 34 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to Petroleum Refinery process, production of Biodiesel and production of electricity from solar cell. The privileges granted include:

#### *Production of Biodiesel and production of electricity from solar cell*

- (a) Exemption from payment of import duty on machinery approved by the Board;
- (b) Exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

	Consolidated financial statements					
	2015			2014		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	<i>(in million Baht)</i>					
Export sales	43.80	16,481.16	16,524.96	67.33	17,642.13	27,709.46
Local sales	6,672.84	159,798.67	166,471.51	6,492.34	194,316.35	200,808.49
Eliminations	-	-	(31,856.11)	-	-	(35,501.85)
<b>Total Revenue</b>	<b>6,716.64</b>	<b>176,279.83</b>	<b>151,140.36</b>	<b>6,559.67</b>	<b>211,958.48</b>	<b>183,016.10</b>

  

	Separate financial statements					
	2015			2014		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	<i>(in million Baht)</i>					
Export sales	-	14,136.89	14,136.89	-	17,323.16	17,323.16
Local sales	734.08	129,475.19	130,209.27	818.30	160,158.89	160,977.19
<b>Total Revenue</b>	<b>734.08</b>	<b>143,612.08</b>	<b>144,346.16</b>	<b>818.30</b>	<b>177,482.05</b>	<b>178,300.35</b>

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 35 Earnings per share

#### *Basic earnings per share*

The calculation of basic earnings per share for the years ended 31 December 2015 and 2014 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	₹ 2014
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>4,150.76</u>	<u>695.92</u>	<u>5,126.19</u>	<u>296.10</u>
Number of ordinary shares outstanding	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>
<b>Earnings per share (basic)</b> <i>(in Baht)</i>	<u><b>3.01</b></u>	<u><b>0.51</b></u>	<u><b>3.72</b></u>	<u><b>0.22</b></u>

### 36 Dividends

At the Board of Directors meeting of the company held on 14 August 2015, the meeting approved the appropriation of dividend from retained earnings as of 30 June 2015 at Baht 1 per share, amounting to Baht 1,376.69 million. The dividend was paid to the shareholders on 9 September 2015.

At the Annual General Meeting of the Shareholders, held on 8 April 2015, the shareholders approved the following resolutions a full year 2014 dividend payment at the rate of Baht 1.00 per share, totalling Baht 1,376.91 million, of which Baht 0.60 per share, totalling Baht 826.14 million was paid as an interim dividend for the first half year of 2014 on 19 September 2014. The remaining dividend was paid for the second half year of 2014 at the rate of Baht 0.40 per share, totalling Baht 550.77 million. The dividend was paid to the shareholders on 23 April 2015.

At the Board of Directors meeting of the company held on 25 August 2014, the meeting approved the appropriation of dividend from retained earnings as of 30 June 2014 at Baht 0.60 per share, amounting to Baht 826.14 million. The dividend was paid to the shareholders on 19 September 2014.

At the Annual General Meeting of the Shareholders, held on 9 April 2014, the shareholders approved a full year 2013 dividend payment at the rate of Baht 1.35 per share, totalling Baht 1,858.72 million, of which Baht 0.60 per share, totalling Baht 826.06 million was paid as an interim dividend for the first half year of 2013 on 24 September 2013. The remaining dividend was paid for the second half year of 2013 at the rate of Baht 0.75 per share totalling Baht 1,032.66 million on 23 April 2014.

### 37 Financial instruments

#### *Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

### *Capital management*

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly floated. The Group is primarily exposed to interest rate risk from its borrowings (Note 19). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rate (% per annual)	Consolidated financial statements			Total
		Within 1 year	After 1 year but within 5 years	After 5 years	
<i>(in million Baht)</i>					
<b>2015</b>					
<b>Current</b>					
Loans from Financial institutions	2.6 – 5.2	1,026.32	-	-	1,026.32
<b>Non-current</b>					
Loans from Financial institutions	2.2 – 5.2	-	13,335.02	3,312.67	16,647.69
Debenture	3.7 – 5.3	-	5,995.49	9,988.72	15,984.21
<b>Total</b>		<b>1,026.32</b>	<b>19,330.51</b>	<b>13,301.39</b>	<b>33,658.21</b>
<b>2014</b>					
<b>Current</b>					
Loans from Financial institutions	2.6 – 5.2	1,311.91	-	-	1,311.91
<b>Non-current</b>					
Loans from Financial institutions	2.4 – 5.2	-	11,503.63	4,397.72	15,901.35
Debenture	3.7 – 5.3	-	5,993.59	6,991.53	12,985.12
<b>Total</b>		<b>1,311.91</b>	<b>17,497.22</b>	<b>11,389.25</b>	<b>30,198.38</b>

**The Bangkok Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

	Effective interest rate (% per annual)	Separate financial statements			
		Within 1 year	After 1 year but within 5 years	After 5 years	Total
<i>(in million Baht)</i>					
<b>2015</b>					
<b>Current</b>					
Loans from Financial institutions	3.3 – 4.2	880.84	-	-	880.84
<b>Non-current</b>					
Loans from Financial institutions	2.2 – 4.2	-	11,710.46	2,340.77	14,051.23
Debenture	3.7 – 5.3	-	5,995.47	9,988.73	15,984.21
<b>Total</b>		<b>880.84</b>	<b>17,705.93</b>	<b>12,329.50</b>	<b>30,916.28</b>
<b>2014</b>					
<b>Current</b>					
Loans from Financial institutions	3.9 – 4.4	825.49	-	-	825.49
<b>Non-current</b>					
Loans from Financial institutions	2.4 – 4.4	-	10,662.48	3,622.06	14,284.54
Debenture	3.7 – 5.3	-	5,993.59	6,991.53	12,985.12
<b>Total</b>		<b>825.49</b>	<b>16,656.07</b>	<b>10,613.59</b>	<b>28,095.15</b>

**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

At 31 December, the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
<b>USD and others</b>					
Cash and cash equivalents	6	942.72	299.05	98.10	5.38
Trade accounts receivable	8	1,098.00	1,323.37	898.45	1,323.37
Receivable from oil hedging contracts		33.71	32.99	7.70	32.99
Trade accounts payable	20	308.61	102.38	-	-
Other current liabilities		(9.62)	(22.32)	(9.62)	(7.19)
Long term loans	19	(7,200.63)	(6,900.55)	(7,200.63)	(6,553.10)
<b>Gross statement of financial position exposure</b>		<b>(4,827.20)</b>	<b>(5,165.08)</b>	<b>6,206.01</b>	<b>5,198.55</b>
<b>Currency forwards</b>		<b>(1,109.05)</b>	<b>0.10</b>	<b>(1,109.05)</b>	<b>0.10</b>

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

Additionally, the Company entered into foreign currency buying and selling forward contracts, net totalling Baht 434.78 million, to hedge future sales and purchases transaction of goods with price denominated in foreign currencies.

### *Credit risk*

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. However, due to the large number of parties comprising the Group's customer base, Management does not anticipate material losses from its debt collection.

### *Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

### *Fair values of financial assets and liabilities*

As at 31 December 2015, fair value of financial assets and liabilities is taken to approximately the carrying value, except the following items;

	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
<b>Consolidated financial statements</b>							
( in million Baht )							
<b>31 December 2015</b>							
<b><i>Financial assets</i></b>							
Equity securities available for sale	-	192.04	192.04	192.04	-	-	192.04
<b><i>Financial liabilities</i></b>							
Debentures	-	15,984.21	15,984.21	-	17,296.84	-	17,296.84
Long-term loans (fixed rate)	300.15	2,701.38	3,001.53	-	3,059.57	-	3,059.57
Forward exchange contracts	100.20	-	100.20	-	93.52	-	93.52
Cross currency and interest rate swap contracts	-	-	-	-	42.82	-	42.82
Crude and product oil price hedging contracts	-	-	-	-	249.32	-	249.32

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

**Separate financial statements**

	Carrying value			Book value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>( in million Baht )</i>						
<b>31 December 2015</b>							
<b>Financial liabilities</b>							
Debentures	-	15,984.21	15,984.21	-	17,296.84	-	17,296.84
Long-term loans (fixed rate)	300.15	2,701.38	3,001.53	-	3,059.57	-	3,059.57
Forward exchange contracts	100.20	-	100.20	-	93.52	-	93.52
Cross currency and interest rate swap contracts	-	-	-	-	82.94	-	82.94
Crude and product oil price hedging contracts	-	-	-	-	249.32	-	249.32

Level 2 fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.

**38 Commitments with non-related parties**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>( in million Baht )</i>			
<b>Capital commitment</b>				
Construction projects	882.00	1,595.76	18.84	37.00
<b>Total</b>	<b>882.00</b>	<b>1,595.76</b>	<b>18.84</b>	<b>37.00</b>
<b>Non-cancellable operating lease commitments</b>				
Within one year	2,148.92	875.29	523.29	502.57
After one year but within five years	4,140.92	1,904.39	2,176.96	1,896.16
After five years	2,051.57	2,414.18	2,051.57	2,414.18
<b>Total</b>	<b>8,341.41</b>	<b>5,193.86</b>	<b>4,751.82</b>	<b>4,812.91</b>
<b>Other commitment</b>				
Bank guarantees	1,018.25	629.99	1,016.55	628.29
<b>Total</b>	<b>1,018.25</b>	<b>629.99</b>	<b>1,016.55</b>	<b>628.29</b>

The Company entered into 9.02 million barrels oil price hedging contracts with foreign oil traders for the periods between October 2015 and December 2017.



# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

The Company entered into foreign currency selling forward contracts cover the period to December 2018 amounting to USD 50.20 million equivalents to Baht 1,722.92 million.

The Company entered into foreign currency buying forward contracts cover the period to June 2017 amounting to USD 17 million equivalents to Baht 613.87 million.

The Subsidiary entered into foreign currency buying forward contracts cover the period to March 2016 amounting to SGD 0.76 million equivalents to Baht 18.37 million.

The Company entered into an interest rate swap contract for the following loan agreements by swap from float rate to fixed rate as stipulated in the agreements. The details are as follows:

Loan agreement facility (in million Baht)	Due date
1,500	30 June 2016
1,000	30 December 2018

### *Others*

On 31 July 2014, the Company entered into a share purchase agreement with conditions precedent with Sima Inter Product Co., Ltd. to purchase 7,650,000 common shares equivalent to 85% of registered capital of BCP Bioethanol Co., Ltd. for a total consideration not exceeding Baht 765 million. BCP Bioethanol Co., Ltd will be established after completing the conditions precedent to the share purchase agreement, for the acquisition of assets related to production and distribution ethanol, including permits, contracts and other rights from Sima Inter Product Co., Ltd. The purpose of the investment is in line with the Company's strategy to expand the renewable energy business.

## **39 Contingent liabilities and contingent assets**

The Company (the fifth defendant) was co-accused with the Ministry of Finance (the first defendant) for alleged land right transgression and a demand for Baht 1,055 million in compensation. The land in question is located at the pier of the Refinery that the Company lodged against the Ministry of Finance. On 3 June 2009, the Appeal court upheld the civil court verdict to dismiss the case. This was re-appealed with the Supreme Court and currently under petition to Supreme Court.

The Company has utilized the tax privilege on the allowance for corporate income tax calculation for its 2006 tax payment which was in accordance with the announcement of the Director General of the Revenue Department regarding the corporate income tax (No. 156) "Criteria, procedures and conditions for the exemption of corporate income tax for the companies that registered its shares in the Stock Exchange of Thailand according to the Securities and Exchange Acts for payments of investment or extension, modification, addition or improvement of assets but not the repair of assets according to Section 65 Tri (5) of the Revenue Codes" and change in inventory costing method from first in first out to weighted average cost which was approved by The Revenue Department. The Revenue Department has examined and assessed the additional income tax payment totaling Baht 50 million that had previously been submitted by the Company and filed for appeal. Subsequently on 20 July 2011, the Revenue Department issued its verdict ruling to dismiss the return of the tax payment. The Company has submitted a petition to the Central Tax Court to revoke the Revenue Department's ruling and the Central Tax Court ruled in favour of the Company. Subsequently, the Revenue Department re-appealed to The Supreme Court and the matter is currently under the Supreme Court's proceeding.

# The Bangchak Petroleum Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 40 Events after the reporting period

At the Board of Directors' meeting held on 18 February 2016, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2015 dividend payment at the rate of Baht 2 per share, of which Baht 1.00 per share was paid as an interim dividend on 9 September 2015 as discussed in note 36. Thus, the remaining dividend will be at the rate of Baht 1 per share to the shareholders entitled to receive dividends. This dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 21 April 2016.

On 29 January 2016, BCPG Co., Ltd, the Company within the Group has entered into Purchase and Sale Agreement (condition precedents) with SunEdison International, LLC. and SunEdison Energy Holding (Singapore) Pte. Ltd. to acquire the entire solar power business of SunEdison Group in Japan within the budget of JPY 9,626 million (equivalent to Baht 2,915 million) with total capacity of 198 Megawatts portfolio. (Plants in operation with a total capacity of 13 Megawatts / Plants Under Construction with total a total capacity of 27 Megawatts / Projects Under Development with a total capacity of up to 158 Megawatts) The Group has already paid JPY 4,256 million (equivalent to Baht 1,346 million) and will settle the remaining based on the work progress within the next 18 months.

In January 2016, the Group has established the following companies;

- BCPG Investment Holding Private Limited, incorporated in Singapore for operating in international business.
- BSE Energy Holding Private Limited, incorporated in Singapore for operating in international business.
- The Bankchak Retail Co.,Ltd., incorporated in Thailand for food and beverage service.

### 41 Thai Financial Reporting Standards (TFRS) not yet adopted

The Group has not adopted the new and revised TFRS that have been issued as of the reporting date but are not yet effective. Those new and revised TFRS that are applicable to the Group's operations, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

<b>TFRS</b>	<b>Topic</b>	<b>Year effective</b>
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 2 (revised 2015)	Inventories	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 10 (revised 2015)	Events After the Reporting Period	2016
TAS 12 (revised 2015)	Income Taxes	2016
TAS 16 (revised 2015)	Property, Plant and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 23 (revised 2015)	Borrowing Costs	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans	2016

**The Bangchak Petroleum Public Company Limited and its Subsidiaries**  
**Notes to the financial statements**

<b>TFRS</b>	<b>Topic</b>	<b>Year effective</b>
TAS 27 (revised 2015)	Separate Financial Statements	2016
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 33 (revised 2015)	Earnings Per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	TAS 38 (revised 2015)	2016
TAS 40 (revised 2015)	Investment Property	2016
TAS 41	Agriculture	2016
TFRS 3 (revised 2015)	Business Combinations	2016
TFRS 5 (revised 2015)	Non-current Assets Held for Sale and Discontinued Operations	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 10 (revised 2015)	Consolidated Financial Statements	2016
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
TSIC 15 (revised 2015)	Operating Leases – Incentives	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease	2016
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2016
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment	2016
TFRIC 13 (revised 2015)	Customer Loyalty Programmes	2016
TFRIC 21	Levies	2016

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.