

**Bangchak Corporation Public Company Limited
and its Subsidiaries
(Formerly: The Bangchak Petroleum Public
Company Limited)**

Financial statements for the year ended
31 December 2017
and
Independent Auditor's Report

Independent Auditor's Report

To the shareholders of Bangchak Corporation Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Bangchak Corporation Public Company Limited and its subsidiaries (the "Group") and of Bangchak Corporation Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2017, the consolidated and separate statements of income and 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.

In my opinion, the accompanying 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 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Business combination and acquisition of investment in associates	
Refer to Notes 3 (a), 4 and 12 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>During 2017, certain subsidiary has amalgamated with other company and the Group has acquired 2 investments in associates in alternative energy business in foreign countries. The Group has assessed the fair value of assets acquired and liabilities assumed and consideration transferred with resulting differences recognised as goodwill and share of profit of associates from bargain purchases, respectively.</p> <p>Due to the materiality of the transactions and the significant judgment and complexities involved in determining the fair value, I considered as the key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> – Evaluated the appropriateness of the identification of the net assets acquired at the date of acquisition including understanding on the procedures on identification of fair value on net assets acquired which was prepared by the management. – Evaluated the independence and competency of independent appraiser. – Involved KPMG valuation specialist to evaluate valuation methodology and financial parameters applied to the discount rate. – Evaluated significant assumptions underpinning the fair value valuations reference to internal and external information and mathematical accuracy. – Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standard.

Impairment of oil exploration & production assets and investment in subsidiaries	
Refer to Notes 3 (l) and 11 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
The outlook for oil market continues to be challenging and future oil prices are still continuing to fluctuate. The recoverable amount of assets are derived from discounted cash flow projections which reflect a number of assumptions and estimates by the management. I considered as key audit matter.	My audit procedures included the following: <ul style="list-style-type: none"> – Understand the management’s operation plan, process of the indicators identification and impairment testing process and tested the calculation of recoverable amount prepared by the management. – Assessed the key assumptions estimated by the management with reference to internally and externally derived sources after taking into account the historical forecasting accuracy. – Involved KPMG valuation specialist to evaluate valuation methodology and financial parameters applied to the discount rate. – Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standard.

Valuation of inventories	
Refer to Notes 3(g) and 10 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
Inventories are measured at the lower of cost and net realizable value. As a result of fluctuation in crude oil and oil products price which may cause the net realizable value to be lower than cost.	My audit procedures included the following: <ul style="list-style-type: none"> – Verified the appropriateness of the net realizable value calculation. – Checked the selling prices of finished goods with the reference market price and contract price. – Considered the adequacy of disclosures in accordance with Thai Financial Reporting Standard.

Emphasis of Matter

I draw attention to note 12 to the financial statements. The Group has hired an independent appraiser to determine the fair value of net assets within investments in associates in Indonesia; however, the reviews have not yet been completed. Therefore, value to be recognized is yet to be finally determined, allocated and is subject to potential amendment depending on the finalisation of the appraisal by independent appraisers. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, 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.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Natthaphong Tantichattanon)
Certified Public Accountant
Registration No. 8829

KPMG Phoomchai Audit Ltd.
Bangkok
28 February 2018

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2017	2016	2017	2016
		(Baht)			
Current assets					
Cash and cash equivalents	6	10,105,882,585	19,286,650,258	6,377,502,249	8,872,401,610
Current investments	7	219,583,478	1,719,320,377	200,000,000	1,000,000,000
Trade accounts receivable	5,8	7,511,391,215	6,021,982,449	7,269,062,297	6,474,986,368
Other receivables	5,9	1,340,258,455	1,667,994,485	574,033,248	898,986,982
Inventories	10	15,720,387,051	14,560,471,060	13,572,776,104	13,458,131,958
Current tax assets		52,122,527	-	-	-
Oil fuel fund subsidies receivable		1,341,318,360	894,078,150	1,341,318,360	894,078,150
Total current assets		36,290,943,671	44,150,496,779	29,334,692,258	31,598,585,068
Non-current assets					
Investments in subsidiaries	5,11	-	-	12,610,480,537	11,638,763,688
Investments in associates and joint ventures	5,12	14,400,159,356	839,622,815	73,000,000	807,549,520
Long-term loans to related parties	5	-	-	2,203,449,000	2,788,518,160
Other long-term investments	7	4,346,729,603	739,467,997	237,044,592	310,276,940
Investment properties	13	343,439,563	359,602,729	343,439,563	359,602,729
Property, plant and equipment	14	48,049,135,691	46,461,888,655	27,963,104,481	26,913,328,283
Goodwills	4	1,602,324,546	-	-	-
Leasehold rights	15	2,311,349,372	1,939,042,196	2,311,349,372	1,939,042,196
Intangible assets	16	3,731,498,371	5,012,615,898	376,361,817	330,026,698
Deferred tax assets	17	1,000,016,270	546,509,432	899,819,559	510,065,205
Other non-current assets	5,18	2,034,880,526	1,733,613,488	1,569,485,942	1,153,478,979
Total non-current assets		77,819,533,298	57,632,363,210	48,587,534,863	46,750,652,398
Total assets		114,110,476,969	101,782,859,989	77,922,227,121	78,349,237,466

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2017	2016	2017	2016
		(Baht)			
Current liabilities					
Short-term loan from financial institutions	19	4,046,182,313	7,444,017,507	3,280,298,382	7,189,248,722
Trade accounts payable	5,20	10,016,080,686	8,766,153,610	8,233,685,896	8,290,994,795
Other payables	5,21	3,018,367,626	3,208,610,436	2,064,152,507	1,754,835,205
Current portion of long-term loans					
from financial institutions	19	2,218,008,789	1,697,384,523	325,153,846	300,153,846
Current portion of debenture	19	-	2,000,000,000	-	2,000,000,000
Excise tax and oil fuel fund payable		3,036,549,976	1,069,026,480	3,036,549,976	1,069,026,480
Income tax payable		690,260,109	492,705,145	673,475,442	475,130,095
Short-term provisions	4	-	502,155,651	-	-
Other current liabilities	5	843,908,987	895,956,140	843,084,803	884,338,834
Total current liabilities		23,869,358,486	26,076,009,492	18,456,400,852	21,963,727,977
Non-current liabilities					
Long-term loans from financial institutions	19	20,649,009,936	14,457,827,965	3,076,076,923	3,401,230,769
Debentures	19	13,990,269,214	13,987,569,976	13,990,269,214	13,987,569,976
Deferred tax liabilities	17	589,586,434	600,686,417	-	-
Liabilities on long-term lease		34,210,525	38,068,420	34,210,525	38,068,420
Non-current provisions for employee benefits	22	1,949,429,755	1,769,716,139	1,867,377,310	1,709,201,552
Provision for the decommissioning cost		810,724,489	869,591,180	-	-
Other non-current liabilities	5	85,912,750	74,855,730	14,864,190	37,031,893
Total non-current liabilities		38,109,143,103	31,798,315,827	18,982,798,162	19,173,102,610
Total liabilities		61,978,501,589	57,874,325,319	37,439,199,014	41,136,830,587

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Bangchak Corporation Public Company Limited and its Subsidiaries
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Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2017	2016	2017	2016
		<i>(Baht)</i>			
Equity					
Share capital	23				
Authorised share capital		<u>1,376,923,157</u>	<u>1,376,923,157</u>	<u>1,376,923,157</u>	<u>1,376,923,157</u>
Issued and paid-up share capital		1,376,923,157	1,376,923,157	1,376,923,157	1,376,923,157
Share premium on ordinary shares	24	11,157,460,051	11,157,460,051	11,157,460,051	11,157,460,051
Capital surplus on registered and paid-up share reduction	24	189,617,759	189,617,759	189,617,759	189,617,759
Other surpluses	24	1,340,485,277	1,612,670,404	-	-
Surplus from business combination	24	1,170,410,780	-	-	-
Warrants		19,146,999	-	-	-
Retained earnings					
Appropriated					
Legal reserve	24	153,164,346	153,164,346	153,164,346	153,164,346
Unappropriated		27,831,345,677	24,931,575,363	27,605,862,794	24,335,241,566
Other components of equity		<u>2,411,095,017</u>	<u>121,325,051</u>	<u>-</u>	<u>-</u>
Equity attributable to owners					
of the parent		45,649,649,063	39,542,736,131	40,483,028,107	37,212,406,879
Non-controlling interests		6,482,326,317	4,365,798,539	-	-
Total equity		<u>52,131,975,380</u>	<u>43,908,534,670</u>	<u>40,483,028,107</u>	<u>37,212,406,879</u>
Total liabilities and equity		<u>114,110,476,969</u>	<u>101,782,859,989</u>	<u>77,922,227,121</u>	<u>78,349,237,466</u>

(Pichai Chunhavajira)
Chairman

(Chaiwat Kovavisarach)
Chief Executive Officer and President

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2017	2016	2017	2016
		(Baht)			
Revenue from sale of goods and rendering of services	5,25,34	172,138,240,983	144,705,285,799	161,029,770,008	137,064,282,581
Cost of sale of goods and rendering of services	5	(158,595,554,719)	(132,809,348,889)	(151,549,531,461)	(128,552,154,583)
Gross Profit		13,542,686,264	11,895,936,910	9,480,238,547	8,512,127,998
Interest income and dividend income	5,26	155,533,527	190,539,682	1,259,316,735	1,346,487,355
Other income	4,5,27	1,085,169,827	343,256,266	1,146,745,696	315,998,172
Selling expenses	5,28	(4,025,848,209)	(3,785,916,892)	(2,921,201,192)	(2,717,840,484)
Administrative expenses	5,29	(3,138,177,761)	(2,349,514,170)	(1,756,822,693)	(1,489,902,704)
Exploration and evaluation expense		(47,854,777)	(59,998,988)	-	-
Gain from crude and product oil price hedging contract		365,500,470	107,345,883	348,474,613	111,862,612
Gain (loss) from foreign currencies forward contract		(225,311,877)	39,383,009	78,876,301	39,383,009
Gain on foreign exchange		889,481,131	236,778,252	812,425,822	311,723,858
Reversal of allowance for loss (loss) from impairment of assets	11	(1,518,470,707)	36,801,552	(1,283,418,856)	49,077,265
Share of profit of associates and joint ventures	12	815,401,720	20,972,839	-	-
Gain on bargain purchase	4	-	226,592,414	-	-
Profit before finance costs and income tax expense		7,898,109,608	6,902,176,757	7,164,634,973	6,478,917,081
Finance costs	32	(1,452,284,135)	(1,483,796,026)	(904,013,681)	(1,208,326,628)
Profit before income tax expense		6,445,825,473	5,418,380,731	6,260,621,292	5,270,590,453
Income tax expense	33	(40,883,861)	(688,972,397)	(108,954,197)	(768,290,528)
Profit for the year		6,404,941,612	4,729,408,334	6,151,667,095	4,502,299,925
Profit (loss) attributable to:					
Owners of the parent		5,778,239,465	4,773,384,169	6,151,667,095	4,502,299,925
Non-controlling interests		626,702,147	(43,975,835)	-	-
Profit for the year		6,404,941,612	4,729,408,334	6,151,667,095	4,502,299,925
Basic earnings per share	35	4.20	3.47	4.47	3.27

(Pichai Chunchavajira)
Chairman

(Chaiwat Kovavisarach)
Chief Executive Officer and President

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of comprehensive income

	Consolidated financial statements		Separate financial statements		
	For the year ended 31 December		For the year ended 31 December		
	Note	2017	2016	2017	2016
					(Baht)
Profit for the year		<u>6,404,941,612</u>	<u>4,729,408,334</u>	<u>6,151,667,095</u>	<u>4,502,299,925</u>
Other comprehensive income (loss)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(421,217,472)	17,310,716	-	-
Net change in fair value of available-for-sale investment		<u>2,721,932,722</u>	<u>234,920,598</u>	-	-
Total items that will be reclassified subsequently to profit or loss		<u>2,300,715,250</u>	<u>252,231,314</u>	-	-
<i>Items that will not be reclassified to profit or loss</i>					
Losses on remeasurements of defined benefit plans		(56,663,458)	(70,168,351)	(58,705,810)	(72,216,497)
Share of other comprehensive income of associates		<u>(20,005,900)</u>	-	-	-
Total items that will not be reclassified to profit or loss		<u>(76,669,358)</u>	<u>(70,168,351)</u>	<u>(58,705,810)</u>	<u>(72,216,497)</u>
Other comprehensive income (loss) for the year, net of income tax		<u>2,224,045,892</u>	<u>182,062,963</u>	<u>(58,705,810)</u>	<u>(72,216,497)</u>
Total comprehensive income for the year		<u>8,628,987,504</u>	<u>4,911,471,297</u>	<u>6,092,961,285</u>	<u>4,430,083,428</u>
Total comprehensive income (loss) attributable to					
Owners of the parent		8,011,347,162	4,945,586,505	6,092,961,285	4,430,083,428
Non-controlling interests		<u>617,640,342</u>	<u>(34,115,208)</u>	-	-
Total comprehensive income for the year		<u>8,628,987,504</u>	<u>4,911,471,297</u>	<u>6,092,961,285</u>	<u>4,430,083,428</u>

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)
Statement of changes in equity

Consolidated financial statements												
Note	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Other surpluses	Retained earnings		Other components shareholder's equity			Equity attributable to owners of the parent	Non-controlling interests	Total equity
					Legal reserve	Unappropriated	Translating foreign operations	available-for-sale investments	Total other components of equity			
(Baht)												
Year ended 31 December 2016												
Balance at 1 January 2016												
	1,376,923,157	11,157,460,051	189,617,759	18,621,225	153,164,346	22,706,157,789	(135,554,968)	14,592,245	(120,962,723)	35,480,981,604	502,443,363	35,983,424,967
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the parent</i>												
						537,166				537,166		537,166
						(2,478,418,323)				(2,478,418,323)	(363,599,523)	(2,842,017,846)
36						(2,477,881,157)				(2,477,881,157)	(363,599,523)	(2,841,480,680)
<i>Total contributions by and distributions to owners of the parent</i>												
						(2,477,881,157)				(2,477,881,157)	(363,599,523)	(2,841,480,680)
Changes in ownership interests in subsidiaries												
											146,954	146,954
											84,068,082	84,068,082
				1,594,049,179						1,594,049,179	4,176,854,871	5,770,904,050
11				1,594,049,179						1,594,049,179	4,261,069,907	5,855,119,086
<i>Total changes in ownership interests in subsidiaries</i>												
				1,594,049,179		(2,477,881,157)				(883,831,978)	3,897,470,384	3,013,638,406
Total transactions with owners, recorded directly in equity												
				1,594,049,179		(2,477,881,157)				(883,831,978)	3,897,470,384	3,013,638,406
Comprehensive income for the year												
						4,773,384,169				4,773,384,169	(43,975,835)	4,729,408,334
						(70,085,438)	7,367,176	234,920,598	242,287,774	172,202,336	9,860,627	182,062,963
						4,703,298,731	7,367,176	234,920,598	242,287,774	4,945,586,505	(34,115,208)	4,911,471,297
Total comprehensive income (loss) for the year												
						4,703,298,731	7,367,176	234,920,598	242,287,774	4,945,586,505	(34,115,208)	4,911,471,297
Balance at 31 December 2016												
	1,376,923,157	11,157,460,051	189,617,759	1,612,670,404	153,164,346	24,931,575,363	(128,187,792)	249,512,843	121,325,051	39,542,736,131	4,365,798,539	43,908,534,670

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

Bangchak Corporation Public Company Limited and its Subsidiaries

(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of changes in equity

	Separate financial statements						
	<i>Note</i>	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		Total equity
					Legal reserve	Unappropriated	
<i>(Baht)</i>							
Year ended 31 December 2016							
Balance at 1 January 2016		1,376,923,157	11,157,460,051	189,617,759	153,164,346	22,383,576,461	35,260,741,774
Transactions with owners, recorded directly in equity							
<i>Distributions to owners</i>							
Dividends	36	-	-	-	-	(2,478,418,323)	(2,478,418,323)
Total distribution to owners		-	-	-	-	(2,478,418,323)	(2,478,418,323)
Comprehensive income for the year							
Profit or loss		-	-	-	-	4,502,299,925	4,502,299,925
Other comprehensive income (loss)		-	-	-	-	(72,216,497)	(72,216,497)
Total comprehensive income for the year		-	-	-	-	4,430,083,428	4,430,083,428
Balance at 31 December 2016		1,376,923,157	11,157,460,051	189,617,759	153,164,346	24,335,241,566	37,212,406,879

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

Bangchak Corporation Public Company Limited and its Subsidiaries

(Formerly: The Bangchak Petroleum Public Company Limited)

Statement of changes in equity

	Separate financial statements						
	<i>Note</i>	Issued and paid-up share capital	Share premium	Capital surplus on registered and paid-up share reduction	Retained earnings		Total equity
					Legal reserve	Unappropriated	
<i>(Baht)</i>							
Year ended 31 December 2017							
Balance at 1 January 2017		1,376,923,157	11,157,460,051	189,617,759	153,164,346	24,335,241,566	37,212,406,879
Transactions with owners, recorded directly in equity							
<i>Distributions to owners</i>							
Dividends	36	-	-	-	-	(2,822,340,057)	(2,822,340,057)
Total distribution to owners		-	-	-	-	(2,822,340,057)	(2,822,340,057)
Comprehensive income for the year							
Profit or loss		-	-	-	-	6,151,667,095	6,151,667,095
Other comprehensive income (loss)		-	-	-	-	(58,705,810)	(58,705,810)
Total comprehensive income for the year		-	-	-	-	6,092,961,285	6,092,961,285
Balance at 31 December 2017		1,376,923,157	11,157,460,051	189,617,759	153,164,346	27,605,862,794	40,483,028,107

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)
Statement of cash flows

	Consolidated financial		Separate financial	
	statements		statements	
	For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016
	<i>(Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	6,404,941,612	4,729,408,334	6,151,667,095	4,502,299,925
<i>Adjustments for</i>				
Income tax expense	40,883,861	688,972,397	108,954,197	768,290,528
Finance costs	1,452,284,135	1,483,796,026	904,013,681	1,208,326,628
Depreciation	4,780,386,370	4,461,315,330	3,222,991,289	2,985,385,356
Amortisation	355,078,032	273,062,194	301,807,558	241,696,109
Allowance for bad and doubtful debts expenses	(361,815)	(2,093,327)	(103,961)	(1,686,752)
Unrealised loss on foreign exchange	308,060,785	90,197,777	252,592,679	46,512,908
(Reversal of) losses on inventories devaluation	7,830,488	(98,220,697)	-	(104,946,031)
(Reversal of) Allowance for loss from impairment of assets	1,518,470,707	(36,801,552)	1,283,418,856	(49,077,265)
Gain on disposal of property, plant and equipment	(37,250,562)	(8,022,464)	(2,052,456)	(8,504,377)
(Gain) loss on sale of investments	35,409,325	(29,466,450)	(210,500,409)	(29,466,450)
Interest income and dividend income	(155,533,527)	(190,539,682)	(1,259,316,735)	(1,346,487,355)
Non-current provision for employee benefit	191,822,492	144,830,349	164,463,767	126,582,137
Provision for customer loyalty programmes	48,474,324	32,395,610	48,474,324	32,395,610
Deferred revenue	(7,062,907)	(5,291,890)	(7,062,907)	(5,291,890)
Share-based payment transactions	40,350,890	-	-	-
Share of profit of associates and joint ventures, net of tax	(815,401,720)	(20,972,839)	-	-
Gain on bargain purchase	-	(226,592,414)	-	-
Reversal of provisions	(137,121,038)	-	-	-
	<u>14,031,261,452</u>	<u>11,285,976,702</u>	<u>10,959,346,978</u>	<u>8,366,029,081</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(1,434,348,405)	(797,156,673)	(793,476,087)	(1,155,834,771)
Other receivables	(554,557,434)	(81,191,456)	(262,690,298)	169,874,139
Inventories	(753,438,932)	(515,394,543)	(135,414,346)	(103,464,769)
Other non-current assets	(387,463,011)	(372,916,284)	(447,251,996)	(345,781,302)
Trade accounts payable	1,357,417,421	3,775,098,036	(62,141,076)	3,819,431,817
Other payables	(10,642,557)	87,073,428	46,616,504	(145,066,349)
Other current liabilities	1,961,458,316	353,724,888	1,880,441,529	407,013,407
Provisions for employee benefits	(84,279,171)	(30,820,589)	(79,670,272)	(21,631,528)
Other non-current liabilities	24,593,900	(232,241)	(24,721,737)	(26,531,405)
Net cash generated from operating activities	14,150,001,579	13,704,161,268	11,081,039,199	10,964,038,320
Income tax paid, net	(298,671,186)	(416,418,362)	(235,185,222)	(341,531,082)
Net cash from operating activities	<u>13,851,330,393</u>	<u>13,287,742,906</u>	<u>10,845,853,977</u>	<u>10,622,507,238</u>

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

Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2017	2016	For the year ended 31 December 2017	2016
	<i>(Baht)</i>			
Cash flows from investing activities				
Interest received	135,919,650	208,870,513	118,097,502	438,572,304
Dividend received	64,557,705	3,229,001	1,226,030,306	654,256,649
Decrease in current investments	1,499,736,898	2,799,243,344	800,000,000	3,500,000,000
Payment for other long-term investments	(1,139,795,527)	(168,467,365)	-	(168,467,365)
Proceeds from disposal of other investments	78,045,709	202,702,500	75,287,845	202,702,500
Net cash outflow from calling up of subsidiary's share capital	-	-	-	(5,264,320,450)
Net cash outflow from calling up of joint venture's share capital	(28,680,000)	(44,320,000)	(28,680,000)	(44,320,000)
Acquisition of subsidiaries and associates, net of cash acquired	(13,346,533,566)	(962,736,249)	(2,886,900,680)	-
Proceeds from sale of investments	-	-	1,632,947,935	-
Acquisition of property, plant and equipment	(5,522,471,897)	(9,369,842,540)	(4,147,131,960)	(4,852,250,678)
Proceeds from sale of property, plant and equipment	499,323,552	119,768,394	10,958,290	118,316,297
Loans to related parties	-	-	(90,000,000)	(2,120,000,000)
Proceeds from loan to related party	-	-	431,904,000	8,675,200,000
Payment for leasehold right	(563,902,108)	(451,289,296)	(563,902,108)	(451,289,296)
Proceeds from leasehold right	4,800,000	-	4,800,000	-
Acquisition of intangible assets	(641,418,661)	(491,623,542)	(131,749,262)	(184,775,649)
Net cash from (used in) investing activities	(18,960,418,245)	(8,154,465,240)	(3,548,338,132)	503,624,312
Cash flows from financing activities				
Financial cost paid	(1,305,329,325)	(1,641,398,827)	(754,141,303)	(1,202,594,210)
Dividend paid	(3,310,745,787)	(2,753,528,225)	(2,822,340,057)	(2,478,418,323)
Increase (decrease) in short - term loans from financial institutions	(3,937,315,260)	7,361,836,346	(3,915,780,000)	7,189,248,722
Proceeds from issuance of subsidiary's share capital	-	75,000,150	-	-
Payment of change in ownership interest in subsidiary without a change in control	(34,522,552)	-	-	-
Proceeds from change in ownership interest in subsidiaries without a change in control	-	5,770,904,051	-	-
Proceeds from exercise of share options	27,356,613	-	-	-
Redemption of debenture	(2,000,000,000)	-	(2,000,000,000)	-
Proceeds from long - term loans from financial institutions	8,868,343,275	9,610,567,418	-	-
Repayment of long - term loans from financial institutions	(2,069,004,166)	(12,032,224,433)	(300,153,846)	(11,230,555,747)
Net cash from (used in) financing activities	(3,761,217,202)	6,391,156,480	(9,792,415,206)	(7,722,319,558)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(8,870,305,054)	11,524,434,146	(2,494,899,361)	3,403,811,992
Effect of exchange rate changes on cash and cash equivalents	(310,462,619)	(109,651,917)	-	-
Net increase (decrease) in cash and cash equivalents	(9,180,767,673)	11,414,782,229	(2,494,899,361)	3,403,811,992
Cash and cash equivalents at beginning of period	19,286,650,258	7,871,868,029	8,872,401,610	5,468,589,618
Cash and cash equivalents at ending of period	10,105,882,585	19,286,650,258	6,377,502,249	8,872,401,610

Non-cash transactions

During the first quarter of 2016, BCP Innovation Pte, Ltd., a subsidiary of the Company and incorporated in Singapore converted the entire loan from the Company to equity amounting USD 5 million (approximate Baht 179.26 million).

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

**Bangchak Corporation Public Company Limited and its Subsidiaries
(Formerly: The Bangchak Petroleum Public Company Limited)**

Notes to the financial statements

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Notes to the financial statements

For the year ended 31 December 2017

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 28 February 2018.

1 General information

Bangchak Corporation Public Company Limited, the “Company” (Formerly: The Bangchak Petroleum Public Company Limited) has registered the name change with the Department of Business Development, Ministry of Commerce on 7 April 2017. The Company is incorporated in Thailand and has its registered office as follows:

Head office : 2098 M Tower Building, 8th Floor, Sukhumvit Road, Phra Kanong Tai, Phra Kanong, Bangkok.

Refinery plant : 210 Moo 1, Soi Sukhumvit 64, Sukhumvit Road, Phra Kanong Tai, Phra Kanong, Bangkok.

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

As at 31 December 2017, major shareholders of the Company during the period were Vayupak Fund 1 and Social Security Office holding 14.46% and 13.60% of issued and paid-up capital, respectively (31 December 2016: 15.60% and 14.31%, respectively).

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 of 31 December 2017 and 2016 were disclosed in note 5 and 11 to the financial statements.

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 2017. 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 2018 and have not been adopted in the preparation of these financial statements.

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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.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as stated described in accounting policy.

(c) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the 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, 12	Acquisition of subsidiary: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis
Note 11	Impairment test: key assumption underlying recoverable amounts
Note 17	Recognition of deferred tax assets: availability of future taxable profit against with tax losses carried forward can be used
Note 22	Measurement of defined benefit obligations: key actuarial assumptions

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.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 its entirety in the

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same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

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 associate and joint ventures.

Business combinations

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

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 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. Any gain on bargain purchase is recognised in profit or loss immediately.

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.

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.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

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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.

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity. Any cash paid for the acquisition is recognised directly in equity.

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.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

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.

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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 are translated to the functional currency at the exchange rate at the reporting date.

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

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.

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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.

Hedge of interest rates

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

Crude oil and oil products forward contract / crack spread of crude oil and oil products

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

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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) Investments

Investments in associates, subsidiaries and joint ventures

Investments in associates, subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity 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 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.

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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.

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. 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	10 - 50 years
Machinery, equipment refinery plants and terminal	2 - 30 years
Equipment solar plants	10 - 25 years
Marketing and office equipment	3 - 20 years
Vehicles	5 - 7 years

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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.

(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

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 3(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

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.

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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 years are as follows:

Right to use and cost of development of computer software	3-10	years
Feed-in Tariff power purchase agreement	10-20	years
Right to connect electrical transmission line	20-25	years

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. For goodwill, the recoverable amount is estimated each year at the same time.

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 unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously 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 available-for-sale financial assets is calculated by reference to the fair value.

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

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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. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not 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 calculation of defined benefit obligations is performed every 3 years 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.

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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.

Other long-term employee benefits

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.

(p) 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.

(q) 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.

(r) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

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(s) *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 for entities within Thailand 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

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

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Interest income

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

(t) 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.

(u) 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.

(v) 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

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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.

(w) 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.

(x) 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 Business combination

Amalgamation between BBP Holding Company Limited and KSLGI Company Limited

On 19 July 2017, the Company has entered into agreement with Khon Kaen Sugar Industry PCL for the amalgamation between BBP Holding Company Limited "BBH", a subsidiary of the Company and KSLGI Company Limited "KSLGI", a subsidiary of Khon Kaen Sugar Industry PCL which established in order to accept the transfer and hold 99.99% of total issued share in KSL Green Innovation PCL. The amalgamation was completed on 31 October 2017 and BBGI Co., Ltd. is a company resulting from amalgamation. The Company holds 60% and former shareholders of KSLGI holds 40% of total shares in new company. Management believes that by acquired this business will enable the group to expand their investment, development and increase in operation potential in bio-based business.

For the period from 31 October 2017 to 31 December 2017, KSLGI Group had revenue totaling Baht 316.86 million and profit totaling Baht 2.19 million which included as a part of the Group's operation.

The business combination under this condition is in accordance with TFRS 3 (revised 2016) Business Combinations, requires the recognition of assets, liabilities and contingent liabilities acquired at the amalgamation date at fair value. BBH has been identified as acquirer in this business combination because fair values of BBH is higher than KSLGI. 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 combination date to reflect new information obtained about facts and circumstances that existed as of the combination date. Finalisation of the fair value of assets and liabilities acquired from business combination was completed in the fourth quarter of 2017.

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

Consideration transferred

	Fair value <i>(in million Baht)</i>
Ordinary shares of BBGI 40% issued to KSLGI At 31 October 2017	2,782.40
Total	2,782.40

Identifiable assets acquired and liabilities assumed

	Book value	Adjustments <i>(in million Baht)</i>	Fair Value
Cash and cash equivalents	12.91	-	12.91
Trade account receivables	129.45	-	129.45
Inventories	489.83	-	489.83
Property, plant and equipment	1,178.22	313.10	1,491.32
Intangible assets	1.01	25.91	26.92
Other assets	19.35	-	19.35
Trade account payables	(23.64)	-	(23.64)
Other payables	(32.57)	-	(32.57)
Short-term loan from financial institutions	(452.00)	-	(452.00)
Current portion of long-term loans from financial institutions	(200.00)	-	(200.00)
Long-term loans from financial institution	(200.00)	-	(200.00)
Deferred tax liabilities	-	(67.80)	(67.80)
Other liabilities	(13.69)	-	(13.69)
Total identifiable net assets	908.87	271.21	1,180.08
Goodwill			1,602.32
Consideration transferred			2,782.40

The fair value of plant and equipment determined by independent appraiser based on depreciated replacement method. The fair value of the intangible asset determined based on income approach using the differential method with operating period of 10 years under power purchase agreement. The key assumptions included forecast cost saving and discount rates.

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The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

Goodwill

The goodwill is attributable mainly to technical skill and knowhow from synergy between both Groups of companies after the amalgamation to increase business competitiveness and become the leading Biofuel-producer in Thailand.

Acquisition-related costs

The Group incurred acquisition-related costs of Baht 36.27 million related to external legal fees and financial advisor fee. The legal fees and financial advisor fee have been included in administrative expenses in the Group's consolidated statement of income.

Business acquisition of entire solar power business of SunEdison Group in Japan

On 15 and 18 February 2016, BSE Energy Holding Private Limited and BCPG Investment Holding Private Limited (indirect subsidiaries of the Company and incorporated in Singapore) completed the acquisition of entire solar power business of SunEdison Group in Japan within the budget of JPY 9,626 million (approximately 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 a total capacity of 27 Megawatts / Projects Under Development with a total capacity of up to 158 Megawatts) through the purchase of 100% equity interest of SunEdison Japan Corporation, SunEdison Japan Debt Financing Pte. Ltd. and SunEdison TK Investor 1 Pte. Ltd. from SunEdison International LLC and SunEdison Energy Holding (Singapore) Pte. Ltd. as per the Purchase and Sale Agreement (condition precedents) on 29 January 2016, the Group has already paid JPY 4,256 million (approximately Baht 1,275.33 million) and will settle the remaining based on the success rate of project under development within the next 18 months.

Management believes that by acquired this business will enable the group to expand their investment, development and operating renewable energy business within Asia.

The purchase under this condition is in accordance with TFRS 3 Business Combinations, requires the recognition of assets, liabilities and contingent liabilities acquired at the acquisition date at fair value. 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 fair value of assets and liabilities acquired from business acquisition was completed in the fourth quarter of 2016.

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

Consideration transferred

	Recognized value <i>(in million Baht)</i>
Cash	1,275.33
Contingent consideration	488.46
Total	1,763.79

Identifiable assets acquired and liabilities assumed

	Fair Value <i>(in million Baht)</i>
Cash and cash equivalents	354.28
Trade accounts receivable	23.93
Other receivables	408.23
Other current assets	107.33
Property, plant and equipment	1,410.35
Intangible asset	1,789.65
Other non-current assets	54.57
Other payables	(457.64)
Short-term loan from financial institutions	(80.33)
Current portion of long-term loan from SunEdison Group	(776.85)
Current portion of long-term loan from financial institutions	(47.76)
Other current liabilities	(5.23)
Long-term loan from SunEdison Group	(144.50)
Long-term loan from financial institution	(1,167.22)
Non-current provisions	(35.45)
Deferred tax liabilities	(448.96)
Total identifiable assets and liabilities	984.40
<i>Less: non-controlling interests</i>	<i>(0.15)</i>
Net assets and liabilities acquired	984.25
Repayment of loan and accrued interest from SunEdison Group under the condition of business acquisition	1,006.13
Net assets and liabilities acquired by the Group	1,990.38
Gain on bargain purchase	(226.59)
Consideration transferred	1,763.79

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On 27 April 2017, the subsidiary has signed a Settlement Agreement with SunEdison group to settle the deferred payments and other conditions in relation to the business acquisition of solar power plants in Japan in the amount of JPY 1,590.68 million (approximately Baht 499.00 million). The agreement has been approved by U.S. Bankruptcy Court on 16 May 2017, and the Group has paid the settlement payment in accordance to the conditions of the agreement on 20 June 2017. Such settlement released all of the Group's obligations toward SunEdison group. The Group has recognised the reversal of provision from contingent consideration from business acquisition totaling JPY 453.04 million (approximately Baht 138.73 million) to other income in the consolidated statement of income for the year ended 31 December 2017.

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
Bangchak Green Net Co., Ltd.	Thailand	Subsidiary, Shareholding 49 % and representative from the Company as director
Bangchak Retail Co., Ltd.	Thailand	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
BCP Trading Pte. Ltd.	Singapore	Subsidiary, Shareholding 100% and representative from the Company as director
Bongkot Marine Services Company Limited	Thailand	Joint venture, 30% shareholding by the Company, representative from the Company as director
Oam Suk Social Enterprise Company Limited	Thailand	Joint venture, 40% shareholding by the Company, representative from the Company as director
Fuel Pipeline Transportation Ltd.	Thailand	Shareholding, representative from the Company as director
BBGI Co., Ltd.	Thailand	Subsidiary, Shareholding 60 % and representative from the Company as director

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Name of entities	Country of incorporation/ nationality	Nature of relationships
KSL Green Innovation Public Company Limited	Thailand	Indirect subsidiary of the Company, Shareholding 100 % by subsidiary and representative from the Company as director
Bangchak Biofuel Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 70 % by subsidiary and representative from the Company as director
Bangchak Bioethanol (Chachoengsao) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 85 % by subsidiary and representative from the Company as director
Ubon Bio Ethanol Co., Ltd.	Thailand	Indirect associate of the Company, Shareholding 21.28 % by subsidiary
Ubon Agricultural Energy Co., Ltd.	Thailand	Indirect associate, representative from the Company as director
BCPG Public Company Limited	Thailand	Subsidiary, Shareholding 70.27 % and representative from the Company as director
Bangchak Solar Energy Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
Bangchak Solar Energy (Prachinburi) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
Bangchak Solar Energy (Buriram) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
Bangchak Solar Energy (Buriram1) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors
BCPG Biopower 1 Co., Ltd	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
BCPG Biopower 2 Co., Ltd.	Thailand	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
BCPG Investment Holdings Pte. Ltd.	Singapore	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, some common directors

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Name of entities	Country of incorporation/ nationality	Nature of relationships
BSE Energy Holdings Pte. Ltd.	Singapore	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the Company as director
BCPG Japan Corporation	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
Greenergy Holdings Pte. Ltd.	Singapore	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
Greenergy Power Pte. Ltd.	Singapore	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
Tarumizu Solar Solutions Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 51% by subsidiary
Nakatsugawa PV Godo Kaisha	Japan	Indirect Subsidiary of the subsidiary, affiliate in TK investment
Godo Kaisha Inti	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Takamori PV Godo Kaisha	Japan	Indirect Subsidiary of the subsidiary, affiliate in TK investment
Nojiri PV Godo Kaisha	Japan	Indirect Subsidiary of the subsidiary, affiliate in TK investment
God Kaisha Aten	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Nikaho PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Gotenba 2 PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Horus	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Yabuki PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Komagane PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Helios	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Lugh	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Phoenix	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Gotenba 1 PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Komagane Land Lease Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary

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For the year ended 31 December 2017

Name of entities	Country of incorporation/ nationality	Nature of relationships
Nagi PV Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Natosi	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Amaterasu	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Mithra	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Sol	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Saule	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Shamash	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Pusan	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Apolo	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Surya	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Nagi Land Lease Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Rangsi	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Dazbog	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Narang	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Malina	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
Godo Kaisha Legba	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
J2 Investor Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
J1 Investor Godo Kaisha	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary
BCPG Engineering Company	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
Godo Kaisha Tarumi Takatoge	Japan	Indirect Subsidiary of the subsidiary, affiliate in TK investment
Huang Ming Japan Company Limited	Japan	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director

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Name of entities	Country of incorporation/ nationality	Nature of relationships
BCPG Wind Cooperatief U.A.	Netherlands	Indirect subsidiary of the Company, Shareholding 100% by subsidiary, and representative from the subsidiary as director
PetroWind Energy Inc.	Philippines	Indirect subsidiary of the Company, Shareholding 40% by subsidiary, and representative from the subsidiary as director
Star Energy Group Holdings Pte. Ltd.	Singapore	Indirect subsidiary of the Company, Shareholding 33.33% by subsidiary, and representative from the subsidiary as director
Nido Petroleum Limited Group	Australia/ British Virgin Islands/ Bahrain	Indirect Subsidiary, Shareholding 100 % 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.

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

Transactions	Pricing policies
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
Management service fee	Contractually agreed prices
Royalty expense	Contractually agreed prices
Interest expense	Contractually agreed rate with reference to market rate and contract rate

Significant transactions with related parties for the year ended 31 December as follows;

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Subsidiaries and indirect subsidiaries				
Sales of goods	-	-	34,167.59	28,421.53
Purchases of goods	-	-	13,026.21	5,820.77
Other income	-	-	104.80	109.05
Dividend income	-	-	994.03	861.03
Interest income	-	-	136.41	327.27
Interest expenses	-	-	-	0.32
Other expenses	-	-	61.79	43.45

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<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Associate, indirect associate and joint venture				
Sales of goods	27.62	20.81	27.62	20.81
Purchase of goods	1,487.59	1,373.74	1,487.59	1,373.74
Dividend income	-	-	21.27	-
Other expense	261.30	-	261.30	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	267.80	218.87	145.61	130.40
Post-employment benefits and other long-term benefits	40.56	8.59	7.28	7.31
Share-based payments	21.82	-	-	-
Total key management personnel Compensation	330.18	227.46	152.89	137.71
Other related parties				
Dividend income	0.73	3.23	0.73	3.23
Other income	5.07	5.22	5.07	5.22
Pipeline transportation expenses	441.69	430.55	441.69	430.55

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Trade accounts receivable - related parties				
Subsidiaries and indirect subsidiaries	-	-	1,703.31	1,103.01
Associate and indirect associate	2.03	2.00	2.03	2.00
Other related party	0.33	0.33	0.33	0.33
Total	2.36	2.33	1,705.67	1,105.34
Less allowance for doubtful accounts	-	-	-	-
Net	2.36	2.33	1,705.67	1,105.34
Bad and doubtful debts expense for the year	-	-	-	-
Other receivables - related parties				
Dividend receivable				
Subsidiary	-	-	-	210.00
Other accounts receivable				
Subsidiaries and indirect subsidiary	42.55	-	15.16	4.30
Total	42.55	-	15.16	214.30

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For the year ended 31 December 2017

<i>Loans to related parties</i>	Rate		Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016	2017	2016
	<i>(%)</i>		<i>(in million Baht)</i>			
Long-term loans						
Subsidiary						
Bangchak retail Co.,Ltd	4.2	-	-	-	90.00	-
Indirect subsidiary						
Nido Petroleum Limited	0.5-7.46	6.48-8.87	-	-	2,113.45	2,788.52
Total			-	-	2,203.45	2,788.52
Less current portion due within one year			-	-	-	-
Total loans to related parties			-	-	2,203.45	2,788.52

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

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Short-term loans				
Subsidiaries				
At 1 January	-	-	-	389.62
Increase	-	-	-	620.00
Decrease	-	-	-	(1,000.98)
Effect of change in exchange rates	-	-	-	(8.64)
At 31 December	-	-	-	-
Long-term loans				
Subsidiaries and indirect subsidiary				
At 1 January	-	-	2,788.52	9,186.44
Increase	-	-	90.00	1,500.00
Decrease	-	-	(431.91)	(7,845.20)
Effect of change in exchange rates	-	-	(243.16)	(52.72)
Less current portion due within one year	-	-	-	-
At 31 December	-	-	2,203.45	2,788.52

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For the year ended 31 December 2017

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Trade accounts payable - related parties				
Subsidiaries and indirect subsidiaries	-	-	645.45	636.93
Indirect associates	128.98	128.06	128.98	128.06
Total	128.98	128.06	774.43	764.99
Other accounts payable - related parties				
Subsidiaries and indirect subsidiaries	-	-	12.88	17.91
Associates and joint venture	12.42	-	12.42	-
Other related party	43.38	41.02	43.38	41.02
Total	55.80	41.02	68.68	58.93
Investment in subsidiaries (Note 11)	-	-	12,610.48	11,638.76
Investment in associates and joint ventures (Note 12)	14,400.16	839.62	73.00	807.55
Other non-current assets				
Indirect subsidiary	-	-	312.70	176.74
Other related party	13.91	17.32	13.91	17.32
Total	13.91	17.32	326.61	194.06
Other current liabilities				
Subsidiaries	-	-	6.00	35.72
Total	-	-	6.00	35.72
Other non-current liabilities				
Other related party	2.50	2.97	2.50	2.97
Total	2.50	2.97	2.50	2.97

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 2014, the Company entered into a Bio-diesel Sales and Purchase Agreement with an indirect subsidiary for a period of eight years effective from August 2016. 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.

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Bio-ethanol Sales and Purchase Agreement

During 2016, the Company entered into a Bio-ethanol Sales and Purchase Agreement with a indirect subsidiary to start from the commencement of the Bio-ethanol Plant's commercial operations. The Company will purchase bio-ethanol oil at yearly average volumes not less than 70% of maximum bio-ethanol production capacity at the market prices as stipulated in the agreement. Subsequently, in 2017, the Company entered into a Bio-ethanol Sales and Purchase Agreement with certain subsidiary which will replace the previous Bio-ethanol Sales and Purchase Agreement since 1 January 2018. The Company will purchase bio-ethanol oil at yearly average volumes not less than 50% of maximum bio-ethanol production capacity of subsidiaries 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 related business within service station with a subsidiary for a period of 5 years. The subsidiary agreed to pay the fee at agreed prices and conditions as stipulated in the agreement.

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 and conditions as stipulated in the agreement.

Management Service Agreement

In December 2017, the Company has entered into information technology service agreement with BCPG Public Company Limited, a subsidiary of the Company. The Company is responsible for management information system and service to such subsidiary. The agreement term is for a period of 1 year and 4 months effective from 1 August 2017 to 31 December 2018. The service fee is stipulated in the agreement.

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

Land Rental Agreement

In December 2015, the Company has entered into land rental agreement with BCPG Public Company Limited, a subsidiary for the purpose of 38 MW solar farm project at Bang Pa-In establishment and related objectives. The agreement term is for a period of 22 years effective from 1 December 2015 to 30 November 2037. The rental fee is stipulated in the same agreement.

In October 2016, the Company has entered into additional land rental agreement with BCPG Public Company Limited, a subsidiary for the purpose of related objectives of solar farm project. The agreement term is for a period of 21 years 2 months effective from 1 October 2016 to 30 November 2037. The rental fee is stipulated in the same agreement.

Building Space and Control Room Rental Agreement

In December 2015, the Company has entered into building space, control room and electricity system room rental agreement related to 38 MW solar farm project at Bang Pa-In with BCPG Public

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Company Limited, a subsidiary of the company. The agreement term is for a period of 3 years effective from 1 December 2015 to 30 November 2018. The rental fee is stipulated in the agreement.

Joint Development Area Agreement

In 2016, the Company has entered into operating rights agreement with a subsidiary to jointly developed retail area under brand of SPAR for a period of 20 years. The subsidiary agree to pay operating right fee as stipulated in the agreement.

Store Management Rights Agreement

In 2016, the Company has entered into coffee shop and food operating rights agreement with a subsidiary. The Company agreed to pay the operating rights fee in accordance with obligation under the agreement.

Lending Agreement

The Company has an unsecured lending agreement with Nido Petroleum Limited, an 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. Subsequently during the first quarter of 2016, and during the fourth quarter of 2017, the Company has restructured a loan with the subsidiary by revision of interest rate and repayment conditions.

In July 2017, BCP Innovation Pte. Ltd. "BCPI", a subsidiary of the Company has entered into Amended and Restated Credit and Guarantee Agreement with Lithium Americas Corp. "LAC" to grant LAC a credit facility of USD 80 million for investment in Project Cauchari-Olaroz (Phase I). Such loan bears interest and repayment schedule as stipulated in the agreement. As of 31 December 2017, LAC has not yet drawdown the loan.

The Company has an unsecured lending agreement with Bangchak Retail Company Limited, a subsidiary of the Company for the credit facility of Baht 200 million. The loan bears interest and repayment schedule as stipulated in the agreement.

Crude Oil Forward Contract

The Company has entered into a crude oil forward contract with a certain indirect subsidiary. The Company will purchase crude oil at quantity and price in accordance with obligation under the agreement.

Guarantee Agreement

BCPG Public Company Limited, a subsidiary of the Company entered into guarantee agreement with BCPG Engineering Company in accordance with solar power system operation and maintenance contract which BCPG Engineering Company has with Tarumizu Solar Solution Godo Kaisha and Nagi PV Godo Kaisha in the event that BCPG Engineering Company causes damage to the assets within the power plant of Tarumizu Solar Solution Godo Kaisha and Nagi PV Godo Kaisha and is not able to compensate. The guarantee agreement is JPY 28.02 million and JPY 42.00 million per annum respectively, with a guarantee facility totalling JPY 280.20 million and JPY 504 million respectively, covering the period of operation and maintenance of power system from solar energy contract. Under the conditions within the loan agreement between Tarumizu Solar Solutions Godo Kaisha and Nagi PV Godo Kaisha and certain financial institution, it is specified that BCPG Public Company Limited is responsible for the guarantee of possible damage loss.

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BCPG Public Company Limited, a subsidiary of the Company signed the Amendment and Restatement and Novation Agreement (Sponsor Support Agreement) for the purpose of changing the sponsor for Bangchak Solar Energy Company Limited, an indirect subsidiary of the Company under Sponsor Support Agreement from Bangchak Corporation Public Company Limited to BCPG Public Company Limited, with a facility of Baht 700 million. Through the Sponsor Support Agreement, BCPG Public Company Limited guarantees the facility.

Lithium Purchase Agreement

In July 2017, the Company, BCP Innovation Pte. Ltd. “BCPI”, a subsidiary of the Company and Lithium Americas Corp. “LAC” have entered into Lithium Purchase Agreement. Such agreement grants BCPI the right to purchase 20 percent of all LAC’s right from Project Cauchari-Olaroz (Phase I) for 20 years from the commencement operation date. However, the Company has an obligations according to the agreement in case of BCPI is unable to pay the lithium purchase.

6 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Cash on hand	186.78	110.18	0.40	0.62
Cash at banks - current accounts	1,236.99	8,313.07	289.33	293.99
Cash at banks - savings accounts	5,149.09	8,576.50	2,587.77	6,577.79
Highly liquid short-term investments	3,533.02	2,286.90	3,500.00	2,000.00
Total	10,105.88	19,286.65	6,377.50	8,872.40

As at 31 December 2017, certain indirect subsidiaries has a restricted deposits at financial institution totaling Baht 272.54 million (2016: Baht 734.47 million) under the long-term loan agreement with several financial institutions which required such indirect subsidiaries to obtain a permission on withdrawal of restricted deposits with the financial institution.

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7 Investments

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
<i>Current investment</i>				
Short-term deposits at financial institutions	<u>219.58</u>	<u>1,719.32</u>	<u>200.00</u>	<u>1,000.00</u>
	219.58	1,719.32	200.00	1,000.00
<i>Other long-term investments</i>				
Available-for-sale equity security				
Lithium Americas Corp.	4,060.66	429.19	-	-
Non-marketable equity securities				
Fuel Pipeline Transportation Ltd.	234.03	234.03	234.03	234.03
Core Flexible Fund (CORE)	-	112.46	-	112.46
Less: Allowance for impairment	-	(39.24)	-	(39.24)
Others	<u>49.03</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-marketable equity securities - net	4,343.72	736.44	234.03	307.25
Debt securities held to maturity				
Government bonds	3.00	3.00	3.00	3.00
Add: Premium on investments	<u>0.01</u>	<u>0.03</u>	<u>0.01</u>	<u>0.03</u>
Debt securities held to maturity - net	3.01	3.03	3.01	3.03
Other long-term investments	4,346.73	739.47	237.04	310.28
Total	4,566.31	2,458.79	437.04	1,310.28

On 14 July 2017, BCP Innovation Pte. Ltd. “BCPI”, a subsidiary of the Company paid for additional investment in Lithium Americas Corp. “LAC” amounting 50 million shares at the price of CAD 0.85, totalling investment value of CAD 42.50 million or approximately to Baht 1,088.90 million, resulting in an increase in ownership interest from 5.2% to 16.1%.

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

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
<i>Other long-term investments</i>				
Available-for-sale equity security				
At 1 January	429.19	192.04	-	-
Acquisition	1,088.90	-	-	-
Disposal	(1.01)	-	-	-
Valuation adjustment	2,721.93	234.92	-	-
Effect of movement in exchange rate	<u>(178.35)</u>	<u>2.23</u>	<u>-</u>	<u>-</u>
At 31 December	4,060.66	429.19	-	-

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8 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Related parties	5	2.36	2.33	1,705.67	1,105.34
Other parties		7,528.93	6,039.71	5,583.29	5,389.68
Total		7,531.29	6,042.04	7,288.96	6,495.02
Less: allowance for doubtful accounts		(19.90)	(20.06)	(19.90)	(20.03)
Net		7,511.39	6,021.98	7,269.06	6,474.99
(Reversal of) bad and doubtful debts expense for the year		0.24	(1.23)	(0.10)	(1.69)

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	2.36	2.33	1,705.67	1,105.34
Less: allowance for doubtful accounts	-	-	-	-
Net	2.36	2.33	1,705.67	1,105.34
Other parties				
Within credit terms	7,214.72	5,902.57	5,314.44	5,258.35
Overdue:				
Less than 3 months	282.12	115.81	245.56	110.01
3-6 months	5.04	0.64	0.16	0.64
6-12 months	6.67	0.89	2.75	0.89
Over 12 months	20.38	19.80	20.38	19.79
	7,528.93	6,039.71	5,583.29	5,389.68
Less: allowance for doubtful accounts	(19.90)	(20.06)	(19.90)	(20.03)
Net	7,509.93	6,019.65	5,563.39	5,369.65
Total	7,511.39	6,021.98	7,269.06	6,474.99

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

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9 Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Related parties	5	42.55	-	15.16	214.30
Other parties					
Receivable from oil hedging contracts		149.56	9.79	149.56	9.79
Prepaid expenses		116.71	428.93	61.42	386.44
Advance payment for solar site preparation		-	352.48	-	-
Advance payment		284.32	-	-	-
Value added tax refund		308.67	425.55	96.82	102.65
Other accounts receivable		438.45	451.24	251.07	185.79
Total		1,340.26	1,667.99	574.03	898.97

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Crude oil and other raw materials	8,609.81	8,464.85	7,463.97	8,133.28
Finished oil products	5,932.43	5,117.59	5,254.93	4,599.02
Materials and supplies	1,059.78	919.20	979.20	830.39
Consumer products	103.34	45.99	-	-
Semi-finished products	155.59	124.94	-	-
	15,860.95	14,672.57	13,698.10	13,562.69
<i>Less: allowance for obsolete and slow moving</i>	(125.48)	(104.85)	(125.32)	(104.56)
<i>allowance for decline in value</i>	(15.08)	(7.25)	-	-
Net	15,720.39	14,560.47	13,572.78	13,458.13
Cost of inventories which is recognized as an expense and included in cost of sale of goods				
- Cost	92,252.48	68,706.38	88,628.25	69,794.23
- Write-down to net realisable value	7.83	7.25	-	-
- Reversal of write-down	-	(105.47)	-	(104.95)
Total	95,260.31	68,608.16	88,628.25	69,689.28

As at 31 December 2017 and 2016, the Company's inventories included petroleum legal reserve of 407.99 million liters with approximated value of Baht 5,601.79 million and 395.98 million liters with approximated value of Baht 4,877.02 million, respectively.

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11 Investments in subsidiaries

	Separate	
	financial statements	
	2017	2016
	<i>(in million Baht)</i>	
<i>Subsidiaries</i>		
At 1 January	11,638.76	6,144.72
Acquisitions	2,886.90	5,443.58
Disposals	(622.05)	-
Reversal of impairment (loss)	(1,293.13)	50.46
At 31 December - net	<u>12,610.48</u>	<u>11,638.76</u>

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Investments in subsidiaries as at 31 December 2017 and 2016, and dividend income from the investment for the years then ended were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	(%)		(in million Baht)									
<i>Subsidiaries and indirect subsidiaries</i>												
The Bangchak Green Net Co., Ltd.	49.00	49.00	1.00	1.00	0.49	0.49	-	-	0.49	0.49	49.00	-
The Bangchak Biofuel Co., Ltd.	-	70.00	281.50	281.50	-	197.05	-	-	-	197.05	105.03	105.03
BCPG Public Co., Ltd.	70.27	70.35	9,961.52	9,950.00	7,000.00	7,000.00	-	-	7,000.00	7,000.00	840.00	756.00
Bangchak Retail Co., Ltd.	100.00	100.00	800.00	800.00	800.00	800.00	-	-	800.00	800.00	-	-
Bangchak Bioethanol (Chachoengsao) Co., Ltd.	-	85.00	500.00	500.00	-	425.00	-	-	-	425.00	-	-
BCP Energy International Pte Ltd.	100.00	100.00	3,673.44	3,635.95	3,673.44	3,635.95	(1,932.56)	(639.42)	1,740.88	2,996.53	-	-
BCP Innovation Pte. Ltd.	100.00	100.00	1,333.96	184.54	1,333.96	184.54	-	-	1,333.96	184.54	-	-
BCP Trading Pte. Ltd.	100.00	100.00	35.15	35.15	35.15	35.15	-	-	35.15	35.15	-	-
BBGI Co., Ltd.	60.00	-	2,532.00	-	1,700.00	-	-	-	1,700.00	-	-	-
Total					<u>14,543.04</u>	<u>12,278.18</u>	<u>(1,932.56)</u>	<u>(639.42)</u>	<u>12,610.48</u>	<u>11,638.76</u>	<u>994.03</u>	<u>861.03</u>

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Business restructuring

On 24 March 2017, the Company established BBP Holding Co., Ltd, incorporated in Thailand, representing a 100% ownership with initial registered capital of Baht 700 million (divided into 70 million shares at par value of Baht 10 per share) for the purpose of operation of biological products and for the Group's restructuring. The Company has paid the call up shares totalling Baht 700 million.

At the Extraordinary Meeting of the Shareholders of BBP Holding Co., Ltd, held on 29 May 2017, the shareholders approved the increase of registered share capital from Baht 700 million (divided into 70 million shares at par value of Baht 10 per share) to Baht 1,700 million (divided into 170 million shares at par value of Baht 10 per share). The subsidiary had called up and received full payment of paid-up capital in June 2017.

On 1 June 2017, the Company divested 70% and 85% of the investments in subsidiaries in ordinary shares of Bangchak Biofuel Co., Ltd. and Bangchak Bioethanol (Chachoengsao) Co., Ltd., respectively, to BBP Holding Co., Ltd., a subsidiary of the Company, for a consideration totalling Baht 869.72 million which based on book value of net assets.

On 19 July 2017, the Company has entered into agreement with Khon Kaen Sugar Industry PCL for the amalgamation between BBP Holding Co., Ltd, a subsidiary of the Company and KSLGI Co., Ltd., a subsidiary of Khon Kaen Sugar Industry PCL which established in order to accept the transfer and hold 99.99% of total issued share in KSL Green Innovation PCL. The amalgamation is completed on 31 October 2017 and BBGI Co., Ltd. is a company resulting from amalgamation. The Company holds 60% of total shares in new company.

Change in investment in subsidiaries

At the Extraordinary Meeting of the Shareholders of BCP Energy International Pte Ltd., 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 per share) to USD 21.84 million (divided into 21.84 million shares at par value of USD 1 per share). As of 24 May 2017, the subsidiary had called up and received full payment of paid-up capital in June 2017.

In June 2017, BCP Energy International Pte Ltd. acquired all the remaining of NIDO's share from minority shareholders which increase ownership interest from 96.98% to 100%. Following acquisition completion, NIDO Petroleum Limited had delisted from the Australian Stock Exchange.

At the Extraordinary Meeting of the Shareholders of BCP Innovation Pte., Ltd. held on 20 June 2017, the shareholders approved the increase of registered share capital from USD 5.15 million (divided into 5.15 million shares at par value of USD 1 per share) to USD 37.26 million (divided into 37.26 million shares at par value of USD 1 per share). The subsidiary had called up and received full payment of paid-up capital in July 2017. On 19 December 2017, the shareholders approved the increase of registered share capital by 1.5 million (divided into 1.5 million shares at par value of USD 1 per share). The subsidiary had called up and received full payment of paid-up capital in December 2017. The outstanding share capital USD 38.76 million (divided into 38.76 million shares at par value of USD 1 per share).

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Impairment of oil exploration & production assets and investment in subsidiaries

The outlook for oil market continues to be challenging and future oil prices is still continuing to fluctuate. During 2017, the Group concluded to cease the development plan in Mid-Galoc because the development is not commercially viable.

The recoverable amount calculated based on 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 and also the long-term view of global supply and demand. The discount rate is derived from weighted average cost of capital of the Group. The capital expenditure was determined based on project management estimation and long term planning.

The Group recognized impairment loss (reversal) in consolidated statement of income for the year end 31 December 2017 and 2016 as follows;

		Consolidated		Separate	
	<i>Note</i>	financial statements		financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Impairment losses (reversal)					
Investment in subsidiary (BCP Energy International Pte. Ltd.)		-	-	1,293.13	(50.46)
Property, plant and equipment	14	63.30	(38.19)	-	-
Intangible assets	16	1,464.89	-	-	-
Total		<u>1,528.19</u>	<u>(38.19)</u>	<u>1,293.13</u>	<u>(50.46)</u>

The sensitivity analysis in the key assumption 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 15.17%, this would cause the reversal of the additional allowance for impairment loss recognized during the year.

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12 Investments in associate and joint ventures

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Associate				
At 1 January	795.59	774.33	763.23	763.23
Increase	12,878.00	-	-	-
Decrease	-	-	(763.23)	-
Share of profit of associate	811.20	21.26	-	-
Share of other comprehensive income (loss) of investment of association	(20.01)	-	-	-
Dividend income	(63.83)	-	-	-
Effect of change in exchange rates	(77.70)	-	-	-
At 31 December	14,323.25	795.59	-	763.23
Joint ventures				
At 1 January	44.03	-	44.32	-
Increase	28.68	44.32	28.68	44.32
Share of profit (loss) of joint ventures	4.20	(0.29)	-	-
At 31 December	76.91	44.03	73.00	44.32
Total				
At 1 January	839.62	774.33	807.55	763.23
Increase	12,906.68	44.32	28.68	44.32
Decrease	-	-	(763.23)	-
Share of profit of associate and joint ventures	815.40	20.97	-	-
Share of other comprehensive income (loss) of investment of associate	(20.01)	-	-	-
Dividend income	(63.83)	-	-	-
Effect of change in exchange rates	(77.70)	-	-	-
At 31 December	14,400.16	839.62	73.00	807.55

Acquisitions

PetroWind Energy Inc.

On 17 March 2017, BCPG Public Company Limited, a subsidiary of the Company signed Sale and Purchase Agreement with CAIF III Pte. Ltd. (the “Seller”) to acquire the entire interest in CapAsia ASEAN Wind Holdings Cooperatief U.A. incorporated in The Netherlands, a holding company holding 40% interest in PetroWind Energy Inc. which owns operating 36 MW wind power plant project and a development of 14 MW Wind Power Project, located in Nabas, the Philippines. On 16 May 2017, the subsidiary and the Seller have already completed the condition precedent as specified in the Sale and Purchase Agreement. BCPG Investment Holdings Pte. Ltd., an indirect subsidiary within the group settled the payment of USD 26.49 million for the shares and received the share transfer of CapAsia ASEAN Wind Holding Cooperatief U.A. Subsequently, changed the name to BCPG Wind Cooperatief U.A.

Management believes that by acquired this investment will enable the group to expand their investment in other renewable energy business in South-East Asia.

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The Group has hired an independent appraiser to determine the fair value of net assets at the acquisition date, finalisation of the fair value of net assets from acquisition of investment in associate was completed in the fourth quarter of 2017.

Detail of the consideration paid for the investments and fair value of net assets acquired according to Group's interest recognised at the acquisition date are as follows;

	<i>(in million Baht)</i>
Power purchase agreements	966.41
Other net assets acquired	316.98
Gain on bargain purchase (recognised in share of profit of associates)	(361.82)
Consideration paid – cash	<u>921.57</u>

The fair value of power purchase agreements was determined by an independent appraiser based on income approach using the Multi-period Excess Earning Method (MEEM) with operating period of 25 years under power purchase agreements. Key assumptions included forecast revenue and discount rate.

Star Energy Group Holdings Pte. Ltd.

On 26 April 2017, BCPG Public Company Limited, a subsidiary of the Company signed the Share Purchase Agreement with Star Energy Investments Ltd. (“Seller”) to acquire 280,000 shares of Star Energy Group Holdings Pte. Ltd. or approximately 33.33% of the total issued and paid-up shares to invest in geothermal power plant projects which owns operating 158 MW power plant projects and a development of 24 MW, located in Indonesia. On 26 July 2017, the subsidiary and the Seller completed the conditions precedent in accordance with Share Purchase Agreement, the subsidiary settled the payment of USD 355.69 million (approximately Baht 11,956.43 million) for the shares and received the share transfer of Star Energy Group Holdings Pte. Ltd.

Management believes that by acquired this investment will enable the group to expand their investment in other renewable energy business in South-East Asia.

The Group has hired an independent appraiser to determine the fair value of net assets acquired at acquisition date. However, the report on the review has not yet been finalised, and the fair value of net assets acquired from the acquisition of investment in associate is provisionally recognised at value based on management estimates. The result of the appraisal will be subsequently used to amend the fair value of net assets acquired.

Detail of the consideration paid for the investments and fair value of net assets (liabilities) acquired according to Group's interest recognised at the acquisition date are as follows;

	<i>(in million Baht)</i>
Power purchase agreements and concession right	21,442.60
Other net assets (liabilities) acquired	(9,190.41)
Gain on bargain purchase (recognised in share of profit of associates)	(295.76)
Consideration paid - cash	<u>11,956.43</u>

The fair value of power purchase agreements was determined based on income approach using Multi-period Excess Earning Method (MEEM) with operating period under power purchase agreement and related conditions. Key assumptions included forecast revenue and discount rate.

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Disposals

On 1 June 2017, the Company divested 21.28% of the investment in associate in ordinary shares of Ubon Bio Ethanol Co., Ltd. for a consideration totaling Baht 763.23 million to BBP Holding Co., Ltd, a subsidiary of the Company in accordance with business restructuring plan of the Group.

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Investments in associates and joint ventures as at 31 December 2017 and 2016, 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	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	%													
<i>(in million Baht)</i>														
Associate														
Ubon Bio Ethanol Co., Ltd.	21.28	21.28	2,740.00	2,740.00	763.23	763.23	793.53	795.59	-	-	793.53	795.59	63.83	-
PetroWind Energy Inc.	40.00	-	894.79	-	921.57	-	1,185.13	-	-	-	1,185.13	-	-	-
Star Energy Group Holding Pte. Ltd.	33.33	-	28,236.60	-	11,956.43	-	12,344.59	-	-	-	12,344.59	-	-	-
					<u>13,641.23</u>	<u>763.23</u>	<u>14,323.25</u>	<u>795.59</u>	<u>-</u>	<u>-</u>	<u>14,323.25</u>	<u>795.59</u>	<u>63.83</u>	<u>-</u>
Joint ventures														
Bongkot Marine Services Co., Ltd.	30.00	30.00	240.00	144.40	72.00	43.32	75.78	43.06	-	-	75.78	43.06	-	-
Oam Suk Social Enterprise Co., Ltd.	40.00	40.00	2.50	2.50	1.00	1.00	1.13	0.97	-	-	1.13	0.97	-	-
					<u>73.00</u>	<u>44.32</u>	<u>76.91</u>	<u>44.03</u>	<u>-</u>	<u>-</u>	<u>76.91</u>	<u>44.03</u>	<u>-</u>	<u>-</u>
Total					<u>13,714.23</u>	<u>807.55</u>	<u>14,400.16</u>	<u>839.62</u>	<u>-</u>	<u>-</u>	<u>14,400.16</u>	<u>839.62</u>	<u>63.83</u>	<u>-</u>

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

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	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	(%)						<i>(in million Baht)</i>					
Associate												
Ubon Bio Ethanol Co., Ltd.	-	21.28	2,740.00	2,740.00	-	763.23	-	-	-	763.23	21.27	-
					<u>-</u>	<u>763.23</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>763.23</u>	<u>21.27</u>	<u>-</u>
Joint ventures												
Bongkot Marine Services Co., Ltd.	240.00	30.00	240.00	144.40	72.00	43.32	-	-	72.00	43.32	-	-
Oam Suk Social Enterprise Co., Ltd.	2.50	40.00	2.50	2.50	1.00	1.00	-	-	1.00	1.00	-	-
					<u>73.00</u>	<u>44.32</u>	<u>-</u>	<u>-</u>	<u>73.00</u>	<u>44.32</u>	<u>-</u>	<u>-</u>
Total					<u>73.00</u>	<u>807.55</u>	<u>-</u>	<u>-</u>	<u>73.00</u>	<u>807.55</u>	<u>21.27</u>	<u>-</u>

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

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The following table summarises the financial information of the associates included in associate's financial statements.

	Ubon Bio Ethanol Co., Ltd.		PetroWind Energy Inc.		Star Energy Group Holdings Pte. Ltd	
	2017	2016	2017	2016	2017	2016
	<i>(in million Baht)</i>					
For the year ended 31 December 2017						
Statement of income						
Revenue	4,689.50	3,550.38	546.24	-	13,978.28	-
Net profit	308.19	99.94	147.55	-	3,142.82	-
Other comprehensive income (loss)	-	-	-	-	(110.26)	-
Total comprehensive income for the year	308.19	99.94	147.55	-	3,032.55	-
Group's share of total comprehensive income	61.77	21.26	1.06	-	312.58	-
As at 31 December 2017						
Statement of financial position						
Current assets	1,653.15	1,209.67	578.72	-	9,784.56	-
Non-current assets	5,735.03	5,783.53	2,867.83	-	95,796.09	-
Current liabilities	(3,301.86)	(2,477.00)	(465.41)	-	(7,121.13)	-
Non-current liabilities	(1,144.97)	(1,585.88)	(1,840.18)	-	(76,993.23)	-
Net assets (100%)	2,941.35	2,930.32	1,140.96	-	21,466.29	-

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Immaterial joint ventures

The following is summarized financial information for the Group's interest in immaterial joint ventures based on the amounts reported in the Group's consolidated financial statements:

	2017	2016
	<i>(in million Baht)</i>	
Carrying amount of interests in immaterial joint ventures	73.00	44.32
Group's share of:		
- Profit (loss) for the year	4.20	(0.29)
- Other comprehensive income	-	-
- Total comprehensive income (loss)	<u><u>4.20</u></u>	<u><u>(0.29)</u></u>

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13 Investment Property

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Cost				
At 1 January	359.60	459.34	359.60	459.34
Transfer to property, plant and equipment	(16.16)	(99.74)	(16.16)	(99.74)
At 31 December	<u>343.44</u>	<u>359.60</u>	<u>343.44</u>	<u>359.60</u>
Depreciation and impairment losses				
At 1 January	-	-	-	-
At 31 December	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value				
At 1 January	<u>359.60</u>	<u>459.34</u>	<u>359.60</u>	<u>459.34</u>
At 31 December	<u>343.44</u>	<u>359.60</u>	<u>343.44</u>	<u>359.60</u>

During 2017 and 2016, the Company transferred partial of investment property to land, since the Company starting the land development for the construction of oil service station and training center.

Investment property were revalued as at 31 December 2017 and 2016 by an independent professional valuer, at market comparison value with appraised value totalling Baht 793.21 million (2016: Baht 793.21 million).

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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 <i>(in million Baht)</i>	Marketing and office equipments	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
Cost											
At 1 January 2016	1,410.79	2,276.60	39,569.88	9,180.25	8,541.37	5,229.95	239.26	288.84	27.78	3,466.17	70,230.89
Acquired through business acquisition	61.57	42.04	-	1,001.07	-	11.70	-	1.22	-	292.75	1,410.35
Additions	405.46	190.95	576.82	5.77	-	34.68	-	20.19	-	8,471.72	9,705.59
Transfers	398.24	526.79	3,413.18	1,420.00	(24.30)	1,296.87	-	45.59	-	(7,074.05)	2.32
Disposals	-	(21.07)	(1,351.29)	-	-	(315.47)	-	(22.19)	-	-	(1,710.02)
Effect of movement in exchange rate	(15.80)	(0.58)	-	(31.37)	(61.42)	0.50	-	0.04	-	(60.71)	(169.34)
At 31 December 2016 and 1 January 2017	2,260.26	3,014.73	42,208.59	11,575.72	8,455.65	6,258.23	239.26	333.69	27.78	5,095.88	79,469.79
Acquired through business acquisition (<i>Note 4</i>)	76.68	347.48	1,557.69	-	-	26.44	-	7.49	-	61.45	2,077.23
Additions	47.84	16.67	55.95	5.84	-	115.24	-	7.02	-	5,125.01	5,373.57
Transfers	935.33	216.46	3,833.83	1,364.02	-	1,458.73	-	60.46	-	(7,855.86)	12.97
Disposals	(63.62)	(4.70)	(21.40)	(18.16)	-	(175.52)	-	(14.20)	-	(2.61)	(300.21)
Effect of movement in exchange rate	(20.72)	(11.92)	-	(171.33)	(743.31)	(0.85)	-	(0.07)	-	(59.49)	(1,007.69)
At 31 December 2017	3,235.77	3,578.72	47,634.66	12,756.09	7,712.34	7,682.27	239.26	394.39	27.78	2,364.38	85,625.66

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	Consolidated financial statements										
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Exploration and production of petroleum assets	Marketing and office equipments	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
<i>(in million Baht)</i>											
<i>Depreciation and impairment losses</i>											
At 1 January 2016	(14.08)	(745.55)	(19,094.19)	(572.56)	(5,810.30)	(3,755.33)	-	(193.66)	(1.31)	-	(30,186.98)
Depreciation charge for the year	-	(125.27)	(2,661.39)	(483.93)	(757.04)	(400.02)	-	(32.36)	(1.31)	-	(4,461.32)
(Losses) reversal of impairment losses	1.90	-	(0.19)	-	38.19	1.30	-	-	-	-	41.20
Transfers	-	(0.96)	-	-	-	0.96	-	-	-	-	-
Disposals	-	20.21	1,284.64	-	-	235.49	-	22.20	-	-	1,562.54
Effect of movement in exchange rate	-	0.64	-	3.77	32.19	0.06	-	0.01	-	-	36.67
At 31 December 2016 and 1 January 2017	(12.18)	(850.93)	(20,471.13)	(1,052.72)	(6,496.96)	(3,917.54)	-	(203.81)	(2.62)	-	(33,007.89)
Acquired through business acquisition	-	(47.46)	(518.45)	-	-	(17.25)	-	(2.75)	-	-	(585.91)
Depreciation charge for the year	-	(154.00)	(2,910.45)	(571.55)	(590.51)	(514.72)	-	(37.85)	(1.31)	-	(4,780.39)
(Losses) reversal of impairment losses	-	-	(6.45)	-	(63.30)	0.46	-	-	-	-	(69.29)
Disposals	-	0.91	11.76	0.61	-	167.30	-	14.20	-	-	194.78
Effect of movement in exchange rate	-	7.27	-	11.13	653.30	0.46	-	0.02	-	-	672.18
At 31 December 2017	(12.18)	(1,044.21)	(23,894.72)	(1,612.53)	(6,497.47)	(4,281.29)	-	(230.19)	(3.93)	-	(37,576.52)

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	Consolidated financial statements										
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipments	Exploration and production of petroleum assets	Marketing and office equipments	Platinum catalyst	Vehicles	Other assets	Construction work in progress	Total
	<i>(in million Baht)</i>										
<i>Net book value</i>											
At 1 January 2016	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
At 31 December 2016 and 1 January 2017	2,248.08	2,163.80	21,737.46	10,523.00	1,958.69	2,340.69	239.26	129.87	25.16	5,095.88	46,461.89
At 31 December 2017	3,223.59	2,534.51	23,739.94	11,143.56	1,214.87	3,400.98	239.26	164.20	23.85	2,364.38	48,049.14

During first quarter of 2017, BCPG Japan Corporation, an indirect subsidiary of the company, entered into Assets Sale and Purchase Agreement with third party to sell land, right to sell electricity and related assets of Suimei solar power plant project in Japan for a consideration of JPY 1,600 million (approximately Baht 494.25 million). The Group recognized gain on sale of assets totaling approximately Baht 61.53 million.

As at 31 December 2017, certain subsidiaries have mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 15,600.27 million (2016: Baht 16,156.97 million).

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 128.13 million (2016: Baht 122.64 million), with a capitalization rate of 1.45 – 5.01% (2016: 3.85-5.59%) (see note 32).

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2017 amounted to Baht 7,401.04 million (2016: Baht 6,180.05 million).

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(b) The Company

Separate financial statements

	Land	Buildings	Machinery, equipment refinery plants and terminal	Marketing and office equipment	Platinum catalyst <i>(in million Baht)</i>	Vehicles	Other assets	Construction work in progress	Total
Cost									
At 1 January 2016	996.57	731.35	38,883.18	5,011.56	239.27	259.98	27.78	2,051.41	48,201.10
Additions	-	-	27.15	-	-	-	-	5,042.06	5,069.21
Transfers	335.89	24.50	2,085.48	1,288.90	-	45.59	-	(3,758.10)	22.26
Disposals	-	(15.40)	(1,349.39)	(390.40)	-	(20.79)	-	-	(1,775.98)
At 31 December 2016 and 1 January 2017	1,332.46	740.45	39,646.42	5,910.06	239.27	284.78	27.78	3,335.37	51,516.59
Additions	-	-	29.64	-	-	-	-	4,279.20	4,308.84
Transfers	951.14	3.67	3,795.00	1,416.08	-	59.23	-	(6,245.19)	(20.07)
Disposals	-	-	(8.99)	(172.26)	-	(5.57)	-	-	(186.82)
At 31 December 2017	2,283.60	744.12	43,462.07	7,153.88	239.27	338.44	27.78	1,369.38	55,618.54
Depreciation and impairment losses									
At 1 January 2016	(14.08)	(509.33)	(18,854.83)	(3,657.15)	-	(173.82)	(1.31)	-	(23,210.52)
Depreciation charge for the year (Losses) reversal of impairment losses	-	(35.94)	(2,565.42)	(355.42)	-	(27.30)	(1.31)	-	(2,985.39)
Transfer	1.90	-	(0.19)	1.30	-	-	-	-	3.01
Disposals	-	(0.96)	-	0.96	-	-	-	-	-
Disposals	-	15.29	1,283.34	270.39	-	20.62	-	-	1,589.64
At 31 December 2016 and 1 January 2017	(12.18)	(530.94)	(20,137.10)	(3,739.92)	-	(180.50)	(2.62)	-	(24,603.26)
Depreciation charge for the year	-	(29.80)	(2,717.98)	(443.90)	-	(30.00)	(1.31)	-	(3,222.99)
Reversal of impairment losses	-	-	(6.45)	0.46	-	-	-	-	(5.99)
Disposals	-	-	6.16	165.07	-	5.57	-	-	176.78
At 31 December 2017	(12.18)	(560.74)	(22,855.37)	(4,018.29)	-	(204.93)	(3.93)	-	(27,655.44)

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	Separate financial statements								Total
	Land	Buildings	Machinery, equipment refinery plants and terminal	Marketing and office equipment	Platinum catalyst <i>(in million Baht)</i>	Vehicles	Other assets	Construction work in progress	
<i>Net book value</i>									
At 1 January 2016	982.49	222.02	20,028.35	1,354.41	239.27	86.16	26.47	2,051.41	24,990.58
At 31 December 2016 and 1 January 2017	1,320.28	209.51	19,509.32	2,170.14	239.27	104.28	25.16	3,335.37	26,913.33
At 31 December 2017	2,271.42	183.38	26,606.70	3,135.59	239.27	133.51	23.85	1,369.38	27,963.10

Capitalised borrowing costs relating to construction of the new plant amounted to Baht 125.49 million (2016: Baht 74.52 million), with a capitalization rate of 3.96 – 5.01% (2016: 3.85 - 5.59%) (see note 32).

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2017 amounted to Baht 7,181.16 million (2016: Baht 6,128.40 million).

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15 Leasehold rights

	Consolidated and Separate financial statements <i>(in million Baht)</i>
<i>Cost</i>	
At 1 January 2016	3,091.79
Additions	451.30
Disposals	(58.36)
At 31 December 2016 and 1 January 2017	3,484.73
Addition	563.90
Disposals	(11.00)
At 31 December 2017	4,037.63
<i>Amortisation and impairment losses</i>	
At 1 January 2016	(1,448.29)
Amortisation charge for the year	(155.55)
Disposals	47.15
Reversal of impairment losses	11.00
At 31 December 2016 and 1 January 2017	(1,545.69)
Amortisation charge for the year	(185.93)
Disposals	5.34
At 31 December 2017	(1,726.28)
<i>Net book value</i>	
At 1 January 2016	1,643.50
At 31 December 2016 and 1 January 2017	1,939.04
At 31 December 2017	2,311.35

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. As at 31 December 2017 and 2016, the company has no remaining liability from the leasehold rights.

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16 Intangible assets

Consolidated financial statements					
	License fee and cost of development of computer software	Exploration and evaluation expenditure	Right to connect power distribution system and right to use land <i>(in million Baht)</i>	Power purchase agreement	Total
Cost					
At 1 January 2016	491.23	3,307.41	17.82	-	3,816.46
Acquired through business acquisition	25.11	-	84.11	1,680.43	1,789.65
Additions	437.91	54.81	22.82	-	515.54
Disposals	(0.28)	-	(4.14)	-	(4.42)
Effect of movements in exchange rates	(8.56)	(22.80)	1.36	47.11	17.11
At 31 December 2016 and 1 January 2017	945.41	3,339.42	121.97	1,727.54	6,134.34
Acquired through business combination	2.19	-	-	25.91	28.10
Additions	214.70	403.62	14.76	-	633.08
Disposals	(0.49)	-	(17.64)	(19.43)	(37.56)
Effect of movements in exchange rates	(12.58)	(308.46)	(5.09)	(101.22)	(427.35)
At 31 December 2017	1,149.23	3,434.58	114.00	1,632.80	6,330.61

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Consolidated financial statements

	License fee and cost of development of computer software	Exploration and evaluation expenditure	Right to connect power distribution system and right to use land <i>(in million Baht)</i>	Power purchase agreement	Total
<i>Amortisation and impairment losses</i>					
At 1 January 2016	(281.17)	(756.38)	(0.06)	-	(1,037.61)
Amortisation for the year	(64.16)	-	(4.48)	(22.47)	(91.11)
Disposals	0.20	-	0.09	-	0.29
Effect of movements in exchange rates	-	5.32	0.19	1.20	6.71
At 31 December 2016 and 1 January 2017	(345.13)	(751.06)	(4.26)	(21.27)	(1,121.72)
Acquired through business combination	1.18	-	-	-	(1.18)
Amortisation for the year	(100.31)	-	(3.70)	(29.69)	(133.70)
Disposals	0.49	-	-	-	0.49
Impairment losses <i>(Note 11)</i>	-	(1,464.89)	-	-	(1,464.89)
Effect of movements in exchange rates	0.04	119.04	0.31	2.50	121.89
At 31 December 2017	(446.09)	(2,096.91)	(7.65)	(48.46)	(2,599.11)
<i>Net book value</i>					
At 1 January 2016	210.06	2,551.03	17.76	-	2,778.85
At 31 December 2016 and 1 January 2017	600.28	2,588.36	117.71	1,706.27	5,012.62
At 31 December 2017	703.14	1,337.67	106.35	1,584.34	3,731.50

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	Separate financial statements
	Right to use and cost of development of computer software (in million Baht)
<i>Cost</i>	
At 1 January 2016	478.20
Additions	184.89
Disposals	(0.28)
At 31 December 2016 and 1 January 2017	662.81
Additions	126.76
Disposals	(0.09)
At 31 December 2017	789.48
<i>Amortisation</i>	
At 1 January 2016	(273.33)
Amortisation for the year	(59.66)
Disposals	0.21
At 31 December 2016 and 1 January 2017	(332.78)
Amortisation for the year	(80.43)
Disposals	0.09
At 31 December 2017	(413.12)
<i>Net book value</i>	
At 1 January 2016	204.87
At 31 December 2016 and 1 January 2017	330.03
At 31 December 2017	376.36

17 Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in million Baht)			
Total	1,226.95	860.22	(816.52)	(914.40)
Set off of tax	(226.93)	(313.71)	226.93	313.71
Net deferred tax assets (liabilities)	1,000.02	546.51	(589.59)	(600.69)
	Separate financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in million Baht)			
Total	936.67	628.45	(36.85)	(118.38)
Set off of tax	(36.85)	(118.38)	36.85	118.38
Net deferred tax assets	899.82	510.07	-	-

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

	Consolidated financial statement					At 31 December 2017
	At 1 January 2017	<u>(Charged)/Credited to:</u>			Exchange differences	
		Profit/loss (Note 33)	Other comprehensive income (in million Baht)	Acquired through business acquisition		
<i>Deferred tax assets</i>						
Loss from impairment of assets	170.96	254.63	-	0.37	-	425.59
Property, plant and equipment	279.14	20.07	-	0.22	(17.26)	282.17
Provisions for employee benefit	346.92	19.54	14.16	0.95	-	381.57
Loss carry forward	29.21	67.37	-	-	(2.41)	94.17
Others	33.99	9.46	-	-	-	43.45
Total	860.22	370.70	14.16	1.54	(19.67)	1,226.95
<i>Deferred tax liabilities</i>						
Property, plant and equipment	(351.10)	93.28	-	(62.62)	16.48	(303.96)
Intangible assets	(450.89)	6.72	-	(5.18)	31.57	(417.78)
Leasehold rights	(1.13)	0.07	-	-	-	(1.06)
Provision for the decommissioning cost	(94.58)	10.07	-	-	7.94	(76.57)
Others	(16.70)	(1.89)	-	-	1.44	(17.15)
Total	(914.40)	108.25	-	(67.80)	57.43	(816.52)
Net	(54.18)	478.95	14.16	(66.26)	37.76	410.43

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Consolidated financial statement

	(Charged)/Credited to:					At 31 December 2016
	At 1 January 2016	Profit/loss (Note 33)	Other comprehensive income (in million Baht)	Acquired through business acquisition	Exchange differences	
<i>Deferred tax assets</i>						
Loss from impairment of assets	185.43	(14.47)	-	-	-	170.96
Property, plant and equipment	257.44	22.82	-	-	(1.12)	279.14
Provisions for employee benefit	306.60	22.78	17.54	-	-	346.92
Loss carry forward	36.69	(6.80)	-	-	(0.68)	29.21
Inventories	20.99	(20.99)	-	-	-	-
Others	28.18	5.81	-	-	-	33.99
Total	835.33	9.15	17.54	-	(1.80)	860.22
<i>Deferred tax liabilities</i>						
Property, plant and equipment	(438.18)	82.26	-	-	4.82	(351.10)
Intangible assets	-	4.64	-	(442.86)	(12.67)	(450.89)
Leasehold rights	(1.20)	0.07	-	-	-	(1.13)
Provision for the decommissioning cost	(102.86)	14.04	-	(6.10)	0.34	(94.58)
Others	(13.96)	(2.80)	-	-	0.06	(16.70)
Total	(556.20)	98.21	-	(448.96)	(7.45)	(914.40)
Net	279.13	107.36	17.54	(448.96)	(9.25)	(54.18)

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	At 1 January 2017	Separate financial statements (Charged) / credited to		At 31 December 2017
		Profit/loss (Note 33)	Other comprehensive income	
		<i>(in million Baht)</i>		
<i>Deferred tax assets</i>				
Loss from impairment of assets	170.96	254.26	-	425.22
Property, plant and equipment	81.73	12.86	-	94.59
Provisions for employee benefit	341.83	16.96	14.68	373.47
Others	33.93	9.46	-	43.39
Total	628.45	293.54	14.68	936.67
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(117.25)	81.46	-	(35.79)
Leasehold rights	(1.13)	0.07	-	(1.06)
Total	(118.38)	81.53	-	(36.85)
Net	510.07	375.07	14.68	899.82

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	At 1 January 2016	Separate financial statements (Charged) / credited to		At 31 December 2016
		Profit/loss (Note 33)	Other comprehensive income	
		<i>(in million Baht)</i>		
<i>Deferred tax assets</i>				
Loss from impairment of assets	185.43	(14.47)	-	170.96
Property, plant and equipment	74.21	7.52	-	81.73
Provisions for employee benefit	302.79	20.99	18.05	341.83
Inventories	20.99	(20.99)	-	-
Others	28.10	5.83	-	33.93
Total	611.52	(1.12)	18.05	628.45
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(60.12)	(57.13)	-	(117.25)
Leasehold rights	(1.20)	0.07	-	(1.13)
Total	(61.32)	(57.06)	-	(118.38)
Net	550.20	(58.18)	18.05	510.07

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18 Other non-current assets

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Fixed deposit for staff welfare	514.46	513.19	514.46	513.19
Investment in service stations	201.18	180.57	201.18	180.57
Deposit	892.26	640.09	459.31	225.70
Others	426.98	399.76	394.54	234.02
Total	<u>2,034.88</u>	<u>1,733.61</u>	<u>1,569.49</u>	<u>1,153.48</u>

19 Interest-bearing liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
<i>Current</i>				
Short term loan from financial institutions				
secured	365.88	89.77	-	-
unsecured	<u>3,680.30</u>	<u>7,354.25</u>	<u>3,280.30</u>	<u>7,189.25</u>
	<u>4,046.18</u>	<u>7,444.02</u>	<u>3,280.30</u>	<u>7,189.25</u>
Current portion of long-term loans				
from financial institutions				
secured	1,692.86	1,397.23	-	-
unsecured	<u>525.15</u>	<u>300.15</u>	<u>325.15</u>	<u>300.15</u>
	<u>2,218.01</u>	<u>1,697.38</u>	<u>325.15</u>	<u>300.15</u>
Debenture				
unsecured	<u>-</u>	<u>2,000.00</u>	<u>-</u>	<u>2,000.00</u>
	<u>-</u>	<u>2,000.00</u>	<u>-</u>	<u>2,000.00</u>
Total Current	<u>6,264.19</u>	<u>11,141.40</u>	<u>3,605.45</u>	<u>9,489.40</u>
<i>Non-current</i>				
Long - term loans from financial institutions				
secured	17,372.93	11,056.60	-	-
unsecured	<u>3,276.08</u>	<u>3,401.23</u>	<u>3,076.08</u>	<u>3,401.23</u>
	<u>20,649.01</u>	<u>14,457.83</u>	<u>3,076.08</u>	<u>3,401.23</u>
Debenture				
unsecured	<u>13,990.27</u>	<u>13,987.57</u>	<u>13,990.27</u>	<u>13,987.57</u>
	<u>13,990.27</u>	<u>13,987.57</u>	<u>13,990.27</u>	<u>13,987.57</u>
Total Non-current	<u>34,639.28</u>	<u>28,445.40</u>	<u>17,066.35</u>	<u>17,388.80</u>
Total	<u>40,903.47</u>	<u>39,586.80</u>	<u>20,671.80</u>	<u>26,878.20</u>

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Details of the Group's loans from financial institutions as at 31 December 2017 was as follows:

	Currency	Facilities (million)	Interest Interest Rates (%) p.a.	Repayment Terms
<i>Short-term loans from financial institutions</i>				
The Company	USD	100	LIBOR plus a margin	The principle will be repayable on 28 December 2018
Indirect Subsidiary	Baht	500	MMR	The principle was paid in January 2018
Indirect Subsidiary	Baht	400	Fixed Interest Rate	The principle was paid on 26 January 2018
Indirect Subsidiary	Baht	300	Fixed Interest Rate	The principle was paid on 21 January 2018
<i>Long-term loans from financial institutions</i>				
The Company	Baht	4,200	Fixed Interest Rate	Interest is payable semi-annually in 26 instalments starting in March 2013
The Company	Baht	3,500	THBFIX 6M plus a margin	Interest is payable semi-annually in 23 instalments starting in December 2011
Indirect Subsidiary	Baht	2,049	Fixed Deposit Rate plus a margin	Interest is payable quarterly in 24 instalments starting in January 2017
Indirect Subsidiary	Baht	400	THBFIX 6M plus a margin	Interest is payable semi-annually in 13 instalments starting in August 2017
Indirect Subsidiary	Baht	170	THBFIX 6M plus a margin	Interest is payable semi-annually in 11 instalments starting in August 2018
Indirect Subsidiary	Baht	1,000	Fixed Interest Rate	Interest is payable semi-annually in 10 instalments starting in April 2015
Subsidiary	Baht	450	THBFIX 6M plus a margin	Interest is payable semi-annually in 17 instalments starting in December 2016
Subsidiary	Baht	270	THBFIX 6M plus a margin	Interest is payable semi-annually in 17 instalments starting in December 2016
Subsidiary	Baht	750	FDR 6M plus a margin	Interest is payable semi-annually in 29 instalments starting in December 2016
Subsidiary	Baht	1,050	THBFIX 6M plus a margin	Interest is payable semi-annually in 15 instalments starting in December 2017
Subsidiary	Baht	630	THBFIX 6M plus a margin	Interest is payable semi-annually in 15 instalments starting in December 2017
Subsidiary	Baht	1,750	FDR 6M plus a margin	Interest is payable semi-annually in 27 instalments starting in December 2017
Subsidiary	Baht	2,400	THBFIX 6M plus a margin	Interest is payable semi-annually in 12 instalments starting in December 2017, principal repayment at year 6 from agreement signing date
Subsidiary	Baht	2,740	THBFIX 6M plus a margin	Interest is payable semi-annually, principal repayment at year 6 from agreement signing date
Subsidiary	JPY	4,200	JPYTIBOR 6M plus a margin	Interest is payable semi-annually in 17 instalments starting in December 2016

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	Currency	Facilities (million)	Interest Interest Rates (%) p.a.	Repayment Terms
<i>Long-term loans from financial institutions (Con't)</i>				
Subsidiary	JPY	570	JPYTIBOR 6M plus a margin	Interest is payable semi-annually in 17 instalments starting in December 2016
Subsidiary	JPY	9,800	JPYTIBOR 6M plus a margin	Interest is payable semi-annually in 15 instalments starting in December 2017
Subsidiary	JPY	1,330	JPYTIBOR 6M plus a margin	Interest is payable semi-annually in 17 instalments starting in December 2017
Subsidiary	JPY	7,896	JPYTIBOR 6M plus a margin	Interest is payable semi-annually in 12 instalments starting in December 2017, principal repayment at year 6 from agreement signing date
Subsidiary	JPY	1,128	JPYTIBOR 6M plus a margin	Interest is payable semi-annually, principal repayment at year 6 from agreement signing date
Subsidiary	USD	10	USDLIBOR 6M plus a margin	Interest is payable semi-annually in 12 instalments starting in December 2017, principal repayment at year 6 from agreement signing date
Subsidiary	USD	40	USDLIBOR 6M plus a margin	Interest is payable semi-annually, principal repayment at year 6 from agreement signing date
Subsidiary	USD	20	USDLIBOR 6M plus a margin	Interest is payable semi-annually, principal repayment at year 6 from agreement signing date
Indirect Subsidiary	Baht	754	THBFIX 6M plus a margin	Interest is payable semi-annually in 20-34 instalments starting in August 2013
Indirect Subsidiary	Baht	754	Fixed interest rate 6 years	Interest is payable semi-annually in 20-34 instalments starting in August 2013
Indirect subsidiary	USD	12	Fixed Interest Rate	Interest is payable semi-annually in 34 instalments starting in August 2013
Indirect subsidiary	JPY	1,366	Fixed Interest Rate	Interest is payable quarterly in 68 instalments starting in September 2016
Indirect subsidiary	JPY	1,000	Fixed Interest Rate	Interest is payable quarterly in 68 instalments starting in September 2016
Indirect subsidiary	JPY	900	Fixed Interest Rate	Interest is payable quarterly in 68 instalments starting in September 2016
Indirect subsidiary	JPY	700	Fixed Interest Rate	Interest is payable quarterly in 68 instalments starting in September 2016
Indirect subsidiary	JPY	4,176	Fixed Interest Rate	Interest is payable semi-annually in 34 instalments starting in September 2017

The loan agreements contain certain conditions such as maintaining certain financial ratios such as maintaining of certain debt to equity ratio, debt service coverage ratio and current ratio and transfer right of any agreements. These loans are secured by mortgage of the land, building, land improvement and infrastructure, machinery and 33.33% shares of issued and paid up capital of Star Energy Group Holdings Pte. Ltd.

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As at 31 December 2017, the Group and the Company had unutilised credit facilities totalling Baht 13,729 million and Baht 10,495 million, respectively (2016: Baht 9,918 million and Baht 9,695 million, respectively).

Debentures

Detail of debentures as at 31 December 2017 and 2016 were as follows;

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Debentures	14,000.00	16,000.00	14,000.00	16,000.00
Less Unamortized deferred expenses on debentures	(9.73)	(12.43)	(9.73)	(12.43)
	13,990.27	15,987.57	13,990.27	15,987.57
Less Current portion due within one year	-	2,000.00	-	2,000.00
Total	13,990.27	13,987.57	13,990.27	13,987.57

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:

Issued date	Amount (in million Baht)	Interest rate (per annum)	Term (Years)	Maturity Date
30 April 2012	2,000	4.92	7	30 April 2019
30 April 2012	1,000	5.35	10	30 April 2022
11 April 2014	2,000	4.35	5	11 April 2019
11 April 2014	2,500	4.81	7	11 April 2021
11 April 2014	3,500	5.18	10	11 April 2024
3 March 2015	2,000	4.72	12	3 March 2027
3 March 2015	1,000	5.05	15	3 March 2030

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.

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

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Within one year	6,264.19	11,141.40	3,605.45	9,489.40
After one year but within five years	16,758.80	12,849.54	9,346.93	7,696.21
After five years	17,880.48	15,595.86	7,719.42	9,693.59
Total	<u>40,903.47</u>	<u>39,586.80</u>	<u>20,671.80</u>	<u>26,878.20</u>

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

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Property, plant and equipment	15,600.27	16,156.97	-	-
Investment in associates	12,344.59	-	-	-
Total	<u>27,944.86</u>	<u>16,156.97</u>	<u>-</u>	<u>-</u>

20 Trade accounts payable

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Related parties	5	128.98	128.06	774.43	764.99
Other parties		9,887.10	8,638.09	7,459.26	7,526.00
Total		<u>10,016.08</u>	<u>8,766.15</u>	<u>8,233.69</u>	<u>8,290.99</u>

21 Other payables

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
Related parties	5	<u>55.80</u>	<u>41.02</u>	<u>68.68</u>	<u>58.93</u>
Other parties					
Accrued expenses		1,173.89	1,135.07	881.73	809.42
Liabilities from forward contract		9.66	74.75	9.66	74.75
Payable for project construction		31.55	342.12	-	-
Other accounts payable		1,747.47	1,615.65	1,104.08	811.74
Total		<u>3,018.37</u>	<u>3,208.61</u>	<u>2,064.15</u>	<u>1,754.84</u>

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22 Non-current provisions for employee benefits

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Statement of financial position				
Non-current provisions for:				
Post-employment benefits	1,908.47	1,726.84	1,830.05	1,674.22
Other long-term employee benefits	40.96	42.88	37.33	34.98
Total	<u>1,949.43</u>	<u>1,769.72</u>	<u>1,867.38</u>	<u>1,709.20</u>
<i>For the year ended 31 December</i>				
Statement of comprehensive income:				
Recognised in profit or loss				
Post-employment benefits	185.31	138.62	159.57	122.53
Other long-term employee benefits	6.51	6.21	4.89	4.05
Total	<u>191.82</u>	<u>144.83</u>	<u>164.46</u>	<u>126.58</u>
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	70.83	87.71	73.39	90.27
Cumulative actuarial losses recognised	441.23	370.40	450.38	376.99

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

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

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Movement in the present value of the defined benefit obligations:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
At 1 January	1,769.72	1,571.35	1,709.20	1,513.98
Include in profit or loss:				
Acquired through business acquisition	4.72	5.68	-	-
Current service costs and interest	191.82	144.83	164.46	126.58
	<u>196.54</u>	<u>150.51</u>	<u>164.46</u>	<u>126.58</u>
Included in other comprehensive income				
Actuarial loss	70.83	87.71	73.39	90.27
Effect of movement in exchange rate	(3.42)	(9.03)	-	-
	<u>67.41</u>	<u>78.68</u>	<u>73.39</u>	<u>90.27</u>
Others				
Benefit paid	(84.24)	(30.82)	(79.67)	(21.63)
	<u>(84.24)</u>	<u>(30.82)</u>	<u>(79.67)</u>	<u>(21.63)</u>
At 31 December	<u>1,949.43</u>	<u>1,769.72</u>	<u>1,867.38</u>	<u>1,709.20</u>

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Demographic assumptions	15.98	3.34	20.18	4.47
Financial assumptions	117.61	226.36	115.59	226.14
Experience adjustment	(62.76)	(141.99)	(62.38)	(140.34)
Total	<u>70.83</u>	<u>87.71</u>	<u>73.39</u>	<u>90.27</u>

Actuarial assumptions

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

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
	%			
Discount rate	0.32-3.95	2.26-5.4	2.57	3.1
Future salary growth	3-6	3-6	6	6
Turnover rate	0-62	0-63	1-8	0-8

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2017, the weighted-average duration of the defined benefit obligation was 6 -31 years (2016: 6 - 32 years).

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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>			
At 31 December 2017	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(204.67)	237.83	(195.91)	229.04
Future salary growth (1% movement)	223.14	(196.00)	213.31	(187.04)
Turnover rate (1% movement)	(88.88)	100.88	(81.27)	94.04

	Consolidated financial statements		Separate financial statements	
	<i>(in million Baht)</i>			
At 31 December 2016	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(187.10)	219.25	(182.10)	213.65
Future salary growth (1% movement)	209.07	(187.51)	200.15	(174.74)
Turnover rate (1% movement)	(75.40)	65.73	(73.56)	64.59

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>	2017		2016	
		Number	Baht	Number	Baht
<i>(million shares / million Baht)</i>					
Authorised					
At 1 January					
ordinary shares	1	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>
At 31 December					
ordinary shares	1	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>
Issued and paid-up					
At 1 January					
ordinary shares	1	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>
At 31 December					
ordinary shares	1	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>	<u>1,376.92</u>

24 Surplus and reserves

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.

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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.

Other surplus

Surplus from the change in the ownership interest in subsidiaries

Change in parent's ownership interest in subsidiaries within equity comprises of effect from dilution of percentage of holding of the Company in a subsidiary and difference from changes in parent's ownership interest in subsidiaries that do not result in a loss of control.

Surplus from business combination

Surplus from business combination represents the measurement of net assets acquired and recognised at fair value from business combination.

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.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the Company's net investment in a foreign operation.

Fair value changes in available-for-sale investments

The fair value changes in available-for-sale investments account within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

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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 and oil trading</i>
<i>Segment 2</i>	<i>Marketing</i>
<i>Segment 3</i>	<i>Electricity</i>
<i>Segment 4</i>	<i>Bio-based product</i>
<i>Segment 5</i>	<i>Natural resource</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.

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Information about reportable segments

2017

	Refinery and Oil trading	Marketing	Electricity	Bio-based Product	Natural resource	Others	Eliminations	Total
	<i>(in million Baht)</i>							
External revenue	4,434.17	29,389.04	,322.48	,482.27	,510.28	-	-	72,138.24
Inter-segment revenue	<u>120,846.91</u>	<u>9.01</u>	<u>-</u>	<u>5,591.21</u>	<u>-</u>	<u>-</u>	<u>(126,447.13)</u>	<u>-</u>
Total revenue	<u>156,281.08</u>	<u>129,398.05</u>	<u>3,322.48</u>	<u>8,073.48</u>	<u>1,510.28</u>	<u>-</u>	<u>(126,447.13)</u>	<u>172,138.24</u>
Group's EBITDA	7,595.56	,300.88	,087.57	529.45	286.33	(2.82)	(134.41)	13,662.56
Depreciation and amortization								(5,135.47)
Gain on foreign exchange								889.48
Loss from impairment of assets								(1,518.47)
Finance costs								(1,452.28)
Income tax expense								<u>(40.88)</u>
Profit for the year								<u>6,404.94</u>
Interest revenue	51.96	61.13	40.94	0.58	0.20	135.96	(135.96)	154.81
Financial costs	767.47	136.55	436.05	99.76	171.24	-	(158.79)	1,452.28
Depreciation and amortisation	2,763.67	826.40	702.20	244.59	594.01	4.60	-	5,135.47
Segments assets	49,541.83	15,509.74	32,091.30	8,578.92	8,388.69	-	-	114,110.48
Investments in associate and joint ventures	75.78	1.13	13,529.72	793.53	-	-	-	14,400.16
Capital expenditure	3,183.90	1,913.94	899.11	335.26	420.14	-	-	6,752.35

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2016

	Refinery and Oil trading	Marketing	Electricity	Bio-based Product <i>(in million Baht)</i>	Natural resource	Others	Eliminations	Total
External revenue	7,581.72	10,688.41	,083.91	,847.88	,503.37	-	-	44,705.29
Inter-segment revenue	102,795.33	2.57	-	5,245.23	-	-	(108,043.13)	-
Total revenue	130,377.05	110,690.98	3,083.91	7,093.11	1,503.37	-	(108,043.13)	144,705.29
Group's EBITDA	5,756.23	,527.47	,559.45	326.01	322.58	99.01	(227.77)	11,362.98
Depreciation and amortization								(4,734.38)
Gain on foreign exchange								236.78
Reversed of allowance for loss from impairment of assets								36.80
Finance costs								(1,483.80)
Income tax expense								(688.97)
Profit for the year								4,729.41
Interest revenue	66.53	93.22	26.76	0.59	0.21	227.77	(227.77)	187.31
Financial costs	929.12	133.98	370.42	42.52	238.11	0.64	(230.99)	1,483.80
Depreciation and amortisation	2,597.89	640.33	603.52	123.15	761.19	8.30	-	4,734.38
Segments assets	52,887.93	11,228.52	25,485.05	4,831.66	6,832.41	517.29	-	101,782.86
Investments in associate and joint ventures	43.06	-	-	795.59	-	0.97	-	839.62
Capital expenditure	4,089.42	1,705.35	3,231.24	1,271.87	39.60	0.25	-	10,337.73

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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

	Revenue	
	2017	2016
	<i>(in million Baht)</i>	
Thailand	151,789.56	133,846.26
Malaysia	5,216.75	3,948.73
Japan	481.48	253.31
Korea	3,275.37	1,379.63
Philippines	71.82	35.06
Singapore	8,398.05	2,953.66
Others	2,905.21	2,288.64
Total	<u>172,138.24</u>	<u>144,705.29</u>

	Non-current assets	
	2017	2016
	<i>(in million Baht)</i>	
Thailand	50,104.50	47,987.49
Japan	5,864.53	6,065.40
Philippines	4,393.64	2,486.66
Indonesia	12,344.59	113.81
Other	4,112.26	6.07
Total	<u>76,819.52</u>	<u>57,088.85</u>

Major customer

Revenues from one customer of the Group's 1 and 2 segments represents approximately Baht 16,011 million (2016: Baht 14,103 million) of the Group's total revenues.

26 Interest and dividend income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Baht)</i>			
<i>Dividend income</i>					
Related parties	5	0.73	3.23	1,016.03	864.26
		<u>0.73</u>	<u>3.23</u>	<u>1,016.03</u>	<u>864.26</u>
<i>Interest income</i>					
Related parties	5	-	-	136.41	327.27
Other investment income		154.80	187.31	106.88	154.02
		<u>154.80</u>	<u>187.31</u>	<u>243.29</u>	<u>482.23</u>
Total		<u>155.53</u>	<u>190.54</u>	<u>1,259.32</u>	<u>1,346.49</u>

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27 Other income

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Fee for land utilisation and management fee for NGV service station	50.58	66.78	45.55	59.79
Gain on sale of investments	-	-	247.66	-
Management service fee for subsidiaries	-	-	74.97	69.47
Interest income from tax refund	401.38	-	401.38	-
Penalty income	174.98	-	174.98	-
Others	458.23	276.48	202.20	186.74
Total	1,085.17	343.26	1,146.75	316.00

28 Selling expenses

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Personnel	1,107.19	1,015.37	.27	.92
Advertising	499.61	437.45	.76	.27
Depreciation and amortisation	715.90	572.84	673.05	562.32
Distribution	500.82	382.35	464.76	381.98
Rental	263.84	195.23	237.51	189.60
Others	938.49	1,182.68	647.85	775.75
Total	4,025.85	3,785.92	2,921.20	2,717.84

29 Administrative expenses

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Personnel	1,299.02	987.96	.50	.69
Advertising	.64	.92	.06	.29
Depreciation and amortisation	.07	.53	.52	.69
Professional and consultant fees	.16	.45	.67	.40
Others	.29	.65	.07	.83
Total	8.18	9.51	6.82	9.90

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30 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Wages and salaries	2,138.22	1,970.37	1,111.33	1,029.43
Defined contribution plans	113.94	102.67	87.38	80.36
Pension	179.34	152.78	164.46	126.59
Others	845.83	678.00	545.82	484.41
Total	3,277.33	2,903.82	1,908.99	1,720.79

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 15% of their basic salaries and by the Group at rates ranging from 3% 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.

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:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
<i>Included in cost of sales of goods:</i>				
Changes in inventories of finished goods and work in progress	530.26	2,463.86	655.91	2,752.93
Raw materials and consumables used	95,252.48	68,706.38	88,628.25	69,794.23
Tax expenses and oil fuel fund	28,523.42	26,520.22	28,523.42	26,520.22
Depreciation	4,078.59	3,906.44	2,620.72	2,495.21
(Reversed of) loss on decline in value of inventories	7.83	(98.22)	-	(104.95)
<i>Included in selling expenses:</i>				
Depreciation	517.68	408.88	474.83	398.36
<i>Included in administrative expenses:</i>				
Depreciation	184.12	146.00	127.44	91.82

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32 Finance costs

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<i>(in million Baht)</i>					
Interest expense					
Financial institutions		796.51	727.58	303.56	435.23
Debentures		705.79	762.03	705.79	762.03
Total interest expense		1,502.30	1,489.61	1,009.35	1,197.26
Amortisation of transaction costs capitalised		62.82	105.42	17.71	82.13
Others finance costs		15.29	11.41	2.44	3.46
		1,580.41	1,606.44	1,029.50	1,282.85
<i>Less</i> Amount included in the cost of qualifying assets:					
- Property, plant and equipment under construction	14	(128.13)	(122.64)	(125.49)	(74.52)
Net		1,452.28	1,483.80	904.01	1,208.33

33 Income tax

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<i>(in million Baht)</i>					
Current tax expense					
Current year		1,441.96	872.34	1,405.52	786.12
Over provided in prior years		(922.13)	(76.01)	(921.50)	(76.01)
		519.83	796.33	484.02	710.11
Deferred tax expense					
Movements in temporary differences	17	(478.95)	(107.36)	(375.07)	58.18
		(478.95)	(107.36)	(375.07)	58.18
Total tax expense		40.88	688.97	108.95	768.29

Reconciliation of effective tax rate

	Consolidated financial statements			
	2017		2016	
	Rate (%)	<i>(in million Baht)</i>	Rate (%)	<i>(in million Baht)</i>
Profit before income tax expense		6,445.83		5,418.38
Income tax using the Thai corporation tax rate	20.00	1,289.17	20.00	1,083.68
Effect of difference tax rates in foreign jurisdictions		(192.84)		(40.62)
Income not subject to tax / Expenses that are deductible at a greater amount		(643.47)		(524.90)
Expenses not deductible / Other adjustments		255.86		182.86
Current year losses for which no deferred tax assets was recognised		269.03		103.05
Over provided in prior years		(922.13)		(76.01)
Others		(14.74)		(39.09)
Total		0.63		688.97

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<i>Reconciliation of effective tax rate</i>	Separate financial statements			
		2017		2016
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		<u>6,260.62</u>		<u>5,270.59</u>
Income tax using the Thai corporation tax rate	20.00	1,252.12	20.00	1,054.12
Income not subject to tax / Expenses that are deductible at a greater amount		(245.57)		(200.18)
Expenses not deductible / Other adjustments		23.89		(9.64)
Over provided in prior years		(921.50)		(76.01)
Total	1.74	108.95	14.58	768.29

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin 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 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.
- (c) A 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of five years, commencing from the expiry date in (b) above.

Production of Biodiesel

- (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.

Production of Ethanol

- (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 six and eight years from the date on which the income is first derived from such operations.

Production of Biogas

- (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 six and eight years from the date on which the income is first derived from such operations.

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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					
	2017			2016		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
	<i>(in million Baht)</i>					
Export sales	98.66	30,717.55	30,816.21	31.99	12,314.64	12,346.63
Local sales	10,500.40	177,993.18	188,493.58	7,678.94	158,912.92	166,591.86
Eliminations	-	-	(47,171.55)	-	-	(34,233.20)
Total Revenue	10,599.06	208,710.73	172,138.24	7,710.93	171,227.56	144,705.29

The Company has no revenue from promoted business.

35 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the years ended 31 December 2017 and 2016 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	
	2017	2016	2017	2016
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	5,778.24	4,773.38	6,151.67	4,502.30
Number of ordinary shares outstanding	1,376.92	1,376.92	1,376.92	1,376.92
Earnings per share (basic) <i>(in Baht)</i>	4.20	3.47	4.47	3.27

36 Dividends

At the Board of Directors meeting of the Company held on 31 August 2017, the meeting approved the appropriation of interim dividend from retained earnings as of 30 June 2017 at Baht 1.05 per share, amounting to Baht 1,445.48 million. The dividend was paid to the shareholders on 26 September 2017.

At the Annual General Meeting of the Shareholders, held on 5 April 2017, the shareholders approved a full year performance of 2016 dividend payment at the rate of Baht 1.80 per share, totalling Baht 2,478.38 million, of which Baht 0.80 per share, totalling Baht 1,101.52 million was paid as an interim dividend for the first half year of 2016 on 20 September 2016. The remaining dividend was paid for the second half year of 2016 at the rate of Baht 1.00 per share, totalling Baht 1,376.86 million. The dividend was paid to the shareholders on 21 April 2017.

At the Board of Directors meeting of the Company held on 25 August 2016, the meeting approved the appropriation of interim dividend from retained earnings as of 30 June 2016 at Baht 0.80 per share, amounting to Baht 1,101.52 million. The dividend was paid to the shareholders on 20 September 2016.

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At the Annual General Meeting of the Shareholders, held on 5 April 2016, the shareholders approved a full year performance of 2015 dividend payment at the rate of Baht 2.00 per share, totalling Baht 2,753.62 million, of which Baht 1.00 per share, totalling Baht 1,376.69 million was paid as an interim dividend for the first half year of 2015 on 9 September 2015. The remaining dividend was paid for the second half year of 2015 at the rate of Baht 1.00 per share, totalling Baht 1,376.90 million. The dividend was paid to the shareholders on 21 April 2016.

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.

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.

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The 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:

	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>					
2017					
Current					
Loans from Financial institutions	0.3-5.3	6,264.19	-	-	6,264.19
Non-current					
Loans from Financial institutions	0.3-5.3	-	9,262.49	11,386.52	20,649.01
Debenture	4.3-5.3	-	7,496.31	6,493.96	13,990.27
Total		6,264.19	16,758.80	17,880.48	40,903.47
2016					
Current					
Loans from Financial institutions	0.3 – 4.2	9,141.40	-	-	9,141.40
Debenture	3.7	2,000.00	-	-	2,000.00
Non-current					
Loans from Financial institutions	0.3 – 4.2	-	6,353.92	8,103.91	14,457.83
Debenture	3.7 – 5.3	-	6,495.62	7,491.95	13,987.57
Total		11,141.40	12,849.54	15,595.86	39,586.80
	Interest rate (% per annual)	Separate financial statements			Total
		Within 1 year	After 1 year but within 5 years	After 5 years	
<i>(in million Baht)</i>					
2017					
Current					
Loans from Financial institutions	4.2-5.0	3,605.45	-	-	3,605.45
Non-current					
Loans from Financial institutions	1.8-4.2	-	1,850.62	1,225.46	3,076.08
Debenture	4.3-5.3	-	7,496.31	6,493.96	13,990.27
Total		3,605.45	9,346.93	7,719.42	20,671.80
2016					
Current					
Loans from Financial institutions	1.8 – 4.2	7,489.40	-	-	7,489.40
Debenture	3.7	2,000.00	-	-	2,000.00
Non-current					
Loans from Financial institutions	1.7 – 4.2	-	1,200.62	2,200.61	3,401.23
Debenture	4.3 – 5.3	-	6,495.59	7,491.98	13,987.57
Total		9,489.40	7,696.21	9,692.59	26,878.20

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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:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
USD				
Cash and cash equivalents	1,048.98	2,058.16	581.36	627.38
Trade accounts receivable	1,807.33	1,299.46	1,269.18	988.45
Receivable from oil hedging contracts	149.69	9.79	149.69	9.79
Trade accounts payable	(2,474.43)	(1,075.61)	(1,055.84)	(306.71)
Interest-bearing liabilities	<u>(3,822.64)</u>	<u>(7,189.25)</u>	<u>(3,280.30)</u>	<u>(7,189.25)</u>
Gross statement of financial position exposure	<u>(3,291.07)</u>	<u>(4,897.45)</u>	<u>(2,335.91)</u>	<u>(5,870.34)</u>
Currency forwards	<u>717.25</u>	<u>(535.76)</u>	<u>717.25</u>	<u>(535.76)</u>

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
JPY and others				
Cash and cash equivalents	1,024.97	851.79	-	-
Trade accounts receivable	30.56	16.07	-	-
Trade accounts payable	(44.75)	(14.93)	-	-
Interest-bearing liabilities	<u>(9,094.92)</u>	<u>(4,264.03)</u>	-	-
Gross statement of financial position exposure	<u>(8,032.14)</u>	<u>(3,411.10)</u>	<u>-</u>	<u>-</u>

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.

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Fair values of financial assets and liabilities

As at 31 December 2017 and 2016, fair value of financial assets and liabilities is taken to approximately the carrying value, except the following items;

	Consolidated financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
31 December 2017							
<i>Financial assets</i>							
Equity securities available for sale	-	4,060.66	4,060.66	4,060.66	-	-	4,060.66
Cross currency and interest rate swap contracts	-	-	-	-	6.71	-	6.71
Interest rate swap contracts	-	-	-	-	4.64	-	4.64
Crude and product oil price hedging contracts	-	-	-	-	69.82	-	69.82
<i>Financial liabilities</i>							
Debentures	-	13,990.27	13,990.27	-	15,283.07	-	15,283.07
Long-term loans (fixed rate)	535.46	5,444.29	5,979.74	-	6,172.47	-	6,172.47
Forward exchange contracts	3.21	-	3.21	-	2.65	-	2.65
Cross currency swap contracts	-	-	-	-	44.11	-	44.11
Crude and product oil price hedging contracts	-	-	-	-	293.29	-	293.29
	Separate financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>						
31 December 2017							
<i>Financial assets</i>							
Crude and product oil price hedging contracts	-	-	-	-	69.82	-	69.82
<i>Financial liabilities</i>							
Debentures	-	13,990.27	13,990.27	-	15,283.07	-	15,283.07
Long-term loans (fixed rate)	300.15	2,101.08	2,401.23	-	2,455.73	-	2,455.73
Forward exchange contracts	3.21	-	3.21	-	2.65	-	2.65
Cross currency and interest rate swap contracts	-	-	-	-	25.96	-	25.96
Crude and product oil price hedging contracts	-	-	-	-	293.29	-	293.29

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	Consolidated financial statements						
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	(in million Baht)						
31 December 2016							
Financial assets							
Equity securities available for sale	-	429.19	429.19	429.19	-	-	429.19
Cross currency and interest rate swap contracts	-	-	-	-	43.04	-	43.04
Crude and product oil price hedging contracts	-	-	-	-	35.56	-	35.56
Financial liabilities							
Debentures	2,000.00	13,987.57	15,987.57	-	17,117.54	-	17,117.54
Long-term loans (fixed rate)	300.15	2,401.23	2,701.38	-	2,762.67	-	2,762.67
Forward exchange contracts	65.59	-	65.59	-	57.64	-	57.64
Cross currency and interest rate swap contracts	-	-	-	-	219.54	-	219.54
Crude and product oil price hedging contracts	-	-	-	-	290.42	-	290.42
	Carrying value			Fair value			
	Current	Non-current	Total	Level 1	Level 2	Level 3	Total
	(in million Baht)						
31 December 2016							
Financial assets							
Crude and product oil price hedging contracts	-	-	-	-	35.56	-	35.56
Financial liabilities							
Debentures	2,000.00	13,987.57	15,987.57	-	17,117.54	-	17,117.54
Long-term loans (fixed rate)	300.15	2,401.23	2,701.38	-	2,762.67	-	2,762.67
Forward exchange contracts	65.59	-	65.59	-	57.64	-	57.64
Cross currency and interest rate swap contracts	-	-	-	-	42.59	-	42.59
Crude and product oil price hedging contracts	-	-	-	-	290.42	-	290.42

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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		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
	<i>(in million Baht)</i>			
Capital commitment				
Construction projects	600.22	1,828.16	24.45	47.07
Total	600.22	1,828.16	24.45	47.07
Future minimum lease payments under non-cancellable operating leases				
Within one year	890.76	2,112.34	495.54	504.43
After one year but within five years	2,081.80	2,230.84	1,987.95	1,907.30
After five years	2,888.87	2,780.40	2,781.64	2,736.04
Total	5,861.43	7,123.58	5,265.13	5,147.77
Other commitment				
Bank guarantees	164.37	660.21	32.81	623.52
Total	164.37	660.21	32.81	623.52

The Company entered into 12.52 million barrels oil price hedging contracts with foreign oil traders for the periods between January 2018 and June 2019.

The Company entered into foreign currency buying forward contracts cover the period to September 2018 amounting to USD 21.96 million equivalents to Baht 717.25 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:

Facility	Due date
<i>(in million Baht)</i>	
1,000	30 December 2018

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. The plaintiff has re-appealed with the Supreme Court. Subsequently, the Supreme Court affirmed the verdict of the Civil and Appeal court. The Company acknowledged the verdict on 29 May 2017.

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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. Subsequently on 16 February 2017, the Supreme Court has ruled in favour of the Company by which the Revenue Department has to return tax refund which the Company excessively paid amounting Baht 50 million with the interest. The Company received the tax refund on 21 March 2017.

During the second quarter of 2016, the Company (the first defendant) was co-accused with another company (the second defendant) for alleged breach of a lubricant product distribution contract for a claim totalling Baht 45.64 million. Subsequently, the plaintiff filed additional claim against the Company for alleged breach of a contract as a result of ceasing lubricant product distribution for a claim totalling Baht 688.28 million. During the first quarter of 2017, the civil court ordered a dismiss on both cases. The plaintiff was re-appealed and currently under the consideration of Appeal Court. The Appeal Court set a court hearing date on 6 June 2018.

40 Events after the reporting period

At the Board of Directors’ meeting held on 28 February 2018, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2017 dividend payment at the rate of Baht 2.15 per share, of which Baht 1.05 per share was paid as an interim dividend on 26 September 2017 as disclosed in note 36. Thus, the remaining dividend will be at the rate of Baht 1.10 per share payable 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 25 April 2018.