

Bangchak Corporation Plc.

Management Discussion & Analysis of Business Operation

For the 1st quarter ended March 31st, 2021





03 **Executive Summary**

07 **Statement of Income**

09 **Business Performance**

09 - Refinery & Trading

12 - Marketing

15 - Power Plant

17 - Bio-based Products

19 - Natural Resources

21 **Statement of Financial Position**

23 **Statement of Cash Flows**

24 **Financial Ratios**

26 **Management Outlook towards the Economy and
Crude Oil Price in Q2/2021**

Executive Summary



Summary of the company and its subsidiaries' operating result for the 1st quarter ended 31st March 2021

Unit: THB Million	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Total Revenue	41,230	33,134	24%	43,070	-4%
Accounting EBITDA	4,737	2,750	72%	(2,546)	286%
<i>Refinery and Trading Business</i> ^{1/}	2,411	600	302%	(2,590)	193%
<i>Marketing Business</i> ^{2/}	970	602	61%	81	>1000%
<i>Power Plant Business</i> ^{3/}	979	868	13%	770	27%
<i>Bio-Based Products Business</i> ^{4/}	422	590	-28%	510	-17%
<i>Natural Resources Business</i> ^{5/}	31	221	-86%	(1,227)	103%
<i>Others</i>	(76)	(131)	42%	(90)	16%
Profit attributable to owners of the Company	2,284	251	808%	(4,661)	149%
Earnings (Loss) per share (Baht)	1.59	0.09		(3.49)	

Note: 1/ EBITDA from Refinery Business of the Company, BCP Trading Pte. Ltd. and share of profit from associated companies

2/ EBITDA from Marketing Business of the Company, Bangchak Green Net Co.,Ltd., Bangchak Retail Co., Ltd., and share of profit from associated companies

3/ EBITDA from Power Plant Business of BCPG Plc., its subsidiaries, and share of profit from associated companies

4/ EBITDA from BBGI Plc., its subsidiaries, and share of profit from associated companies

5/ EBITDA from Natural Resources Business of Nido Petroleum Pty. Ltd., BCP Energy International Pte. Ltd., BCP Innovation Pte. Ltd., BCPR Co., Ltd. and share of profit from associated companies

Performance in Q1/2021, Bangchak Corporation Plc. (The company) and its subsidiaries received support from the price of crude oil and finished product in the global market increasing significantly due to the rush to distribute the COVID-19 vaccine to the population of various countries, and the US stimulus package, serving to induce an economic recovery and increase the oil consumption. Furthermore, the OPEC and their allies jointly agreed to maintain their production reduction measure. Average price of Dubai crude in Q1/2021 was 60.21 \$/BBL, an increase of 15.57 \$/BBL when compared to the previous quarter. Resulting in this quarter, the company group recorded an Inventory Gain of THB 2,473 million due to the price of crude oil increasing significantly. Also, the company had preemptively stock Diesel since June 2020, which was a period where oil cost was low, to be sold during the turnaround maintenance. The gains from the Diesel stock was recorded THB 600 million. The aforementioned supporting factors helped to mitigate the effects of low Operating GRM, resulting from the Bangchak refinery having to undergo a major turnaround maintenance.

Although the total sales volume of the Marketing Business adjusted downward, which was affected by the new emerging phase of COVID-19 outbreak in Thailand since December 2020. However, after the outbreak started to subside, the population started traveling again and vehicle usage increased. This led to sales through the retail market in March 2021 to reach an all-time high at 390 million liters per month. Moreover, Marketing Business was able to constantly push its lubricant sales to achieve a record-high sales volume at 8.9 million liters in March 2021, consequently increasing the Company's lubricant market shares to 11.0% from 9.0% in the previous year. Furthermore, the sales volume of the Inthanin coffee shops also recorded a New High in March, as the Inthanin brand is continuously becoming

Executive Summary



more popular from the serving of coffees made from 100% Arabica coffee beans. At the same time, there was a trend towards the Inthanin Cocoa Fever, legendary for its intensity; considered as Inthanin's Hero Product that saw increases in sales by 50% QoQ. Despite being affected by the outbreak during January.

In Q1/2021, the company and its subsidiaries recorded revenue from selling of goods and rendering of service in the amount of THB 41,230 million (24% QoQ, -4% YoY), EBITDA of THB 4,737 million (72% QoQ, 286% YoY) and reversal from impairment of asset under the Exploration and Production Business in the amount of THB 400 million. Resulting in this quarter recording the **net profit attributable to owners of the parent at THB 2,284 million** (808% QoQ, 149% YoY) or **earning per share of THB 1.59**. With performance for each business unit as follow:

The Refinery and Oil Trading Business saw its performance improved by 302% QoQ and 193% YoY. Mainly, from this quarter recording an Inventory Gain of THB 2,180 million, whereas in Q1/2020 and Q4/2020 recorded Inventory Loss, despite the Operating GRM adjusting downward and remains at low levels. During this quarter Operating GRM was at THB 576 million, or 3.24 \$/BBL, due to the Bangchak refinery having undergone a major turnaround maintenance, which resulted in average production rate in Q1/2021 reduced to 64.9 KBD or 54% utilization rate. And, the yield of high value finished products declined significantly, especially Gasoil and Gasoline products. As for the Oil Trading business under BCPT Pte. Ltd., it recorded a decreasing in the crude oil and finished product transaction. Whereas gross profit rose, mainly from the low Sulphur fuel oil products and Gasoline. Due to the recovery of the economy after the COVID-19 outbreak has begun to subside.

The Marketing Business performance improved by 61% QoQ and >1,000% YoY due to this quarter recording an Inventory Gain, whereas Q1/2020 recorded an Inventory Loss. Despite the total sales volume of the Marketing Business having declined by 3% QoQ and 13% YoY due to the effects of the new emerging phase of COVID-19 outbreak since December 2020. The industrial market is still highly affected due to the aviation industry still had not been able to make a recovery, which has caused sales of Jet fuel to decline by 83% YoY, meanwhile the retail market was not affected by much. As for the net marketing margin, it declined by 2% QoQ and 4% YoY due to the company being unable to adjust its service stations retail price to coincide with the rise in cost of finished product, B100 and ethanol throughout the quarter. However, the company managed sales during the annual turnaround maintenance 2021 through selective products and distribution channels with appropriate marketing margin, resulting in the net marketing margin per unit decreasing slightly. The company recorded cumulative retail sales volume market shares between January - March 2021 at 15.9% (data from Department of Energy Business, Ministry of Energy), and the number of service stations as of the end of Q1/2021 was 1,243 stations. The company maintains its focus on expanding its Non-Oil business, this year is the 15th anniversary of the Inthanin Coffee Shop. Additionally, it has been determined to continuously expand locations both inside and outside of service stations. As of the end of Q1/2021, there are 694 branches of Inthanin Coffee Shops. Furthermore, the company in cooperation with the Provincial Electricity Authority to debut EV charging stations, the PEA VOLTA within the Bangchak service stations on main highways headed to major cities and tourist attractions. Currently, there are 18 stations in 11 provinces across the country with the service available.

Executive Summary



Power Plant Business saw performance improved by 13% QoQ and 27% YoY due to this quarter realizing shares of profit from its investments in associate company THB 140 million. Whereas, the previous quarter a share of loss from its investments associate company was realized, mainly from the Geothermal Power Plant Business in Indonesia recorded expenses related to the refinancing of its previous debt of THB 172 million in Q4/2020. Total electricity sales declined by 34% QoQ, mostly from the quantity of electricity sold in Lao PDR declining due to the seasonal factor of hydro power plants. When comparing performance on a YoY basis, total electricity sales increased by 40% from the acquisition in new Solar Power Plant projects (PPA 20 MW), and the recognition of the full quarter contribution from the Hydro Power Plant, “Nam San 3B” (PPA 45 MW). Moreover, the higher rainfall from Q1/2020 resulted in the Hydro Power Plants in Lao PDR to record an increase in total electricity sales.

Bio-Based Product Business, saw its performance declined by 28% QoQ and 17% YoY. The **Biodiesel Production Business** recorded a decrease in gross profit by 47% QoQ and 24% YoY due to the crude palm oil costs used in production during this quarter has increased, as a result of the draught that led to the historic low levels of crude palm oil stock. Moreover, sales volume declined in relation to the demand for consumption of Diesel fuel as a result of the new emerging phase of COVID-19 outbreak that occurred in late Q4/2020. The **Ethanol Production Business** recorded a decline in sales volume of Ethanol products due to the population cutting back on travel, in order to curb the COVID-19 outbreak. This resulted in demand for Gasohol fuel consumption declining. Gross profit increased 25% QoQ from increases in production utilization and the ability to manage raw material cost, but decreased 21% YoY mainly from the volume of Ethanol products sold declining.

The Natural Resources Business saw its performance declined by 86% QoQ, due to realizing a decrease in share of profit from investment in associate company, OKEA. Mainly attributed to the decline in sales volume of the Draugen field, despite the price of crude oil and natural gas has been increasing in relation to the state of the global market. Furthermore, Q4/2020 recorded a reversal of the impairment related to the Yme asset under development, meanwhile this quarter did not record. Moreover, realized significantly lesser gains on foreign exchange compared to the previous quarter, which is mostly from the conversion of loans in foreign currencies. The Norwegian Krone (NOK) against the US Dollar slightly changed in this quarter. Whereas, the Norwegian Krone (NOK) appreciated by 10% in the previous quarter. As for YoY performance, there was an increase of 103% from the increase in the realization of share of profit from investment in associate company, OKEA, due to the selling price of crude oil and natural gas that had increased, resulting in OKEA recording higher revenue. And, the impairment of assets was recorded in Q1/2020 due to the price of crude oil and natural gas declining significantly. Additionally, loss on foreign exchange was recorded due to the depreciation of NOK against the US dollar. However, Yme project is currently in the hook-up and commissioning phase with planned production start in the second half of 2021. Yme is expected to add production of 7,500 boepd net to OKEA, and 4,900 boepd net to OKEA on average over the first production year.

Throughout 2020, the COVID-19 outbreak has detrimental effects on the economy at a global scale. Despite in early 2021, the World Bank and the International Monetary Fund expected that the global economy is likely to make a recovery with support from the stimulus package and the distribution of vaccines in the major countries. This is

Executive Summary



observable in the price of oil price in the global market that has been increasing continuously, but there remains various challenges on many fronts. This includes the Thai economy that had been expected to make a recovery. However, the new emerging phase of COVID-19 outbreak that intensified during early April, and have quickly spread throughout the country. It may have severely impacted the Thai economy for a further period of time, especially in the second quarter. But, its severity is not as intense as the same period of the previous year. The company group still emphasizes the health and safety of its employees, customers, and related parties by continuously following measures to prevent and control the spread of COVID-19. In terms of business conduct, the situation is being monitored closely in order to adequately adjust business plans and done so in a prompt manner. Also, strict cost controls were implemented to lower expenses and to efficiently utilizing the capital investment in order to mitigate the effects of what has transpired. This includes the management of working capital to conduct business in a continuous and smooth manner.

Other importance events in this quarter

January

- The company notified the Stock Exchange of Thailand in regards to the change of the shareholding structure of the company's major shareholders. The Ministry of Finance has completed a sale and transfer the company's common shares to Vayupak Fund 1 managed by MFC Asset Management PLC and Vayupak Fund 1 managed by Krung Thai Asset Management PLC on 19th January 2021, totaling 71,899,000 shares, or 5.22% of the company's total issued and paid-up shares. After the completion of the transfer, the Ministry of Finance holds 65,543,767 shares, or 4.76%. Vayupak Fund 1 managed by MFC Asset Management PLC holds 136,886,300 shares, or 9.94%, and Vayupak Fund 1 managed by Krung Thai Asset Management PLC holds 136,886,300 shares, or 9.94%.

February

- The company notified the Stock Exchange of Thailand in regards to the scheduled Major Turnaround Maintenance of crude distillation unit and related units, duration of 39 days from the 15th February – 25th March 2021. The company has planned to cope with this shutdown by taking various measures to ensure sufficient reserves to serve customer demands and legal compliance. The maintenance was completed on time, and the units resume normal operation in March 2021.

March

- The company notified the Stock Exchange of Thailand in regards to the acquisition of WINNONIE Company Limited ("WINNONIE"). BCV Innovation Company Limited (a wholly owned subsidiary of the company) has acquired 99.8% common shares of WINNONIE, for a value of THB 50 million. Its objective is electric motorcycles rental and battery replacement services, including related business that align with the company's goal, leadership in green energy innovator. The acquisition was completed in April 2021.

April

- The 2021 Annual General Meeting of Shareholders approved the dividend payment for 2020 performance was THB 0.40 per share, for a value of THB 543 million. The dividend payment date is 22nd April 2021.

Statement of Income



Consolidated Statement of Income (THB Million)	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Revenue from sale of goods and rendering of services	41,230	33,134	24%	43,070	-4%
Cost of sale of goods and rendering of services	(36,626)	(30,741)	19%	(44,287)	-17%
Gross Profit	4,604	2,393	92%	(1,216)	479%
Other income	142	120	18%	105	35%
Selling and administrative expenses	(1,447)	(2,180)	-34%	(1,763)	-18%
Gain (loss) from derivatives	(429)	165		(360)	
Gain on foreign exchange	43	140		326	
Reversal (loss) from impairment of assets	400	115		(1,404)	
Profit (loss) from operating activities	3,313	752	340%	(4,311)	177%
Finance costs	(464)	(484)	-4%	(464)	-0.01%
Reversal of impairment loss determined in accordance with TFRS 9	6	23		5	
Share of profit (loss) of associates and joint ventures accounted for using equity method	194	264		(1,082)	
Profit (loss) before income tax expense	3,049	555	449%	(5,852)	152%
Tax income (expense)	(408)	46		1,536	
Profit (loss) for the period	2,642	601	340%	(4,316)	161%
Owners of parent	2,284	251	808%	(4,661)	149%
Non-controlling interests	358	349		345	
Basic earnings (loss) per share (Baht per Share)	1.59	0.09		(3.49)	

The Company and its subsidiaries Q1/2021 performance recorded a Profit for the period THB 2,642 million, of which the net profit attributable to the owners of the parent is THB 2,284 million (+808% QoQ), or in basic earning per shares of THB 1.59 mainly due to the following reasons:

1. Revenue from sales and rendering services was THB 41,230 million, a increased 24% QoQ, primarily a result of petroleum related businesses, as oil price has been continuously increasing since the end of the previous quarter following the subsiding of COVID-19 outbreaks in various countries after the rally to distribute COVID-19 vaccines. This resulted in the significant rise in average selling price per unit, whereas, sales volume declined. The Company recorded revenue growth from the increase in the average selling price per unit rising by 18% QoQ. Meanwhile, the company's total product sales volume decreased 2% QoQ. Moreover, BCP Trading Pte. Ltd. ("BCPT") recorded a rise in trade transaction volume with outside parties by 68% QoQ.

And, when compared to Q1/2020, revenue declined by 4% YoY mostly from revenue related to the petroleum businesses declining from the amount of total products sold by 12% YoY. Due to the new emerging phase of COVID-19 outbreak which escalated during the end of the previous quarter. Concurrently, the average selling price per unit increased by 6%, serving to keep the revenue to not

Statement of Income



decline at a high degree. However, the Bio-Based Businesses was affected by the lower oil demand, resulting in a decreased in revenue of the Ethanol business in this quarter.

2. Gross profit was recorded at THB 4,604 million, an increase of 92% QoQ, mainly from petroleum related businesses which benefited from the continuous rise of global crude oil price throughout the quarter. Resulting in this quarter, the company group realizing THB 2,473 million in Inventory Gain, compared to Q4/2020 that recorded an Inventory Gain of THB 144 million. The refinery business recorded improved gross profit from significant improvements in Gross Refinery Margin at 15.46 \$/BBL, compared to Q4/2020 at 3.32 \$/BBL. Despite the operating GRM declined by 0.50 \$/BBL due to lower production volumes, and the proportion of finished product with high value decreased as a result of the major turnaround maintenance.

When compared to Q1/2020, gross profit increased by 479% YoY, mainly from the high growth in the gross profit of petroleum related businesses when compared to the same period of the previous year where the company group was affected by the Inventory Loss of THB 3,434 million (including Net Realizable Value (NRV)). Coupled with the higher performance of the Power Plant Businesses, from its investment in new Solar Power Plant projects (PPA 20 MW), and the full quarter realization of the performance of the "Nam San 3B" project.

3. Other income was recorded at THB 142 million, an increased 18% QoQ and 35% YoY mainly from Power Plant Businesses.
4. Selling and administrative expenses was recorded at THB 1,447 million, a declined by 34% QoQ, as the previous quarter incurred higher than normal expenses, and declined by 18% YoY, primarily due to personnel related expenses, sales promotion expenses, and maintenance expenses. Moreover, the company group still maintains its cost control measure during the period of the COVID-19 outbreak.
5. Reversal (loss) from impairment of assets was recorded at THB 400 million from assets in Natural Resources Business mainly from increasing in oil price.
6. Share of profit (loss) of associates and joint ventures accounted for using equity method was recorded at THB 194 million comprising of (1) Star Energy Holdings Pte. Ltd. THB 121 million (2) PetroWind Energy Inc. THB 19 million (3) Ubol Bio Ethanol Plc. THB 8 million (4) Bongkot Marine Services Co., Ltd. THB 8 million (5) OKEA THB 38 million and (6) WIN Ingredients Co., Ltd. THB -0.4 million.

Performance by Business Group



1.) Refinery and Oil Trading Business Group

Crude Oil Price Situation

Crude Oil Price (\$/BBL)	Q1/2021			Q4/2020	QoQ	Q1/2020	YoY
	MAX	MIN	AVG	AVG	+/-	AVG	+/-
Dubai (DB)	68.30	50.45	60.21	44.64	15.57	50.41	9.80
Dated Brent (DTD)	69.29	50.34	61.12	44.16	16.96	50.10	11.03
DTD/DB	0.98	(0.12)	0.91	(0.48)	1.39	(0.31)	1.22

Dubai crude price average in Q1/2021 increased compared to Q4/2020 with support from accelerate the deployment of COVID-19 vaccine to the population of various countries. This gave investors hope that the economy in 2021 is going to recover at a quicker pace, and demand for consumption of oil is going to increase as well. Moreover, the OPEC and their allied nations decided to maintain their production reduction measure. Also, Saudi Arabia volunteered to lower production by 1.0 million barrels per day in February and March of 2021 in order to maintain balance in the market. As for the average price of Dubai Crude in Q1/2021, it increased significantly when compared to Q1/2020, a result of the recovering global economy due to the COVID-19 outbreak in various countries starting to subside after accelerate the deployment of COVID-19 vaccine.

As for the Dated Brent and Dubai spread (DTD/DB) average in Q1/2021 adjusted upward when compared to Q4/2020 and Q1/2020 due to demand for Light crude recovering after the unwinding of the lockdown. Since the COVID-19 outbreak has begun to subside after the vaccine has been distributed, resulting in new infected patients slowing down.

Crack Spreads Situation

Crack Spreads (\$/BBL)	Q1/2021			Q4/2020	QoQ	Q1/2020	YoY
	MAX	MIN	AVG	AVG	+/-	AVG	+/-
UNL95/DB	10.73	4.61	7.19	4.11	3.09	6.54	0.66
IK/DB	5.18	1.15	3.22	2.42	0.80	8.46	-5.24
GO/DB	7.03	2.85	4.70	3.69	1.02	11.00	-6.29
FO/DB	(2.50)	(4.66)	(3.47)	(0.57)	-2.90	(7.30)	3.83

Gasoline and Dubai crack spread (UNL95/DB) in Q1/2021 increased when compared to Q4/2020 due to support from supplies in the US lowering because of the extreme cold weather in February, causing refineries in the US to halt production and took time to resume normal production level. This has caused Gasoline stock in the US to decline, while the demand in the US, the world leader in Gasoline consumption, has recovered continuously after the easing of imposed lockdown measures and travel limit measures. Also, the Gasoline and Dubai crack spread (UNL95/DB) increased when compared to Q1/2020 due to the COVID-19 outbreak has subsided from accelerate the deployment of COVID-19 vaccine, and the number of new infected patients dropping in many countries. As for the Jet (Kerosene) and Dubai crack spread (IK/DB) average in Q1/2021 rose in comparison to Q4/2020 which is a result of demand for consumption of Kerosene to generate heat during the winter in Northern Asia and Europe which experience colder than

Performance by Business Group



usual weather in January and February. Whereas, the Jet (Kerosene) and Dubai crack spread (IK/DB) average in Q1/2021 declined in comparison to Q1/2020 due to pressure airlines across the world canceling flights. Resulting in aviation demands still not recovered. As for the Gasoil and Dubai crack spread (GO/DB) in Q1/2021, it increased when compared to Q4/2020 with support from tighten supplies due to Asia refineries lowering production before going into turnaround maintenance period. However, it is still receiving pressure from weak demand in Europe due to the new emerging phase of COVID-19 outbreak. Whereas, the average Gasoil and Dubai crack spread (GO/DB) average in Q1/2021 declined significantly when compared to Q1/2020 due to demand for Gasoil slowing down across the world, combined with high Gasoil stock levels. And, as for the Fuel Oil and Dubai crack spread (FO/DB) average in Q1/2021, it has declined compared to Q4/2020 due to pressure from High Sulphur Fuel Oil demand for electricity generation declining after the end of winter season in Northeastern Asia. Meanwhile, the Fuel Oil and Dubai crack spread (FO/DB) average in Q1/2021 has adjusted upwards compared to Q1/2020 due to freight demand recovery following economic activities. Which was a result of the winding down of COVID-19 outbreak after accelerate the deployment of COVID-19 vaccine.

Refinery and Oil Trading Business Group Performance

	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
EBITDA (THB Million)	2,411	600	302%	(2,590)	193%
Average Crude Run (KBD)	64.9	100.0	-35%	104.3	-38%
Utilization Rate (%)	54%	83%		87%	
Average FX (THB/USD) (Unit: \$/BBL)	30.44	30.78		31.45	
Operating GRM	3.24	3.74	-0.50	2.87	0.37
Oil Hedging	(0.04)	(0.39)	0.34	0.26	-0.30
Inventory Gain/ (Loss) ^{1/}	12.26	(0.03)	12.29	(9.29)	21.56
Total GRM	15.46	3.32	12.14	(6.16)	21.62
Total Sales Volume in each market category of the Company ^{2/} (Million Liters)					
Marketing Business	1,239	1,284	-3%	1,426	-13%
Petroleum traders in accordance with section 7	144	161	-10%	186	-22%
Export	228	206	10%	218	4%
Total Sales Volume	1,611	1,651	-2%	1,829	-12%

Note: 1/ Inventory Gain/(Loss) in the table included (Reversal of) losses on inventories devaluation (NRV)

2/ Sales volume does not include oil swaps between major oil companies (petroleum traders in accordance with section 7) and sales of crude oil products

Performance for Q1/2021, the Refinery and Oil Trading Business recorded EBITDA of THB 2,411 million, an increase of THB 1,811 million when compared to Q4/2020, with the following factors affecting performance as follow:

Performance by Business Group



1. The Bangchak refinery averaged its production in Q1/2021 at 64.9 KBD or 54% utilization rate, which is below the previous quarter's average production rate, due to the shutdown of the crude distillation unit and related units undergo turnaround maintenance during Q1/2021, which at the present has resumed normal operation.

2. During this quarter, the refinery's Total Gross Refinery Margin (Total GRM) was recorded at 15.46 \$/BBL, an increase of 12.14 \$/BBL when compared to the previous quarter, mainly due to the following reasons.

- Operating GRM was recorded at THB 576 million or 3.24 \$/BBL, a decline in Operating GRM, mainly from the lower rate of production, and the yield of high value finished product declining significantly. Especially, Gasoil and Gasoline decreased due to the refinery undergoing turnaround maintenance. In spite of the crack spread of these products increasing within this quarter.
- In this quarter, the refinery business recorded loss from crude and product oil price hedging contract 0.04 \$/BBL, whereas the previous quarter recorded a loss of 0.39 \$/BBL.
- The refinery business recorded Inventory Gain of 12.26 \$/BBL or THB 2,180 million, due to the price of crude oil in the global market had been adjusting upward for the entire quarter from the OPEC and allied nations decided to maintain their production reduction measure, in combination with Saudi Arabia volunteering to further reduce production volume. And, the recovery of demand for oil from the winding down of COVID-19 outbreak situation in various countries after accelerate the deployment of COVID-19 vaccine. In tandem with the earlier stocking of finished product when the cost of oil was low according to the measures to cope with this turnaround maintenances. Whereas in Q4/2020, recorded an Inventory Loss of 0.03 \$/BBL.

3. BCP Trading Pte. Ltd. ("BCPT") recorded total trade transactions of crude oil and finished product of 6.05 million barrels, a decline of 1.54 million barrels (-20%) when compared to the previous quarter. Most of the reduction was the purchase of crude oil for the Bangchak refinery that had undergone turnaround maintenance during this quarter. However, BCPT recorded increase gross profit, mainly attributed to Low Sulphur Fuel Oil and Gasoline group, due to the recovery of the global economy after the COVID-19 outbreak had subsided. BCPT is still moving forward with the expansion of its trade with partners and the increase in products according to the company's business expansion strategy.

Performance comparison between Q1/2021 and Q1/2020, the Refinery and Oil Trading Business Group recorded EBITDA increase of THB 5,002 million, with the following factors affecting performance:

1. The Bangchak refinery's average production rate declined 38% YoY, due to this quarter saw a turnaround maintenance (as mentioned above).

2. Total Gross Refinery Margin (Total GRM) increased 21.62 \$/BBL when compared to Q1/2020, mainly due to the following reasons:

- Operating GRM was recorded at THB 576 million or 3.24 \$/BBL which declined from the lower production rate. Coinciding with the Gasoil and Dubai crack spread (GO/DB) and the Jet (Kerosene) and Dubai crack

Performance by Business Group



spread (IK/DB) decreasing significantly when compared to Q1/2020 due to global demand slowing down. Meanwhile, Crude Premium adjusted downward with significance, and the demand for consumption of oil for aviation was still at low levels. The Bangchak refinery transitioned towards becoming a niche products refinery to develop new products for the market i.e. solvent product groups under the name BCP White Spirit 3040, and increased production of Unconverted Oil (UCO) to improve Gross Refinery Margin.

- During this quarter the refinery recorded loss from crude and product oil price hedging contract 0.04 \$/BBL, whereas in Q1/2020 realized a gain in the amount of 0.26 \$/BBL.
- The refinery business recorded an Inventory Gain of 12.26 \$/BBL or THB 2,180 million (as mentioned above). Whereas in Q1/2020 recorded Inventory Loss of 9.29 \$/BBL or THB 2,774 million (including losses on inventories devaluation (NRV)) from the crude oil price situation in the global market that declined sharply due to the first COVID-19 outbreak, and the oil price war waged between the major producers of crude oil like Saudi Arabia and Russia during March 2020.

3. BCP Trading Pte. Ltd. ("BCPT") recorded a decline of trade transactions of crude oil and finished product by 1.96 million barrels (-24%) when compared to Q1/2020. Most of the declining proportion was crude oil. However, BCPT recorded increase gross profit, mainly from the Gasoline group, which is supported by tight supplies. Meanwhile, demand increase from economic activities making a recovery after easing of lockdown measures in various countries.

2.) Marketing Business Group

Marketing Business Performance	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
EBITDA (THB Million)	970	602	61%	81	>1,000%
Net Marketing Margin (Baht / Liter)	0.75	0.77	-2%	0.79	-4%
Sales Volume (Million Liters)					
Retail (Service Stations)	1,054	1,101	-4%	1,020	3%
Industrial	186	183	1%	405	-54%
Total	1,239	1,284	-3%	1,426	-13%
Sales volume in each product category (Million Liters)					
LPG	17	35	-52%	39	-56%
Gasoline	8	11	-26%	15	-46%
Gasohol	383	415	-8%	395	-3%
Jet Fuel	37	30	24%	216	-83%
Diesel	748	746	0.2%	715	5%
Fuel Oil and Others	47	47	0.3%	47	1%
Total	1,239	1,284	-3%	1,426	-13%

Note: Net Marketing Margin of Bangchak only (excluding Inventory Gain/(Loss) and NRV)

Performance by Business Group



The Q1/2021 performance of the Marketing Business Group recorded EBITDA of THB 970 million, an increase of THB 368 million compared to Q4/2020, with the following factors affecting performance:

1. Total sales volume of the Marketing Business Group declined 3% QoQ, mainly from retail channel sales declining by 4% QoQ, which was affected by the new emerging phase of COVID-19 outbreak that returned in December 2020. The government announced several measures to take control of the outbreak in January 2021 e.g. lockdown measures in special control area, limit travel of citizens in some areas, to name a few. However, the outbreak began to subside, and the population was able to travel again and more automobiles were utilized. This led to retail sales in March 2021 to reach a new high of 390 million liters per month. Whereas, sales through the industrial channel is similar to the previous quarter.

2. Net marketing margin per unit decreased slightly, due to the company being unable to adjust its service station retail price to coincide with the rise in cost of finished product, B100 and ethanol throughout the quarter. However, the company managed sales during the annual turnaround maintenance 2021 through selective products and distribution channels with appropriate marketing margin. Consequently, net marketing margin per unit declined slightly. However, from the ever-increasing oil price since the end of last quarter resulted in this quarter recording an increase in inventory gain.

3. The company is still following the strategy to grow its customer base by expanding its service station in accordance to its investment plans, and the new service station designs will stand out more than ever before under the “Greenovative Experience” concept; to become the destination for car users. As such the number of new service stations opened in Q1/2021 was at 11 stations. At the end of Q1/2021, the total number of service stations was 1,243 stations. And, the cumulative retail sales volume market share between January – March 2021 was at 15.9% (data from Department of Energy Business). During this quarter the company held the “Bangchak Engages Thais in COVID-19 Battle The Series” in order to ease economic impacts from the new emerging phase of COVID-19 outbreak and strengthen local economy. The project comprises of the Episode 1 “#saveSamutSakhon” with “One Baht Each” activity. Each time a customer fills in the tank or with each purchase of Inthanin beverage, the company will donate THB 1 to the “Samut Sakhon People Ruam Jai Su Pai COVID-19 Fund”. As for Episode 2 “Save Salters” was giving out 1 free bag of young sea salts to customers of the Inthanin coffee shops. Episode 3 “Happiness-Sharing Eggs” gives away 1 egg to vehicle filling up your tank at Bangchak service station.

4. The Marketing Business Group still emphasizes the expansion of its Non-Oil business, this year will be the 15th anniversary of the Inthanin coffee shop, with goal to continuously increase the number of branches, both inside and outside of the service stations. Furthermore, new designs of micro stores have been added to reach communities. As such new Inthanin coffee shops were opened at an increment of 25 branches. As of the end of Q1/2021, the total number was 694 branches. Also, revenue from the online channel increased from locations covering many areas, and allying with more Food Delivery services such as Robinhood. Moreover, new beverages were debut such as the 8 Treasures Tea to welcome the Chinese New Year, the Marian Plum menu and the Fragrant Coconut to welcome the summer. Various interesting promotions were available to attract customers i.e. in order to celebrate its 15th anniversary, on the 15th of every month in 2021, every purchase of Cold Espressos will receive a THB 15 discount per cup, and

Performance by Business Group



Lucky Day “Consolations for Those Without Luck” for any lottery ticket that was not a winner for that certain period can be used as a credit discount of THB 10 for every Inthanin beverage. Also, the company collaborated with the Provincial Electricity Authority to debut EV charging stations, the PEA VOLTA within the Bangchak service stations on main highways headed to major cities and tourist attractions; in order to provide charging services to quick charging electric vehicle. Currently, there are 18 stations in 11 provinces across the country with the service available.

5. Selling and Administrative expenses declined from the previous quarter that had higher than normal expenses, mainly from expenses related to employees and marketing promotions.

Performance comparison between Q1/2021 and Q1/2020, the Marketing Business Group recorded EBITDA increase of THB 889 million, with factors affecting operations as follow:

1. Total sales volume of the Marketing Business Group declined by 13% YoY, due to the industrial channel sales lowering by 54% YoY. The main reason being that the aviation industry has not made a recovery from the COVID-19 outbreak. Which has lowered sales of Jet fuel by 83% YoY. Whereas, sales through the retail channel increased by 3% YoY by following the company’s strategy to expand its customer base. Moreover, the number of service stations with B10 Diesel available increasing from the same period of the previous year, under the mandate of the Ministry of Energy that determined B10 Diesel to be the primary grade of High Speed Diesel fuel.

2. Net marketing margin per unit declined by 4% YoY, due to this quarter seeing the finished product price increase in relation to the condition of the global market. Also, the cost of B100 and Ethanol products had been increasing throughout the entire quarter. This rendered the company unable to adjust its service station retail price to coincide with higher oil product costs. Whereas in Q1/2020, the price of oil in the global market declined sharply, which allowed the company to dictate the retail price to adequately match with finished product cost, and resulted in Q1/2020 realizing Inventory Loss from the declining oil price. Meanwhile, this quarter realized an Inventory Gain from the rising oil price.

3. The company’s cumulative retail sales volume market share between January – March 2021 was 15.9% , whereas the cumulative between January – March 2020 was 15.7% (data from the Department of Energy Business), and the number of new service stations opened was 49 stations compared to Q1/2020. As for the Non-oil business, Inthanin coffee shop had been newly opened 117 branches YoY.

Performance by Business Group



3.) Power Plant Business Group

Power Plant Business Performance (THB Million)	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
EBITDA	979	868	13%	770	27%
Revenue from sale and rendering of services	1,047	1,137	-8%	886	18%
Share of profit (loss) from associated companies	140	(25)	672%	91	54%
Wind Power Plant	19	50	-62%	24	-22%
Geothermal Power Plant	121	(74)	264%	67	81%
Electricity Sales (Million KWh)					
Solar Power Business – Thailand (164.7 MW)	81.58	73.49	11%	71.33	14%
Wind Power Business – Thailand (9.0 MW)	3.69	3.41	8%	3.86	-4%
Solar Power Business – Japan (14.7 MW)	4.02	4.22	-5%	3.13	28%
Hydropower Business – Lao PDR (114.0 MW)	68.12	157.12	-57%	34.35	98%
Total Electricity Sales	157.41	238.25	-34%	112.67	40%

Performance comparison between Q1/2021 and Q4/2020 of the Power Plant Business Group recorded EBITDA of THB 979 million, an increase of THB 111 million, with the following factors affecting operations as follow:

1. Solar power plant projects in Thailand recorded increase in total electricity sales by 11% QoQ, due to the increase in average irradiation hours. As a result of the reduction in rainfall compared to the previous quarter.

2. Wind Power Plant project in Thailand, “Lom Ligor”, recorded an increase in total electricity sales by 8% QoQ, due to the increase in wind speed that swept through the project compared to the previous quarter.

3. Solar Power Plant projects in Japan recorded a decrease in total electricity sales by 5% QoQ, mainly due to higher curtailment by Japan Electric Power Company compared to the previous quarter.

4. Hydro Power Plant project in Lao PDR recorded a decrease in total electricity sales by 57% QoQ, due to seasonal factor of hydro power plants.

5. Recorded shares of Gain from investments in associated companies of THB 140 million, an increase from the previous quarter of THB 165 million, with details as follow:

- Share of profit from the Wind Power Plant business in the Philippines recorded THB 19 million, a decrease from the previous quarter of THB 31 million. Despite this quarter entering the high season for electricity generation. However, the Wind Power Plant received the 5 years retroactive payment (2016 - 2020) from Energy Regulatory Commission (ERC) due to the adjustment of tariff rate in Q4/2020. Consequently, the share of profit decreased from the previous quarter.

Performance by Business Group



- Share of profit from the Geothermal Power Plant business in Indonesia was recorded at THB 121 million, an increase of THB 196 million from the previous quarter. Due to the reductions in administrative expenses from lower expenses related to employees and operating equipment, as well as the lower in financial cost. Whereas, Q4/2020 recorded refinance related expense of THB 172 million.

Performance comparison between Q1/2021 and Q1/2020, the Power Plant Business Group recorded EBITDA increase of THB 209 million, with the following factor affecting operation as follow:

1. Solar power plant projects in Thailand recorded increase in total electricity sales by 14% YoY, due to higher average irradiation hours compared to the same period of the previous year. And, received an additional revenue from the acquisition of the 4 new solar power plant projects (PPA 20 MW) since August 2020.

2. Wind Power Plant project in Thailand, the “Lom Ligor”, recorded a decrease in total electricity sales by 4% YoY, mainly from the decline in wind speed at the project compared to the same period of the previous year.

3. Solar Power Plant projects in Japan recorded an increase in total electricity sales volume by 28% YoY, from lower snowfall level which resulted in higher average irradiation hours. Furthermore, the curtailment from the Japan Electric Power Company was lowered from the same period of the previous year.

4. Hydro Power Plant projects in Lao PDR recorded increase in total electricity sales by 98% YoY, due to higher rainfall. Moreover, a full quarter of revenue from the “Nam San 3B” project (PPA 45 MW) was recognized; with its performance being realized since February 2020.

5. Realized increased in share of profit from investments in associated companies from the same period of the previous year by THB 49 million, with details as follow:

- Share of profit from the Wind Power Plant business in the Philippines declined by THB 5 million, mainly from lower wind speed at the project compared to the same period of the previous year.
- Share of profit from the Geothermal Power Plant business in Indonesia increased by THB 54 million. Despite the electricity generation performance was lower than the same period of the previous year, due to the higher of planned maintenance periods. However, a one-time expense in the amount of THB 67 million was recorded in Q1/2020, thus resulting in an increase in share of profit.



Performance by Business Group

4.) Bio-Based Product Business Group

As for the performance of the Bio-based Product Business Group in Q1/2021, total EBITDA was recorded at THB 422 million, a decline of THB 168 million when compared to Q4/2020, and a decline of THB 88 million when compared to Q1/2020.

Biodiesel Business

Biodiesel Business Performance	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Revenue (THB Million)	2,522	2,604	-3%	2,489	1%
Gross Profit (THB Million)	258	484	-47%	339	-24%
B100 Production Volume (Million Liters)	62.74	71.74	-13%	60.50	4%
B100 Sales Volume (Million Liters)	64.51	73.74	-13%	67.67	-5%

Performance comparison between Q1/2021 and Q4/2020 are as follow

1. B100 production volume in Q1/2021 was at 62.74 million liters, and the B100 sales volume was at 64.51 million liters. Both the production and sales volume declined by 13% QoQ, due to demand for consumption of Diesel fuel declining within this quarter as a result of the new emerging phase of COVID-19 outbreak that returned in late Q4/2020. Moreover, there was demand for Diesel fuel consumption in the 4th quarter due to it being a harvesting season and a tourist season.

2. Revenue from sales during this quarter was THB 2,522 million, a decline of 3% QoQ, mainly from the lower sales volume. Despite the average selling price of B100 product (in accordance to announcements made by the Department of Energy Business) has been continuously increasing since the previous quarter due to the smaller quantity of crude palm oil product entering the market, resulting in crude palm oil stock to be at its historic low level. However, within this period where crude palm oil price is at a high level, resulting in crude palm oil cost used in the production process to increase. However, crude palm oil price adjusted downward late in the quarter with more crude palm oil entering the market. Therefore, leading to a decline in gross profit by 47% QoQ.

Performance comparison between Q1/2021 and Q1/2020 are as follow

1. B100 production volume increased by 4% YoY, in order to keep inventory at an optimal level. Meanwhile, B100 sales volume declined by 5% YoY, due to this quarter being affected by a COVID-19 outbreak experience at the beginning of the quarter. Additionally, the competition within the Biodiesel market has intensified due to the domestic production capacity increasing by 3% YoY.

2. Sales revenue was similar to Q1/2020, mainly from the sales volume adjusted downward. Even though average selling price of B100 product (in accordance to announcements made by the Department of Energy Business) rose by 8% YoY from the draught that led to low levels of crude palm oil stock. Whereas, gross profit declined 24% YoY, due to increase in crude palm oil cost, and the high intensity of competition with the market. As such, revenue in this quarter was partially from the market trial of Refined Glycerin, yielded from the Refined Glycerin Plant of 80 tons per day capacity, which is nearing completion and currently in the commissioning phase.



Performance by Business Group

Ethanol Business

Ethanol Business Performance	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Revenue (THB Million)	876	1,171	-25%	941	-7%
Gross Profit (THB Million)	116	93	25%	146	-21%
Ethanol Production Volume (Million Liters)	56.10	31.95	76%	48.27	16%
Ethanol Sales Volume (Million Liters)	33.90	49.22	-31%	40.21	-16%

Performance comparison between Q1/2021 and Q4/2020 are as follow

1. Total production volume of Ethanol products was at 56.10 million liters, an increase of 76% QoQ. Due to previous quarter, the KSL Green Innovation Plc. ("KGI") plants at Bo Ploi district, Kanchanaburi province and Nam Pong district, Khon Kaen province underwent turnaround maintenance. As for total sales volume of Ethanol products, it was at 33.90 million liters, a decline of 31% QoQ, this is owing to the population cutting down on travel to curb the COVID-19 outbreak. This led to demand for consumption of Ethanol products in the production of Gasohol fuel to decline which coincides with the direction of domestic Gasohol sales volume that has declined.

2. Sales revenue was recorded at THB 876 million, a decline of 25% QoQ, mainly attributed to decline in sales volume of Ethanol products, despite the average selling price of Ethanol products increasing in respect of the main raw material cost rising. This is owing to lower sugar cane yield, and higher cassava price caused by rising export to meet growing demand in China. However, due to its ability to manage raw material cost, this has caused the Ethanol Business to record gross profit of THB 116 million, an increase of 25% QoQ.

Performance comparison between Q1/2021 and Q1/2020 are as follow

1. Total production volume of Ethanol products increased by 16% YoY, mainly from the KGI plant at Bo Ploi district, Kanchanaburi province undergoing turnaround maintenance in January 2020. Whereas, total sales volume of Ethanol products declined by 16% YoY, due to during the first quarter of 2020 and 2021 being affected by the COVID-19 outbreak. However, in Q1/2020 sales of industrial grade Ethanol was recorded – they were to be used in the production of alcohol gel and disinfectant products. Therefore, sales volume of Ethanol product in that quarter was higher than this quarter.

2. Due to total sales volume of Ethanol products declining, this has affected the revenue from sales and gross profit by a decline of 7% and 21% YoY, respectively. In spite of the average selling price of Ethanol products rising in tandem with the price of sugar cane and cassava.

Performance by Business Group



5.) Natural Resources Business Group

Natural Resources Business Group Performance	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
EBITDA (THB Million)	31	221	-86%	(1,227)	103%
Share of profit (loss) OKEA (THB Million)	38	275	-86%	(1,199)	103%
Production Volume - Net to OKEA (KBD)	16.56	16.17	2%	19.10	-13%
Sales Volume - Net to OKEA (KBD)	15.20	18.79	-19%	15.81	-4%

Performance of the Natural Resources Business Group in Q1/2021 recorded an EBITDA of THB 31 million, a decrease from the previous quarter by THB 189 million. Due to this quarter realizing lesser share of profit from investment in associate company, OKEA. With these main factors affecting performance as follow:

- This quarter, OKEA recorded lesser revenue mainly from its sales volume declining by 19% QoQ, mainly due to a larger lift on Draugen and the realization of retroactive revenue from Ivar Aasen field in the previous quarter. Whereas, the selling price of crude oil and natural gas have increased from the previous quarter. Due to the rising trend of oil demand from a recovery of economic activities, after accelerate the deployment of COVID-19 vaccine in various countries.
- This quarter recorded increases in petroleum exploration expenses. Mainly from the expenses related to the exploration of the Jerv well, which was concluded a non-commercial discovery.
- Realized significant decrease in gains on foreign exchange compared to the previous quarter, mostly attributed to the conversion of loans in foreign currencies. The Norwegian Krone (NOK) against the US Dollar slightly changed in this quarter. Whereas, the previous quarter the Norwegian Krone (NOK) had appreciated 10% against the US Dollar.
- The previous quarter recorded reversal of impairment related to the Yme asset under development, due to a crucial construction process of the project was completed, which served to reduce the risk in the delay of project completion. Whereas, this quarter did not record this transactions.

Performance in Q1/2021 compared to Q1/2020, the Natural Resources Business recorded EBITDA increase of THB 1,258 million due to this quarter realizing share of profit from investment in associate company, OKEA. Whereas in Q1/2020 realized share of loss. With these main factors affecting performance as follow:

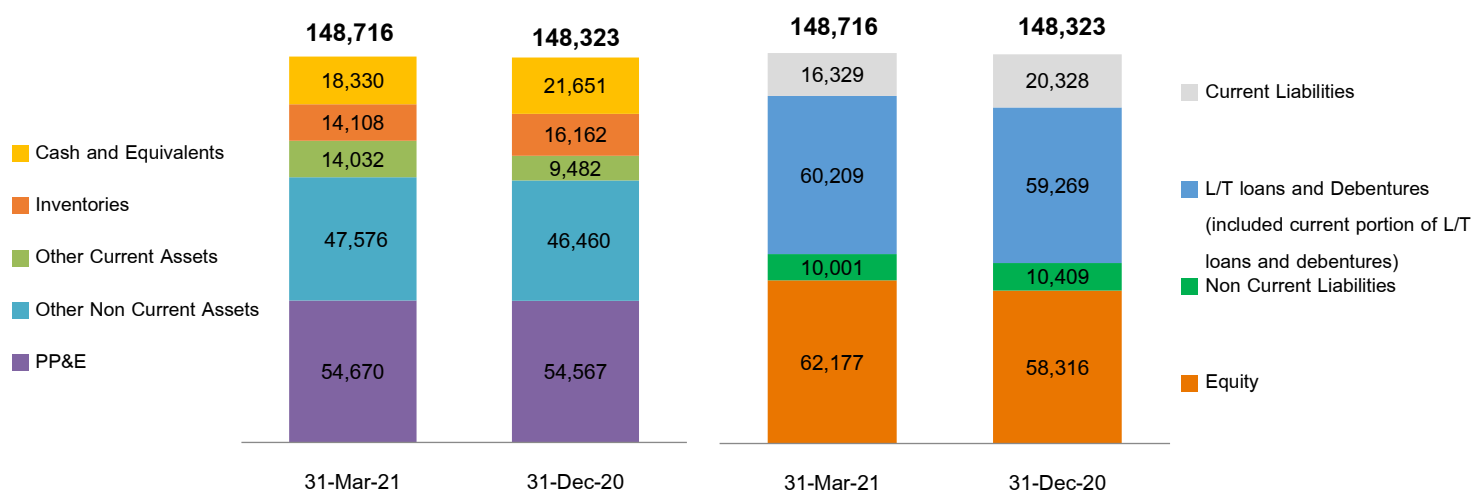
- OKEA saw slight increase in revenue, mainly from the selling price of crude oil and natural gas which increased in relation to the state of the global market, despite the total sales volume declining 4% YoY.
- This quarter recorded an increase in petroleum exploration expense from Q1/2020 due to the reasons mentioned above.

Performance by Business Group



- No impairment was recorded in this quarter, whereas the impairment was recorded in Q1/2020 due to the price situation of crude oil and natural gas that deteriorated significantly from the COVID-19 outbreak. Most of the impairment was Technical Goodwill on Draugen, Gjøa and Ivar Aasen fields. Furthermore, there was also a record impairment of Ordinary Goodwill.
- During this quarter, there was a realization of gain on foreign exchange from the appreciation of the Norwegian Krone (NOK) against the US Dollar which mainly from the conversion of loans in foreign currencies. Whereas, in Q1/2020 realized loss from the depreciation of the Norwegian Krone (NOK) against the US Dollar.

Statement of Financial Position



Assets

As of the 31st March 2021, the Company and its subsidiaries has Total Assets in the amount of THB 148,716 million, an increase of THB 393 million when compared to the 31st December 2020, changes in assets are as follow:

- Cash and cash equivalents decreased by THB 3,321 million. Details are stated in Analysis of the Cash Flow Statement.
- Inventories decreased by THB 2,055 million, mainly belong to the company which has lower crude oil and finished product inventory, as there was a Major Turnaround in Q1/2021.
- Other current assets increased THB 4,550 million, mainly contributed from:
 - Short-term investments increased THB 2,995 million from BCPG Plc.
 - Trade and other current receivables increased THB 1,757 million, mostly a result of the increase in the company's trade account receivables from the higher sales volume and average selling price of finished products, and from BCPT's higher average selling price, despite marginal decrease in sales volume.
- Other non-current assets rose by THB 1,116 million, mainly due to:
 - Other non-current financial assets increased THB 139 million, from an increasing change in net fair value of a subsidiary's long-term investments and available for sale investment in LAC. (LAC share was sold by 100,000 shares during the quarter).
 - Investments in associates and joint ventures increased THB 1,262 million, an effect of the currency conversion of invested capital in associated company, after the Thai Baht depreciated against the US Dollar and the Norwegian Krone, combined with the reversal of recorded impairment in invested capital in the associate company, OKEA.
 - Long-term loans increased THB 215 million from a result of loans given to LAC according to its agreement.

Statement of Financial Position



- Deferred tax assets decreased THB 400 million, mostly from utilizing previous year tax loss carry forward in this quarter and reduced in non-current provisions for employee benefits.
5. Property, plant and equipment net increased by THB 103 million. The company invested in assets in the amount of THB 1,010 million, mainly from major turnaround and Efficiency, Energy, and Environment Enhancement Project (3E), Power Plant Business investment in the amount of THB 162 million, and Bio-based Product Business investment in the amount of THB 99 million. Depreciation for the period was THB 1,035 million.

Liabilities

As of the 31st March 2021, the Company and its subsidiaries has Total Liabilities THB 86,539 million, a decrease of THB 3,467 million, changes in liabilities are as follow:

1. Current Liabilities (exclude current portion of long-term loans from financial institutions and debentures) decreased by THB 3,999 million, mainly contributed from:
 - Short-term loan from financial institutions net decreased by THB 1,224 million, a reduction from BCPG Plc., whereas BBGI Plc. had additional short-term loan drawdown.
 - Trade and other current payables decreased by THB 2,473 million, mostly from BCPT's trade payables which recorded a lower purchase volume, whereas there was an increase in average purchasing price.
2. Long-term loans and debentures (included current portion of long-term loans and debentures) increased by THB 940 million, due to loan drawdown increased by THB 1,111 million which were BCPG Plc. in amount of THB 1,047 million and BBGI Plc. in amount of THB 64 million, loan repayment by THB 532 million. There were also increased the adjustments for the effects of change in foreign exchange rate of THB 348 million and the amortized issuance cost of loans and debentures by THB 12 million.
3. Other non-current liabilities decreased by THB 409 million, mainly attributed to lease liabilities which declined by THB 168 million, and non-current provisions for employee benefits declining by THB 181 million due to the recalculations of a defined employee benefit obligations for the period.

Equities

As of 31st March 2021, the Company and its subsidiaries' total equity was THB 62,177 million which increased by THB 3,860 million. Mainly from the net profit for the period of THB 2,642 million and increased in other components of equity by THB 1,217 million occurred from exchange differences on translating financial statements by THB 874 million and change in fair value of available for sale investment by THB 166 million. There was total equity attributable to owners of the parent was THB 49,617 million, and book value per share (exclude perpetual subordinated debentures) was THB 29.22.

Statement of Cash Flows



As of 31st March 2021, the Company and its subsidiaries had Cash and cash equivalents in the amount of THB 18,330 million, details are as follow:

Cash Flows (THB Million)	31-Mar-21	31-Mar-20
Net cash received (used in) operating activities	2,090	(3,636)
Net cash received (used in) investing activities	(4,344)	(5,845)
Net cash received (used in) financing activities	(1,319)	12,663
Effect of exchange rate changes on cash and cash equivalents	253	146
Net increase (decrease) in cash and cash equivalents	(3,321)	3,329
Cash and cash equivalents as at 1 st January	21,651	7,276
Cash and cash equivalents as at 31st March	18,330	10,605

Details of each activities are as follows:

Net cash received from operating activities in the amount of THB 2,090 million are attributed to cash received from operating activities of THB 4,773 million. Cash received from net operating assets and liabilities of THB 2,632 million, mainly from (1) Trade accounts receivable increased by THB 1,603 million (2) Other receivables decreased by THB 264 million (3) Inventories decreased by THB 2,062 million (4) Other assets decreased by THB 24 million (5) Trade and other payables decreased by THB 3,234 million (6) Other liabilities decreased by THB 145 million and taxes paid by THB 51 million.

Net Cash used in investing activities of THB 4,344 million, mainly from increased in short-term investments in amount of THB 2,995 million. Acquisition of property, plant and equipment in the amount of THB 1,232 million, mostly from equipment of major turnaround and working in progress of Efficiency, Energy, and Environment Enhancement Project (3E), Power Plant Business and Bio-based Product Business

Net Cash used in financing activities of THB 1,319 million, mainly from decreased in short-term loans from financial institutions by THB 1,224 million. Repayment of long-term loans from financial institutions by THB 532 million. Payment of lease liabilities by THB 469 million. Finance costs paid by THB 208 million while proceeds from long-term loans from financial institutions by THB 1,111 million.

Financial Ratios



	Q1/2021	Q4/2020	Q1/2020
Profitability Ratios (%)			
Gross Profit Margin	11.17%	7.22%	-2.82%
EBITDA Margin	11.49%	8.30%	-5.91%
Net Profit Margin	6.41%	1.81%	-10.02%
Return on Equity ^{1/} (ROE)	-0.05%	-14.22%	-7.06%
Efficiency Ratio (%)			
Return on Assets (ROA)	2.44%	-3.90%	-1.48%

1/ Profit and Total equity attributable to owners of the parent

	31-Mar-21	31-Dec-20	31-Mar-20
Liquidity Ratios (Times)			
Current Ratio	2.12	1.85	1.18
Quick Ratio	1.35	1.10	0.61
AR Turnover	18.92	18.33	26.01
Collection Period (Days)	19	20	14
AP Turnover	20.38	13.44	19.69
Payment Period (Days)	18	27	19
Financial Policy Ratios (Times)			
Debt to Equity	1.39	1.54	1.61
Interest bearing Debt to Equity	1.13	1.22	1.32
Net Interest bearing Debt to Equity	0.79	0.85	1.12
Release of Debenture Ratio (Times)			
Net Interest bearing Debt to Net Equity	0.64	0.66	0.86

Financial Ratios Calculation

Profitability Ratios

- Gross Profit Margin (%) = $\frac{\text{Gross Profit}}{\text{Revenue from sale of goods and rendering of services}}$
- EBITDA Margin (%) = $\frac{\text{EBITDA}}{\text{Revenue from sale of goods and rendering of services}}$
- Net Profit Margin (%) = $\frac{\text{Profit attributable to owners of the parent}}{\text{Revenue from sale of goods and rendering of services}}$
- Return on Equity (%) = $\frac{\text{Profit attributable to owners of the parent (Yearly)}}{\text{Total Equity attributable to owners of the parent (Average)}}$

Efficiency Ratio (%)

- Return on Assets (%) = $\frac{\text{EBIT (Yearly)}}{\text{Total Asset (Average)}}$

Liquidity Ratios (Times)

- Current Ratio (Times) = $\frac{\text{Current Asset}}{\text{Current Liabilities}}$
- Quick Ratio (Times) = $\frac{(\text{Cash \& Equivalents} + \text{Short term investments} + \text{Trade and other Account Receivable})}{\text{Current Liabilities}}$

Financial Ratios



- Accounts Receivable Turnover (Times) = $\frac{\text{Revenue from sale of goods and rendering of services}}{\text{Accounts receivable before doubtful debt (Average)}}$
- Collection Period (Days) = $\frac{365}{\text{Account Receivable Turnover}}$
- Accounts Payable Turnover (Times) = $\frac{\text{Cost of sale of goods and rendering of services}}{\text{Accounts Payable (Average)}}$
- Payment Period (Days) = $\frac{365}{\text{Account Payable Turnover}}$

Financial Policy Ratios (Times)

- Debt to Equity (Times) = $\frac{\text{Total Debt}}{\text{Equity}}$
- Interest Bearing Debt to Equity (Times) = $\frac{\text{Interest bearing Debt}}{\text{Total equity}}$
- Net Interest Bearing Debt to Equity (Times) = $\frac{(\text{Interest bearing Debt} - \text{Cash and cash equivalents} - \text{Current investments})}{\text{Total equity}}$

Issuance of Debenture Ratio (Times)

- Net Interest Bearing Debt to Net Equity (Times) = $\frac{(\text{Interest bearing Debt} - \text{Cash and cash equivalents} - \text{Current investments})}{(\text{Total equity} - \text{Unrealised gain/loss from derivatives} - \text{Unrealised gain/loss on foreign exchange} - \text{Inventory gain/loss})}$

Note:

1/ Average Total Equity attributable to owners of the parent

- Yearly = $\frac{(\text{Total Equity attributable to owners of the parent of the year before} + \text{Total Equity attributable to owners of the Company of this year})}{2}$
- Quarterly = $\frac{(\text{Total Equity attributable to owners of the parent of the quarter of the year before} + \text{Total Equity attributable to owners of the parent of the quarter this year})}{2}$

2/ Average Total Assets

- Yearly = $\frac{(\text{Total Assets of the year before} + \text{Total Assets of the Company of this year})}{2}$
- Quarterly = $\frac{(\text{Total Assets of the quarter of the year before} + \text{Total Assets of the quarter this year})}{2}$

3/ The numerator of ROE is defined as the Profit attributable to owners of the parent and have to be annualized.

4/ The numerator of ROA is defined as EBIT and have to be annualized.

5/ Average Accounts Receivable before doubtful debt

- Yearly = $\frac{(\text{Accounts Receivable before doubtful debt of the year before} + \text{Accounts Receivable before doubtful debt of the Company of this year})}{2}$
- Quarterly = $\frac{(\text{Accounts Receivable before doubtful debt of the quarter of the year before} + \text{Accounts Receivable before doubtful debt of the quarter this year})}{2}$

6/ Average Accounts payable

- Yearly = $\frac{(\text{Accounts payable of the year before} + \text{Accounts payable of the Company of this year})}{2}$
- Quarterly = $\frac{(\text{Accounts payable of the quarter of the year before} + \text{Accounts payable of the quarter this year})}{2}$

7/ Interest Bearing Debt defined as Short-term loans + Long-term loans (including current portion of long-term loans) + Debentures (including current portion of long-term debentures) + Lease liabilities (including current portion of lease liabilities)

Management Outlook towards the Economy and Crude Oil Price in Q2/2021



Economic Outlook

With the progress of the COVID-19 vaccine distribution, and the large stimulus package within advanced economies, the global economy in Q2/2021 is poised to make a recovery from Q1/2021. In April, the International Monetary Fund (IMF) adjusted its global economic outlook to 6.0%, an increase from its outlook in January of 5.5%. The US will see outstanding economic growth of 6.4%, whereas China will see economic growth in the highs of 8.4%.

However, the Thai economy in Q2/2021 is expected to make a recovery in comparison to Q1/2021 in accordance to the global economy and the improvements in exports. Furthermore, there are various supporting factors from additional government economic stimuli. Despite the aforementioned the Thai economy is still recovering at a low rate, the IMF adjusted its forecast of the growth of the Thai GDP down to 2.6% from the previous 2.7% - due to the majority of Thailand's revenue coming from foreign tourists, of which there is still small numbers of tourist. This corroborates with the Office of the National Economic and Social Development Council (NESDC) adjusting its foreign tourist number for 2021 from the previous 5 million people per year to 3.2 million people per year. It is expected that the number of foreign tourist will make a slow recovery in 2022. Additionally, there are concerns over the new emerging phase of COVID-19 outbreak in Thailand during April which may serve as an obstacle to the economy. However, analyst believes that the outbreak is not severe as the same period of the previous year due to gradual vaccinations and its distribution to various regions across Thailand. Even though, the number of vaccinations may have not yet generate a herd immunity effect, but most of the population has taken precautions and practices social distancing measures rigorously.

Crude Oil Price Outlook

The International Energy Agency (IEA) revised its expectation on demand for crude oil across the world will increase by 5.7 million barrels per day in 2021, in comparison to the contraction of 8.8 million barrels per day in 2020. It is expected that the progress in the distribution of the COVID-19 vaccine will encompass the majority of the population - allowing for economic activities to recover and induce the rate of consumption of oil to increase in the second half of 2021. Despite, some major oil user countries are still faced with the fragile recovery of oil demand, due to the new emerging phase of the COVID-19 outbreak. And, the fundamental factors of demand and supply are expected to reach an equilibrium in the second half of 2021.

From assessment, price of Dubai Crude in Q2/2021 is going to move within the 60 - 65 \$/BBL. The developed countries which can access to the COVID-19 vaccine for their target population are anticipated to assist in the recovery of demand for oil. Whereas, the OPEC and allied countries are still colluding to gradually raise production in order to maintain oil price stability.

Dated Brent and Dubai spread (DTD/DB) is expected to average between 0.90 – 1.20 \$/BBL in Q2/2021 due to the recovery of Light crude demand in correlation to the demand for Gasoline and Gasoil. Especially, in the US that saw surges from the winding down of the COVID-19 outbreak, after accelerate the deployment of COVID-19 vaccine. Also, the supply of Heavy Crude in Asia was risen after the OPEC and allied countries increasing their production volume.

As for the Gross Refining Margin (GRM) in Q2/2021, it is expected that Dubai crude cracking margin in Singapore is likely to increase from Q1/2021. It has been anticipated that demand for finished product in Asia will make a recovery due to COVID-19 outbreaks winding down, after accelerate the deployment of COVID-19 vaccine to the population in various countries, resulting in economic activities and industries, including the tourism sector, to make a recover.