

**Bangchak Corporation Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2019

and

Independent auditor's report on review of interim financial
information

Independent auditor’s report on review of interim financial information

To the Board of Directors of Bangchak Corporation Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Bangchak Corporation Public Company Limited and its subsidiaries, and of Bangchak Corporation Public Company Limited, respectively, as at 30 June 2019; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2019, changes in equity and cash flows for the six-month period ended 30 June 2019; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

Emphasis of Matter

I draw attention to note 4 to the interim financial statements. The finalization of the valuation of net assets of an entity in Indonesia acquired on 26 July 2017 was completed in July 2018. The consolidated statements of income and comprehensive income for the three-month period ended 30 June 2018, which are included as comparative information, have also been adjusted as described in note 4 to the interim financial statements. My conclusion is not modified in respect of this matter.

(Waiyawat Kosamarnchaiyakij)
Certified Public Accountant
Registration No. 6333

KPMG Phoomchai Audit Ltd.
Bangkok
8 August 2019

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2019 (Unaudited)	31 December 2018	30 June 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		5,703,251	11,550,620	2,314,346	7,215,201
Current investments	6	222,392	262,039	200,000	200,000
Trade accounts receivable	5, 7	7,799,479	6,968,512	6,450,694	7,115,834
Other receivables	5	1,601,533	1,642,717	817,896	720,986
Inventories	8	17,220,870	15,134,925	15,806,821	13,346,465
Current tax assets		420,926	256,651	257,059	241,818
Oil fuel fund subsidies receivable		1,333,884	1,780,596	1,333,884	1,780,595
Total current assets		34,302,335	37,596,060	27,180,700	30,620,899
Non-current assets					
Investments in subsidiaries	9	-	-	13,305,988	13,178,856
Investments in associates and joint ventures	10	18,271,394	18,047,950	73,000	73,000
Long-term loans to related parties	5	901,192	198,755	5,706,442	5,127,616
Other long-term investments	6	2,228,720	1,815,302	237,154	237,184
Investment properties		126,966	126,966	682,953	682,953
Property, plant and equipment	11	49,703,545	48,876,754	30,024,490	30,007,247
Goodwill		1,602,325	1,602,325	-	-
Leasehold rights		2,966,364	2,900,579	2,966,364	2,900,579
Intangible assets		3,506,371	3,658,271	411,996	450,757
Deferred tax assets		997,219	827,463	958,570	792,396
Other non-current assets	5	1,576,892	1,718,193	1,659,073	1,761,576
Total non-current assets		81,880,988	79,772,558	56,026,030	55,212,164
Total assets		116,183,323	117,368,618	83,206,730	85,833,063

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2019 (Unaudited)	31 December 2018	30 June 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Short-term loan from financial institutions	12	4,638,924	5,004,252	3,089,924	3,258,252
Trade accounts payable	5, 13	8,911,155	6,680,251	6,845,242	5,943,971
Other payables	5, 14	2,106,211	3,156,970	1,515,546	2,359,228
Current portion of long-term loans					
from financial institutions	12	2,250,501	2,215,714	350,154	350,154
Current portion of debenture	12	-	4,000,000	-	4,000,000
Excise tax and oil fuel fund payable		2,584,767	3,386,702	2,584,767	3,386,702
Income tax payable		161,358	121,162	113,282	-
Other current liabilities	5	979,031	938,559	953,174	874,247
Total current liabilities		21,631,947	25,503,610	15,452,089	20,172,554
Non-current liabilities					
Long-term loans from financial institutions	12	20,591,771	18,264,242	5,010,993	2,725,923
Debentures	12	20,982,556	20,980,047	20,982,556	20,980,047
Deferred tax liabilities		450,546	466,688	-	-
Liabilities on long-term lease		32,516	37,863	32,516	37,863
Non-current provisions for					
employee benefits	15	2,236,435	2,053,675	2,155,064	1,983,784
Provision for the decommissioning cost		330,171	355,355	-	-
Other non-current liabilities	5	167,158	169,584	64,722	71,980
Total non-current liabilities		44,791,153	42,327,454	28,245,851	25,799,597
Total liabilities		66,423,100	67,831,064	43,697,940	45,972,151

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Equity				
Share capital				
Authorised share capital	1,376,923	1,376,923	1,376,923	1,376,923
Issued and paid-up share capital (1,376,923,157 ordinary shares of Baht 1 each)	1,376,923	1,376,923	1,376,923	1,376,923
Share premium on ordinary shares	11,157,460	11,157,460	11,157,460	11,157,460
Capital surplus on share reduction	189,618	189,618	189,618	189,618
Other surpluses	1,381,026	1,370,361	-	-
Surplus from business combination	1,170,411	1,170,411	-	-
Warrants	3,198	8,400	-	-
Retained earnings				
Appropriated				
Legal reserve	153,164	153,164	153,164	153,164
Unappropriated	27,469,606	27,453,937	26,631,625	26,983,747
Other components of equity	(86,731)	(165,309)	-	-
Equity attributable to owners of the parent	42,814,675	42,714,965	39,508,790	39,860,912
Non-controlling interests	6,945,548	6,822,589	-	-
Total equity	49,760,223	49,537,554	39,508,790	39,860,912
Total liabilities and equity	116,183,323	117,368,618	83,206,730	85,833,063

(Pichai Chunhavajira)

Chairman

(Chaiwat Kovavisarach)

Chief Executive Officer and President

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended 30 June		Three-month period ended 30 June	
		2019	2018	2019	2018
			(Restated)		
		<i>(in thousand Baht)</i>			
Revenue from sale of goods and rendering of services	5	48,326,050	45,557,583	41,082,562	40,547,008
Cost of sale of goods and rendering of services	5	<u>(45,738,380)</u>	<u>(41,699,279)</u>	<u>(39,632,893)</u>	<u>(37,990,058)</u>
Gross Profit		2,587,670	3,858,304	1,449,669	2,556,950
Interest income and dividend income	5	31,075	11,826	492,321	481,463
Other income	5	77,240	181,064	53,966	86,840
Selling expenses	5	(1,165,558)	(1,066,435)	(810,531)	(748,466)
Administrative expenses	5	(731,698)	(718,909)	(457,412)	(461,882)
Exploration and evaluation expense		(184)	(13,282)	-	-
Loss from crude and product oil price hedging contract		(28,047)	(135,931)	(28,047)	(75,106)
Gain (loss) from foreign currency forward contracts		26,960	94,998	(7,784)	94,998
Gain (loss) on foreign exchange		167,693	(38,548)	135,331	34,751
Impairment losses on assets		-	(411,575)	-	(271,773)
Share of profit (loss) of investments in associates and joint ventures	4, 10	<u>156,343</u>	<u>(8,308)</u>	<u>-</u>	<u>-</u>
Profit before finance costs and income tax expense		1,121,494	1,753,204	827,513	1,697,775
Finance costs		<u>(421,326)</u>	<u>(374,035)</u>	<u>(266,474)</u>	<u>(218,062)</u>
Profit before income tax expense		700,168	1,379,169	561,039	1,479,713
Tax expense		<u>(24,855)</u>	<u>(253,027)</u>	<u>(1,262)</u>	<u>(178,747)</u>
Profit for the period		<u>675,313</u>	<u>1,126,142</u>	<u>559,777</u>	<u>1,300,966</u>
Profit attributable to					
Owners of the parent		528,121	985,134	559,777	1,300,966
Non-controlling interests		<u>147,192</u>	<u>141,008</u>	<u>-</u>	<u>-</u>
Profit for the period		<u>675,313</u>	<u>1,126,142</u>	<u>559,777</u>	<u>1,300,966</u>
Basic earnings per share		<u>0.38</u>	<u>0.72</u>	<u>0.41</u>	<u>0.94</u>

(Pichai Chunhavajira)
Chairman

(Chaiwat Kovavisarach)
Chief Executive Officer and President

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended 30 June		Three-month period ended 30 June	
	2019	2018	2019	2018
	(Restated)			
	<i>(in thousand Baht)</i>			
Profit for the period	675,313	1,126,142	559,777	1,300,966
Other comprehensive income				
<i>Items that will be reclassified</i>				
<i>subsequently to profit or loss</i>				
Exchange differences on translating financial statements	(35,889)	193,414	-	-
Gain (loss) on remeasurements of available-for-sale investment	116,906	(58,363)	-	-
Total items that will be reclassified subsequently to profit or loss	81,017	135,051	-	-
<i>Items that will not be reclassified</i>				
<i>subsequently to profit or loss</i>				
Gains on remeasurements of defined benefit plans	-	6,795	-	-
Share of other comprehensive income (loss) of associates	(10,268)	8,864	-	-
Total items that will not be reclassified subsequently to profit or loss	(10,268)	15,659	-	-
Other comprehensive income for the period, net of tax	70,749	150,710	-	-
Total comprehensive income for the period	746,062	1,276,852	559,777	1,300,966
Total comprehensive income attributable to:				
Owners of the parent	610,292	1,102,884	559,777	1,300,966
Non-controlling interests	135,770	173,968	-	-
Total comprehensive income for the period	746,062	1,276,852	559,777	1,300,966

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended 30 June		Six-month period ended 30 June	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue from sale of goods and rendering of services	5	93,861,379	89,783,172	80,732,443	81,474,365
Cost of sale of goods and rendering of services	5	<u>(89,093,107)</u>	<u>(82,596,751)</u>	<u>(78,307,747)</u>	<u>(76,840,924)</u>
Gross profit		4,768,272	7,186,421	2,424,696	4,633,441
Interest income and dividend income	5	68,093	28,124	532,518	499,392
Other income	5	158,714	240,365	108,901	143,723
Selling expenses	5	(2,187,216)	(2,039,042)	(1,507,730)	(1,420,961)
Administrative expenses	5	(1,431,072)	(1,406,737)	(859,221)	(876,173)
Exploration and evaluation expense		(4,599)	(22,064)	-	-
Gain (loss) from crude and product oil price hedging contract		879	(208,679)	879	(112,322)
Gain (loss) from foreign currency forward contracts		15,721	94,998	(4,972)	94,998
Gain on foreign exchange		225,088	133,093	152,602	219,987
Impairment losses on assets	9	-	(411,575)	-	(271,773)
Share of profit of investments in associates and joint ventures	10	<u>313,661</u>	<u>114,679</u>	<u>-</u>	<u>-</u>
Profit before finance costs and income tax expense		1,927,541	3,709,583	847,673	2,910,312
Finance costs		<u>(864,140)</u>	<u>(739,022)</u>	<u>(554,875)</u>	<u>(433,063)</u>
Profit before income tax expense		1,063,401	2,970,561	292,798	2,477,249
Tax income (expense)	17	<u>6,724</u>	<u>(476,186)</u>	<u>43,534</u>	<u>(392,351)</u>
Profit for the period		<u>1,070,125</u>	<u>2,494,375</u>	<u>336,332</u>	<u>2,084,898</u>
Profit attributable to:					
Owners of the parent		742,074	2,152,987	336,332	2,084,898
Non-controlling interests		<u>328,051</u>	<u>341,388</u>	<u>-</u>	<u>-</u>
Profit for the period		<u>1,070,125</u>	<u>2,494,375</u>	<u>336,332</u>	<u>2,084,898</u>
Basic earnings per share		<u>0.54</u>	<u>1.56</u>	<u>0.24</u>	<u>1.51</u>

(Pichai Chunhavajira)
Chairman

(Chaiwat Kovavisarach)
Chief Executive Officer and President

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended 30 June		Six-month period ended 30 June	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Profit for the period	<u>1,070,125</u>	<u>2,494,375</u>	<u>336,332</u>	<u>2,084,898</u>
Other comprehensive income				
<i>Items that will be reclassified</i>				
<i>subsequently to profit or loss</i>				
Exchange differences on translating financial statements	(309,004)	(35,482)	-	-
Gains (loss) on remeasurements of available-for-sale investment	<u>383,915</u>	<u>(1,592,819)</u>	<u>-</u>	<u>-</u>
Total items that will be reclassified subsequently to profit or loss	<u>74,911</u>	<u>(1,628,301)</u>	<u>-</u>	<u>-</u>
<i>Items that will not be reclassified</i>				
<i>subsequently to profit or loss</i>				
Gains on remeasurements of defined benefit plans	-	6,468	-	-
Share of other comprehensive income (loss) of associate	<u>(10,268)</u>	<u>8,864</u>	<u>-</u>	<u>-</u>
Total items that will not be reclassified subsequently to profit or loss	<u>(10,268)</u>	<u>15,332</u>	<u>-</u>	<u>-</u>
Other comprehensive income (loss) for the period, net of tax	<u>64,643</u>	<u>(1,612,969)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,134,768</u>	<u>881,406</u>	<u>336,332</u>	<u>2,084,898</u>
Total comprehensive income attributable to:				
Owners of the parent	820,652	520,130	336,332	2,084,898
Non-controlling interests	<u>314,116</u>	<u>361,276</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,134,768</u>	<u>881,406</u>	<u>336,332</u>	<u>2,084,898</u>

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Consolidated financial statements														
							Other components								
							of shareholders' equity								
							Retained earnings		Share of other			Equity			
	Issued and	Share	Capital		Surplus from				Translating	Available-	comprehensive	Total other	Equity	Non-	
	paid - up	premium	surplus on	Other	business	Warrants	Legal reserve	Unappropriated	financial	for-sale	income (loss)	components	to owners	controlling	Total
Note	share capital	ordinary shares	share reduction	surpluses	combination				statements	investment	of associates	of equity	of the parent	interests	equity
	(in thousand Baht)														
Six-month period ended 30 June 2018															
Balance at 1 January 2018	1,376,923	11,157,460	189,618	1,340,485	1,170,411	19,147	153,164	27,661,241	(546,284)	2,971,445	(14,066)	2,411,095	45,479,544	6,410,499	51,890,043
Transactions with owners, recorded directly in equity															
<i>Contributions by and distributions to owners of the parent</i>															
Share options exercised	-	-	-	20,128	-	-	-	-	-	-	-	-	20,128	29,677	49,805
Share-based payment transactions	-	-	-	14,284	-	(10,860)	-	-	-	-	-	-	3,424	1,453	4,877
Dividends to owners of the Company	18	-	-	-	-	-	-	(1,514,557)	-	-	-	-	(1,514,557)	(190,550)	(1,705,107)
Total	-	-	-	34,412	-	(10,860)	-	(1,514,557)	-	-	-	-	(1,491,005)	(159,420)	(1,650,425)
<i>Changes in ownership interests in subsidiaries</i>															
Changes in an ownership interests in subsidiaries without a change in control	-	-	-	(7,395)	-	-	-	-	-	-	-	-	(7,395)	7,395	-
Total	-	-	-	(7,395)	-	-	-	-	-	-	-	-	(7,395)	7,395	-
Total transactions with owners, recorded directly in equity	-	-	-	27,017	-	(10,860)	-	(1,514,557)	-	-	-	-	(1,498,400)	(152,025)	(1,650,425)
Comprehensive income (loss) for the period															
Profit	-	-	-	-	-	-	-	2,152,987	-	-	-	-	2,152,987	341,388	2,494,375
Other comprehensive income (loss)	-	-	-	-	-	-	-	6,883	(53,144)	(1,592,819)	6,223	(1,639,740)	(1,632,857)	19,888	(1,612,969)
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	2,159,870	(53,144)	(1,592,819)	6,223	(1,639,740)	520,130	361,276	881,406
Balance at 30 June 2018	1,376,923	11,157,460	189,618	1,367,502	1,170,411	8,287	153,164	28,306,554	(599,428)	1,378,626	(7,843)	771,355	44,501,274	6,619,750	51,121,024

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

		Consolidated financial statements															
								Other components									
								of shareholders' equity									
								Retained earnings			Share of other				Equity		
								Translating			Available-	comprehensive		Total other	attributable	Non-	Total
								financial			for-sale	income (loss)		components	to owners	controlling	equity
Note		Issued and paid - up share capital	Share premium ordinary shares	Capital surplus on share reduction	Other surpluses	Surplus from business combination	Warrants	Legal reserve	Unappropriated	statements	investment	of associates	of equity	of the parent	interests	equity	
<i>(in thousand Baht)</i>																	
Six-month period ended 30 June 2019																	
		1,376,923	11,157,460	189,618	1,370,361	1,170,411	8,400	153,164	27,453,937	(552,724)	381,836	5,579	(165,309)	42,714,965	6,822,589	49,537,554	
	3	-	-	-	-	-	-	-	(37,951)	-	-	-	-	(37,951)	(16,180)	(54,131)	
		1,376,923	11,157,460	189,618	1,370,361	1,170,411	8,400	153,164	27,415,986	(552,724)	381,836	5,579	(165,309)	42,677,014	6,806,409	49,483,423	
Transactions with owners, recorded directly in equity																	
<i>Contributions by and distributions to owners of the parent</i>																	
		-	-	-	8,335	-	-	-	-	-	-	-	-	8,335	12,255	20,590	
		-	-	-	6,033	-	(5,202)	-	-	-	-	-	-	831	354	1,185	
	18	-	-	-	-	-	-	-	(688,454)	-	-	-	-	(688,454)	(191,289)	(879,743)	
		-	-	-	14,368	-	(5,202)	-	(688,454)	-	-	-	-	(679,288)	(178,680)	(857,968)	
<i>Changes in ownership interests in subsidiary</i>																	
		-	-	-	(3,703)	-	-	-	-	-	-	-	-	(3,703)	3,703	-	
		-	-	-	(3,703)	-	-	-	-	-	-	-	-	(3,703)	3,703	-	
Total transactions with owners, recorded directly in equity																	
		-	-	-	10,665	-	(5,202)	-	(688,454)	-	-	-	-	(682,991)	(174,977)	(857,968)	
Comprehensive income (loss) for the period																	
		-	-	-	-	-	-	-	742,074	-	-	-	-	742,074	328,051	1,070,125	
		-	-	-	-	-	-	-	-	(295,069)	383,915	(10,268)	78,578	78,578	(13,935)	64,643	
		-	-	-	-	-	-	-	742,074	(295,069)	383,915	(10,268)	78,578	820,652	314,116	1,134,768	
Balance at 30 June 2019																	
		1,376,923	11,157,460	189,618	1,381,026	1,170,411	3,198	153,164	27,469,606	(847,793)	765,751	(4,689)	(86,731)	42,814,675	6,945,548	49,760,223	

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Total equity	
		Issued and paid-up share capital	Share premium	Capital surplus on registered	Retained earnings		
					Legal reserve		Unappropriated
<i>(in thousand Baht)</i>							
Six-month period ended 30 June 2018							
Balance at 1 January 2018		1,376,923	11,157,460	189,618	153,164	27,605,863	40,483,028
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Dividends to owners of the Company	18	-	-	-	-	(1,514,557)	(1,514,557)
Total		-	-	-	-	(1,514,557)	(1,514,557)
Comprehensive income for the period							
Profit		-	-	-	-	2,084,898	2,084,898
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	2,084,898	2,084,898
Balance at 30 June 2018		1,376,923	11,157,460	189,618	153,164	28,176,204	41,053,369

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Total equity	
		Issued and paid-up share capital	Share premium	Capital surplus on registered	Retained earnings		
					Legal reserve		Unappropriated
<i>(in thousand Baht)</i>							
Six-month period ended 30 June 2019							
Balance at 1 January 2019		1,376,923	11,157,460	189,618	153,164	26,983,747	39,860,912
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Dividends to owners of the Company	18	-	-	-	-	(688,454)	(688,454)
Total		-	-	-	-	(688,454)	(688,454)
Comprehensive income for the period							
Profit		-	-	-	-	336,332	336,332
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	336,332	336,332
Balance at 30 June 2019		1,376,923	11,157,460	189,618	153,164	26,631,625	39,508,790

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended 30 June		Six-month period ended 30 June	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	1,070,125	2,494,375	336,332	2,084,898
<i>Adjustments for</i>				
Tax expense (income)	(6,724)	476,186	(43,534)	392,351
Finance costs	864,140	739,022	554,875	433,063
Depreciation	2,208,294	2,174,213	1,690,719	1,528,716
Amortisation	236,791	195,743	204,657	161,925
Allowance for doubtful debts and bad debts expense	1,967	183	1,676	639
Unrealised (gain) loss on foreign exchange	27,020	17,433	74,212	(79,277)
(Reversal of) losses on inventories devaluation	(691,959)	3,555	(673,301)	-
Impairment losses on assets	48	411,575	-	271,773
Loss on disposal of property, plant and equipment	1,335	31,123	237	25,562
Interest income and dividend income	(68,093)	(28,124)	(532,518)	(499,392)
Provision for employee benefit	242,719	96,441	221,137	78,599
Provision for customer loyalty programmes	30,377	35,992	30,377	35,992
Deferred revenue	(3,591)	(3,567)	(3,591)	(3,567)
Share-based payment transactions	1,185	4,877	-	-
Share of profit of associates and joint ventures, net of tax	(313,661)	(114,679)	-	-
	<u>3,599,973</u>	<u>6,534,348</u>	<u>1,861,278</u>	<u>4,431,282</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(987,893)	476,080	610,092	919,409
Other receivables	476,046	(674,253)	334,834	(910,678)
Inventories	(1,405,529)	(5,960,952)	(1,787,055)	(6,231,792)
Other non-current assets	503	(396,234)	60,358	(269,541)
Trade accounts payable	2,391,918	606,468	933,689	1,119,180
Other payables	(927,388)	(383)	(806,052)	64,718
Other current liabilities	(791,919)	(1,333,827)	(755,402)	(1,359,889)
Non-current provisions for employee benefit	(59,520)	(41,841)	(49,856)	(40,846)
Other non-current liabilities	5,757	64,803	(8,547)	54,980
	<u>2,301,948</u>	<u>(725,791)</u>	<u>393,339</u>	<u>(2,223,177)</u>
Income tax paid, net	(300,458)	(695,213)	(24,599)	(671,170)
Net cash from (used in) operating activities	<u>2,001,490</u>	<u>(1,421,004)</u>	<u>368,740</u>	<u>(2,894,347)</u>

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended 30 June		Six-month period ended 30 June	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	47,997	30,025	67,451	18,569
Dividend received	7,292	42,555	463,190	468,090
Increase (decrease) in current investments	39,647	(206)	-	-
Net cash outflow from acquisition of subsidiaries, joint ventures and associates	(226,345)	(204,086)	(127,132)	-
Payment for other investments	(126,435)	-	-	-
Acquisition of property, plant and equipment	(3,022,432)	(3,331,694)	(1,681,234)	(2,258,412)
Payment for machinery deposit	-	(34,772)	-	-
Proceeds from disposal of property, plant and equipment	4,433	11,539	45,798	11,242
Loan to related parties	(732,934)	-	(857,668)	(210,000)
Payment for leasehold right	(174,259)	(348,791)	(174,259)	(348,791)
Acquisition of intangible assets	(59,418)	(51,470)	(21,891)	(32,213)
Net cash used in investing activities	(4,242,454)	(3,886,900)	(2,285,745)	(2,351,515)
<i>Cash flows from financing activities</i>				
Finance costs paid	(967,666)	(828,937)	(670,935)	(462,075)
Dividend paid	(879,743)	(1,705,107)	(688,454)	(1,514,557)
Increase (decrease) in short-term loan from financial institutions	(197,000)	3,760,000	-	3,500,000
Proceeds from exercise of share options	20,590	49,805	-	-
Redemption of debenture	(4,000,000)	-	(4,000,000)	-
Proceeds from long-term loans from financial institutions	3,789,937	1,535,646	2,550,616	-
Repayment of long-term loans from financial institutions	(1,144,067)	(1,103,648)	(175,077)	(150,077)
Net cash from (used in) financing activities	(3,377,949)	1,707,759	(2,983,850)	1,373,291
Net decrease in cash and cash equivalents before effect of exchange rates	(5,618,913)	(3,600,145)	(4,900,855)	(3,872,571)
Effect of exchange rate changes on cash and cash equivalents	(228,456)	27,112	-	-
Net decrease in cash and cash equivalents	(5,847,369)	(3,573,033)	(4,900,855)	(3,872,571)
Cash and cash equivalents at 1 January	11,550,620	10,105,883	7,215,201	6,377,502
Cash and cash equivalents at 30 June	5,703,251	6,532,850	2,314,346	2,504,931

The accompanying notes form an integral part of the interim financial statements.

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

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These notes form an integral part of the interim financial statements.

The interim 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 financial statements, and were approved and authorized for issue by the Board of Directors on 8 August 2019.

1 General information

The principal businesses of the Group are operating an oil refinery and marketing the finished products through its service stations under its company's brand. The Group's oil market includes consumers in various sectors, such as transportation, aviation, shipping, construction, industrial, agriculture and sale of oil is also made through the major and the minor oil traders, production and distribution of electricity from green energy and investment in alternative energy business, manufacturing and distributing of biofuel product and relating products and exploration and production of petroleum.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis ("interim financial statements") in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group's accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 *Revenue from Contracts with Customers* ("TFRS 15") which the Group has initially adopted to replace TAS 18 *Revenue* ("TAS 18"), TAS 11 *Construction Contracts* ("TAS11") and related interpretations. The Group disclosed the material effect from the change in accounting policy in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for current period in preparing these interim financial statements before the effective date. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 21.

Bangchak Corporation Public Company Limited and its Subsidiaries
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3 Changes in accounting policies

The Group has initially applied TFRS 15 *Revenue from Contracts with Customers* (“TFRS 15”) from 1 January 2019. TFRS 15 establishes a comprehensive framework for determining how much and when revenue is recognised.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. The Group has a timing of revenue recognition mainly from sales of goods which is recognized at a point in time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due.

The Group has adopted TFRS 15 using the cumulative effect method, with the effect of initially applying this standard recognised at the date of initial application (1 January 2019). Accordingly, the Group has not restated the information presented for 2018 and presented them as previously reported, under TAS 18, TAS 11 and related interpretations. Additionally, the disclosure requirements under TFRS 15 have not been applied to comparative information.

The detail and quantitative impact of the change in accounting policies are disclosed as follows:

Sale of steam under minimum take or pay arrangement

For the sale of steam under minimum take or pay arrangement of an associate in Indonesia. Under TFRS 15, revenue should be recognised upon fulfilment of the performance obligation.

TFRS 15 did not have any material impact on the Group’s accounting policies with respect to other revenue streams.

The following table summarises the impact, net of tax, of adopting TFRS 15.

<i>As at 1 January 2019</i>	Consolidated financial statements	Separate financial statements
	<i>(in million Baht)</i>	
<i>Asset</i>		
Decrease in investment in associate	54	-
Decrease in total asset	54	-
<i>Equity</i>		
Decrease in retained earnings	38	-
Decrease in non-controlling interest	16	-
Decrease in total equity	54	-

There is no material impacts on the consolidated and separate statement of cash flows for the six-month period ended 30 June 2019 from the adoption of TFRS 15.

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4 Acquisition of investment and restatement

Star Energy Group Holdings Pte. Ltd.

On 26 April 2017, BCPG Public Company Limited (BCPG), 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, BCPG and the Seller completed the conditions precedent in accordance with Share Purchase Agreement.

TFRS required Management to make preliminary assessment of the fair values of the assets, liabilities and contingent liabilities specified at the acquisition date. The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired during the measurement period, which must not exceed one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the valuation of net assets of investment was completed in July 2018.

The consolidated financial statements for the three-month period ended 30 June 2018 included in these interim financial statements have been restated to reflect new information obtained about facts and circumstances that existed as of the acquisition date and the subsequently recognised adjustments as follows;

The impacts to the consolidated statement of income for the three-month period ended 30 June 2018:

	<i>(in million Baht)</i>
Decrease in share of profit of investments in associates	31
Decrease in profit for the period	31
Profit attributable to	
Decrease in attributable to owners of the Company	22
Decrease in attributable to non-controlling interests	9
Decrease in profit for the period	31
Earnings per share	
Decrease in basic earnings per share (<i>Baht</i>)	0.01

Bangchak Corporation Public Company Limited and its Subsidiaries
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5 Related parties

Related parties that have changed during the period are as follows: (Details of investments in subsidiaries, associates and joint ventures are disclosed in Notes 9 and 10)

Name of entities	Country of incorporation/ nationality	Nature of relationships
<i>Indirect associate</i>		
Impact Energy Asia Development Limited	Hong Kong	Subsidiary's director and management as director.

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
Sales of fixed assets and other assets	Contractually agreed prices
Interest expense	Contractually agreed rate with reference to market rate and contract rate

Significant transactions for the three-month and six-month periods ended 30 June with related parties were as follows;

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Three-month period ended 30 June</i>				
			<i>(in million Baht)</i>	
Subsidiaries and indirect subsidiaries				
Sales of goods	-	-	10,448	8,903
Purchases of goods	-	-	5,840	10,368
Dividend income	-	-	463	468
Other income	-	-	29	99
Interest income	-	-	18	5
Other expenses	-	-	8	10
Associate, indirect associate and joint venture				
Sales of goods	3	1	3	1
Purchase of goods	297	351	297	351
Other expenses	118	123	118	123

Bangchak Corporation Public Company Limited and its Subsidiaries
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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	60	57	25	26
Post-employment benefits and other long-term benefits	3	2	2	2
Share-base payments	-	-	-	-
Total key management personnel Compensation	63	59	27	28
Other related parties				
Other income	1	1	1	1
Interest income	15	-	-	-
Pipeline transportation expenses	114	118	114	118
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries and indirect subsidiaries				
Sales of goods	-	-	21,011	17,326
Purchases of goods	-	-	15,634	14,986
Dividend income	-	-	463	468
Other income	-	-	55	161
Interest income	-	-	30	9
Other expenses	-	-	21	23
Sales of fixed assets and other assets	-	-	42	-
Associate, indirect associate and joint venture				
Sales of goods	6	6	6	6
Purchase of goods	586	725	586	725
Dividend income	1	-	-	-
Other expenses	234	244	234	244
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	149	168	68	89
Post-employment benefits and other long-term benefits	7	9	4	4
Share-base payments	-	1	-	-
Total key management personnel Compensation	156	178	72	93
Other related parties				
Interest income	22	-	-	-
Other income	2	2	2	2
Pipeline transportation expenses	227	243	227	243

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Balances as at 30 June 2019 and 31 December 2018 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in million Baht)</i>			
Trade accounts receivable - related parties				
Subsidiaries and indirect subsidiaries	-	-	1,470	2,218
Associate and indirect associate	1	2	1	2
	<u>1</u>	<u>2</u>	<u>1,471</u>	<u>2,220</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>1</u>	<u>2</u>	<u>1,471</u>	<u>2,220</u>
Other receivables - related parties				
Subsidiaries and indirect subsidiaries	-	-	34	27
Indirect associate and joint ventures	8	74	8	-
Other related party	19	5	-	-
Total	<u>27</u>	<u>79</u>	<u>42</u>	<u>27</u>

Movements during the six-month periods ended 30 June of loans to related parties were as follows:

	Consolidated financial statements			Separate financial statements			
	31 December 2018	Effect of change in exchange rates Increased <i>(in million Baht)</i>	30 June 2019	31 December 2018	Effect of change in exchange rates Increased <i>(in million Baht)</i>	30 June 2019	
Subsidiaries							
Bangchak Retail Co., Ltd.	-	-	-	410	120	530	
BCP Innovation Pte. Ltd.	-	-	-	198	(40)	896	
Indirect subsidiaries							
Nido Petroleum Pty. Ltd.	-	-	-	1,291	(68)	1,223	
BCPR Pte. Ltd.	-	-	-	3,229	(172)	3,057	
Other related party							
Lithium Americans Corp	199	733	901	-	-	-	
Total	<u>199</u>	<u>733</u>	<u>901</u>	<u>5,128</u>	<u>858</u>	<u>5,706</u>	
Less current portion due within one year	-	-	-	-	-	-	
Total loans to related parties	<u>199</u>		<u>901</u>	<u>5,128</u>		<u>5,706</u>	

Loans to related parties bear interest range from 0.5% per annum to 8.0% per annum.

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Other non-current assets</i>				
Indirect subsidiary	-	-	318	325
Other related party	9	10	9	10
Total	9	10	327	335
<i>Trade accounts payable - related parties</i>				
Subsidiaries and indirect subsidiaries	-	-	606	829
Indirect associate	107	110	107	110
Total	107	110	713	939
<i>Other payable - related parties</i>				
Subsidiaries and indirect subsidiary	-	-	6	9
Joint ventures	13	13	13	13
Other related parties	36	43	36	43
Total	49	56	55	65
<i>Other current liabilities</i>				
Subsidiaries	-	-	3	6
Total	-	-	3	6
<i>Other non-current liabilities</i>				
Other related party	2	2	2	2
Total	2	2	2	2

Significant agreements with related party

Significant agreements with related party during the six-month period ended 30 June 2019 are as follows:

Loan agreement

During the period, the Company canceled several original loan agreements with a total credit facility of Baht 410 million with Bangchak Retail Company Limited, a subsidiary of the Company and entered into an unsecured loan agreement with such subsidiary with a credit facility of Baht 700 million. The loan bears interest and maturity as stipulated in the agreement.

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For the three-month and six-month periods ended 30 June 2019 (Unaudited)

6 Investments

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in million Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions	222	262	200	200
	222	262	200	200
<i>Other long-term investments</i>				
Available-for-sale equity security				
Lithium Americas Corp.	1,730	1,432	-	-
Non-marketable equity securities				
Fuel Pipeline Transportation Ltd.	234	234	234	234
Others	262	146	-	-
Non-marketable equity securities - net	2,226	1,812	234	234
Debt securities held to maturity				
Government bonds	3	3	3	3
Add: Premium on investments	-	-	-	-
Debt securities held to maturity - net	3	3	3	3
Other long-term investments	2,229	1,815	237	237
Total	2,451	2,077	437	437

Movements during the six-month periods ended 30 June of marketable equity securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Other long-term investments</i>				
Available-for-sale equity security				
At 1 January	1,432	4,061	-	-
Valuation adjustment	384	(1,593)	-	-
Effect of movement in exchange rate	(86)	(11)	-	-
At 30 June	1,730	2,457	-	-

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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7 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in million Baht)</i>			
Related parties	5	1	2	1,471	2,220
Other parties		7,811	6,980	4,993	4,909
Total		7,812	6,982	6,464	7,129
<i>Less:</i> allowance for doubtful accounts		(13)	(13)	(13)	(13)
Net		7,799	6,969	6,451	7,116

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	1	2	1,471	2,220
<i>Less:</i> allowance for doubtful accounts	-	-	-	-
Net	1	2	1,471	2,220
Other parties				
Within credit terms	7,511	6,256	4,797	4,654
Overdue:				
Less than 3 months	233	678	172	229
3 - 6 months	26	11	3	3
6 - 12 months	11	15	1	8
Over 12 months	30	20	20	15
	7,811	6,980	4,993	4,909
<i>Less:</i> allowance for doubtful accounts	(13)	(13)	(13)	(13)
	7,798	6,967	4,980	4,896
Net	7,799	6,969	6,451	7,116

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

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8 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Crude oil and other raw materials	8,668	8,214	8,086	7,648
Finished oil products	7,533	6,575	6,887	5,544
Materials and supplies	1,042	1,047	998	992
Consumer products	74	72	-	-
Semi - finished products	72	87	-	-
	<u>17,389</u>	<u>15,995</u>	<u>15,971</u>	<u>14,184</u>
<i>Less: allowance for obsolete and slow moving</i>	<i>(149)</i>	<i>(149)</i>	<i>(149)</i>	<i>(149)</i>
<i>allowance for decline in value</i>	<i>(19)</i>	<i>(711)</i>	<i>(15)</i>	<i>(689)</i>
Net	<u>17,221</u>	<u>15,135</u>	<u>15,807</u>	<u>13,346</u>

As at 30 June 2019 and 31 December 2018, the Company's inventories included petroleum legal reserve of 389 million liters with approximated value of Baht 5,667 million and 389 million liters with approximated value of Baht 5,873 million, respectively.

9 Investments in subsidiaries

	Separate	
	financial statements	
	2019	2018
	<i>(in million Baht)</i>	
<i>Six-month period ended 30 June</i>		
At 1 January	13,179	12,610
Acquisitions	127	-
Loss from impairment	-	(271)
At 30 June	<u>13,306</u>	<u>12,339</u>

Bangchak Corporation Public Company Limited and its Subsidiaries
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Investments in subsidiaries as at 30 June 2019 and 31 December 2018, and dividend income from those investments for six-month periods ended 30 June 2019 and 2018 were as follows:

	Separate financial statements										Dividend income for the six-month periods ended	
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
	30	31	30	31	30	31	30	31	30	31	30	30
	June	December	June	December	June	December	June	December	June	December	June	June
	(%)				(in million Baht)						2019	2018
<i>Subsidiaries</i>												
Bangchak Green Net Co., Ltd.	49.00	49.00	1	1	-	-	-	-	-	-	15	20
BCPG Public Company Limited	70.05	70.11	9,993	9,984	7,000	7,000	-	-	7,000	7,000	448	448
Bangchak Retail Co., Ltd.	100.00	100.00	800	800	800	800	-	-	800	800	-	-
BCP Energy International Pte. Ltd.	100.00	100.00	3,673	3,673	3,673	3,673	(2,203)	(2,203)	1,470	1,470	-	-
BCP Innovation Pte. Ltd.	100.00	100.00	1,560	1,433	1,560	1,433	-	-	1,560	1,433	-	-
BCP Trading Pte. Ltd.	100.00	100.00	35	35	35	35	-	-	35	35	-	-
BBGI Public Company Limited	60.00	60.00	2,532	2,532	1,700	1,700	-	-	1,700	1,700	-	-
BCPR Co., Ltd.	100.00	100.00	661	661	661	661	-	-	661	661	-	-
BCV Bio Based Co., Ltd.	100.00	100.00	20	20	20	20	-	-	20	20	-	-
BCV Energy Co., Ltd.	100.00	100.00	20	20	20	20	-	-	20	20	-	-
BCV Innovation Co., Ltd.	100.00	100.00	20	20	20	20	-	-	20	20	-	-
BCV Partnership Co., Ltd.	100.00	100.00	20	20	20	20	-	-	20	20	-	-
					15,509	15,382	(2,203)	(2,203)	13,306	13,179	463	468

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Movement of investments in subsidiaries

In January and April 2019, at the Extraordinary General Meeting of BCP Innovation Pte. Ltd., the meeting approved the increase in the registered capital from USD 42 million (divided into 42 million shares at USD 1 per share) to USD 45 million (divided into 45 million shares of USD 1 per share) and increased the registered capital from USD 45 million (divided into 45 million shares with a value of USD 1 per share) to USD 46 million (divided into 46 million shares of USD 1 per share), respectively. The subsidiary had called up for the share subscription and received full payment at paid-up capital.

10 Investments in associate and joint ventures

<i>Six-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in million Baht)</i>			
Indirect associates					
At 1 January - As previously reported		17,956	14,081	-	-
Effect from changing in accounting policies	3	(54)	-	-	-
At 1 January - Restated		17,902	14,081	-	-
Increased		226	-	-	-
Share of net profit of associates		297	94	-	-
Share of other comprehensive income (loss) of associates		(10)	9	-	-
Dividend income		(7)	-	-	-
Effect of change in exchange rate		(246)	73	-	-
At 30 June		18,162	14,257	-	-
Joint ventures					
At 1 January		92	77	73	73
Share of net profit of joint ventures		17	21	-	-
At 30 June		109	98	73	73
Total					
At 1 January - As previously reported		18,048	14,158	73	73
Effect from changing in accounting policies	3	(54)	-	-	-
At 1 January - Restated		17,994	14,158	73	73
Increased		226	-	-	-
Share of net profit of associates and joint ventures		314	115	-	-
Share of other comprehensive income (loss) of associate		(10)	9	-	-
Dividend income		(7)	-	-	-
Effect of change in exchange rate		(246)	73	-	-
At 30 June		18,271	14,355	73	73

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Investments in associates and joint ventures as at 30 June 2019 and 31 December 2018, and dividend income from those investments for the six-month periods ended 30 June 2019 and 2018 were as follows:

	Consolidated financial statements												Dividend income for the six-month periods ended			
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		30	30		
	30	31	30	31	30	31	30	31	30	31	30	31	June	June		
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018		
	(%)															
													<i>(in million Baht)</i>			
Indirect associates																
Ubon Bio Ethanol Plc.	21.28	21.28	2,740	2,740	763	763	811	808	-	-	811	808	-	-		
PetroWind Energy Inc.	40.00	40.00	895	895	922	922	1,164	1,206	-	-	1,164	1,206	7	-		
Star Energy Group Holding Pte. Ltd.	33.33	33.33	28,237	28,237	11,956	11,956	12,407	12,295	-	-	12,407	12,295	-	-		
OKEA ASA (Formerly: OKEA AS)	46.75	49.33	38	31	3,844	3,618	3,780	3,647	-	-	3,780	3,647	-	-		
Impact Energy Asia Development Limited.	45.00	-	-	-	-	-	-	-	-	-	-	-	-	-		
					17,485	17,259	18,162	17,956	-	-	18,162	17,956	7	-		
Joint ventures																
Bongkot Marine Services Co., Ltd.	30.00	30.00	240	240	72	72	108	91	-	-	108	91	-	-		
Oam Suk Social Enterprise Co., Ltd.	40.00	40.00	3	3	1	1	1	1	-	-	1	1	-	-		
					73	73	109	92	-	-	109	92	-	-		
Total					17,558	17,332	18,271	18,048	-	-	18,271	18,048	7	-		

None of the Group's equity-accounted investee is publicly listed and consequently does not have published price quotations, except for OKEA ASA, which is listed on the Norwegian Stock Exchange and has a fair value of Baht 3,533 million as at 30 June 2019.

Bangchak Corporation Public Company Limited and its Subsidiaries
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Changes in investments in associates

OKEA ASA and the initial public offering of OKEA AS

On 5 April 2019, BCPR Pte. Ltd. (“BCPR”), an indirect subsidiary of the Company converted 901,061 A ordinary shares in OKEA ASA (“OKEA”), which did not feature voting rights, to common ordinary shares with voting rights, bringing the total number of common ordinary shares owned by BCPR to 4,054,775 shares equivalent to 49.33% of total shareholders’ equity of OKEA. On 9 May 2019, OKEA split its shares by changing the par value from NOK 1 per share to NOK 0.1 per share, bring the total number of shares owned by BCPR to 40,547,750 shares.

On 18 June 2019 OKEA increased its share capital for the purpose of the initial public offering (IPO) of its shares on the Oslo Stock Exchange in Norway by issuing 15,000,000 shares out of which BCPR purchased 2,891,574 shares at an offering price of NOK 21 per share. On the IPO date BCPR also purchased an additional 4,171,570 ordinary shares at a price of NOK 0.1 per share under conditions which were part of the initial investment agreement. BCPR paid for the new share total of NOK 61 million (equivalent to Baht 226 million). After the issuance of the new shares, OKEA has a registered and issued and paid-up share capital of 101,839,050 shares out of which BCPR held 47,610,894 ordinary shares, equivalent to 46.75% of the share capital of OKEA. As a result, the dilution of its interest, the Group has recognized a gain from changes in investment interest amounting to NOK 26 million (equivalent to Baht 94 million) which was recorded in the consolidated income statement for the three-month and six-month periods ended 30 June 2019 under share of profit in an investment in associates and joint ventures.

Under the Greenshoe option arrangement with the managers of the IPO, BCPR lend 1,500,000 OKEA’s shares to the managers to facilitate price stabilization by the managers after the IPO until 17 July 2019. At that date, the Managers delivered back to the Group 1,366,669 shares and settled for the remaining balance at the IPO price resulting in BCPR finally holding 47,477,563 shares, equivalent to 46.62% of OKEA’s share capital.

Impact Energy Asia Development Limited

On 8 April 2019, the Company co-established Impact Energy Asia Development Limited (“IEAD”) which registered at Hong Kong Special Administrative Region of the People's Republic of China with an initial registered capital of HKD 200 and a purpose to operate a renewable energy power plant development project in the future. The Company acquired 90 shares with HKD 1 per share, totaling HKD 90 (equivalent to Baht 369). The Company has 45% of shareholding in the total issued and paid up shares of IEAD.

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	Separate financial statements									
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	(%)		(in million Baht)							
Joint ventures										
Bongkot Marine Services Co., Ltd.	30.00	30.00	240	240	72	72	-	-	72	72
Oam Suk Social Enterprise Co., Ltd.	40.00	40.00	3	3	1	1	-	-	1	1
Total					<u>73</u>	<u>73</u>	<u>-</u>	<u>-</u>	<u>73</u>	<u>73</u>

The Company has no dividend income received during the six-month period ended 30 June 2019 and 2018.

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

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11 Property, plant and equipment

Movements during the six-month period ended 30 June 2019 of property, plant and equipment were as follows:

	Consolidated financial statements							
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipment	Marketing and office equipment	Other assets	Construction work in progress	Total
	<i>(in million Baht)</i>							
At 1 January 2019	3,939	2,559	23,342	9,358	3,923	417	5,339	48,877
Additions	7	1	23	1	4	15	3,014	3,065
Transfers	1	54	353	605	294	-	(1,254)	53
Disposals	-	(1)	(1)	-	(5)	-	-	(7)
Depreciation charge for the period	-	(87)	(1,547)	(255)	(295)	(24)	-	(2,208)
Effect of movement in exchange rate	(10)	(1)	-	(28)	-	-	(37)	(76)
At 30 June 2019	<u>3,937</u>	<u>2,525</u>	<u>22,170</u>	<u>9,681</u>	<u>3,921</u>	<u>408</u>	<u>7,062</u>	<u>49,704</u>

As at 30 June 2019, certain subsidiaries have mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 12,908 million (31 December 2019: Baht 13,478 million).

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

	Separate financial statements							Total
	Land	Buildings	Machinery, equipment refinery plants and terminal	Electricity producing equipment	Marketing and office equipment	Other assets	Construction work in progress	
	<i>(in million Baht)</i>							
At 1 January 2019	2,322	180	20,174	69	3,635	389	3,238	30,007
Additions	-	-	21	-	-	11	1,766	1,798
Transfers	-	2	92	-	286	-	(425)	(45)
Disposals	-	(35)	-	-	(10)	-	-	(45)
Depreciation charge for the period	-	(11)	(1,403)	(3)	(255)	(19)	-	(1,691)
At 30 June 2019	<u>2,322</u>	<u>136</u>	<u>18,884</u>	<u>66</u>	<u>3,656</u>	<u>381</u>	<u>4,579</u>	<u>30,024</u>

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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12 Interest-bearing liabilities

	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 June</i>	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Loans from financial institutions and debentures				
At 1 January	50,464	40,903	31,314	20,672
Increase	3,789	5,296	2,550	3,500
Decrease	(5,341)	(1,103)	(4,175)	(150)
Loan transaction cost	(13)	(8)	(13)	-
Amortisation of transaction cost capitalised	13	20	2	2
Amortisation of deferred expenses on debentures	3	1	3	1
Effect of change in exchange rates	(451)	393	(247)	48
Total	48,464	45,502	29,434	24,073
<i>Less</i> Current portion of long-term loans from financial institutions	(2,251)	(2,281)	(350)	(350)
Current portion of debentures	-	(4,000)	-	(4,000)
Short term loans	(4,639)	(7,860)	(3,090)	(6,831)
At 30 June	41,574	31,361	25,994	12,892

During the period, the Company entered into a long-term loan agreement with a financial institution in the amount of USD 80 million, equivalent to Baht 2,550 million with an interest rate based on LIBOR plus a margin. The loan agreement specifies significant compliance and restrictions to maintain the debt to equity ratio.

13 Trade accounts payable

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		30	31	30	31
		June	December	June	December
		2019	2018	2019	2018
		<i>(in million Baht)</i>			
Related parties	5	107	110	713	939
Other parties		8,804	6,570	6,132	5,005
Total		8,911	6,680	6,845	5,944

Bangchak Corporation Public Company Limited and its Subsidiaries
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14 Other payables

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in million Baht)</i>			
Related parties	5	49	56	55	65
Other parties					
Accrued expenses		714	946	519	654
Accrued interest		257	296	236	273
Payable for project construction		57	545	-	-
Liabilities from forward contract		26	50	26	47
Other accounts payable		1,003	1,264	680	1,320
Total		2,106	3,157	1,516	2,359

15 Non-current liabilities provision for employee benefit

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act. As a result of this change, the provision for retirement benefits and past service cost recognised during the second quarter of 2019 in the consolidated and separate financial statements increased by an amount of Baht 140 million and Baht 133 million, respectively.

16 Segment information and disaggregation of revenue

The Group has applied TFRS 15 using the cumulative effect method as an adjustment to the retained earnings as at 1 January 2019. Therefore, the Group does not apply TFRS 15 to the comparative information.

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>Power plant</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 for the six-month periods ended 30 June 2019 and 2018 were as follow:

	Consolidated financial statements							
	2019							
	Refinery and oil trading	Marketing	Power plant	Bio-based product	Natural resources	Others	Eliminations	Total
	<i>(in million Baht)</i>							
External revenue from sales and service	22,134	68,704	1,655	1,358	10	-	-	93,861
Inter-segment revenue from sales and service	64,012	4	-	3,443	-	-	(67,459)	-
Total revenue	86,146	68,708	1,655	4,801	10	-	(67,459)	93,861
Profit (loss) from operating segment	1,167	1,240	1,458	330	122	(170)	-	4,147
Depreciation and amortisation								(2,445)
Gain on foreign exchange								225
Finance costs								(864)
Tax income								7
Profit for the period								1,070

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Consolidated financial statements
2018

	Refinery and oil trading	Marketing	Power plant	Bio-based product	Natural resources	Others	Eliminations	Total
	<i>(in million Baht)</i>							
External revenue from sales and service	16,485	68,667	1,675	2,026	930	-	-	89,783
Inter-segment revenue from sales and service	64,041	4	-	3,001	-	-	(67,046)	-
Total revenue	80,526	68,671	1,675	5,027	930	-	(67,046)	89,783
Profit (loss) from operating segment	3,208	1,244	1,457	473	104	(120)	(8)	6,358
Depreciation and amortisation								(2,370)
Gain on foreign exchange								133
Loss from impairment of assets								(412)
Finance costs								(739)
Tax expense								(476)
Profit for the period								2,494

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Disaggregation of revenue for the six-month periods ended 30 June 2019 and 2018 were as follow:

<i>Six-month period ended 30 June</i>	Separate financial statements	
	2019	2018
	<i>(in million Baht)</i>	
Revenue from sales and service		
Refinery	12,941	13,654
Marketing	67,791	67,820
Total	80,732	81,474

17 Income tax

<i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Current tax expense				
Current period	185	474	137	377
Over provided in prior years	(15)	(20)	(15)	(24)
	170	454	122	353
Deferred tax expense				
Movements in temporary differences	(177)	22	(166)	39
	(177)	22	(166)	39
Total income tax expense (income)	(7)	476	(44)	392

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group's consolidated effective tax rate in respect of continuing operations for the six-month periods ended 30 June 2019 and 2018 is different from the amount determined by applying the Thai corporation tax rate to the accounting profit for the period principally was caused mainly by income tax expense is calculated from accounting profit adjusted by non-deductible expenses, deducted income or expense exemption under the Revenue Code and also had the exempted net profit from the promoted business.

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18 Dividend

Dividends paid to shareholders are as follows:

	Approval Date	Dividend payment date	Baht per share (Baht)	Amount (million Baht)
2019				
Annual dividend 2018	11 April 2019	24 April 2019	1.35	1,858
An interim dividend	24 August 2018	19 September 2018	(0.85)	(1,170)
Dividend payment during the six-month period ended 30 June 2019			0.50	688
2018				
Annual dividend 2017	25 April 2018	7 May 2018	2.15	2,960
An interim dividend	31 August 2018	26 September 2017	(1.05)	(1,445)
Dividend payment during the six-month period ended 30 June 2018			1.10	1,515

19 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in million Baht)</i>			
Capital commitment				
Construction projects	2,281	2,440	978	726
Total	2,281	2,440	978	726
Future minimum lease payments under non-cancellable operating leases				
Within one year	957	964	935	939
After one year but within five years	2,318	3,086	2,266	3,032
After five years	3,028	3,018	2,953	2,937
Total	6,303	7,068	6,154	6,908
Other commitment				
Bank guarantees	108	109	23	23
Total	108	109	23	23

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As at 30 June 2019, the Company, subsidiaries and indirect subsidiaries have significant derivatives as follow;

Company

- Oil price hedging contracts with foreign oil traders of 4.13 million barrels for the periods between July 2019 and December 2020.
- Foreign currency buying forward contracts cover the period to December 2020 amounting to USD 58.60 million or equivalents to Baht 1,798 million.
- Foreign currency selling forward contracts cover the period to December 2019 amounting to USD 50 million or equivalents to Baht 1,624 million.
- Interest rate swap agreement for loans from bank with a floating interest rate of 1M USDLIBOR plus margin, the swap portion is only 1M USDLIBOR to a fixed rate of 2.525% per annum. The total principal amount is USD 20 million with interest payments due every one month and the contract ends in 2019.

Subsidiary and indirect subsidiaries

- Interest rate swap agreement for loans from bank with a floating interest rate of 6M USDLIBOR plus margin, the swap portion is only 6M USDLIBOR to a fixed rate of 2.60% per annum. The total principal amount is USD 28 million with interest payments due every six months and the contract ends in 2023.
- The foreign currency buying forward contracts cover the period to March 2020 amounting to USD 4 million or equivalents to Baht 140 million.
- Cross currency swap contracts to buy U.S. Dollars currency of USD 12 million and sell Thai Baht currency of Baht 334 million. The contract expires in 2030. All counterparties agree to pay the interest and the notional amount in accordance with the terms and conditions specified in the contract.
- Interest rate swap agreements for loans from bank with a floating interest rate of 3M TIBOR plus 180 BPS per annum, to a fixed rate of 2.94% per annum. The total principal amount is JPY 2,577 million with interest payments due every three months and the contracts end in 2022.

20 Contingent liabilities and contingent assets

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 46 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 million. During the first quarter of 2017, the civil court ordered a dismiss on both cases. The plaintiff was re-appealed to the Appeal Court. Subsequently, during the second quarter of 2018, the Appeal Court had ordered the Company to pay the plaintiff for two claims totalling Baht 1 million. Currently, the case is under consideration of the Supreme Court.

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21 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* *TFRS - Financial instruments standards*

(a) *TFRS - Financial instruments standards*

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) *TFRS 16 Leases*

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.