

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

Condensed interim financial statements
for the three-month and nine-month periods ended
30 September 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 September 2019; the consolidated and separate statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2019, changes in equity and cash flows for the nine-month period ended 30 September 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 information: the Group acquired a business in The Lao People's Democratic Republic during the nine-month period ended 30 September 2019 for which the fair value of identifiable net assets and the allocation of purchase price have been provisionally determined and are subject to potential amendment. My conclusion is not modified in respect of this matter.

(Waiyawat Kosamarnchaiyakij)
Certified Public Accountant
Registration No. 6333

KPMG Phoomchai Audit Ltd.
Bangkok
7 November 2019

Bangchak Corporation Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Assets		30 September	31 December	30 September	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		6,496,403	11,550,620	2,079,806	7,215,201
Current investments	6	227,940	262,039	200,000	200,000
Trade accounts receivable	5, 7	8,622,935	6,968,512	7,095,588	7,115,834
Other receivables	5	1,292,758	1,642,717	558,200	720,986
Inventories	8	15,600,336	15,134,925	14,260,617	13,346,465
Current tax assets		467,426	256,651	257,059	241,818
Oil fuel fund subsidies receivable		1,773,374	1,780,596	1,773,374	1,780,595
Total current assets		34,481,172	37,596,060	26,224,644	30,620,899
<i>Non-current assets</i>					
Investments in subsidiaries	9	-	-	13,444,833	13,178,856
Investments in associates and joint ventures	10	18,025,778	18,047,950	73,000	73,000
Long-term loans to related parties	5	974,816	198,755	5,715,080	5,127,616
Other long-term investments	6	1,956,064	1,815,302	237,139	237,184
Investment properties		126,966	126,966	682,953	682,953
Property, plant and equipment	11	50,570,517	48,876,754	30,908,932	30,007,247
Goodwill	4	2,686,362	1,602,325	-	-
Leasehold rights		3,002,598	2,900,579	3,002,598	2,900,579
Intangible assets	12	7,797,522	3,658,271	408,229	450,757
Deferred tax assets		1,019,768	827,463	979,598	792,396
Other non-current assets	5	1,679,565	1,718,193	1,666,379	1,761,576
Total non-current assets		87,839,956	79,772,558	57,118,741	55,212,164
Total assets		122,321,128	117,368,618	83,343,385	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

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
Liabilities and equity	<i>Note</i>	2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current liabilities					
Short-term loan from financial institutions	13	7,152,830	5,004,252	3,075,830	3,258,252
Trade accounts payable	5, 14	9,240,539	6,680,251	7,497,232	5,943,971
Other payables	5, 15	3,520,787	3,156,970	1,532,851	2,359,228
Current portion of long-term loans					
from financial institutions	13	2,155,641	2,215,714	350,154	350,154
Current portion of debenture	13	3,000,000	4,000,000	3,000,000	4,000,000
Excise tax and oil fuel fund payable		2,636,273	3,386,702	2,636,273	3,386,702
Income tax payable		57,283	121,162	12,300	-
Other current provision	4	185,704	-	-	-
Other current liabilities	5	1,065,396	938,559	1,037,212	874,247
Total current liabilities		29,014,453	25,503,610	19,141,852	20,172,554
Non-current liabilities					
Long-term loans from financial institutions	13	22,464,830	18,264,242	4,849,842	2,725,923
Debentures	13	17,981,921	20,980,047	17,981,921	20,980,047
Deferred tax liabilities		547,051	466,688	-	-
Liabilities on long-term lease		32,516	37,863	32,516	37,863
Non-current provisions for					
employee benefits	16	2,283,077	2,053,675	2,194,655	1,983,784
Provision for the decommissioning cost		324,048	355,355	-	-
Long-term provisions	4	711,866	-	-	-
Other non-current liabilities	5	173,254	169,584	65,212	71,980
Total non-current liabilities		44,518,563	42,327,454	25,124,146	25,799,597
Total liabilities		73,533,016	67,831,064	44,265,998	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 September	31 December	30 September	31 December
	2019	2018	2019	2018
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Liabilities and equity				
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	1,382,597	1,370,361	-	-
Surplus from business combination	1,170,411	1,170,411	-	-
Warrants	2,258	8,400	-	-
Retained earnings				
Appropriated				
Legal reserve	153,164	153,164	153,164	153,164
Unappropriated	27,150,955	27,453,937	26,200,222	26,983,747
Other components of equity	(827,216)	(165,309)	-	-
Equity attributable to owners of the parent	41,756,170	42,714,965	39,077,387	39,860,912
Non-controlling interests	7,031,942	6,822,589	-	-
Total equity	48,788,112	49,537,554	39,077,387	39,860,912
Total liabilities and equity	122,321,128	117,368,618	83,343,385	85,833,063

(Pichai Chunchavajira)
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		Three-month period ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue from sale of goods					
and rendering of services	5	46,481,156	53,461,226	40,173,392	47,651,202
Cost of sale of goods					
and rendering of services	5	<u>(44,034,242)</u>	<u>(49,640,219)</u>	<u>(38,983,625)</u>	<u>(44,863,080)</u>
Gross Profit		2,446,914	3,821,007	1,189,767	2,788,122
Interest income and dividend income	5	30,950	10,750	251,979	237,986
Other income	5	97,211	890,578	57,753	59,337
Selling expenses	5	(1,062,165)	(1,077,339)	(727,448)	(731,785)
Administrative expenses	5	(667,489)	(704,382)	(390,489)	(419,990)
Exploration and evaluation expenses		(123)	(8,468)	-	-
Gain (loss) from crude and product					
oil price hedging contract		5,944	(95,047)	5,944	(77,514)
Loss from foreign currency					
forward contracts		(4,129)	(28,109)	(3,927)	(28,109)
Gain on foreign exchange		115,346	229,936	125,621	175,498
Loss from impairment of assets		-	(13,794)	-	-
Share of profit of investments in					
associates and joint ventures	10	<u>38,462</u>	<u>117,922</u>	<u>-</u>	<u>-</u>
Profit before finance costs and					
 income tax expense		1,000,921	3,143,054	509,200	2,003,545
Finance costs		<u>(411,632)</u>	<u>(401,390)</u>	<u>(250,503)</u>	<u>(239,805)</u>
Profit before income tax expense		589,289	2,741,664	258,697	1,763,740
Tax expense	18	<u>(38,000)</u>	<u>(526,018)</u>	<u>(1,648)</u>	<u>(304,283)</u>
Profit for the period		<u>551,289</u>	<u>2,215,646</u>	<u>257,049</u>	<u>1,459,457</u>
Profit attributable to:					
Owners of the parent		369,801	1,856,348	257,049	1,459,457
Non-controlling interests		<u>181,488</u>	<u>359,298</u>	<u>-</u>	<u>-</u>
Profit for the period		<u>551,289</u>	<u>2,215,646</u>	<u>257,049</u>	<u>1,459,457</u>
Basic earnings per share		<u>0.27</u>	<u>1.35</u>	<u>0.19</u>	<u>1.06</u>

(Pichai Chunchavajira)
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		Three-month period ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Profit for the period	551,289	2,215,646	257,049	1,459,457
Other comprehensive income				
<i>Items that will be reclassified</i>				
<i>subsequently to profit or loss</i>				
Exchange differences on translating financial statements	(321,769)	158,550	-	-
Losses on remeasurements of available-for-sale investment	(430,201)	(271,868)	-	-
Total items that will be reclassified subsequently to profit or loss	(751,970)	(113,318)	-	-
<i>Items that will not be reclassified</i>				
<i>subsequently to profit or loss</i>				
Gains on remeasurements of defined benefit plans	-	344	-	-
Share of other comprehensive income of associate	9,496	8,724	-	-
Total items that will not be reclassified subsequently to profit or loss	9,496	9,068	-	-
Other comprehensive income (loss) for the period, net of tax	(742,474)	(104,250)	-	-
Total comprehensive income (loss) for the period	(191,185)	2,111,396	257,049	1,459,457
Total comprehensive income (loss) attributable to:				
Owners of the parent	(370,684)	1,769,971	257,049	1,459,457
Non-controlling interests	179,499	341,425	-	-
Total comprehensive income (loss) for the period	(191,185)	2,111,396	257,049	1,459,457

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	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue from sale of goods					
and rendering of services	5	140,342,535	143,244,398	120,905,835	129,125,567
Cost of sale of goods					
and rendering of services	5	<u>(133,127,349)</u>	<u>(132,236,970)</u>	<u>(117,291,372)</u>	<u>(121,704,004)</u>
Gross Profit		7,215,186	11,007,428	3,614,463	7,421,563
Interest income and dividend income	5	99,043	38,874	784,497	737,378
Other income	5	255,925	1,130,943	166,654	203,060
Selling expenses	5	(3,249,381)	(3,116,381)	(2,235,178)	(2,152,746)
Administrative expenses	5	(2,098,561)	(2,111,119)	(1,249,710)	(1,296,163)
Exploration and evaluation expenses		(4,722)	(30,532)	-	-
Gain (loss) from crude and product oil					
hedging contract		6,823	(303,726)	6,823	(189,836)
Gain (loss) from foreign currencies					
forward contract		11,592	66,889	(8,899)	66,889
Gain on foreign exchange		340,434	363,029	278,223	395,485
Loss from impairment of assets	9	-	(425,369)	-	(271,773)
Share of profit of investments					
in associates and joint ventures	10	<u>352,123</u>	<u>232,601</u>	<u>-</u>	<u>-</u>
Profit before finance costs and					
 income tax expense		2,928,462	6,852,637	1,356,873	4,913,857
Finance costs		<u>(1,275,772)</u>	<u>(1,140,412)</u>	<u>(805,378)</u>	<u>(672,868)</u>
Profit before income tax expense		1,652,690	5,712,225	551,495	4,240,989
Tax income (expense)	18	<u>(31,276)</u>	<u>(1,002,204)</u>	<u>41,886</u>	<u>(696,634)</u>
Profit for the period		<u>1,621,414</u>	<u>4,710,021</u>	<u>593,381</u>	<u>3,544,355</u>
Profit attributable to:					
Owners of the parent		1,111,875	4,009,335	593,381	3,544,355
Non-controlling interests		<u>509,539</u>	<u>700,686</u>	<u>-</u>	<u>-</u>
Profit for the period		<u>1,621,414</u>	<u>4,710,021</u>	<u>593,381</u>	<u>3,544,355</u>
Basic earnings per share		<u>0.81</u>	<u>2.91</u>	<u>0.43</u>	<u>2.57</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	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Profit for the period	1,621,414	4,710,021	593,381	3,544,355
Other comprehensive income				
<i>Items that will be reclassified</i>				
<i>subsequently to profit or loss</i>				
Exchange differences on translating financial statements	(630,773)	123,068	-	-
Losses on remeasurements of available-for-sale investment	(46,286)	(1,864,687)	-	-
Total items that will be reclassified subsequently to profit or loss	(677,059)	(1,741,619)	-	-
<i>Items that will not be reclassified</i>				
<i>subsequently to profit or loss</i>				
Gains on remeasurements of defined benefit plans	-	6,812	-	-
Share of other comprehensive income (loss) of associate	(772)	17,588	-	-
Total items that will not be reclassified subsequently to profit or loss	(772)	24,400	-	-
Other comprehensive income (loss) for the period, net of tax	(677,831)	(1,717,219)	-	-
Total comprehensive income for the period	943,583	2,992,802	593,381	3,544,355
Total comprehensive income attributable to:				
Owners of the parent	449,968	2,290,101	593,381	3,544,355
Non-controlling interests	493,615	702,701	-	-
Total comprehensive income for the period	943,583	2,992,802	593,381	3,544,355

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	Consolidated financial statements															
	Issued and paid - up share capital	Share premium ordinary shares	Capital surplus on share reduction	Other surpluses	Surplus from business combination	Warrants	Retained earnings		Other components of shareholders' equity					Equity attributable to owners of the parent	Non- controlling interests	Total equity
							Legal reserve	Unappropriated	Translating financial statements	Available- for-sale investment	Share of other comprehensive income (loss) of associates	Total other components of equity				
<i>(in thousand Baht)</i>																
Nine-month period ended 30 September 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>Contribution by and distributions to owners of parent</i>																
Share options exercised	-	-	-	21,271	-	-	-	-	-	-	-	-	21,271	31,293	52,564	
Share-based payment transactions	-	-	-	15,018	-	(10,887)	-	-	-	-	-	-	4,131	1,756	5,887	
Dividends to owners of the Company	-	-	-	-	-	-	-	(2,684,928)	-	-	-	-	(2,684,928)	(286,028)	(2,970,956)	
Total	-	-	-	36,289	-	(10,887)	-	(2,684,928)	-	-	-	-	(2,659,526)	(252,979)	(2,912,505)	
<i>Changes in ownership interests in subsidiaries</i>																
Changes in an ownership interests in subsidiaries without a change in control	-	-	-	(6,789)	-	-	-	-	-	-	-	-	(6,789)	6,789	-	
Total	-	-	-	(6,789)	-	-	-	-	-	-	-	-	(6,789)	6,789	-	
Total transactions with owners, recorded directly in equity	-	-	-	29,500	-	(10,887)	-	(2,684,928)	-	-	-	-	(2,666,315)	(246,190)	(2,912,505)	
Comprehensive income (loss) for the period																
Profit	-	-	-	-	-	-	-	4,009,335	-	-	-	-	4,009,335	700,686	4,710,021	
Other comprehensive income (loss)	-	-	-	-	-	-	-	7,229	125,892	(1,864,687)	12,332	(1,726,463)	(1,719,234)	2,015	(1,717,219)	
Total comprehensive income (loss) for the period	-	-	-	-	-	-	-	4,016,564	125,892	(1,864,687)	12,332	(1,726,463)	2,290,101	702,701	2,992,802	
Balance at 30 September 2018	1,376,923	11,157,460	189,618	1,369,985	1,170,411	8,260	153,164	28,992,877	(420,392)	1,106,758	(1,734)	684,632	45,103,330	6,867,010	51,970,340	

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														
								Retained earnings		Other components of shareholders' equity						
		Issued and	Share	Capital	Other	Surplus from	Warrants	Legal reserve	Unappropriated	Translating	Available-	Share of other	Total other	Equity	Non-	Total
Note		paid - up	premium	surplus on	surpluses	business				financial	for-sale	comprehensive	components	attributable	controlling	equity
		share capital	ordinary shares	share reduction		combination				statements	investment	income (loss)	of equity	to owners	interests	
<i>(in thousand Baht)</i>																
Nine-month period ended 30 September 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
		-	-	-	-	-	-	-	(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>Contribution by and distributions to owners of parent</i>																
		-	-	-	9,695	-	-	-	-	-	-	-	-	9,695	14,236	23,931
		-	-	-	6,973	-	(6,142)	-	-	-	-	-	-	831	354	1,185
	19	-	-	-	-	-	-	-	(1,376,906)	-	-	-	-	(1,376,906)	(287,104)	(1,664,010)
		-	-	-	16,668	-	(6,142)	-	(1,376,906)	-	-	-	-	(1,366,380)	(272,514)	(1,638,894)
<i>Changes in ownership interests in subsidiaries</i>																
		-	-	-	(4,432)	-	-	-	-	-	-	-	-	(4,432)	4,432	-
		-	-	-	(4,432)	-	-	-	-	-	-	-	-	(4,432)	4,432	-
Total transactions with owners, recorded directly in equity																
		-	-	-	12,236	-	(6,142)	-	(1,376,906)	-	-	-	-	(1,370,812)	(268,082)	(1,638,894)
Comprehensive income (loss) for the period																
		-	-	-	-	-	-	-	1,111,875	-	-	-	-	1,111,875	509,539	1,621,414
		-	-	-	-	-	-	-	-	(615,080)	(46,286)	(541)	(661,907)	(661,907)	(15,924)	(677,831)
Total comprehensive income (loss) for the period																
		-	-	-	-	-	-	-	1,111,875	(615,080)	(46,286)	(541)	(661,907)	449,968	493,615	943,583
Balance at 30 September 2019																
		1,376,923	11,157,460	189,618	1,382,597	1,170,411	2,258	153,164	27,150,955	(1,167,804)	335,550	5,038	(827,216)	41,756,170	7,031,942	48,788,112

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)

	<i>Note</i>	Separate financial statements				Total equity	
		Issued and paid-up share capital	Share premium ordinary shares	Capital surplus on share reduction	Retained earnings		
					Legal reserve		Unappropriated
<i>(in thousand Baht)</i>							
Nine-month period ended 30 September 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>Distributions to owners of the Company</i>							
Dividends to owners of the Company	<i>19</i>	-	-	-	-	(2,684,928)	(2,684,928)
Total		-	-	-	-	(2,684,928)	(2,684,928)
Comprehensive income for the period							
Profit		-	-	-	-	3,544,355	3,544,355
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	3,544,355	3,544,355
Balance at 30 September 2018		1,376,923	11,157,460	189,618	153,164	28,465,290	41,342,455

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)

	Separate financial statements					Total equity	
	Note	Issued and paid-up share capital	Share premium ordinary shares	Capital surplus on share reduction	Retained earnings		
					Legal reserve		Unappropriated
<i>(in thousand Baht)</i>							
Nine-month period ended 30 September 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>Distributions to owners of the Company</i>							
Dividends to owners of the Company	19	-	-	-	-	(1,376,906)	(1,376,906)
Total		-	-	-	-	(1,376,906)	(1,376,906)
Comprehensive income for the period							
Profit		-	-	-	-	593,381	593,381
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	593,381	593,381
Balance at 30 September 2019		1,376,923	11,157,460	189,618	153,164	26,200,222	39,077,387

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	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	1,621,414	4,710,021	593,381	3,544,355
<i>Adjustments for</i>				
Tax expense (income)	31,276	1,002,204	(41,886)	696,634
Finance costs	1,275,772	1,140,412	805,378	672,868
Depreciation	3,334,565	3,290,592	2,545,875	2,344,203
Amortisation	366,322	312,994	313,867	261,066
Allowance for bad and doubtful debts expense	2,541	5	2,229	585
Unrealised (gain) loss on foreign exchange	29,329	(33,827)	64,133	(86,647)
Reversal of losses on inventories devaluation	(708,599)	(11,490)	(688,560)	-
Loss from impairment of assets	-	425,369	-	271,773
(Gain) loss on sale of property, plant and equipment	4,977	(761,707)	2,498	26,769
Gain on sale of investment in subsidiaries	-	(41,842)	-	-
Interest income and dividend income	(99,043)	(38,874)	(784,497)	(737,378)
Non-current provision for employee benefit	293,489	145,659	264,827	121,068
Provision for customer loyalty programmes	44,591	45,830	44,591	45,830
Deferred revenue	(5,391)	(5,351)	(5,390)	(5,351)
Share-based payment transactions	1,185	5,887	-	-
Share of profit of associates and joint ventures, net of tax	(352,123)	(232,601)	-	-
	<u>5,840,305</u>	<u>9,953,281</u>	<u>3,116,446</u>	<u>7,155,775</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(1,711,133)	(2,608,286)	16,984	(1,673,708)
Other receivables	370,868	(498,866)	160,919	(302,283)
Inventories	227,704	(3,860,819)	(225,592)	(4,369,241)
Other non-current assets	(114,501)	(367,617)	41,551	(167,221)
Trade accounts payable	2,716,426	2,046,317	1,547,779	2,095,650
Other payables	(1,205,913)	(386,443)	(1,066,206)	(92,838)
Other current liabilities	(667,958)	(3,036,125)	(633,837)	(3,064,153)
Non-current provisions for employee benefit	(63,527)	(41,452)	(53,957)	(40,846)
Other non-current liabilities	2,449	269,741	(7,266)	55,884
	<u>5,394,720</u>	<u>1,469,731</u>	<u>2,896,821</u>	<u>(402,981)</u>
Income tax paid, net	(521,776)	(1,121,913)	(148,258)	(1,040,544)
Net cash from (used in) operating activities	<u>4,872,944</u>	<u>347,818</u>	<u>2,748,563</u>	<u>(1,443,525)</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	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	72,395	35,696	80,336	34,532
Dividend received	-	42,555	687,190	692,090
(Increase) decrease in current investments	34,099	(9,335)	-	-
Payment for other investments	(282,800)	-	-	-
Proceeds from disposal of other investments	-	-	-	3,000
Acquisition of subsidiaries and associates	(3,472,194)	(204,086)	(265,977)	(99,149)
Proceeds from sale of investment in subsidiaries and associates	10,481	619,333	-	-
Acquisition of property, plant and equipment	(4,665,529)	(6,134,115)	(3,076,362)	(4,611,073)
Proceeds from sale of property, plant and equipment	6,940	3,057,910	47,618	11,327
Loan to related parties	(806,557)	(113,423)	(892,668)	(375,495)
Proceeds from loan to related party	-	-	-	327,200
Payment for leasehold right	(273,615)	(504,286)	(273,615)	(504,285)
Acquisition of intangible assets	(85,979)	(103,035)	(48,767)	(44,488)
Net cash used in investing activities	(9,462,759)	(3,312,786)	(3,742,245)	(4,566,341)
<i>Cash flows from financing activities</i>				
Finance cost paid	(1,349,723)	(1,176,605)	(990,269)	(813,737)
Dividend paid	(1,664,010)	(2,970,956)	(1,376,906)	(2,684,928)
Increase in short-term loans from financial institutions	2,331,000	1,692,016	-	1,500,000
Proceeds from exercise of share options	23,931	52,564	-	-
Proceeds from issuance of debentures	-	4,000,000	-	4,000,000
Redemption of debenture	(4,000,000)	-	(4,000,000)	-
Proceeds from long-term loans from financial institutions	6,106,994	1,650,280	2,550,616	-
Repayment of long-term loans from financial institutions	(1,617,384)	(3,541,984)	(325,154)	(300,154)
Net cash from (used in) financing activities	(169,192)	(294,685)	(4,141,713)	1,701,181
Net decrease in cash and cash equivalents before effect of exchange rates	(4,759,007)	(3,259,653)	(5,135,395)	(4,308,685)
Effect of exchange rate changes on cash and cash equivalents	(295,210)	52,762	-	-
Net decrease in cash and cash equivalents	(5,054,217)	(3,206,891)	(5,135,395)	(4,308,685)
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 September	6,496,403	6,898,992	2,079,806	2,068,817

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 nine-month periods ended 30 September 2019 (Unaudited)

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Bangchak Corporation Public Company Limited and its Subsidiaries
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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 7 November 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 23.

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

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 policy 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 nine-month period ended 30 September 2019 from the adoption of TFRS 15.

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

4 Acquisition of subsidiary

Nam San 3A Power Sole Co., Ltd.

On 20 September 2019, BCPG Biopower 2 Co., Ltd., subsequently changed the name to BCPG Indochina Company Limited (Subsidiary of BCPG Public Company Limited) invested in a hydropower plant project in Laos PDR with total installed capacity of 69 megawatts. The indirect subsidiary acquired of 100% share of Nam San 3A Power Sole Co., Ltd. (“Nam San 3A”) from Phongsubthavy Roads and Bridges Construction and Irrigation Sole Co., Ltd. (“Phongsubthavy”) for an amount of not exceeding USD 174 million (approximately Baht 5,352 million) or including net working capital adjustments to be repaid to the seller the amount shall not exceed USD 174 million (approximately Baht 5,357 million) which consists of USD 96 million (approximately Baht 2,958 million) for shares and USD 78 million (approximately Baht 2,400 million) for a repayment of loan which the hydropower plant company owed to Phongsubthavy. Currently, the indirect subsidiary has already completed the share transfer from Phongsubthavy. During the period of acquisition date until 30 September 2019, the business contributed revenue of USD 0.52 million (approximately Baht 16 million) and net profit of USD 0.36 million (approximately Baht 11 million) to the Group’s results. If the acquisition had occurred on 1 January 2019, management estimates that consolidated revenue would have increased by Baht 402 million and consolidated profit from normal operation for the nine-month period ended 30 September 2019 would have increased by Baht 236 million. In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2019.

Management believes that acquisition of this business will enable the Group to increase the Group’s potential to expand their investment, development and operating renewable energy business within Asia.

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

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

Consideration transferred

	Recognized value <i>(in million Baht)</i>
Cash	4,460
Contingent consideration	897
Total	5,357

In September 2019, the Group settled the payment of USD 105 million (approximately Baht 3,224 million) to seller. Subsequently, the Group additionally settled the payment of USD 40 million (approximately Baht 1,230 million) in October 2019 and the remaining amount which is repayment of seller’s working capital will be settled within 2019.

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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Contingent consideration

In accordance with condition under the Share Purchase Agreement, the Group has additional contingent consideration to be paid base on the success of the new Power Purchase Agreement with other electricity purchaser and other conditions as stipulated. The Group recognized the contingent consideration of USD 29 million (approximately Baht 897 million) which was presented under other current provision and long-term provisions in the statement of financial position.

Identifiable assets acquired and liabilities assumed

	Book value	Adjustment	Recognized value
		<i>(in million Baht)</i>	
Cash and cash equivalents	1	-	1
Trade accounts receivable	69	-	69
Property, plant and equipment	9	-	9
Intangible asset	3,130	1,226	4,356
Other payables	(64)	-	(64)
Long-term loan from Phongsubthavy group	(2,400)	-	(2,400)
Deferred tax liabilities	-	(103)	(103)
Total identifiable assets and liabilities	745	1,123	1,868
Repayment of loan from Phongsubthavy group under the condition of business acquisition	2,400		2,400
Net assets and liabilities acquired by the Group	3,145		4,268
Goodwill			1,089
Consideration transferred			5,357

The fair value of power purchase agreements under concession agreement which was classified as intangible asset was determined based on income approach using Multi-period Excess Earning Method (MEEM) with remaining operating period 23 years under power purchase agreement and related conditions. Key assumptions included forecast revenue and discount rate.

Acquisition-related costs

The Group incurred acquisition-related costs of Baht 7 million related to external legal fees, due diligence, Technical advisor and other costs which were included in administrative expenses in the consolidated statement of income for the Group's period which incurred.

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

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>Direct and indirect subsidiaries</i>		
Bangchak Ventures Pte. Ltd	Singapore	Representative from the Company as director.
Nam San 3A Power Sole Co., Ltd.	Laos	Subsidiary's director and management as director and management.
<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 nine-month periods ended 30 September with related parties were as follows;

<i>Three-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries and indirect subsidiaries				
Sales of goods	-	-	12,154	12,026
Purchases of goods	-	-	8,085	6,904
Dividend income	-	-	224	224
Other income	-	-	26	49
Interest income	-	-	21	7
Other expenses	-	-	9	3
Associates and indirect associates				
Sales of goods	5	1	5	1
Purchases of goods	287	328	287	328
Other income	4	-	4	-
Other expenses	117	122	117	122

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

<i>Three-month period ended 30 September</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	52	70	20	23
Post-employment benefits and other long-term benefits	5	3	2	2
Share-base payments	-	-	-	-
Total key management personnel compensation	57	73	22	25
Other related parties				
Other income	2	2	2	2
Interest income	18	1	-	-
Pipeline transportation expenses	106	113	106	113
<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Subsidiaries and indirect subsidiaries				
Sales of goods	-	-	33,165	29,352
Purchases of goods	-	-	23,719	21,890
Dividend income	-	-	687	692
Other income	-	-	81	210
Interest income	-	-	51	16
Other expenses	-	-	30	26
Sales of fixed assets and other assets	-	-	42	-
Associates, indirect associates and joint venture				
Sales of goods	11	7	11	7
Purchases of goods	873	1,053	873	1,053
Other income	5	-	4	-
Other expenses	351	366	351	366
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	201	238	88	112
Post-employment benefits and other long-term benefits	12	12	6	6
Share-base payments	-	1	-	-
Total key management personnel compensation	213	251	94	118
Other related parties				
Interest income	4	4	4	4
Other income	40	1	-	-
Pipeline transportation expenses	333	356	333	356

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

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

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in million Baht)</i>			
Trade accounts receivable - related parties				
Subsidiaries and indirect subsidiaries	-	-	2,338	2,218
Associate and indirect associate	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2,340</u>	<u>2,220</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>2</u>	<u>2</u>	<u>2,340</u>	<u>2,220</u>
Other receivables - related parties				
Dividend receivable				
Indirect associate	24	-	-	-
Other receivables				
Subsidiaries and indirect subsidiaries	-	-	43	27
Indirect associate	5	74	5	-
Other related party	11	5	-	-
Total	<u>40</u>	<u>79</u>	<u>48</u>	<u>27</u>

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

	Consolidated financial statements			Separate financial statements		
	31 December 2018	Effect of change in exchange rates Increased	30 September 2019	31 December 2018	Effect of change in exchange rates Increased	30 September 2019
	<i>(in million Baht)</i>					
Subsidiaries						
Bangchak Retail Co., Ltd.	-	-	-	410	154	564
BCP Innovation Pte. Ltd.	-	-	-	198	738	892
Indirect subsidiaries						
Nido Petroleum Pty. Ltd.	-	-	-	1,291	-	1,217
BCPR Pte. Ltd.	-	-	-	3,229	-	3,042
Indirect associate						
Impact Energy Asia Development Limited	-	78	78	-	-	-
Other related party						
Lithium Americans Corp.	199	726	897	-	-	-
Total	<u>199</u>	<u>804</u>	<u>975</u>	<u>5,128</u>	<u>893</u>	<u>5,715</u>
Less current portion due within one year	-	-	-	-	-	-
Total loans to related parties	<u>199</u>		<u>975</u>	<u>5,128</u>		<u>5,715</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 nine-month periods ended 30 September 2019 (Unaudited)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
<i>Other non-current assets</i>				
Indirect subsidiary	-	-	322	325
Other related party	8	10	8	10
Total	8	10	330	335
<i>Trade accounts payable - related parties</i>				
Subsidiaries and indirect subsidiaries	-	-	925	829
Indirect associate	99	110	99	110
Total	99	110	1,024	939
<i>Other payable - related parties</i>				
Subsidiaries and indirect subsidiary	-	-	6	9
Joint ventures	11	13	11	13
Other related parties	38	43	38	43
Total	49	56	55	65
<i>Other current liabilities</i>				
Subsidiaries	-	-	1	6
Total	-	-	1	6
<i>Other non-current liabilities</i>				
Other related party	2	2	2	2
Total	2	2	2	2

Significant agreements with related parties

Significant agreements with related party during the nine-month period ended 30 September 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.

During the period, BCPG Public Company Limited, a subsidiary of the Company entered into an unsecured loan agreement with Impact Energy Asia Development Limited, an associate company of the subsidiary, with a total credit facility of USD 6 million. The loan has a repayment schedule, bears interest and conditions as stipulated in the agreement.

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6 Investments

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in million Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions	228	262	200	200
	228	262	200	200
<i>Other long-term investments</i>				
Available-for-sale equity security				
Lithium Americas Corp.	1,321	1,432	-	-
Non-marketable equity securities				
Fuel Pipeline Transportation Ltd.	234	234	234	234
Others	398	146	-	-
Non-marketable equity securities - net	1,953	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	1,956	1,815	237	237
Total	2,184	2,077	437	437

Movements during the nine-month period ended 30 September 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	-	-
Increase	17	-	-	-
Valuation adjustment	(46)	(1,865)	-	-
Effect of change in exchange rate	(82)	(49)	-	-
At 30 September	1,321	2,147	-	-

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7 Trade accounts receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		<i>(in million Baht)</i>			
Related parties	5	2	2	2,340	2,220
Other parties		8,634	6,980	4,769	4,909
Total		8,636	6,982	7,109	7,129
<i>Less: allowance for doubtful accounts</i>		(13)	(13)	(13)	(13)
Net		8,623	6,969	7,096	7,116

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in million Baht)</i>			
Related parties				
Within credit terms	2	2	2,340	2,220
<i>Less: allowance for doubtful accounts</i>	-	-	-	-
Net	2	2	2,340	2,220
Other parties				
Within credit terms	8,348	6,256	4,575	4,654
Overdue:				
Less than 3 months	175	678	124	229
3 - 6 months	60	11	51	3
6 - 12 months	19	15	1	8
Over 12 months	32	20	18	15
	8,634	6,980	4,769	4,909
<i>Less: allowance for doubtful accounts</i>	(13)	(13)	(13)	(13)
	8,621	6,967	4,756	4,896
Net	8,623	6,969	7,096	7,116

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

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8 Inventories

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in million Baht)</i>			
Crude oil and other raw materials	7,595	8,214	7,179	7,648
Finished oil products	6,956	6,575	6,229	5,544
Materials and supplies	1,054	1,047	1,002	992
Consumer products	67	72	-	-
Semi - finished products	80	87	-	-
	15,752	15,995	14,410	14,184
<i>Less: allowance for obsolete and slow moving allowance for decline in value</i>	(149) (3)	(149) (711)	(149) -	(149) (689)
Net	15,600	15,135	14,261	13,346

As at 30 September 2019 and 31 December 2018, the Company's inventories included petroleum legal reserve of 406 million liters with approximated value of Baht 5,375 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>Nine-month period ended 30 September</i>		
At 1 January	13,179	12,610
Acquisitions	266	100
Loss from impairment	-	(271)
At 30 September	13,445	12,439

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Investments in subsidiaries as at 30 September 2019 and 31 December 2018, and dividend income from those investments for nine-month periods ended 30 September were as follows:

	Separate financial statements										Dividend income for the nine-month periods ended			
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30		
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	September 2019	September 2018		
	(%)				(in million Baht)									
<i>Subsidiaries</i>														
Bangchak Green Net Co., Ltd.	49.00	49.00	1	1	-	-	-	-	-	-	15	20		
BCPG Public Company Limited	70.04	70.11	9,994	9,984	7,000	7,000	-	-	7,000	7,000	672	672		
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	1,699	1,433	1,699	1,433	-	-	1,699	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	-	-		
Bangchak Ventures Pte. Ltd.	100.00	-	-	-	-	-	-	-	-	-	-	-		
					15,648	15,382	(2,203)	(2,203)	13,455	13,179	687	692		

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Movement of investments in subsidiaries

During the period the extraordinary general meeting of shareholders of BCP Innovation Pte. Ltd., the meeting approved the increase of the registered capital in January, April and August from USD 42 million (divided into 42 million shares, USD 1 per share) to USD 50 million (divided into 50 million shares, USD 1 per share). The subsidiary company had called up for the share subscription and received full payment at paid-up capital in January, April and August 2019, respectively.

On 6 August 2019, the company established Bangchak Ventures Pte. Ltd., a registered company in Singapore. In which the company holds 100 percent of shares, registered capital of USD 0.1 million (divided into 0.1 million shares with a par value of 1 USD) to invest in start-up businesses specifically related to innovation. The Company has paid for the shares of 1 share at a value of USD 1 per share.

10 Investments in associates and joint ventures

<i>Nine-month period ended 30 September</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 - as restated		17,902	14,081	-	-
Increase		226	-	-	-
Decrease		(10)	-	-	-
Share of net profit of associates		326	204	-	-
Share of other comprehensive income (loss) of investment of associates		(1)	18	-	-
Dividend income		(24)	-	-	-
Effect of change in exchange rates		(511)	(11)	-	-
At 30 September		17,908	14,292	-	-
Joint ventures					
At 1 January		92	77	73	73
Share of net profit of joint ventures		26	29	-	-
At 30 September		118	106	73	73
Total					
At 1 January - as previously reported		18,048	14,158	73	73
Adjustment	3	(54)	-	-	-
At 1 January - as restated		17,994	14,158	73	73
Increase		226	-	-	-
Decrease		(10)	-	-	-
Share of net profit of associates and joint ventures		352	233	-	-
Share of other comprehensive income (loss) of investment of associates		(1)	18	-	-
Dividend income		(24)	-	-	-
Effect of change in exchange rates		(511)	(11)	-	-
At 30 September		18,026	14,398	73	73

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

	Consolidated financial statements												Dividend income for the nine-month periods ended			
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net		30	30		
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	September 2019	September 2018		
	(%)														(in million Baht)	
Indirect associates																
Ubon Bio Ethanol Plc.	21.28	21.28	2,740	2,740	763	763	804	808	-	-	804	808	-	-		
PetroWind Energy Inc.	40.00	40.00	895	895	922	922	1,158	1,206	-	-	1,158	1,206	24	-		
Star Energy Group Holding Pte. Ltd.	33.33	33.33	28,237	28,237	11,956	11,956	12,514	12,295	-	-	12,514	12,295	-	-		
OKEA ASA (Formerly: OKEA AS)	46.62	49.33	38	31	3,844	3,618	3,432	3,647	-	-	3,432	3,647	-	-		
Impact Energy Asia Development Limited.	45.00	-	-	-	-	-	-	-	-	-	-	-	-	-		
					17,485	17,259	17,908	17,956	-	-	17,908	17,956	24	-		
Joint ventures																
Bongkot Marine Services Co., Ltd.	30.00	30.00	240	240	72	72	117	91	-	-	117	91	-	-		
Oam Suk Social Enterprise Co., Ltd.	40.00	40.00	3	3	1	1	1	1	-	-	1	1	-	-		
					73	73	118	92	-	-	118	92	-	-		
Total					17,558	17,332	18,026	18,048	-	-	18,026	18,048	24	-		

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 3,193 million as at 30 September 2019.

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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 acquired 2,891,574 shares at an offering price of NOK 21 per share. On the IPO date BCPR also acquired an additional 4,171,570 ordinary shares under conditions which were part of the initial investment agreement. BCPR paid for new share acquisition with a price of 0.1 NOK per share, totaling 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 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, totaling NOK 3 million (equivalent to Baht 10 million) 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, BCPG Public Company Limited (“BCPG”) 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. BCPG acquired 90 shares with HKD 1 per share, totaling HKD 90 (equivalent to Baht 369). BCPG has 45% of shareholding in the total issued and paid up shares of IEAD.

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	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net	
	30	31	30	31	30	31	30	31	30	31
	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	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					73	73	-	-	73	73

The Company has no dividend income received during the nine-month periods ended 30 September 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 nine-month period ended 30 September 2019 of property, plant and equipment were as follows:

	Consolidated 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	3,939	2,559	23,342	9,358	3,923	417	5,339	48,877
Acquired from business acquisition <i>(Note 4)</i>	-	3	-	6	-	-	-	9
Additions	29	1	25	1	8	25	4,965	5,054
Transfers	4	77	583	606	397	-	(1,585)	82
Disposals	-	(2)	(1)	(1)	(9)	-	-	(13)
Depreciation charge for the period	-	(130)	(2,335)	(388)	(446)	(36)	-	(3,335)
Effect of movement in exchange rate	(13)	(2)	-	(35)	-	-	(53)	(103)
At 30 September 2019	<u>3,959</u>	<u>2,506</u>	<u>21,614</u>	<u>9,547</u>	<u>3,873</u>	<u>406</u>	<u>8,666</u>	<u>50,571</u>

As at 30 September 2019, certain subsidiaries have mortgaged its land, buildings and machinery as collateral with financial institutions for credit facilities totaling Baht 11,973 million *(31 December 2018: Baht 13,478 million)*.

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	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	20	-	22	-	-	17	3,508	3,567
Transfers	-	2	231	-	387	-	(689)	(69)
Disposals	-	(37)	-	-	(13)	-	-	(50)
Depreciation for the period	-	(15)	(2,113)	(5)	(385)	(28)	-	(2,546)
At 30 September 2019	2,342	130	18,314	64	3,624	378	6,057	30,909

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12 Intangible assets

Movements during the nine-month period ended 30 September 2019 of intangible assets were as follows:

	Consolidated financial statements					Total
	License fee and cost of development of computer software	Exploration and evaluation expenditure	Right to connect power distribution system and right to use land	Power purchase agreement	Power purchase agreement under concession agreement	
	<i>(in million Baht)</i>					
At 1 January 2019	882	1,335	72	1,369	-	3,658
Acquired from business acquisition <i>(Note 4)</i>	-	-	-	-	4,356	4,356
Additions	57	14	8	-	-	79
Transfers	3	-	-	-	-	3
Amortisation for the period	(121)	-	(3)	(17)	(4)	(145)
Effect of movement in exchange rate	(10)	(76)	(1)	(45)	(21)	(153)
At 30 September 2019	811	1,273	76	1,307	4,331	7,798

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	Separate financial statements
	License fee and cost of development of computer software <i>(in million Baht)</i>
At 1 January 2019	451
Additions	48
Amortisation for the period	(91)
At 30 September 2019	408

13 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Nine-month period ended 30 September</i>				
	<i>(in million Baht)</i>			
Loans form financial institutions and debentures				
At 1 January	50,464	40,903	31,314	20,672
Increase	8,438	10,060	2,550	5,500
Decrease	(5,617)	(6,177)	(4,325)	(300)
Transaction cost	(32)	(13)	(14)	(5)
Amortisation of transaction cost capitalised	22	30	4	3
Amortisation of deferred expenses on debentures	4	2	3	2
Effect of change in exchange rates	(523)	(84)	(274)	(27)
Total	52,756	44,721	29,258	25,845
<i>Less</i> Current portion of long-term loans from financial institutions	(2,156)	(2,318)	(350)	(350)
Current portion of debentures	(3,000)	(4,000)	(3,000)	(4,000)
Short term loans	(7,153)	(5,743)	(3,076)	(4,757)
At 30 September	40,447	32,660	22,832	16,738

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.

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14 Trade accounts payable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		<i>(in million Baht)</i>			
Related parties	5	99	110	1,024	939
Other parties		9,142	6,570	6,473	5,005
Total		9,241	6,680	7,497	5,944

15 Other payables

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		<i>(in million Baht)</i>			
Related parties	5	49	56	55	65
Other parties					
Accrued expenses		386	946	145	654
Accrued interest		334	296	214	273
Payable for project construction		388	545	300	-
Liabilities from forward contract		20	50	20	47
Payable for investments	4	1,236	-	-	-
Other accounts payable		1,108	1,264	799	1,320
Total		3,521	3,157	1,533	2,359

16 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.

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17 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 Profit (loss) from operating segment), as included in the internal management reports that are reviewed by the Group's CODM. Group's Profit (loss) from operating segment 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 nine-month period ended 30 September 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	34,372	101,492	2,446	2,024	9	-	-	140,343
Inter-segment revenue from sales and service	94,476	5	-	5,477	-	-	(99,958)	-
Total revenue	128,848	101,497	2,446	7,501	9	-	(99,958)	140,343
Profit (loss) from operating segment	1,799	1,920	2,168	626	21	(245)	-	6,289
Depreciation and amortisation								(3,701)
Gain on foreign exchange								340
Finance costs								(1,276)
Tax expense								(31)
Profit for the period								1,621

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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	32,524	104,242	2,505	3,027	946	-	-	143,244
Inter-segment revenue from sales and service	97,519	6	-	4,617	-	-	(102,142)	-
Total revenue	130,043	104,248	2,505	7,644	946	-	(102,142)	143,244
Profit (loss) from operating segment	5,349	1,712	2,999	624	24	(182)	(8)	10,518
Depreciation and amortisation								(3,604)
Gain on foreign exchange								363
Loss from impairment of assets								(425)
Finance costs								(1,140)
Income tax expense								(1,002)
Profit for the period								4,710

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Disaggregation of revenue for the nine-month periods ended 30 September were as follow:

<i>Nine-month period ended 30 September</i>	Separate financial statements	
	2019	2018
	<i>(in million Baht)</i>	
Revenue from sales and service		
Refinery	20,816	26,135
Marketing	100,090	102,991
Total	<u>120,906</u>	<u>129,126</u>

18 Income tax

<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in million Baht)</i>			
Current tax expense				
Current period	247	972	160	702
Over provided in prior year	(13)	(21)	(15)	(23)
	<u>234</u>	<u>951</u>	<u>145</u>	<u>679</u>
Deferred tax expense				
Movements in temporary differences	(203)	51	(187)	18
	<u>(203)</u>	<u>51</u>	<u>(187)</u>	<u>18</u>
Total income tax expense (income)	<u>31</u>	<u>1,002</u>	<u>(42)</u>	<u>697</u>

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 nine-month periods ended 30 September 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.

Bangchak Corporation Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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19 Dividend

Dividends paid to shareholders are as follows:

	Approval Date	Dividend payment date	Baht per share (Baht)	Amount (in million Baht)
2019				
An interim dividend 2019	15 August 2019	10 September 2019	0.50	689
Annual dividend 2018	11 April 2019	24 April 2019	1.35	1,858
An interim dividend 2018	24 August 2018	19 September 2018	(0.85)	(1,170)
Dividend payment during the nine-month period ended 30 September 2019			1.00	1,377
2018				
An interim dividend 2018	24 August 2018	19 September 2018	0.85	1,170
Annual dividend 2017	25 April 2018	7 May 2018	2.15	2,960
An interim dividend 2017	31 August 2017	26 September 2017	(1.05)	(1,445)
Dividend payment during the nine-month period ended 30 September 2018			1.95	2,685

20 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in million Baht)</i>			
Capital commitment				
Construction projects	2,373	2,440	913	726
Total	2,373	2,440	913	726
Future minimum lease payments under non-cancellable operating leases				
Within one year	843	964	824	939
After one year but within five years	2,170	3,086	2,118	3,032
After five years	3,085	3,018	3,008	2,937
Total	6,098	7,068	5,950	6,908
Other commitment				
Bank guarantees	122	109	29	23
Total	122	109	29	23

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

Company

- Oil price hedging contracts with foreign oil traders of 8 million barrels for the periods between October 2019 and December 2020.
- Foreign currency buying forward contracts cover the period to December 2020 amounting to USD 52 million or equivalents to Baht 1,579 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 month and the contract end 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 June 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.

21 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.

Bangchak Corporation Public Company Limited and its Subsidiaries
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22 Events after the reporting period

In October 2019, the Company issued subordinated perpetual debentures for a total credit facility of Baht 10,000 million which are name registered, unsecured, unconvertible, with a bond holder representative and no predetermined repayment schedule. The repayment schedule is a bullet payment upon the dissolution of the Company or upon the exercise of the issuer's call option as stipulated in the agreement. The interest rate for 1st - 5th year is a fixed rate of 5 percent per annum and with revisions every 5 year. The interest payment schedule is semi-annual for which the Company has an ability to indefinitely postpone the interest payment. The Company completed the sales of 10 million units, totally Baht 10,000 million debenture on 17 October 2019.

In November 2019, an indirect subsidiary entered into Sales and Purchase Agreement for Land, Property and Equipment, which includes other assets as stipulated in the agreement, with a related party totally Baht 400 million. The indirect subsidiary will be able to purchase these assets within 5 years after agreement date. Prior to purchase, the indirect subsidiary can utilize these assets with annual compensation of Baht 20 million per year.

23 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.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.