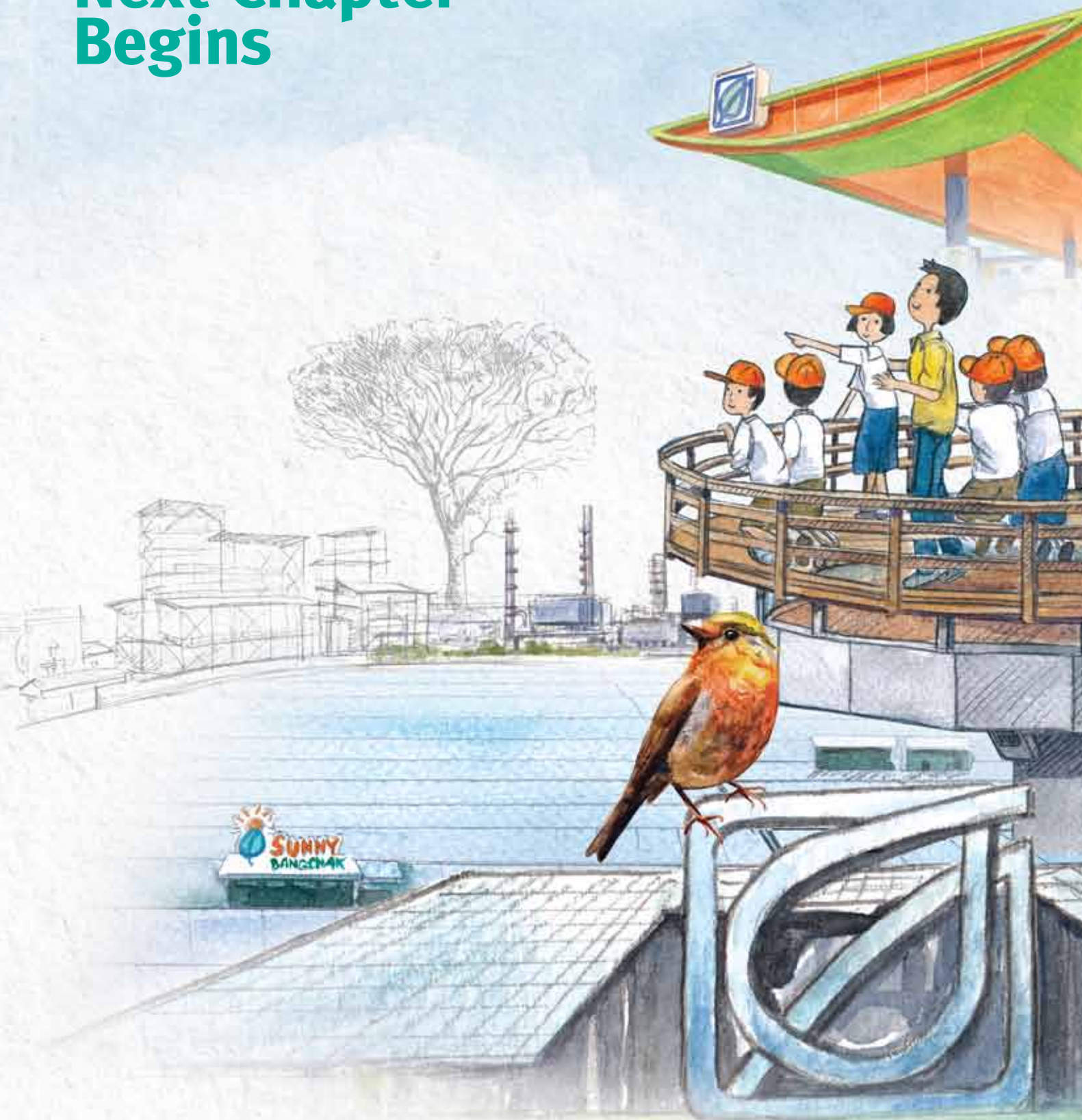


BCP

Next Chapter Begins





Three decades of sustainable business development in tandem with the surroundings and society.

To strike a balance between value and virtue, Bangchak has relied on sheer determination to run energy and downstream businesses for public interests. We are proud of our role in upgrading the living conditions for Thai society.

This has been our tenet of the past three decades.

Our Greenergy Excellence vision calls for us to drive business along with our employee culture of

“To be virtuous, knowledgeable, and contributive to others”.

These ideals produce business innovations for the sustainable growth of communities, society, and the environment into our next decades.





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Vision

Greenergy Excellence

Creating an energy business that is environmentally friendly for sustainable development



Value Statement

B - Beyond Expectation

C - Continuing Development

P - Pursuing Sustainability



Business Mission

Stakeholder

- Shareholders / business partners / customers / creditors
- Society / Community / Environment
- Employees

Mission

- Conduct business to steadily grow its returns in a fair manner
- Promote a business culture that is responsible to the environment and society
- Grow employees into professionals



Business Culture

Sustainable Business Development in Harmony with the Environment and Society



Employee Culture

To be virtuous, knowledgeable, and contributive to others







Message from the Chairman

Established in 1984 as a secure Thai company engaged in the petroleum business for the common good, Bangchak Petroleum Pcl is determined to contribute to a higher standard of living for Thais. Today the Board, the management, and employees are as committed to this goal as ever, evident in the corporate vision and missions, as well as its business and employee cultures.

Businesswise, Bangchak greatly values safety in parallel with social and environmental responsibility. Our complex refinery has seen investment in the 3E Project (Efficiency, Energy, and Environment) to supplement energy security while improving safety and environmental stewardship standards. To diversify income risks, Bangchak has constantly grown its alternative-energy businesses, whether through its biodiesel plant, Sunny Bangchak solar farm project, or ethanol project, in harmony with the Greenergy Excellence vision. Long-term investment plans have been defined, as well as a plan to accommodate the ASEAN Economic Community (AEC) in 2015 - including the expansion of the customer base and investment made to launch markets in neighboring countries' service stations and lubricating oil markets. Concurrently, personnel capability is being honed for Bangchak's competitiveness in the march toward ASEAN leadership.

As for its contribution to improving Thais' lives, Bangchak's policy is to foster a Green Society through establishing an organizational model, ranging from Green Process to Green Products, and onto a Green Network that encompasses all stakeholders. A policy for sustainable business development in tandem with environmental and social development has been defined for Bangchak and its subsidiaries to continually implement as part of the "CSR in Process". This policy underscores sustainable business conduct with due regard for society and the environment.

Thanks not only to the united efforts of the Board, executives, and employees, but also to the faith and support of government agencies, the private sector, and all stakeholders-customers, business partners, the public, and investors alike—Bangchak Petroleum Pcl has achieved its business goals while striking a balance between business value and merit in a bid to remain Thais' energy company as well as a strong corporate citizen.

(Signed) *Pichai Chunhavajira*

(Mr. Pichai Chunhavajira)

Chairman



Financial Highlights

| Consolidated Financial Statements | 2014 | 2013 | 2012 |
|---|---------|---------|---------|
| Statement of Income (Million Baht) | | | |
| Sales and service revenue | 183,016 | 186,490 | 165,246 |
| Gross profit (loss) | 4,563 | 9,103 | 7,163 |
| EBITDA | 5,162 | 9,463 | 7,770 |
| Profit (loss) from futures crude and product contracts | 499 | 804 | 869 |
| Profit (loss) from foreign exchange and futures foreign-currency trading | 758 | (791) | 1,092 |
| Net profit ^{1/} | 712 | 4,652 | 4,273 |
| Statement of Financial Position (Million Baht) | | | |
| Total assets | 76,966 | 73,537 | 70,853 |
| Total liabilities | 43,000 | 38,563 | 38,530 |
| Shareholders' equity | 33,966 | 34,974 | 32,323 |
| Share capital | | | |
| - Registered share capital | 1,532 | 1,532 | 1,532 |
| - Issued & fully paid-up share capital | 1,377 | 1,377 | 1,377 |
| Financial Ratios (%) | | | |
| EBITDA / sales and service revenue | 2.82 | 5.07 | 4.70 |
| Net profit / sales and service revenue | 0.41 | 2.54 | 2.60 |
| Rate of return on assets ^{2/} | 2.29 | 9.33 | 8.99 |
| Debt with interest payable to equity ^{3/} | 0.92 | 0.63 | 0.59 |
| Operating outcomes per share (Baht) | | | |
| Net earnings per share | 0.52 | 3.38 | 3.10 |
| Book value per share | 24.19 | 25.22 | 23.34 |

Note :

- 1/ Net profit (loss) for the owners of the Company
- 2/ Change in calculation method for the rate of return on assets from those in Annual Report of 2012. Now it is based on the formula of Financial Ratios according to the SET Manual Guides.
Return on Assets (%) = EBIT (Yearly) / Total Asset (Average)
- 3/ Only the equity of the owners of the Company



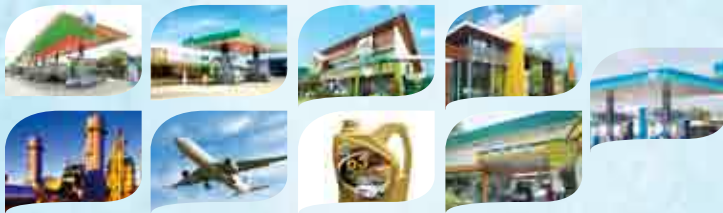
Business Description

A leading Thai petroleum company that imports crude oil from the Middle East, the Far East and indigenous sources and refining it into products with a maximum crude-processing capacity of 120,000 barrels per day, Bangchak Petroleum Plc operates more than 1,000 service stations under the trademark and has grown its businesses to solar power plant and biofuel business. To grow its business base, the year 2014 saw Bangchak move into the petroleum exploration and production (E&P) business to secure national energy and grow sustainable value.



Refining Business

(120,000 bbls/day)



Marketing Business

(more than 1,000 service stations)



Renewable Energy Business



Production and Exploration

The Company's complex refinery produces high-value gasoline and diesel products. Gasoline, gasohol, and diesel supplied by Bangchak's refinery all meet the EURO IV quality specifications set by the public sector. Bangchak was the first Asian company to come up with EURO 5-standard E20 gasohol with less than 10 ppm in sulphur content, a five-fold reduction from that under the Euro 4 standard. In addition, the refinery is highly energy-efficient, thanks to the purchase of power and steam from a cogeneration power plant and to the use of clean-burning natural gas to power its processes in place of low-sulfur fuel oil.

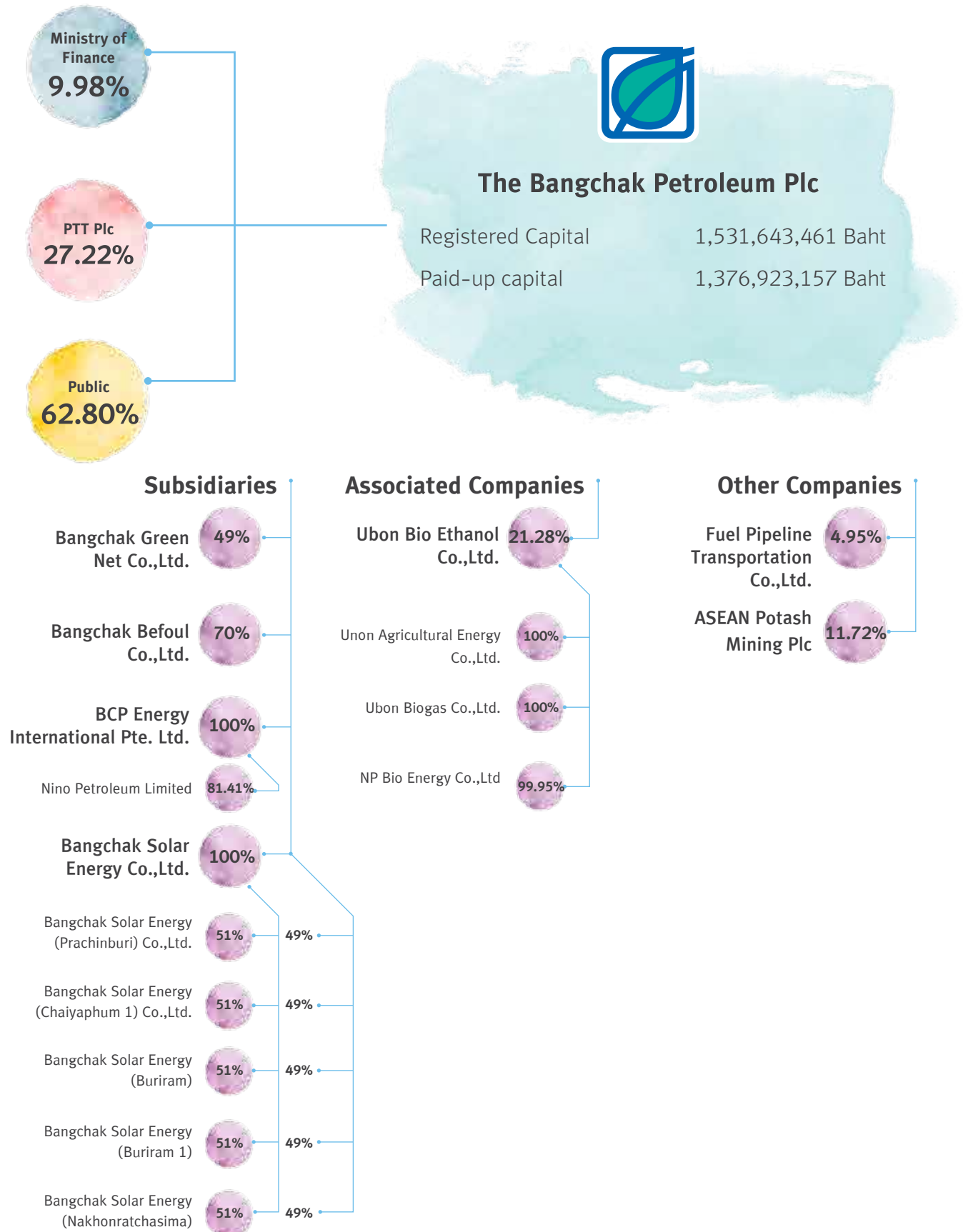
More than 73% of the refined products are sold directly to consumers through the Company's own nationwide network of service stations. This retail network consisted of 444 standard service stations and 626 community service stations (as of December 2014) with direct distribution to users in the transportation, aviation, shipping, construction, industrial and agricultural sectors. Bangchak service stations focus on selling green alternative fuels, including Gasohol 91, 95, E20, and E85 and Hi-Diesel with biodiesel meet the criteria set by Ministry of Energy, and serves customers with supplementary businesses on their compounds. These businesses include the sale of consumer products at Bai Chak and Lemon Green shops, and cooperation with Big C Supercenter Plc in launching Mini Big C convenience stores at larger service stations located close to communities, with a variety of goods. Bangchak service stations also house a service center for maintaining and changing lubricating oil and for car wash, collectively known as the Green Series, namely Green Serve, Green Wash, Green Wash the Premium, Green Wash Auto Care, and Green Tyre. Finally, they house over 320 Inthanin Coffee, which is now found at service stations and leading educational institutions, and are expanding to various key commercial locations. Today, 17 Bangchak service stations sell NGV as an option for consumers. In addition to fuel products, the Company produces and sells "Bangchak" lubricants oil and special lubricant products (transmission fluid, brake fluid, grease and others). Apart from sales to domestic markets through the network of Bangchak service stations, shops, factories and OEM (original equipment manufacturer) market, the Company exports its products under BCP LUBRICANTS brand.

Recognizing the significance of alternative energy, which benefits national energy security and lowers trade imbalances resulting from fuel imports, the Company promoted alternative energy by blending ethanol with gasoline and biodiesel with diesel to obtain 91-octane and 95-octane gasohols together with E20 and E85, in addition to Hi-Diesel. And to ensure continued support to this effort, the Company set up Bangchak Biofuel Co., Ltd., to centralize biodiesel production. The 360,000-litre/day plant, worth over Baht 1,000 million, is located next to Bang Pa-in Depot in Amphoe Bang Pa-in, Ayutthaya province, and runs primarily on crude palm oil. To lower risks from uncertain supply of crude palm oil, the Company initiated a project to turn deserted orange groves into oil palm plantations. At present, it has rented 1,200 rai of land in Nakhon Nayok province as an experiment site for the concept. It acquired common shares in Ubon Bio-Ethanol Co., Ltd. (UBE), located in Amphoe Na Yia, Ubon Ratchathani province. With a capacity of 400,000 litres per day, UBE exports ethanol to China. Another purpose of this move is to enhance the security of ethanol supply to accommodate the Company's expansion plan for E20 and E85 gasohol sales. In addition, Bangchak has expanded the scope of its business to solar power plant project (through Sunny Bangchak) and signed a power purchase agreement with Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA) for an 8 baht/unit adder under a 118-megawatt (MW) power purchase agreement (PPA). This year saw Bangchak invest overseas by forming BCP Energy International Pte. Ltd. in Singapore to engage in international energy, petrochemical, and natural resource businesses, which include branching investment into the upstream business. This company acquired common shares of Nido Petroleum Limited, which is listed on the Australian securities exchange and engages in oil and gas E&P with a focus on Southeast Asian resources.



Equity Chart

of Bangchak Petroleum Plc and Other Companies



Bangchak Green Net Co., Ltd. (BGN)

The subsidiary was set up to manage service stations and inthanin coffee shops, and sell consumer products in Lemon Green and Bai Chak convenience stores to support the continued expansion of its retail business.

Bangchak Biofuel Co., Ltd. (BBF)

Located in Amphoe Bang Pa-in, Ayutthaya, the subsidiary was set up to develop and produce domestic alternative fuels, with a 360,000-liter per day biodiesel plant running mainly on crude palm oil. Its management philosophy is centered on environmental care. The design and construction of its wastewater treatment system yield high water quality that meets the standard of the Department of Industrial Works. In addition, the Company's artificial pond leverages natural re-treating of wastewater before recycling it to plants and processes. This closed system is an extremely effective consumption of water. Today, BBF is constructing its second biodiesel unit with a capacity of 450,000 liters per day, which will raise its B100 capacity to 810,000 liters per day.

Bangchak Solar Energy Co., Ltd. (BSE)

Bangchak operates a photovoltaic (PV) power generation project, known as Sunny Bangchak, in its first phase with a capacity of 38-MW PPA in Bang Pa-in District, Phra Nakhon Si Ayutthaya, with the first commercial sales date in April 2012. Promoting the solar power plant at Bang Pa-in as Thailand's first integrated learning center and alternative-energy tourist attraction, it founded Bangchak Solar Energy Co., Ltd. (BSE), a wholly owned subsidiary, to manage the project. The second phase, with a capacity of 32-MW PPA (16 MW PPA at Bamnet Narong District, Chaiyaphum, and 16-MW PPA at Bang Pahan, Phra Nakhon Si Ayutthaya), had their first commercial sales dates on March 6 and April 5 this year respectively. Phase three, with a capacity of 48-MW PPA, is in five locations: Kabin Buri District, Prachin Buri; Dan Khun Thot, Nakhon Ratchasima; Prakhon Chai District, Buri Ram; Nong Ki District, Buri Ram; and Bamnet Narong, Chaiyaphum. The entire project having been wrapped up, commercial sale began in April 2014. In short, the company has fulfilled the production and sale of power from its solar farm under its PPA (power purchase agreement) of 118 MW.

BCP Energy International Pte.Ltd. (BCPE)

BCP Energy International Pte. Ltd. (BCP Energy) was set up in Singapore to engage in businesses concerning energy, petrochemical, and natural resources abroad. BCP Energy has acquired 402,951,875 common shares (81.4%) in Nido Petroleum Ltd., which is listed on the Australian securities exchange and engages in oil and gas exploration and production with a focus on Southeast Asian resources. Nido Petroleum has produced oil from the Galoc field and the Nido & Mantilloc Block A and Block B in the Philippines, totaling 8,000 barrels per day. Its shareholding in such resources are 22.88%, 22.49%, and 28.28%. In addition, it is in the process of developing the West Linapacan oil field in the Philippines and exploring for crude oil in the Baronang, Cakalang PSC, and Gurita PSC fields in Indonesia.

Ubon Bio Ethanol Co., Ltd. (UBE)

Ubon Bio Ethanol Co., Ltd. manufactures ethanol from fresh cassava roots and cassava chips, with a capacity of 400,000 liters per day or 132 million liters per year. UBE mainly exports its product to China and sells to domestic traders. Moreover, UBE also has few subsidiaries which were set up to cassava, and own the biogas power plant which use the water that comes out from the production processing.

Fuel Pipeline Transportation Co., Ltd. (FPT)

This company was set up to manage fuel transportation through a network of underground, multi-product pipelines starting from the Bangchak Refinery in parallel with the railway leading to the Chongnonsri and Don Muang depots, and finally to the Company's Bang Pa-in Depot and FPT. This route was extended near the Makkasan area to Suvarnabhumi Airport to transport aviation fuel by JP-One Asset Co., Ltd.

ASEAN Potash Mining Public Co., Ltd. (APMC)

This company was set up to explore for and produce potash around Amphoe Bamnet Narong, Chaiyaphum, for the manufacturing and the retailing of potassium chloride fertilizers. This project arose from collaboration among ASEAN member countries to capitalize on the natural resources of member countries.

Revenue Structure

In 2014, revenue from sale of goods and rendering of services from the consolidated financial statements of the Company and its subsidiaries totaled Baht 183,016 million, consisting of Baht 178,300 million from the Company and the following from its subsidiaries, Baht 32,697 million from BGN. (where the Company holds 49% equity), Baht 5,317 million from BBF (where the Company holds 70% equity) and Baht 1,879 million from BSE (where the Company holds 100% equity), and Baht 325 million from Nido Petroleum Limited (where the Company's subsidiary Holds 81.41% equity). Of this income, Baht 35,502 million was accounted for by connected transaction items, most of which came from selling refined products to Bangchak Green Net. Below is the revenue structure by product and service from all companies in 2012-2014.

| Product/Service | Operated by | 2014 | | 2013 | | 2012 | |
|--------------------------------|--------------------|-------------------------|--------------|-------------------------|--------------|-------------------------|--------------|
| | | Revenue (Baht Mill.) | % | Revenue (Baht Mill.) | % | Revenue (Baht Mill.) | % |
| Refined products ^{1/} | BCP and subsidiary | 179,957 | 97.0 | 184,444 | 97.4 | 164,482 | 97.8 |
| Consumer products | Subsidiary | 361 | 0.2 | 578 | 0.3 | 764 | 0.5 |
| Others ^{2/} | BCP and subsidiary | 5,157 | 2.8 | 4,367 | 2.3 | 2,916 | 1.7 |
| Total | | 185,475 | 100.0 | 189,389 | 100.0 | 168,162 | 100.0 |

Note : 1/ The proportions of earnings from sales of products in the domestic in 2014, 2013 and 2012 is 90.2%, 80.6% and 91.5% respectively.

2/ Other earnings, namely interest receivable, earnings from solar power plant revenue, hedging gain, profit from exchange rates, loss adjustment from impairment assets, earnings from sales promotions, land lease, service station lease, equipment lease etc.



Performance Review

This fiscal year Bangchak and its subsidiaries earned Baht 183,016 million in sales and service revenue. EBITDA amounted to Baht 5,162 million. Net finance costs Baht 1,427 million. The net loss in reversal of allowance for loss from impairment of assets equaled Baht 821 million, while the net gain from foreign exchange and others was reported at Baht 674 million. Appreciation and amortization as well as write-offs totaled Baht 3,294 million, whereas income tax credit amounted to Baht 463 million. These led to a net profit to Bangchak of Baht 756 million, resulting in net earnings of Baht 711.6 million to the shareholders and Baht 44.8 million to the minority shareholders.

Refining business

This year Bangchak planned a 46-day major turnaround for CDU and auxiliary units from May 1 to June 15, which contributed to a net average throughput of 86.5 thousand barrels per day (KBD), a 13% drop from last year's 99.3 KBD. To prepare for this stoppage, reserve petroleum products were stocked to meet customers' demand while fulfilling legal requirements and, equally important, managing inventories at suitable volumes without affecting the refinery's operation so as to lower the risk arising from oil price volatility. The year's average GRM stood at US\$6.96 per barrel exclusive of hedging and stock gains/losses, which exceeded that of last year (US\$5.76 per barrel). Despite the drops in price spreads between nearly all products and Dubai crude this year, the company was buoyed by low imported crude oil bills, which plummeted from last year, as seen in the price of the Dated Brent, a reference crude for North Sea and African crude (low-sulfur crude). The price drop stemmed from shale oil production in the US, which slashed its own crude oil imports from West African countries. Several economic factors influenced the demand-supply of the oil refining businesses worldwide, particularly those prone to price volatility. Therefore, to enable Bangchak to achieve goals while taking care of the environment, the company took the following actions:

- Maintained new crude oil supply which yields low-sulfur fuel oil for exports and is thus more financially attractive than domestic consumption.
- Established operational excellence enhancement, strived for plant reliability, and prevented unplanned shutdowns through plans encompassing personnel and process safety excellence. To this end, it focused on managing high-risk processes and formalized its process safety management system. For efficiency and reliability excellence, it constantly managed business risks through SIL (safety integrity level), RCM (reliability-centered maintenance), and RBI (risk-based inspection) for all processes and equipment. As for environmental protection excellence, it commissioned experts to upgrade the standards for refinery environmental practices, safety, and work processes, thus garnering recognition worldwide. Besides valuing refinery safety, environment, and process equipment, the company minimized risks of oil leaks in the transport system by requiring that all crude oil and petroleum product vessels are to be double-hulled.
- Regularly improved refining efficiency by executing the 3E (Efficiency, Energy, and Environment) Project to add value to products by installing a catalytic reforming unit in place of the obsolete one with efficient CCR (continuous catalyst regeneration), improved consumption of energy, lengthening of turnaround cycles, construction plan of cogeneration power plants for greater energy stability, and striving to raise its safety level and environmental stewardship.
- Achieved ISO 50001:2011 certification for energy management under the ANAB (American National Accreditation Board), echoing the success in developing and upgrading the standards for energy management systems at Bangchak Refinery and Oil Distribution Centers on a par with world-class refineries.

Regarding its participation in community and social development near the refinery, Bangchak promoted employees' participation in activities with communities to foster trust, friendship, benefit, and safety. Amid current, diverse urban communities (in particular the mushrooming growth of condominiums), Bangchak's plans and targets broke down into three phases: forming relationship, welcoming opportunities to think and participate in activities, and participating in development and driving toward self-reliance. In designing projects, the company takes into account relationship and responses to the lifestyles of target groups. This year Bangchak initiated a community panel seminar to echo community ideas, leading to extension of qualitative activities that addressed public issues in Thai society—notably education, development of youths, and the environment, all top priorities of such communities. As for the company's participation in the development of communities and society farther from the refinery, Bangchak strives to keep Thai society happy under the belief that “sustainable happiness is sharing”, which explains why the company ran knowledge-sharing projects on social and environmental responsibility to grow allies in establishing a Green Society, including business partners, service stations, and the public. In addition, Bangchak continually organized emergency plan training and training on chemicals for communities, schools, and nearby condominiums to strengthen their confidence in safety. Communication formats for emergencies were modified and clarified for individual communities. Thanks to the clarity and determination for social and environmental responsibilities, Bangchak became ready in ideas and practices to lead and drive allies as well as stakeholders toward a Green Society, in which Bangchak's business partners command business caliber for responsible environmental as well as social improvement.

Marketing business

On average, the marketing business posted a total sales volume through all Bangchak markets of 86.3 KBD (417 million liters a month), a 0.1% gain over last year's 86.2 KBD. The total sales volume of clear fuels through our service stations has risen by 6% as a result of constant addition of service stations, its re-imaging, and the introduction of Bangchak Hi Diesel. Meanwhile, sales through the industrial market dropped by 3% because of the administration of distributed volumes in line with reduced outputs coinciding with the CDU's and auxiliary units' turnaround maintenance.

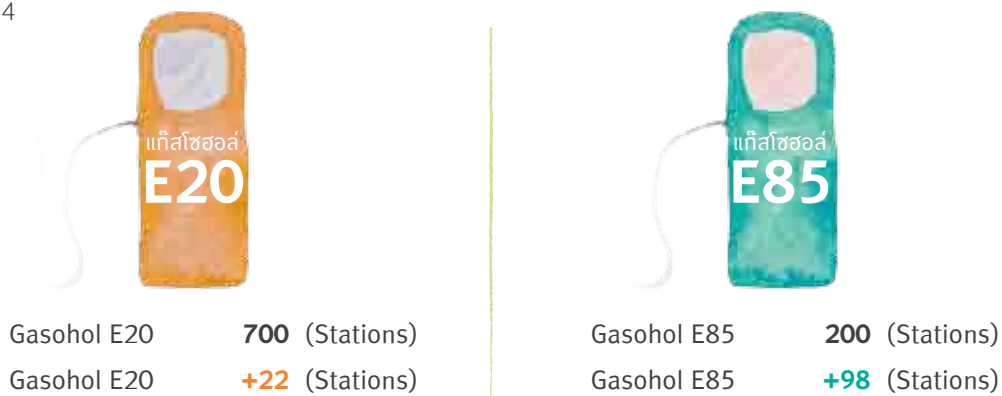
Committed to leadership in alternative/renewable energy, Bangchak held on to the market leadership for E85 gasohol and No. 2 for E20 gasohol. Its service stations across the country successfully sold gasohol and diesel of Euro IV standard as required by the government. In addition, it constantly improved the efficiency of products, for instance by selling Euro V E20 gasohol for the first time in Asia in early 2013; its sulfur content is below 10 ppm, a fivefold reduction from that of Euro IV. Ongoing during the year were Bangchak's image refurbishment and expansion of service stations for a higher standard, sales promotion launches, and capability improvement. As a result, this year saw Bangchak's market share for all clear fuels sold through service stations rise to No. 2 from No. 3 last year, registering 249 million liters per month (Resource: Department of Energy Business, November 2014) (a 5.9% rise over last year's 235 million liters per month), which exceeded the growth rate of national service stations of just 3.5% over the year. Still, with domestic supply still outstripping domestic demand, the marketing business drew fierce competition, prompting Bangchak to take several key measures to add sales volumes and maintain its customer base:

- Expanded and improved its service station network in high-potential areas and constantly improved the settings of service stations. As of year-end 2014, the company's network commanded 444 standard service stations together with 626 community service stations, for a total of 1,070 Bangchak-brand stations, recognized in a third-party Brand of Choice survey since 2009, this year as the second top brand for a fifth consecutive year. Bangchak service stations also participated in a Ministry of Commerce project to improve proper sale volume measurement to ensure consumers that oil companies do not shortchange them. Bangchak service stations were duly certified under this project for accurate volumetric measurement, standard quality, good services, and hygienic settings. Compared with service stations of other brands, Bangchak won the highest number of awards for quality and excellence in services.
- "Best Service Station Toilets 2014" for Bangkok Metropolis: The Bangchak Service Station Udomsuk 45 Branch won the unique distinction of being the sole service station chosen for the award, thanks to the clean standard, equipped with amenities and available around the clock. The station's nice-smelling toilets, located in safe and secure areas, can accommodate the handicapped, the elderly, and pregnant women. Bangchak won this award of the Bangkok Metropolitan Administration for the second successive year, in 2013 taking the accolade with the Vibhavadi Rangsit Branch.
- Constantly improved product quality. This year the company launched "Bangchak Hi-Diesel", a high-quality new product with better performance due to the Hi Clean additive, which promotes complete combustion, clean engines, and full-strength performance. As a result, consumers save fuels, while the Hi Power additive gives more power to engines.
- Continually promoted and expanded sales of Gasohol E20, and Gasohol E85. The Company raised the number of service stations selling Gasohol E20 by 22, and selling Gasohol E85 by 98. To accommodate newer car models, service stations selling E20 and E85 nationwide currently number 700 and 200 respectively.



Bangchak Service Stations selling of E20 and E85

As of year-end 2014



- Executed CRM (Customer Relationship Management) through the Bangchak Gasohol Club Card and Bangchak Diesel Club Card to establish long-term engagement and maintain customer bases. Cardholders accrue points from fuel, food, and service purchases at service stations. In addition, Bangchak developed the “Bangchak Card Connects Thais” for customers of community service stations to expedite their refueling and allow the stations to launch sales promotional activities or customer relationship activities suiting individual locations. As of year-end 2014, Bangchak Gasohol Club cardholders numbered 993,491; Bangchak Diesel Club cardholders, 296,815; and Bangchak Card Connects Thais cardholders, 191,750.
- Promoted and improved the image of service-station supplementary businesses to generate income and cover complete services meeting modern customers’ needs. Bangchak joined renowned food & beverage allies like McDonald’s, Black Canyon, and KFC in serving customers at service stations located on main roads. It also expanded and launched Big C Mini convenience stores by 29, bringing the total to 91. Finally, the Inthanin Coffee outlets, both in and outside Bangchak service stations, grew by 24 during the year to 320.
- Bangchak lubricants won ISO 9001 (quality management standard) certification and ISO/TS16949 (automotive industry quality management standard) certification, the latter the first for a Thai company. Constant improvement of products is Bangchak’s norm. This year it issued GE ECO, a lubricant designed for eco-cars and hybrid cars, as well as newer models. To popularize and lead them to greater acceptance of quality, it also staged sales promotional activities for products. A case in point was the “Bangchak Lubricants for Engine Fitting, Fitting You” project, which the company supported and launched a sales booth at Thai Fight boxing matches. Bangchak also focused on constant lubricant market expansion to the industrial sector and markets in neighboring countries. Yet, the still sluggish economy impacted business with the industrial group, depressing sales (exclusive of lube base oil) for the year to 3.4 million liters per month, a 4.6% drop from 3.5 million liters per month last year. In view of domestic sales volumes through Article 7 traders, however, Bangchak’s sales were up by 2.3%, reaching 2.5 million liters per month, versus 2.4 million liters per month last year—which topped the percentage recorded by domestic sales volumes nationwide through Article 7 traders (a negative 3.2%).

The Company has conducted fair marketing business in tandem with environmental stewardship and social services all along, including its cooperation with agricultural cooperatives in buying farmers’ products for giveaway items as sales promotional goods to create jobs and decentralize income to rural areas, thus supporting efforts to strengthen community economies. This year Bangchak service stations organized three sales giveaway promotions in support of community goods: seedless velvet tamarind, roast rice tea/roast rice green tea, and organic brown rice.

Besides the Bangchak Card Project, the Gasohol Club card is part of the Company's environmental stewardship thanks to its data on carbon dioxide reduction each time users' vehicles get a tank refill. The gasohol and diesel club card holders can donate points of fuel refill into cash to the charity for public interest. Thanks to Bangchak's policy to establish a Green Society, the company launched a Green Partnership Project to enable service stations to be part of fair business practices together with the stewardship of the environment and society, and in line with the Sufficiency Economy principles. This is to be achieved through CSR in Process, striving for stewardship of consumers, the environment, society, and employees. In addition, Bangchak extended its support to the "Thai Golfers' Development toward Excellence" project to develop professional golfers into world-class ones, including "Pro Waen" Pornanong Phatlum, who has continually received Bangchak's support.



Renewable energy business

The biodiesel business : this year posted an average capacity of 360,000 liters per day, 100% in utilization rate, which met the current biodiesel demand for Bangchak and then more for sale to external business partners to generate income. Bangchak Biofuel Co., Ltd., secured approval from its board of directors to construct a second B100 unit with a capacity of 450,000 liters per day under an investment outlay of Baht 1.8 billion. An EPC contract was signed in December this year, with construction underway. Production and commercial sales are expected by the third quarter of 2016.



The solar power business : the year saw the company fulfill its 118-MW PPA. Phase 3 of the project, with a 48-MW capacity, consists of 16 MW at Amphoe Kabin Buri, Prachin Buri; 8 MW at Amphoe Dan Khun Thot, Nakhon Ratchasima; 8 MW at Amphoe Prakhon Chai, Buri Ram; 8 MW at Amphoe Nong Ki, Buri Ram, and 8 MW at Tambon Hua Tha-le, Amphoe Bamnet Narong, Chaiyaphum. All projects have been wrapped up and put on commercial production since April 2014.



Ethanol business: Bangchak acquired 583,000 common shares in Ubon Bio Ethanol Co., Ltd., equivalent to 21.28% of the total common shares. Its ethanol plant located in Amphoe Na Yia, Ubon Ratchathani, is capable of producing 400,000 liters a day of ethanol from fresh cassava, cassava chips, and molasses. The plant began commercial production in January 2013. Commercial production began in January 2013 for sale to Bangchak and major business partners. This year's output averaged 250,000 liters per day, roughly 62% in utilization rate. The company plans to acquire a 150,000-liter-per-day ethanol plant in Chachoengsao province, which is expected to produce and realize commercial sales in 2015.

Petroleum Exploration and Production business:

The year 2014 saw Bangchak move into the overseas investment. BCP Energy International Pte. Ltd. (BCP Energy) was set up in Singapore to engage in businesses concerning energy, petrochemical, and natural resources abroad. BCP Energy has acquired 402,951,875 common shares (81.4%) in Nido Petroleum Ltd., which is listed on the Australian securities exchange and engages in oil and gas exploration and production with a focus on Southeast Asian resources. Nido has expanded its investment by signing a share purchase agreement with Otto Energy Ltd. (Otto) to acquire all shares of Galoc Production Company WLL (GPC), a subsidiary of Otto. GPC is a 33% shareholder in the Galoc oil field in the Philippines. If the shareholders' meeting of Otto endorses such transaction, Nido will see its shareholding in the Galoc field rise from 22.88% to 55.88% and assume the operatorship of the field.

Organizational capability development

Bangchak has adopted the Thailand Quality Award (TQA) criteria in developing its organizational capability in conjunction with business development to strive for sustainability in human resource development as well as business growth. These guidelines include effective work structural architecture supporting current and future businesses, work process efficiency improvement suitable for all situations, information system and technological modernization, and support of innovations for all employees, aiming to become a knowledge-based organization. For the second year in a row, Bangchak won the Thailand Quality Class (TQC) this year.

Human resource quality and innovation improvement

With a strong commitment to the continuous development of its workforce, Bangchak has defined a clear policy on job rotation to broaden staff skills in preparation for career path development and for current job requirements and expected knowledge and competency in line with the company vision and business goals. The Competency Base Management System has been adopted to develop human resources systematically. As for personnel development, in place is the preparation of a successor pool and systemization of career management plans. As for personnel development, in place is the preparation of a successor pool and systemization of career management plans. Continuous learning through various channels. In addition, a jointly developed Knowledge Management Portal with PTT Group of companies was initiated for the sharing of valuable information resources of skills, technologies, financial knowledge, and lessons learned. In addition, the company promoted innovation projects in the organization, including employee group activities and cross-functional teams, including the Cascade Project for Innovation, Community of Practice (CoP), and Kaizen activities to promote sharing of knowledge and experiences among them. It also launched innovation projects for summer intern students. The ultimate aim of all these activities and projects is to drive Bangchak toward an entity of innovation.

To upgrade its assessment standard for personnel caliber and administration system, Bangchak applied for participation in the Best Employer Project for Thailand, which helped it detect aspects for further improvement. The exercise added assessment of other aspects besides employee engagement, namely employer brand, leadership, and high-performance culture. The first year's assessment score for Bangchak was 66, versus the goal of 60. A roadmap was prepared to constantly close the gaps.

Organizational restructuring in response to strategic directions

In response to the need for sustainable growth and the need to meet customers' demand more effectively, organizational restructuring was undertaken with the creation of a Business Development and Strategy Group, directly responsible for defining the business strategies and plans coherently with business development plans. Additional work units were integrated at service stations, with a focus on more development of food, snacks, and drinks. More emphasis on work process improvement and innovations was added to materialize physical values in the near future.

Preparedness of work process efficiency improvement

To assess, identify, and mitigate risks at all levels impacting business goals, an Enterprise Risk Management (ERM) system was launched. This year the company introduced scenario planning for assessing changing circumstances that are likely to produce risks and wield long-term impacts on the organization's goals. Scenario planning is regularly presented for the review and monitoring of risk management plans at ERM and PRMC meetings. Bangchak also achieved ISO 22301:2012 certification for BCM for a second consecutive year. Incidentally, this year it organized a review of enterprisewide work processes for greater flexibility and efficiency, as well as a workshop to review knowledge about Lean Process for executives and supervisors across the board.

Information system and technological modernization

To meet the requirements of instant information and technologies to operate all work processes safely, effectively, and smoothly, modernization of information system and technology is a prerequisite. Common today is the perception of fast technological changes, which could wield strong impacts-positive and negative ones. Recognizing the value of IT systems, which lead to convenience, safety, and effectiveness, Bangchak has applied its systems of customers' opinion-sharing and data collection, and more service provision through the IT system and mobile applications. Cases in point were customers' complaint input through the SAP Call Center and the communication and direct inputting of goods and service-related data through the social media. That way, data can find rapid applications to efficiently meet the highly dynamic needs of consumers.

In addition, the company has internationalized IT systems in support of work within the organization. For instance, it adjusted SAP SRM (supplier relationship management) to link its databases to the SAP ERP system for greater efficiency, and modified the BCP Knowledge Management System to accommodate modern, diverse functions to support knowledge-sharing within the organization, including experts and employees of PTT Group. That way, knowledge can be linked and extended within the same group of companies and thus become increasingly efficient.





Awards of 2014

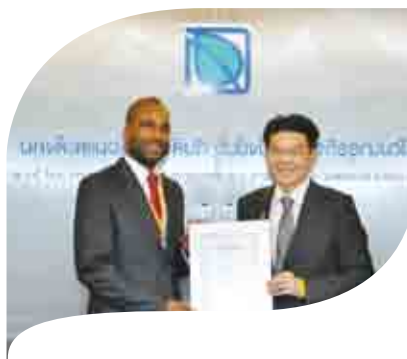


- **SET Award of Honor from the 'SET Awards 2014'** event, organized by the Stock Exchange of Thailand (SET) in conjunction with the Money and Banking magazine:
 - **Top Corporate Governance Report Award for nine consecutive years**, in recognition of listed companies with outstanding corporate governance reports
 - **Best Corporate Social Responsibility Award for eight consecutive years**, in recognition of listed companies with outstanding social responsibility in business conduct.
 Bangchak also won the Outstanding Investor Relations Award and the Outstanding Corporate Social Responsibility Award.
- **Awards won at the 'Asia Pacific Entrepreneurship Awards 2014'** event, organized by Enterprise Asia, a non-governmental organization in pursuit of entrepreneurship development across the region:
 - **Outstanding Entrepreneurship Award** for two consecutive years, presented to business leaders who have shown outstanding performances and tenacity in developing successful businesses with due regard for social and environmental responsibility.
 - **Green Leadership Award** in recognition of Bangchak's outstanding environmental responsibility in its production and distribution processes of 'green' renewable energy, as well as production of biodiesel derived from used vegetable oil in Singapore.
- **Awards won at the 'Corporate Governance Asia Recognition Awards 2014 - THE BEST OF ASIA'** event, organized by the Corporate Governance Asia magazine (Hong Kong-based):
 - **Corporate Governance Asia Recognition Award 2014: Asia's Icon on Corporate Governance**, presented to companies with outstanding performances and tenacity in developing corporate governance in the region. Bangchak has won this award for four consecutive years.
 - **Asian Corporate Director Recognition Award 2014** for four consecutive years. The award is presented to business leaders who create business growth with due regard for social and environmental responsibility as well as elevating domestic corporate governance.



- Awards won at the '4th Asian Excellence Recognition Awards 2014' event, organized by the Corporate Governance Asia magazine (Hong Kong-based):
 - Asia's Best CEO Award (Investor Relations) for two consecutive years, in recognition of outstanding leaders in investor relations and based on votes and surveys among readers, investors, analysts, etc.
 - Best Investor Relations Award for three consecutive years, presented to companies with outstanding investor relations and based on votes and surveys among readers, investors, analysts, etc.
- Platinum Award from 'The Asset Corporate Awards 2014' event, organized by The Asset magazine (Hong Kong-based), in recognition of Bangchak's overall outstanding performance (financial, management, corporate governance, social and environmental responsibility, and investor relations), for the fourth consecutive year.
- Bangchak is ranked among the 17 companies with the top scores of over 90 based on CG surveys of Thai publicly listed companies under the ASEAN CG Scorecard 2013/2014 program. ASEAN CG Scorecard is a mean benchmark in assessing and ranking corporate governance performances of listed companies in the six participating ASEAN member countries (Indonesia, Malaysia, Philippines, Singapore, Vietnam and Thailand) to ascertain the improving corporate governance standard in the region. ASEAN CG Scorecard Thailand was organized by the Office of the Securities and Exchange Commission (SEC) in conjunction with SET and the Thai Institute of Directors (IOD).
- Bangchak is among the 19 listed companies which have attained Level 4 (the top level) and are certified by the Collective Action Coalition (CAC) from the Anti-Corruption Progress Indicator Assessment for Thai Listed Companies 2014, organized by SEC in conjunction with Thaipat Institute.
- CSR Recognition Award 2014, presented by SET in recognition of listed companies with outstanding performances in integrating CSR with their business processes.
- Best Sustainability Report Award 2014, organized by CSR Club, Thai Listed Companies Association, SEC, and Thaipat Institute. The award went to companies with outstanding information disclosure and reporting policies with an emphasis on social responsibility and CSR-in-Process for business conduct. Bangchak has won the award for two consecutive years.

- **Best Green Office Award (Gold Level)**, awarded to organizations which have passed the 'green office' mean standard indicators at the Thailand Environment Day and the National Natural Resources and Environmental Conservation Volunteering Day 2014: "Clean City, People Happy", held in honor of HM the King's 87th Birthday Anniversary by the Ministry of Natural Resources and Environment and the Ministry of Interior.
- **Asian Company Secretary of the Year Award 2014**, presented to Asian company secretaries who have demonstrated strong perseverance in overseeing companies and directors in strict compliance with applicable laws and regulations, as well as in continually developing corporate governance. The award was conferred at the '2nd Asian Company Secretary and Compliance Officer of the Year Recognition Awards 2014' event, organized by the Corporate Governance Asia magazine (Hong Kong-based)
- **Based on the assessment outcomes of a survey on CG report of listed companies for 2014**, organized by IOD, Bangchak earned an overall 'Excellent' score for eight consecutive years.
- **Bangchak scored an 'Excellent' 100%** in all AGM criteria for six consecutive years under the '2014 Annual General Meeting Assessment Project', organized by the Thai Investors Association.
- **Certificate from the "Full-Liter Gas Station Development Project"** for meter accuracy, good quality service, and hygiene of service stations. From a total 253 service stations in Bangkok and its vicinity, Bangchak's 68 stations have been certified, and its Vibhavadi Rangsit branch was the first to receive the award. The event was organized by the Department of Internal Trade, Ministry of Commerce.
- **Certificate for Asia's Best Companies 2014**, presented by the Finance Asia magazine. Bangchak has been honored as Thailand's Best Mid-Cap company and a top-10 company with the best dividend payment, based on an opinion survey among over 330 Asia's investors, fund managers, and analysts.



- **Certificate for Outstanding Call Center 2014**, presented by the Office of the Consumer Protection Board (OCPB) to companies with social responsibility awareness, standard service quality, timely solution handling, and customers' satisfaction.
- **Carbon Neutral Certificate** in recognition of its efforts to cut greenhouse gas emission, presented at the "Together We Fight Global Warming" event by Thailand Greenhouse Gas Management Organization (Public Organization) (TGO).
- **CSR Plaque, presented to organizations with outstanding corporate social** responsibility performances in community economic programs, producing youths of virtues, citizen awareness, and environmental and energy conservation, etc., by the Ministry of Social Development and Human Security, on its 12th founding anniversary.
- **Outstanding Enterprise Plaque**, presented by the Social Security Office (SSO) in recognition of its outstanding discipline and responsibility in the payment of provident fund in strict compliance with the prescribed time and conditions.
- **Plaque for Quality Activities Support**, presented by the Department of Industrial Promotion at the '28th QCC Thailand' event.
- **ISO22301:2012: Business Continuity Management System (BCMS)**, which covers procurement, production, distribution, storage, and delivery of petroleum products, presented by the ISO Management System Certification Institute (Thailand).
- **ISO/IEC27001:2005**: Information Security Standard for the Management of Distributed Control System (DCS), in recognition of Bangchak's awareness of documented information security and easy access to information for all parties.
- **ISO500001:2001**: International-standard energy management systems, presented by the American National Accreditation Board (ANAB) for Bangchak's success in the development of energy management systems in its refinery's production processes and distribution centers with efficiency comparable with that of leading international refineries.

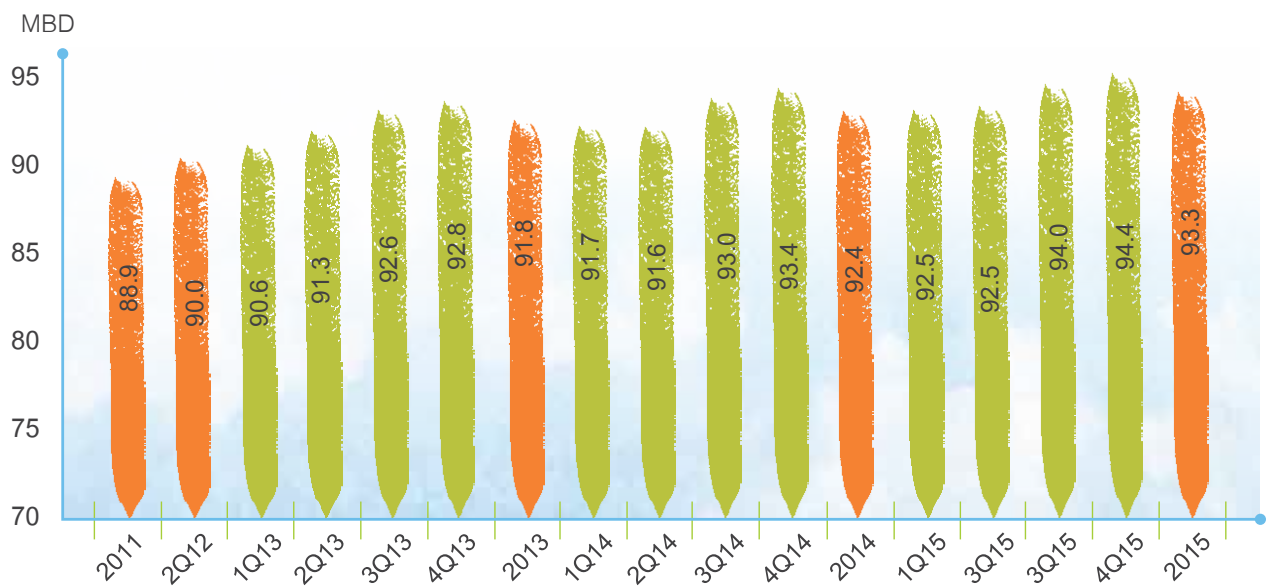




Business Overview and Competition Outlook

According to the International Monetary Fund (IMF), the world's economy in 2014 was relatively stagnant with expansion of about 3.3%, lower than the 3.7% forecast made earlier. In the US, the economy had shown an optimistic sign that prompted the US government to trim its QE measures in response to economic indicators, including economic growth, employment rate, property purchase, and the improving manufacturing sector. These indicators pointed toward significant economic upturn. Outside the US, however, several economies experienced a slowdown. European countries needed QE measures to salvage their recession. China registered decelerated economic growth caused by property loans in the household sector, which triggered the government to launch policies to tighten financial control. Japan, meanwhile, encountered increasing public debts while the higher value-added tax deterred domestic consumption, causing the yen to be deflated. During the year, Russia started a conflict with Ukraine, causing some Western countries to impose economic, financial, and investment sanctions, which blunted investment confidence and consequently led to an outflow of funds. The situation then weakened Russia's ruble. The slowdown of the world's large economies consequently caused emerging markets' economies to lose their speed. As a result, the global demand for oil in 2014 rose by only 0.6 million barrels per day (MBd) from that of 2013, reflecting a daily average demand of 92.4 million from 91.8 million barrels, an increase of 0.7%. Such increase is lower than the demand between 2012 and 2013, which had registered an increase of 2.0%.

World Oil Demand



Source : International Energy Agency, January 16, 2015 Release

Meanwhile, the International Energy Agency projected that during 2015, fuel demand would rise to 93.3 MBd, reflecting growth of 0.9%, comparable to the previous year, in line with the recovering world economy. However, some risks were foreseen from the US's lifting of QE. The dollar would regain its value, thus causing the US to lose its competitiveness. Meanwhile, some other large economies would still be moving slowly. Political disorder in some European countries and the general elections in 2015 may affect continuity of economic policies. IMF (in January 2015) predicted that the world economy in 2015 should expand around 3.5%.

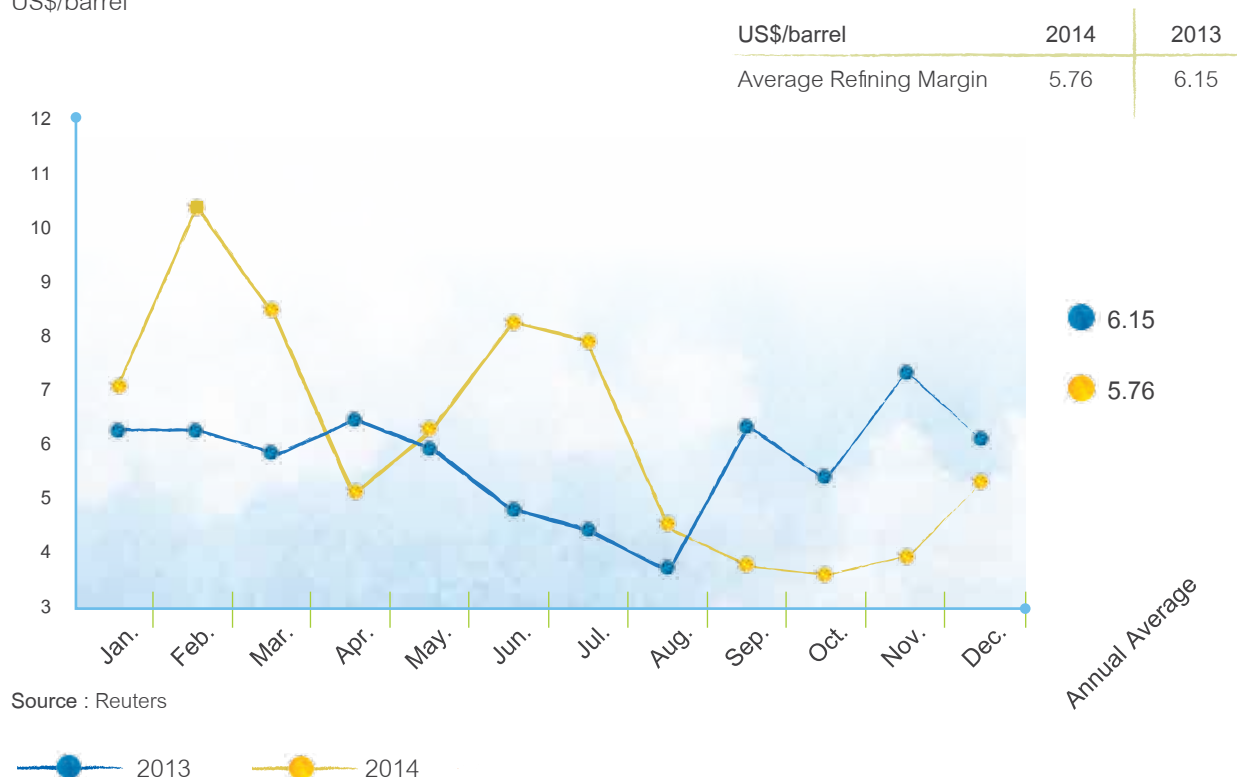
2014 World Oil Price Movement



As for the world oil market in 2014, the Dubai crude price averaged US\$96.66 per barrel, down from the 2013 average of US\$105.4 per barrel, a 9.1% drop. During the first half of the year, Dubai moved narrowly around US\$ 101-111 per barrel, in line with the slow world economy. Global oil consumption shrank as a result. Japan, the EU, and China, the world's prime oil consumers, delayed their crude imports while the US continuously increased their crude reserves from shale oil production. Meanwhile, tensions in oil-producing countries in the Middle East, North Africa, and Ukraine, started to ease, thus allowing these countries to resume their crude production. OPEC producers also tried to maintain their production ceilings. As the world's major oil producers didn't show their will to reduce production volumes, the oil price began to slide from the middle of 2014. At the end of December, Dubai reached its trough at US\$52.89 per barrel. Despite positive signs that the world economy could expand in 2015, investors are still worried about economic risks in some large economies, including European countries, Russia, and Japan. In view of a slight increase in the world's fuel demand coupled with the expanding supply, Dubai's average price throughout 2015 should drop to the level of US\$60 – 70 per barrel.

Dubai-based hydrocracking (DB-HC) refining margin in Singapore, 2014 vs. 2013

US\$/barrel

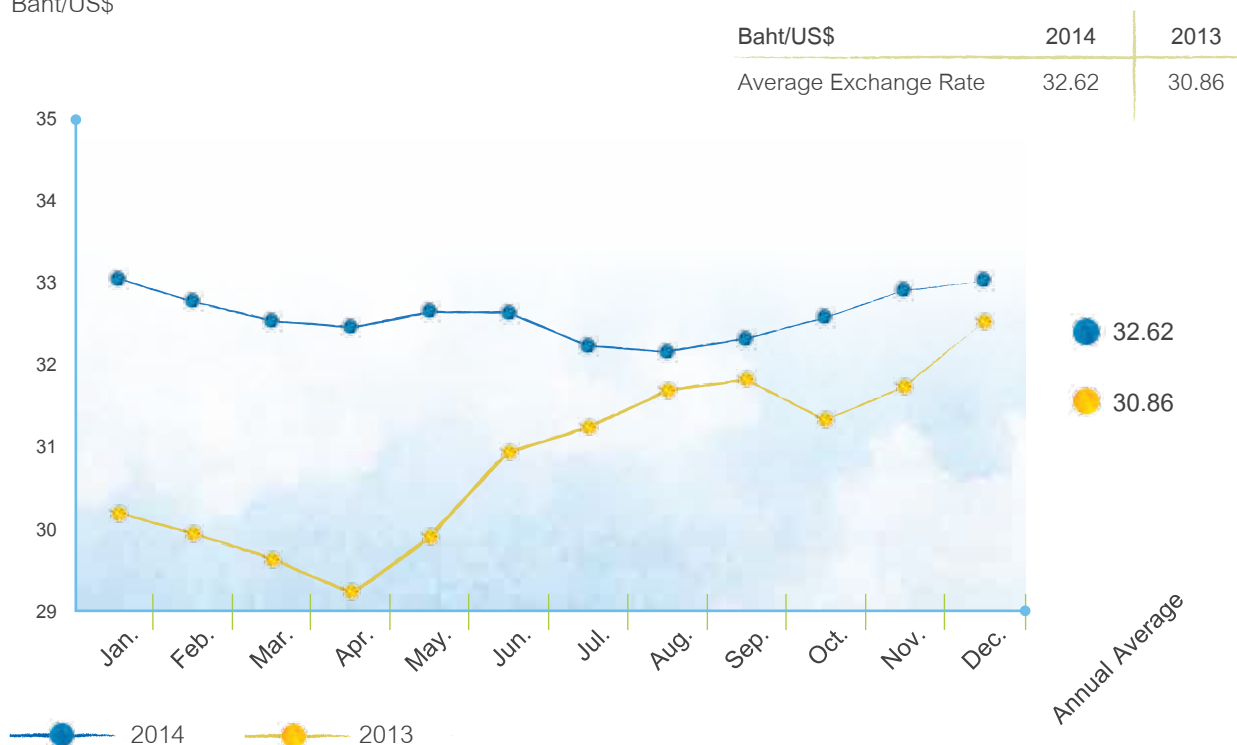


The price gaps between refined products and Dubai generally dipped with the world's slow economy. Demand for petroleum products from European countries, China, and Japan plunged with their stagnant economies. Demand for fuel oil in Japan for shipping and power generation industries reportedly decreased, as Japan turned to coal and natural gas to enjoy the lower costs. The teapot refinery business in China was still moving slowly while supply of refined products in Asia increased from new capacities in the region. Refining margins, therefore, dwindled from January to August. The demand then picked up with the continuously declining crude price and high seasonal consumption during winter. Throughout 2014, the reference refining margin of the Dubai crude for refineries with cracking technology in Singapore averaged US\$5.76 per barrel, down from US\$6.15 per barrel in 2013. It is expected that in 2015, the margin would decline in keeping with the world economy and the global demand along with more supply of refined products from new refineries in Asia and the Middle East. This could affect exports of petroleum products from the region.

Thailand experienced slow growth throughout 2014 with economic expansion of 0.7%. Even though political tensions have eased, the overall economy still featured declining private investment and higher household debts. The former was caused by the relocation of manufacturing bases of various businesses to neighboring countries due to Thailand's higher labor costs and low production technology that could not keep up with modern market's demand. The agricultural sector encountered falling prices, while the export sector was hampered by the slow recovery of Thailand's trading partners. Even worse, budget disbursement could not be much expedited despite the government's short-term economic stimulus package. The tourism sector managed to pick up toward the end of the year. In addition to negative impacts from Thailand's own economic structure, the country was hurt by the US's QE lifting and the stronger dollar, as well as the sluggish economies of trading partners. The situation, as a result, hindered fund flows into Thailand, while the Thai Baht became weaker than in the previous year. The value of the Thai currency averaged Baht 32.62 to the dollar, moving between Baht 31.92 and 33.24 per dollar. In 2015, the Baht is to be closely watched. Positive factors would be a situation in European countries, China, Japan, and Russia, which would still have to struggle with their economies with the need to maintain QE measures to feed more funds into the market. On the other hand, the Baht could weaken with the US's improved economy. The Fed, meanwhile, is expected to increase the interest rate. Even though the lower oil price has been favorable for the public's cost of living and the cost of manufacturing sector, the Thai economy would still have to struggle with household debts, falling prices of agricultural products, and the shrinking export and manufacturing sectors. The situation may prompt the Bank of Thailand to lower the interest rate to shore up the economy. Investors would still be worried about Thailand's general elections following enactment of the new constitution. These would, not surprisingly, discourage economic expansion. The Office of National Economic and Social Development Board (NESDB) on February 16, 2015, predicted that the Thai economy in 2015 would expand slowly between 3.5% and 4.5%

Thai Baht Currency Movement with US Dollar, 2014 Vs. 2013

Baht/US\$



Domestic oil business

Domestic demand for fuels during 2014 rose from last year by 0.8%, representing total demand of 878,300 barrels (139.6 million liters per day). Amid the more relaxed political climate, the Thai economy still moved slowly under the country's economic structure. Demand for products in the gasohol group increased by 5.9% in response to NEPC's decision to discontinue the sale of 91-octane gasoline on January 1, 2013, to promote domestic renewable/alternative energy. Demand for aviation fuels, on the contrary, declined as a result of domestic political turbulence, as well as the slow economies in Europe, Japan, and China, which deterred tourists.

Domestic Refined Product Demand

| Product | Demand Volume (million litres/day) | | |
|------------------|------------------------------------|-------|------------|
| | 2014 | 2013 | Difference |
| Regular Gasoline | 1.5 | 2.1 | -28.6% |
| Gasohol | 21.9 | 20.5 | +6.8% |
| Gasoline Group | 23.4 | 22.6 | +4.0% |
| Jet Fuel | 15.1 | 15.2 | -0.7% |
| Diesel Group | 57.7 | 57.2 | +0.9% |
| Fuel Oil | 5.9 | 5.9 | +0.7% |
| LPG | 37.6 | 37.6 | +0.1% |
| Total | 139.6 | 138.5 | +0.8% |
| (KBD) | 878.3 | 871.3 | +0.8% |

Source : Department of Energy Business

It is expected that domestic fuel demand in 2015 would grow after receiving a push from the decreasing world oil price and foreign investors' interest in ASEAN. The inauguration of Asean Economic Community (AEC) at the end of 2015 should drive fuel demand up. Demand for gasohol, meanwhile, is expected to rise further in line with the higher number of vehicles and the government's policy to promote renewable/alternative energy. Yet, Thailand's economy is still fragile and lacks confidence from foreign investors. Oil demand in the industrial sector, therefore, will not soar, while the household sector will still struggle with debts, which limits individuals' daily spending.

On the supply side, the country's total refining capacity from domestic refineries, namely Thailoil, IRPC, PTTGC, Esso, SPRC, and Bangchak, during 2014 registered a daily average of 1,028,200 barrels, a decline of 2.9% from last year. This is because Thailoil, IRPC, Star, Bangchak and Esso proceeded with their planned turnaround shutdowns. Refinery operators reached an agreement to carry out their turnaround shutdowns in turn to ensure sufficient reserves for domestic consumption. In 2015, domestic refining capacity is bound to rise from the previous year since there is no plan for turnaround maintenance shutdown among local refineries.

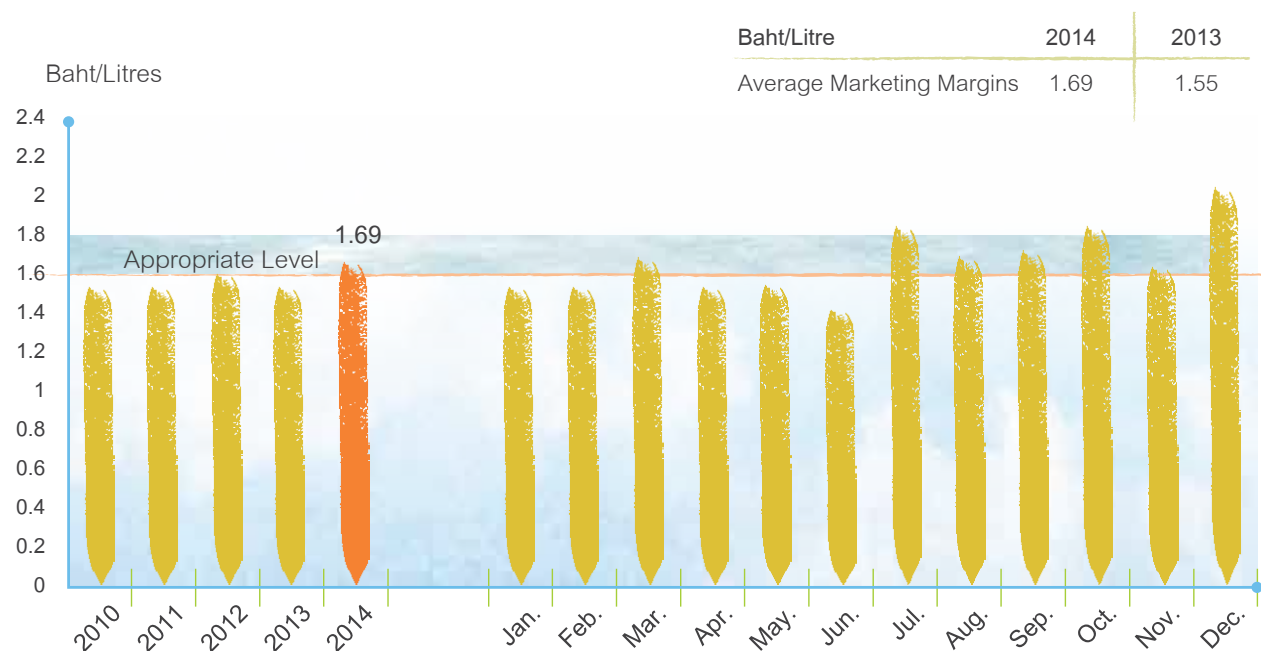
Average Crude Run by Domestic Refineries

| Refinery | Crude Run (thousand barrels/day, KBD) | | |
|-----------------------|---------------------------------------|----------------|--------------|
| | 2014 | 2013 | Difference |
| Thai Oil | 282.8 | 280.2 | +0.9% |
| IRPC | 174.0 | 188.0 | -7.4% |
| Esso | 134.1 | 141.9 | -5.5% |
| SPRC | 162.7 | 179.4 | -9.3% |
| PTT Global Chemical | 188.5 | 167.7 | +12.4% |
| Bangchak | 86.1 | 101.7 | -15.3% |
| Total | 1,028.2 | 1,058.9 | -2.9% |
| Total capacity | 1,222.0 | 1,222.0 | |

Source : Department of Energy Business

Amid world oil price fluctuation and adjustments of retail prices by oil traders in line with the revised costs and government policy, the marketing margin during 2014 in Bangkok and surrounding provinces (excluding dealer's margin and transport subsidy) stayed at around 1.69 Baht per liter, higher than 1.55 Baht per liter last year.

Bangkok Metro and Vicinity Gross Marketing Margin

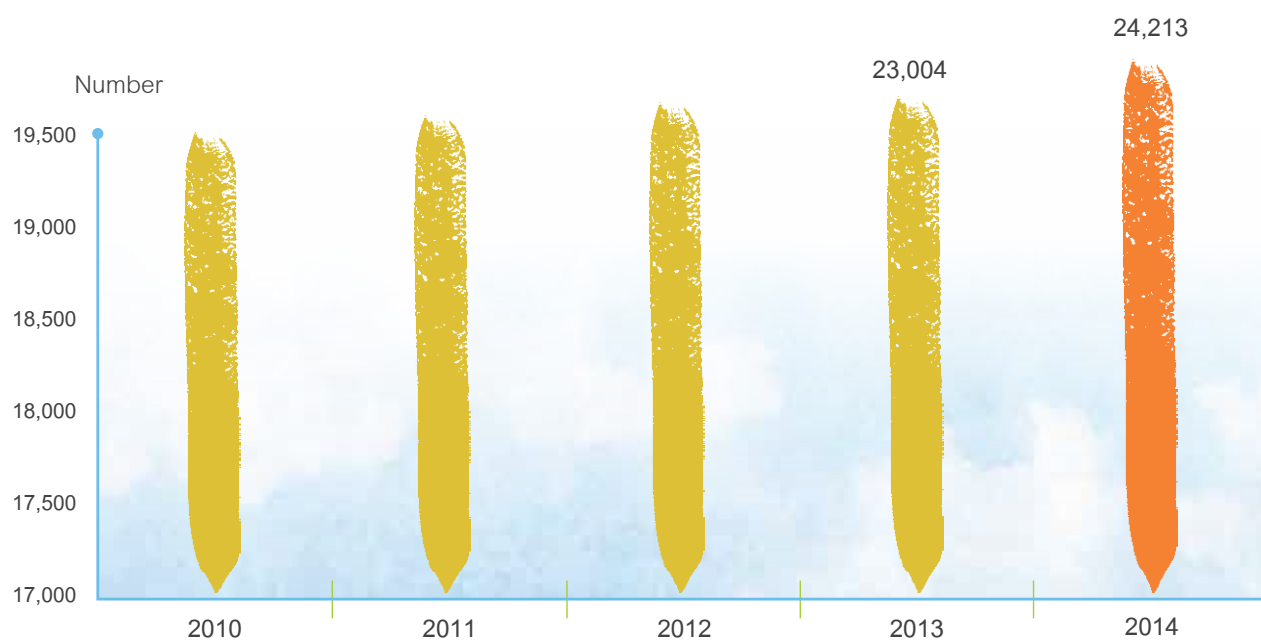


Note : Inclusive of Dealer Margin

Source : Energy Policy and Planning Office

The easing political situation, the promotion of gasohol, and the weakening prices of refined products, as well as the tougher retail competition, have together pushed up the country's overall sales volume of petroleum products through the networks of service stations. This year's total volume rose by 4.0% on average from last year, representing 1,655 million liters per month. The total number of retail stations in 2014 (as of December 2014) increased by 1,209 to 24,213. As a result of the government's promotion of alternative energy through the discontinued sale of 91-octane gasoline as of January 1, 2013, onward, the number of service stations selling E20 and E85 gasohol has increased. As of December 2014, E20 and E85 were available at 2,665 and 596 stations, an increase of 620 and 316. Domestic oil traders revealed their plans to continuously expand their sale of renewable/alternative energy in response to the government's Alternative Energy Development Plan (AEDP) and the larger number of vehicles. Oil retailers have now improved their stations' features and appearances with supplementary services and facilities to provide consumers with more choices while enhancing their competitiveness. Some domestic oil retailers are trying to stretch their networks into neighboring countries to capitalize on the imminent AEC.

Total Number of Service Stations, 2014



Source : Department of Energy Business

In the lubricant market, traders under Article 7 were affected by the sluggish domestic economy with a 2.9% drop in sales volume to 30.4 million liters per month (as of November 30, 2014). The automotive lube oil segment, which commands a 60% share of the market, grew with economic expansion. The lubricant market is generally dictated by the country's economy and the government policy. In a related move, traders under Article 7 are also looking to expand their distribution channels in neighboring countries.



Organization Growth and Development

In 2015 Bangchak Petroleum PCL will be completing three decades of sustainable growth in parallel with stewardship of the environment and society. Through the years, the company has adhered to its business culture (Develop sustainable business, while safeguarding the environment and society). Meanwhile, it has also continually applied the Sufficiency Economy principles, good governance, and social responsibility to its business management so as to achieve corporate goals. Bangchak is committed to business development to grow into a “green energy company”, striking a fine balance between business value and environmental/social worth.

In creating business value, Bangchak sets a goal of growth to add sustainable value in tandem with social and environmental stewardship. Specifically, it restructured its refining income, formerly accounting for 70% to 30% for the marketing business. Recognizing high volatility facing the refining business, as well as volatile oil prices and refining margins subject to global and regional economies, which affect its performance, Bangchak set its goal in 2020 for the refining income at 50% versus 50% for emerging businesses, including clean-energy business and other energy businesses. These emerging businesses command steady income and low risks posed by external factors. They include solar power generation and other alternative energy, including biodiesel production from palm oil, ethanol production from Energy Crops, biogas and biomass energy, including the petroleum exploration and production (E&P) business to secure oil supply.

One of Bangchak’s goals is to invest in developing current businesses through investment in the 3E Project, encompassing efficiency, energy, and the environment. To elaborate, it seeks to develop the Continuous Catalyst Regeneration to replace the old unit with efficient technology, marked by efficiency, improved energy consumption, and longer operating periods before maintenance. Also, it seeks to erect a cogeneration power plant to raise its energy reliability and consume natural gas, a greener fuel, while heightening safety and environmental. In addition, Bangchak has planned its marketing expansion by setting a goal for sales volumes of 120 thousand barrels per day (KBD); developing high-quality products and services to match consumers’ needs; and modernizing its service station format while growing its service station network to cover more high-potential areas. That way, Bangchak service stations may become rest areas with diverse services matching customers’ needs and maximizing their satisfaction.

For new-venture investment, Bangchak still focuses on alternative energy business, including solar power plant, geothermal energy, ethanol production, crude palm oil-based biodiesel, waste-to-energy power plant, biogas energy, and biomass gas to sustain and promote the growing demand for alternative/renewable energy. At the same time, Bangchak is moving to invest in the petroleum exploration and production business (E&P) so as to enhance oil and energy security, as well as constantly investing in other promising businesses in and outside Thailand.



At the same time, Bangchak focuses on organizational development. Eyeing system and work process development for greater efficiency, transparency, and international competitiveness, Bangchak has applied the TQA (Thailand Quality Award) criteria to its own development efforts in its stride toward management excellence. To achieve this, it focuses on clear operational approaches with comprehensive implementation so that the approaches can be assessed and improved, then coordinated under uniform directions toward corporate goals. In personnel development, Bangchak strives to become Thailand's Best Employer by defining personnel improvement plans under the framework of four main factors for today's human resources administration: employee engagement, efficient corporate administration, an interesting and attractive employer brand; and high-performance culture.

Besides managing businesses to boost value in a secure, continued manner, Bangchak relies on a policy to create Green Society by erecting a model, marked by Green Process (preserve the environment at every stage of production), Green Product (sell alternative/renewable energy that is environment-friendly), and Green Office (green hiring and procurement, application of energy-saving corporate resources). At the same time, the company must expand its Green Society network to its affiliates, business partners, and stakeholders, which include society and communities around its refinery. This is achieved through its Thailand Go Green activities, purchase of second-hand vegetable oil, and continual environmental/social promotional activities. Finally, the company's goal is to continually foster innovations of the Green Society network and expand in ASEAN, with an ultimate aim to become ASEAN's Innovative Green and Clean Company Leader.

Thanks to the concept of sustainable management to strike a balance between value and merit, Bangchak has included a social and environmental KPI as a corporate KPI, thus enabling it to properly cascade its social and environmental goals into action through its sections and departments. In other words, various action plans must link to or must not conflict with such goals. The direction for social and environmental management relies on key strategies for managing businesses for sustainability as follows.

1. Open, Transparent and Verifiable

The Company adheres to an open, transparent and verifiable policy in its operations. Operational data are transparently disclosed under good corporate governance and The Stock Exchange of Thailand rules. Applying proactive environmental management, it discloses the actual data on quality of air and effluents around the refinery by posting such information at the entrance to the refinery and in surrounding communities.

2. Socially and Environmentally Friendly Business Models (In-process)

Aware that business operations that lack social and environmental activities are unsustainable, the Company is determined to do business in such a way that not only can it sustain continuous growth, but also simultaneously generate positive impacts on society and the environment. Such a model that the Company has been operating successfully is the cooperation of retail stations and agricultural cooperatives. Also, Bangchak buys agricultural products of communities for use as its sales promotional giveaways to grow these products' markets, while giving these products access to consumers. Bangchak joined the Ministry of Agriculture and Cooperatives, Ministry of Energy, and Bank for Agriculture and Agricultural Cooperatives in developing a new business of turning deserted orange groves into an oil palm plantation to generate income for Rangsit farmers in line with the public sector's alternative/renewable energy promotion plan. A by-product is that Rangsit areas will absorb water to counter land subsidence and floods that may ravage Bangkok Metropolis.

3. Carbon Neutral Company

Aware that the refining business consumes a large amount of energy and emits considerable carbon dioxide, Bangchak therefore aims to become a Low-Carbon Company to minimize impacts from its refining business as a result of its continuous efforts on clean energy business development, be it a 118-MW PPA solar power plant, palm oil biodiesel plants, tapioca-based ethanol production plants, diesel production from weeds, energy efficiency improvement or the use of clean fuels in the refinery.

Such balanced business management goals backed by determined and ethical staff-committed to the employee culture and values-will enable the Company to add value to business as well as society and the environment and become an organization of sustainable growth.





Capital Structure

Common shares

As of year-end 2014, the Company's registered capital amounted to Baht 1,531,643,461 of which Baht 1,376,923,157 was paid up. An equal number of common shares were issued at a par value of one Baht each.

Loans and debentures

As of December 31, 2014, Bangchak's domestic and offshore loans (in the form of long-term Bank loans) amounted to Baht 15,110.04 million, and domestic debentures (specifying holders, unsubordinated, unsecured, and no holders' representatives) amounted to Baht 13,000 million, the latter of which are due for redemption as follows: Baht 2,000 million in the 2017, Baht 4,000 million in 2019, Baht 2,500 million in 2012, Baht 1,000 million in 2022, and Baht 2,500 million in 2024. These are rate at A-by Tris Ratings Co., Ltd., with a stable outlook. Details about these loans and debentures appear in the notes to the financial statements for the year ended on December 31, 2014.

Shareholders

| Top 10 Major Shareholders (as of September 9, 2014) | Number of Shares | Shareholding (%) |
|---|---------------------|---------------------|
| 1. PTT Plc | 374,748,571 | 27.22 |
| 2. Ministry of Finance | 137,442,767 | 9.98 |
| 3. Thai NVDR Co., Ltd. | 64,873,004 | 4.71 |
| 4. STATE STREET BANK EUROPE LIMITED | 43,450,960 | 3.16 |
| 5. AIA Company Limited-DI-LIFE | 36,272,969 | 2.63 |
| 6. Krungsri Dividend Stock LTF | 35,917,300 | 2.61 |
| 7. Social Security Office (2 cases) | 26,528,826 | 1.93 |
| 8. Deutsche Bank AG Singapore (DCS) a/c The Navis Asia Navigator Master Fund | 25,052,900 | 1.82 |
| 9. HSBC (SINGAPORE) NOMINEES PTE LTD | 20,590,909 | 1.50 |
| 10. Bangkok Life Assurance PCL | 20,201,200 | 1.47 |
| Top 10 Total | 785,079,406 | 57.03 |
| Grand Total | 1,376,923,157 | 100.00 |

• Shareholders through Thai NVDR Co., Ltd.

| Top Major Shareholders (as of September 9, 2014) | Number of Shares | Shareholding (%) |
|---|---------------------|---------------------|
| 1. CHASE NOMINEES LIMITED | 12,640,100 | 19.48 |
| 2. BNY MELLON NOMINEES LIMITED | 9,684,300 | 14.93 |
| 3. THE BANK OF NEW YORK MELLON | 8,219,000 | 12.67 |
| 4. RBC INVESTOR SERVICES BANK S.A. | 7,124,300 | 10.98 |
| Total | 37,667,700 | 58.06 |
| Grand Total | 64,873,004 | 100.00 |

Note : The shareholders no. 1 and 2 who were nominee account. The company's investigation at Thailand Securities Depository Co., Ltd., found that the ultimate shareholders' name could not be disclosed.

Dividend policy

The Company has the policy to pay out dividend to the shareholders at the rate of not less than 30 percent of net profit of after deduction of allocation of legal reserve. However, this is subject to the economic situation, the Company's cash flow and investment plans of the Company and its subsidiaries according to the necessary, appropriation and other concerning as the Board of Directors' consideration.

Subsidiaries' dividend policies

• **Bangchak Green Net Co., Ltd.**

For a given fiscal year, the holders of preferred shares are entitled to annual dividends equivalent to the average daily interest rates for one-year fix deposits announced by Krungthai Bank Plc plus 3%. Dividends are paid in proportion to each paid-up share value when the dividends are paid out as stated in the resolution of the annual general meeting of shareholders (AGM). For a given year, if the company's profit is less than the dividends calculated for holders of preferred shares, all dividends are to be paid from such profit to holders of preferred shares only, and none is to be paid to holders of common shares. Any outstanding dividends for holders of preferred shares will be carried forward or accumulated to the following year along with those for the holders of common shares. For a given year, if the company's profit exceeds the dividends calculated for holders of preferred shares, the AGM will approve dividends for holders of common shares, case by case.

• **Bangchak Biofuel Co., Ltd.**

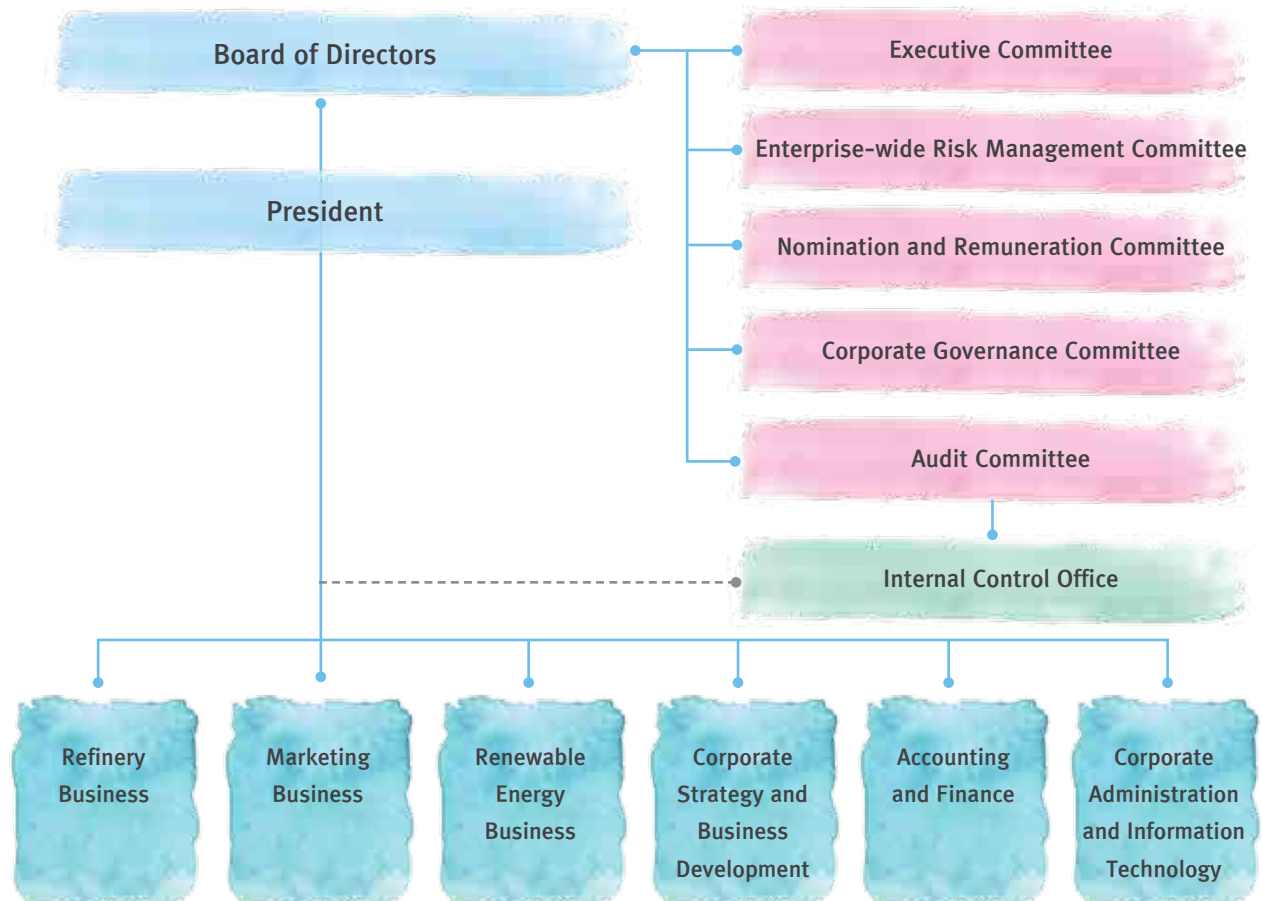
Dividend payment must have the approval of an AGM and will be made only when the company has allocated at least 5% of its net profit in a given year as provisional capital until the provisional capital reaches 10% of the registered capital. The Board may consider interim dividend payment to shareholders but not as long as it still has cumulative losses.

• **Bangchak Solar Energy Co., Ltd., and its subsidiaries**

This company's dividend payment is no lower than 80% of the net profit appearing in its particular financial statements after deducting all provisions under the company's regulations and under the law, subject to the cashflow remaining after deducting the company's annual obligations and annual investment plan requirements, together with other considerations considered suitable and essential by its board of directors.



Management Structure



Note : The Audit Committee determines and evaluates the Internal Control Office's annual performance to ensure corporate governance and the independence of the Internal Control Office.

1. Board of Directors

According to the Company's regulations, the Board of Directors consists of at least five and no more than fifteen directors and at least half of the directors must reside in the Kingdom without sex discrimination. The directors must carry out their duties under the laws, objectives and regulations of the Company, as well as the resolutions of shareholders' meetings, safeguarding the Company's benefit and assign Company Executives to work on their behalf. For instance, the President has the authority to allocate the annual budget, pay for the Company's activities according to the contract or other commitments as approved by the authorized person, administration and procurement and sale of petroleum products etc.

The Board of Directors consists of 15 directors as follows:

| Name | | | Position |
|------|-----------------------|---------------|--|
| 1. | Mr. Pichai | Chunhavajira | Chairman |
| 2. | Prof. Dr. Chai-Anan | Samudavanija | Vice Chairman (Independent Director) |
| 3. | Asst.Prof.Dr. Anusorn | Tamajai | Independent Director |
| 4. | Mr. Surin | Chiravisit | Independent Director |
| 5. | Mr. Suthep | Wongvorazathe | Independent Director |
| 6. | Mrs. Arunporn | Limskul | Independent Director |
| 7. | Pol.Lt.Gen. Chaiwat | Chotima | Independent Director |
| 8. | Maj.Gen.Apirat | Kongsompong | Independent Director |
| 9. | Mr. Krairit | Nilkuha | Director |
| 10. | Mr. Prasong | Poontaneat | Director |
| 11. | Mr. Sarakorn | Kulatham | Director |
| 12. | Mr. Chaiwat | Kovavisarach | Director |
| 13. | Mr. Vikrom | Koompirochana | Director |
| 14. | Mr. Wirat | Uanarumit | Director |
| 15. | Mr. Vichien | Usanachote | President and Secretary to the Board of Directors |

Note : The names and number of the authorized directors who have authority to sign on behalf of the Company are: Mr. Pichai Chunhavajira jointly with Mr. Vichien Usanachote with affixation of the Company's seal or any one of these two directors signs jointly with Mr. Chai-Anan Samudavanija or Mr. Krairit Nilkuha or Mr. Sarakorn Kulatham or Mr. Surin Chiravisit or Mr. Chaiwat Kovavisarach or Mr. Suthep Wongvorazathe or Mr. Vikrom Koompirochana or Pol.Lt.Gen. Chaiwat Chotima or Maj.Gen.Apirat Kongsompong or Mr. Wirat Uanarumit, being two persons, with affixation of the Company's seal.

Independent Directors

The present Board of Directors consists of 7 Independent Directors, which is more than one third of all Directors. According to the Company's policy, the Chairman of the Board must not be the same person as the President. Additionally, the Chairman must not hold any position in the appointed Sub-committee (sometimes called Committee) in view of clear-cut responsibilities and duties. The Board of Directors gives consent of the definition and qualifications of Independent Directors, the regulations of which are more stringent than those of the Securities and Exchange Commission (SEC) and Stock Exchange of Thailand (SET), as committed to good governance as follows:

1. Hold no more than 0.5 % of the overall shares in the Company, subsidiaries, associated companies, or person(s) with potential conflicting interests.
2. Take no part in the administration, including not being an employee, personnel, permanent advisor, professional advisor to the Company such as an auditor, lawyer or authorized person of the Company or subsidiaries, or Associated companies, or person(s) with potential conflicting interests and with no invested interest for no less than two years and can attend the Directors' meetings with independent opinions.
3. Have no business connection, no vested interest, whether directly or indirectly, financially or administratively, including not being a client, partner, supplier, trade or creditor/debtor of the Company, subsidiaries, associated companies, or person(s) with potential conflicts of interest and thus lacking independence.

4. Are not close relatives of the Executives or major shareholders of the Company, subsidiaries, or associated companies, or person(s) with potential conflicting interests and not appointed as a representative to protect the interest of Directors and/or major shareholders.

Directors from major shareholders

- | | | |
|-----------------|---------------|---|
| 1. Mr. Krairit | Nilkuha | Representative from Ministry of Finance |
| 2. Mr. Prasong | Poontaneat | Representative from Ministry of Finance |
| 3. Mr. Sarakorn | Kulatham | Representative from PTT Plc |
| 4. Mr. Chaiwat | Kovavisarach | Representative from PTT Plc |
| 5. Mr. Vikrom | Koompirochana | Representative from PTT Plc |
| 6. Mr. Wirat | Uanarumit | Representative from PTT Plc |

Note : Board Meeting No. 12/2014 of December 19, 2014, appointed Mr. Chaiwat Kovavisarach, as President, effective from January 1, 2015, which in effect removed him from PTT Plc's representation.

Appointment and dismissal of Directors

1. Shareholder's meetings elect Directors through majority voting with one shareholder holding one vote per share held and can elect Directors individually. The candidates with the most votes are to be appointed Directors up to the number open at the meeting. If more candidates receive equal votes than the number of Directors required, the Chairman of the meeting must cast a deciding vote.
2. In every Annual General Meeting (AGM), one-third of the Directors must retire. If this number is not a multiple of three, then the number nearest to one-third. The names of the Directors to retire during the first and second year after the Company was registered are to be drawn by lots if not agreed otherwise. For subsequent years, those with the longest terms must retire. The retired Directors can be re-elected.
3. Other than the completion of term, a Director may retire for to the following reasons:
 - death
 - resignation (effective from the date the Company receives the letter of resignation)
 - lack of qualifications according to Article 68 of the Public Company Limited Act 1992
 - decision of the shareholders' meeting to resign according to Article 76 of the Public Company Limited Act 1992
 - court order
4. In case a Director's position is vacant due to other reason than the completion of term, the Board of Directors is to elect a candidate with qualifications according to the Company's regulations in the next meeting except when the Director's term is to be completed in less than two months. At least, a three-quarter vote of the Directors present at the meeting is required. The elected Director holds the position until the completion of term of the Director they have replaced.

Terms of Directorship

The company decided that directors can serve for maximum consecutive terms as follows:

“The appropriate term for directorship is no more than three consecutive terms (from 2008 onward) except for when a director is deemed suitable to hold the position for a longer period. The Board will consider the independence and effectiveness of the director who is under consideration and defend their decision to the shareholders.”

Directors do not hold more than three consecutive terms, meaning that they cannot serve for more than nine years (three years in each term) to allow the Company to find other qualified Directors for the maximum benefit of the Company.

Roles, duties and responsibilities of the Board of Directors

1. Each newly elected Director must attend an orientation course on the Company's business.
2. Carry out duties under laws, objectives and regulations of the Company as well as resolutions of shareholders' meetings with honesty, protect the Company's benefit and have accountability to the shareholders.
3. Define the Company's policy and direction and monitor and supervise management so that they may work efficiently and effectively according to the Company's policy and regulations under corporate governance practices so as to maximize economic value and shareholders' wealth.
4. Follow-up on the Company's activities at all times and act according to the laws and regulations pertaining to the Company's contracts by assigning management to report the Company's performance and important matters to the Board of Directors at its monthly meeting so that the Company's business may run effectively.
5. Regularly and truthfully report to the shareholders on the Company's situations, including the Company's future trends, whether positively or negative, with sufficient rationale.
6. Ensure that the Company possesses an effective and reliable accounting system, financial report, internal controls and internal audit.
7. Regularly review the corporate governance policy.
8. Play an important role in risk management through appropriate and sufficient risk management guidelines and measures, with regular monitoring.
9. Ensure that management treats all stakeholders ethically and equally.
10. Independent and external Directors are prepared to express their opinions freely formulating strategies, management, use of resources, appointment of Directors and business standard as well as to disagree with other Directors or the administration in conflicts that affect the equality of all shareholders.
11. If necessary, the Board of Directors may seek professional opinions from external advisers on Company performance at the expense of the Company.

12. Appoint a Company Secretary according to the Securities and Exchange Act to prepare and maintain documents and other matters as determined by the Capital Market Supervisory Board as well as to facilitate the Board's and the Company's business, such as meetings of the Board and shareholders, regularly provide the Directors and the Company with legal advice and remind them of the various regulations that they need to know and comply with, as well as ensuring that Directors and the Company disclose correct, complete and transparent information.
13. Provide a code of conduct, code of ethics as working guidelines in the Company.
14. Undertake no securities transactions at least one month before budget announcement and at least three days after budget announcement.
15. Report on one's own portfolio of securities, as well as those of their spouses and children not yet of legal age in the Company and subsidiaries to the monthly Board of Directors meeting and must report to the Company without delay in the following cases:
 - Have vested interests, whether direct or indirect, in any of the Company's contracts within the accounting year.
 - Hold shares or debentures in the Company or the Subsidiaries companies.
16. Attend at least one training course organized by Thai Institute of Directors Association (IOD), such as Director Accreditation Program (DAP) or Director Certification Program (DCP) or equivalent, to increase expertise at work.
17. The Directors who are not executives must annually evaluate the President.
18. The Directors who are not executives and Independent Directors may convene among themselves as necessary at least twice a year to discuss relevant management problems without the management's attendance, and report the findings of the meeting to the President.
19. Each Director cannot hold a Director position in a listed company in SET and subsidiary company more than four companies.

According to laws, the Company's article of association and regulations, the Key matters reserved for the Board's approval include the annual business plan and budget, dividend policy, management restructuring.

Meetings of the Board of Directors

The Board of Directors set the timetable for its official meetings in advance. The Chairman and the President jointly consider the items to be included in the agenda. The meeting is set once every month on the last Tuesday of the month, with additional extraordinary meetings as appropriate. The Secretary to the Board of Directors Office ("SBO") will send out invitation letters with the agenda attached and complete meeting documents to each Director at least seven days in advance so that the Directors may have sufficient time to study and review the documents before the meeting and ask additional questions to the vice president of SBO. Each Director may add other significant businesses as matters for deliberation at the meetings by informing SBO.

According to corporate governance policy, Each Board meeting should be attended by at least three-quarters of all directors, and voting is to be decided by a majority of at least three-quarters of all attending directors. Each year, directors should attend no less than 75% of all Board meetings. (Directors should attend the meeting at least 9 of 12 times a year)

In the meetings, the Chairman of the Board provides leadership and control to ensure smooth meetings, while encouraging all directors to fully participate and display capability. The minutes of meetings are undertaken in written form with complete information. The certified minutes are maintained, so that Directors and relevant persons can check, with a good filing system. Amendments cannot be made without the consent of the Board. Each meeting lasts approximately three hours.

In 2014, the Board convened in twelve general meetings. Moreover, the Company held an annual seminar between the Board and the management on organizational strategies to review its vision and set organizational goals for 2015-2020 in line with its vision, mission, and values together with assessment of business settings and situations, including a study tour in Thermal Waste Treatment Plant at Vienna, Austria. The detail of each Director's meeting attendance is as follows:

| Names | | Meeting attendance/all meetings (Times) | | | Remark |
|--------------------------|---------------|--|---------|-------|---|
| | | General meetings | Seminar | Total | |
| 1. Mr. Pichai | Chunhavajira | 12/12 | 1/1 | 13/13 | Started on April 9, 2014 Started on September 26, 2014 |
| 2. Prof. Dr. Chai-Anan | Samudavanija | 11/12 | 1/1 | 12/13 | |
| 3. Asst.Prof.Dr. Anusorn | Tamajai | 12/12 | 1/1 | 13/13 | |
| 4. Mr. Surin | Chiravisit | 12/12 | 1/1 | 13/13 | |
| 5. Mr. Suthep | Wongvorazathe | 11/12 | 1/1 | 12/13 | |
| 6. Mrs. Arunporn | Limskul | 12/12 | 1/1 | 13/13 | |
| 7. Pol.Lt.Gen. Chaiwat | Chotima | 9/9 | 1/1 | 10/10 | |
| 8. Maj.Gen.Apirat | Kongsompong | 2/3 | 1/1 | 3/4 | |
| 9. Mr. Krairit | Nilkuha | 12/12 | 1/1 | 13/13 | Started on October 27, 2014 Retired on December 31, 2014 by the Contract Resigned on August 29, 2014 Resigned on September 25, 2014 |
| 10. Mr. Prasong | Poontaneat | 11/12 | 1/1 | 12/13 | |
| 11. Mr. Sarakorn | Kulatham | 12/12 | 1/1 | 13/13 | |
| 12. Mr. Chaiwat | Kovavisarach | 12/12 | 1/1 | 13/13 | |
| 13. Mr. Vikrom | Koompirochana | 12/12 | 1/1 | 13/13 | |
| 14. Mr. Wirat | Uanarumit | 2/2 | 1/1 | 3/3 | |
| 15. Mr. Vichien | Usanachote | 12/12 | 1/1 | 13/13 | |
| 16. Gen. Dapong | Ratanasuwan | 8/8 | 0/0 | 8/8 | |
| 17. Mr. Supattanapong | Punmeechaow | 7/9 | 0/0 | 7/9 | |

According to corporate governance policy, the Board of Directors agreed on joint meetings for independent Directors on June and October, and for non-executive Directors on July and November, before the Board of Directors meeting. The non-executive Directors and Independent Directors convened without the management's attendance to discuss general problems of the Company's management and corporate governance, then inform the President so that the management may take due action.

Assessment of directors' performances

In line with the corporate governance policy and to let the directors jointly review their performances and shortcomings for further improvement, the Board developed a performance assessment form for directors to be filled at least annually. With a scoring system of 100%; >85%=excellent, >75%=very good, >65%=good, >50%=fair, ≤50%=improvement needed, the summary of this assessment was presented to the Board:

1) Individual directors

- **Self-assessment** relies on three topics, namely responsibility for their roles, training and self-development, and conformance to the corporate governance policy. The overall summary of assessment findings showed an average score of 95.5%, regarded as excellent.
- **Cross-assessment by group** (3-4 unnamed directors assessing another director) relies on two topics, namely responsibility for their roles and directors' independence. The overall summary of assessment findings showed an average of 96.2%, regarded as excellent.

2) Entire Board*

relies on eight topics, namely Structure and Skills, Strategic Direction and Planning, Policy, Monitoring and Supervision, Accountability, CEO and Succession, Leadership and Teamwork, and Agendas, Papers, Meetings and Minutes. The overall summary of assessment findings showed an average score of 85.0%, regarded as excellent.

3) Sub-committees

relies on responsibilities and meetings; the evaluations of all Committees were as follows:

- Audit Committee, the group evaluation had the average score of 97.3%, rated excellent.
- Nomination and Remuneration Committee, the group evaluation had the average score of 90.8%, rated excellent.
- Corporate Governance Committee, the group evaluation had the average score of 95.0%, rated excellent.
- Enterprise-wide Risk Management Committee, the group evaluation had the average score of 96.3%, rated excellent.

* *For continuously improving the assessment of directors' performances, in 2014 Bangchak commissioned Governance Matters, a seasoned consultant on corporate governance from Australia for public and private governance with over 20 years' experience, with the performance assessment of the entire board.*

Orientation for New Directors

The Company organized an orientation course for new Directors by presenting an overview of the Company's business, as follows:

- Operational framework (laws, cabinet decisions, regulations, rules)
- Information on the Company's business profile and activities
- The Company's important projects
- Organizational and business development
- Corporate governance policy
- Corporate social responsibility

Additionally, the Company organized Company visits for new Directors, including the refinery, terminal and service stations and provided the information files of the Board of Directors and the Executives in pdf file as a handbook/introduction of the Company to the new Directors as a guideline to oversee the Company's activities in the following topics:

- The Company's vision, mission, value statement and objectives
- Organizational and business development
- Profiles summaries of Directors and the Executives
- Qualifications and remuneration of Directors
- Roles, duties and responsibilities of Directors
- Management structure
- Information on the Company's establishment
- Corporate governance policy and risk management handbook
- The Company's memorandum of association, company affidavit, regulations and rules

Training of the Board of Directors

The Company promotes opportunities for the Board of Directors to pursue further study and training so as to increase knowledge and understanding of corporate governance principle, rules and regulations, as well as roles and duties of the Board of Directors so that they may work efficiently and ethically. In 2014, the Directors who attended the training courses / seminars organized by the IOD and other organizations are as follows:

- Advanced Audit Committee Program (AACP15/2014) : Asst.Prof.Dr. Anusorn Tamajai
- Director Certification Program (DCP194/2014) : Pol.Lt.Gen. Chaiwat Chotima
- Financial Statements for Directors (FSD25/2014) : Pol.Lt.Gen. Chaiwat Chotima
- Successful Formulation and Execution of Strategy (SFE20/2014) : Mr. Vikrom Koompirochana

At present, there are 6 and 10 out of 15 Directors had attended the Director Accreditation Program (DAP) and Director Certification Program (DCP), respectively. The Company also applied all Directors for IOD membership to receive news and information, and when the Company received documents announcing news on training courses and documents attached to the training courses concerning the Board of Directors, such information would be forwarded to the Directors for further study.

Summary of the Board of Directors' attendance in major training course as follows:

| Names | | DAP | DCP | Remark |
|--------------------------|---------------|------|------|---|
| 1. Mr. Pichai | Chunhavajira | 2006 | 2011 | |
| 2. Prof. Dr. Chai-Anan | Samudavanija | 2010 | - | |
| 3. Asst.Prof.Dr. Anusorn | Tamajai | 2004 | 2003 | |
| 4. Mr. Surin | Chiravisit | - | 2010 | |
| 5. Mr. Suthep | Wongvorazathe | 2005 | - | |
| 6. Mrs. Arunporn | Limskul | - | 2012 | |
| 7. Pol.Lt.Gen. Chaiwat | Chotima | | 2014 | Started on April 9, 2014 |
| 8. Maj.Gen.Apirat | Kongsompong | - | - | Started on September 26, 2014 |
| 9. Mr. Krairit | Nilkuha | - | - | |
| 10. Mr. Prasong | Poontaneat | - | 2006 | |
| 11. Mr. Sarakorn | Kulatham | - | - | |
| 12. Mr. Chaiwat | Kovavisarach | - | 2013 | |
| 13. Mr. Vikrom | Koompirochana | 2007 | - | |
| 14. Mr. Wirat | Uanarumit | - | 2001 | Started on October 27, 2014 |
| 15. Mr. Vichien | Usanachote | - | 2006 | Retired on December 31, 2014 by the Contract |
| 16. Gen. Dapong | Ratanasuwan | 2011 | - | Resigned on August 29, 2014 |
| 17. Mr. Supattanapong | Punmeechaow | - | 2010 | Resigned on September 25, 2014 |

2. Committees

The Board of Directors elected Sub-committees (or Committees) to facilitate the Company's business, undertaking with five sub-committees as follows:

1. Audit Committee (Audit Committee-AC)

The present Audit Committee consists of three Directors, all of whom are Independent Directors and one of whom is specialist in accounting and finance or audit. Their responsibilities are assigned by the Board of Directors in written form in the Audit Commission charter. Their meetings are to be convened at least once per quarter. The names of the Audit Committee are:

| Name | Position |
|----------------------------------|--|
| 1. Asst.Prof.Dr. Anusorn Tamajai | Chairman and Independent Director with expertise in accounting and finance |
| 2. Mr. Suthep Wongvorazathe | Member and Independent Director |
| 3. Mrs. Arunporn Limskul | Member and Independent Director |

** If necessary, the Audit Committee may seek advice from outside independent advisers, the expense paid by the Company.*

Scopes, duties and responsibilities

1. To ensure accuracy and adequacy of the Company's financial reporting according to the Accounting Principles governed by laws.
2. To ensure that the Company has suitable and efficient internal control system and internal audit and to assure the efficiency and adequacy of the risk management system.
3. To review the Company performance to ensure compliance with the securities and exchange law, regulations of the Exchange or laws relating to business of the Company.
4. To review a connected transaction or transaction that may lead to conflict of interest to ensure compliance with the laws and regulations of the Exchange.
5. To inspect and consider with the management on the defects that have been found out and on the responses from the management.
6. To empower the auditing and investigating all related party under the authorization of the Audit Committee and also to authorize in hiring an expert so as to audit and investigate in compliance with the Company's regulations.
7. To prepare a report on monitoring activities of the Audit Committee and disclose it in an annual report of the Company, and have such report signed by Chairman of the Audit Committee.
8. To consider, select, nominate the person who is independent to be the Company's auditor, recommend remuneration of the Company's auditor and, at least once a year, attend the private meeting with an auditor without management.
9. To consider auditing scopes and plans of the external auditor and the internal control office so that they are contributory to each other and to reduce double operations as concerns financial auditing.
10. To approve Charter, audit work plans, budget, training plans and manpower of the Internal Control Office
11. To appoint, transfer, and undertake annual evaluation of the Vice President of Internal Control Office and review the independence of Internal Control Office.
12. To review the efficiency and effectiveness of internal control and risk management focusing on the issue of information technology.
13. In performing the duty of the Audit Committee, if there is transaction or act which could extremely affect the Company's financial status and the Company's performance, namely
 - (1) transaction which lead to conflict of interest
 - (2) dishonest, extremely unusual or remiss Internal Control system
 - (3) breaking the securities and exchange law, regulations of the exchange or laws relating to business of the Company,

The Audit Committee has to report the Company's Board of Directors so as to modify and revise within prescribed time. If the Audit Committee or executives does not modify and revise within prescribed time, the Audit Committee is able to report this transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.

14. To perform any other act assigned by the Board of Directors with approval of the Audit Committee.

2. Nomination and Remuneration Committee (NRC)

In compliance with the corporate governance principle of directors in a listed company on SET, the Board of Directors appoints the Nomination and Remuneration Committee to nominate and define criteria for transparent and fair remuneration to Directors and the senior executives in compliance with the charter of the Nomination and Remuneration Committee as follows:

Policy on Director Nomination

"In its nomination of directors, the Company values those that are knowledgeable, competent, and experienced, and command a sound career background, leadership, extraordinary vision, morality, ethics, and attitudes beneficial to the Company. They must be able to devote adequate time to their duties to benefit the Company's business. Also, the Company takes into account Board diversity and develops a board skill matrix to identify the qualifications of those needed, especially the missing skills and qualifications for the prevailing Board's components and structure under its business strategies. It also relies on IOD's Director Pool as a nomination tool. To bolster shareholders' confidence, the process must be transparent."

Policy on Director Remuneration

"To provide remuneration for Directors, the Company will take into consideration the appropriateness of duties and responsibilities as assigned and compared with listed companies on SET with a similar industry and business size. The remuneration for the Directors is sufficient to induce the Directors to work with quality and meet the objectives and business direction as determined by the Company through transparent procedures, giving confidence to the shareholders".

Moreover, the Board of Directors sets the following procedures for the official and transparent nomination of Directors:

1. The Company gives minor shareholders opportunities to submit names of candidates as potential Directors to the Company.
2. The Nomination and Remuneration Committee reviews the structure of Directors in line with the Company's strategies.
3. Define new Directors' qualifications in terms of knowledge, competing and experience in compliance with the Company's objectives and strategies by using the Director Qualifications and Skill Matrix tool.
4. The Committee defines the qualifications needed for the replacement or additional appointment and submits the names of the qualified candidates to the Secretary of the Committee.
5. The Committee selects qualified candidates and submits their name to the Board of Directors for approval.
6. The Board agrees on the list of qualified candidates and submits their names to the AGM for approval.

The Nomination and Remuneration Committee hold at least three meetings a year. At present, there are five members with at least one member with expertise in personnel management as follows:

| Name | | Position |
|------------------------|---------------|--|
| 1. Prof. Dr. Chai-anan | Samudavanija | Chairman and Independent Director |
| 2. Mr. Surin | Chiravisit | Member and Independent Director |
| 3. Mr. Suthep | Wongvorazathe | Member and Independent Director |
| 4. Pol.Lt.Gen. Chaiwat | Chotima | Member and Independent Director |
| 5. Mr. Wirat | Uanarumit | Member and Secretary, Non-executive Director |

Scopes, duties and responsibilities

1. Define required qualifications for potential Directors and President.
2. Recommend qualified candidates for the positions of Directors and President to the Board of Directors.
3. Define criteria of remuneration for Directors and the President.
4. Submit the remuneration for Directors to the Board of Directors and then for the shareholders for approval.
5. Submit the remuneration for the President to the Board of Directors for approval.
6. Review and summarize the President's succession plan every year and report it to the Board of Directors.
7. Perform duties assigned by the Board of Directors.

3. Enterprise-wide Risk Management Committee (ERMC)

The Enterprise-wide Risk Management Committee is responsible for the appropriate management of the Company as assigned by the Board of Directors in written form. The Committee has four members, at least one of whom must be an independent director and knowledgeable in risk management as follows:

| Name | | Position |
|-------------------|-------------|--|
| 1. Mr. Krairit | Nilkuha | Chairman and Non-executive Director |
| 2. Maj.Gen.Apirat | Kongsompong | Member and Independent Director |
| 3. Mr. Prasong | Poontaneat | Member and Non-executive Director |
| 4. Mr. Vichien | Usanachote | Member and Secretary, Executive Director |

Scopes, duties and responsibilities

1. Set policy, strategies and objectives of the enterprise-wide risk management.
2. Develop enterprise-wide risk management system in view of continuous efficiency.
3. Promote enterprise-wide risk management at all levels of the organization.
4. Ensure that the Company has appropriate and efficient risk management.
5. The Chairman of the Enterprise-wide Risk Management Committee reports the findings to the Board of Directors' next meeting.
6. Perform duties assigned by the Board of Directors.

4. Corporate Governance Committee (CGC)

The Corporate Governance Committee is responsible for ensuring that the whole organization has corporate governance in compliance with the guidelines and policy of corporate governance as set by the Board of Directors in written form, as well as continuously improving the principles of corporate governance in line with international standards. The present Committee consists of four members with at least one expert in corporate governance principles in line with international standards as follows:

| Name | | Position |
|-----------------|---------------|--|
| 1. Mr. Vikrom | Koompirochana | Chairman and Non-executive Director |
| 2. Mr. Sarakorn | Kulatham | Member and Non-executive Director |
| 3. Mr. Krairit | Nilkuha | Member and Non-executive Director |
| 4. Mr. Vichien | Usanachote | Member and Secretary, Executive Director |

Scopes, duties and responsibilities

1. Recommend the implementation of corporate governance to the Board of Directors
2. Monitor the work of the Committee and the management in compliance with the principles of corporate governance.
3. Review the implementation of corporate governance by comparing it with international standards and recommend it to the Board of Directors for continual follow-ups.
4. Provide the corporate governance policy to the Company's corporate governance working team.
5. Perform duties assigned by the Board of Directors.

5. Executive Committee (EXC)*

* The Board meeting of August 25, 2014, replaced Strategic Business Investment Committee (SBIC) with an appointed EXC.

The Executive Committee consists of no less than three persons, up to two of whom can be from the management ranks. It can appoint up to two advisers.

| Name | | Position |
|---|---------------|--|
| 1. Mr. Chaiwat | Kovavisarach | Chairman and Non-executive Director |
| 2. Mr. Surin | Chiravisit | Member and Independent Director |
| 3. Mr. Vikrom | Koompirochana | Member and Non-executive Director |
| 4. Mr. Vichien | Usanachote | Member and Secretary, Executive Director |
| 5. Dr. Anusorn | Sangnimnuan | Advisor |
| 6. Senior Executive Vice President, Corporate Strategy and Business Development | | Secretary |

Scopes, duties and responsibilities

- 1) Monitor and assess performance outcomes against corporate strategies addressing such conditions and develop the organization in a sustainable way with due regard for current businesses, limitations, diversity, and ability to grow businesses in and outside Thailand in line with the Board's directions, goals, and policies.
- 2) Screen and monitor projects and investment opportunities in line with Bangchak's strategies before bringing their views up for the Board's approval.
- 3) Provide recommendations and monitor the organizational structure and financial structure that suit Bangchak and bring them up for the Board's approval.
- 4) Review and monitor HR development plans, IT systems, and business process re-design plans to accommodate the organizational structure and HR retention plans in line with emerging strategies with due regard for Bangchak's sustainability.
- 5) Perform duties assigned by the Board of Directors.

And have the authority to:

1. Endorse the transfer of senior vice presidents and executive vice presidents
2. Endorse the hiring of project advisers/consultants worth up to US\$1.5 million
3. Appoint and set compensation for advisers to the Executive Committee
4. Issue directives and summon data from the management as seen fit.

The meetings of the Sub-committees

| Name | | Committees | | | | | | Remark |
|--------------------------|-----------------------------|------------|-------|-------|-----|------|------|---|
| | | AC | NRC | ERMC | CGC | EXC* | SBIC | |
| 1. Mr. Pichai | Chunhavajira ^{1/} | - | - | - | - | - | - | |
| 2. Prof. Dr. Chai-Anan | Samudavanija | - | 10/10 | - | - | - | - | |
| 3. Asst.Prof.Dr. Anusorn | Tamajai | 12/12 | - | - | - | - | - | |
| 4. Mr. Surin | Chiravisit ^{2/} | - | 10/10 | 11/11 | - | 7/7 | - | |
| 5. Mr. Suthep | Wongvorazathe | 12/12 | 10/10 | - | - | - | - | |
| 6. Mrs. Arunporn | Limskul | 12/12 | - | - | - | - | - | |
| 7. Pol.Lt.Gen. Chaiwat | Chotima ^{3/} | - | 8/8 | - | - | - | - | Started on April 9, 2014 |
| 8. Maj.Gen.Apirat | Kongsompong ^{4/} | - | - | 0/1 | - | - | - | Started on September 26, 2014 |
| 9. Mr. Krairit | Nilkuha ^{5/} | - | - | 12/12 | 1/1 | - | - | |
| 10. Mr. Prasong | Poontaneat | - | - | 10/12 | - | - | - | |
| 11. Mr. Sarakorn | Kulatham | - | - | - | 3/3 | - | - | |
| 12. Mr. Chaiwat | Kovavisarach ^{6/} | - | 2/2 | 2/2 | - | 7/7 | 8/8 | |
| 13. Mr. Vikrom | Koompirochana ^{7/} | - | - | - | 3/3 | 7/7 | - | |
| 14. Mr. Wirat | Uanarumit ^{8/} | - | 2/2 | - | - | - | - | Started on October 27, 2014 |
| 15. Mr. Vichien | Usanachote ^{9/} | - | - | 11/12 | 3/3 | 6/7 | 8/8 | Expiry of his contract on December 31, 2014 |
| 16. Gen. Dapong | Ratanasuwan | - | - | - | 2/2 | - | - | Resigned on August 29, 2014 |
| 17. Mr. Supattanapong | Punmeechaow | - | 6/6 | - | - | - | - | Resigned on September 25, 2014 |

* The Board meeting of August 25, 2014 replaced SBIC with an appointed EXC.

Note : ^{1/} Chairman did not join any Committee as member.

^{2/} Appointed as Member of EXC on August 25, 2014 and dismissed from member of ERMC on October 27, 2014

^{3/} Appointed as Member of NRC on April 29, 2014

^{4/} Appointed as Member of ERMC on October 27, 2014

^{5/} Appointed as Member of CGC on October 27, 2014

^{6/} Appointed as Chairman of SBIC and EXC on January 28, 2014 and August 25, 2014, respectively. Dismissed from member of ERMC and NRC on January 28, 2014 and April 29, 2014, respectively.

^{7/} Appointed as member of EXC and CGC on August 25, 2014 and October 27, 2014, respectively.

^{8/} Appointed as Member of NRC on October 27, 2014

^{9/} Appointed as member of SBIC and EXC on January 28, 2014 and August 25, 2014, respectively.

3. Company Secretary

The Board of Directors appoints Ms. Pakawadee Junrayapes, vice president of the secretary to the Board of Directors office, as the Company Secretary responsible for providing legal and regulatory advice to the Board of Directors and the Executives and oversee the Board of Directors' activities, as well as coordinate to ensure that the resolutions of the Board of Directors and the shareholders are in compliance with the Company's corporate governance. Ms. Pakawadee Junrayapes has the profile summary as follows:

Ms. Pakawadee Junrayapes

Vice President and Company Secretary

The Secretary to the Board of the Director office, Corporate Administration and Information Technology

- Age 53
- Education / Training
 - Master of Law, Ramkhamhaeng University
 - Bachelor of Law, Thammasat University
 - Thai Barrister at law, The Institute of Legal Education Thai Bar Association Under The Royal Patronage
 - Certificate in Business Law, Thammasat University
 - Certificate in English for Specific Careers (Law), Sukhothai Thammathirat Open University
 - Executive Development Program (EDP 2012), Ministry of Finance
 - Company Secretary Program (CSP), Thai Institute of Directors (IOD)
 - Director Certification Program (DCP142/2010), Thai Institute of Directors (IOD)
 - Successful Formulation and Execution of Strategy (SFE16/2012), Thai Institute of Directors (IOD)
 - Thailand and the ASEAN Economic Community class 4/2013, King Prajadhipok's Institute
- Experience

The Bangchak Petroleum Public Company Limited

 - 2011-present : Vice President, The Secretary to The Board of the Directors Office, and Company Secretary
 - 2009-2011 : Senior Manager, The Secretary to The Board of the Directors Office, and Company Secretary
 - 2007-2009 : Senior Manager, Legal Office
 - 2004-2007 : Manager, Legal Office
 - 2002-2004 : Manager, Litigation Division
 - 2002-2002 : Manager, Legal Office

Others

 - 2006-2008 : Personal Specialist of National Legislative Assembly Member and Sub-Committee on Energy

The Company Secretary main duties and responsibilities are as follows:

- Give preliminary advice to Directors concerning to laws, company rules and regulations and ensure correct and continuous compliance, as well as reporting on important changes to the Directors.
- Organize shareholders and the Board of Directors meetings to be in compliance with the Company's laws and regulations.
- Prepare minutes of the shareholders and the Board of Directors meetings, as well as monitor the implementation of the shareholders and the Board of Directors resolutions.
- Ensure the disclosure of information and information technology report under responsibilities to the Company's monitoring office in compliance with the Company's rules and regulations.
- Communicate with general shareholders on their rights and the Company's news.
- Oversee the activities of the Board of Directors.

4. Executive Management

The Company's Executive Management (or Management) consists of ten persons, namely:

| Name | | Position |
|--------------------|----------------|--|
| 1. Mr. Vichien | Usanachote | President |
| 2. Mr. Wattana | Opanon-amata | First Senior Executive Vice President, Refinery Business |
| 3. Mr. Yodphot | Wongrukmit | Senior Executive Vice President, Corporate Administration and Information Technology |
| 4. Mr. Bundit | Sapianchai | Senior Executive Vice President, Renewable Energy Business |
| 5. Mr. Surachai | Kositsareewong | Senior Executive Vice President, Accounting and Finance |
| 6. Mr. Pongchai | Chaichirawiwat | Senior Executive Vice President, Marketing Business |
| 7. Mr. Somchai | Tejavanija | Senior Executive Vice President, Corporate Strategy and Business Development |
| 8. Mr. Kiatchai | Maitriwong | Acting Senior Petroleum Refining Executive, Refinery Business |
| 9. Mr. Chalermchai | Udomranu | Executive Vice President, Refinery Business |
| 10. Mr. Phichet | Emwattana | Executive Vice President, Marketing Business |

The Board of Directors' regulations on scopes, duties and responsibilities of the Executive Management

The Board of Directors defines the roles, duties and responsibilities of the Executive Management as follows:

1. Manage the Company's daily operations in compliance with the Company's policy, action plans, objectives, regulations and rules as set by the Board of Directors.
2. Manage operations according to the resolutions of the meetings of the Board of Directors with the allocated budget with sternness, honesty, protecting the best interest of the Company and the shareholders.
3. Regularly report performance and update on the work according to the resolutions and the Company's important performance to the meeting of the Board of Directors at least once a month.
4. Manage the Company' activities in compliance with corporate governance practices as set by the Board of Directors.
5. Refrain from running the business or participate in similar businesses in competition with the Company's business, whether for one's own interest for interest of others, with the exception that one's respective superior and the Internal Control Office have been informed and approves such activity.
6. The President's service as director of other companies or any other position in a business organization must have a prior approval of the Board. Similarly, other executives from vice president upward must have a prior approval of the President. An exception to this is directorship in a joint-venture company, which must have a prior approval of the Board.
7. All senior executives including the first four senior executives after the President, and all those who hold the equivalent position to the fourth senior-most executive, as well as the executive in accounting and finance at the same level as the vice president, must refrain from securities trading at least one month before the announcement of the Company's financial statements and at least three days after such announcement. They have to report the ownership of securities of their own, their spouse and their children not yet of legal age, held in the Company and subsidiaries to the Board of Directors every month and must promptly report to the Company in the following cases:
 - Direct and indirect vested interests with any contract concluded by the Company during the accounting year.
 - Possess shares or debentures of the Company and its Subsidiaries companies.

8. Must participate in courses related to the Company's business and daily operation at the Company's expense, to enhance knowledge and skills to perform duties. As for the Senior Executive Vice Presidents, the Board of Directors encourage them to participate in the Director Certification Program (DCP) organized by the Thai Institute of Directors Association (IOD) or equivalent to enhance understanding of the Director's roles and responsibilities that would lead to effective management of the Company.

Stipulations of the Board of Directors concerning the succession plan and improvement of Executives

The Board of Directors sets a policy to nominate the President and Vice Presidents with appropriate qualifications which any person whether external or internal the Company can apply. The rationale is to suit the Company's situations at that particular time and to prepare Company personnel to work in case the President or Senior Executives could not perform their duties or complete their term. It is also designed to reduce the risk or impact of the non-continuity in the Company's management. The succession plan is thus set. The qualified person is selected by the Nomination and Remuneration Committee, which sets a succession plan for the President and the Senior Executive Vice Presidents under the following procedures:

1. Determine an executive position that needs a succession plan, consisting of the President and Senior Executive Vice Presidents of all business departments.
2. The Nomination and Remuneration Committee determines the competency, experiences and the required level of each position.
3. The Nomination and Remuneration Committee selects qualified executives for the succession in each business department.
4. Assign the President to evaluate the performance and competency of the qualified executives against the required competency to set a plan to develop each person to reduce the competency gap.
5. Assign the Personnel and Management Committee to take charge of training and the development of the competency of qualified executives.
6. The President stipulates the rotation of duties of qualified executives and instructs the Senior Executive Vice Presidents and Executive Vice Presidents to attend the meetings of the Board of Directors to acquire better understanding, experience and readiness in general organizational management.
7. The President regularly reports the performance and the improvement, according to the individual development plan, of the qualified executive to the Nomination and Remuneration Committee.
8. The Nomination and Remuneration Committee annually reviews and summarizes the succession plans for the President and Senior Executive Vice Presidents and reports them to the Board of Directors.

Appointment of Executives

According to the Company's rules, the Board of Directors promotes executives at the level of department. The Board of Directors assigns the Nomination and Remuneration Committee to select executives at the level of Senior Executive Vice President before submitting their names to the Board of Directors.

According to the Board of Director resolution, assign the President to select qualified candidates, appoint as a Director in the associated companies, and submits their names to the Board of Directors for approval. In cases of any changes, The President has to report it to the Board of Directors.

Director and Executives who served positions in the Subsidiaries, associated and other companies

| Name | | Subsidiaries | | | | | | | | | | Associated companies and other companies | | | | | |
|------------------|----------------|--------------|-----|-----|---------|----------|---------|----------|---------|------|------|--|-----|-----|-----|-----|------|
| | | BGN | BBF | BSE | BSE-PRI | BSE-CPM1 | BSE-BRM | BSE-BRM1 | BSE-NMA | BCPE | NIDO | UBE | UBG | UAE | NPE | FPT | APMC |
| 1. Mr. Chaiwat | Kovavisarach | | | | | | | | | | / | | | | | | |
| 2. Mr. Vichien | Usanachote | | | | | | | | | | / | | | | | | |
| 3. Mr. Yodphot | Wongrukmit | / | | | | | | | | | | | | | | | |
| 4. Mr. Bundit | Sapianchai | | / | | | | | | | | | / | | | | | |
| 5. Mr. Surachai | Kositsareewong | / | / | / | | | | | | / | | | | | | | |
| 6. Mr. Pongchai | Chaichirawiwat | / | | | | | | | | | | | | | | | |
| 7. Mr. Somchai | Tejavanija | | | / | | | | | | / | | | | | | | / |
| 8. Mr. Kiatchai | Maitriwong | | | / | | | | | | | | | | | | | |
| 9. Mr. Phichet | Emwattana | | | | | | | | | | | | | | | / | |
| 10. Mr. Dhanajit | Makarananda | | | | | | | | | | | | | | | | |
| 11. Mr. Chokchai | Atsawarangsali | | | | / | / | / | / | / | | | | | | | | |
| 12. Ms. Revadee | Pompatkul | | | | | | | | | | | | | | | | |
| 13. Ms. Naree | Jiamwattanasuk | | | | | | | | | | | | | | | | |



= Chairman



= Managing Director

/ = Director

Note

Subsidiaries companies in which Bangchak directly or indirectly holds more than 50% of total voting stocks, or can influence in the company's financial and management policies

Associated companies companies in which Bangchak or its subsidiaries altogether hold from 20% to 50% of total voting stocks, or take part in decision-making on financial and management policies.

BGN Bangchak Green Net Co., Ltd.

BBF Bangchak Biofuel Co., Ltd.

BSE Bangchak Solar Energy Co., Ltd.

BSE-PRI Bangchak Solar Energy (Prachinburi) Co., Ltd. (BSE's Subsidiary)

BSE-CPM1 Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. (BSE's Subsidiary)

BSE-BRM Bangchak Solar Energy (Buriram) Co., Ltd. (BSE's Subsidiary)

BSE-BRM1 Bangchak Solar Energy (Buriram 1) Co., Ltd. (BSE's Subsidiary)

BSE-NMA Bangchak Solar Energy (Nakhonratchasima) Co., Ltd. (BSE's Subsidiary)

BCPE BCP Energy International Pte. Ltd.

NIDO Nido Petroleum Limited (BCPE's Subsidiary)

UBE Ubon Bio Ethanol Co., Ltd.

UBG Ubon Bio Gas Co., Ltd. (UBE's Subsidiary)

UAE Ubon Agricultural Energy Co., Ltd. (UBE's Subsidiary)

NPE NP Bio Energy Co., Ltd. (UBE's Subsidiary)

FPT Fuel Pipeline Transportation Co., Ltd.

APMC ASEAN Potash Mining Plc

Evaluation of the President and Executives

Non-executive Directors are to evaluate the performance of the President every year. Each year, the Board of Directors evaluates the performance of the President in the form of KPIs against the KPIs stated in the objectives in the hiring contract and action plan that were submitted to the Board of Directors. The President must present his performance in various fields, such as management of the refinery business, marketing business, new business and organizational development, as well as in terms of success, obstacles and social & environment policy and capability to expand opportunities and business competition while responding to the government's assorted policies.

Moreover, senior executive vice president must report their annual performance in the form of KPIs to the Nomination and Remuneration Committee.

5. Remuneration of Directors

The Nomination and Remuneration Committee fairly and sensibly sets the remuneration for Directors in line with the responsibilities of Directors, the financial status, and against other companies listed on SET in a similar industry or business size, as well as comparing the average of listed companies from a survey of remuneration rates of registered Directors of IOD by setting the remuneration in the forms of meeting allowances and bonus. The Directors assigned as Members in various Committees receive additional compensation to reflect additional responsibilities. The Company has sought permission to pay Directors from the meeting of the shareholders as follows:

1) Monthly remuneration and meeting allowance

| Name | Monthly remuneration (Baht per person) | Meeting allowance (Baht per meeting) (only the Directors who attended the meeting) | Remark |
|---|---|--|--|
| The Board of Directors | 30,000 | 30,000 | The resolutions of the 2014 Annual General Meeting of Shareholders on April 9, 2014 |
| Audit Committee | 10,000 | 15,000 | |
| Nomination and Remuneration Committee | - | 15,000 | |
| Enterprise-wide Risk Management Committee | - | 15,000 | The remuneration of other Committees appointed by the Board of Directors is under the consideration of the Board of Directors on the basis of appropriateness and in line with the Members' duties and responsibilities. |
| Corporate Governance Committee | - | 15,000 | |
| Strategic Business Investment Committee (Aborted on August 25, 2014) | - | 15,000 | |
| Executive Committee* (Appointed on August 25, 2014) | 10,000 | 15,000 | |

The Chairman of the Board of Directors and the Committees receive monthly remuneration and meeting allowances amounting to 25 percent higher than other Directors, and the Vice Chairmen receive monthly remuneration and meeting allowances amounting to 12.5 percent higher than other Directors do.

2) Bonuses for Directors

The bonus for each Director is set at 0.75 percent of net profit but altogether no more than 30,000,000 Baht/year for all Directors. However, the President and Vice Presidents receive 25 percent and 12.5 percent higher bonuses.

3) Other Essential Business Expenses

- Position car for the Chairman's business convenience
- Credit card for the Chairman's business use (up to Baht 500,000 / month)
- Fleet card for each director's business use (up to 400 liters / month / director)

4) Others

- Annual physical check-up
- Directors & Officers liability insurance (Limit of liability Baht 250 million)

In 2014, the individual remuneration of Directors was as follows:

| Name | | Remuneration in Baht | | | | | | | | Net total |
|-------------------------|-------------------------------|----------------------|---------|---------|---------|---------|-----------|---------|------------|------------|
| | | BOARD | AC | NRC | ERMC | CGC | EXE | SBIC | BONUS | |
| 1 Mr. Pichai | Chunhavajira | 937,500 | - | - | - | - | - | - | 2,173,916 | 3,111,416 |
| 2 Prof. Dr. Chai-Anan | Samudavanija | 843,750 | - | 168,750 | - | - | - | - | 1,956,524 | 2,969,024 |
| 3 Asst.Prof.Dr. Anusorn | Tamajai | 780,000 | 375,000 | - | - | - | - | - | 1,739,130 | 2,894,130 |
| 4 Mr. Surin | Chiravisit | 780,000 | - | 135,000 | 180,000 | - | 145,000 | - | 1,739,130 | 2,979,130 |
| 5 Mr. Suthep | Wongvorazathe | 750,000 | 300,000 | 135,000 | - | - | - | - | 1,739,130 | 2,924,130 |
| 6 Mrs. Arunporn | Limskul | 750,000 | 300,000 | - | - | - | - | - | 1,262,656 | 2,312,656 |
| 7 Pol.Lt.Gen. | Chaiwat Chotima ^{1/} | 570,000 | - | 105,000 | - | - | - | - | - | 675,000 |
| 8 Maj.Gen.Apirat | Kongsompong ^{2/} | 180,000 | - | - | - | - | - | - | - | 180,000 |
| 9 Mr. Krairit | Nilkuha | 780,000 | - | - | 243,750 | 15,000 | - | - | 1,739,130 | 2,777,880 |
| 10 Mr. Prasong | Poontaneat | 720,000 | - | - | 165,000 | - | - | - | 1,739,130 | 2,624,130 |
| 11 Mr. Sarakorn | Kulatham | 780,000 | - | - | - | 45,000 | - | - | 1,739,130 | 2,564,130 |
| 12 Mr. Chaiwat | Kovavisarach | 750,000 | - | 30,000 | 30,000 | - | 3,331,250 | 150,000 | 1,739,130 | 6,030,380 |
| 13 Mr. Vikrom | Koompirochana | 780,000 | - | - | - | 48,750 | 145,000 | - | 1,262,656 | 2,236,406 |
| 14 Mr. Wirat | Uanarumit ^{3/} | 150,000 | - | 15,000 | - | - | - | - | - | 165,000 |
| 15 Mr. Vichien | Usanachote | 780,000 | - | - | 180,000 | 45,000 | - | 120,000 | 1,739,130 | 2,864,130 |
| TOTAL | | 10,331,250 | 975,000 | 588,750 | 798,750 | 153,750 | 3,621,250 | 270,000 | 20,568,792 | 37,307,542 |

Since the Independent Directors (No. 2-8) did not hold the positions of Directors in subsidiaries or equivalent, there was no remuneration for holding the position.

Note : 1/ Appointed as Member on April 9, 2014

2/ Appointed as Member on September 26, 2014

3/ Appointed as Member on October 27, 2014

Directors who completed their terms and resigned during 2014

| Name | Remuneration in Baht | | | | | | | | |
|--|----------------------|----------|---------------|----------|---------------|----------|----------|------------------|------------------|
| | BOARD | AC | NRC | ERMC | CGC | EXE | SBIC | BONUS | Net total |
| 1. Gen. Dapong Ratanasuwan ^{1/} | 480,000 | - | - | - | 37,500 | - | - | 1,739,130 | 2,256,630 |
| 2. Mr. Supattanapong Punmeechaow ^{2/} | 480,000 | - | 90,000 | - | - | - | - | 300,178 | 870,178 |
| TOTAL | 960,000 | - | 90,000 | - | 37,500 | - | - | 2,039,308 | 3,126,808 |

Note : 1/ Resigned on August 29, 2014

2/ Resigned on September 25, 2014

Directors who completed their terms and resigned during 2013 (and received bonuses for 2013 performance, payable in 2014)

| Name | Remuneration in Baht | | | | | | |
|--|----------------------|----------|----------|----------|----------|------------------|------------------|
| | BOARD | AC | NRC | ERMC | CGC | BONUS | Net total |
| 1. Mr. Issra Shoatburakarn ^{1/} | - | - | - | - | - | 476,474 | 476,474 |
| 2. Mr. Suphon Tubtimcharoon ^{1/} | - | - | - | - | - | 476,474 | 476,474 |
| 3. Mr. Nuttachat Charuchinda ^{2/} | - | - | - | - | - | 1,438,952 | 1,438,952 |
| TOTAL | - | - | - | - | - | 2,391,900 | 2,391,900 |

Note : 1/ Completed their term on April 10, 2013

2/ Resigned on October 30, 2013

Comparison of Remuneration of Directors in 2013 and 2014

| Remuneration | 2013 | | 2014 | |
|-------------------|-----------|-------------------|-----------|-------------------|
| | Directors | Baht | Directors | Baht |
| Meeting allowance | 14 | 14,437,500 | 15 | 17,826,250 |
| Bonus | 14 | 25,000,000 | 15 | 25,000,000 |
| TOTAL | | 39,437,500 | | 42,826,250 |

Note : Bonuses for 2013 performance under the resolution of the 2013 AGM, held on April 10, 2013, and payable in 2014

6. Remuneration of Executives

The Company evaluates the performance of executives every year in the form of KPIs by comparing them with the objectives in the hiring contract and/or action plan presented to the President and/or the Board of Directors, which will be connected to the rate received according to the Board of Directors' regulations. As for the President, the evaluation will be undertaken every year as well by the non-executive Directors as detailed above.

The Nomination and Remuneration Committee sets remuneration which reflects the performance and remuneration according to the standard of various companies in the same industry and submit appropriate remuneration to the Board of Directors for further consideration and approval.

The President and the executives from Executive Vice President upward of the Company, totaling ten persons, received a total of Baht 85,038,866 in remuneration in 2014, detailed as follows:

Remuneration and Provident Fund of Senior Executives

| Remuneration | 2013 | | 2014 | |
|------------------------|---------|------------|---------|------------|
| | Persons | Baht | Persons | Baht |
| Salary | 9 | 51,041,079 | 10 | 55,703,816 |
| Bonus & Retirement pay | 9 | 25,332,389 | 10 | 24,807,602 |
| Provident fund | 9 | 4,353,318 | 10 | 4,527,448 |

7. Personnel

On December 31, 2014, the Company had a total headcount of 1,052:

| Employee | Persons |
|---|---------|
| The President and Internal Control Office | 30 |
| Refinery Business | 505 |
| Marketing Business | 294 |
| Renewable Energy Business | 15 |
| Corporate Strategy and Business Development | 29 |
| Accounting and Finance | 76 |
| Corporate Administration and Information Technology | 103 |

Remuneration of employee

Employee receive remuneration in the form of salary; shift, night shift, overtime, and upcountry pay; operation at the refinery; and discipline remuneration. Employees have the right to apply for membership of “Bangchak Public Company Limited Provident Fund” by choosing the accumulated at a rate of five percent or ten percent of the salary and the Company will pay the same rate to the Fund. In 2014, the Company paid remuneration to the personnel in the form of salary, shift, night shift, overtime, upcountry, refinery stand-by pay, discipline pay, special bonus and other welfare, with a total of 1,295 million Baht.

Significant changes in number employee for the past three years

None (Total employee in year 2012 were 1,027 persons, which increased slightly to 1,052 persons in year 2014)

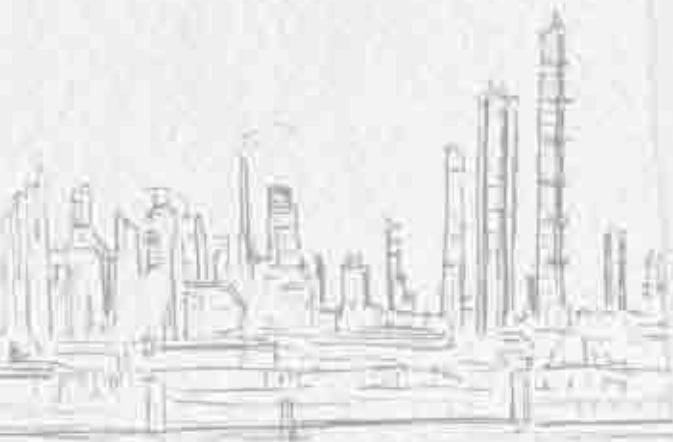
Human Resource Development

Continuously, the Company has focused on personnel development to strengthen their capability and enable their work to correspond to its goals, policies, and directions and enable the Company to remain internationally competitive so as to accommodate the growth of the ASEAN Community (Further details are included in the Sustainability Report).





Board of Directors



1

Mr. Pichai Chunhavajira
Chairman



2

Prof. Dr. Chai-Anan Samudavanija
Vice Chairman (Independent Director)



3

Asst. Prof. Dr. Anusorn Tamajai
Independent Director



4

Mr. Surin Chiravisit
Independent Director

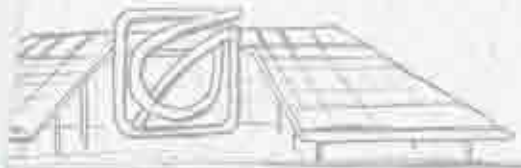


Board of Directors



5

Mr. Suthep Wongvorazathe
Independent Director



6

Mrs. Arunporn Limskul
Independent Director





7 *Pol.Lt.Gen. Chaiwat Chotima*
Independent Director



8 *Maj.Gen. Apirat Kongsompong*
Independent Director



9 *Mr. Krairit Nilkuha*
Director





Board of Directors



10

Mr. Prasong Poontaneat

Director



11

Mr. Sarakorn Kulatham

Director



12

Mr. Chaiwat Kovavisarach

Director

(served as the President since January 1, 2015)





13 *Mr. Vikrom Koompirochana*
Director



14 *Mr. Wirat Wanarumit*
Director



15 *Mr. Vichien Usanachote*
President
(January 1, 2013 - December 31, 2014)





Mr. Pichai Chunhavajira

Chairman and Director with Authorized Signature (Started on April 24, 2012)

- Age 65
- Education / Training
 - B.A. (Accounting), Thammasat University
 - M.B.A. (Business Administration), Indiana University of Pennsylvania, USA
 - Honorary Ph.D. (Accounting), Thammasat University
 - Honorary Ph.D. (Financial Management), Mahasarakham University
 - Public and Private Joint Program (Class 13), National Defence College
 - Certified Auditor
 - Director Accreditation Program (DAP 49/2006), Thai Institute of Directors (IOD)
 - Director Certification Program (DCP 143/2011), Thai Institute of Directors (IOD)
 - Capital Market Academy, Class 5
- Experience
 - 2001 - 2013 : Director, PTT Exploration and Production Public Company Limited
 - 2010 - 2012 : Chairman, Thailoil Public Company Limited
 - 2008 - 2012 : Chairman, Thailoil Ethanol Company Limited
 - 2009 - 2011 : Director, PTT Public Company Limited
: Director, IRPC Public Company Limited
 - 2005 - 2011 : Director, Thai Airway International Public Company Limited
 - 2000 - 2011 : Director, Thailoil Power Company Limited
 - 1998 - 2011 : Director, The Bangchak Petroleum Public Company Limited
 - 2008 - 2009 : Chief Financial Officer, PTT Public Company Limited
 - 2007 - 2009 : Director, PTT Aromatics and Refining Public Company Limited
 - 2005 - 2009 : Director, PTT Chemical Public Company Limited
 - 1999 - 2007 : Director, The Aromatics (Thailand) Public Company Limited
 - 2000 - 2009 : Chairman, Thai Petroleum Pipeline Company Limited
 - 1996 - 2009 : Director, Dhipaya Insurance Public Company Limited
 - 2003 - 2008 : Director and Audit Committee member, Siam Commercial Bank Public Company Limited
 - 2001 - 2007 : Senior Executive Vice President, Finance and Accounting, PTT Public Company Limited
- Other directorship positions / other positions at present
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - None -
 - Non-listed companies
 - Member of Board, Bank of Thailand
 - Consultant, Ubon Bio Ethanol Co.,Ltd.
 - Chairman of Thammasat Association Under The Royal Patronage of His Majesty The King
 - Member of the University Council ,Assumption University
 - Members of the University Council, Thammasat University
 - President Committee of Investment , Social Security Office
 - President, Thailand Boxing Association
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

2

Prof. Dr. Chai-Anan Samudavanija

Vice Chairman (Independent Director) and Director with Authorized Signature (Started on April 24, 2003)
Chairman of the Nomination and Remuneration Committee

- Age 70
- Education / Training
 - Doctorate degree, University of Wisconsin (Madison)
 - Master's degree, University of Wisconsin (Madison)
 - Bachelor's degree, Victoria University of Wellington, New Zealand
 - Certificate, Social Planning, United Nations Asian Institute
 - Honorary doctorate (development administration), National Institute of Development Administration
 - Honorary doctorate, Edgewood University
 - Honorary doctorate and outstanding alumnus, University of Wisconsin (Madison)
 - Honorary degree, National Defence College
 - Honorary doctorate, Chiang Mai University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Role of the Compensation Committee (RCC), Thai Institute of Directors (IOD)
- Experience
 - 2006 - 2008 : Member, National Legislative Assembly
: Chairman, Standing Committee of Education and Sport
: Chairman, Office of the Basic Education Commission
: Director, College of Management, Mahidol University
 - 2005 - 2009 : President, The Royal Institute
: Chairman, Electricity Generating Authority of Thailand
: Chairman, Electricity Generating Public Company Limited
: Chairman of Audit Committee, Krungthai Bank Public Company Limited
: Director, State Enterprise Policy Committee
: Executive Director, National Research Council
: Director, Office of the Public Sector Development Commission (OPDC)
 - 2003 : Vice President, The Royal Institute
 - 1998 - 2000 : Judge, Constitutional Court
 - 1996 - June 2007 : Director, Vajiravudh College
 - 1981 : Fellow of the Academy of Moral and Political Sciences, The Royal Institute
- Other directorship positions / other positions at present
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - None -
 - Non-listed companies
 - Chairman, Institute of Public Policy Studies
 - Member, The National Reform Council
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None



Board of Directors

3

Asst. Prof. Dr. Anusorn Tamajai

Independent Director (Started on April 25, 2002)

Chairman of Audit Committee

- Age 48
- Education / Training
 - Ph.D.Econ. (International economics, finance and development), Fordham University New York, USA
 - M.B.A., Southeastern University
 - M.Econ, Fordham University New York, USA
 - B.A. (Political Science) (Honours), Chulalongkorn University
 - State-enterprise Leadership Development for Senior Managers (Class 2) King Prajadhipok's Institute
 - Director Certification Program (DCP28/2003), Thai Institute of Directors (IOD)
 - Director Accreditation Program (DAP19/2004), Thai Institute of Directors (IOD)
 - Strategy and Policy Development (SPD2004), Thai Institute of Directors (IOD)
 - Audit Committee Program (ACP11/2006), Thai Institute of Directors (IOD)
 - Role of the Chairman Program (RCP19/2008), Thai Institute of Directors (IOD)
 - Role of the Compensation Committee (RCC3/2008), Thai Institute of Directors (IOD)
 - Financial Statement for Directors (FSD6/2008), Thai Institute of Directors (IOD)
 - Monitoring the System of Internal Control and Risk Management (MIR7/2009), Thai Institute of Directors (IOD)
 - Monitoring the Quality of Financial Reporting (MFR8/2009), Thai Institute of Directors (IOD)
 - Successful Formulation and Execution of Strategy (SFE2/2008), Thai Institute of Directors (IOD)
 - How New Foreign Bribery Laws Affect Companies in Thailand, Thai Institute of Directors (IOD)
 - Anti-Corruption for Executive Program (ACEP5/2013), Thai Institute of Directors (IOD)
 - Advanced Audit Committee Program (AAP16/2014), Thai Institute of Directors (IOD)
- Experience
 - 2008 - 2011 : Director and Chairman of Audit Committee, MCOT Public Company Limited
 - 2008 - 2011 : Executive Director, The Telecommunications Universal Service Obligation (USO)
 - 2008 - 2010 : Director and Chairman of Risk Management Committee, Bank for Agriculture and Agricultural Cooperatives
 - 2005 - 2007 : Director, Center for the Promotion of National Strength on Moral Ethics And Values, Moral Center, Office of the Prime Minister
 - 2005 - 2006 : Managing Director, BT Asset Management Company Limited
 - 2002 - 2006 : Director, Family Know How Company Limited (a subsidiary of Stock Exchange of Thailand)
 - 2002 - 2006 : Director and Chairman of Internal Audit Committee, Thailand Post Company Limited
 - 2002 - 2005 : Senior Director, Research and Fund Management Office, Bankthai Public Company Limited
 - 2000 : Vice President, Corporate Regulatory, Research and Public Affairs, Citibank
- Other directorship positions / other positions at present
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - Director, Cho Thavee Dollasien Public Company Limited
 - Non-listed companies
 - Member of Board, Bank of Thailand
 - Director, Free Media for Revolution Company Limite
 - Vice President of Research and Academic Service and Dean of Faculty of Economics, Rangsit University
 - Director, Pridi Banomyong Institute
 - Qualified Director, Policy and Public Debt Management Committee, Public Debt Management Office, Ministry of Finance
 - Member, Sub-committee on Performance Evaluation of State-Owned Enterprises, Ministry of Finance
 - Qualified Director and director, Office of Academics (Economics) National Research of Thailand
 - Director, office of the Start Up Fund, Office of the Higher Education Commission, Ministry of Education
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

4

Mr. Surin Chiravisit**Independent Director and Director with Authorized Signature (Started on April 8, 2010)**

- Age 67
- Education / Training
 - LL.M., Chulalongkorn University
 - LL.B., Ramkhamhaeng University
 - B.Ed., Srinakharinwirot University
 - Investigation of the criminal case program, Batch#44, The Royal Thailand Police
 - Senior Administrator Program, Batch#29, Ministry of Interior
 - Senior Executive Program, Batch#21, Office of The Civil Service Commission
 - The National Defence Course, Class 40, National Defence College
 - Politics and Government in Democracy for Executives (Class 6), King Prajadhipok's Institute
 - Director Certification Program (DCP136/2010), Thai Institute of Directors (IOD)
 - How to Develop a Risk Management Plan (DRP), Thai Institute of Directors (IOD)
 - Successful Formulation and Execution of Strategy (SFE), Thai Institute of Directors (IOD)
 - Role of the Nomination and Governance Committee (RNG), Thai Institute of Directors (IOD)
- Experience
 - 2006 - retirement : Secretary General, Social Security Office
 - 2005 : Deputy Permanent Secretary, Ministry of Labor, Office of the Permanent Secretary for Ministry of Labor
 - 2004 : Director General, Department of Labor Protection and Welfare
 - 2000 : Director General, Department of Skill Development
 - 1997 : Inspectors, The Ministry of Labour
 - 1995 : Deputy Director-General, Department of Employment
 - 1993 : Assistant Under-Secretaries, Ministry of Labour and Social Welfare
- Other directorship positions / other positions at present
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - Senior Consultant, Amata Corporation Public Company Limited
 - Non-listed companies
 - Consultant, National Broadcasting and Telecommunication Commission
 - Director and Vice President, Bangkok Suvanabhumi University Council
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None



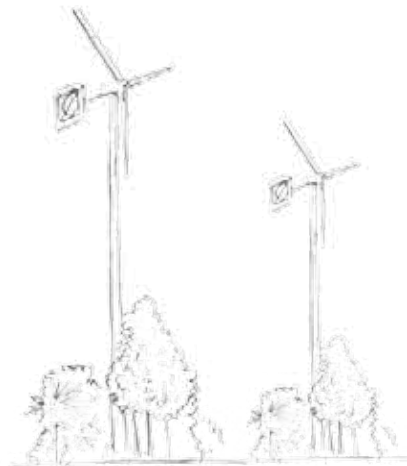
Board of Directors

5

Mr. Suthep Wongvorazathe

Independent Director and Director with Authorized Signature (Started on October 30, 2012)

- Age 66
- Education / Training
 - Master of Business Administration, University of Wisconsin, U.S.A.
 - Bachelor of Business Administration, University of Wisconsin, U.S.A.
 - Director Accreditation Program (DAP48/2005), Thai Institute of Directors (IOD)
- Experience
 - 2010 - 2011 : Chairman of the Executive Board, Export-Import Bank of Thailand
 - 2009 - 2011 : Director, Board of Investment of Thailand
 - 2008 - 2010 : Advisor, Committee on National Debt Solution
 - 2007 - 2010 : Chairman and Chief Executive Officer, Pacific Assets Public Company Limited
 - 2001 - 2007 : Vice Chairman, The International Engineering Public Company Limited
- Other directorship positions / other positions at present
 - Subsidiaries/Related Company
 - None -
 - Other listed companies
 - Chairman, Khonburi Sugar Public Company Limited
 - Chairman of Audit Committee, Chumporn Palm Oil Industry Public Company Limited
 - Chairman, Seamico Securities Public Limited Company
 - Non-listed companies
 - Director, Asia Kangnam Company Limited
 - Chairman of management committee, KT ZMICO Securities company Limited
 - Director, The Mall Group Company Limited
 - Director, New Corp Company Limited
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None



6

Mrs. Arunporn Limskul**Independent Director (Started on April 10, 2013)**

- Age 47
- Education / Training
 - Master of Business Administration, Asian Institute of Technology
 - Bachelor of Science (Materials Science), Chulalongkorn University
 - Director Certification Program (DCP 161/2012), Thai Institute of Directors (IOD)
 - Strategic Customer Management, Hong Kong
 - Customer Experience Management, London
 - Customer Relationship Management in Mobile Industry, London
 - Customer Relation in Mobile Industry, Spain
- Experience
 - 2011 - 2014 : Director, Chairman of the Corporate Governance and Social Responsibility Committee, and Executive Director, Krungthai Bank Public Company Limited
 - : Qualified Director, Office of Small and Medium Enterprises Promotion
 - 2012 - Jan 15 : Director, Executive Committee "New SME Fund" /Government
 - 2010 - 2011 : Executive Vice Presidents, Head of the CRM & Electronic Channel Division, Siam Commercial Bank Plc
 - 2000 - 2010 : Assistant Vice President, Customer Relationship Management, Advanced Info Service Plc
 - Other directorship positions
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Director, Krungthai Card Plc
 - Non-listed companies
 - Director, School of Management, Asian Institute of Technology (AIT)
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None





Board of Directors

7

Pol.Lt.Gen. Chaiwat Chotima

Independent Director and Director with Authorized Signature (Started on April 9, 2014)

- Age 62
- Education / Training
 - M.Pol.Sc, Eastern New Mexico University, United States of America
 - B.Pol.Sc, Thammasat University
 - Top Executive program, Capital Market Academy, class 15
 - Advance Security Management Program (3/2011), National Defence College
 - The Joint State - Private Sector Course (19/2006), National Defence College
 - Advanced Police Administration Program , class 17, Institute of Police Administration Development
 - Conference concerning Narcotics and launder money Control in others countries i.e. USA, UK, Canada, Germany, Australia, Japan, Hong Kong etc
 - Director Certification Program (DCP 194/2014) Thai Institute of Directors (IOD)
 - Financial Statements for Directors (FSD 26/2014) Thai Institute of Directors (IOD)
- Experience
 - 2011 : Commissioner , Narcotics Suppression Bureau
 - 2010 : Inspector-General (Inspection Division 8)
 - 2007 : Deputy inspector-general
 - 2002 : Deputy Commissioner, Central Investigation Bureau
 - 2001 : Commander, Narcotics Suppression Bureau
- Others
 - Former President, Association of the Ship for Southeast Asian Youth of Thailand
 - Former Secretariat, Association of the Ship for Southeast Asian Youth of Thailand
 - Former vice-president, Ice Skate Association of Thailand
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - None -
 - Non-listed companies
 - Vice President, Thailand Boxing Association
 - President, Youth Development Center
 - Advisor, Narcotics Suppression Bureau
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

Maj.Gen. Apirat Kongsompong

Independent Director and Director with Authorized Signature (Started on September 26, 2014)

- **Age 54**
- **Education / Training**
 - Master Degree, Master of Business Administration (MBA), Southeastern University, USA
 - Bachelor Degree, Chulachomklao Royal Military Academy, Year 1985
 - Army Command and General Staff College, Course 47, Year 2006
 - Army Command and General Staff College, Course 73, Year 1995
 - Army Aviation Cadet Course Class 25, Year 1991
 - Infantry Officer Advance Course, FT.Benning, USA , Year 1989
 - American Language Course, Lackland, USAF BASE, USA, Year 1988
- **Experience**
 - 2014 - present : 1st Army Area Deputy Commander
 - 2014 : Commanding General, The 1st Division, The King's Guard
 - 2013 : Commanding General, 15th Military Circle
 - 2012 : Commanding General, 11th Infantry Division
 - 2011 : Deputy Commanding General, The 1st Division, The King's Guard
 - 2007 : Commanding Officer, 11th Infantry Regiment, The King's Guard
 - : Judge, Bangkok Military Court
- **Other directorship positions / other positions at present**
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - None -
 - Non-listed companies
 - 1st Army Area Deputy Commander
 - Members for the National Legislative Assembly
- **Shareholding in the Company** : None (both directly and indirectly held) (As of December 31, 2014)
- **Family relationship among executives** : None



Board of Directors

9

Mr. Krairit Nilkuha

Director and Director with Authorized Signature (Started on February 19, 2010)

Chairman of the Enterprisewide Risk Management Committee

- Age 63
- Education / Training
 - M.Sc. in Petroleum Engineering, New Mexico Institute of Mining and Technology, USA
 - B-B.Sc. in Mechanics Engineering, Kasetsart University
 - Diploma, the National Defense Course, Class 48 (2005), National Defence College
 - Audit Committee Continuing and Development Program (ACP 24/2008), Thai Institute of Directors
 - Senior Executive Program, Batch#8, Capital Market Academy
- Experience
 - 2010 - 2013 : Director, PTT Public Company Limited
 - 2009 - 2012 : Director General Department of Alternative Energy Development and Efficiency
 - 2008 - 2009 : Deputy Permanent Secretary, Ministry of Energy
 - 2005 - 2008 : Director - General, Department of Mineral Fuels
 - 2005 - 2007 : Director, PTT Exploration and Production Public Company Limited
 - 2003 - 2005 : Deputy Director - General, Department of Mineral Fuels
 - 1998 - 2005 : Sub-Committee of the Petroleum Committee
 - 1998 - 2005 : Secretary of the Petroleum Committee
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Director, Kaset Thai International Sugar Corporation Public Company Limited
 - Non-listed companies
 - Chairman, Technical Petroleum Training Institute Foundation
 - Director, PEA Encom International Co., Ltd.
 - Director, Solar Power (Loei2) Co., Ltd.
 - Director, Solar Power (Surin1) Co., Ltd.
 - Director, Solar Power (Surin2) Co., Ltd.
 - Director, Solar Power (Khon Kaen10) Co., Ltd.
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

10

Mr. Prasong Poontaneat

Director (Started on April 24, 2012)

- Age 55
- Education / Training
 - Ph.D. in Public Administration, Management for Development College, Thaksin University
 - Master of Business Administration (Organization Management), Dhurakij Pundit University
 - Bachelor of Business Administration in Accounting, Rajamangala University of Technology
 - Bachelor of Laws, Sukhothai Thammathirat Open University
 - Director Certification Program (DCP76/2006), Thai Institute of Directors (IOD)
 - Top Administrator Program (Class 49), Interior College, Prince Damrong Rajanupab Institute of Research and Development
 - Senior Police Officers Course (Class 18), Police College
 - Leader Program (Class 14), Capital Market Academy, The Stock Exchange of Thailand
 - Leader Program (Class 2), Energy Academy, Thailand Energy Academy
 - Diploma, National Defence Course (Class 52/2009), National Defence College
- Experience
 - 2014 - Present : Director General, Revenue Department
 - 2011-2014 : Director General, State Enterprise Policy Office
 - 2010-2011 : Director General, Thailand Customs Department
 - 2009-2010 : Inspector General, Ministry of Finance
 - 2008-2009 : Deputy Director General, Revenue Department
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Chairman, Airports of Thailand PLC
 - Non-listed companies
 - Director General, Revenue Department
 - Commission Member, Securities and Exchange Commission, Thailand
 - Member of Sub-committee on social issues of The office of National Anti-Corruption Commission
 - Member of University Council, University council, Mahasarakham University Members of the University Council, Members of the University Council,
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None





Board of Directors

11

Mr. Sarakorn Kulatham

Director and Director with Authorized Signature (Started on April 8, 2010)

- Age 60
- Education / Training
 - M.S. (Civil Engineering), University of Missouri, USA
 - B.Sc. (Sanitation), Chulalongkorn University
 - Finance for Non Finance Executive (2007)
 - PTT Group EVP Leadership Development Program Class 1 (2008)
 - IMD - BPSE (2009)
- Experience
 - 2014 - Present : Senior Executive Vice President, Petrochemical and Refining Unit, PTT Plc.
 - 2010- 2014 : Senior Executive Vice President, International Trading Unit, PTT Plc.
 - 2010 - 2010 : Executive Vice President, International Trading Unit, PTT Plc.
 - 2009 - 2010 : Executive Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
 - 2007 - 2009 : Executive Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
 - 2004 - 2007 : Vice President, PTT Plc. (working at Alliance Refining Co., Ltd.)
 - 2001 - 2004 : Vice President, Petroleum Products and LPG Trading Department, PTT Plc.
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Senior Executive Vice President, Petrochemical and Refining Unit, PTT Plc.
 - Non-listed companies
 - Director, PTT International Trading Pte.Ltd.
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

12 Mr. Chaiwat Kovavisarach

Director and Director with Authorized Signature (Started on October 30, 2012 and served as the President since January 1, 2015)

Chairman of the Executive Committee

- Age 48
- Education / Training
 - M.Eng., Asian Institute of Technology (AIT)
 - M.B.A., Thammasat University
 - B.Eng. (Honor), King Mongkut's Institute of Technology Ladkrabang (KMITL)
 - Investment Banking, Kellogg Business School, Northwestern University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Role of the Nomination and Governance Committee (RNG), Thai Institute of Directors (IOD)
- Experience
 - 2007 - 2014 : Advisor, Avantgarde Capital Company Limited
 - 2002 - 2006 : Managing Director, TURNAROUND Company Limited
 - 1996 - 2002 : Director, SG Crosby (Thailand)/SG Securities (Singapore) PTE.LTD.
 - 2000 - 2001 : Director, Investment Banking Club, Association of Thai Securities Companies
 - 1993 - 1996 : Investment Banker, Asset Plus Company Limited
 - 1987 - 1993 : Project and subsequently production Engineer, The Siam Cement Public Company Limited
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - Director, Nido Petroleum Ltd.
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Asia Insurance Company Limited
 - Investment committee, Government Pension Fund
 - Director, Suan Kulab Withayalai Alumnus Association Under the Royal Patronage of H.M.the King
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None



Board of Directors

13

Mr. Vikrom Koompirochana

Director and Director with Authorized Signature (Started on April 10, 2013)

Chairman of the Corporate Governance Committee

- Age 68
- Education / Training
 - Ph.D., History of International Relations, Michigan State University, USA
 - M.A., History, Michigan State University, USA
 - B.A. (History), Chulalongkorn University
 - Honorary Doctorate Degree in Humanities from Schiller International University, London
 - Director Accreditation Program (DAP 63/2007), Thai Institute of Directors (IOD)
 - Certificate, High-Level Management Program, Capital Market Academy (CMA 14/2012)
 - Anti-Corruption for Executive Program (ACEP7/2013), Thai Institute of Directors (IOD)
 - Successful Formulation and Execution of Strategy (SFE22/2014), Thai Institute of Directors (IOD)
- Experience
 - 2007 - 2009 : Chairman, Dragon One PLC
 - 2007 - 2008 : Director, Thai Airways International PLC
 - 2003 - 2006 : Ambassador of Thailand to the United Kingdom of Great Britain and Northern Ireland, and Ambassador of Thailand to Republic of Ireland
 - 2005 : Director, Thai Airways International PLC
 - 2002 : Ambassador of Thailand to Rome, Italy
 - 2000 - 2001 : Deputy Permanent Secretary, Ministry of Foreign Affairs
 - 1997 - 1999 : Ambassador of Thailand to Wellington, New Zealand
 - 1996 : Ambassador of Thailand to Kuala Lumpur, Malaysia
 - 1991 - 1995 : Ambassador of Thailand to Singapore
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Chairman of Audit Committee, Oishi Group PLC
 - Chairman, Country Group Development PLC
 - Independent Director, Member of the Audit Committee and Member of Nomination & Remuneration Committee, MFC Asset Management Plc.
 - Non-listed companies
 - Commissioner and audit committee, Securities and Exchange Commission
 - Chairman, Sports and Recreation Management Co., Ltd.
 - Honorary Advisor, British Chamber of Commerce Thailand (BCCT)
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None

14

Mr. Wirat Uanarumit**Director and Director with Authorized Signature (Started on October 27, 2014)**

- Age 52
- Education / Training
 - Master of Business Administration, with emphasis in Financial Management, Pennsylvania State University, USA
 - Bachelor of Science in Electrical Engineering, Chulalongkorn University
 - Member, Beta Gamma Sigma (US National Scholastic Honour Society in Business)
 - Advanced Management Programme, INSEAD Business School, Fontainebleau, France
 - Advanced Management Program 184, Harvard Business School, USA
 - CMA, Class 4, Capital Market Academy
 - Senior Executives on Justice Administration, Class 16, Judicial Training Institute, National Justice Academy
 - Advanced Security Management Program (ASMP), Class 2, The National Defence College Association of Thailand (NDCAT)
 - Director Certification Program (DCP 8/2001), Institute of Directors (IOD)
 - Audit Committee Program (ACP 38/2012), Institute of Directors (IOD)
 - Executive Development Program, Class 1, Thai Listed Companies Association (TLCA)
 - Diploma, National Defence College, The Joint State - Private Sector, Class 26
- Experience
 - 2014 - present : Chief Financial Officer, PTT Public Company Limited
 - 2011 - 2014 : Executive Vice President - Corporate Finance, PTT Public Company Limited
 - 2011 - 2011 : Senior Executive Vice President - Corporate Accounting and Finance, IRPC Company Limited
 - 2005 - 2011 : Deputy Managing Director - Finance, Thai Oil Public Company Limited
 - 2003 - 2005 : Head of Global Clients & Country Executive, ABN AMRO Bank N.V., Bangkok Branch
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - None -
 - Other listed companies
 - Chief Financial Officer, PTT Public Company Limited
 - Non-listed companies
 - Director, Star Petroleum Refining Public Company Limited
 - Director, PTT International Trading Pte.Ltd.
 - Director, Thailand Management Association (TMA)
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)
- Family relationship among executives : None



Board of Directors

15

Mr. Vichien Usanachote

President and Director with Authorized Signature (From January 1, 2013 to December 31, 2014)

- Age 59
- Education / Training
 - Master of Engineering, Ohio State University, USA
 - BS (Engineering), Chulalongkorn University
 - Advanced Diploma in Public Law and Management # 7, King Prajadhipok's Institute
 - Diploma, Senior Executive Program (SEP-23), Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Advanced Senior Executive Program, (ASEP 5 – Sasin-Kellogg, School of Management of Northwestern University, USA) Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Diploma, Advanced Security Management Program (ASMP 2), The National Defence College Association of Thailand
 - Certificate, Program for Senior Executives Class 17 (CMA 17), Capital Market Academy, Stock Exchange of Thailand
 - Certificate, Power of the Kingdom (Bhumipalung Phandin 3), Chulalongkorn University Executive Program
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Finance for Non-Finance Director (FND), Thai Institute of Directors (IOD)
- Experience
 - 2013 - 2014 : President
 - 2005 : Senior Executive Vice President, Refinery Business
 - 2003 : Senior Consultant, Acting Senior Executive Vice President
 - 2002 : Senior Executive Vice President, Planning and Logistics
 - 2001 : Senior Consultant
 - 2000 : Senior Executive Vice President, Marketing Business
 - 1993 : Senior Executive Vice President, Refinery Business
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - Chairman, Bangchak Biofuel Company Limited
 - Director, Nido Petroleum Limited
 - Other listed companies
 - None -
 - Non-listed companies
 - Chairman, Ubon Bio Ethanol Company Limited
 - Chairman of Activities Committee, Environmental Engineering Association of Thailand
 - Member, Thai Listed Companies Association
- Shareholding in the Company : 77 shares or 0.0000055% directly held (As of December 31, 2014)
- Family relationship among executives : None





Executive Management



1

Mr. Vichien Usanachote
President



2

Mr. Wattana Opanon-amata
First Senior Executive Vice President

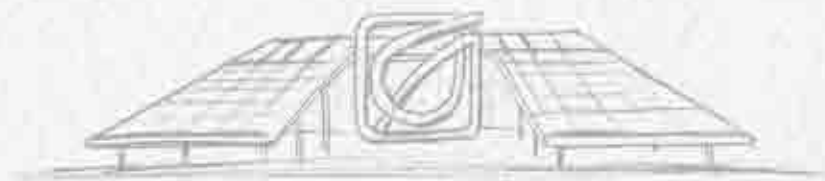




3 *Mr. Yodphot Wongrukmit*
Senior Executive Vice President



4 *Mr. Budit Sapianchai*
Senior Executive Vice President





Executive Management



5

Mr. Surachai Kositsareewong

Senior Executive Vice President



6

Mr. Pongchai Chaichirawiwat

Senior Executive Vice President



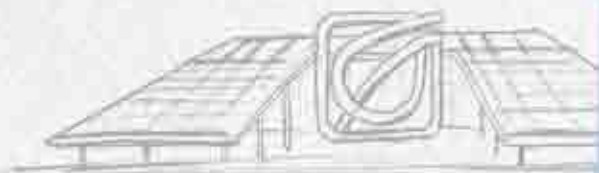
7 *Mr. Somchai Tejavanija*
Senior Executive Vice President



8 *Mr. Kiatchai Maitriwong*
Acting Senior Petroleum Refining Executive



Executive Management



10 *Mr. Phichet Emwattana*
Executive Vice President



9 *Mr. Chalermchai Udomranu*
Executive Vice President



11 *Dr. Kitti Nivatvongs*
Senior Vice President



12 *Mr. Pichit Wongrujiravanich*
Senior Vice President



13 *Mr. Dhanajit Makarananda*
Senior Vice President



14 *Mr. Chokchai Atsawarangsarit*
Senior Vice President





Executive Management

1

Mr. Vichien Usanachote

President and Director with Authorized Signature (From January 1, 2013 to December 31, 2014)

- Age 59
- Education / Training
 - Master of Engineering, Ohio State University, USA
 - BS (Engineering), Chulalongkorn University
 - Advanced Diploma in Public Law and Management # 7, King Prajadhipok's Institute
 - Diploma, Senior Executive Program (SEP-23), Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Advanced Senior Executive Program, (ASEP 5 – Sasin-Kellogg, School of Management of Northwestern University, USA) Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Diploma, Advanced Security Management Program (ASMP 2), The National Defence College Association of Thailand
 - Certificate, Program for Senior Executives Class 17 (CMA 17), Capital Market Academy, Stock Exchange of Thailand
 - Certificate, Power of the Kingdom (Bhumipalung Phandin 3), Chulalongkorn University Executive Program
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Finance for Non-Finance Director (FND), Thai Institute of Directors (IOD)
- Experience
 - 2013 - 2014 : President
 - 2005 : Senior Executive Vice President, Refinery Business
 - 2003 : Senior Consultant, Acting Senior Executive Vice President
 - 2002 : Senior Executive Vice President, Planning and Logistics
 - 2001 : Senior Consultant
 - 2000 : Senior Executive Vice President, Marketing Business
 - 1993 : Senior Executive Vice President, Refinery Business
- Other directorship positions / other positions at present
 - Parent company/Subsidiary company/Same-level subsidiary company
 - Chairman, Bangchak Biofuel Company Limited
 - Director, Nido Petroleum Limited
 - Other listed companies
 - None -
 - Non-listed companies
 - Chairman, Ubon Bio Ethanol Company Limited
 - Chairman of Activities Committee, Environmental Engineering Association of Thailand
 - Member, Thai Listed Companies Association
- Shareholding in the Company : 77 shares or 0.0000055% directly held (As of December 31, 2014)
- Family relationship among executives : None

2

Mr. Wattana Opanon-amata**First Senior Executive Vice President, Refinery Business**

- **Age 58**
- **Education / Training**
 - Ph.D. (Leadership in Society, Business and Politics), Rangsit University
 - M.Eng (Chemical Engineering), Chulalongkorn University
 - BS (Chemical Engineering), Chulalongkorn University
 - Mini-MBA (Class 21), Chulalongkorn University
 - Certification of Process Engineer, JCCP, Japan
 - Advanced Certification in public administration and public law, King Prajadhipok's Institute (Por.Ror.Mor.6)
 - Certification of Enterprisewide Risk Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Director Certification Program Refresher Course (RE DCP1/2008), Thai Institute of Directors (IOD)
 - Director Certification Program (DCP36/2003), Thai Institute of Directors (IOD)
 - Audit Committee Program (ACP1/2004), Thai Institute of Directors (IOD)
 - Finance for Non-finance Director Course (FND7/2003), Thai Institute of Directors (IOD)
 - Certificate of Management of Thinking and Cultural Conflicts, Class 2, National Defence College Alumni Think Tank
 - Diploma of Advanced Security Management Program (ASMP 3), The National Defence College Association of Thailand
 - Certificate of Executive Leadership Program (ELP 5), Nida-Wharton, School of University of Pennsylvania, USA
 - Certificate of Senior Executive Program (SEP-24), Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Certificate of Advanced Senior Executive Program (ASEP 6 – Sasin-Kellogg, School of Management of Northwestern University, USA) Sasin Graduate Institute of Business Administration of Chulalongkorn University
- **Experience**
 - 2013 - present : First Senior Executive Vice President, Refinery Business
 - 2006 - 2013 : Senior Executive Vice President, Corporate Administration and Information Technology
 - 2004 - 2005 : Senior Consultant, Acting Senior Executive Vice President
 - 2001 - 2004 : Executive Vice President
 - 2000 - 2001 : Senior Vice President, Planning and Supply
 - 1994 - 2000 : Senior Vice President, Marketing and Engineering Service
- **Other directorship positions / Other positions at present**
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Government Savings Bank
 - Vice Chairman of Chemical Engineering Committee for 2014-2016, The Engineering Institute of Thailand under H.M. the King's Patronage
 - Committee member, Thailand Business Council for Sustainable Development
 - Member of Green Labeling Project Management Committee, Thailand Environment Institute (TEI)
 - Member of Certified GHG Emission Reductions for Building Committee, Thailand Environment Institute (TEI)
 - Chairman of CSR Club, Thai Listed Companies Association, The Stock Exchange of Thailand
 - Member of Board of Trustee, ASEAN CSR Network
 - Advisor of Corporate Social Responsibility Institute (CSRI), The Stock Exchange of Thailand
 - Specialized Committee Member on Analysis of Master of Engineering Program in, King Mongkut's Institute of Technology Ladkrabang, 2011
 - Member of the Application of Sufficiency Economy Movement in private sector sub-committee, Research and Development Institute of Sufficiency Economy Philosophy Foundation
 - Member of the Use and Production Of the Renewable Energy Certification Committee, Thailand Business Council for Sustainable Development (TBCSD) and Thailand Environment Institute Foundation (TEI)
 - Member of the Committee for the Follow-up and Expansion the Reduction of Unequal Distribution of Revenue, The Thai Chamber of Commerce
 - Member of Social Enterprise Subcommittee, Pidthong Lang Phra, Royal Initiative Discovery Foundation.
 - Chairman of the Social Enterprise Execution Committee, Capital (Class 18/2014) Market Academy
- **Shareholding in the Company** : 3,146 shares or 0.000228 % directly held (As of December 31, 2014)



Executive Management

3

Mr. Yodphot Wongrukmit

Senior Executive Vice President, Corporate Administration and Information Technology

- Age 55
- Education / Training
 - MBA, MTSU, USA
 - BA (Economics) (2nd Class Honors), University of the Thai Chamber of Commerce
 - Graduate Diploma National Defence College (NDC 2554)
 - NIDA-Wharton Executive Leadership Program # 6/2010
 - Graduate Diploma in Public Law and Management # 9/2010, King Prajadhipok's Institute
 - Director Certification Program (DCP111), Thai Institute of Directors (IOD)
 - Successful Formulation & Execution of Strategy (SFE), Thai Institute of Directors (IOD)
 - Anti-Corruption for Executive Program (ACEP6/2013), Thai Institute of Directors (IOD)
 - JCCP "Advanced Marketing" (Japan)
 - The Leadership GRID
- Experience
 - 2013 - present : Senior Executive Vice President, Corporate Administration and Information Technology
 - 2012 : Senior Executive Vice President, Marketing Business
 - 2011 : Acting Senior Executive Vice President, Marketing Business
 - 2008 : Executive Vice President, Marketing Business
 - 2007 : Executive Vice President, Retail Marketing
 - 2004 : Senior Vice President, Retail Marketing
 - 2001 : Vice President, Retail Marketing
 - 1998 : Senior Manager, Central District
 - 1994 : Manager, North and Central Districts
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Green Net Company Limited
 - Director, Provincial Electricity Authority
- Shareholding in the Company : 44,096 shares or 0.003203% directly held (As of December 31, 2014)

4

Mr. Bundit Sapianchai**Senior Executive Vice President, Renewable Energy Business**

- Age 50
- Education / Training
 - Master of Engineering, Asian Institute of Technology (AIT), Thailand
 - Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang
 - Director Accredited Program (DAP 28/2004), Thai Institute of Directors (IOD)
 - Director Certification Program (DCP 53/2005), Thai Institute of Directors (IOD)
 - Management in Globalizing Era (Ex-PSM 5), Fiscal Policy Research Institute
 - Advanced Diploma, Public Administration and Public Law (Class of 10th), King Prajadhipok's Institute
 - Diploma, The joint State-Private Sector Course, National Defence College (Class of 25th)
- Experience

The Bangchak Petroleum Public Company Limited

 - 2013 - present : Senior Executive Vice President, Renewable Energy Business
 - 2012 - 2013 : Senior Executive Vice President, Business Development and Strategy
 - 1998 - 2012 : Executive Vice President, Corporate Business Development

Others

 - 2004 - 2008 : Executive Vice President, Finance and Strategy, NFC Fertilizer Public Company Limited
 - 1997 - 2004 : Business Director, Air Liquid (Thailand) Company Limited
 - 1994 - 1997 : Marketing Director, PTT Petrochemical Company Limited
 - 1988 - 1994 : Commercial Manager, National Petrochemical Public Company
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Chairman, Bangchak Solar Energy Company Limited
 - Chairman, Bangchak Solar Energy (Prachinburi) Company Limited
 - Chairman, Bangchak Solar Energy (Chaiyaphum 1) Company Limited
 - Chairman, Bangchak Solar Energy (Buriram) Company Limited
 - Chairman, Bangchak Solar Energy (Buriram 1) Company Limited
 - Chairman, Bangchak Solar Energy (Nakhonratchasima) Company Limited
 - Chairman, Ubon Agricultural Energy Company Limited
 - Chairman, Ubon Bio Gas Company Limited
 - Chairman, NP Bio Energy Company Limited
 - Director, Bangchak Biofuel Company Limited
 - Director, Ubon Bio Ethanol Company Limited
- Shareholding in the Company : 31,895 shares or 0.002316% directly held (As of December 31, 2014)



Executive Management

5

Mr. Surachai Kositsareewong

Senior Executive Vice President, Accounting and Finance

- Age 52
- Education / Training
 - Master of Business Administration, Stetson School of Economics and Business Administration Mercer University, USA
 - BA, Faculty of Commerce and Accounting, Chulalongkorn University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - Director Accreditation Program (DAP49/2006), Thai Institute of Directors (IOD)
 - Audit Committee Program (ACP16/2007), Thai Institute of Directors (IOD)
 - Executive Development Program (EDP), Fiscal Policy Research Institute
 - Intermediate Certificate Course in Good Governance for Middle Level Executives (#12) Public Director Institute
 - Diploma, National Defence College, The National Defence Course Class 2013
- Experience

The Bangchak Petroleum Public Company Limited

 - 2013 - Present : Senior Executive Vice President, Accounting and Finance
 - 2012 : Acting Senior Executive Vice President, Accounting and Finance
 - 2009 : Executive Vice President, Accounting and Finance

Others

 - Jan - Nov 2012 : Director, MCOT Public Company Limited
 - 2007 - 2009 : Vice President (Administration) and Chief Finance Officer, Dhanarak Asset Development Company Limited
 - 2005 - 2007 : Consultant in business, finance, and investment, Libra Law Office (Thailand)
 - 2004 - 2007 : Independent director and audit committee member, Wyncoast Industrial Park Public Company Limited
 - 1998 - 2004 : Vice president, Treasury Department, Small and Medium Enterprise Development Bank of Thailand
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Biofuel Company Limited
 - Director, Bangchak Green Net Company Limited
 - Director, Bangchak Solar Energy Company Limited
 - Director, BCP Energy International Pte. Ltd.
 - Commissioner of the Arbitration Committee
 - Commissioner, The Electronic Transactions Commission
- Shareholding in the Company : None (both directly and indirectly held) (As of December 31, 2014)

6

Mr. Pongchai Chaichirawiwat

Senior Executive Vice President, Marketing Business

- Age 54
- Education / Training
 - MBA, Thammasat University
 - Master's degree in engineering, Asian Institute of Technology (AIT), Thailand
 - Bachelor's degree in engineering, Chulalongkorn University
 - NIDA-Wharton Executive Leadership Program (7/2014), NIDA-Business School, Center for Business Innovation
 - TLCA Leadership Development Program (LDP0/2013), Thai Listed Companies Association
 - Diploma, Senior Executive Program (SEP25/2012), Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Director Certification Program (DCP149/2011), Thai Institute of Directors (IOD)
 - Executive Development Program (EDP6/2010), Thai Listed Companies Association
- Experience
 - 2014 - present : Senior Executive Vice President, Marketing Business
 - 2011 : Executive Vice President, Renewable Energy Business, and Managing Director appointed to Bangchak Biofuel Company Limited
 - 2008 : Senior Vice President (Managing Director appointed to Bangchak Biofuel Company Limited)
 - 2007 : Acting Senior Vice President, Commercial Marketing and Lubricants
 - 2006 : Vice President, Business
 - 2004 : Vice President, Retail Marketing
 - 2001 : Senior Manager, Marketing Engineering
 - 1998 : Manager, Marketing Engineering
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Green Net Company Limited
- Shareholding in the Company : 44,332 shares or 0.003220% directly held (As of December 31, 2014)





Executive Management

7

Mr. Somchai Tejavanija

Senior Executive Vice President, Corporate Strategy and Business Development

- Age 52
- Education / Training
 - MBA, Thammasat University
 - B.ENG (Engineering), Kasetsart University
 - Energy Leadership Development for Senior Managers (Class 4), Ministry of Energy
 - Executive Development Program (Session 6), Thai Listed Companies Association
 - Director Certification Program (DCP157/2012), Thai Institute of Directors (IOD)
 - Advanced Certificate Course in Public Administration and Law for Executives , King Prajadhipok' s Institute
 - Thammasat Leadership Program Class 4, Thammasat University
- Experience
 - 2014 - present : Senior Executive Vice President, Corporate Strategy and Business Development
 - 2013 : Executive Vice President, Business Development and Strategy
 - 2011 : Executive Vice President, Marketing Business, responsible for Retail Marketing, and Acting Vice President, Marketing Business Strategy and Planning
 - 2010 : Senior Vice President-Marketing Business Strategy and Planning, Marketing Business
 - 2008 : Senior Vice President-Retail Marketing
 - 2006 : Vice President-Retail Marketing Development
 - 2003 : Vice President-Associated Company
 - 2002 : Assistant Vice President, Metropolitan Area
 - 2000 : Senior Manager, Metropolitan Area
 - 1996 : Manager, Metropolitan Area
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Solar Energy Company Limited
 - Director, ASEAN Potash Mining Public Company Limited
 - Director, BCP Energy International Pte. Ltd.
- Shareholding in the Company : 28,522 shares or 0.002071% directly held (As of December 31, 2014)

8

Mr. Kiatchai Maitriwong**Acting Senior Petroleum Refining Executive, Refinery Business**

- Age 55
- Education / Training
 - MBA, Thammasat University
 - BS (Chemical engineering), Chulalongkorn University
 - Advanced Certificate Course in Public Administration and law for Executives (PLM 11), King Prajadhipok's Institute
 - Director Certification Program (DCP150/2011), IOD
 - Executive Development Program (TLCA EDP 10), Thai Listed Companies Association
 - Executive Development Program (EDP), Fiscal Policy Research Institute Foundation
 - Oil Price Risk Management, Morgan Stanley (USA)
 - The Manager Grid, AIM
 - Fire & Business Interruption, The Chartered Insurance Institute (CII)
 - Energy Leadership Development for Senior Managers (Class 4), Ministry of Energy
 - Executive Development Program Coaching for Result, Mahidol University
 - Anti-Corruption for Executive Program (ACEP6/2013), Thai Institute of Directors (IOD)
 - Management Development Program 2013 (Class 18), Thailand Management Association
 - Leadership Succession Program LSP Class 3, IRDP
- Experience

The Bangchak Petroleum Public Company Limited

 - 2014 - present : Acting Senior Petroleum Refining Executive, Refinery Business
 - 2010 : Executive Vice President, Corporate Administration and Information Technology
 - 2009 : Senior Consultant
 - 2008 : Consultant
 - 2007 : Senior Vice President, Planning and Supply
 - 2006 : Acting Senior Vice President, Planning and Supply
 - 2004 : Vice President, Planning, Planning and Supply
 - 2002 : Assistant Vice President, Business Strategy Office
 - 2001 : Senior Manager, Planning and Evaluation, Marketing Business
 - 1997 : Senior Manager, Oil Supply

Others

 - Group leader, PRISM Market Outlook, PTT Group
 - Course director of BCP Business Supply chain Economic and PTT PRISM Oil Price Risk Management
 - Special instructor for refining and supply businesses, Petroleum Institute of Thailand
 - Special course instructor and consultant to Ministry of Energy involved in the development of Energy Leadership Development training programs for senior, middle, and junior managers
 - Special course instructor of Process Economics, Chulalongkorn University
 - Former Vice chairman and committee member, Petroleum Refining Industrial Group, Federation of Thai Industries
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Solar Energy Company Limited
- Shareholding in the Company : 10,011 shares or 0.000727% (As of September 9, 2014)



Executive Management

9

Mr. Chalermchai Udomranu

Executive Vice President, Refinery Business

- Age 53
- Education / Training
 - MBA, Thammasat University
 - B. Engineering (Electrical), Chulalongkorn University
 - Anti-Corruption for Executive Program (ACEP6/2013), Thai Institute of Directors (IOD)
 - Director Certification Program), Thai Institute of Directors (IOD)
 - Sasin Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Experience
 - 2012-present : Executive Vice President, Refinery Business
 - 2011 : Senior Vice President, Refinery Operation, Refinery Business
 - 2009 : Vice President, Refinery Operation, Refinery Business
 - 2005 : Vice President, Refinery Project
 - 2003 : Senior Manager, Refinery Project
 - 2001 : Senior Manager, Technical Service Division
 - 2000 : Senior Manager, Maintenance Service Division
 - 1997 : Manager, Maintenance Service Division
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - None -
- Shareholding in the Company : 6,865 shares or 0.000499% (As of September 9,2014)



10

Mr. Phichet Emwattana**Executive Vice President, Marketing Business**

- Age 49
- Education / Training
 - MBA, Chulalongkorn University
 - BS (Engineering), Chulalongkorn University
 - Certificate of Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
- Experience
 - 2014 - present : Executive Vice President, Marketing Business
 - 2012 : Senior Vice President, Planning and Logistics, Refinery Business
 - 2009 : Vice President, Planning and Logistics, Refinery Business
 - 2008 : Acting Senior Vice President, Planning and Logistics
 - 2007 : Vice President, Corporate Business Development Office
 - 2006 : Senior Manager, Strategy and Risk Management Office
 - 2004 : Senior Manager, Oil Supply and Wholesale Operations
 - 2000 : Manager, Oil Supply and Wholesale Operations
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Member of Executive Committee, Ubon Bio Ethanol Company Limited
 - Director, Fuel Pipeline Transportation Limited
- Shareholding in the Company : 4,080 shares or 0.000296% (As of September 9, 2014)





Executive Management

11

Dr. Kitti Nivatvongs

Senior Vice President, Refinery Technique, Refinery Business

- Age 59
- Education / Training
 - Ph.D. (Engineering), Northwestern University
 - MS (Engineering), Mississippi State University
 - BS (Engineering), Chulalongkorn University
- Experience
 - 2013 - present : Senior Vice President, Refinery Efficiency Enhancement
 - 2011 : Senior Vice President, Refinery Technique, Refinery Business
 - 2009 : Vice President, Refinery Engineering, Refinery Business
 - 2005 : Vice President, Technique, Refinery Business
 - 2000 : Senior Manager (Engineering)
 - 1999 : Manager, Technique and Environment
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - None -
- Shareholding in the Company : 36,213 shares or 0.002630% (As of September 9, 2014)

12 Mr. Pichit Wongrujiravanich

Senior Vice President, Internal Control Office

- Age 54
- Education / Training
 - MS (Accounting), Thammasat University
 - BA (Accounting), Thammasat University
 - Higher Certificate in Auditing, Thammasat University
 - Certified Public Accountant, license no. 3766
 - Director Accreditation Program (DAP), Thai Institute of Directors (IOD)
 - Audit Committee Program (ACP), Thai Institute of Directors (IOD)
 - Anti-Corruption for Executive Program (ACEP5/2013), Thai Institute of Directors (IOD)
 - Executive Development Program (EDP12), Thai Listed Companies Association.
 - Director Certification Program (DCP198), Thai Institute of Directors (IOD)
- Experience
 - 2011 - 2014 : Senior Vice President, Internal Control Office
 - 2005 : Vice President, Internal Control Office
 - 1992 : Assistant to Executive Director, Yontrakit Group
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - None -
- Shareholding in the Company : 15,771 shares or 0.001145% (As of September 9, 2014)





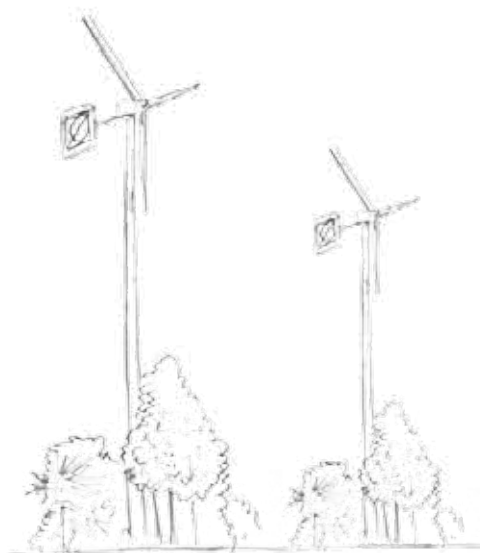
Executive Management

13

Mr. Dhanajit Makarananda

Senior Vice President, Associated Company Business, Renewable Energy Business, appointed to Bangchak Co.,Ltd.

- Age 55
- Education / Training
 - Master of Science in Chemical Engineering, The University of Southwestern Louisiana
 - BS (Chemical technology), Chulalongkorn University
 - Energy Leadership Development for Senior Managers (Class 5), Ministry of Energy
- Experience
 - 2014 : Senior Vice President, Associated Company Business, Renewable Energy Business, appointed to Bangchak Biofuel Co.,Ltd.
 - 2013 : Senior Vice President, Refinery Technique, Refinery Business
 - 2012 : Senior Vice President, Refinery Engineering, Refinery Business
 - 2011 : Vice President, Refinery Engineering, Refinery Business
 - 2009 : Vice President, Refinery Technique, Refinery Business
 - 2004 : Vice President, Operations, Refinery Business
 - 2001 : Senior Manager, Refining Operations
 - 2000 : Senior Manager (Technique and Environment)
 - 1997 : Senior Manager (Operations)
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Managing Director, Bangchak Biofuel Co., Ltd.
- Shareholding in the Company : None (As of September 9, 2014)



14

Mr. Chokchai Atsawarangsali**Senior Vice President, Exploration and Production, Corporate Strategy and Business Development**

- Age 47
- Education / Training
 - MBA, Kasetsart University
 - BS (Engineering), Chulalongkorn University
 - Director Certification Program (DCP), Thai Institute of Directors (IOD)
 - TCLA Executive Development Program (EDP), Thai Listed Companies Association
 - Energy Leadership Development for Senior Managers (Class 6), Ministry of Energy
 - Executive Development Program 2011, Minister of Finance
 - Senior Executive Program (SEP-26), The Sasin Graduate Institute of Business Administration of Chulalongkorn University
 - Certificate Course in Thai - Asean Economic Community(Class 3), King Prajadhipok's Institute
- Experience
 - 2014 : Senior Vice President, Exploration and Production, Corporate Strategy and Business Development
 - 2012 : Senior Vice President, Business Development, Corporate Business Development
 - 2009 : Vice President, Business Development, Corporate Business Development
 - 2007 : Vice President, Company Secretariat, and Company Secretary
 - 2005 : Senior Manager, Company Secretariat
 - 2004 : Senior Manager, Business Strategy and Enterprise Risk Management Office
 - 2003 : Manager, Marketing Business
 - 2002 : Manager, Business Strategy and Analysis
 - 2000 : Manager, Oil Supply
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Director, Bangchak Solar Energy (Prachinburi) Company Limited
 - Director, Bangchak Solar Energy (Chaiyaphum1) Company Limited
 - Director, Bangchak Solar Energy (Nakhonrachasima) Company Limited
 - Director, Bangchak Solar Energy (Buriram) Company Limited
 - Director, Bangchak Solar Energy (Buriram1) Company Limited
- Shareholding in the Company : 300 shares or 0.000022% (As of September 9, 2014)



Executive Management

15

Ms. Revadee Pornpatkul

Vice President, Associated Company Business, appointed to Bangchak Solar Energy Company Limited

- Age 53
- Education / Training
 - MBA, Thammasat University
 - BA (Accounting), Ramkhamhaeng University
 - BA (Law), Sukhothai Thammathirat University
 - BS (Science), Chulalongkorn University
- Experience
 - 2013 - present : Vice President, Associated Company Business, appointed to Bangchak Solar Energy Company Limited
 - 2007 : Vice President, Accounting and Taxation, Accounting and Finance
 - 2004 : Senior Manager, Accounting, and Acting Vice President, Accounting and Tax
 - 2002 : Manager, Accounting
 - 2000 : Manager, Revenue Accounting
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Managing Director, Bangchak Solar Energy Co., Ltd.
 - Managing Director, Bangchak Solar Energy (Prachinburi) Co., Ltd.
 - Managing Director, Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.
 - Managing Director, Bangchak Solar Energy (Buriram) Co., Ltd.
 - Managing Director, Bangchak Solar Energy (Buriram 1) Co., Ltd.
 - Managing Director, Bangchak Solar Energy (Nakhonratchasima) Co., Ltd.
- Shareholding in the Company : 26,967 shares or 0.001958% (As of September 9, 2014)

16 Ms. Naree Jiamwattanasuk

Vice President, Associated Company Business, appointed to Bangchak Green Net Company Limited

- Age 58
- Education / Training
 - MBA, Thammasat University
 - B.Eng. (Mechanical Engineering), Chulalongkorn University
- Experience
 - 2013 - present : Vice President, Associated Company Business, appointed to Bangchak Green Net Company Limited
 - 2012 - 2013 : Vice President, Associated Company Business, appointed to Bangchak Solar Energy Company Limited
 - 2001 - 2011 : Senior Manager, appointed to Bangchak Green net Company Limited
 - 2000-2001 : Manager, System Section
 - 1997 - 1999 : Manager, Account system
- Other directorship positions / Other positions at present
 - Other listed companies
 - None -
 - Non-listed companies
 - Managing Director, Bangchak Green Net Company Limited
- Shareholding in the Company : None (As of September 9, 2014)





Changes in the Securities Portfolios of the Board and the Executive

The Company has notified all Board of Directors and Executives team members about the announcement of the Securities and Exchange Commission (SEC), calling on them to report their portfolios, including those of their spouses and children not yet of age, to SEC within 30 days of their appointment to the Board and the management rank, and to do so with each change in portfolio.

Each month the portfolios and changes of the Board and the executives are reported to the Board at their meeting. As of year-end 2014, these portfolios were as follows.

| Name | | Shares as of Year-end 2013 | Shares as of Year-end 2014 | Up (Down) |
|-----------------------------|------------------------------|-------------------------------|-------------------------------|-----------|
| Board of Directors | | | | |
| 1. Mr. Pichai | Chunhavajira | 200,000 | - | (200,000) |
| 2. Prof. Dr. Chai-Anan | Samudavanija | - | - | - |
| 3. Mr. Krairit | Nilkuha | - | - | - |
| 4. Asst.Prof.Dr. Anusorn | Tamajai | - | - | - |
| 5. Mr. Surin | Chiravisit | - | - | - |
| 6. Mr. Suthep | Wongvorazathe | - | - | - |
| 7. Mrs. Arunporn | Limskul | - | - | - |
| 8. Pol.Lt.Gen. Chaiwat | Chotima ^{1/} | - | - | - |
| 9. Maj.Gen.Apirat | Kongsompong ^{2/} | - | - | - |
| 10. Mr. Prasong | Poontaneat | - | - | - |
| 11. Mr. Sarakorn | Kulatham | - | - | - |
| 12. Mr. Chaiwat | Kovavisarach | - | - | - |
| 13. Mr. Vikrom | Koompirochana | - | - | - |
| 14. Mr. Wirat | Uanarumit ^{3/} | - | - | - |
| 15. Mr. Vichien | Usanachote | 77 | 77 | - |
| Executive Management | | | | |
| 1. Mr. Wattana | Opanon-amata | 3,146 | 3,146 | - |
| 2. Mr. Yodphot | Wongrukmit | 44,096 | 44,096 | - |
| 3. Mr. Bundit | Sapianchai | 31,895 | 31,895 | - |
| 4. Mr. Surachai | Kositsareewong | - | - | - |
| 5. Mr. Pongchai | Chaichirawiwat ^{4/} | - | 44,332 | 44,332 |
| 6. Mr. Somchai | Tejavanija ^{5/} | - | 28,522 | 28,522 |

- Note :**
- 1/ Appointed to the Board on April 9, 2014
 - 2/ Appointed to the Board on September 26, 2014
 - 3/ Appointed to the Board on October 27, 2014
 - 4/ Appointed as Senior Executive Vice President on April 1, 2014
 - 5/ Appointed as Senior Executive Vice President on October 1, 2014



Report of the Nomination and Remuneration Committee

To the Shareholders

At its meeting no.6/2014 and 10/2014, Bangchak Petroleum Plc.'s Board of Directors appointed the present Nomination and Remuneration Committee, chaired by Prof. Dr. Chai-Anan Samudavanija, with Mr. Surin Chiravisit, Mr. Suthep Wongvorazathe, and Pol.Lt.Gen. Chaiwat Chotima as members, and Mr. Wirat Uanarumit as member and secretary (replacing Mr. Supattanapong Punmeechaow, who had resigned from the Board). Of the five members, four are independent directors. The Chairman is an independent director, as stipulated by Bangchak's corporate governance policy and charter of the Nomination and Remuneration Committee.

In nominating directors, president and senior management, the committee values those that are knowledgeable, competent, and experienced, and command a sound career background, leadership, extraordinary vision, morality, ethics, and attitudes beneficial to the Company. They must be able to devote adequate time to their duties to benefit the Company's business. Also, the Company takes into account Board diversity and develops a board skill matrix to identify the qualifications of those needed, especially the missing skills and qualifications for the prevailing Board's components and structure under its business strategies. It also relies on IOD's Director Pool as a nomination tool. To bolster shareholders' confidence, the process must be transparent. The present Board is made up of fifteen members, seven of whom are independent directors and seven non-management ones, with the President as its secretary. The profile of each director appears under 'The Board of Directors'.

In defining the compensation for the Board, president and senior management, the Company's guidance is compensation suited each person's role and responsibility, as well as competitive with listed companies in the Stock Exchange of Thailand of the same industry and comparable business size; compensation must attract quality directors or executives to achieve the goals and directions as defined by the Company. To foster confidence for shareholders, the remuneration process is also made transparent. Each director's compensation information appears under 'Management Structure'.

In 2014 the committee held ten meetings to nominate suitable persons to serve on the Board and develop compensation packages for directors for the Board before submission to the shareholders' meeting for approval, and to revise policy on director nomination by adding Board diversity and board skill matrix to identify the qualifications of those needed and using IOD's Director Pool as a nomination tool.

(Signed) *Chai-Anan Samudavanija*

(Prof. Dr. Chai-Anan Samudavanija)

Chairman, Nomination and Remuneration Committee

December 19, 2014



Report of the Corporate Governance Committee

To the Shareholders

The Board of Directors appointed the Corporate Governance Committee, headed by General Dapong Ratanasuwan, with Mr. Sarakorn Kulatham, Mr. Vikrom Koompirochana and Mr. Vichien Usanachote serving as members. This year, with the resignation of General Dapong Ratanasuwan, his membership of this committee also ended. Subsequently, at its meeting No. 10/2014, the Board appointed Mr. Vikrom Koompirochana as Chairman and Mr. Krairit Nilkuha as new member.

In 2014, the committee held a total of three meetings to monitor performance under the plan for developing good corporate governance practices. Below are the essences of the meetings:

1. Rights of Shareholders

- Publicized information concerning the Annual General Meeting of the Shareholders (AGM) on the Company website 40 days ahead of the meeting and mailed the documents to the shareholders 21 days ahead of the meeting.
- Added registration points at the AGM for faster processing.
- Allowed shareholders to post questions in advance, to be addressed at the AGM, from August 29, 2014, onward.

2. Equitable Treatment of Shareholders

- Proposed six independent directors to whom the shareholders could assign proxies for the AGM.
- Allowed the shareholders to propose AGM agenda items and nominate directors between August 29 and December 31, 2014.
- Report the securities portfolios and changes of the Board and the executives to the Board at their meeting every month.

3. Roles of stakeholders

- Monitored reports concerning whistle-blowing and complaints filed to the Internal Control Office. A total of 26 such reports were filed this year. The fact-finding investigation has shown 1 case contains wrongdoing, 1 case under investigation and 1 case cannot contact the complainer.

4. Disclosure of information and transparency

- Conducted quarterly presentations of Bangchak's performance, data, and outlooks to analysts, local investors, and foreign investors
- Organized shareholders' visits at the Bangchak Refinery and Sunny Bangchak Project at Amphoe Bang Pa-in, Ayutthaya province

5. Responsibility of the committee

- Staged meetings among independent directors in June and October, and ones among non-executive directors in July and November in order for them to debate their concerns
- Organized a study tour on Thermal Waste Treatment Plant at Vienna, Austria in compliance with the Company's growth and development clean-energy business and other energy businesses.

6. Corporate governance policy

- Revised the corporate governance policy (eleventh revision) concerning Director Nomination, Board attendance and Board quorum while voting in section 3 (The board of Directors) taking director position for executives in section 5 (Management) the shareholder's right in section 7 (The Rights and Equitability of Shareholders and the Company's roles toward stakeholders) and No gender discrimination in section 9 (Guidelines for Directors, Executives, and Employees)
- Revised the corporate governance policy for subsidiaries' companies (Bangchak Green Net Co., Ltd., Bangchak Biofuel Co., Ltd., and Bangchak Solar Energy Co., Ltd.) by including principles and guidelines in each section and adding under Section 2 three anti-corruption principles.
- Ensured all employees' responses in acknowledging and completing the annual questionnaire on the CG policy through the e-HR and knowledge management systems to assess their understanding

7. Publicity of corporate governance

Directors and the management were invited speakers on the policy and experience of corporate governance management. The Company also welcomed visiting public and private agencies, together with educational institutions, to its premises to share experiences and observe its corporate governance practices.

8. Public relations to promote the corporate governance culture

- Provided corporate governance training as part of the orientation curriculum for new directors.
- Provided corporate governance training as part of the orientation curriculum for new employees.
- Organized the 2014 CG Day under the "Bangchak's 30-year Journey, Building on Virtue toward Sustainability" theme.

9. Anti Corruption

- Declared a "no-gift policy" for festivities and special occasions, and communicated with all employees, business partners, and external business contacts of Bangchak and its affiliates. The policy heightened good CG and set good standard practices with all business partners.
- Organized a 2014 seminar with business partners in conjunction with Procurement Section to share ideas and promote the CAC campaign.

As a result of its continuous valuing of corporate governance, this year the Company won the SET Awards of Honor in Top Corporate Governance Report Award, in its ninth straight year, presented at the SET Awards 2014 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine

(Signed) *Mr. Vikrom Koornpirochana*

(Mr. Vikrom Koornpirochana)

Chairman, Corporate Governance Committee

December 19, 2014



Corporate Governance

The Board of Directors is fully committed to conducting its business under the principles of good corporate governance to ensure that the Company performs its operations with efficiency, transparency and accountability toward all stakeholders. In 2014, the Company conformed to corporate governance principles in the following aspects:

1. Compliance with the Principles of Good Corporate Governance for Listed Companies 2012

The Stock Exchange of Thailand (SET) has instituted “The Principles of Good Corporate Governance for Listed Companies 2012” which consist of principles and best practices related to corporate governance for use by listed companies. The Company, throughout 2013, has continuously adopted such principles in executing its business, which can be divided into five areas as follows:

1.1 Rights of Shareholders

The Board has defined a policy on the rights of shareholders in the Corporate Governance Policy, section 7, with the practices as follows:

- The 2014 Annual General Meeting of Shareholders (AGM) was held on Wednesday, April 9, 2014 at Bangkok International Trade & Exhibition Centre, located near BTS Bangna station, which is conveniently accessible.
- The Company applied the record date for the AGM to give shareholders more time to examine meeting notices and related information ahead of the meeting.
- Shareholders were informed of the meeting two months ahead of the meeting date, which is or and above the standard required by law, to allow shareholders time to plan his or her schedule.
- Meeting documents were disseminated 40 days before the meeting date via website and 21 days via mail.
- Opinions of the Board were included for every agenda item and an annual report was attached as well as a proxy form, with details of documents and supporting evidence needed, together with meeting documents.
- Contact numbers were provided for additional inquiries by shareholders.
- Allowed shareholders to post questions in advance since August 30, 2013, to be addressed at the 2014 AGM.
- Facilitated and promoted institutional investors' attendance at the shareholders' meeting. To this end, Bangchak's investor relations officers made inquiries about agenda issues and collected proxy forms in advance.
- Facilities were provided to shareholders on the date of the meeting as follows:
 - Ample parking spaces were reserved and free transport provided from BTS Bangna station to the meeting venue.
 - Registration points were increased and the barcode system used in registration and ballot counting for efficiency and speed.
 - The Thailand Securities Depository Company Limited's (TSD's) AGM system was used in the registration and ballot counting for efficiency and transparency.
 - Stamp duties to affix to the proxy form were provided to proxies free of charge.

- Stickers were provided to registered shareholders to ease their access to the meeting without re-verifying the document.
- The President, before the meeting, informed shareholders of the voting and counting procedures for the resolution of each agenda.
- During the meeting, the shareholders were given equal opportunities to express their views and raising queries. Significant views and queries were recorded in the minutes of the meeting.
- Afterward, the minutes of the meeting were disseminated to the shareholders via the Company's website and SET's channel.

For the 2014 AGM, the Company invited Mr. Visith Uevirojnangkoon, independent legal consultant, and Mr. Wutipong Vechayanon, the Company's legal consultant to serve as the referees to ensure that the meeting was conducted in a transparent ways and in compliance with the laws and the Company's Regulations for the following matters:

1. Verification process for documents and evidence of shareholders or proxy holders
2. Quorum of the meeting
3. Abstention of stakeholders
4. Vote casting and vote counting procedures in compliance with the Company's regulations / as informed by Chairman.
5. Monitoring of ballot collecting and verification of voting results and resolutions.

Because of its continual improvement, the Company has received a perfect score of 100 for its quality under the 2014 AGM project, given by the Thai Investors Association.

1.2 Equitable Treatment of Shareholders

The Board has defined its policy on equitable treatment of shareholders in its corporate governance, section 7, in addition to those defined by the law, with practices as follows:

- Allowed the shareholders to propose AGM agenda items and nominate directors between August 30 and December 31, with related rules and procedures disclosed on the Company's website, and posted a notice of the meeting via SET's media channels. The Company makes it a policy not to add any agenda items without prior notification, especially essential agenda items which need time for investigation before making decisions.
- Encouraged shareholders to use Proxy Form B with stipulated direction for voting and a list of six independent directors, any of whom they can appoint as their proxy in the meeting.
- Used ballot papers on every agenda, especially the agenda on election of directors, in which shareholders can vote for each individual nominee. The vote is in proportion to the number of shares held.
- Defined guidelines for employees in the corporate governance policy, section 9, on safeguarding the Company's confidential information and restraining from using the Company's confidential information for their own gains.
- Stipulated the duties of directors and the management in the good corporate governance statement, section 3 and 5, in refraining from trading of Company shares at least a month before the disclosure of financial statements and three days after the disclosure, as well as in reporting to the Board on their shares held every month.
- Provided various communication channels in order that shareholders can have equal access to the information.

1.3 Role of Stakeholders

The Board has defined its policy on the roles of the Company towards stakeholders in its corporate governance policy, section 7, as follows:

- "1) The Board recognize and value the rights of stakeholders as defined by laws, human rights and fair labor treatment, locally and internationally, and promotes cooperation between the Company and its stakeholders in forging prosperity, creating jobs and creating a sustained, stable financial status for the business. The Board ensures that the stakeholders' rights are protected and well-treated.
- 2) The Board takes into consideration the benefits derived and the stakeholders' assistance in forging its competitiveness and profitability.
- 3) The Board has instituted measures for whistle-blowing and complaint-filing against violations of the law and the code of conduct, or behavior potentially classified as frauds or malfeasance of those inside the Company or of stakeholders, including inaccurate financial reports or deficient internal controls. The Board has also instituted protective measures for whistle-blowers for stakeholders' greater stewardship of Company benefits

Methods of filing a complaint or inquiry

E-Mail ico@bangchak.co.th

Mail The Internal Control Office

The Bangchak Petroleum Plc

210 Sukhumvit 64, Bangchak, Phra Khanong, Bangkok 10260

Tel : 0-2335-4566 Fax : 0-2331-6530"

The Company monitored reports concerning whistle-blowing and complaints filed to the Internal Control Office. This year, 26 complaints were filed. After fact-finding by responsible units, only one involved potential corrupt practices, another was under investigation, and in another case the company could not establish contact with the complainant.

In corporate governance, there are various groups of stakeholder which the Company takes into consideration their rights over and above those stated by the law, as well as not taking actions which might violate the rights of stakeholders and intellectual properties. This can be summarized below. (Further details are included in the Sustainability Report)

Employees

The Company recognizes that employees are the driving force, and encourages the training of employees to increase their competency. Moreover, the company ensured that employees were fairly treated and received suitable, fair compensation and welfare compatible with their performance assessment levels and the company's own performance outcomes in comparison with market and industry peers. This included a provident fund, medical welfare, commuter buses, labor relations activities, and an employee's association consisting of assorted clubs for their recreation after a day's work.

Customers and Society

The Company is dedicated to improving the quality of products and services for maximum customers' satisfaction. The policy aims to deliver quality goods which meets or exceeds the customer's demands under fair conditions. Bangchak's policy is also to deliver products of desired quality or of quality beyond customers' expectations under fair, responsible treatment of customers, and aims to give adequate, accurate and timely information about the products and services. The Company does not exaggerate or mislead the customer about the quality, quantity or other terms and conditions of the products or services. Company employees protect the customer's secrets and do not use them for personal gains.

Suppliers / Contractors

Bangchak's code of conduct governs hiring and purchasing, its policy governs fair selection and treatment of business partners, and its regulations deal with the procurement and sales of petroleum and refined products-all these ensure that its business with partners may proceed properly and responsibly, as well as judicious coordination in both sides' interests. In addition, Bangchak has issued a business contact manual and policy guidelines for its service station agents to ease business partners' contact with Bangchak and enable its operators/agents to conduct business under good governance and a proper code of conduct, while strictly honoring various agreements or conditions. If it is impossible to observe any of these, one must notify business partners in advance to jointly deliberate solutions.

Lenders

Bangchak treats lenders fairly, responsibly, and transparently and seeks to fulfill all its contractual and financial obligations especially guarantee condition, capital management and payment. It does not engage in dishonest practices and does not conceal information which may cause losses for the lender. If the Company cannot fulfill one or more of its obligations, it seeks to notify the lender so that a resolution can be agreed upon together.

Competitors

The Company conducts business with ethics, transparency, and engages in fair competition with its competitors under the guidance of fair competition. It does not seek to find information about Competitors through dishonest or inappropriate means, for example, bribing a competitor's employees. The Company does not engage in slander or discrediting its competitors.

Shareholders

The Company is determined to follow the principles of corporate governance and is focused on creating a business which has financial stability and sustainability to maximize the value of shares for the benefit of the shareholders.

The Community around the Refinery, Society, and the Environment

The Company considers health and safety and the environment an integral part of the business, and has a written guideline on health, safety and the environment for the Directors, Executives, and employees to uphold. This includes promotion of efficient resource consumption and employee training on occupational health, safety, environmental, and energy matters under the "Develop sustainable business, while safeguarding the environment and society" corporate culture.

The Company produces "Krob Krua Bai Mai" (Leaf Family) newsletter and "Rob Rua Bangchak" (Bangchak Neighbors) magazine for distribution every other month to allow the community to know the goings-on of the Company as well as receiving interesting information, such as how to save energy, how to ensure safety in daily life, and health tips and how to protect the environment. This is another way for the Company to communicate with and take care of communities around its refinery.

1.4 Disclosure and Transparency

The Board has defined its policy on Disclosure and Transparency in its corporate governance policy, section 8, with practices as follows:

- Every quarter, performance outcomes, corporate information, and business outlooks were presented to analysis and investors, both domestic and abroad.
- Posted on Bangchak's website its memorandum of association, company affidavit, regulations, and the corporate governance policy
- Organized shareholders' visits to the Sunny Bangchak Project at Amphoe Bang Pa-in, Ayutthaya province
- The Company has an investor relations section to communicate with analysts, investors and other persons who might seek information on financial statements, corporate performance and status as well as any transactions which might affect the Company.
- Regularly disseminate the Company's important news via SET's media channel, information disclosure forms, annual report and the Company's website, in both Thai and English.
- In place are policies and measures for complaint-making (whistleblowing) by employees or other stakeholders about wrongdoings, violations of the code of conduct, or suspected malfeasance cases involving employees, including false financial reports or shortcomings in the internal control system. Also in place is a mechanism to protect whistleblowers, consisting by keeping their data confidential. This way, stakeholders may take part in guarding the company's interests more efficiently.

1.5 Responsibilities of the Board

The Board has defined its policy on the roles, duties and responsibilities of the Board in its corporate governance statement, section 3, with practices as follows:

- Staged meetings among independent directors in June and October, and ones among non-executive directors in July and November.
- Organized a study tour on Thermal Waste Treatment Plant at Vienna, Austria in compliance with the Company's growth and development clean-energy business and other energy businesses.
- Developed the Board's performance assessment forms for the Board for individual self-assessment and cross-assessment as well as the entire Board, and for the subcommittees alike.
- Took part in defining a vision, mission, strategy, business targets, and budget each year to maximize economic value to the Company business and shareholders' security. The Board also approves essential strategies and policies, in particular, key performance indicators (KPIs) relating to financial and planning matters which the Board had earlier approved (indicators and targets) and monitor them from time to time.
- Ensured that the Company had efficient internal controls, internal audit, and risk management measures in place and regularly reported to the Board on its performance.
- Followed up on the management's execution by assigning the management to report the Company's performance and operations to the Board every month.
- Appointed is a Law Office in charge of corporate legal matters, including compliance, to ensure that all units completely and accurately comply with laws. This is achieved by developing legal control self-assessment for all corporate units; supervising license renewals through a reminder system for superiors and employees, and so on; and educating employees through assorted channels like Outlook, internal broadcast, and annual training in laws.

2. Corporate Governance Policy

The Board has had a written corporate governance policy since 2003 for its executives and employees to adhere to:

1. **Accountability** for all decisions made and actions taken
2. **Responsibility**, or being responsible for one's duties
3. **Transparency** in regard to information disclosure and being open to scrutiny
4. **Equitable Treatment** to all concerned parties
5. **Vision to Create Long-Term Value**
6. **Ethics** and virtue.

The corporate governance policy, section 3, stipulates the roles, duties and responsibilities of the Board in reviewing the policy regularly. In 2013, the Board developed and provided support to the execution of good corporate governance as follows:

- Revised the Corporate Governance Policy (11th revision) by including a policy on director nomination, minimum meeting attendances by directors, and a Board quorum during voting in Section 3 (Board of Directors), executives' service as another entity's directors in Section 5 (the management), rights of shareholders in Section 7 (rights and equitability of shareholders and Bangchak's role toward stakeholders), and treatment of employees in Section 9 (guidelines for directors, executives, and employees).
- Amended the corporate governance policies of subsidiaries (Bangchak Green Net, Bangchak Biofuel, and Bangchak Solar Energy), first revision, by adding sections' principles and guidelines, including the addition of Section 2 (anti-corruption).
- Ensured all employees' responses in acknowledging and completing the annual questionnaire on the CG policy through the e-HR and knowledge management systems to assess their understanding

The Company also launched public relations activities to promote the good corporate governance culture as follows:

- Provided corporate governance training as part of the orientation curriculum for new directors and staff
- Organized CG Day 2014 activities under the "Bangchak's 30-year Journey, Building on Virtue toward Sustainability" theme, featuring employee shows narrating Bangchak's background of the past 30 years and its readiness to build on virtue toward sustainability.

Playing a role in disseminating good corporate governance principles to the public, directors and executives were invited to share their knowledge and experience on the Company's good corporate governance on various occasions.

3. Anti-corruption

Bangchak values good corporate governance and anti-corruption alike. To this end, it has enlisted in the league of the UN Global Compact and become one of the first 22 companies to gain membership certification for CAC (Thai Private Sector Collective Action Coalition against Corruption). In addition, the company has

demonstrated its commitment to anti-corruption, as summarized below.

- Issued a policy on rejection of gifts and notifying others outside the company of this policy during festivals and any other period in a move to upgrade its corporate governance and set a good standard for engagement in fair businesses with all related parties.
- Organized a business partner seminar for the year, educating them and supporting their moves to join CAC.

4. Conflicts of Interest

Under the corporate governance policy, section 9, the guidelines for directors, management and employees stipulated that they must refrain from any act posing potential conflicts of interest with the Company, i.e. any act potentially depriving the Company of its interests or its fair share of interests, including competing with the Company, incurring personal gains from private business dealing with the Company, abuse of Company information for personal gain and holding shares in the Company's business competitors.

The Company, in order to prevent potential conflicts of interest, has set the following forms:

- **CG Commitment and Conflict of Interests Disclosure Form**
To comply with the policy on corporate governance, which forbids directors, management and employees to commit any act which might deprive the Company of its interests, the Company has prepared the above-mentioned form to ensure that all employee acknowledge the CG policy and fill any acts or activities that might be in conflict with the Company's business interests and deliver it to Internal Audit through their supervisors through the e-HR.
- **Report of Directors and Management's Stake Form**
The Securities and Exchange Act (No. 4) B.E. 2551 (2008) stipulates that directors and the management are to report to the Company his/her or connected persons' stakes connected with the business operations of the Company or its subsidiaries. The Company has therefore prepared the above-mentioned form for its directors and management to fill out and report any change to the Company. The Corporate Secretary will forward a copy of the form to the Chairman of the Audit Committee to ensure that the directors and management perform their duties with integrity.
- **Report on connected transactions form**
To ensure that transactions between the Company and any related parties or businesses are transparent and comply with SET's rules and regulations, the Company has defined a policy and guidelines on connected transactions and prepared the above-mentioned form for responsible employees to fill out and forward it to the Secretary to the Board with a copy to Internal Audit for acknowledgment.

5. Monitoring the Use of Inside Information

The Company has a policy detailing the accepted practices of director, executive and employees and forbidding the disclosure of important secret information to the public for personal or other gains, as well as policies on the buying and selling of Company shares as follows:

1. Directors and executives, as well as spouses and offspring, including connected persons, according to Article 258 of the Securities and Exchange Act of 1992 must notify and distribute information about shares held, as well as reporting any changes to SEC every time they buy, sell, transfer, or receive shares within three days of the change to comply with Article 59 or face punishment according to Clause 275 of the Securities and Exchange Act of 1992.
2. Notify the Directors and executives of the financial information which affects the price of shares. Avoid buying or selling Company shares one month prior to the disclosure of information and three days after disclosure, as well as not disclosing information to others before it is made available to the public.

Furthermore, in the Board Meeting, Directors and executives must report changes in shares held every month, and must notify the Company without delay if:

- They are stakeholders directly or indirectly from the contracts that the Company makes during the fiscal year.
- They hold shares or bonds in the Company and its subsidiaries

The Company also has penalties against employees who use the Company's inside information for personal gains, ranging from a warning to termination of employment.

6. Remuneration for the External Auditor

6.1 Audit Fee

The Company and its subsidiaries have paid audit fees as follows:

- The Company's External Auditor (Mr. Winid Silamongkol or Mr. Vairoj Jindamaneepitak or Mr. Charoen Phosamritlert) in the last year totaled 0 Baht
- The Audit Company (KPMG Phoomchai Audit Ltd.), persons and businesses related to the external auditor and the Audit Company in the last year totaled 3,993,279 Baht (Bangchak Petroleum Plc: 1,945,973 Baht, Bangchak Green Net Ltd.: 706,372 Baht, Bangchak Biofuel Ltd.: 243,960 Baht and Bangchak Solar Energy Ltd.: 1,096,974 Baht)

6.2 Other fees

- none -

7. Investor Relations

The Company realizes that its information, both financial and non-financial, affect the decision-making process for investors and stakeholders. Therefore the management values accurate and full disclosure in a regular and timely manner, in accordance with SEC and SET regulations. The Investor Relations department acts as a center for giving out important information to investors and ensuring that financial reports as well as important information which affects the value of the Company's shares, such as the financial statements, the business performance report, MD&A report and analysis for each quarter and year, are distributed in a timely and regular manner, and that complying with SEC regulations. This is for the benefit of investors both in Thailand and abroad. The Company produces a performance report and provides information to investors, shareholders and stakeholders directly and indirectly as follows:

- Directly: The Company keeps analysts, investors and employees updated regularly through analyst meetings, company road shows, E-newsletters, conference calls and attending conferences organized by various institutions, meeting with minor investors on SET's Opportunity Day, or company visits to other listed companies through the Federation of Thai Industries to allow potential investors, shareholders in listed companies, analysts and Federation of Thai Industries members to have access to the Company's management information and activities. Related parties can also make appointments to ask for information about business updates and can attend the company visit programs as well. Moreover, those who cannot attend analyst meetings can access the information through videotaped sessions, which are put on the website in Thai and English.

A Summary of Investor Relations Activities in 2014

| Activity | Number (times) |
|--|----------------|
| Foreign Roadshow | 6 |
| Local Roadshow | 2 |
| Analyst Meetings | 4 |
| Opportunity Day (organized by the SET) | 4 |
| Company Visit | 25 |
| Conference Call | 8 |
| Answering Inquiries by E-mail/telephone | 3-4/day |
| E-news Letter | 4 |
| Site Visit | 4 |
| Shareholder and Minor Investors Get-together | 5 |

- Indirectly: The Company gives out both current and past information about the Company, financial statements, performance reports, as well as other reports submitted to SET on the Company's website www.bangchak.co.th, where interested parties can read and download this information. The Investor's Relations page contains information in Thai and English which is updated frequently.

Investors and related parties can make queries or ask for the Company's information at Investor relations section, tel. 0-2335-4580, 83, 02-140-8952, at the Website: www.bangchak.co.th, or e-mail address: ir@bangchak.co.th

Furthermore, the Company distributes information about public relations, business updates, business progress, and ongoing projects, as well as answering questions and allowing ready access for the media and the public, through e-mails, press releases, photo captions, press conferences, as well as Opportunity Day. Activities in 2014 can be summarized as follows:

| Activity | Number (times) |
|---|----------------|
| Press Conference / other ceremonies involving the media | 18 |
| SMS news alert | 43 |
| Press Release | 29 |
| Photo Caption | 65 |





Report of the Executive Management

To the Shareholders

As a result of Bangchak's investment in new businesses and its broader international investment base, the Board of Directors at its Meeting No. 8/2014 appointed the Executive Management, chaired by Mr. Chaiwat Kovavisarach, with Mr. Surin Chiravisit, Mr. Vikrom Koompirochana, and Mr. Vichien Usanachote as members, with Mr. Anusorn Sangnimnuan as adviser. This group strives for management continuity and retention of the Thai quality of a company with good governance and social responsibility, poised to welcome the AEC (ASEAN Economic Community) by the end of 2015. The Board also noted that Bangchak's target EBITDA of 2020 is Baht 25 billion. This year, in a total of seven meetings, the Executive Management continually deliberated investment in new businesses together with ongoing businesses.

- **Screening and monitoring investment projects**

The Executive Management monitored and reviewed all new investment projects' updates, opportunities, and obstacles-domestic and abroad-to screen and provide recommendations for the Enterprisewide Risk Management Committee and the Board for their eventual selection of projects that would add revenue for Bangchak, with one priority: sustainable business development in tandem with the development of the environment and society.

- **Providing recommendations, monitoring performances against corporate strategies and corporate management**

Monitoring environmental changes potentially affecting Bangchak's business strategies, the Executive Management tracked, reviewed, and made recommendations on the corporate structure accommodating business expansion, suitable financial structures, short-term and long-term human resource development plans, and IT system and management processes that are safe and modern. All these serve the main purposes of competitiveness and alignment with business development directions and corporate sustainability.

The Executive Management is making its best efforts to ensure stakeholders of Bangchak's business management practices for efficiency and sustainability.

(Signed) *Mr. Chaiwat Kovavisarach*

(Mr. Chaiwat Kovavisarach)

Chairman of the Executive Management

January 14, 2014



Report of the Enterprise-wide Risk Management Committee

To the Shareholders

To ensure that Bangchak conducted comprehensive risk management with maximum efficiency and effectiveness, in steering the company this year, ERMCM held 12 consultative meetings with the management and Internal Audit together with one meeting with the Audit Committee. ERMCM performed its duty of steering risk management practices, incorporating strategic risks, investment risks in emerging businesses, operational risks, financial risks, and compliance risks. It monitored, observed, made recommendations on, and reviewed the risk management outcomes that affected company performances. On the whole, ERMCM successfully executed its work plans and endorsed the approaches and policy of risk management through the development of a corporate risk management manual for executives and employees to use as a guide. In addition, ERMCM promoted affiliates' adoption of enterprisewide risk management to ensure efficient business execution and goal achievement. A performance summary appears below.

- **Reviewed and provided** recommendations for investment in emerging businesses: The committee supervised, reviewed, and provided recommendations on risk management for all investment projects in new businesses before tabling them to the Board for approval to ensure that such businesses command suitable risk management practices and stand a good chance of goal achievement.
- **Steered strategic risk management** : ERMCM steered strategic risk management under evolving circumstances affecting long-term corporate goals by setting primary risk KPIs for tracking changes and formulating strategic plans.
- **Advocated BCM** : The committee monitored and established BCM by regularly preparing the company's strategies, personnel, and resources. As a result, this year Bangchak achieved certification of ISO 22301-2012 (business continuity management) for its head office, Bangchak Refinery, Bangchak Oil Distribution Center, Central Region Business Office, and Bang Pa-in Oil Distribution Center, as assessed by MASCI (Management System Certification Institute (Thailand)). This certification promotes stakeholders' confidence that the company can continue its business uninterrupted during crises.

In summary, ERMCM values risk management and BCM for Bangchak to manage its businesses under a risk management system characterized by effectiveness, adequacy, and suitability for business goal achievement.

(Signed) *Krairit Nilkuha*

(Mr. Krairit Nilkuha)

Chairman, Enterprise-wide Risk Management Committee

December 19, 2014



Risk Management

Since 2004, Bangchak has established risk management processes, valuing management practices to avert risks impacting its businesses. To this end, it has applied risk management processes under COSO ERM and ISO 31000 to ensure goal achievement and readiness to constantly face evolving circumstances. To this end, the company has defined a corporatwide risk management policy, to which all executives and employees must adhere, while keeping risks manageable. The company's Enterprisewide Risk Management Committee (ERMC) steers risk management practices for efficiency.

This year, high volatility marked economic and political circumstances, as well as it did the crude oil price, in turn affecting the supply-demand of consumers and the oil business. Still, Bangchak has successfully applied risk management tools to operational risks, new project risks, and business continuity management risks to complete all planned tasks, as described below.

1. Economic risks

This year, severe oil-price volatility ruled as the world oil price plummeted as a result of the emerging crude oil glut and the stagnant world economy. Bangchak had engaged in crude oil and petroleum product price hedging, which enabled it to ease losses. In addition, it expanded its solar farm capacity to 118 MW, since this business can generate a steady stream of revenue. It also expanded the biofuel investment in a biodiesel plant based on crude palm oil, going from 360,000 to 810,000 liters per day in 2016. The company also acquired shares in another ethanol plant based on cassava and molasses, with a capacity of 150,000 liters per day. This added to Bangchak's ethanol capacity in another company of 400,000 liters per day to 550,000 liters per day, thus lowering Bangchak's risk of raw-material shortage for alternative energy products while accommodating the spiraling domestic demand.

2. Social risks

The company is committed to running its businesses with primary regard for the safety of communities and society, with constant assessment of risks and potential impacts of evolving external and internal circumstances. It applies lessons learned to the improvement of processes and preparation of additional plans. To this end, the company hired world-class experts to refine, revise, develop, and upgrade the audit of safety standards and bolster confidence in operation through these actions:

- Revision of Hazard and Operability Study, meaning the incorporation of views with redesign for inclusiveness, equipped with the prevention of undesirable events to keep machinery operating at a higher standard and with safety. This ensures that design work incorporates various aspects of world-class operation and safety.
- Upgrading of the safety standard from TIS/OHSAS 18001 to process safety management, for which international experts from Du Pont Company served as consultants for the systematization of safety management related to refining processes and high-risk process management.
- Preparedness under Bangchak's emergency response system and an adequate firefighting system for all sites to put out internal fire incidents and aid communities around the refinery, including the number of fire engines, CC TVs, and safety officers.

To show its concerns for community and society safety, Bangchak regularly staged activities to not only promote knowledge and understanding, but also cultivate safety awareness for surrounding communities, including schools, temples, condominiums, and residences. Activities included basic firefighting, thorough installation of communication systems and community alarms, and community observation at the company's stage 3 emergency plan drills.

3. Environmental risks

Environmental impacts tend to be sensitive and attract considerable social interest, easily wreaking havoc on business, particularly when Bangchak is the guilty party. Therefore, the company is determined to take care of and pay great attention to environmental matters by implementing proactive policies of prevention and work efficiency improvement to cover as many business risks as possible, including the following actions.

- Requiring double-hull crude oil and petroleum product transport vessels
- Installing additional reverse-osmosis water treatment systems for an improved quality of effluents for reuse, while cutting the volumes of effluents and raw-water consumption. As a result, Bangchak successfully lowered effluents by 25% and plans to achieve 80% by 2020.
- Investigating construction of an enclosed ground flare to ease the impacts of flaring on communities by 2015.

4. Business continuity management risks

This year Bangchak achieved certification of ISO 22301-2012 (business continuity management) for its head office, Bangchak Refinery, Bangchak Oil Distribution Center, Central Region Business Office, and Bang Pa-in Oil Distribution Center, as assessed by MASCI (Management System Certification Institute (Thailand)). This certification promotes stakeholders' confidence that the company can continue its business uninterrupted during crises.

This year the company staged drills under this plan in case of oil leaks during offloading to lower the impacts on the public, working with IESG (Oil Industry Environmental Safety Group) and government agencies like the Department of Energy Business, Marine Department, Port Authority of Thailand, Phra Khanong District Office, Phra Khanong Metropolitan Police Station, Bureau of Disaster Prevention and Mitigation of Bangkok Metropolitan Administration, and stakeholders in the vicinity. The outcomes of the drill will find their way to the improvement of plan procedures.



Internal Control

Below is a summary of opinions of the Board of Directors (“Board”) of Bangchak Petroleum Plc on the adequacy and suitability of the Company’s internal control system.

1. Control environment

The Company’s organizational environment and structure favor implementation of the internal control system. Its business goals are deliberated by the Board in a clear and measurable way for use as concrete guidelines for employees. Employee incentives or compensation has undergone a critical analysis for sensibility. A proper organizational structure favors efficient business execution by the management. Supporting assorted projects on alternative-energy promotion and CSR alike, which illustrate systematic social and environmental responsibility, the management also consistently values business integrity and ethics. Bangchak has stressed to employees the issues of fraud risk and conflicts of interest by improving how information on employees’ conflicts of interest is given through the e-HR system for greater convenience and information timeliness.

Bangchak staged CG Day 2014 under the “Bangchak’s 30-year Journey, Building on Virtue toward Sustainability” topic, with employee shows to narrate the company’s background over the past 30 years and commit the company to furthering good deeds toward sustainability.

In addition, the company made it a policy to refrain from accepting gifts in a bid to elevate CG and set a high standard for fair business engagement with all related parties. It also staged a business partner seminar 2014, educating them and promoting their conformance to joining CAC (Thailand’s Private Sector Collective Action Coalition against Corruption).

The company also puts in place whistle-blowing and complaint-filing measures for wrongdoing under laws, code of practice or behavior implying corrupt actions or malfeasance by its members and stakeholders, as well as for inaccurate financial reports or defective internal control system so that stakeholders may provide oversight.

2. Risk assessment

The Company has appointed the Enterprise-wide Risk Management Committee (ERMC) to define policies, strategies and enterprise-wide risk management goals; evolve such a management system for continual efficiency; support and actively encourage cooperation in risk management at all levels; and ensure suitable and efficient risk management. The company took into consideration risks associated with new ventures (like the second biodiesel plant project, the solar power plant project, the joint-venture project in ethanol companies and the alternative energy projects etc) to bolster confidence that such businesses are viable and achieve goals. It also evolved a risk management process by integrating the approaches under ISO 31000 (which accounts for company-wide risk management) to achieve operating objectives and align with international standards.

Stringent and consistent is the Company's valuing of a sound environmental and safety management system to its neighboring communities. It appointed an Organizational Development Committee and BCM Taskforce, charged with system preparation to handle risks and potential crises; defined strategies to keep the company running even during emergencies; appointed a task force to draft business continuity management procedures to make plans comprehensive, ring-fence crises and situations, and enable Bangchak's business to proceed uninterrupted in emergencies and mitigate potential. Bangchak is the first domestic refinery to win ISO 22301 certification (business continuity management) and undergo constant surveillance surveys from the accreditor.

3. Control activities

The Company's control activities rely on key performance indicators (KPIs) as a planning and control tool, with segregation of responsibilities for checks and balances. Authority, responsibility and approval of expenditure are defined in writing, along with preparation of documents that favor segmentation and identification of responsible parties should things go wrong. Custodianship and stewardship of Company properties to prevent losses or abuses have been instituted. the Company transactions with long-term obligations are properly monitored for contractual compliance. Measures are in place to prevent self-gains of Company opportunities or benefits. Subsidiaries are properly monitored. Procedures are in place to ensure that the Company observes the law and relevant regulations. Now in place is control self-assessment (CSA) at business levels, section levels, and work process levels throughout the company, as is an annual assessment of performance. This year the company added knowledge under the Lean Process and Kaizen concepts to promote work efficiency and lower losses. To prevent siphoning of interests, water-tight measures are in place in case the company engages in transactions with the major shareholder, directors, and so on. To this end, transaction approval is mandatory without involvement by parties with vested interests. Further, data for such transactions must be disclosed under the regulations of SEC, as must data about related parties or entities under applicable accounting standards.

In addition, the business processes and corporate governance policy of Bangchak Biofuels Co., Ltd., Bangchak Solar Energy Co., Ltd., and Bangchak Green Net Co., Ltd. (the Company's subsidiaries) were reviewed.

4. Information and communication

Bangchak has developed information and data systems that are both ready for use and secure under its policy on information technology (IT) security and standard on the use of information systems and networks. This year it also won additional certification of its ISO 27001 standard for IT security for the digital control system (DCS). In addition, Bangchak has modernized its IT system for international acceptance by updating the SAP accounting system into SAP Enterprise Resource Planning (ERP) SAP ECC 6.0 to enable it to exploit various company data (both analytical and operational) more efficiently.

5. Monitoring and assessment

The Company commands a performance tracking system by having a committee regularly compare performance results against goals, so that factors potentially impacting performance can lead to strategic plan adjustment and goal achievement. An internal audit unit, reporting to the Audit Committee, reviews compliance with the company's formulated internal control system.



Report of the Audit Committee

To the Shareholders

The Audit Committee (AC) consists of qualified members with expert, independence and experience, chaired by Mr. Anusorn Tamajai and consisting of Mr. Suthep Wongvorazathe and Mrs. Arunporn Limskul as members.

In 2013 the committee held 12 meetings, six of which with senior management. When meeting with senior management, executives with vested interests stayed away from the meetings. The following captures the meeting attendances.

| Name | | Attendance / Total |
|---------------|---------------|--------------------|
| Mr. Anusorn | Tamajai | 12 / 12 |
| Mr. Suthep | Wongvorazathe | 12 / 12 |
| Mrs. Arunporn | Limskul | 12 / 12 |

The committee also held a meeting with the Enterprise-wide Risk Management Committee.

The committee deliberated various matters, summarized below:

1. Reviewed quarterly and annual financial statements, as well as related financial reports, including adequate and timely disclosure of information, compliance with generally accepted accounting principles, accounting standards, and significant changes in accounting policies, together with connected transactions among shareholders and subsidiaries or related companies. This was to ensure that such connected transactions were conducted in the normal course of business without transferring benefits, in the best interests of the Company and in compliance with the regulations of the Stock Exchange of Thailand (SET). Also, the committee met with the Company's legal team to keep updated on significant court cases in which the Company was being sued with potentially significant impacts on its business.
2. Reviewed to ensure that the Company
 - Had instituted a proper, transparent and efficient internal control and internal audit system by monitoring the performance of the internal control office to ensure independence and efficiency
 - Confirmed the independence of the performance of the external auditor
 - Recognized the need for improved business efficiency while minimizing oil losses in its processes.

This year the Audit Committee endorsed the hiring of a consultant to audit the SAP ECC6: Revenue Business Cycle system and staged training on such audit. The committee also supported the joint operation audit of Ubon Bio Ethanol Co., Ltd., with Thai Oil PCL's Internal Systems Audit and requested the management's update on crucial projects, including the application of BOI tax privileges under the environmental impact mitigation measures and Gasohol Club system modification.

3. Reviewed the Company's compliance with all accounting standards in effect, laws, SET regulations and laws relevant to its business in a complete and accurate manner and in line with corporate governance principles. The committee's emphasis was that the Company would exceed such standards.
4. Selected, nominated and proposed compensation for KPMG Phoomchai Audit Ltd. as the external auditor for 2013 and staged quarterly meetings between the committee and the external auditor to discuss concerns arising from each audit and find prompt solutions to significant ones.
5. Reviewed the adequacy of the company's overall risk management process and audited this process under existing risks. This year a joint meeting was held between the Enterprisewide Risk Management Committee (ERMC) and the Audit Committee to consult each other on the risk management process for the operation of the oil tank farm under Thai Public Port Co., Ltd., oil price risk management, prevention of unplanned shutdowns, and strategic risk management of the company's emerging businesses for greater efficiency and effectiveness.
6. Actively encouraged and ensured compliance with safety standards and stewardship of the refinery surroundings and nearby communities.
7. Revised the Audit Committee Charter in line with the criteria and terms of the Office of the Securities and Exchange Committee (SEC) and SET and the Corporate Governance Policy to ensure confidence of shareholders, business partners, customers and other stakeholders that the Company's business follows such terms and the code of conduct to maintain an efficient internal control system.
8. Reviewed the policy and operating manual of the internal control office to cover the roles and responsibilities of the Audit Committee and the internal control office for use as a practical guideline.
9. Supported the upgrading of internal auditors on a par with international standards.

Having monitored the Company's performance in 2014 under the scope of authority and assigned responsibility, the Audit Committee approved the way the Company had prepared its financial statements, regarding it as accurate in significant details under generally accepted accounting principles. Connected transactions or items of potential conflicts of interest were adequately disclosed. The Company's internal controls and a risk management process are compatible with its business circumstances, with accurate and complete compliance with the law, SET regulations, and relevant laws.

(Signed) *Anusorn Tamajai*

(Mr. Anusorn Tamajai)

Chairman, Audit Committee

January 10, 2015



Connected Transactions

1.1 Connected transactions between shareholders

For the years ended 31 December 2013 and 2014, connected transactions with the shareholders were as follows:

| Company | Relationship | Connected transaction | 2013 | 2014 |
|---------|-------------------|--|----------------|----------------|
| | | | Baht (million) | Baht (million) |
| PTT Plc | Major shareholder | • Value of sale of refined products to PTT | 17,584.34 | 14,094.53 |
| | | • Other revenues | 134.33 | 129.14 |
| | | • Trade debtors as of the end of the period | 1,595.40 | 614.25 |
| | | • Value of purchase of refined products from PTT | 123,813.37 | 107,138.83 |
| | | • Trade creditors as of the end of the period | 9,770.27 | 4,258.79 |
| | | • Creditor to others | 763.59 | 830.29 |
| | | • Finance lease liabilities | 1,084.58 | 1,004.33 |
| | | • Service fee for the use of PTT's Si Racha Terminal | 294.34 | 305.76 |
| | | • Expenses on natural gas, steam and electricity | 3,097.76 | 2,981.60 |
| | | • Interest expenses | 62.72 | 58.38 |
| | | • Other expenses | 4.68 | 1.84 |
| | | • Advance payments for utilities | 403.19 | 415.68 |

1.2 Connected transactions with subsidiaries, jointly-controlled businesses, associated companies and related companies during 2013 and 2014 consisted of the following:

1.2.1 Sale of Product and Services: These items are sold and services performed by the Company to subsidiaries, jointly-controlled businesses, associated companies and related companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 29,171.63 | 31,560.10 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Biofuel Co., Ltd. | 65.25 | 5.52 | - BCP holds 70% shares | - BCP delegates its representatives as directors |

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|-------------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Associated companies</u> | | | | |
| Ubon Bio Ethanol Co., Ltd. | - | 14.62 | - BCP holds 21.28% shares | - BCP delegates its representatives as directors |
| Ubon Agricultural Energy Co., Ltd. | 1.25 | 7.08 | - Ubon Bio-Ethanol Co., Ltd. (associated company) holds 100% shares | - BCP delegates its representative as director |
| <u>Other related businesses</u> | | | | |
| PTT International Trading Co., Ltd. | 108.86 | 1,522.99 | - PTT Plc holds shares in this company | - |
| Thai Oil Plc | 493.48 | 1,656.86 | - PTT Plc holds shares in this company | - |
| IRPC Plc | 965.30 | 1,500.87 | - PTT Plc holds shares in this company | - |
| Star Petroleum Refining Co., Ltd | 227.08 | 181.42 | - PTT Plc holds shares in this company | - |

1.2.2 Purchase of product and services: These items have to do with the Company's purchase of products and/or services from subsidiaries, jointly-controlled businesses, associated companies and related companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 1.66 | 1.16 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Biofuel Co., Ltd. | 2,982.26 | 3,925.01 | - BCP holds 70% shares | - BCP delegates its representatives as directors |
| <u>Associated companies</u> | | | | |
| Ubon Bio Ethanol Co., Ltd. | 707.22 | 1,326.32 | - BCP holds 21.28% shares | - BCP delegates its representatives as directors |

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| IRPC Plc | 1,846.02 | 6,210.01 | - PTT Plc holds shares in this company | - |
| PTT International Trading Co., Ltd. | - | 2,453.65 | - PTT Plc holds shares in this company | - |
| PTT Global Chemical Plc | 1,379.42 | 4,000.26 | - PTT Plc holds shares in this company | - |
| Thai Oil Plc | 7,290.66 | 8,913.73 | - PTT Plc holds shares in this company | - |
| Thai Lube Base Plc | 867.87 | 349.40 | - Connected through PTT Plc | - |
| IRPC Oil Co., Ltd. | 12.52 | 33.79 | - Connected through PTT Plc | - |
| Fuel Pipeline Transportation Co., Ltd. | 216.01 | 335.78 | - BCP holds 4.95% shares | - BCP delegates its representative as director |
| Star Petroleum Refining Co., Ltd | - | 5.13 | - PTT Plc holds shares in this company | - |

1.2.3 Other revenue from subsidiaries, jointly-controlled businesses, associated companies and related companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 42.63 | 6.80 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Biofuel Co., Ltd. | 28.78 | 214.06 | - BCP holds 70% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy Co., Ltd. | 12.77 | 1,029.80 | - BCP holds 100% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Prachinburi) Co., Ltd. | 0.57 | 74.43 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | 0.57 | 41.55 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Buriram) Co., Ltd. | 0.57 | 45.27 | - BCP holds 49% shares | - BCP delegates its representatives as directors |

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| Bangchak Solar Energy (Buriram 1) Co., Ltd. | 0.57 | 41.34 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Nakhonratchasima) Co., Ltd. | 0.57 | 41.40 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| <u>Associated companies</u> Ubon Bio Ethanol Co., Ltd. | 0.93 | 0.02 | - BCP holds 21.28% shares | - BCP delegates its representatives as directors |
| <u>Other related businesses</u> PTTEP Siam Co., Ltd. | 0.09 | 0.09 | - Connected through PTT Plc | - |
| Fuel Pipeline Transportation Co., Ltd. | 5.26 | 5.68 | - BCP holds 4.95% shares | - BCP delegates its representative as director |
| PTT Global Chemical Plc | 22.50 | - | - PTT Plc holds shares in this company | |
| Thai Oil Plc | 29.28 | - | - PTT Plc holds shares in this company | |

1.2.4 Interest expenses paid by the Company to subsidiaries for loan guarantees under grant of operating rights.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> Bangchak Green Net Co., Ltd. | 0.60 | 0.47 | - BCP holds 49% shares | - BCP delegates its representatives as directors |

1.2.5 Interest expenses paid by the Company to subsidiaries, jointly-controlled businesses, associated companies and related companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> Bangchak Green Net Co., Ltd. | 12.96 | 16.10 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy Co., Ltd. | 4.37 | 5.22 | - BCP holds 100% shares | - BCP delegates its representatives as directors |

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|------------|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Thai Oil Plc | 0.05 | 0.05 | - PTT Plc holds shares in this company | - |
| NPC Safety and Environmental Services Energy Complex Co., Ltd. | 1.80 | 3.12 | - Connected through PTT Plc Co., Ltd. | - |
| PTT ICT Solutions Co., Ltd. | 22.57 | 19.68 | - PTT Plc holds shares in this company | - |
| IRPC Oil Co., Ltd. | 17.05 | 17.28 | - PTT Plc holds shares in this company | - |
| PTT Energy Solutions Co., Ltd. | - | 0.03 | - Connected through PTT Plc | - |
| PTT Tank Terminal Co., Ltd. | 1.64 | 6.48 | - PTT Plc holds shares in this company | - |
| PTT Exploration and Production Plc | - | 0.20 | - PTT Plc holds shares in this company | - |
| | 0.01 | 0.01 | - PTT Plc holds shares in this company | - |

1.2.6 Debtors, advance payments and short-term loans to related businesses

1.2.6.1 Trade debtors

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|------------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 1,044.93 | 942.94 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Biofuel Co., Ltd. | 7.63 | 1.06 | - BCP holds 70% shares | - BCP delegates its representatives as directors |
| <u>Associated companies</u> | | | | |
| Ubon Bio Ethanol Co., Ltd. | 0.82 | 1.85 | - Ubon Bio-Ethanol Co., Ltd. holds 21.28% shares | - BCP delegates its representatives as directors |
| Ubon Agricultural Energy Co., Ltd. | 0.08 | 4.87 | - Ubon Bio-Ethanol Co., Ltd. (associated company) holds 100% shares | - BCP delegates its representative as director |

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Fuel Pipeline Transportation Co., Ltd. | 0.33 | 0.33 | - BCP holds 4.95% shares | - BCP delegates its representative as director |
| IRPC Plc | 53.54 | 57.59 | - PTT Plc holds shares in this company | - |
| PTT Global Chemical Plc | 8.73 | - | - PTT Plc holds shares in this company | |

1.2.7 Debtors and loans to related businesses

1.2.7.1 Loans

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Fuel Pipeline Transportation Co., Ltd. | 29.82 | 26.41 | - BCP holds 4.95% shares | - BCP delegates its representative as director |

1.2.7.2 Other debtors

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Biofuel Co., Ltd. | - | 70.00 | - BCP holds 70% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy Co., Ltd. | 0.59 | 0.43 | - BCP holds 100% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Prachinburi) Co., Ltd. | 0.20 | 0.22 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | 0.20 | 0.16 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Buriram) Co., Ltd. | 0.20 | 0.16 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Buriram 1) Co., Ltd. | 0.20 | 0.16 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy (Nakhonratchasima) Co., Ltd. | 0.20 | 0.16 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| BCP Energy International Pte. Ltd. | - | 57.68 | - BCP holds 100% shares | - BCP delegates its representatives as directors |

1.2.8 Creditors of related businesses

1.2.8.1 Trader creditors

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 3.91 | 2.17 | - BCP holds 49% shares | - BCP delegates its representatives as directors |
| Bangchak Biofuel Co., Ltd. | 228.76 | 301.80 | - BCP holds 70% shares | - BCP delegates its representatives as directors |
| Bangchak Solar Energy Co., Ltd. | 0.45 | 0.48 | - BCP holds 100% shares | - BCP delegates its representatives as directors |
| <u>Associated companies</u> | | | | |
| Ubon Bio Ethanol Co., Ltd. | - | 151.63 | - Ubon Bio-Ethanol Co., Ltd. holds 21.28% shares | - BCP delegates its representatives as directors |
| <u>Other related businesses</u> | | | | |
| Thai Oil Plc | 310.34 | 165.52 | - PTT Plc holds shares in this company | - |
| Thai Lube Base Plc | 60.14 | 2.73 | - Connected through PTT Plc | - |
| IRPC Plc | 130.82 | 168.76 | - PTT Plc holds shares in this company | - |
| PTT Global Chemical Plc | 57.77 | - | - PTT Plc holds shares in this company | - |
| IRPC Oil Co., Ltd. | - | 6.47 | - Connected through PTT Plc | - |

1.2.8.2 Other creditors

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Fuel Pipeline Transportation Co., Ltd. | 21.44 | 34.34 | - BCP holds 4.95% shares | - BCP delegates its representative as director |
| Energy Complex Co., Ltd. | 0.12 | 0.19 | - PTT Plc holds shares in this company | - |

1.3 Other non-current assets. These items are the Company's guarantee payment for office use under lease contracts for office and related services.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|---------------------------------|------------------------|------------------------|---|------------|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Energy Complex Co., Ltd. | 4.75 | 4.76 | - PTT Plc holds shares in this company | - |

1.4 Other current liabilities: These items are the Company's demanded guarantee payment for operating contracts with subsidiaries companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|------------------------------|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Subsidiaries</u> | | | | |
| Bangchak Green Net Co., Ltd. | 28.56 | 29.02 | - BCP holds 49% shares | - BCP delegates its representatives as directors |

1.5 Other non-current liabilities: These items are the Company's revenue received in advance for land lease from related companies.

| Related company | 2013 Baht (million) | 2014 Baht (million) | Relationship for the year ended 31 December 2014 | |
|--|------------------------|------------------------|---|--|
| | | | Shareholding | Management |
| <u>Other related businesses</u> | | | | |
| Fuel Pipeline Transportation Co., Ltd. | 4.40 | 3.92 | - BCP holds 4.95% shares | - BCP delegates its representative as director |

1. Connected transactions with PTT Plc

Orders for crude oil supplies between BCP and PTT, which is BCP's crude oil supplier for sale to industrial operators under the terms of feedstock supply agreements, are designed to enhance BCP's capability for sourcing feedstock for its processes. As for the sale of refined products, PTT notifies BCP six months in advance of its orders. A meeting is held each month to confirm orders, for which pricing follows market prices.

BCP entered into a 10-year contract with PTT, starting on August 3, 2009, for natural gas purchase to feed BCP's processes. Pricing was agreed in the contract with the terms and conditions considered normal business practice.

BCP entered into a contract with PTT for the use of PTT's Si Racha petroleum and gas terminal service. The 15-year contract, which started on January 1, 2009, involves receipt, storage and distribution of oil products. The service charge was agreed in the contract with the terms and conditions considered normal business practice.

BCP entered into an agreement with PTT to operate NGV fueling stations. The Company earned income from land use and station operation at the rates agreed in the contract, with the terms and conditions considered normal business practice.

BCP entered into an agreement with PTT on February 25, 2008, for the sale/purchase of electricity and steam. Under the contract, PTT is the investor in the construction of a plant with a capacity to produce 90 tons per hour of steam and 19.7 megawatts of electricity, while BCP is the sole buyer of all products at the prices agreed in the contract with the terms and conditions considered normal business practice. Commercial production started in June 2010.

The company entered into an agreement with PTT PCL on the operation, production, and maintenance of a public utility unit that generates electricity and steam. Calling for monthly fee payment, the agreement covered 16 months, ending in August 2014, with an administration fee as agreed and other conditions in line with regular businesses.

2. Connected transactions with Bangchak Green Net Co., Ltd.

Bangchak Green Net managed Bangchak service stations and consumer product sales at Lemon Green and Bai Chak outlets. These connected transactions followed normal business practices, relied on market prices and followed the details stated in the operating right agreements.

3. Connected transactions with Bangchak Biofuel Co., Ltd.

A subsidiary company, Bangchak Biofuel was set up to produce and sell biodiesel. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

4. Connected transactions with Bangchak Solar Energy Co., Ltd.

A subsidiary company, Bangchak Solar Energy Co., Ltd., operated a 38 MW PPA power plant to produce electricity from solar cell (Sunny Bangchak) phase 1, at Amphoe Bang Pa-in, Ayutthaya. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

5. Connected transactions with Bangchak Solar Energy (Prachinburi) Co., Ltd.

A subsidiary company of Bangchak Solar Energy Co., Ltd., operated a power plant to produce electricity from solar cell, at Amphoe Kabin Buri, Prachin Buri. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

6. Connected transactions with Bangchak Solar Energy (Chaiyaphum1) Co., Ltd.

A subsidiary company of Bangchak Solar Energy Co., Ltd., operated a power plant to produce electricity from solar cell, at Amphoe Bamnet Narong, Chaiyaphum. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

7. Connected transactions with Bangchak Solar Energy (Buriram) Co., Ltd.

A subsidiary company of Bangchak Solar Energy Co., Ltd., operated a power plant to produce electricity from solar cell, at Amphoe Prakhon Chai, Buri Ram. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

8. Connected transactions with Bangchak Solar Energy (Buriram 1) Co., Ltd.

A subsidiary company of Bangchak Solar Energy Co., Ltd., operated a power plant to produce electricity from solar cell, at Amphoe Nong Ki, Buri Ram. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

9. **Connected transactions with Bangchak Solar Energy (Nakhonratchasima) Co., Ltd.**

A subsidiary company of Bangchak Solar Energy Co., Ltd., operated a power plant to produce electricity from solar cell, at Amphoe Dan Khun Thot, Nakhon Ratchasima. These connected transactions followed normal business practices, relied on market prices and followed details stated in the operation contracts.

10. **Connected transactions with BCP Energy International Pte, Ltd.**

A subsidiary company in Singapore, BCP Energy International Pte, Ltd. was set up to engage in businesses concerning energy, petrochemical, and natural resource abroad. These connected transactions followed normal business practices, relied on market prices.

11. **Connected transactions with Ubon Bio Ethanol Co., Ltd**

The Company's associated company, is engaged in cassava-based ethanol production. The plant can run on fresh cassava and cassava chips. The ethanol was used in the production of BCP's gasohol and most was exported to China. The transaction with this company followed normal business practices, relied on market prices and followed details stated in the operation contracts.

12. **Connected transactions with Ubon Agricultural Energy Co., Ltd**

Transactions with Ubon Agricultural Energy Co., Ltd, a connected company as a result of Ubon Bio-Ethanol Co., Ltd. (BCP's associated company), holding shares in this company, followed normal business practices and market prices.

13. **Connected transactions with Fuel Pipeline Transportation Co., Ltd**

BCP entered into contracts with this company to take its oil products from Bangchak Depot to its Bang Pa-in Depot and sell them to its customers in the Central, North and Northeast under normal business conditions and market prices.

14. **Connected transactions with Thai Oil Plc**

Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices

15. **Connected transactions with Thai Lube Base Plc**

Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.

16. **Connected transactions with PTT Global Chemical Plc**

(a company founded through the amalgamation of PTT Aromatics and Refining Plc and PTT Chemical Plc)
Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

17. **Connected transactions with IRPC Plc**

Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.

18. **Connected transactions with NPC Safety and Environmental Services Co., Ltd.**
Service fees with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.
19. **Connected transactions with PTT International Trading Co., Ltd.**
Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices
20. **Connected transactions with PTT ICT Solutions Co., Ltd.**
Payment for the rights to use Microsoft software from this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.
21. **Connected transactions with PTTEP Siam Co., Ltd.**
Other services fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.
22. **Connected transactions with Energy Complex Co., Ltd.**
The deposit payments, office rents and office service fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.
23. **Connected transactions with IRPC Oil Co., Ltd.**
Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.
24. **Connected transactions with Star Petroleum Refining Co., Ltd**
Transactions with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.
25. **Connected transactions with PTT Energy Solutions Co., Ltd**
Other services fees with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.
26. **Connected transactions with PTT Tank Terminal Co., Ltd**
Transactions with this company, a connected company as a result of shared relationship through PTT, followed normal business practices and market prices.
27. **Connected transactions with PTT Exploration and Production Plc**
Other services fees with this company, a connected company as a result of PTT's shareholding in both, followed normal business practices and market prices.

These transactions were undertaken in the normal course of business, with none taken as extraordinary transactions. No siphoning of interests occurred among BCP, subsidiary companies, connected companies and shareholders. Approvals were scrutinized by the President, who duly approved them as authorized by Company regulations.

Disclosure of connected transactions follow the rules of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as the accounting standards concerning the disclosure of information concerning connected parties and businesses, as defined by the Federation of Accounting Profession of Thailand.

Policy for future connected transactions

In undertaking future connected transactions, BCP will continue its product and oil pipeline transport service transactions with connected companies, since these represent normal business practices in the same industry. The pricing of products and services follow market practices and/or the details stipulated in commercial contracts. However, in such cooperation, BCP takes into consideration its best interests. The Audit Committee and the Internal Audit Office are to supervise and review BCP's business to ensure its conformance to securities and SET laws, as well as the requirements, announcements, or regulations of SET. In addition, for whichever transactions involving BCP executives, they are not allowed to cast their votes in meetings. Major connected transactions must be reviewed and approved by the Board.



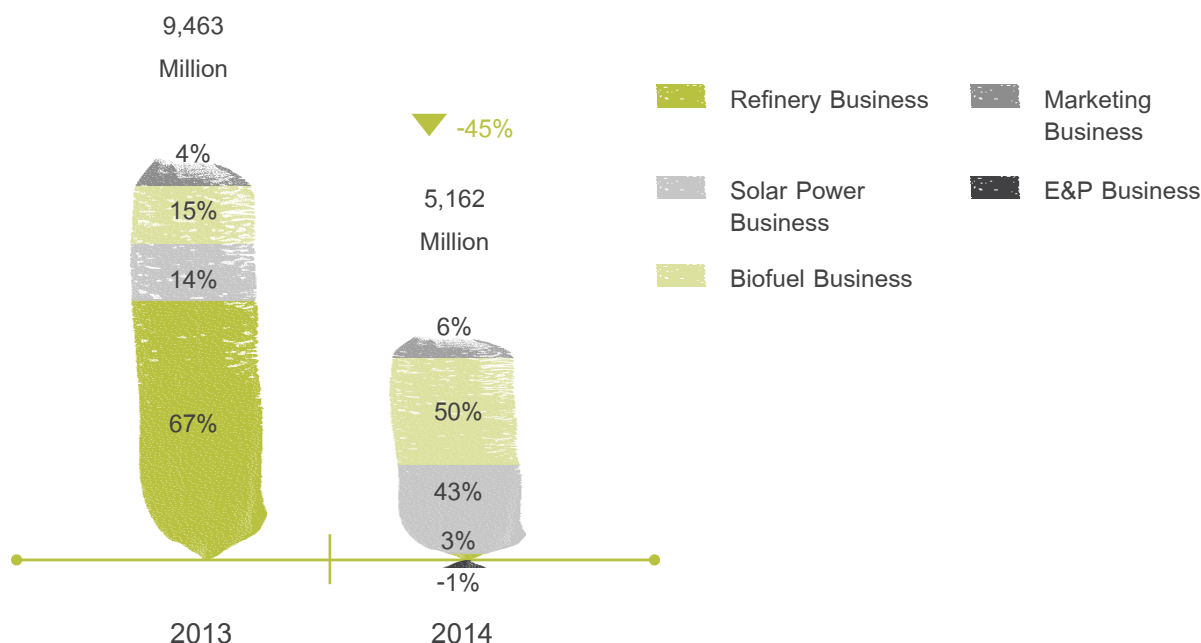


Management's Discussion and Analysis for Business Operation

Executive Summary

For the year ended 2014, the Consolidated Financial Statement recorded a revenue from sale of goods and rendering of services of Baht 183,016 million and net profit of Baht 756 million which was the net profit attributable to owners of the Company of Baht 712 million, or earning per share of Baht of 0.52

EBITDA Structure



For the year, Net profit was decreased by Baht 3,940 million when compared to FY2013 as a result of slowdown in both Thailand and World economic situation, especially the instability of crude price which continued to decline in the second half of the year, there were the major factors that affected the Company performance.

According to the economic condition mentioned earlier, total EBITDA was recorded at Baht 5,162 million, a decrease of Baht 4,300 million which was contributed mainly from a decrease in an EBITDA of refinery business whom recorded an inventory loss. Nevertheless, EBITDA contributions from marketing and solar power business help posted positive earnings for year-end performance. The performance of each business unit was as following;

Refinery business had an average crude run of 86.48 thousand barrel per day as there was an Annual Turnaround Maintenance and a replacement of the Main Column (100 KBD) totaling 46 days and a temporary shutdown of Hydrogen Plant (there was an irregularities in equipment operation, therefore, the unit was temporary seized operation for inspection and reparation) in 3Q/2014. Market GRM was 6.96 \$/BBL and gain from crude and product oil price hedging contract (GRM hedging) of 0.48 \$/bbl. And as the Dubai crude price drop heavily during 3Q/2014 and 4Q/2014, as an evident of an average Dubai Price in FY2014 of 96.66 \$/BBL compared to 105.45\$/BBL in FY2013 resulted in an inventory loss of Baht 5,454 Million. In addition, Refinery business had recognized an insurance compensation for the replacement of the Main Column of Crude Distillation Unit Number 3 of Baht 764 million.

Marketing business had a total sales volume of 5,006 million litre which was relatively to that of last year by which the Industrial market sales volume decreased 4% YoY from the lower average crude run of the refinery while retail market sales volume increased 3% YoY. As the Company continuously focused on such trading channel, it led to an achievement of being the 2nd rank in market share at 15.1% (FY2013 was in the 3rd rank: 14.8%) through sales campaign to boost Gasohol products sales volume especially Gasohol E20 and E85 which yield high marketing margin when compared to other gasohol products together with a refurbishment of service stations to attract more customers. In FY2014, Total marketing margin was 0.71 baht per litre, an increase of 37% YoY which increased in both retail and industrial market.

Solar Power business recorded a higher revenue from the fully commercial operation of Solar Power Plant phase 3 (PPA of 48 MW). As a whole, the total revenue was recorded at Baht 2,692 million and electricity sales were 232 million kWh.

Biodiesel Business had an average daily production rate of 361 Thousand litre per day, a revenue of Baht 5,316 Million, an increase of 21%. The B100 Sales volume was increased 8% from the higher demand of biodiesel from the government's policy of increasing the portion of B100 mixing with diesel from 5% in to 7% (effective since January FY2014) and also a higher average of B100 selling price when compared to last year.

For Exploration and Production business, the Company recognized a result of Nido Petroleum Limited (NIDO) which became a subsidiary of the BCP Group since September 19, 2014 which the Company held 81.41% of common shares. For FY2014, NIDO (from September 20, 2014 to December 31, 2014) recorded a revenue of Baht 325 Million, an EBITDA of Baht -58 Million (included the cost of legal fees, and other professional and consulting fees of Baht 59 Million) and a recorded of impairment in Consolidated Financial Statement of Baht 818 Million.

The Company and its subsidiaries' operating results were summarized as below;

Unit: Million Baht

| | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|---|--------------|--------------|----------------|--------------|--------------|--------------|--------------|-------------|
| Revenue from sale of goods and rendering of services | 48,059 | 46,835 | 45,749 | -5% | -2% | 186,490 | 183,016 | -2% |
| Total EBITDA ^{2/} | 1,840 | 1,429 | (1,256) | -168% | -188% | 9,463 | 5,162 | -45% |
| Refinery and Marketing Business (R&M) | | | | | | | | |
| EBITDA Refinery | 1,189 | 113 | (2,414) | -303% | N/A | 6,336 | 137 | -98% |
| EBITDA Marketing ^{3/} | 116 | 612 | 318 | 173% | -48% | 1,366 | 2,208 | 62% |
| Renewable business | | | | | | | | |
| EBITDA Solar Power ^{4/} | 412 | 709 | 740 | 80% | 4% | 1,388 | 2,572 | 85% |
| EBITDA Biofuel ^{5/} | 123 | 54 | 99 | -20% | 84% | 379 | 303 | -20% |
| EBITDA Exploration and Production ^{6/} | - | (59) | 1 | - | -101% | - | (58) | - |
| Profit attributable to owners of the Company | 689 | 381 | (2,489) | -461% | -753% | 4,652 | 712 | -85% |
| Basic earnings (loss) per share (Baht) | 0.50 | 0.28 | (1.81) | | | 3.38 | 0.52 | |

Note: 1/ The Company and its subsidiaries' operating results in 2013 were restated according to the new and revised TFRS that are effective from 1 January 2014.

2/ The difference between total EBITDA and the sum of each business EBITDA was due to the elimination items

3/ EBITDA from Marketing Business and Bangchak Greenet Co.,Ltd

4/ EBITDA from Solar Power Plant Business, Bangchak Solar Energy Co.,Ltd. and its subsidiaries

5/ EBITDA from Bangchak Biofuel Co., Ltd. and share of profit/ (loss) from Ubon Bio Ethanol Co, Ltd

6/ EBITDA from BCP Energy International Pte, Ltd. and its subsidiary

Total Sales Volume in each market category of the Company

Unit: Million Litre

| Marketing Business | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2014 | FY 2013 | YoY (%) |
|---|--------------|--------------|--------------|------------|------------|--------------|--------------|--------------|
| Retail | 754 | 746 | 777 | 3% | 4% | 2,935 | 3,016 | 3% |
| Industrial | 542 | 475 | 558 | 3% | 17% | 2,070 | 1,991 | -4% |
| Total | 1,295 | 1,221 | 1,335 | 3% | 9% | 5,005 | 5,006 | 0.02% |
| Wholesale Business | | | | | | | | |
| Petroleum traders in accordance with section 7 | 193 | 149 | 142 | -26% | -5% | 698 | 502 | -28% |
| Export | 206 | 283 | 275 | 34% | -3% | 1,039 | 902 | -13% |
| Total | 398 | 432 | 417 | 5% | -3% | 1,737 | 1,404 | -19% |
| Total Sales Volume | 1,694 | 1,654 | 1,752 | 3% | 6% | 6,742 | 6,410 | -5% |

Note: Total sales volume figures excluding the swap amount between petroleum traders in accordance with section 7 and the sales volume of crude

Analysis of the Consolidated Statement of Income

Unit: Million Baht

| | Q4 2013 (Restated) | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2013 | YoY (%) |
|--|--------------------------|--------------|----------------|--------------|--------------|--------------|--------------|-------------|
| Revenue from sale of goods and rendering of services | 48,059 | 46,835 | 45,749 | -5% | -2% | 186,490 | 183,016 | -2% |
| Cost of sale of goods and rendering of services | (45,599) | (45,520) | (47,003) | 3% | 3% | (177,387) | (178,453) | 1% |
| Gross Profit | 2,460 | 1,314 | (1,255) | -151% | -195% | 9,103 | 4,563 | -50% |
| Investment income and other income | 93 | 107 | 379 | 308% | 254% | 1,906 | 1,197 | -37% |
| Selling and administrative expenses | (1,381) | (1,005) | (1,665) | 21% | 66% | (4,290) | (4,480) | 4% |
| Gain from crude and product oil price hedging contract | 358 | 176 | 150 | -58% | -15% | 804 | 499 | -38% |
| Gain (loss) from foreign currency forward contracts | (418) | 5 | (2) | -99% | -144% | (923) | 84 | N/A |
| Gain (loss) on foreign exchange | (111) | 175 | 192 | -272% | 10% | 132 | 674 | 410% |
| Reversal of allowance for loss/ (loss) from impairment of assets | 54 | 3 | (826) | N/A | N/A | 24 | (821) | N/A |
| Share of profit (loss) of associate | 4 | (10) | 10 | 175% | -209% | 34 | 5 | -85% |
| Profit before finance costs and income tax expense | 1,058 | 765 | (3,018) | -385% | -494% | 6,789 | 1,720 | -75% |
| Finance costs | (271) | (392) | (403) | 49% | 3% | (1,127) | (1,427) | 27% |
| Profit/(loss) before income tax expense | 787 | 373 | (3,420) | -535% | N/A | 5,662 | 294 | -95% |
| Income tax (expense) credit | (68) | 36 | 914 | N/A | N/A | (932) | 463 | N/A |
| Profit for the period | 719 | 410 | (2,506) | -449% | -712% | 4,730 | 756 | -84% |
| Owners of the Company | 689 | 381 | (2,489) | -461% | -753% | 4,652 | 712 | -85% |
| Non-controlling interests | 29 | 29 | (17) | -157% | -159% | 78 | 45 | -43% |
| Earnings per share (Baht per Share) | 0.50 | 0.28 | (1.80) | | | 3.38 | 0.52 | |

Note:

- 1/ The Company and its subsidiaries' operating results in 2013 has been restated to be consistent with the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014.
- 2/ Expense of product transportation to customer which previously under Selling Expense then reclassified to be under Cost of sale of goods and rendering of services.

Summary of events in 2014

Q1/2014

- **19th March:** The first site of Solar Power business (Phase3) at Prakhonchai District, Buriram Province (PPA of 8 MW) started its commercial operation.
 - **Beginning of 2014:** Bangchak, as the first company in Thailand, employ the Transport Management System (TMS) for the whole transportation process, from the order taking to delivering the products directly from the refinery. TMS is the integrated management system enhancing the efficiency of oil delivery system, allowing instant analysis and reporting.
 - **28th March:** Company launched the “Bangchak Hi-Diesel”, the technology developed especially for biodiesel engine which contains the additive to enhance the performance and save the energy, increasing the efficiency of the combustion.
-

Q2/2014

- **9th April:** the Annual General Meeting of Shareholders approved in respect of the allocation of profit from retained earnings for dividend payment for the second-half-year operations of 2013 at the rate of Baht 0.75 per share.
- **11th April:** Company issued Debenture of Baht 10,000 million, sold to institutional investors and major investors, to support company's investment.
- **In April:** Solar Power Plant Phase 3 (PPA of 48 MW) had commercialized its operation in April which contributed to the totaling production capacity of the Company to 118 MW PPA.
- **1st May – 15th June:** There was an Annual Turnaround Maintenance of refinery, totaling 46 days and a replacement of new Crude Distillation Unit Number 3 from 80 KBD to 100 KBD.



Q3/2014

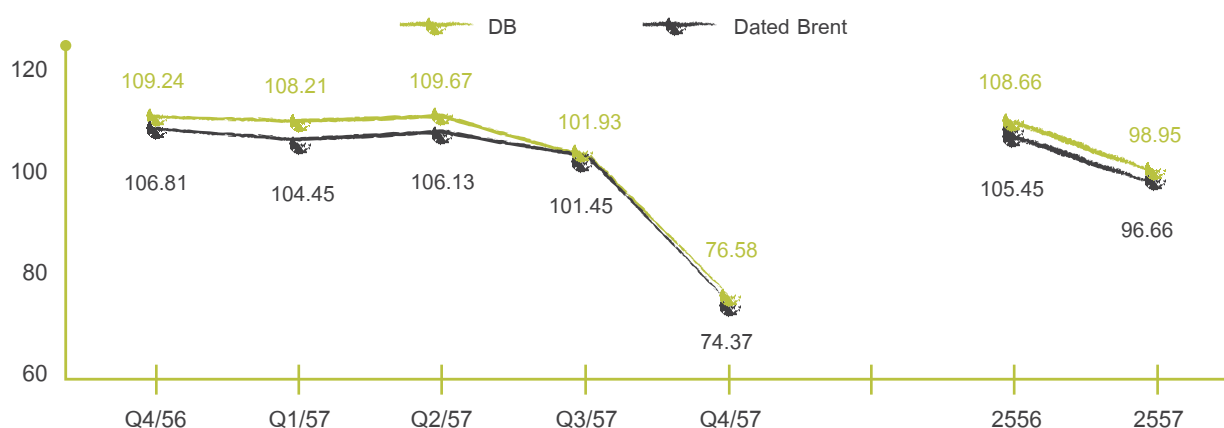
- **30th July:** Company set up a new subsidiary “BCP Energy International Pte. Ltd. (“BCP Energy”)”, which Bangchak holds 100% of its shares, for the purpose of overseas investment, trading, operation and management of the energy, natural resources and petrochemical businesses. BCP Energy entered into a Share Sale Agreement with Petroleum International Investment Corporation to acquire 402.95 million shares (equivalent to 19.66% of total issued shares capital) in Nido Petroleum Limited, which is incorporated in Australia and its principal activities are the exploration and production of petroleum and natural gas. Taking control of NIDO will enable Company to expand the business into exploration and production of petroleum business and form the fundamental development of exploration and production of petroleum business in accordance with the Company’s expansion direction.
- **31st July:** Company entered into a share purchase agreement with conditions precedent with Sima Inter Product Co., Ltd. (SIMA) to purchase 7.65 million common shares equivalent to 85% of registered capital of BCP Bioethanol Co., Ltd. which will be established after completing the conditions precedent to the share purchase agreement, for the acquisition of assets related to production and distribution ethanol, including licenses, contracts and other rights from SIMA. However, SIMA had ethanol’s production capacity of 150,000 thousand litre per day. Operating in SIMA will support the ethanol’s demand of Bangchak.
- **4th August:** CP Energy entered into a deed to make a Nido recommended tender offer to purchase all the outstanding shares via an off-market takeover. At the end of progress of the Offer, BCP Energy completely achieves a relevant interest in 81.41% of Nido shares (1,781,502,769 fully paid ordinary shares)
- **25th August:** The meeting of board of Directors of the Company had passed the resolution to approve on profit allocation from unappropriated retained earnings for interim dividend payment for Shareholders of the Company at Baht 0.60 per share.

Q4/2014

- **1st October:** Company had temporary shutdown the Hydrocracking Unit for investigating its equipment, totaling 10 days to repair. However, there is no significant impact on its product sales to customers and annual performance.
- **24th November:** The meeting of the board of directors of the Company, resolved to approve the changing the dividend payment policy to “The Company has the policy to pay out dividend to the shareholders at the rate of not less than 30 percent of net profit after deduction of allocation of legal reserve. However, this is subject to the economic situation, the Company’s cash flow and investment plans of the Company and its subsidiaries according to the necessary, appropriation and other concerning as the Board of Directors’ consideration”
- **28th November:** Bangchak was awarded “SET Award of Honor” for ‘Top Corporate Governance Report’ in the 9th consecutive years, and was awarded for Corporate Social Responsibility in the 8th consecutive years.
- **12th December:** Nido has entered into a Sale and Purchase Agreement with Otto Energy Limited (Otto) for acquiring 100% of shareholding of Galoc Production Company WLL, a holder of Otto’s 33% working interest in the Galoc oil field. Therefore, Nido’s interest in Galoc oil field was increased to 55.88% and Nido will obtain operatorship of the project.
- **19th December:** The Board of Directors of the Company resolved to appoint Mr. Chaiwat Kovavisarach, the Company’s director, as the President in replacement of Mr. Vichien Usanachote, President, who is due to retire on December 31, 2014 by the President’s Employment Contract. The resolution will be effective as of January 1, 2015

Summary of the Company and its subsidiaries' performance by Business unit

Refinery and Marketing Business Performance Crude Oil Price Situation



| | Q4 2013 AVG | Q3 2014 AVG | Q4/2014 | | | YoY (%) | QoQ (%) | FY 2013 AVG | FY 2014 AVG | YoY (%) |
|-------------|-------------------|-------------------|---------|-------|-------|------------|------------|-------------------|-------------------|------------|
| | | | MAX | MIN | AVG | | | | | |
| DB | 106.81 | 101.45 | 93.50 | 52.89 | 74.37 | -30% | -27% | 105.45 | 96.66 | -8% |
| Dated Brent | 109.24 | 101.9 | 94.61 | 54.98 | 76.58 | -30% | -25% | 108.66 | 98.95 | -9% |
| DTD/DB | 2.43 | 0.48 | 5.04 | -1.87 | 2.21 | -9% | 360% | 3.21 | 2.29 | -29% |

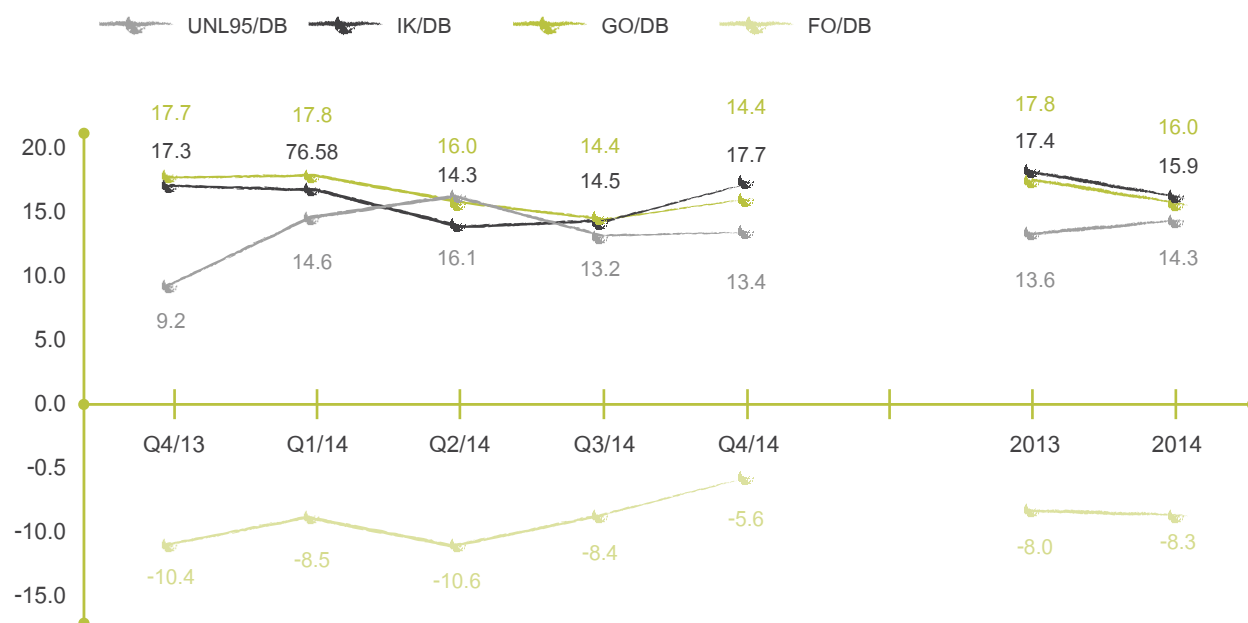
Average Dubai crude oil price in FY2014 decreased by 8.79\$/BBL compared to average price in FY2013, because of the increase in Non-OPEC supply, especially from shale boom in the US. Crude oil price has continuously and deeply declined in the second half of the year, as the OPEC meeting in Vienna on 27 November 2014 decided not to reduce its output from 30 million barrels per day, in order to retain market share in the rising oil supplies situation. Moreover, as the US Federal Reserve had continuously reduced its QE program in every meeting and decided to end the program in October, US dollar has been strengthened, and is a factor to pressure crude oil prices. Furthermore, as global oil supply is growing fast, oil demand was sluggish to catch up. Finally, crude oil price is weighed down by the slowing world economic growth in 2014, especially in Europe, China and Japan.

In Q4/2014, the average of Dubai crude oil price was 74.37\$/BBL, dropped by 27.08\$/BBL from Q3/2014. The crude oil price in Q4/2014 had been pressured by many factors. Firstly, the US Federal Reserve (Fed) decided to end its quantitative easing program (QE) in its October meeting, due to the US economic recovery and the improvement outlook for the labour market. As such, US dollar has been continuously strengthened and reached its highest level since April of 2006 in December. Secondly, as inflation rate in the Euro Area declined to -0.20% in December 2014 from 0.3% in November, the European Central Bank (ECB) is expected to launch a new stimulus program to support the economy. Moreover, the International Monetary Fund (IMF) forecasted global economy to grow at 3.3% in 2014 and 3.8% in 2015, compared to 3.4% in 2014 and 4% in 2015 in its previous estimation. The IMF is concerned by low potential growth Japan, China, Brazil and Eurozone. Thirdly, China's GDP in Q3/2014 grew 7.3% YoY, compare to 7.5% YoY in Q2/2014, according to National Bureau of Statistics data. China economy grew at its slowest rate in the past five and a half year, due to the contraction in real estate sector, lower oil demands and the slowdown in

manufacturing sector. The International Energy Agency (IEA) cut its 2014 forecast for global oil demand to grow 670,000 barrels per day, from 900,000 barrels a day in its September estimation. Moreover, the IEA had also forecasted non-OPEC oil supply to grow at 1.9 million barrels a day, mainly from U.S. shale oil growth. As an evidence, US output gained 9.14 million-barrel per day, the highest level since January 1983. Another factor pressuring the supply side was the decision of the OPEC in its meeting in Vienna on 27 November 2014, not to reduce its output from 30 million barrels per day, aiming to maintain its market share. State oil firm Saudi Aramco, Iraq and Kuwait had cut their official selling prices (OSPs) for its Arab Light crude to Asian and US customers. Oil exports from southern Iraq had been continuously increased. Furthermore, the OPEC has cut its next year's average oil demand forecast to be 28.9 million barrels a day, projecting a larger global supply surplus in 2015.

However, crude oil prices had some supporting factors. Firstly, The US GDP had increased 5% in Q3/2014, the fastest pace since the first quarter of 2006. US unemployment rate had slowed down to 5.9%, its 6-year-low. Moreover, Thomson Reuters/University of Michigan's final December reading on the overall index on consumer sentiment came in at 93.6, its best showing since January 2007. These could be implied to good signs of the US economy. Secondly, another support to oil prices is the negotiations over Iran's nuclear program on 24 November 2014, which has not reached its agreement, while the easing on Iran sanction has been extended until the end of June 2015. During the time, Iraq still has a sanction limiting its crude exports. Lastly, the uncertainty on Libya unrest is another supporting factor to crude prices.

Refinery and Marketing Business Performance Crude Oil Price Situation



| | Q4 2013 AVG | Q3 2014 AVG | Q4/2557 | | | YoY (%) | QoQ (%) | FY 2013 AVG | FY 2014 AVG | YoY (%) |
|----------|-------------------|-------------------|---------|-------|-------|------------|------------|-------------------|-------------------|------------|
| | | | MAX | MIN | % | | | | | |
| UNL95/DB | 9.18 | 13.24 | 16.23 | 10.45 | 13.43 | 46.27% | 1.43% | 13.55 | 14.31 | 5.60% |
| IK/DB | 17.31 | 14.50 | 21.83 | 13.40 | 17.67 | 2.08% | 21.87% | 17.40 | 15.85 | -8.94% |
| GO/DB | 17.7 | 14.42 | 18.32 | 12.57 | 15.96 | -9.82% | 10.69% | 17.82 | 16.03 | -10.04% |
| FO/DB | -10.4 | -8.39 | -2.42 | -9.50 | -5.60 | -46.21% | -33.32% | -8.01 | -8.26 | 3.15% |

- An average Gasoline 95 Octane/Dubai (UNL95/DB) in FY2014 was 14.31 USD/barrel, an increased of 0.76\$/BBL from FY2013. As there were more demands from Indonesia during September – November due to 2 refineries maintenance (total production capacity of 588,000 barrels per day). There was also a production cut in Mailiao refinery (production capacity of 540,000 barrels per day) in Taiwan, and a 2-month shut down of Gaoquiao refinery (production capacity 250,000 barrels a day) in China in Q4/2014, which had resulted in short supply during that period. In addition, many US refineries had emergency shutdowns in the fourth quarter, resulting in the US gasoline stock in the week ended 26 September drop by 1.8 million barrels to 208.5 million barrels, the lowest level since November 2012. This leads to higher arbitrage outflows from Asia to the US, when compared to the same period of last year.

In Q4/2014, UNL95/DB was increased by 0.19\$/bbl from Q3/2014. The spread had been driven by the western demand due to many US refineries maintenance. Consequently, the US imported more gasoline from Latin America, Mediterranean and Asia in the early of the quarter. Moreover, Indonesia had increased their gasoline imports to 11.5 million barrels in October from 10 million barrels in September, due to their refineries maintenance production capacity of 588,000 barrels per day during that period. On the supply side, the gasoline supply had been tighter as a result of an emergency shutdown of the Residue Fluid Catalytic Cracking (RFCC) at Taiwan's refinery with production capacity of 84,000 barrels per day. The cause was a technical problem, led to an estimation of 17-21 days shutdown since early December. As a result, Taiwan's 3 gasoline cargos had to postpone their delivery dates. However, the gasoline spread had been pressured in the second half of quarter due to the overall demands in the region staying low throughout winter. Moreover, the Indonesian demand had slowed down as domestic refineries back from maintenance. In addition, as Indonesian government had lowered its subsidies in gasoline and diesel prices by more than 30%, is expected to pressure Indonesian oil demands. Finally, increasing supplies from South Korea, Japan and Taiwan were also a factor pressuring the crack spread.

- An average of Jet (Kerosene)/Dubai (IK/DB) was 15.85 \$/bbl, a decrease of 1.55\$/BBL from FY2013. As regional demand in Asia was weaker compared to last year, while demand in Europe was also contracted due to its slowing economy. On the supply side, there were further additional supply capacities from new refineries in Asia and the Middle East, resulted in the middle distillate stock in the week ending 4th June 2014 hitting 2.5-year high at 12.626 million barrels.

In Q4/2014, IK/DB was increased by 3.17\$/bbl from Q3/2014. The spread had been supported by higher Jet demands for transportation sector and also Kerosene demands for heating in winter. Another supporting factor was the reduced production of Taiwan's Mailiao refinery (production capacity of 540,000 barrels per day) to 60% of total capacity in November, compared to target at 75%, due to an emergency shutdown of Sulphur Recovery Unit (SRU) with mechanical problem. Chinese Jet fuel stock was continuously decreased, after Chinese local refineries increased their diesel production yield, while China Aviation Oil (CAO) procured more Jet fuel to be delivered around the end of year.

- An average Gasoil/Dubai (GO/DB) was 16.03 \$/bbl in FY2014, a decrease of 1.79 \$/bbl from FY2013 due to a slower demands in the region compared to last year, as well as weakened demands in Europe from its economic slowdown. Moreover, Indonesian demand had been declined as the government's cut its subsidy on fuel prices.

In Q4/2014, GO/DB was increased by 1.54 \$/bbl from Q3/2014. The spread had been driven by the high demand in region as diesel price dropped, especially in Vietnam, Indonesia and the Philippines who had imported more gasoil due to the fishery season. Furthermore, Australian demand is expected to rise during its driving season in summer from December to February. Moreover, the spread had also been supported by higher Indian demand after the raining season and the coming Deepvali festival. In addition, European demand for heating oil will be increased during winter, leading to more arbitrages from the West. Also, the reduced of production capacity at Taiwan's Mailiao refinery will be another supporting factor for the Gasoil crack spread. In addition, fuel exports from a major new joint-venture refinery between Saudi Aramco and China's Sinopec in Yanbu, namely Yasref (production capacity of 400,000 barrels per day) will be delayed to January from late last year. The refinery is expected to run on full capacity in the second quarter of 2015.

In the contrary, there were some factors pressuring gasoil spread such as overall weaken demands in the region. Also, supply from Taiwan was increased around the end of the quarter, due to the slowing domestic demand. On the supply side, China's gasoil exports had been increased because of its economic slowdown as well as the oversupply from China's new refineries, which is expected to last throughout 2015.

- An average Fuel Oil/Dubai (FO/DB) was -8.26 \$/bbl in FY2014, a decrease of 0.25 \$/bbl from FY2013 due to the lower fuel oil demands compared to last year, especially in China. Chinese teapot refineries and bunker demands had been declined as China's economic slowdown. Moreover, as the flat price was in a high level during the middle of the year, demands from the shipping sector had slowed down. Finally, fuel oil stock in Asia had risen, as supplies from India and Taiwan increased.

In Q4/2014, FO/DB was increased by 2.79 \$/bbl from Q3/2014. The spread had been stronger due to the increased demands from the continuously fallen crude price, which led to the higher imports from South Korea, Hong Kong, Vietnam, as well as Chinese teapot demands which had resumed. On the supply side, OW Bunker, a big Singaporean fuel oil shipping company had gone bankrupted and could affect the concern of a shortage in fuel oil supply to their term contracted customers. As a result, some customers seek for fuel oil in the spot market instead. In the contrary, there was a trend of increased supply as regional refineries resumed from turnarounds in the fourth quarter.

However, demand for fuel oil in Japan for power generation was lower than the same period last year. Moreover, arbitrage from the West is expected to hit its 9-month high in January 2015 at 4.35 million metric tons, an increase of 10% from the end of 2014. Furthermore, the market had reduced the concern of OW Bunker bankruptcy is another pressure factor to fuel oil crack spread.

1) Refinery Business

The table of Refinery business performance

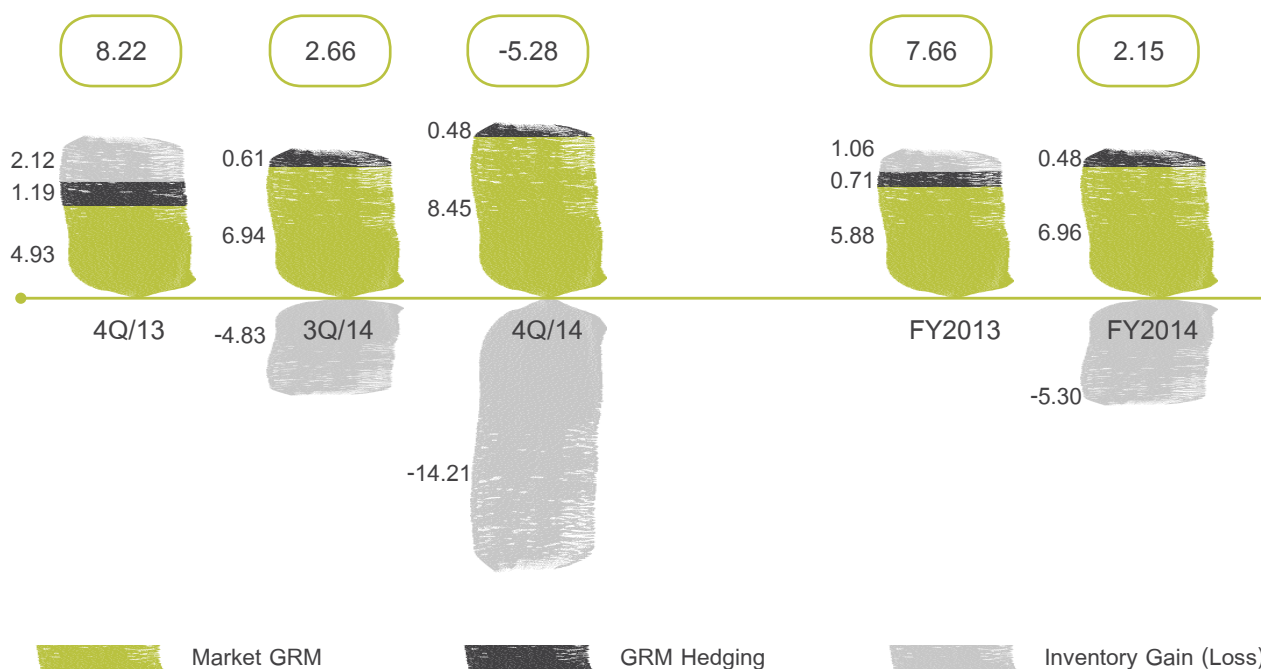
| | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|-------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Average Crude Run (KBD) | 101.17 | 96.99 | 102.48 | 1% | 6% | 99.34 | 86.48 | -13% |
| Utilization Rate (%) | 84% | 81% | 85% | 1% | 6% | 83% | 72% | -13% |
| Average FX (THB/USD) | 31.87 | 32.25 | 32.85 | 3% | 2% | 30.86 | 32.63 | 6% |

หน่วย: ล้านบาท

| | Q4 2013 (Restated) | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|------------------------|--------------------------|------------|------------|------------|------------|------------|------------|------------|
| Market GRM | 1,464 | 1,997 | 2,617 | 79% | 31% | 6,579 | 7,167 | 9% |
| GRM Hedging | 353 | 176 | 150 | -58% | -15% | 800 | 499 | -38% |
| Inventory Gain/ (Loss) | 622 | (1,408) | (4,400) | -808% | 213% | 1,189 | (5,454) | -559% |
| Total GRM | 2,439 | 766 | (1,634) | -167% | -313% | 8,568 | 2,213 | -74% |
| EBITDA | 1,189 | 113 | (2,414) | -303% | N/A | 6,336 | 137 | -98% |

Note: 1/ The Company and its subsidiaries' operating results in 2013 were restated according to the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014.

Unit: USD/BBL



In FY2014, Refinery business had an average crude run of 86.48 thousand barrel per day decreased from FY2013 which was at 99.34 thousand barrel per day as a result of the Annual Turnaround Maintenance and a replacement of the Main Column (100 KBD) totaling 46 days, and a temporary shutdown of Hydrogen Plant (there was an irregularities in equipment operation, therefore, the unit was temporary seized operation for inspection and reparation) in 3Q/2014 causing the total average crude run to decrease.

Market GRM was Baht 7,167 million (+9% YoY) which was affected by the lower price of crude oil which narrowed down the spread between Dated Brent and Dubai price to be on average at 2.29\$/BBL compared to 3.21 \$/BBL in FY2013. Especially, during Q3/2014 to Q4/2014 by which the spread was affected by an increase of supply of low sulfur and light crude from West Africa, specifically from Lybia, along with a decrease of crude import of US from West Africa as US's Shale oil production continued to increase. As such, the market GRM was high despite the facts that some of the products crack spread was weaken as the decelerate demand from Asia and Europe.

Refinery Business had Baht 499 million gain from crude and product oil price hedging contract (GRM hedging), and as the crude price drop heavily in the second half of the year, there was an inventory loss of Baht 5,454 million. As a result, total GRM was Baht 2,213 million (-74% YoY). In addition, Refinery business had recognized an insurance compensation for the replacement of the Main Column of Crude Distillation Unit Number 3 of Baht 764 million; comprised of an insurance compensation for Property Damage of Baht 521 million, an insurance compensation for Business Interruption of Baht 243 million. Therefore, Refinery Business had an EBITDA of Baht 137 million (-98% YoY).

In Q4/2014, Refinery business had an average crude run of 102.48 thousand barrel per day which was increased from 3Q/2014 which was at 96.99 thousand barrel per day. There was a temporary shutdown of Hydrogen Plant (there was an irregularities in equipment operation, therefore, the unit was temporary seized operation for inspection and reparation) in Q3/2014 and in the early of October, there was a temporary shutdown of Hydrocracking Unit as there was an irregularities in the Heat Exchanger and it was repaired and back to its operation within October. Nevertheless, the crude run in November and December were high; on average around 105 thousand barrel per day, as such, an average crude run in Q4/2014 was higher.

Market GRM was Baht 2,617 million (+31% QoQ) an increase in the Market GRM was from the seasonal factor which the heating oil demand increased during winter and a travelling demand of long holidays, and a significant drop of Dubai crude price in the quarter from the oversupply issue after the OPEC decided not to cut its production to maintain their market share. As a result, all product crack spreads were widening especially, Gas Oil/Dubai crack spread (GO/DB) and Jet Fuel/Dubai crack spread (IK/DB) which increased by a higher demand from Asia and as the supply of Gas Oil decreased from the postpone shipment from various refiners in the region and from their turnaround maintenance. Furthermore, Jet Fuel demand for travelling and Kerosene demand for heating oil were both increased during the winter season and Fuel Oil/Dubai crack spread (FO/DB) which was affected by the lower price of crude.

As for Dated Brent crude price, which was the benchmark price for low sulfur crude, the price was increased due to seasonal factor (winter demand) which encouraged European refiners to increase their utilization, hence demand of crude increase. Additionally, the political unrest in Libya which was the major exporters of such crude also supported an increment in the crude price when compared to Dubai crude price. (The spread between Dated Brent and Dubai on average was at 2.21 \$/BBL, an increased from Q3/2014 which was at 0.48 \$/BBL)

Despite a higher Market GRM when compared to the previous quarter, but as the crude price heavily drop, there was an inventory loss of Baht 4,400 million. The Company had Baht 150 million gain from crude and product oil price hedging contract (GRM hedging) resulted in a loss in total GRM of Baht -1,634 million and as Q4/2014 had higher selling and administrative expenses (year-end costs) when compared to the rest of the quarter, Refinery Business had an EBITDA of Baht -2,414 million.

2) Marketing Business and Bangchak Green Net Co., Ltd.

Sales volume in each market category of Marketing Business

Unit: Million Litre

| Marketing Business | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|---------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Retail (Service Stations) | 754 | 746 | 777 | 3% | 4% | 2,935 | 3,016 | 3% |
| Industrial | 542 | 475 | 558 | 3% | 17% | 2,070 | 1,991 | -4% |
| Total | 1,295 | 1,221 | 1,335 | 3% | 9% | 5,005 | 5,006 | 0.02% |

Sales volume in each product category of Marketing Business

Unit: Million Litre

| | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Diesel | 712 | 632 | 747 | 5% | 18% | 2,701 | 2,668 | -1% |
| UNL 91 | 14 | 12 | 13 | -9% | 10% | 33 | 49 | 46% |
| Gasoho | 331 | 363 | 371 | 12% | 2% | 1,276 | 1,402 | 10% |
| <i>Gasohol 91</i> | 130 | 143 | 148 | 14% | 4% | 525 | 551 | 5% |
| <i>Gasohol 95</i> | 88 | 92 | 93 | 6% | 2% | 346 | 355 | 3% |
| <i>Gasohol E20</i> | 81 | 82 | 79 | -4% | -5% | 313 | 325 | 4% |
| <i>Gasohol E85</i> | 31 | 46 | 50 | 60% | 9% | 92 | 170 | 84% |
| Jet Fuel | 164 | 148 | 148 | -10% | 0% | 695 | 624 | -10% |
| Fuel Oil | 42 | 39 | 34 | -19% | -13% | 189 | 156 | -18% |
| LPG 14 | 16 | 13 | -9% | -21% | 47 | 61 | 31% | |
| Lubricant | 17 | 11 | 9 | -51% | -20% | 62 | 46 | -26% |
| Others | 0.48 | 0.14 | 0.33 | -31% | 143% | 2 | 1 | -14% |
| Total | 1,295 | 1,221 | 1,335 | 3% | 9% | 5,005 | 5,006 | 0.02% |

The table below shows details of Marketing Margin

Unit: Million Litre

| Marketing Margin | Q4 2013 ^{1/} (Restate) | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|--------------------------------------|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|
| Retail Margin (Service Stations) | 0.70 | 0.98 | 0.93 | 33% | -5% | 0.73 | 0.98 | 34% |
| Industrial Margin | 0.19 | 0.29 | 0.32 | 69% | 10% | 0.23 | 0.31 | 35% |
| Total Marketing Margin ^{2/} | 0.49 | 0.71 | 0.67 | 39% | -5% | 0.52 | 0.71 | 37% |

Note: Marketing Margin figure was the attributable to the Company only.

1/ The Company and its subsidiaries' operating results in 2013 were restated according to the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014.

In FY2014, marketing business had a total sales volume of 5,006 million litre which was similar to last year. Due to the Annual Turnaround Maintenance of refinery and the replacement of new main column (100 KBD), totaling 46 days in Q2/2014, the sales volume through industrial market was decreased or has been adjusted in order to maintain the level of sales volume in retail market, as retail market was the first priority market for the Company. As such, industrial sales volume was decreased by 4% YoY while retail sales volume had increased 3% YoY. According to the strategy which the Company had continuously focused on retail market and develop various sales campaign to boost Gasohol products sales volume especially Gasohol E20 and E85 which yield high marketing margin when compared to other gasohol products, the overall gasohol products sales volume had increased by 10% YoY; Gasohol E85 sales volume had increased 84% YoY as a result of its attractive retail price when compared to other gasohol products and higher Gasohol E85 compatible car in the market.

The number of service station was decreased from 1,074 stations in FY2013 to 1,070 stations in FY2014 as the Company had closed inefficient or low thruput per service stations and continuously opened a new one which appealed more to customer together with improving quality and appearance of existing service stations to create thruput per service station growth. Additionally, the Company had continuously expanded E20 and E85 service stations. In FY2014, there were 700 service stations selling Gasohol E20 (FY2013: 678 stations) and 200 service stations selling Gasohol E85 (FY2013: 102 stations).

Total Marketing margin was 0.71 Baht per litre, an increase of 37% YoY. Retail Margin was recorded at 0.98 Baht per litre (+34% YoY) due to the emphasis on selling oil products through retail market and the sales volume growth in Gasohol products, especially in Gasohol E85 product which had a higher margin compared to other products. Furthermore, the cost of ethanol, which was a mixing material for Gasohol products, was decreased. Industrial margin was recorded at 0.31 Baht per litre (+35% YoY) from the easing of competition in industrial market. All in all, marketing business had recorded an EBITDA of Baht 2,208 million, an increase of 62% YoY.

In Q4/2014, total sales volume of Marketing business was 1,335 million litre, an increase of 9% QoQ. Retail sales volume increased by 4% QoQ from travelling season and long holiday at the end of the year, resulted in higher demand for oil products. Industrial sales volume, also, increased by 17% QoQ from a higher average crude run of refinery in Q4/2014. Additionally, the sugar cane harvest season during the quarter helped increased diesel sales volume.

Total Marketing Margin for Q4/2014 was 0.67 Baht per litre, a decrease of 5% QoQ. Retail margin was decreased due to an impact of petroleum price structure readjustment by the government; oil fuel fund was increased since August, and there was an increase in operating and administration expenses during Q4/2014 which was normally higher than other quarter of each year. Therefore, EBITDA was Baht 318 million, a decrease of 48% QoQ.

Renewable Business Performance

3) Solar Power Business

| Electricity Sales (Million kWh) | Q4 2013 | Q3 22014 | Q4 22014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|------------------------------------|--------------|--------------|--------------|------------|------------|---------------|---------------|------------|
| Phase 1 | 17.32 | 17.06 | 17.25 | -0.42% | 1% | 67.34 | 70.12 | 4% |
| Phase 2 | 19.50 | 18.87 | 19.79 | 1% | 5% | 59.50 | 79.07 | 33% |
| Phase 3 | - | 27.57 | 30.27 | - | 10% | - | 82.34 | - |
| Total | 36.82 | 63.50 | 67.30 | 83% | 6% | 126.84 | 231.53 | 83% |
| Revenue (Million Baht) | 431 | 741 | 780 | 81% | 5% | 1,463 | 2,692 | 84% |

In FY2014, Solar Power Business recorded total revenue of Baht 2,692 Million, an increase of Baht 1,230 Million (+84% YoY). Solar Power Plant Phase 3 (PPA of 48 MW) had commercialized its operation in April which contributed to the totaling production capacity of the Company to 118 MW PPA. Total Electricity Sales was recorded at 231.53 million kWh, an increase of 104.69 million kWh (+83% YoY).

Solar Power Plant Phase 1 (PPA of 38 MW) recorded an increase in electricity sales of 2.78 million kWh (+4% YoY) from a higher solar irradiation hours. Solar Power Plant Phase 2 (PPA of 32 MW) recorded an increase in electricity sales of 19.57 million kWh (+33% YoY) as it was fully operated for the whole year and from a higher solar irradiation hours. As a result, an EBITDA was recorded at Baht 2,572 Million (+85% YoY)

In Q4/2014, total electricity sales was increased by 3.80 million kWh (+6% YoY). Even though, the solar irradiation during the quarter was lower for all 3 phases when compared to Q3/2014 due to winter season which normally had low solar irradiation hours as the daylight hour was shorter, but as the cool temperature during the quarter, the efficiency of production increased for all phases, especially, phase 3 which had higher irradiation hours and located in the coldest location, therefore, an EBITDA of 4Q/2014 was recorded at Baht 740 Million (+4% QoQ).

4) Biofuel Business

In FY2014, Biofuel business recorded an EBITDA of Baht 303 million, which comprised of an EBITDA from Bangchak Biofuel Co, Ltd. of Baht 298 million and share of profit from Ubon Bio Ethanol Co, Ltd of Baht 5 million.

Table of biodiesel performance by Bangchak Biofuel. Co., Ltd.

| | Q4 2013 | Q3 2014 | Q4 2014 | YoY (%) | QoQ (%) | FY 2013 | FY 2014 | YoY (%) |
|---|------------|------------|------------|------------|------------|------------|------------|------------|
| Revenue (Million Baht) | 1,263 | 1,243 | 1,535 | 21% | 23% | 4,401 | 5,316 | 21% |
| Utilization Rate (%) | 98% | 101% | 102% | 4% | 1% | 95% | 100% | 5% |
| Average Daily Production Rate (Thousand litre per day) | 352 | 364 | 366 | 4% | 1% | 343 | 361 | 5% |
| B100 Sales Volume (Million litre) | 42 | 47 | 53 | 26% | 12% | 166 | 179 | 8% |
| EBITDA (Million Baht) | 119 | 63 | 89 | -26% | 40% | 345 | 298 | -14% |

In FY2014, Biodiesel business recorded a revenue of Baht 5,316 Million (+21 YoY) due to a growing biodiesel demand from the government's policy of increasing the portion of B100 mixing with diesel from 5% in to 7% (effective since January FY2014) The total B100 Sales volume was 179 Million litre (+8 YoY) and average daily production rate was 361 Thousand litre per day (+5 YoY). B100 price during FY2014 increased as B100 demand increase which caused crude palm oil price to increase. Moreover, the drought within the year affected the crude palm oil supply which pushed the B100 price to be higher (According to Department of Energy Business the B100 reference price was 32.41 Baht per litre in FY2014, compared to 28.95 Baht per litre in FY2013)

However, the gross margin was decreased when compared to last year as the cost of material for production was higher as the evidence of higher average crude palm oil (CPO) cost in FY2014 when compared to FY2013. Even though the price continued to decline from Q1/2014 until Q3/2014 as Indonesia, who was the main CPO producer, increased its CPO export due to its weak domestic demand hence, lower regional CPO price. As a result, Thailand's CPO producer delays their export. Nevertheless, the CPO price slightly rebounded in Q4/2014. Therefore, there was an inventory loss of Baht 5 Million and as the margin per unit of Glycerin (a byproduct of biodiesel production) was weakened, Biodiesel EBITDA was recorded at Baht 298 Million (-14% YoY)

When compared Q4/2014 to Q3/2014, Biodiesel business recorded an increase in revenue of Baht 292 Million (+23 QoQ) from an increase in B100 Sales volume of 6 Million litre (+12 QoQ). There was a slight increase in an average daily production rate. The higher B100 Sales volume was from a higher BCP's diesel sales as BCP was the major buyer of the business and the average B100 selling price increased 6.8% QoQ from crude palm cyclical factor (as production in the fourth quarter yielded the lowest for the year, hence higher price during such quarter)

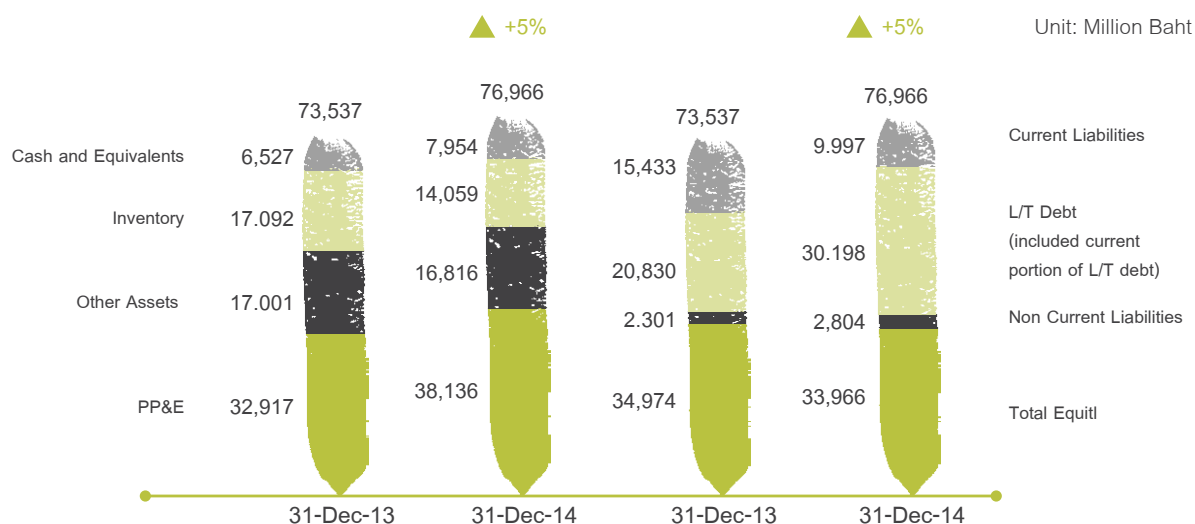
The average gross margin for Q4/2014 was higher than previous quarter from the higher sales volume and from an efficient inventory management (buying CPO before its cyclical higher price in the fourth quarter, and selling it after the price had come up) which created a higher average gross margin for both B100 and glycerin. Moreover, as the price of CPO increased in the fourth quarter, there was an inventory gain of Baht 23 Million. Therefore, Biodiesel business recorded an EBITDA of Baht 89 Million (+40% QoQ)

5) Exploration and Production Business

In FY2014, Company has expanded the business into exploration and production of petroleum business. BCP Energy International Pte, Ltd., ("BCP Energy") a subsidiary of the company has entered into a share purchase agreement of Nido Petroleum Limited ("NIDO") which is incorporated in Australia and its principal activities are the exploration and production of petroleum and natural gas. Taking control of NIDO will enable Company to expand the business into exploration and production of petroleum business and form the fundamental development of exploration and production of petroleum business in accordance with the Company's expansion direction. BCP Energy had purchased share of NIDO from Petroleum International Investment Corporation of 402.95 million common shares (equivalent to 19.66% of total issued shares capital) for 0.055 Australian dollars and entered into a bid implementation deed to make a tender offer to purchase all of the outstanding shares. On 19 September 2014, BCP Energy acquired over 61.75% relevant interest thereby NIDO became subsidiary of the Group. After BCP had extended the period of the offer, as at 3 October 2014 which was the date of offer end, BCP Energy has acquired 81.41% equity interest in NIDO.

Exploration and production of petroleum business in FY2014 (from September 20, 2014 to December 31, 2014) recorded a revenue of Baht 325 Million, an EBITDA of -58 Million (included the cost of legal fees, and other professional and consulting fees of Baht 59 Million) and a recorded of impairment in Consolidated Financial Statement of Baht 818 Million.

Analysis of Financial Position of the Company and its subsidiaries (Consolidated)



Note: The Company and its subsidiaries' operating results in 2013 were restated according to the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014.

Assets

As of December 31, 2014, Total Assets of the Company and its subsidiaries were Baht 76,966 million, an increase of Baht 3,428 million when compared to the end of 2013. The changes in assets were mainly from:

- Cash and cash equivalents was increased by 1,427 million (Details are stated under Analysis of the Cash Flow Statement)
- Current Investment was decreased by Baht 109 million from a decreasing in short-term deposit to financial institutions of Baht 95 million for a long-term repayment of Bangchak Solar Energy Limited.
- Trade Accounts Receivable – was decreased by Baht 2,825 million from lower sales value in FY2014, compared to FY2013 due to the oil price reduction, while total sales volume increased, and partly are from a decreasing in exports in FY2014 which was lower than FY2013.
- Other Accounts Receivable was increased by 565 million from the insurance compensation receivable of Baht 243 million, prepaid expenses for Biodiesel plant phase 2 of Baht 100 million and Nido's other receivables of Baht 140 million.
- Inventory was decreased by Baht 3,034 million due to a decreasing in oil price while inventory were increasing from 4.35 million barrels in December 31, 2013 to 4.98 million barrels in this year. In addition, there was a Lower of Cost of Market (LCM) of Baht 992 million.
- Oil fuel fund subsidies receivable was decreased by Baht 449 million. The Company received cash from oil fuel fund, mainly from LPG, Gasohol E85, Gasohol E20 and high-speed Diesel products.
- Investments in subsidiaries was increased by Baht 5,026 million from an investment in Bangchak Solar Energy which the Company held 100% of total share of Baht 1,462 million, an investment in subsidiaries which the Company held 49% of total share of Baht 1,513 million which were Bangchak Solar Energy (Prachinburi) Company Limited, Bangchak Solar Energy (Chaiyaphum1) Company Limited, Bangchak Solar Energy (Buriram) Company Limited, Bangchak Solar Energy (Buriram1) Company Limited, and Bangchak Solar Energy (Nakornratchasima) Company Limited and investment in NIDO of 81.41%.
- Property, plant and equipment was increased by Baht 5,219 million, from an investment of Solar Power Plant of Baht 3,695 million, refinery machinery and equipment of Baht 2,670 million, and other of Baht 588 million.

Liabilities

As of December 31, 2014, Total Liabilities of the Company and its subsidiaries was Baht 43,000 million, an increase of Baht 4,437 million from end of 2014. The change in liabilities was mainly from:

- Trade Accounts Payable was decreased by Baht 5,760 million, mainly from a decrease in Trade Accounts Payable between related parties of Baht 5,567 million which was from Trade Accounts Payable between the Company and PTT Plc of Baht 5,511 million as in December 31, 2013, in which the due date was on a public holiday but such amount had been paid in January 2014. In addition, value of oil products in December 2014 was lower than December 2013.
- Long-term loans from financial institutions and Debenture (including current portion of long-term loans) was increased by 9,368 million from a Debenture Issuance of Baht 9,987 million (Net from Debenture Issuance expenses of Baht 13 million) and repayment of Long-term loans portion of Baht 1,254 million. There was an increase in USD loans of Baht 33 million due to an adjustment impact in foreign exchange rate and loan amortization of Baht 14 million.

Equities

As of December 31, 2014, Total Equity attributable to owners of the Company was Baht 33,306 million, a decrease of Baht 1,418 million from Net Profit for the year ended 31 December 2014 of Baht 712 million and Dividend Payment of Baht 1,858 million. Other component of equity (foreign currency translation differences for foreign operations) was Baht -272 million. Consolidated book value was Baht 24.19 per share.

Analysis of the Cash Flows Statement of the Company and its subsidiaries (Consolidated)

In 2014, the Company and its subsidiaries had net cash received from operating activities of Baht 6,068 million, net cash used in investing activities of Baht 10,042 million and net cash received in financing activities of Baht 6,389 million. As a result, there was a net increase in cash and cash equivalents of Baht 1,374 million. Cash and cash equivalents on 1 January, 2014 was Baht 6,527 million and there was an effect of exchange rate changes on balances held in foreign currencies of Baht 53 million, when accounted for all activities, cash and cash equivalents as of December 31, 2014 was Baht 7,954 million.

Details of cash received and used are as follows:

Unit: Million Baht

| Cash Flows | 31 December 2013 ^{1/} (Restated) | 31 December 2014 |
|---|--|------------------|
| Net cash received (used) from operating activities | 5,451 | 6,068 |
| Net cash received (used) in investing activities | (5,507) | (10,042) |
| Net cash received (used) in financing activities | (1,422) | 5,348 |
| Net increase (decrease) in cash and cash equivalents | (1,478) | 1,374 |
| Cash and cash equivalents at 1 January | 8,006 | 6,527 |
| Effect of exchange rate changes on balances | | |
| Held in foreign currencies | - | 53 |
| Cash and cash equivalents at 31 December | 6,527 | 7,954 |

Note: : 1/ The Company and its subsidiaries' operating results in 2013 were restated according to the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014.

Cash received and used details are as follows:

1) The Company and its subsidiaries had net cash received from operating activities of Baht 6,068 million, mainly from

- Net cash received from operating activities of Baht 6,523 million which was from Net Profit of Baht 756 million added back Non-Cash Expenses of Baht 4,803 million, Finance Costs and Income Tax of Baht 964 million.
- Cash used in the operating assets of Baht 5,425 million, mainly from an decrease in Inventory of Baht 2,144 million, a decrease in Trade Account Receivable of Baht 3,056 million, other Receivable of Baht 429 million and an increase in Other Assets of Baht 684 million.
- Cash used in operating liabilities of Baht 5,125 million, mainly from a decrease in Trade Accounts Payable of Baht 5,863 million, an increase in Other Payables of Baht 140 million and an increase in Other liabilities of Baht 598 million.
- Income Tax Paid of Baht 755 million.

2) Net Cash used in investing activities of Baht 10,042 million, mainly from

- Investment in property, plant and equipment of Baht 7,337 million which were from an investment in Solar Power Plant of Baht 3,695 million, refinery machinery and equipment of Baht 2,670 million and other of Baht 972 million.
- Current investment of Baht 109 million.
- Share payment of Baht 58 million in Fuel Pipeline Transportation Co., Ltd.
- Net cash outflow on acquisition of subsidiary of Baht 2,479 million.
- Interest received of Baht 166 million.
- Leasehold right of Baht 344 million.
- Purchase of intangible assets of Baht 99 million.

3) Net cash received from financing activities of Baht 5,348 million, mainly from

- Debenture Issuance of Baht 9,987 million.
- Repayment of long-term loans of Baht 1,254 million.
- Dividend Payment of Baht 1,946 million which was a Dividend Payment of the Company of Baht 1,859 million and payment of Non-control Interest of Baht 87 million.
- Financial costs of Baht 1,439 million.

Financial Ratios (Consolidated)

| | Q4/2013 | Q3/014 | Q4/014 | FY2013 | FY2014 |
|--------------------------------------|---------|--------|--------|--------|--------|
| Profitability Ratios (%) | | | | | |
| EBITDA Margin | 3.83% | 3.05% | -2.74% | 5.07% | 2.82% |
| Profit Margin | 1.50% | 0.87% | -5.48% | 2.54% | 0.41% |
| Return on Equity (ROE) ^{1/} | 13.92% | 11.12% | 2.09% | | |
| Return on Assets (ROA) | 9.33% | 7.45% | 2.29% | | |

| | 31-Dec-13 | 30-Sep-14 | 31-Dec-14 |
|--|-----------|-----------|-----------|
| Liquidity Ratios (times) | | | |
| Current Ratio | 2.22 | 2.48 | 2.86 |
| Quick Ratio | 1.18 | 1.25 | 1.61 |
| Financial Policy Ratios (times) | | | |
| DSCR ^{2/} | 4.59 | 3.55 | 1.93 |
| Interest bearing debt to Equity | 0.63 | 0.85 | 0.92 |
| Net Interest bearing debt to Equity | 0.42 | 0.64 | 0.67 |

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

2/ DSCR in 2013 was excluded prepayment loan of Baht 5,500 million

Financial Ratios Calculation

- EBITDA Margin (%) = $\text{EBITDA} / \text{Revenue from sale of goods and rendering of services}$
- Profit Margin (%) = $\text{Profit attributable to owners of the Company} / \text{Revenue from sale of goods and rendering of services}$
- Return on Equity (%) = $\text{Profit attributable to owners of the Company (Yearly)} / \text{Total Equity attributable to owners of the Company (Average)}$
- Return on Assets (%) = $\text{EBIT (Yearly)} / \text{Total Asset (Average)}$
- Current Ratio (times) = $\text{Current Asset} / \text{Current Liabilities}$
- Quick Ratio (times) = $(\text{Current Asset} - \text{Inventory}) / \text{Current Liabilities}$
- DSCR = $\text{EBITDA (Yearly)} / (\text{Paid for long-term debt} + \text{Finance cost})$
- Interest Bearing Debt to Equity (times) = $\text{Interest Bearing Debt} / \text{Total equity}$
- Net Interest bearing debt to Equity = $(\text{Interest Bearing Debt} - \text{Cash and cash equivalents} - \text{Current investments}) / \text{Total equity}$

Note:

- 1/ Average Total Equity attributable to owners of the Company
 - o Yearly = $(\text{Total Equity attributable to owners of the Company of the year before} + \text{Total Equity attributable to owners of the Company of this year}) / 2$
 - o Quarterly = $(\text{Total Equity attributable to owners of the Company of the quarter of the year before} + \text{Total Equity attributable to owners of the Company the quarter this year}) / 2$
- 2/ Average Total Assets
 - o Yearly = $(\text{Total Assets of the year before} + \text{Total Assets of the Company of this year}) / 2$
 - o Quarterly = $(\text{Total Assets of the Company of the quarter of the year before} + \text{Total Assets of the Company the quarter this year}) / 2$
- 3/ The numerator of ROE is defined as the Profit attributable to owners of the Company and have to be annualized.
- 4/ The numerator of ROA is defined as EBIT and have to be annualized.
- 5/ Interest Bearing Debt is defined as Short-term loans + Long-term loans (including Current portion of long-term loans) + Debentures + Finance lease liabilities (including current portion of finance lease liabilities)

Environment Management Accounting (EMA)

Having the environmental concerns and social responsibilities, the Company has prepared the environmental management accounting report since 2005. The environmental cost accounting helps the Company to keep track with the information which is useful for enhancing the environmental management effectiveness, and resource utilization. The Environmental Cost Accounting report covers refinery business unit, Bangchak and Bang Pa-in Oil distribution Centre.

Unit: Million Baht

| | Year | | Δ |
|--|----------------|----------------|----------------|
| | 2013 | 2014 | |
| Material Costs of Product Outputs | 140,011 | 121,688 | -18,323 |
| : Consist of crude oil, ethanol, bio-diesel, chemical, energy and utilities in production | | | |
| Material Costs of Non-Product Outputs | 118 | 152 | +34 |
| : Consist of slop and sludge oil, waste water, chemical surplus | | | |
| Waste and Emission Control Costs | | | |
| : Consist of maintenance cost of environmental control equipment and depreciation and other fees | 175 | 314 | +139 |
| Prevention and Other Environmental Management Costs | | | |
| : Consist of monitoring and measurement cost, environmental management system expenses | 6.18 | 17.17 | +11 |
| Total Expenses | 140,310 | 122,170 | -18,139 |
| Benefit from by-product and waste recycling | 15.86 | 19.28 | +4 |
| : The revenue realization from liquid sulfur, glycerin, waste paper | | | |

In 2014, total Expenses related to environment decreased by Baht 18,139 million which was mainly from a decrease in Material Costs of Product Outputs due to an Annual Turnaround Maintenance of refinery. Material Costs of Non-Product Outputs was increased by Baht 34 million, Waste and Emission Control Costs and Prevention was increased by Baht 139 million and Other Environmental Management Costs was increased by Baht 11 million, however, Benefit from by-product and waste recycling was increased by Baht 4 million.

Changes in accounting policies

From 1 January 2014, according to the adoption of new and revised TFRS, the Company has changed its accounting policies in the following items which have material effects to financial statements, :

- TFRIC Interpretation 4 – Determining whether an arrangement contains a lease
- TFRIC Interpretation 13 - Customer loyalty programmes

Details can be found under section 3(b) to 3(d) of Footnotes to The Company's Financial Statements.

The impacts to the Company's Financial Statements 2013 are as follows

Statement of Financial Position

Unit: Million Baht

| As of 31 December 2013 | Before | Effect | | After |
|--|--------|---------|----------|--------|
| | | TFRIC 4 | TFRIC 13 | |
| Assets | | | | |
| Property, plant and equipment | 31,771 | 1,146 | - | 32,917 |
| Deferred tax assets | 336 | (12) | 14 | 338 |
| | | 1,134 | 14 | |
| Liabilities and equity | | | | |
| Other current liabilities | 565 | - | 70 | 635 |
| Finance lease liabilities (including current portion) | - | 1,085 | - | 1,085 |
| Retained earnings - Unappropriated | 21,835 | 49 | (56) | 21,828 |
| | | 1,134 | 14 | |

Statement of income for the year ended December 31, 2014

Unit: Million Baht

| | Consolidated 2013 |
|---|----------------------|
| Profit before income tax expense – as reported | 5,664 |
| Changes before tax as a result of the adoption retrospectively of: | |
| TFRIC 4 Determining whether an Arrangement contains a Lease | 22 |
| TFRIC 13 Customer Loyalty Programmes | (24) |
| Profit before income tax – restated | 5,662 |
| Income tax expense – as reported | (932) |
| Changes to income tax expense as a result of the adoption retrospectively of: | |
| TFRIC 4 Determining whether an Arrangement contains a Lease | (4) |
| TFRIC 13 Customer Loyalty Programmes | 4 |
| Income tax expense – restated | (932) |
| Profit - restated | 4,730 |
| Decrease in basic earnings per share (in Baht) | (0.001) |



Declaration of the Directors' Responsibility for the Financial Statements

The Board of Directors of the Bangchak Petroleum Plc has prepared the Company's financial statements to show its financial status and performance for 2012 under the Public Company Limited Act of 1992, the Accounting Act of 2000, the Securities and Exchange Act of 1992, and the announcement of the Capital Market Supervisory Board concerning the criteria, conditions, and reporting method for the disclosure of information on financial status and performance of companies that issue securities.

The Board recognizes its duties and responsibility for directing a listed company, particularly the responsibility for financial statements of the Company and its subsidiaries - including financial information that appears in the annual report of 2014. Such statements have been prepared under generally accepted accounting standards, which regularly complies with a suitable accounting policies and due and reasonable discretion exercised in the preparation of financial statements. Adequate significant information has been disclosed in the notes to these financial statements for transparent use by shareholders and investors at large.

The Board has instituted and maintained effective risk management and internal control systems to become reasonably confident of accurate, complete, and adequate accounting information to retain Company assets and prevent frauds or significant anomalies in operation.

The Audit Committee, acting on behalf of the Board, has been assigned responsibility for the quality of financial reports and internal control system, and its opinions duly appear in its own report found in this publication.

It is our view that the Company's internal control system is, on the whole, satisfactory and can reasonably assure us that the financial statements of the Company and its subsidiaries ended December 31, 2014 are reliable under generally accepted accounting standards, legally sound, and acceptable to relevant regulations.

(Signed) *Pichai Chunhavajira*
(Mr. Pichai Chunhavajira)
Chairman of the Board

(Signed) *Chaiwat Kovavisarach*
(Mr. Chaiwat Kovavisarach)
President



Independent Auditor's Report

To the shareholders of the Bangchak Petroleum Public Company Limited

I have audited the accompanying consolidated and separate financial statements of the Bangchak Petroleum Public Company Limited and its subsidiaries (the "Group") and of the Bangchak Petroleum Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2014, the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated and Separate Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2014 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without qualifying my opinion, I draw attention to note 3 to the financial statements describing the effect of the Company's adoption from 1 January 2014 of certain new accounting policies. The corresponding figures presented are based on the audited financial statements as at and for the year ended 31 December 2013 after making the adjustments described in note 3.

(Vairoj Jindamaneejitak)

Certified Public Accountant

Registration No. 3565

KPMG Phoomchai Audit Ltd.

Bangkok

19 February 2015



Statement of financial position

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | | Consolidated financial statements | | | Separate financial statements | | |
|------------------------------------|------|-----------------------------------|-----------------------|-----------------------|-------------------------------|-----------------------|-----------------------|
| | | 31 December | | 1 January | 31 December | | 1 January |
| Assets | Note | 2014 | 2013 | 2013 | 2014 | 2013 | 2013 |
| | | | (Restated) | (Restated) | | (Restated) | (Restated) |
| | | | | (Baht) | | | |
| <i>Current assets</i> | | | | | | | |
| Cash and cash equivalents | 7 | 7,954,246,322 | 6,527,404,199 | 8,005,505,386 | 6,709,626,823 | 5,011,640,994 | 6,641,250,681 |
| Current investments | 8 | 622,690,759 | 731,446,552 | 13,121,700 | - | - | - |
| Trade accounts receivable | 6,9 | 5,835,075,583 | 8,660,283,945 | 7,737,324,758 | 6,303,126,093 | 9,441,627,236 | 8,566,754,104 |
| Other receivables | 6,10 | 1,259,510,097 | 694,211,627 | 1,158,401,828 | 1,100,484,015 | 664,758,881 | 1,132,809,524 |
| Inventories | 11 | 14,058,695,674 | 17,092,312,602 | 19,175,125,311 | 13,360,363,489 | 16,457,888,721 | 18,613,988,720 |
| Oil fuel fund subsidies receivable | | 1,214,535,798 | 1,663,887,223 | 822,328,168 | 1,214,535,798 | 1,663,887,223 | 822,328,168 |
| Other current assets | | 1,349,700,145 | 1,198,715,710 | 195,617,849 | 1,281,236,168 | 1,088,705,935 | 148,292,282 |
| Total current assets | | 32,294,454,378 | 36,568,261,858 | 37,107,425,000 | 29,969,372,386 | 34,328,508,999 | 35,925,423,479 |
| <i>Non-current assets</i> | | | | | | | |
| Investments in subsidiaries | 6,12 | - | - | - | 8,459,498,317 | 3,433,573,450 | 1,735,039,500 |
| Investments in associate | 6,13 | 761,927,907 | 756,779,006 | 722,888,134 | 763,229,520 | 763,229,520 | 763,229,520 |
| Other long-term investments | 8 | 323,408,815 | 263,701,557 | 294,507,985 | 323,408,815 | 263,701,557 | 294,507,985 |
| Investment properties | 14 | 459,340,000 | 459,340,000 | 459,340,000 | 459,340,000 | 459,340,000 | 459,340,000 |
| Property, plant and equipment | 15 | 38,136,122,923 | 32,916,828,762 | 31,119,057,988 | 29,038,049,296 | 28,042,913,457 | 28,915,250,015 |
| Goodwill | 16 | - | - | - | - | - | - |
| Leasehold rights | 17 | 1,395,755,456 | 1,171,654,605 | 1,048,650,001 | 1,395,755,456 | 1,171,654,605 | 1,048,650,001 |
| Intangible assets | 18 | 1,629,235,250 | 220,169,948 | 147,101,686 | 215,036,034 | 216,254,372 | 146,302,092 |
| Deferred tax assets | 19 | 657,878,660 | 338,075,059 | 188,568,083 | 653,919,498 | 335,013,459 | 186,135,709 |
| Other non-current assets | 6,20 | 1,307,407,568 | 842,394,341 | 967,031,388 | 859,939,502 | 838,592,560 | 928,882,658 |
| Total non-current assets | | 44,671,076,579 | 36,968,943,278 | 34,947,145,265 | 42,168,176,438 | 35,524,272,980 | 34,477,337,480 |
| Total assets | | 76,965,530,957 | 73,537,205,136 | 72,054,570,265 | 72,137,548,824 | 69,852,781,979 | 70,402,760,959 |

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



Statement of financial position

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Liabilities and equity | Note | Consolidated financial statements | | | Separate financial statements | | |
|--|------|-----------------------------------|--------------------------------|--|-------------------------------|--------------------------------|------------------------------|
| | | 31 December 2014 | 31 December 2013 (Restated) | 1 January 2013 (Restated) (Bath) | 31 December 2014 | 31 December 2013 (Restated) | 1 January 2013 (Restated) |
| Current liabilities | | | | | | | |
| Trade accounts payable | 6.22 | 5,774,357,206 | 11,533,941,679 | 13,699,792,610 | 5,618,449,881 | 11,436,631,668 | 13,442,468,437 |
| Other payables | 6.23 | 2,359,475,792 | 2,562,203,976 | 2,790,497,402 | 2,169,031,980 | 1,982,963,257 | 2,317,086,632 |
| Current portion of long-term loans from financial institutions | 21 | 1,311,913,075 | 1,042,503,146 | 1,009,848,642 | 825,494,128 | 776,659,058 | 890,153,846 |
| Excise tax and oil fuel fund payable | | 932,998,213 | 459,751,099 | 597,418,373 | 932,998,213 | 459,751,099 | 597,418,373 |
| Income tax payable | | 3,583,378 | 361,248,814 | 532,705,763 | - | 356,392,242 | 532,705,763 |
| Current portion of finance lease liabilities | 6.24 | 84,838,358 | 80,252,395 | 75,914,328 | 84,838,358 | 80,252,395 | 75,914,328 |
| Other current liabilities | 6 | 842,200,457 | 635,148,068 | 643,755,526 | 832,445,225 | 649,343,645 | 660,327,148 |
| Total current liabilities | | 11,309,366,479 | 16,475,049,177 | 19,349,932,644 | 10,463,257,785 | 15,741,993,364 | 18,516,074,527 |
| Non-current liabilities | | | | | | | |
| Long-term loans from financial institutions | 21 | 15,901,352,447 | 16,791,333,351 | 15,018,083,230 | 14,284,542,782 | 15,057,872,310 | 14,681,846,154 |
| Debt securities | 21 | 12,985,121,724 | 2,995,713,933 | 2,995,013,486 | 12,985,121,724 | 2,995,713,933 | 2,995,013,486 |
| Finance lease liabilities | 6.24 | 919,493,018 | 1,004,331,376 | 1,084,583,771 | 919,493,018 | 1,004,331,376 | 1,084,583,771 |
| Deferred tax liabilities | 19 | 149,779,145 | - | - | - | - | - |
| Liabilities on long-term lease | | 26,526,314 | 106,162,898 | 192,799,481 | 26,526,314 | 106,162,898 | 192,799,481 |
| Employee benefit obligations | 25 | 1,188,507,063 | 1,102,419,998 | 993,782,384 | 1,168,973,275 | 1,088,200,418 | 982,809,812 |
| Provision for the decommissioning cost | | 443,249,239 | - | - | - | - | - |
| Other non-current liabilities | 6 | 76,164,832 | 87,973,214 | 103,018,201 | 59,792,505 | 45,974,846 | 42,721,002 |
| Total non-current liabilities | | 31,690,193,782 | 22,087,934,770 | 20,387,280,553 | 29,424,449,618 | 20,298,255,781 | 19,979,773,706 |
| Total liabilities | | 42,999,560,261 | 38,562,983,947 | 39,737,213,197 | 39,887,707,403 | 36,040,249,145 | 38,495,848,233 |

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



Statement of financial position

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Liabilities and equity | Note | Consolidated financial statements | | | Separate financial statements | | |
|---|------|-----------------------------------|--------------------------------|--|-------------------------------|--------------------------------|------------------------------|
| | | 31 December 2014 | 31 December 2013 (Restated) | 1 January 2013 (Restated) (Baht) | 31 December 2014 | 31 December 2013 (Restated) | 1 January 2013 (Restated) |
| Equity | | | | | | | |
| Share capital | 26 | | | | | | |
| Authorised share capital | | 1,531,643,461 | 1,531,643,461 | 1,531,643,461 | 1,531,643,461 | 1,531,643,461 | 1,531,643,461 |
| Issued and paid-up share capital | | 1,376,923,157 | 1,376,923,157 | 1,376,923,157 | 1,376,923,157 | 1,376,923,157 | 1,376,923,157 |
| Additional paid-in capital | | | | | | | |
| Share premium | 27 | 11,157,460,051 | 11,157,460,051 | 11,157,460,051 | 11,157,460,051 | 11,157,460,051 | 11,157,460,051 |
| Share premium on subsidiary of the Company | | 18,621,225 | 18,621,225 | 18,621,225 | - | - | - |
| Capital surplus on registered and paid-up share reduction | 27 | 189,617,759 | 189,617,759 | 189,617,759 | 189,617,759 | 189,617,759 | 189,617,759 |
| Retained earnings | | | | | | | |
| Appropriated | | | | | | | |
| Legal reserve | 27 | 153,164,346 | 153,164,346 | 153,164,346 | 153,164,346 | 153,164,346 | 153,164,346 |
| Unappropriated | | 20,682,556,106 | 21,828,179,058 | 19,241,215,320 | 19,372,676,108 | 20,935,367,512 | 19,029,747,413 |
| Other component of equity | | (271,885,532) | - | - | - | - | - |
| Total equity attributable to owners of the Company | | 33,306,457,112 | 34,723,965,596 | 32,137,001,858 | 32,249,841,421 | 33,812,532,825 | 31,906,912,726 |
| Non-controlling interests | | 659,513,584 | 250,255,593 | 180,355,210 | - | - | - |
| Total equity | | 33,965,970,696 | 34,974,221,189 | 32,317,357,068 | 32,249,841,421 | 33,812,532,825 | 31,906,912,726 |
| Total liabilities and equity | | 76,965,530,957 | 73,537,205,136 | 72,054,570,265 | 72,137,548,824 | 69,852,781,970 | 70,402,760,959 |

(Sined) Pichai Chunhavajira
(Pichai Chunhavajira)
Chairman

(Sined) Chaiwat Kovavisarath
(Chaiwat Kovavisarath)
President

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



Statement of income

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|--------------------|--------------------------------|--------------------|
| | | For the year ended 31 December | | For the year ended 31 December | |
| | Note | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | | (Baht) | | | |
| Revenue from sale of goods and rendering of services | 6.28 | 183,016,095,727 | 186,490,187,474 | 178,300,350,812 | 183,262,931,913 |
| Cost of sale of goods and rendering of services | 6 | (178,453,435,987) | (177,387,166,200) | (176,384,226,363) | (175,782,956,362) |
| Gross Profit | | 4,562,659,740 | 9,103,021,274 | 1,916,124,449 | 7,479,975,551 |
| Investment income | 6.29 | 166,828,166 | 90,013,712 | 1,592,838,083 | 123,186,910 |
| Other income | 6.30 | 1,030,476,181 | 1,815,539,597 | 1,021,486,299 | 1,780,883,047 |
| Selling expenses | 6.31 | (2,817,130,737) | (3,039,986,111) | (2,028,838,643) | (2,304,960,068) |
| Administrative expenses | 6.32 | (1,663,132,596) | (1,250,435,504) | (1,371,003,214) | (1,178,356,984) |
| Gain from crude and product oil price hedging contract | | 499,256,974 | 803,796,124 | 499,256,974 | 803,796,124 |
| Gain (loss) from foreign currencies forward contract | | 84,211,137 | (923,118,314) | 84,211,137 | (923,118,314) |
| Gain on foreign exchange | | 673,578,261 | 132,024,772 | 377,883,827 | 132,024,772 |
| Reversal of allowance for loss (loss) from impairment of assets | 33 | (821,478,252) | 24,255,302 | (828,339,740) | 24,255,302 |
| Share of profit of associate | 13 | 5,148,901 | 33,890,872 | - | - |
| Profit before finance costs and income tax expense | | 1,720,417,775 | 6,789,001,724 | 1,263,619,172 | 5,937,686,340 |
| Finance costs | 36 | (1,426,796,802) | (1,126,504,777) | (1,293,813,887) | (1,051,943,562) |
| Profit (loss) before income tax expense | | 293,620,973 | 5,662,496,947 | (30,194,715) | 4,885,742,778 |
| Income tax (expense) credit | 37 | 462,787,497 | (932,108,990) | 326,298,955 | (915,073,014) |
| Profit for the year | | 756,408,470 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |
| Profit attributable to: | | | | | |
| Owners of the Company | | 711,588,303 | 4,652,013,403 | 296,104,240 | 3,970,669,764 |
| Non-controlling interests | | 44,820,167 | 78,374,554 | - | - |
| Profit for the year | | 756,408,470 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |
| Earnings per share | | | | | |
| Basic earnings per share | 39 | 0.52 | 3.38 | 0.22 | 2.88 |

(Sined) Pichai Chunhavajira
(Pichai Chunhavajira)
Chairman

(Sined) Chaiwat Kovavisarach
(Chaiwat Kovavisarach)
President

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



Statement of comprehensive income

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|----------------------|----------------------------------|----------------------|
| | For the year ended 31 December | | For the year ended 31 December | |
| | 2014 | 2013 | 2014 | 2013 |
| | | (Restated) | | (Restated) |
| | (Baht) | | | |
| Profit for the year | 756,408,470 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |
| Other comprehensive income (loss) | | | | |
| Foreign currency translation differences for foreign operations | (353,892,295) | - | - | - |
| Other comprehensive income (loss) for the year, net of income tax | (353,892,295) | - | - | - |
| Total comprehensive income for the year | 402,516,175 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |
| Total comprehensive income attributable to: | | | | |
| Owners of the Company | 439,702,771 | 4,652,013,403 | 296,104,240 | 3,970,669,764 |
| Non-controlling interests | (37,186,596) | 78,374,554 | - | - |
| Total comprehensive income for the year | 402,516,175 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |

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

Statement of changes in equity

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Consolidated financial statements | | | | | | | | | | | |
|---|----------------------------------|----------------|--|---|-------------------|-----------------|----------------------------------|--|---------------------------|-----------------|--|
| Note | Share premium | | | Capital surplus on registered and paid-up share reduction | Retained earnings | | Other components of equity | | | | |
| | Issued and paid-up share capital | Share premium | Share premium on subsidiary of the Company | | Legal reserve | Unappropriated | Currency translation differences | Equity attributable to owners of the Company | Non-controlling interests | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| (Bath) | | | | | | | | | | | |
| Year ended 31 December 2013 | | | | | | | | | | | |
| | 1,376,923,157 | 11,157,460,051 | 18,621,225 | 189,617,759 | 153,164,346 | 19,247,068,817 | - | 32,142,855,355 | 180,355,210 | 32,323,210,565 | |
| 3 | - | - | - | - | - | (5,853,497) | - | (5,853,497) | - | (5,853,497) | |
| | 1,376,923,157 | 11,157,460,051 | 18,621,225 | 189,617,759 | 153,164,346 | 19,241,215,320 | - | 32,137,001,858 | 180,355,210 | 32,317,357,068 | |
| Transactions with owners, recorded directly in equity | | | | | | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | | | | | | |
| 40 | - | - | - | - | - | (2,065,049,665) | - | (2,065,049,665) | (8,474,171) | (2,073,523,836) | |
| Total contributions by and distributions to owners of the Company | | | | | | | | | | | |
| | - | - | - | - | - | (2,065,049,665) | - | (2,065,049,665) | (8,474,171) | (2,073,523,836) | |
| Comprehensive income for the year | | | | | | | | | | | |
| | - | - | - | - | - | 4,652,013,403 | - | 4,652,013,403 | 78,374,354 | 4,730,387,957 | |
| | - | - | - | - | - | - | - | - | - | - | |
| | - | - | - | - | - | 4,652,013,403 | - | 4,652,013,403 | 78,374,354 | 4,730,387,957 | |
| Total comprehensive income for the year | | | | | | | | | | | |
| | 1,376,923,157 | 11,157,460,051 | 18,621,225 | 189,617,759 | 153,164,346 | 21,828,179,058 | - | 34,723,965,596 | 250,255,593 | 34,974,221,189 | |
| Year ended 31 December 2014 | | | | | | | | | | | |
| | 1,376,923,157 | 11,157,460,051 | 18,621,225 | 189,617,759 | 153,164,346 | 21,834,944,009 | - | 34,730,730,547 | 250,255,593 | 34,980,986,140 | |
| 3 | - | - | - | - | - | (6,764,931) | - | (6,764,931) | - | (6,764,931) | |
| | 1,376,923,157 | 11,157,460,051 | 18,621,225 | 189,617,759 | 153,164,346 | 21,828,179,058 | - | 34,723,965,596 | 250,255,593 | 34,974,221,189 | |

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

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Statement of changes in equity

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Year ended 31 December 2013 | | | | | | |
|-----------------------------|---|--|--|--|--|--|
| | Balance at 31 December 2012 - as reported | | | | | |
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The accompanying notes are an integral part of these financial statements.

Statement of changes in equity

บริษัท บางจากปิโตรเลียม จำกัด (มหาชน) และบริษัทย่อย

| | | Separate financial statements | | | | | Total equity |
|---|---|----------------------------------|----------------|---|---------------|-----------------|-----------------|
| | | Retained earnings | | | | | |
| | | Issued and paid-up share capital | Share premium | Capital surplus on registered and paid-up share reduction | Legal reserve | Unappropriated | |
| Note | | | | | (Baht) | | |
| Year ended 31 December 2014 | | | | | | | |
| Balance at 31 December 2013 – as reported | | | | | | | |
| | | 1,376,923,157 | 11,157,460,051 | 189,617,759 | 153,164,346 | 20,942,132,463 | 33,819,297,776 |
| | Impact of changes in accounting policies | | | | | (6,764,951) | (6,764,951) |
| 3 | Balance at 1 January 2014 – restated | 1,376,923,157 | 11,157,460,051 | 189,617,759 | 153,164,346 | 20,935,367,512 | 33,812,532,825 |
| Transactions with owners, recorded directly in equity | | | | | | | |
| Contributions by and distributions to owners of the Company | | | | | | | |
| | Dividends to owners of the Company | - | - | - | - | (1,858,795,644) | (1,858,795,644) |
| 10 | Total contributions by and distributions to owners of the Company | - | - | - | - | (1,858,795,644) | (1,858,795,644) |
| Comprehensive income for the year | | | | | | | |
| | Profit or loss | - | - | - | - | 296,104,240 | 296,104,240 |
| | Other comprehensive income | - | - | - | - | - | - |
| | Total comprehensive income for the year | - | - | - | - | 296,104,240 | 296,104,240 |
| Balance at 31 December 2014 | | | | | | | |
| | | 1,376,923,157 | 11,157,460,051 | 189,617,759 | 153,164,346 | 19,372,676,108 | 32,249,841,421 |

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



Statement of cash flows

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|--------------------------------|--------------------|
| | For the year ended 31 December | | For the year ended 31 December | |
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | (Baht) | | | |
| <i>Cash flows from operating activities</i> | | | | |
| Profit for the year | 756,408,470 | 4,730,387,957 | 296,104,240 | 3,970,669,764 |
| <i>Adjustments for</i> | | | | |
| Depreciation | 3,100,842,656 | 2,666,175,420 | 2,648,042,280 | 2,484,234,692 |
| Amortisation | 193,287,673 | 164,299,201 | 191,742,787 | 163,468,508 |
| Reversal of allowance for bad and doubtful debts expense | (4,436,671) | (32,630,122) | (3,604,679) | (33,105,370) |
| Unrealised (gain) loss on foreign exchange | (269,058,835) | 362,157,994 | 26,093,552 | 362,157,994 |
| Allowance for loss on decline in value of inventories | 998,672,911 | - | 992,244,768 | - |
| (Reversal of) allowance for loss from impairment of assets | 821,478,252 | (24,255,302) | 828,339,740 | (24,255,302) |
| (Gain) loss on disposal of property, plant and equipment | (7,428,483) | 5,641,619 | (8,571,681) | 1,496,136 |
| Investment Income | (166,828,166) | (90,013,712) | (1,592,838,083) | (123,186,910) |
| Provision for employee benefit | 118,355,023 | 138,136,401 | 112,887,118 | 133,789,532 |
| Deferred revenue | (1,149,678) | (1,176,249) | (1,149,678) | (1,176,249) |
| Provision for customer loyalty programmes | 23,958,831 | 23,562,642 | 23,958,831 | 23,562,642 |
| Share of profit of associate, net of | | | | |
| income tax expense | (5,148,901) | (33,890,872) | - | - |
| Finance costs | 1,426,796,802 | 1,126,504,777 | 1,293,813,887 | 1,051,943,562 |
| Income tax expense (credit) | (462,787,497) | 932,108,990 | (326,298,955) | 915,073,014 |
| | 6,522,962,387 | 9,967,008,744 | 4,480,764,127 | 8,924,672,013 |

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



Statement of cash flows

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial | | Separate financial | |
|--|--------------------------------|----------------------|--------------------------------|----------------------|
| | statements | | statements | |
| | For the year ended 31 December | | For the year ended 31 December | |
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(Baht)</i> | | | |
| <i>Changes in operating assets and liabilities</i> | | | | |
| Trade accounts receivable | 3,056,518,964 | (882,916,488) | 3,150,606,415 | (834,284,732) |
| Other receivables | (428,854,525) | 532,952,221 | (366,187,984) | 536,812,662 |
| Inventories | 2,113,587,403 | 2,079,890,873 | 2,104,930,237 | 2,151,909,674 |
| Other current assets | 740,969,157 | (1,844,967,196) | 647,807,561 | (1,784,702,634) |
| Other non-current assets | (57,207,253) | 4,972,364 | (62,181,076) | 2,843,698 |
| Trade accounts payable | (5,862,757,457) | (2,222,403,460) | (5,819,553,082) | (2,062,535,666) |
| Other payables | 140,522,756 | (551,165,813) | 207,759,278 | (557,116,480) |
| Other current liabilities | 837,065,112 | (193,040,611) | 640,852,263 | (195,130,497) |
| Employee benefit obligations | (32,837,181) | (29,498,786) | (32,114,261) | (28,398,926) |
| Other non-current liabilities | (206,764,725) | (152,644,407) | (173,412,991) | (135,254,177) |
| Cash generated from operating activities | 6,823,204,638 | 6,708,187,441 | 4,779,270,487 | 6,018,814,935 |
| Income tax paid | (755,221,946) | (1,257,172,850) | (736,364,087) | (1,240,213,848) |
| Net cash from operating activities | 6,067,982,692 | 5,451,014,591 | 4,042,906,400 | 4,778,601,087 |

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



Statement of cash flows

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------------|--------------------------------------|------------------------|
| | For the year ended 31 December | | For the year ended 31 December | |
| | 2014 | 2013 | 2014 | 2013 |
| | | (Restated) | | (Restated) |
| | | | | (Boht) |
| <i>Cash flows from investing activities</i> | | | | |
| Interest received | 166,457,157 | 85,247,400 | 126,903,437 | 73,718,128 |
| (Increase) decrease in current investments | 108,755,793 | (718,324,852) | - | - |
| Increase in long-term investments | (57,627,418) | - | (57,627,418) | - |
| Net cash outflow from issue of subsidiary's share capital | - | - | (5,851,286,247) | (1,698,533,950) |
| Net cash outflow on acquisition of subsidiary | (2,479,568,552) | - | - | - |
| Dividend income | - | - | 1,392,341,986 | 51,064,950 |
| Purchase of property, plant and equipment | (7,349,671,007) | (4,570,148,701) | (3,629,300,997) | (1,589,499,621) |
| Sale of property, plant and equipment | 12,469,490 | 23,886,531 | 12,440,703 | 23,869,274 |
| Increase in leasehold right | (343,925,042) | (217,964,552) | (343,925,042) | (217,964,552) |
| Purchase of intangible assets | (99,173,858) | (109,733,677) | (38,271,527) | (105,787,002) |
| Net cash used in investing activities | (10,042,283,437) | (5,507,037,851) | (8,388,725,105) | (3,463,132,773) |
| <i>Cash flows from financing activities</i> | | | | |
| Interest paid | (1,439,161,988) | (1,098,825,343) | (1,307,800,524) | (1,038,501,884) |
| Proceeds from issuance of debentures | 9,987,059,760 | - | 9,987,059,760 | - |
| Proceeds from long - term loans | - | 8,184,766,400 | - | 6,396,880,000 |
| Repayment of long - term loans | (1,254,237,066) | (6,434,495,148) | (776,659,058) | (6,238,406,452) |
| Dividend paid | (1,945,806,253) | (2,073,523,836) | (1,858,795,644) | (2,065,049,665) |
| Net cash from (used in) financing activities | 5,347,854,453 | (1,422,077,927) | 6,043,804,534 | (2,945,078,001) |
| Net increase (decrease) in cash and cash equivalents | 1,373,553,708 | (1,478,101,187) | 1,697,985,829 | (1,629,609,687) |
| Cash and cash equivalents as at 1 January | 6,527,404,199 | 8,005,505,386 | 5,011,640,994 | 6,641,250,681 |
| Effect of exchange rate changes on balances held in foreign currencies | 53,288,415 | - | - | - |
| Cash and cash equivalents as at 31 December | 7,954,246,322 | 6,527,404,199 | 6,709,626,823 | 5,011,640,994 |

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



Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 19 February 2015.

1 General information

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

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

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

Solar power plant : 99/1 Moo 9, Bang Krasan, Bang Pa-in, Phra Nakhon Si Ayutthaya

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

The Company is a company in the PTT Public Company Limited (“PTT”) group of companies. PTT is incorporated in Thailand and is the major shareholder of the Company, holding 27.22% of the Company’s issued and paid-up share capital as of 31 December 2014.

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

Details of the Company’s subsidiaries as at 31 December 2014 and 2013 were as follows:

| Name of the entity | Type of business | Country of incorporation | Ownership interest (%) | |
|-------------------------------------|---|--------------------------|------------------------|--------|
| | | | 2014 | 2013 |
| <i>Direct subsidiaries</i> | | | | |
| The Bangchak Green Net Co., Ltd. | Manage BCP service stations and consumer goods retailer | Thailand | 49.00 | 49.00 |
| The Bangchak Biofuel Co., Ltd. | Production and distribution of biodiesel | Thailand | 70.00 | 70.00 |
| The Bangchak Solar Energy Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| BCP Energy International Pte Ltd. | Holding and Operating in international business | Singapore | 100.00 | - |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Name of the entity | Type of business | Country of incorporation | Ownership interest (%) | |
|---|---|--------------------------|------------------------|--------|
| | | | 2014 | 2013 |
| Direct and Indirect subsidiaries | | | | |
| The Bangchak Solar Energy (Prachinburi) Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| The Bangchak Solar Energy (Burirum) Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| The Bangchak Solar Energy (Burirum1) Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd. | Production of electricity from solar cell | Thailand | 100.00 | 100.00 |
| Nido Petroleum Limited | Exploration and production of petroleum | Australia | 81.41 | - |

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The FAP has issued the following new and revised TFRS relevant to the Group’s operations and effective for accounting periods beginning on or after 1 January 2014:

| TFRS | Topic |
|-----------------------|--|
| TAS 1 (revised 2012) | Presentation of Financial Statements |
| TAS 7 (revised 2012) | Statement of Cash Flows |
| TAS 12 (revised 2012) | Income Taxes |
| TAS 17 (revised 2012) | Leases |
| TAS 18 (revised 2012) | Revenue |
| TAS 19 (revised 2012) | Employee Benefits |
| TAS 21 (revised 2012) | The Effects of Changes in Foreign Exchange Rates |
| TAS 24 (revised 2012) | Related Party Disclosures |
| TAS 28 (revised 2012) | Investment in Associates |
| TAS 34 (revised 2012) | Interim Financial Reporting |
| TAS 36 (revised 2012) | Impairment of Assets |
| TAS 38 (revised 2012) | Intangible Assets |
| TFRS 2 (revised 2012) | Shared-based Payment |
| TFRS 3 (revised 2012) | Business Combinations |
| TFRS 8 (revised 2012) | Operating Segments |

| TFRS | Topic |
|----------|--|
| TFRIC 1 | Changes in Existing Decommissioning, Restoration and Similar Liabilities |
| TFRIC 4 | Determining whether an Arrangement contains a Lease |
| TFRIC 10 | Interim Financial Reporting and Impairment |
| TFRIC 13 | Customer Loyalty Programmes |
| SIC 15 | Operating Leases-Incentives |
| SIC 27 | Evaluating the Substance of Transactions Involving the Legal Form of a Lease |

The application of these new and revised TFRS and FAP Announcements has resulted in changes in certain of the Group's accounting policies. The effects of these changes, where such effects are considered material to the financial statements, are disclosed in note 3.

(b) Basis of measurement

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

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

| | |
|----------------|--|
| Note 5 | Acquisition of Business |
| Note 14 | Valuation of investment properties |
| Note 15 | Property, plant and equipment |
| Note 19 and 37 | Current and deferred taxation |
| Note 25 | Measurement of defined benefit obligations |
| Note 43 | Contingent liabilities and contingent assets |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

3 Changes in accounting policies

(a) Overview

From 1 January 2014, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has changed its accounting policies in the following areas having a material effect on the Group's financial statements:

- Accounting for arrangements containing a lease
- Accounting for customer loyalty programmes
- Accounting for employee benefits

A description of the nature and effect of these changes in accounting policy are included in notes 3(b) to 3(d) below. The impact of the change on the financial statements 2013 is as follows:

| <i>Financial statements 2013</i> | | Consolidated financial statements 2013 | Separate financial statements 2013 |
|--|-------------|---|---|
| | <i>Note</i> | <i>(in million Baht)</i> | |
| Statement of financial position | | | |
| Equity at 1 January 2013 – as reported | | | |
| Changes as a result of the adoption retrospectively of: | | 32,323.21 | 31,912.77 |
| TFRIC 4 Determining whether an Arrangement contains a Lease | 3(b) | 31.33 | 31.33 |
| TFRIC 13 Customer Loyalty Programmes | 3(c) | (37.19) | (37.19) |
| Equity at 1 January 2013 - restated | | 32,317.35 | 31,906.91 |
| | | | |
| Equity at 31 December 2013 – as reported | | | |
| Changes as a result of the adoption retrospectively of: | | 34,980.99 | 33,819.30 |
| TFRIC 4 Determining whether an Arrangement contains a Lease | 3(b) | 49.27 | 49.27 |
| TFRIC 13 Customer Loyalty Programmes | 3(c) | (56.04) | (56.04) |
| Equity at 31 December 2013 – restated | | 34,974.22 | 33,812.53 |
| | | | |
| Statement of income for the year ended 31 December | | | |
| Profit before income tax – as reported | | 5,663.64 | 4,886.88 |
| Changes before tax as a result of the adoption retrospectively of: | | | |
| TFRIC 4 Determining whether an Arrangement contains a Lease | 3(b) | 22.42 | 22.42 |
| TFRIC 13 Customer Loyalty Programmes | 3(c) | (23.56) | (23.56) |
| Profit before income tax – restated | | 5,662.50 | 4,885.74 |

Financial statements 2013

| | | Consolidated financial statements 2013 | Separate financial statements 2013 |
|---|------|---|---|
| | | <i>(in million Baht)</i> | |
| Income tax expense – as reported | | | |
| Changes to income tax expense as a result of the adoption retrospectively of: | | | |
| TFRIC 4 Determining whether an Arrangement contains a Lease | 3(b) | (932.34) | (915.30) |
| TFRIC 13 Customer Loyalty Programmes | 3(c) | (4.48) | (4.48) |
| | | 4.71 | 4.71 |
| Income tax expense – restated | | (932.11) | (915.07) |
| Profit - restated | | 4,730.39 | (3,970.67) |
| Decrease in basic earnings per share (in Baht) | | (0.001) | (0.001) |

(b) Accounting for arrangements containing a lease

From 1 January 2014, the Group has adopted TFRIC 4 – Determining whether an Arrangement contains a Lease.

TFRIC 4 addresses arrangements that do not take the legal form of a lease, but convey rights to use items for agreed periods of time in return for a payment or series of payments. TFRIC 4 provides guidance for evaluating whether such arrangements are, or contain, leases should be accounted for under TAS 17 Leases. If an agreement is determined to contain a lease, then TFRIC 4 requires TAS 17 to be applied to classify and account for the lease. (see note 24)

The effects of the change are recognised retrospectively in the financial statements. The impact on the financial statements is as follows:

| | Consolidated financial statements | | | Separate financial statements | | |
|--|--|------------------------|----------------------|--|------------------------|----------------------|
| | 31 December 2014 | 31 December 2013 | 1 January 2013 | 31 December 2014 | 31 December 2013 | 1 January 2013 |
| | <i>(in million Baht)</i> | | | | | |
| Statement of financial position | | | | | | |
| Increase in property, plant and equipment | 1,092.68 | 1,146.17 | 1,199.66 | 1,092.68 | 1,146.17 | 1,199.66 |
| Increase in current portion of finance lease liabilities | (84.84) | (80.25) | (75.91) | (84.84) | (80.25) | (75.91) |
| Increase in finance lease liabilities | (919.49) | (1,004.33) | (1,084.59) | (919.49) | (1,004.33) | (1,084.59) |
| Decrease in deferred tax assets | (17.67) | (12.32) | (7.83) | (17.67) | (12.32) | (7.83) |
| Increase in retained earnings | 70.68 | 49.27 | 31.33 | 70.68 | 49.27 | 31.33 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial statements | | Consolidated financial statements | |
|---|--------------------------------------|--------------|--------------------------------------|--------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Statement of income for the year ended | | | | |
| 31 December | | | | |
| Decrease in cost of goods sold | 85.14 | 85.14 | 85.14 | 85.14 |
| Increase in finance costs | (58.38) | (67.72) | (58.38) | (67.72) |
| Increase in profit before income tax expense | 26.76 | 22.42 | 26.76 | 22.42 |
| Increase in income tax expense | (5.35) | (4.48) | (5.35) | (4.48) |
| Increase in profit | 21.41 | 17.94 | 21.41 | 17.94 |
| Increase in basic earnings per share (in Baht) | 0.02 | 0.01 | 0.02 | 0.01 |

(c) Accounting for customer loyalty programmes

From 1 January 2014, the Group has adopted TFRIC 13 – Customer Loyalty Programmes.

TFRIC 13 addresses the accounting for an entity's obligation to provide free or discounted goods or services ('awards') in the future under a customer loyalty programme. TFRIC 13 requires that award credits are accounted for as a separately identified component of the sales transactions in which they are granted (the 'initial sale'). The fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The revenue and costs ascribed to the awards are only recognised when the award credits are redeemed or the entity otherwise fulfils its obligations in respect of the awards. The Group's accounting policy for customer loyalty programmes is as follows:

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

The effects of the change are recognised retrospectively in the financial statements. The impact on the financial statements is as follows:

| | Consolidated financial statements | | | Separate financial statements | | |
|--|--------------------------------------|------------------------|----------------------|----------------------------------|------------------------|----------------------|
| | 31 December 2014 | 31 December 2013 | 1 January 2014 | 31 December 2014 | 31 December 2013 | 1 January 2014 |
| | <i>(in million Baht)</i> | | | | | |
| Statement of financial position | | | | | | |
| Increase in short-term provision | (94.00) | (70.05) | (46.49) | (94.00) | (70.05) | (46.49) |
| Increase in deferred tax assets | 18.80 | 14.01 | 9.30 | 18.80 | 14.01 | 9.30 |
| Decrease in retained earnings | (75.20) | (56.04) | (37.19) | (75.20) | (56.04) | (37.19) |

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|----------------|----------------------------------|----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Statement of income for the year ended 31 December | | | | |
| Decrease in revenue | (23.96) | (23.56) | (23.96) | (23.56) |
| Decrease in profit before income tax expense | (23.96) | (23.56) | (23.96) | (23.56) |
| Decrease in income tax expense | 4.79 | 4.71 | 4.79 | 4.71 |
| Decrease in profit | (19.17) | (18.85) | (19.17) | (18.85) |
| Decrease in basic earnings per share (in Baht) | (0.01) | (0.01) | (0.01) | (0.01) |

(d) Accounting for employee benefits

From 1 January 2014, the Group has changed the accounting policy for employee benefits by recognises all actuarial gains and losses of defined benefit plans in other comprehensive income instead of previously recognised in profit or loss.

The change in accounting policy has been applied retrospectively and had no impact on the profit and earnings per share for the year ended 31 December 2014 and 2013 to the Group.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

(a) *Basis of consolidation*

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

Business combinations

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

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

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

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

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

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

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

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Associate

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity.

Investments in associates are accounted for in the consolidated financial statements using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity accounted investees from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount of that interest is reduced to zero and recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the dates of the transactions.

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

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

(c) Derivative financial instruments

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

Hedge of future foreign currency transactions

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Hedge of interest rates

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

Hedge of crack spread

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

(d) Cash and cash equivalents

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

(e) Trade and other accounts receivable

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

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

(f) Inventories

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

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

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

(g) Investment

Investments in associates and subsidiaries

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

Investments in other debt and equity securities

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

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

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

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

(h) Investment properties

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

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

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

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

No depreciation is provided on land.

(i) Property, plant and equipment*Recognition and measurement**Owned assets*

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

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

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

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Subsequent costs

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

Depreciation

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

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

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

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

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

Oil and Gas Properties

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

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

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

(j) Leasehold right

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

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

(k) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-

accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Other intangible assets

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

Subsequent expenditure

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

Amortizations

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

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

| | |
|--|-----------|
| The right to use and the cost of development of computer software | 5-8 years |
|--|-----------|

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

Exploration and Evaluation Expenditure

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

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

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

(l) Impairment

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

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate. Receivables with a short duration are not discounted.

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

Reversals of impairment

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

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

(m) Interest-bearing liabilities

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

(n) Trade and other accounts payable

Trade and other accounts payable are stated at cost.

(o) Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

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

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at the reporting date on government bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected credit unit method. The Group recognizes all actuarial gains and losses arising from defined benefit plans and all expenses related to defined benefit plans in profit or loss.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at the reporting date on AA credit-rated bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met.

(p) Provisions

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

(q) Share capital

Ordinary shares

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

(r) **Revenue**

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

Sale of goods and services rendered

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

Income from sale of electricity

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

Income from operating rights

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

Investments

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

Dividend income

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

Interest income

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

(s) **Finance costs**

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities, fair value losses on financial assets at fair value through profit or loss, impairment losses recognised on financial assets (other than trade receivables).

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

(t) **Lease payments**

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

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

(u) Income tax

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

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

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

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

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

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

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

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

(v) Earnings per share

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

(w) *Segment reporting*

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

5 Acquisition of business

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

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

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

On 19 September 2014, BCP Energy achieved over 50.1% relevant interest in NIDO shares and free of all remaining conditions. NIDO thereby became a subsidiary of the Group from 19 September 2014.

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

The purchase under this condition is in accordance with TFRS 3 (Revised 2012) Business Combinations, requires the recognition of assets, liabilities and contingent liabilities acquired at the acquisition date at fair value, including goodwill (if any). The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired at that date. However, the report on the review has not yet been finalized, for which reason the net assets acquired are provisionally recognised at value based on management estimates. The result of the appraisal will be used to amend the accounting at fair value and to record the final determination of goodwill in the period that the report of the independent appraiser is received.

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

| | Recognized value (in million Baht) |
|---|---|
| Cash and cash equivalents | 750.47 |
| Trade and other accounts receivable | 654.34 |
| Inventories | 87.50 |
| Property, plant and equipment | 1,366.46 |
| Intangible assets | 1,378.63 |
| Other assets | 137.96 |
| Trade and other accounts payable | (349.07) |
| Income tax payable | (108.05) |
| Long-term loans from financial institutions | (554.48) |
| Deferred tax liabilities | (168.07) |
| Employee benefit obligations | (1.03) |
| Provision for the decommissioning cost | (409.67) |
| Net identifiable assets and liabilities | 2,784.99 |
| <i>Less: non-controlling interests</i> | <i>(533.46)</i> |
| Net assets acquired | 2,251.53 |
| Excess of consideration transferred over book value (Goodwill) | 455.38 |
| Total consideration | 2,706.91 |
| Cash acquired | (750.47) |
| Net consideration | 1,956.44 |

For the period from 20 September 2014 to 31 December 2014, the business contributed net profit of AUD 3.10 million (approximately Baht 87.03 million) to the Group's results.

Acquisition-related costs

The Group incurred acquisition-related costs of Baht 58.12 million for the acquisition which included external legal fees, due diligence costs and others which were included as part of the administrative expenses in the consolidated statement of income for the period which incurred.

6 Related parties

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

Relationship with related parties were as follows:

| Name of entities | Country of incorporation/ nationality | Nature of relationships |
|-----------------------------------|--|--|
| PTT Public Company Limited | Thailand | Major shareholder, some common directors |
| Fuel Pipeline Transportation Ltd. | Thailand | Shareholding, representative from the Company as director |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| Name of entities | Country of incorporation/ nationality | Nature of relationships |
|---|--|---|
| PTT ICT Solutions Co., Ltd. | Thailand | Major shareholder as the Company's shareholder |
| PTT International Trading Pte. Ltd. | Singapore | Major shareholder as the Company's shareholder |
| IRPC Plc. | Thailand | Major shareholder as the Company's shareholder |
| Thai Oil Plc. | Thailand | Major shareholder as the Company's shareholder |
| Energy Complex Co., Ltd. | Thailand | Major shareholder as the Company's shareholder |
| PTT Global Chemical Plc. | Thailand | Major shareholder as the Company's shareholder |
| Star Petroleum Refining Co., Ltd. | Thailand | Major shareholder as the Company's shareholder |
| PTT Energy Solutions Co., Ltd. | Thailand | Major shareholder as the Company's shareholder |
| Ubon Bio Ethanol Co., Ltd. | Thailand | Associate, Shareholding 21.28 % |
| NPC Safety and Environmental Service Co., Ltd. | Thailand | Related Company of Major Shareholder |
| Thai Lube Base Plc. | Thailand | Related Company of Major Shareholder |
| IRPC Oil Co., Ltd. | Thailand | Related Company of Major Shareholder |
| PTTEP Siam Co., Ltd. | Thailand | Related Company of Major Shareholder |
| Ubon Agricultural Energy Co., Ltd. | Thailand | Indirect associate, representative from the Company as director |
| PTT Tank Termianl Co., Ltd. | Thailand | Related Company of Major Shareholder |
| The Bangchak Green Net Co., Ltd. | Thailand | Subsidiary, Shareholding 49 % and representative from the Company as director |
| The Bangchak Biofuel Co., Ltd. | Thailand | Subsidiary, Shareholding 70 % and representative from the Company as director |
| The Bangchak Solar Energy Co., Ltd. | Thailand | Subsidiary, Shareholding 100 % and representative from the Company as director |
| The Bangchak Solar Energy (Prachinburi) Co., Ltd. | Thailand | The Company holds 49% direct ownership interest, the subsidiary holds 51% ownership interest and representative from the Company as director. |
| The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | Thailand | The Company holds 49% direct ownership interest, the subsidiary holds 51% ownership interest and representative from the Company as director. |
| The Bangchak Solar Energy (Burirum) Co., Ltd. | Thailand | The Company holds 49% direct ownership interest, the subsidiary holds 51% ownership interest and representative from the Company as director. |
| The Bangchak Solar Energy (Burirum1) Co., Ltd. | Thailand | The Company holds 49% direct ownership interest, the subsidiary holds 51% ownership interest and representative from the Company as director. |

| Name of entities | Country of incorporation/ nationality | Nature of relationships |
|---|--|---|
| The Bangchak Solar Energy (Nakhon Ratchasima) Co.,Ltd | Thailand | The Company holds 49% direct ownership interest, the subsidiary holds 51% ownership interest and representative from the Company as director. |
| BCP Energy International Pte.Ltd. | Singapore | Subsidiary, Shareholding 100 % and representative from the Company as director |
| Nido Petroleum Limited | Australia | Indirect Subsidiary, Shareholding 81.41 % and representative from the Company as director |
| Key management personnel | Thailand | Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group. |

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 |
| Technical assistance fee | Contractually agreed prices |
| Royalty expense | Contractually agreed prices |
| Interest expense | Contractually agreed rate with reference to market rate |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Significant transactions for the years ended 31 December with related parties were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------|--|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Major shareholder | | | | |
| Sales of goods | 14,094.53 | 17,719.70 | 14,094.53 | 17,584.34 |
| Purchases of raw material | 110,126.40 | 126,911.13 | 110,120.43 | 126,911.13 |
| Other income | 129.14 | 134.33 | 129.14 | 134.33 |
| Service expense | 305.76 | 294.34 | 305.76 | 294.34 |
| Other expense | 1.84 | 4.75 | 1.84 | 4.68 |
| Interest expenses | 58.38 | 62.72 | 58.38 | 62.72 |
| Subsidiaries | | | | |
| Sales of goods | - | - | 31,565.62 | 29,236.88 |
| Purchases of goods | - | - | 3,926.17 | 2,983.92 |
| Other income | - | - | 32.31 | 30.24 |
| Dividend income | - | - | 1,462.34 | 51.07 |
| Interest income | - | - | - | 5.72 |
| Interest expenses | - | - | 0.47 | 0.60 |
| Other expenses | - | - | 21.32 | 17.33 |
| Associate and indirect associate | | | | |
| Sales of goods | 21.70 | 1.25 | 21.70 | 1.25 |
| Purchase of goods | 1,326.32 | 707.22 | 1,326.32 | 707.22 |
| Other income | 0.02 | 0.93 | 0.02 | 0.93 |
| Key management personnel | | | | |
| Key management personnel compensation | | | | |
| Short-term employee benefits | 132.98 | 121.25 | 125.44 | 120.96 |
| Post-employment benefits and other long-term benefits | 7.74 | 5.26 | 6.15 | 5.26 |
| Total key management personnel compensation | 140.72 | 126.51 | 131.59 | 126.22 |
| Other related parties | | | | |
| Sale of goods | 4,981.78 | 1,794.72 | 4,862.14 | 1,794.72 |
| Purchases of raw material and product | 22,084.09 | 11,396.49 | 21,965.97 | 11,396.49 |
| Other income | 5.77 | 57.13 | 5.77 | 57.13 |
| Dividend income | - | - | - | - |
| Pipeline transportation expenses | 335.78 | 216.01 | 335.78 | 216.01 |
| Other expenses | 46.85 | 43.12 | 46.85 | 43.12 |

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

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------------|--|------------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Trade accounts receivable - | | | | |
| related parties | | | | |
| Major shareholder | | | | |
| PTT Public Company Limited | 617.78 | 1,611.53 | 614.25 | 1,595.40 |
| Subsidiaries | | | | |
| The Bangchak Green Net Co., Ltd. | - | - | 942.94 | 1,044.93 |
| The Bangchak Biofuel Co., Ltd. | - | - | 1.06 | 7.63 |
| Associate and indirect associate | | | | |
| Ubon Bio Ethanol Co., Ltd. | 1.85 | 0.82 | 1.85 | 0.82 |
| Ubon Agricultural Energy Co., Ltd. | 4.87 | 0.08 | 4.87 | 0.08 |
| Other related parties | | | | |
| IRPC Plc. | 57.59 | 53.54 | 57.59 | 53.54 |
| PTT Global Chemical Plc. | - | 8.73 | - | 8.73 |
| Fuel Pipeline Transportation Limited | 0.33 | 0.33 | 0.33 | 0.33 |
| | <u>682.42</u> | <u>1,675.03</u> | <u>1,622.89</u> | <u>2,711.46</u> |
| Less allowance for doubtful accounts | - | - | - | - |
| Net | <u>682.42</u> | <u>1,675.03</u> | <u>1,622.89</u> | <u>2,711.46</u> |
| Bad and doubtful debts expense for the year | - | - | - | - |
| Other receivables - related parties | | | | |
| Dividend receivable | | | | |
| Subsidiary | | | | |
| The Bangchak Biofuel Co., Ltd. | - | - | 70.00 | - |
| Other accounts receivable | | | | |
| Major shareholder | | | | |
| PTT Public Company Limited | 415.68 | 403.19 | 415.68 | 403.19 |
| Subsidiaries | | | | |
| The Bangchak Solar Energy Co., Ltd. | - | - | 0.43 | 0.59 |
| The Bangchak Solar Energy (Prachinburi) Co., Ltd. | - | - | 0.22 | 0.20 |
| The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | - | - | 0.16 | 0.20 |
| The Bangchak Solar Energy (Buriram) Co., Ltd. | - | - | 0.16 | 0.20 |
| The Bangchak Solar Energy (Buriram1) Co., Ltd. | - | - | 0.16 | 0.20 |
| The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd. | - | - | 0.16 | 0.20 |
| BCP Energy International Co., Ltd. | - | - | 57.68 | - |
| Total | <u>415.68</u> | <u>403.19</u> | <u>544.65</u> | <u>404.78</u> |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------|--|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Trade accounts payable - related parties | | | | |
| Major shareholder | | | | |
| PTT Public Company Limited | 4,278.23 | 9,780.66 | 4,258.79 | 9,770.27 |
| Subsidiaries | | | | |
| The Bangchak Green Net Co., Ltd. | - | - | 2.17 | 3.91 |
| The Bangchak Biofuel Co., Ltd. | - | - | 301.80 | 228.76 |
| The Bangchak Solar Energy Co., Ltd. | - | - | 0.48 | 0.45 |
| Associate | | | | |
| Ubon Bio Ethanol Co., Ltd. | 151.63 | - | 151.63 | - |
| Other related parties | | | | |
| Thai Oil Plc. | 165.52 | 310.34 | 165.52 | 310.34 |
| PTT Global Chemical Plc. | - | 57.77 | - | 57.77 |
| IRPC Plc. | 168.76 | 130.82 | 168.76 | 130.82 |
| Thai Lube Base Plc. | 2.73 | 60.14 | 2.73 | 60.14 |
| IRPC Plc. | 6.47 | - | 6.47 | - |
| Total | 4,773.34 | 10,339.73 | 5,058.35 | 10,562.46 |
| Other accounts payable - related parties | | | | |
| Major shareholder | | | | |
| PTT Public Company Limited | 830.28 | 763.59 | 830.29 | 763.59 |
| Other related parties | | | | |
| Fuel Pipeline Transportation., Ltd. | 34.34 | 21.44 | 34.34 | 21.44 |
| Energy Complex Co., Ltd. | 0.19 | 0.12 | 0.19 | 0.12 |
| Total | 864.82 | 785.15 | 864.82 | 785.15 |

| | Consolidated financial statements | | Separate financial statements | |
|--|--|--------------------|--|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| <i>Investment in subsidiaries</i> | | | | |
| The Bangchak Green Net Co., Ltd. | - | - | 0.49 | 0.49 |
| The Bangchak Biofuel Co., Ltd. | - | - | 197.05 | 197.05 |
| The Bangchak Solar Energy Co., Ltd. | - | - | 4,100.00 | 2,637.50 |
| The Bangchak Solar Energy (Prachinburi) Co., Ltd. | - | - | 686.00 | 193.55 |
| The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | - | - | 345.45 | 106.57 |
| The Bangchak Solar Energy (Burirum) Co., Ltd. | - | - | 369.95 | 110.86 |
| The Bangchak Solar Energy (Burirum1) Co., Ltd. | - | - | 374.85 | 94.08 |
| The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd. | - | - | 335.21 | 93.47 |
| BCP Energy International Pte. Ltd. | - | - | 2,875.86 | - |
| | - | - | 9,284.86 | 3,433.57 |
| <i>Less provision for impairment</i> | - | - | (825.36) | - |
| Total | - | - | 8,495.50 | 3,433.57 |
| <i>Investment in associate</i> | | | | |
| Ubon Bio Ethanol Co., Ltd. | 761.93 | 756.78 | 763.23 | 763.23 |
| <i>Other non-current assets</i> | | | | |
| <i>Other related party</i> | | | | |
| Fuel Pipeline Transportation Ltd. | 26.41 | 29.82 | 26.41 | 29.82 |
| Energy Complex Co., Ltd. | 4.76 | 4.75 | 4.76 | 4.75 |
| Total | 31.17 | 34.57 | 31.17 | 34.57 |
| <i>Finance lease liabilities</i> | | | | |
| <i>Major shareholder</i> | | | | |
| Current | 84.84 | 80.25 | 84.84 | 80.25 |
| Non-current | 919.49 | 1,004.33 | 919.49 | 1,004.33 |
| <i>Other current liabilities</i> | | | | |
| <i>Subsidiary</i> | | | | |
| The Bangchak Green Net Co., Ltd. | - | - | 29.02 | 28.56 |
| <i>Other non-current liabilities</i> | | | | |
| <i>Other related party</i> | | | | |
| Fuel Pipeline Transportation., Ltd. | 3.92 | 4.40 | 3.92 | 4.40 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Other non-current assets - Fuel Pipeline Transportation Limited

The Company has provided financial support to the Fuel Pipeline Transportation Ltd. (FPT) in the form of advance payment of fuel transportation fee (Tariff Prepayment) as per the written agreement dated 14 June 1996. Subsequently, the Company, together with the other FPT creditors agreed on 3 March 1999 to restructure the FPT's loan. Prior to the loan restructure, the amount owed to the Company as Tariff Prepayment was Baht 245.80 million. On 30 April 1999, Baht 48.75 million was converted to capital stock (preferred stock) with remaining loan outstanding totalling Baht 197.05 million. The loan shall be repaid in accordance with FPT's cash flow while the interest on the tariff prepayment and the custody fee (difference in interest rate of MLR-2%) will be paid on a monthly basis. Subsequently, FPT was able to repay some parts of the loan, however, due to financial difficulties it could not comply with the agreed terms. An amendment to the original agreement was made on 28 March 2002. Under the revised agreement, the remaining loan principle of Baht 187.29 million will be repaid on a monthly basis over a total number of 153 periods, with the first payment made on 30 April 2002. The interest rate will be based on MLR with relaxation of 1% per annum starting from 29 March 2002. The difference in the interest shall be established as a receivable in a suspense account which will be written-off provided FPT complies with the agreement, without default, over a three-year consecutive period.

On 29 December 2009, the Company and other FPT creditors had additionally amended the restructuring agreement to comply with FPT's ability to pay debt. The Company and other FPT creditors agreed to give up interest receivable and changed repayment schedule as stipulated in the restructuring agreement without additional debt relief.

On 21 September 2012, the Central Bankruptcy Court approved the FPT's restructuring plan including the reduction in the number of shares, capital reduction and conversion of debt to equity. As a result, the Company's percentage of holding in FPT decreased from 11.40% (calculated from the Preference shares totalling 1,817,547 shares, Baht 100 each amounting to Baht 181,754,700) to 5.07% (calculated from the ordinary shares after restructuring totalling 1,413,148 shares, Baht 5 each amounting to Baht 7,065,740). The Company has adjusted the previous investment cost and reversed the allowance for impairment in previous investment to new investment cost after restructuring.

In addition, FPT's restructuring plan also involved a write-off of the loan made to FPT by the Company from Baht 99.35 million to Baht 37.86 million. The Company is entitled to receive monthly instalments payment for a period of 10 years at the interest rate calculated at MLR minus discount. During the period from the Central Bankruptcy Court order until 31 December 2012, the Company received loan repayment from FPT amounting to Baht 4.63 million. However, the Company still provides allowance for doubtful accounts to loan to FPT equivalent to the loan receivable in the following years. The company will review the adequacy of the allowance subsequently at each financial year-end.

FPT completed restructuring under restructuring plan during 2013. The Central Bankruptcy Court approved to withdraw FPT's restructuring plan on 15 July 2013. Subsequently, the Company reversed allowance for doubtful accounts to loan to FPT amounting to Baht 29.82 million because the Company expecting to collect the loan in full amount.

Significant agreements with related parties

Fuel Pipeline Transportation Agreement

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

Feedstock Supply Agreement

During 2006, the Company entered into Feedstock Supply Agreement, to enhance the Company's feedstock supply, whereby the major shareholder will supply crude oil and other feed stocks for the refinery process commencing from 16 May 2006 and shall be in effect for a period of twelve years after Process Quality Improvement (PQI)'s commercial operation date.

Oil-Product Sales and Purchase Agreement

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

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

Bio-diesel Sales and Purchase Agreement

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

Gas Sales and Purchase Agreement

During 2008, the Company entered into Gas Sales and Purchase Agreement with the major shareholder for the refinery process for a period of ten years commencing on the first date of Gas delivery by the major shareholder and the Company receive this gas with the service fee as stipulated in the agreement.

Service Station Operating Right Agreement

During 2013, the Company entered into Service Station Operating Right Agreement which include the right to operate within service station with a subsidiary for a period of five years. The subsidiary agreed to pay the fee at agreed prices as stipulated in the agreement. For mutual interest under the agreement, the subsidiary agreed to purchase the finish oil products at contractually agreed prices.

Notes to the financial statements

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Store Operation Right Agreement

During 2013, the Company entered into Store Operation Right Agreement with a subsidiary for a period of five years to operate retail stores within service stations under the Company's brand. The subsidiary agreed to pay the fee under agreed prices as stipulated in the agreement.

Cogeneration Purchase and Sale Agreement

On 25 February 2008, the Company entered into Cogeneration Project Agreement with the major shareholder under which the major shareholder invested in the construction of a cogeneration power plant to generate 19.7 MW of electricity and 90 metric tons per hour of steam to sell to the Company. It started its commercial operation in September 2010. The volume and market prices are as stipulated in the agreement.

Petroleum and Gas Tank Storage Service Agreement

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

Office Rental and Service Agreements

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

Establishment and Management Service Agreement for NGV Service Station

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

Management Service Agreement for Utility Production

The Company entered into an agreement with the major shareholder for controlling, production and maintenance of utility generation. The Company agreed to pay the fee on monthly basis for 12 months and will expire in August 2015. Management service fees are as stipulated in the agreement.

Management Service Agreement for Electricity Generation from Solar Cell

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

Management Service

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

7 Cash and cash equivalents

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Cash on hand | 47.90 | 42.91 | 0.66 | 1.90 |
| Cash at banks - current accounts | 535.65 | 1,212.60 | 63.49 | 746.89 |
| Cash at banks - savings accounts | 4,224.20 | 4,920.66 | 3,645.48 | 4,262.85 |
| Highly liquid short-term investments | 3,146.50 | 351.23 | 3,000.00 | - |
| Total | 7,954.25 | 6,527.40 | 6,709.63 | 5,011.64 |

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

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Thai Baht (THB) | 7,655.20 | 4,045.46 | 6,704.25 | 2,529.70 |
| United States Dollars (USD) | 251.48 | 2,480.86 | 5.38 | 2,480.86 |
| Others | 47.57 | 1.08 | - | 1.08 |
| Total | 7,954.25 | 6,527.40 | 6,709.63 | 5,011.64 |

8 Investments

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------|----------------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Current investment | | | | |
| Short-term deposits at financial institutions | 622.69 | 731.45 | - | - |
| | 622.69 | 731.45 | - | - |
| Other long-term investments | | | | |
| Non-marketable equity securities | | | | |
| Fuel Pipeline Transportation Ltd. | 65.57 | 7.07 | 65.57 | 7.07 |
| ASEAN Potash Mining Plc. | 173.24 | 173.24 | 173.24 | 173.24 |
| MFC Energy Fund | 124.97 | 125.91 | 124.97 | 125.91 |
| Less: Allowance for impairment | (43.43) | (45.54) | (43.43) | (45.54) |
| Non-marketable equity securities - net | 320.35 | 260.68 | 320.35 | 260.68 |
| Debt securities held to maturity | | | | |
| Government bonds | 3.00 | 3.00 | 3.00 | 3.00 |
| Add: Premium on investments | 0.06 | 0.02 | 0.06 | 0.02 |
| Debt securities held to maturity - net | 3.06 | 3.02 | 3.06 | 3.02 |
| Other long-term investments | 323.41 | 263.70 | 323.41 | 263.70 |
| Total | 946.10 | 995.15 | 323.41 | 263.70 |

Fuel Pipeline Transportation Limited is proceeding with the rehabilitation plan as explained in note 6.

Investments of the Group and the Company as at 31 December 2014 and 2013 were denominated entirely in Thai Baht.

Notes to the financial statements

The Bangkok Petroleum Public Company Limited and its Subsidiaries

9 Trade accounts receivable

| | | Consolidated | | Separate | |
|---------------------------------------|------|----------------------|-----------------|----------------------|-----------------|
| | | financial statements | | financial statements | |
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | (in million Baht) | | | |
| Related parties | 6 | 682.42 | 1,675.03 | 1,622.89 | 2,711.46 |
| Other parties | | 5,178.63 | 7,018.51 | 4,706.21 | 6,763.37 |
| Total | | 5,861.05 | 8,693.54 | 6,329.10 | 9,747.83 |
| Less: allowance for doubtful accounts | | (25.97) | (33.26) | (25.97) | (33.20) |
| Net | | 5,835.08 | 8,660.28 | 6,303.13 | 9,441.63 |
| (Reversal of) bad and doubtful | | | | | |
| debts expense for the year | | (4.44) | (3.76) | (3.60) | (3.29) |

Aging analyses for trade accounts receivable were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| <i>(in million Baht)</i> | | | | |
| Related parties | | | | |
| Within credit terms | 682.42 | 1,675.03 | 1,622.89 | 2,711.46 |
| Less: allowance for doubtful accounts | - | - | - | - |
| Net | 682.42 | 1,675.03 | 1,622.89 | 2,711.46 |
| Other parties | | | | |
| Within credit terms | 5,106.26 | 6,829.75 | 4,635.61 | 6,577.74 |
| Overdue: | | | | |
| Less than 3 months | 41.33 | 151.34 | 39.65 | 148.27 |
| 3-6 months | 1.28 | 1.94 | 1.25 | 1.92 |
| 6-12 months | 4.00 | 2.23 | 3.93 | 2.23 |
| Over 12 months | 25.76 | 33.25 | 25.77 | 33.21 |
| | 5,178.63 | 7,018.51 | 4,706.21 | 6,763.37 |
| Less: allowance for doubtful accounts | (25.97) | (33.26) | (25.97) | (33.20) |
| Net | 5,152.66 | 6,985.25 | 4,680.24 | 6,730.17 |
| Total | 5,835.08 | 8,660.28 | 6,303.13 | 9,441.63 |

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

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

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| <i>(in million Baht)</i> | | | | |
| Thai Baht (THB) | 4,511.71 | 6,494.30 | 4,979.76 | 7,275.65 |
| United States Dollars (USD) | 1,323.37 | 2,165.98 | 1,323.37 | 2,165.98 |
| Total | 5,835.08 | 8,660.28 | 6,303.13 | 9,441.63 |

10 Other receivables

| | | Consolidated financial statements | | Separate financial statements | |
|---------------------------------------|----------|--------------------------------------|---------------|----------------------------------|---------------|
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | <i>(in million Baht)</i> | | | |
| Related parties | 6 | 415.68 | 403.19 | 544.65 | 404.78 |
| Other parties | | | | | |
| Receivable from oil hedging contracts | | 33.55 | 58.63 | 33.55 | 58.63 |
| Insurance compensation receivable | | 243.30 | - | 243.30 | - |
| Prepaid expenses | | 253.46 | 182.19 | 218.76 | 172.66 |
| Others | | 313.52 | 50.20 | 60.22 | 28.69 |
| Total | | 1,259.51 | 694.21 | 1,100.48 | 664.76 |

11 Inventories

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|------------------|----------------------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Crude oil | 8,740.22 | 10,274.64 | 8,513.67 | 10,101.11 |
| Finished oil products | 5,692.37 | 6,238.43 | 5,283.67 | 5,815.79 |
| Materials and supplies | 706.49 | 652.73 | 659.10 | 644.47 |
| Consumer products | 22.64 | 30.74 | - | - |
| | 15,161.72 | 17,196.54 | 14,456.44 | 16,561.37 |
| Less: allowance for obsolete and slow moving | (104.35) | (104.23) | (103.84) | (103.48) |
| allowance for decline in value | (998.67) | - | (992.24) | - |
| Net | 14,058.70 | 17,092.31 | 13,360.36 | 16,457.89 |

As at 31 December 2014 and 2013, the Company's inventories included petroleum legal reserve of 586.75 million liters with approximated value of Baht 9,966.95 million and 581.70 million liters with approximated value of Baht 13,370.67 million, respectively.

The cost of inventories which is recognized as an expense and included in 'cost of sale of goods' for the year ended 31 December 2014 amounting to Baht 113,797.76 million (2013: Baht 127,503.53 million).

12 Investments in subsidiaries

| | Separate financial statements | |
|-------------------------------|----------------------------------|-----------------|
| | 2014 | 2013 |
| | <i>(in million Baht)</i> | |
| Subsidiaries | | |
| At 1 January | 3,433.57 | 1,735.04 |
| Acquisitions | 5,851.29 | 1,698.53 |
| Less allowance for impairment | (825.36) | - |
| At 31 December | 8,459.50 | 3,433.57 |

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

Increase of investment in subsidiaries

At the Extraordinary Meeting of the Shareholders of the Bangchak Solar Energy Co., Ltd, held on 7 June 2013, the shareholders approved the increase of registered share capital from Baht 2,000 million (divided into 20 million shares at par value of Baht 100) to Baht 2,150 million (divided into 21.5 million shares at par value of Baht 100). The subsidiary had called up and received full payment of paid-up capital in June 2013.

At the Extraordinary Meeting of the Shareholders of the Bangchak Solar Energy Co., Ltd, held on 23 September 2013, the shareholders approved the increase of registered share capital from Baht 2,150 million (divided into 21.5 million shares at par value of Baht 100) to Baht 4,100 million (divided into 41 million shares at par value of Baht 100) in 30 September 2014. The subsidiary had called up and received full payment of paid-up capital.

On 30 July 2014, the Company established BCP Energy International Pte. Ltd., in Singapore, representing a 100% ownership with initial registered capital of USD 0.1 million (divided into 0.1 million shares at par value of USD 1) for the purposes of overseas operations of the energy, petrochemical and natural resources businesses.

At the Extraordinary Meeting of Shareholders of BCP Energy International Pte. Ltd., held on 28 August 2014, the shareholders approved the increase of registered share capital from USD 0.1 million (divided into 0.1 million shares at par value of USD 1) to USD 20.74 million (divided into 20.74 million shares at par value of USD 1). The subsidiary had called up and received full payment of paid-up capital.

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

Acquisition and increase of investment in indirect subsidiaries

At the Board of Directors Meeting of the Company, held on 27 August 2013, the meeting approved the purchase of 49% of the share capital of indirect subsidiaries from the Bangchak Solar Energy Co., Ltd, a subsidiary. During 30 September 2013 to 31 December 2014, the indirect subsidiaries have increased share capital and called up as follows :

| The Company | Acquisition | Increase of investment | Total |
|---|-------------|------------------------|--------|
| | | (in million Baht) | |
| The Bangchak Solar Energy (Prachinburi) Co., Ltd. | 29.40 | 656.60 | 686.00 |
| The Bangchak Solar Energy (Chaiyaphum1) Co., Ltd. | 14.70 | 330.75 | 345.45 |
| The Bangchak Solar Energy (Burirum) Co., Ltd. | 24.50 | 345.45 | 369.95 |
| The Bangchak Solar Energy (Burirum1) Co., Ltd. | 0.49 | 374.36 | 374.85 |
| The Bangchak Solar Energy (Nakhon Ratchasima) Co., Ltd. | 0.49 | 334.72 | 335.21 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Impairment loss on investment in subsidiary

For the year ended 31 December 2014, due to sharp decline of the oil price in the world market during quarter 4, 2014, the Company recognised impairment loss on the investment in BCP Energy International Pte. Ltd. totalling Baht 825.36 million in the separate financial statements as a result of recoverable amount in investment in NIDO Petroleum Limited held by BCP Energy International Pte. Ltd. was less than its carrying amount.

13 Investments in associate

| | Consolidated financial statements | | Separate financial statements | |
|--|--|---------------|--|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Associate | | | | |
| At 1 January | 756.78 | 722.89 | 763.23 | 763.23 |
| Acquisition | - | - | - | - |
| Share of net profit of equity-accounted associate | 5.15 | 33.89 | - | - |
| At 31 December | 761.93 | 756.78 | 763.23 | 763.23 |

Investments in associate as at 31 December 2014 and 2013, and dividend income from those investments for the years then ended, were as follows:

| Consolidated financial statements | | | | | | | | | | | | | | |
|-----------------------------------|--------------------|-------|-----------------|----------|-------------|--------|---------------|--------|------------|------|-----------------|--------|-----------------|------|
| | Ownership interest | | Paid-up capital | | Cost method | | Equity method | | Impairment | | At equity - net | | Dividend income | |
| | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 | 2014 | 2013 |
| | (in million Baht) | | | | | | | | | | | | | |
| Associate | | | | | | | | | | | | | | |
| Ubon Bio Ethanol Co., Ltd. | 21.28 | 21.28 | 2,740.00 | 2,740.00 | 763.23 | 763.23 | 761.93 | 756.78 | - | - | 761.93 | 756.78 | - | - |
| Total | | | | | 763.23 | 763.23 | 761.93 | 756.78 | - | - | 761.93 | 756.78 | - | - |

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

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

14 Investment Properties

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------|----------------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Cost | | | | |
| At 1 January | 459.34 | 459.34 | 459.34 | 459.34 |
| At 31 December | 459.34 | 459.34 | 459.34 | 459.34 |
| Depreciation and impairment losses | | | | |
| At 1 January | - | - | - | - |
| At 31 December | - | - | - | - |
| Net book value | | | | |
| At 1 January | 459.34 | 459.34 | 459.34 | 459.34 |
| At 31 December | 459.34 | 459.34 | 459.34 | 459.34 |

Investment properties were revalue as at 31 December 2014 and 2013 by an independent professional valued, at open market value on existing use basis. The appraisal value is totalling Baht 598.72 million (2013: Baht 598.72 million).

15 Property, plant and equipment

(a) The Group

| | Consolidated financial statements | | | | | | | |
|--|---|----------------------------------|--|---------------|-------------------|-----------------|-------------------------------|-------|
| | Exploration and production of petroleum assets | | Marketing and office equipments (in million Baht) | | Platinum Catalyst | Vehicles | Construction work in progress | Total |
| | Machinery, equipment refinery plants and terminal | Electricity producing equipments | | | | | | |
| Cost | | | | | | | | |
| At 1 January 2013 - restated | 1,235.26 | 3,520.89 | 4,274.32 | 239.26 | 212.33 | 2,285.08 | 48,094.99 | |
| Additions | 81.95 | - | 24.16 | - | 5.26 | 4,307.51 | 4,524.42 | |
| Transfers | 96.56 | 2,814.34 | 316.24 | - | 27.48 | (5,026.24) | (23.88) | |
| Disposals | (14.27) | - | (167.05) | - | (1.49) | - | (203.79) | |
| At 31 December 2013 and 1 January 2014 - restated | 1,399.50 | 6,335.23 | 4,447.67 | 239.26 | 243.58 | 1,566.35 | 52,391.74 | |
| Acquisition through business acquisition | - | - | - | - | - | - | 3,553.09 | |
| Additions | 0.87 | 0.15 | 7.42 | - | 4.71 | 7,098.21 | 7,225.61 | |
| Transfers | - | 3,367.22 | 457.17 | - | 5.95 | (7,649.06) | (71.52) | |
| Disposals | (0.81) | - | (50.69) | - | (18.81) | - | (840.11) | |
| Effect of movement in exchange rate | - | - | - | - | - | - | (13.52) | |
| At 31 December 2014 | 1,399.56 | 9,702.60 | 4,861.57 | 239.26 | 235.43 | 1,015.50 | 62,245.29 | |

| | Consolidated financial statements | | | | | | | | | |
|--|-----------------------------------|-----------------|---|----------------------------------|---|---------------------------------|-------------------|-----------------|-------------------------------|--------------------|
| | Land | Buildings | Machinery, refinery Plants and terminal | Electricity producing equipments | Exploration and production of petroleum assets (in million Baht) | Marketing and office equipments | Platinum Catalyst | Vehicles | Construction work in progress | Total |
| Depreciation and impairment losses | | | | | | | | | | |
| At 1 January 2013 - restated | (14.06) | (458.57) | (13,212.50) | (96.13) | - | (3,055.86) | - | (138.82) | - | (16,975.94) |
| Depreciation charge for the year | - | (58.84) | (2,039.08) | (236.13) | - | (304.03) | - | (28.09) | - | (2,666.17) |
| Impairment losses | - | - | (0.65) | - | - | (2.01) | - | - | - | (2.66) |
| Disposals | - | 1.08 | 11.90 | - | - | 155.40 | - | 1.48 | - | 169.86 |
| At 31 December 2013 and 1 January 2014 - restated | (14.06) | (516.33) | (15,240.33) | (332.26) | - | (3,206.50) | - | (165.43) | - | (19,474.91) |
| Acquisition through business acquisition | - | (61.04) | - | - | (2,125.59) | - | - | - | - | (2,186.63) |
| Depreciation charge for the year | - | (86.63) | (2,177.63) | (361.39) | (113.08) | (334.51) | - | (27.70) | - | (3,100.84) |
| (Losses) Reversal of impairment losses | (1.75) | - | 2.02 | - | (238.93) | (3.44) | - | - | - | (242.10) |
| Disposals | - | 1.30 | 721.06 | - | - | 47.15 | - | 18.41 | - | 787.92 |
| Effect of movement in exchange rate | - | 2.06 | - | - | 105.33 | - | - | - | - | 107.39 |
| At 31 December 2014 | (15.81) | (660.54) | (16,694.88) | (693.65) | (2,372.27) | (3,497.30) | - | (174.72) | - | (24,109.17) |

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2014 amounted to Baht 4,593.78 million (2013: Baht 3,302.09 million).

Impairment loss in Nido Petroleum Limited

For the year ended 31 December 2014, due to sharp decline of the oil price in the world market during quarter 4, 2014, the Group recognized impairment loss in NIDO Petroleum Limited. The recoverable amount used in assessing the impairment loss is based on value in use which was the estimated future cash flows are discounted to their present value. The key assumptions used in the cash flow projections include the oil prices, production profile, discount rates, and capital expenditure.

The short term oil price was determined based on the forward price curve and long term oil price was determined based on estimation from independent expert and upon past experience of the industry. Production profiles are based on a proved and probable reserve production profile and also the long-term view of global supply and demand. The discount rate is derived from weighted average cost of capital of 8.52%. The capital expenditure was determined based on project management estimation and long term planning.

The impairment losses recognised in the consolidated statement of income for the year ended 31 December 2014 was as follows:

| | <i>Note</i> | <i>Consolidated financial statements (in million Baht)</i> |
|-------------------------------|-------------|--|
| Impairment losses | | |
| Property, plant and equipment | | 238.93 |
| Intangible assets | 18 | 154.32 |
| Goodwill | 16 | 425.25 |
| Total | | 818.50 |

The sensitivity analysis in the key assumptions was estimated. The calculations were performed assuming a change to the variable being tested only. It is estimated that if the oil price assumption for all future years were to be increased by around 27%, this would cause the recoverable amount to be equal to the carrying amount.

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

(b) The Company

Separate financial statements

| | Land | Buildings | Machinery, equipment refinery plants and terminal | Electricity producing equipments | Marketing and office equipments (in million Baht) | Platinum Catalyst | Vehicles | Construction work in progress | Total |
|---|----------------|-----------------|---|----------------------------------|--|-------------------|-----------------|-------------------------------|--------------------|
| Cost | | | | | | | | | |
| At 1 January 2013 -- restated | 1,000.42 | 693.97 | 34,729.70 | 3,520.89 | 4,234.69 | 239.27 | 192.63 | 1,092.98 | 45,704.55 |
| Additions | - | - | 103.79 | - | - | - | - | 1,560.25 | 1,664.04 |
| Transfers | - | 30.30 | 1,346.04 | 0.67 | 233.60 | - | 27.48 | (1,657.77) | (19.68) |
| Disposals | (14.27) | (0.95) | (14.57) | - | (166.72) | - | (1.49) | - | (198.00) |
| At 31 December 2013 and | | | | | | | | | |
| 1 January 2014 - restated | 986.15 | 723.32 | 36,164.96 | 3,521.56 | 4,301.57 | 239.27 | 218.62 | 995.46 | 47,150.91 |
| Additions | - | - | 110.43 | - | - | - | - | 3,631.59 | 3,742.02 |
| Transfers | - | 37.22 | 3,120.80 | 0.72 | 426.97 | - | 5.95 | (3,636.29) | (44.63) |
| Disposals | (0.81) | (1.33) | (767.03) | - | (50.06) | - | (18.30) | - | (837.53) |
| At 31 December 2014 | 985.34 | 759.21 | 38,629.16 | 3,522.28 | 4,678.48 | 239.27 | 206.27 | 990.76 | 50,010.77 |
| Depreciation and impairment losses | | | | | | | | | |
| At 1 January 2013 - restated | (14.06) | (423.10) | (13,100.40) | (96.13) | (3,027.26) | - | (128.35) | - | (16,789.30) |
| Depreciation charge for the year | - | (32.10) | (1,997.47) | (145.75) | (284.59) | - | (24.32) | - | (2,484.23) |
| Impairment losses | - | - | (0.65) | - | (2.01) | - | - | - | (2.66) |
| Disposals | - | 0.95 | 10.68 | - | 155.08 | - | 1.48 | - | 168.19 |
| At 31 December 2013 and | | | | | | | | | |
| 1 January 2014 - restated | (14.06) | (454.25) | (15,087.84) | (241.88) | (3,158.78) | - | (151.19) | - | (19,108.00) |
| Depreciation charge for the year | - | (36.98) | (2,133.95) | (145.84) | (308.05) | - | (23.22) | - | (2,648.04) |
| (Losses) reversal of impairment losses | (1.75) | - | 2.02 | - | (3.44) | - | - | - | (3.17) |
| Disposals | - | 1.20 | 720.69 | - | 46.55 | - | 18.05 | - | 786.49 |
| At 31 December 2014 | (15.81) | (490.03) | (16,499.08) | (387.72) | (3,423.72) | - | (156.36) | - | (20,972.72) |

Separate financial statements

| | Land | Buildings | Machinery, equipment refinery plants and terminal | Electricity producing equipments | Marketing and office equipments (in million Baht) | Platinum catalyst | Vehicles | Construction work in progress | Total |
|---|---------------|---------------|---|----------------------------------|--|-------------------|--------------|-------------------------------|------------------|
| Net book value | | | | | | | | | |
| At 1 January 2013 - restated | | | | | | | | | |
| Owned assets | 986.36 | 270.87 | 20,429.64 | 3,424.76 | 1,207.43 | 239.27 | 64.28 | 1,092.98 | 27,715.59 |
| Assets under finance leases | - | - | 1,199.66 | - | - | - | - | - | 1,199.66 |
| | <u>986.36</u> | <u>270.87</u> | <u>21,629.30</u> | <u>3,424.76</u> | <u>1,207.43</u> | <u>239.27</u> | <u>64.28</u> | <u>1,092.98</u> | <u>28,915.25</u> |
| At 31 December 2013 and 1 January 2014 - restated | | | | | | | | | |
| Owned assets | 972.09 | 269.07 | 19,930.95 | 3,279.68 | 1,142.79 | 239.27 | 67.43 | 995.46 | 26,896.74 |
| Assets under finance leases | - | - | 1,146.17 | - | - | - | - | - | 1,146.17 |
| | <u>972.09</u> | <u>269.07</u> | <u>21,077.12</u> | <u>3,279.68</u> | <u>1,142.79</u> | <u>239.27</u> | <u>67.43</u> | <u>995.46</u> | <u>28,042.91</u> |
| At 31 December 2014 | | | | | | | | | |
| Owned assets | 969.53 | 269.18 | 21,037.40 | 3,134.56 | 1,254.76 | 239.27 | 49.91 | 990.76 | 27,945.37 |
| Assets under finance leases | - | - | 1,092.68 | - | - | - | - | - | 1,092.68 |
| | <u>969.53</u> | <u>269.18</u> | <u>22,130.08</u> | <u>3,134.56</u> | <u>1,254.76</u> | <u>239.27</u> | <u>49.91</u> | <u>990.76</u> | <u>29,038.05</u> |

Capitalised borrowing costs relating to construction of the new factory amounted to Baht 22.37 million (2013: Baht 51.30 million), with a capitalization rate of 4.59 – 4.91% (2013: 4.43 – 6.63%) (see note 36).

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2014 amounted to Baht 4,506.31 million (2013: Baht 3,275.86 million).

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

16 Goodwill

| | <i>Note</i> | Consolidated financial statements <i>(in million Baht)</i> |
|---------------------------------------|-------------|--|
| <i>Cost</i> | | |
| At 1 January 2014 | | - |
| Acquired through business acquisition | 5 | 455.38 |
| Effect of movements in exchange rates | | (30.13) |
| At 31 December 2014 | | 425.25 |
| <i>Impairment losses</i> | | |
| At 1 January 2014 | | - |
| Impairment losses | 15 | (425.25) |
| At 31 December 2014 | | (425.25) |
| <i>Net book value</i> | | |
| At 1 January 2014 | | - |
| At 31 December 2014 | | - |

17 Leasehold Rights

| | Consolidated and Separate financial statements (in million Baht) |
|--|---|
| <i>Cost</i> | |
| At 1 January 2013 | 2,445.59 |
| Addition | 224.32 |
| Transfers | (6.36) |
| Disposals | (2.60) |
| At 31 December 2013 and 1 January 2014 | 2,660.95 |
| Addition | 343.90 |
| Disposals | (290.16) |
| At 31 December 2014 | 2,714.69 |
| <i>Amortisation and impairment losses</i> | |
| At 1 January 2013 | (1,396.94) |
| Amortisation charge for the year | (94.85) |
| Disposals | 2.60 |
| Impairment losses | (0.11) |
| At 31 December 2013 and 1 January 2014 | (1,489.30) |
| Amortisation charge for the year | (120.32) |
| Disposals | 290.16 |
| Impairment losses | 0.52 |
| At 31 December 2014 | (1,318.94) |
| <i>Net book value</i> | |
| At 1 January 2013 | 1,048.65 |
| At 31 December 2013 and 1 January 2014 | 1,171.65 |
| At 31 December 2014 | 1,395.75 |

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

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

As at 31 December 2014, leasehold right liability has remaining balance totalling Baht 76.62 million (2013: Baht 153.23 million).

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

18 Intangible assets

| | Consolidated financial statements | | |
|---|---|---|-----------------|
| | Right to use and cost of development of computer software | Exploration and evaluation expenditure (in million Baht) | Total |
| Note | | | |
| Cost | | | |
| At 1 January 2013 | 314.18 | - | 314.18 |
| Addition | 109.66 | - | 109.66 |
| Disposals | (12.54) | - | (12.54) |
| At 31 December 2013 and 1 January 2014 | 411.30 | - | 411.30 |
| Acquisitions through business acquisition | - | 1,776.27 | 1,776.27 |
| Additions | 43.45 | 154.51 | 197.96 |
| Disposals | (0.04) | - | (0.04) |
| Effect of movements in exchange rates | - | 25.27 | 25.27 |
| At 31 December 2014 | 454.71 | 1,956.05 | 2,410.76 |
| Amortisation and impairment losses | | | |
| At 1 January 2013 | (167.08) | - | (167.08) |
| Amortisation for the year | (35.72) | - | (35.72) |
| Disposals | 11.67 | - | 11.67 |
| At 31 December 2013 and 1 January 2014 | (191.13) | - | (191.13) |
| Acquisitions through business acquisition | - | (397.64) | (397.64) |
| Amortisation for the year | (41.03) | - | (41.03) |
| Disposals | 0.04 | - | 0.04 |
| Impairment losses | - | (154.32) | (154.32) |
| Effect of movements in exchange rates | - | 2.55 | 2.55 |
| At 31 December 2014 | (232.12) | (549.41) | (781.53) |
| Net book value | | | |
| At 1 January 2013 | 147.10 | - | 147.10 |
| At 31 December 2013 and 1 January 2014 | 220.17 | - | 220.17 |
| At 31 December 2014 | 222.59 | 1,406.64 | 1,629.23 |

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| | Separate financial statements |
|---|---|
| | Right to use and cost of development of computer software |
| | (in million Baht) |
| Cost | |
| At 1 January 2013 | 310.24 |
| Addition | 105.79 |
| Disposals | (12.54) |
| At 31 December 2013 and 1 January 2014 | 403.49 |
| Additions | 38.28 |
| Disposals | (0.04) |
| At 31 December 2014 | 441.73 |
| Amortisation and impairment losses | |
| At 1 January 2013 | (163.94) |
| Amortisation for the year | (34.97) |
| Disposals | 11.67 |
| At 31 December 2013 and 1 January 2014 | (187.24) |
| Amortisation for the year | (39.49) |
| Disposals | 0.04 |
| At 31 December 2014 | (226.69) |
| Net book value | |
| At 1 January 2013 | 146.30 |
| At 31 December 2013 and 1 January 2014 | 216.25 |
| At 31 December 2014 | 215.04 |

19 Deferred tax

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

| | Consolidated financial statements | | | |
|--|--|--------------------|-----------------|--------------------|
| | Assets | | Liabilities | |
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Total | 1,175.63 | 422.90 | (667.53) | (84.82) |
| Set off of tax | (517.75) | (84.82) | 517.75 | 84.82 |
| Net deferred tax assets (liabilities) | 657.88 | 338.08 | (149.78) | - |

| | Separate financial statements | | | |
|--------------------------------|--------------------------------------|--------------------|-------------|--------------------|
| | Assets | | Liabilities | |
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Total | 998.53 | 419.83 | (334.61) | (84.82) |
| Set off of tax | (334.61) | (84.82) | 334.61 | 84.82 |
| Net deferred tax assets | 653.92 | 335.01 | - | - |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

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

| | Consolidated financial statement | | | | |
|--|---|--|---|---------------------------------|------------------------------------|
| | At 1 January 2014 (Restated) | (Charged)/ Credited to: Statement of income (Note 37) | Acquired in business acquisition (in million Baht) | Exchange differences | At 31 December 2014 |
| Deferred tax assets | | | | | |
| Loss from impairment of assets | 90.89 | 124.61 | - | - | 215.55 |
| Property, plant and equipment | 89.65 | (6.61) | 108.76 | 31.25 | 223.05 |
| Employee benefit obligation | 220.48 | 16.97 | - | - | 237.45 |
| Loss carry forward | - | 391.73 | 56.62 | 11.83 | 460.18 |
| Others | 21.88 | 17.29 | 0.01 | 0.22 | 39.40 |
| Total | 422.90 | 544.04 | 165.39 | 43.30 | 1,175.63 |
| Deferred tax liabilities | | | | | |
| Inventories | - | (131.77) | - | - | (131.77) |
| Property, plant and equipment | (83.48) | 9.04 | (264.63) | (63.99) | (403.06) |
| Leaschold rights | (1.34) | 0.07 | - | - | (1.27) |
| Provision for the decommissioning cost | - | 4.38 | (67.12) | (19.26) | (82.00) |
| Finance lease liabilities | - | 1.25 | (1.71) | (0.31) | (0.77) |
| Income from insurance compensation | - | (48.66) | - | - | (48.66) |
| Total | (84.82) | (165.69) | (333.46) | (83.56) | (667.53) |
| Net | 338.08 | 378.35 | (168.07) | (40.26) | 508.10 |

Consolidated financial statements

(Charged) / credited to

| | At 1 January 2013 (Restated) | Statement of income (Note 37) (in million Baht) | At 31 December 2013 (Restated) |
|--|---|--|---|
| <i>Deferred tax assets</i> | | | |
| Loss from impairment of assets | 86.68 | 4.21 | 90.89 |
| Property, plant and equipment | 71.83 | 17.82 | 89.65 |
| Employee benefit obligation | 198.76 | 21.72 | 220.48 |
| Others | 28.94 | (7.06) | 21.88 |
| Total | 386.21 | 36.69 | 422.90 |
| <i>Deferred tax liabilities</i> | | | |
| Property, plant and equipment | (134.22) | 50.74 | (83.48) |
| Leasehold rights | (1.41) | 0.07 | (1.34) |
| Income from insurance compensation | (62.00) | 62.00 | - |
| Total | (197.63) | 112.81 | (84.82) |
| Net | 188.58 | 149.50 | 338.08 |

Separate financial statements

(Charged) / credited to

| | At 1 January 2014 (Restated) | Statement of income (Note 37) (in million Baht) | At 31 December 2014 |
|--|---|--|--------------------------------|
| <i>Deferred tax assets</i> | | | |
| Loss from impairment of assets | 90.89 | 124.66 | 215.55 |
| Property, plant and equipment | 89.62 | 0.26 | 89.88 |
| Employee benefit obligation | 217.64 | 16.15 | 233.79 |
| Loss carry forward | - | 421.74 | 421.74 |
| Others | 21.68 | 15.89 | 37.57 |
| Total | 419.83 | 578.70 | 998.53 |
| <i>Deferred tax liabilities</i> | | | |
| Inventories | - | (131.77) | (131.77) |
| Property, plant and equipment | (83.48) | (79.43) | (162.91) |
| Leasehold rights | (1.34) | 0.07 | (1.27) |
| Income from insurance compensation | - | (48.66) | (48.66) |
| Total | (84.82) | (259.79) | (344.61) |
| Net | 335.01 | 318.91 | 653.92 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | Separate financial statements (Charged) / credited to | | |
|------------------------------------|--|--|--------------------------------------|
| | At 1 January 2013 (Restated) | Statement of income (Note 37) (in million Baht) | At 31 December 2013 (Restated) |
| Deferred tax assets | | | |
| Loss from impairment of assets | 86.68 | 4.21 | 90.89 |
| Property, plant and equipment | 71.83 | 17.80 | 89.62 |
| Employee benefit obligation | 196.56 | 21.08 | 217.64 |
| Others | 28.70 | (7.02) | 21.68 |
| Total | 383.77 | 36.07 | 419.83 |
| Deferred tax liabilities | | | |
| Property, plant and equipment | (134.22) | 50.73 | (83.48) |
| Leasehold rights | (1.41) | 0.07 | (1.34) |
| Income from insurance compensation | (62.00) | 62.00 | - |
| Total | (197.63) | 112.80 | (84.82) |
| Net | 186.14 | 148.87 | 335.01 |

20 Other non-current assets

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|--------------------------------------|---------------|----------------------------------|---------------|
| | | 2014 | 2013 | 2014 | 2013 |
| | | (in million Baht) | | | |
| Fixed deposit for staff welfare | | 420.17 | 417.95 | 420.17 | 417.95 |
| Deferred expenses for the issuance of long-term loans | | 64.03 | 74.68 | 64.03 | 72.32 |
| Investment in service stations | | 152.96 | 156.84 | 152.96 | 156.84 |
| Deposit paid for investment | 42 | 351.36 | - | - | - |
| Others | | 318.89 | 192.92 | 222.78 | 191.48 |
| Total | | 1,307.41 | 842.39 | 859.94 | 838.59 |

21 Interest-bearing liabilities

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------|--|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| <i>Current</i> | | | | |
| Current portion of long-term loans | | | | |
| from financial institutions | 486.42 | - | - | - |
| secured | - | 265.84 | - | - |
| unsecured | 825.49 | 776.66 | 825.49 | 776.66 |
| Total Current | 1,311.91 | 1,042.50 | 825.49 | 776.66 |
| <i>Non-current</i> | | | | |
| Long -term loans from financial institutions | | | | |
| secured | 1,616.81 | 1,733.46 | - | - |
| unsecured | 14,284.54 | 15,057.88 | 14,284.54 | 15,057.88 |
| | 15,901.35 | 16,791.34 | 14,284.54 | 15,057.88 |
| Debenture | | | | |
| unsecured | 12,985.12 | 2,995.71 | 12,985.12 | 2,995.71 |
| | 12,985.12 | 2,995.71 | 12,985.12 | 2,995.71 |
| Total Non-current | 28,886.48 | 19,787.05 | 27,269.66 | 18,053.59 |
| Total | 30,198.38 | 20,829.55 | 28,095.15 | 18,830.25 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

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

| Facilities | | Interest | Repayment Terms | Consolidated Financial statements | | Separates financial statements | | |
|---|-----------|-------------------------|--|--|------------|-----------------------------------|-----------|-----------|
| Currency | (million) | Interest Rates (%) p.a. | | 2014 | 2013 | 2014 | 2013 | |
| (in million Baht) | | | | | | | | |
| Long-term loans from financial institutions | | | | | | | | |
| The Company | Baht | 9,000 | THBFIX 6M plus a margin | The principle will be repayable in 20 instalments commencing in June 2011 | 2,435.24 | 2,581.75 | 2,435.24 | 2,581.75 |
| The Company | USD | 200 | LIBOR plus a margin | The principle will be repayable on 1 August 2018 | 6,553.10 | 6,500.94 | 6,553.10 | 6,500.94 |
| The Company | Baht | 4,200 | Fixed Interest Rate | The principle will be repayable in 26 instalments commencing in March 2013 | 3,301.69 | 3,601.85 | 3,301.69 | 3,601.85 |
| The Company | Baht | 3,500 | THBFIX 6M plus a margin | The principle will be repayable in 23 instalments commencing in December 2011 | 2,820.00 | 3,150.00 | 2,820.00 | 3,150.00 |
| Subsidiary | Baht | 710 | Six-month fixed deposit corporate rate plus a margin | The principle will be repayable in 24 instalments commencing in June 2010 | - | 336.24 | - | - |
| Subsidiary | Baht | 1,508 | THBFIX 6M plus a margin | The principle will be repayable in 20-34 instalments commencing in August 2013 | 1,233.04 | 1,350.99 | - | - |
| Subsidiary | USD | 12 | Fixed Interest Rate | The principle will be repayable in 34 instalments commencing in August 2013 | 298.05 | 312.07 | - | - |
| Subsidiary | Baht | 2,049 | Fixed Deposit Rate plus a margin | The principle will be repayable in 24 instalments commencing in January 2017 | 224.69 | - | - | - |
| Subsidiary | USD | 30 | US LIBOR plus a margin | The principle will be repayable in December 2015 | 347.45 | - | - | - |
| Total | | | | | 17,213.26 | 17,833.84 | 15,110.03 | 15,834.54 |
| Less: Current portion | | | | | (1,311.91) | (1,042.50) | (825.49) | (776.66) |
| Net | | | | | 15,901.35 | 16,791.34 | 14,284.54 | 15,057.88 |

(in million Baht)

During 2011, the Company entered into a loan agreement with a consortium of four financial institutions for a long-term loan totalling Baht 9,000 million bearing interest at a rate referenced to THBFIX of 6 months plus margin. The Company is required to comply with certain conditions under the loan agreement and maintain certain financial ratios as specified in the agreement. On 31 July 2013, the Company made a partial early repayment of Baht 5,500 million of the balance of the long-term loan to the financial institutions.

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

As at 31 December 2014, the Group and the Company had unutilised credit facilities totalling Baht 14,362 million and Baht 12,555 million, respectively (2013: Baht 13,475 million and Baht 13,255 million, respectively).

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

Debentures

Detail of debentures as at 31 December 2014 and 2013 were as follows;

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 31 December 2014 | 31 December 2013 | 31 December 2014 | 31 December 2013 |
| | <i>(in million Baht)</i> | | | |
| Debentures | 13,000.00 | 3,000.00 | 13,000.00 | 3,000.00 |
| Less Unamortized deferred expenses on debentures | (14.88) | (4.29) | (14.88) | (4.29) |
| Total | 12,985.12 | 2,995.71 | 12,985.12 | 2,995.71 |

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

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

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

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

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

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

| | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Within one year | 1,311.91 | 1,042.50 | 825.49 | 776.66 |
| After one year but within five years | 17,503.63 | 11,094.39 | 16,656.06 | 10,297.77 |
| After five years | 11,382.84 | 8,692.66 | 10,613.60 | 7,755.81 |
| Total | 30,198.38 | 20,829.55 | 28,095.15 | 18,830.24 |

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

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|-----------------|----------------------------------|----------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Property, plant and equipment | 3,860.90 | 4,063.60 | - | - |
| Total | 3,860.90 | 4,063.60 | - | - |

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

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Thai Baht (THB) | 23,927.83 | 14,328.61 | 21,542.05 | 12,329.31 |
| United States Dollars (USD) | 6,900.55 | 6,500.94 | 6,553.10 | 6,500.94 |
| Total | 30,198.38 | 20,829.55 | 28,095.15 | 18,830.25 |

22 Trade accounts payable

| | | Consolidated financial statements | | Separate financial statements | |
|-----------------|------|--------------------------------------|------------------|----------------------------------|------------------|
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | <i>(in million Baht)</i> | | | |
| Related parties | 6 | 4,773.34 | 10,339.73 | 5,058.35 | 10,562.46 |
| Other parties | | 1,001.02 | 1,194.21 | 560.10 | 874.17 |
| Total | | 5,774.36 | 11,533.94 | 5,618.45 | 11,436.63 |

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

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------|--------------------------------------|------------------|----------------------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Thai Baht (THB) | 5,671.98 | 11,533.94 | 5,618.45 | 11,436.63 |
| United States Dollars (USD) | 86.89 | - | - | - |
| Others | 15.49 | - | - | - |
| Total | 5,774.36 | 11,533.94 | 5,618.45 | 11,436.63 |

23 Other payables

| | | Consolidated financial statements | | Separate financial statements | |
|-----------------------------------|------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | <i>(in million Baht)</i> | | | |
| Related parties | 6 | 864.82 | 785.15 | 864.82 | 785.15 |
| Other parties | | | | | |
| Accrued expenses | | 589.02 | 713.39 | 474.98 | 590.46 |
| Liabilities from forward contract | | 0.22 | 139.13 | 0.22 | 139.13 |
| Other accounts payable | | 905.42 | 724.53 | 829.01 | 468.22 |
| Total | | 2,359.48 | 2,362.20 | 2,169.03 | 1,982.96 |

24 Finance lease liabilities

The Company entered into Cogeneration Project Agreement with the major shareholder under which the major shareholder invested in the construction of a cogeneration power plant to generate 19.7 MW of electricity and 90 metric tons per hour of steam to sell to the Company only.

The agreement falls within the scope of TFRIC 4 – Determining whether an Arrangement contains a Lease in which the Cogeneration Power Plant is use of the specific asset and the Company has the ability and right to control physical access to the asset. The major shareholder will transfer ownership of the Cogeneration Power Plant to the Company at the end of the agreement period.

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

Details of financial lease liabilities were as follow:

| | Consolidated / Separate financial statements | | | 31 December 2013 | | |
|--------------------------------------|---|---------------|--|----------------------------------|---------------|---------------------------------|
| | 31 December 2014 | | | (Restated) | | |
| | Present value of minimum payment | Finance costs | Future value of minimum payment (in million Baht) | Present value of minimum payment | Finance costs | Future value of minimum payment |
| Within one year | 84.84 | 53.79 | 138.63 | 80.25 | 58.39 | 138.64 |
| After one year but within five years | 390.68 | 163.86 | 554.54 | 369.56 | 184.98 | 554.54 |
| After five years | 528.81 | 67.05 | 595.86 | 634.77 | 99.72 | 734.49 |
| Total | 1,004.33 | 284.70 | 1,289.03 | 1,084.58 | 343.09 | 1,427.67 |

25 Employee benefit obligations

| | Consolidated | | Separate | |
|---|-----------------------------|-----------------|-----------------------------|-----------------|
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Statement of financial position obligations for: | | | | |
| Post-employment benefits | 1,142.67 | 1,059.40 | 1,125.82 | 1,047.32 |
| Other long-term employee benefits | 45.84 | 43.02 | 43.15 | 40.88 |
| Total | 1,188.51 | 1,102.42 | 1,168.97 | 1,088.20 |
| For the year ended 31 December | | | | |
| Statement of income: | | | | |
| Recognised in profit or loss | | | | |
| Post-employment benefits | 113.63 | 132.40 | 108.75 | 128.13 |
| Other long-term employee benefits | 4.70 | 5.74 | 4.14 | 5.66 |
| Total | 118.33 | 138.14 | 112.89 | 133.79 |

Movement in the present value of the defined benefit obligations:

| | Consolidated | | Separate | |
|---|-----------------------------|-----------------|-----------------------------|-----------------|
| | financial statements | | financial statements | |
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Defined benefit obligations at 1 January | 1,102.42 | 993.78 | 1,088.20 | 982.81 |
| Acquisitions through business acquisition | 1.03 | - | - | - |
| Benefits paid by the plan | (32.84) | (29.50) | (32.12) | (28.40) |
| Current service costs and interest | 118.33 | 138.14 | 112.89 | 133.79 |
| Effect of movement in exchange rate | (0.43) | - | - | - |
| Defined benefit obligations at 31 December | 1,188.51 | 1,102.42 | 1,168.97 | 1,088.20 |

Expense recognised in profit or loss:

| | Consolidated financial statements | | Separate financial statements | |
|------------------------|--------------------------------------|---------------|----------------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Current service costs | 74.69 | 98.51 | 69.71 | 94.50 |
| Interest on obligation | 43.64 | 39.63 | 43.18 | 39.29 |
| Total | 118.33 | 138.14 | 112.89 | 133.79 |

The expense is recognised in the following line items in the statement of income:

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------|--------------------------------------|---------------|----------------------------------|---------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Cost of sales | 30.98 | 30.87 | 30.75 | 30.70 |
| Selling expenses | 41.07 | 43.01 | 36.97 | 39.14 |
| Administrative expenses | 46.28 | 64.26 | 45.17 | 63.95 |
| Total | 118.33 | 138.14 | 112.89 | 133.79 |

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|--------------------|----------------------------------|-------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(%)</i> | | | |
| Discount rate as at 31 December | 4 | 4 | 4 | 4 |
| Future salary increases | 4 - 10 | 4 - 10 | 4 - 10 | 4 - 10 |
| Retirement age | 55 and 60 years | 55 and 60 years | 60 years | 60 years |

Assumptions regarding future mortality are based on published statistics and mortality tables.
Discount rate is the interest rate of long-term government bond.

26 Share capital

| | Par value per share <i>(in Baht)</i> | 2014 | | 2013 | |
|---------------------------|--|-----------------|--|-----------------|-----------------|
| | | Number | Baht <i>(million shares / million Baht)</i> | Number | Baht |
| Authorised | | | | | |
| At 1 January | | | | | |
| ordinary shares | 1 | 1,531.64 | 1,531.64 | 1,531.64 | 1,531.64 |
| At 31 December | | | | | |
| ordinary shares | 1 | 1,531.64 | 1,531.64 | 1,531.64 | 1,531.64 |
| Issued and paid-up | | | | | |
| At 1 January | | | | | |
| ordinary shares | 1 | 1,376.92 | 1,376.92 | 1,376.92 | 1,376.92 |
| Issue of new shares | 1 | - | - | - | - |
| At 31 December | | | | | |
| ordinary shares | 1 | 1,376.92 | 1,376.92 | 1,376.92 | 1,376.92 |

27 Additional paid-in capital and reserves

Share premium

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

Capital surplus on registered and paid-up share reduction

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

Legal reserve

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

28 Operating segments

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

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

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.

Information about reportable segments

| | 2014 | | | | | | |
|--------------------------------|------------|------------|-------------|------------------------------|---|--------------|---------------|
| | Refinery | Marketing | Electricity | Biofuel (in million Baht) | Exploration and production of petroleum | Eliminations | Total |
| External revenue | 40,667.42 | 137,940.31 | 2,692.32 | 1,391.29 | 324.76 | - | 183,016.10 |
| Inter-segment revenue | 130,579.98 | 5.96 | - | 3,925.01 | - | (134,510.95) | - |
| Total revenue | 171,247.40 | 137,946.27 | 2,692.32 | 5,316.30 | 324.76 | (134,510.95) | 183,016.10 |
| Group's EBITDA | 137.09 | 2,207.79 | 2,572.30 | 303.33 | (58.06) | - | 5,162.45 |
| Depreciation and Amortization | | | | | | | (3,294.13) |
| Gain on foreign exchange | | | | | | | 673.58 |
| Loss from impairment of assets | | | | | | | (821.48) |
| Finance costs | | | | | | | (1,426.80) |
| Income tax credit | | | | | | | 462.79 |
| Profit for the year | | | | | | | 756.41 |
| Interest revenue | 59.52 | 78.28 | 27.88 | 0.82 | 0.33 | - | 166.83 |
| Finance costs | 1,000.59 | 143.44 | 223.40 | 20.46 | 38.91 | - | 1,426.80 |
| Depreciation and amortisation | 2,175.00 | 505.58 | 439.43 | 60.23 | 113.89 | - | 3,294.13 |
| Segment assets | 49,075.61 | 10,240.73 | 12,921.02 | 1,139.96 | 3,588.21 | - | 76,965.53 |
| Investment in associate | 761.93 | - | - | - | - | - | 761.93 |
| Capital expenditure | 2,880.92 | 1,393.01 | 3,694.58 | 18.94 | 56.98 | - | 8,044.43 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | 2013 (Restated) | | | | | |
|--|-------------------|-------------------|----------------------------------|-----------------|---------------------|------------------------|
| | Refinery | Marketing | Electricity (in million Baht) | Biofuel | Eliminations | Total |
| External revenue | 44,560.17 | 139,048.60 | 1,462.79 | 1,418.63 | - | 186,490.19 |
| Inter-segment revenue | 132,263.21 | 66.16 | - | 2,982.26 | (135,311.63) | - |
| Total revenue | <u>176,823.38</u> | <u>139,114.76</u> | <u>1,462.79</u> | <u>4,400.89</u> | <u>(135,311.63)</u> | <u>186,490.19</u> |
| Group's EBITDA | 6,336.08 | 1,366.44 | 1,388.18 | 379.07 | (6.58) | 9,463.19 |
| Depreciation and amortization | | | | | | (2,830.47) |
| Gain on foreign exchange | | | | | | 132.02 |
| Reversal of allowance for loss from impairment of assets | | | | | | 24.26 |
| Finance costs | | | | | | (1,126.50) |
| Income tax expense | | | | | | <u>(932.11)</u> |
| Profit for the year | | | | | | <u>4,730.39</u> |
| Interest revenue | 30.70 | 49.54 | 9.14 | 0.63 | - | 90.01 |
| Financial costs | 778.49 | 111.84 | 219.06 | 21.78 | (4.67) | 1,126.50 |
| Depreciation and amortisation | 2,035.07 | 453.13 | 284.65 | 57.62 | - | 2,830.47 |
| Segments assets | 51,670.53 | 10,588.33 | 10,202.45 | 1,075.90 | - | 73,537.21 |
| Investments in associate | 756.78 | - | - | - | - | 756.78 |
| Capital expenditure | 1,028.65 | 916.46 | 2,935.02 | 25.19 | - | 4,905.32 |

Geographical segments

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

Geographical information

| | Revenue | |
|--------------|--------------------------|-------------------|
| | 2014 | 2013 |
| | <i>(in million Baht)</i> | |
| Thailand | 182,691.33 | 186,490.19 |
| Philippines | 324.77 | - |
| Total | 183,016.10 | 186,490.19 |

| | Non-current assets | |
|--------------|--------------------------|------------------|
| | 2014 | 2013 |
| | <i>(in million Baht)</i> | |
| Thailand | 41,084.97 | 36,630.87 |
| Philippines | 2,827.61 | - |
| Indonesia | 90.87 | - |
| Australia | 9.75 | - |
| Total | 44,013.20 | 36,630.87 |

Major customer

Revenues from one customer of the Group's 1 and 2 segments represents approximately Baht 15,054.77 million (2013: Baht 17,854.03 million) of the Group's total revenues.

29 Investment income

| | Note | Consolidated financial statements | | Separate financial statements | |
|-------------------------|------|--------------------------------------|--------------|----------------------------------|---------------|
| | | 2014 | 2013 | 2014 | 2013 |
| | | <i>(in million Baht)</i> | | | |
| Dividend income | | | | | |
| Related parties | 6 | - | - | 1,462.34 | 51.07 |
| | | - | - | 1,462.34 | 51.07 |
| Other investment income | | 166.83 | 90.01 | 130.50 | 72.12 |
| Total | | 166.83 | 90.01 | 1,529.84 | 123.19 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

30 Other income

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Fee for land utilisation and management fee for NGV service station | 89.88 | 88.36 | 84.11 | 84.12 |
| Income from insurance compensation | 764.32 | 1,588.77 | 764.32 | 1,574.33 |
| Others | 176.28 | 138.41 | 173.06 | 122.43 |
| Total | 1,030.48 | 1,815.54 | 1,021.49 | 1,780.88 |

31 Selling expenses

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Personnel | 744.95 | 682.53 | 300.65 | 292.55 |
| Advertising | 258.73 | 253.70 | 162.13 | 150.48 |
| Depreciation and amortisation | 476.07 | 428.67 | 467.52 | 420.04 |
| Distribution | 332.24 | 809.46 | 332.24 | 809.46 |
| Others | 1,005.14 | 865.63 | 766.30 | 632.43 |
| Total | 2,817.13 | 3,039.99 | 2,028.84 | 2,304.96 |

32 Administrative expenses

| | Consolidated financial statements | | Separate financial statements | |
|----------------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Personnel | 716.82 | 696.12 | 612.98 | 656.70 |
| Advertising | 161.31 | 116.23 | 160.56 | 115.90 |
| Depreciation and amortisation | 105.58 | 89.80 | 98.40 | 84.64 |
| Professional and consultant fees | 212.64 | 92.73 | 155.15 | 92.73 |
| Others | 466.78 | 255.56 | 343.91 | 228.39 |
| Total | 1,663.13 | 1,250.44 | 1,371.00 | 1,178.36 |

33 Loss (reversal of allowance for loss) from impairment of assets

| | | Consolidated financial statements | | Separate financial statements | |
|--|------|--------------------------------------|----------------|----------------------------------|----------------|
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | (in million Baht) | | | |
| Impairment loss of assets in NIDO Petroleum Limited | 15 | 818.50 | - | - | - |
| Impairment loss on investment in subsidiary | 12 | - | - | 825.36 | - |
| Others | | 2.98 | (24.26) | 2.98 | (24.26) |
| Total | | 821.48 | (24.26) | 828.34 | (24.26) |

34 Employee benefit expenses

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|--------------------------------------|-----------------|----------------------------------|-----------------|
| <i>Note</i> | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| <i>Management</i> | | | | |
| Wages and salaries | 106.13 | 90.77 | 98.59 | 90.48 |
| Contribution to provident funds | 4.53 | 4.35 | 4.53 | 4.35 |
| Pension | 7.74 | 5.26 | 6.15 | 5.26 |
| Others | 22.32 | 26.13 | 22.32 | 26.13 |
| 6 | <u>140.72</u> | <u>126.51</u> | <u>131.59</u> | <u>126.22</u> |
| <i>Other employees</i> | | | | |
| Wages and salaries | 1,227.85 | 1,097.71 | 760.02 | 715.36 |
| Contribution to provident funds | 69.46 | 61.90 | 61.91 | 58.39 |
| Pension | 111.42 | 132.88 | 106.73 | 128.53 |
| Others | 376.88 | 371.46 | 281.33 | 308.83 |
| | <u>1,785.61</u> | <u>1,663.95</u> | <u>1,209.99</u> | <u>1,211.11</u> |
| Total | 1,926.33 | 1,790.46 | 1,341.58 | 1,337.33 |

Defined contribution plans

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

35 Expenses by nature

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

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------|--|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| <i>Included in cost of sales of goods:</i> | | | | |
| Changes in inventories of finished goods and work in progress | (664.35) | (961.36) | (532.12) | (960.07) |
| Raw materials and consumables used | 113,397.91 | 127,379.92 | 113,797.76 | 127,503.53 |
| Tax expenses and oil fuel fund | 11,535.00 | 12,955.35 | 11,535.00 | 12,955.35 |
| Depreciation | 2,684.71 | 2,283.65 | 2,246.20 | 2,114.66 |
| Loss on decline in value of inventories | 998.67 | - | 992.24 | - |
| <i>Included in selling expenses:</i> | | | | |
| Depreciation | 343.42 | 322.49 | 334.91 | 313.89 |
| <i>Included in administrative expenses:</i> | | | | |
| Depreciation | 72.71 | 60.04 | 66.93 | 55.68 |

36 Finance costs

| | Consolidated financial statements | | Separate financial statements | |
|--|--|--------------------|--|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht)</i> | | | |
| Interest payable to financial institutions | 838.89 | 864.37 | 734.80 | 794.41 |
| Interest payable to Debentures | 488.16 | 151.90 | 488.16 | 151.90 |
| Amortisation of transaction costs capitalised | 41.64 | 94.41 | 30.05 | 88.13 |
| Others | 82.29 | 68.95 | 63.17 | 68.81 |
| | 1,450.98 | 1,179.63 | 1,316.18 | 1,103.25 |
| <i>Less Capitalised as cost of assets under construction</i> | <i>15 (24.18)</i> | <i>(53.13)</i> | <i>(22.37)</i> | <i>(51.31)</i> |
| Net | 1,426.80 | 1,126.50 | 1,293.81 | 1,051.94 |

37 Income tax expense

| | Note | Consolidated financial statements | | Separate financial statements | |
|--------------------------------------|------|-----------------------------------|---|-------------------------------|--------------------|
| | | 2014 | 2013 (Restated) (in million Baht) | 2014 | 2013 (Restated) |
| Current tax expense | | | | | |
| Current year | | 12.03 | 1,048.60 | - | 1,030.93 |
| Under (over) provided in prior years | | (96.47) | 33.01 | (7.39) | 33.01 |
| | | <u>(84.44)</u> | <u>1,081.61</u> | <u>(7.39)</u> | <u>1,063.94</u> |
| Deferred tax expense | | | | | |
| Movements in temporary differences | 19 | (378.35) | (149.50) | (318.91) | (148.87) |
| | | <u>(378.35)</u> | <u>(149.50)</u> | <u>(318.91)</u> | <u>(148.87)</u> |
| Total | | <u>(462.79)</u> | <u>932.11</u> | <u>(326.30)</u> | <u>915.07</u> |

Reconciliation of effective tax rate

| | Consolidated financial statements | | | |
|--|-----------------------------------|----------------------|--------------|----------------------|
| | 2014 | | 2013 | |
| | Rate (%) | (in million Baht) | Rate (%) | (in million Baht) |
| Profit before income tax expense | | 293.62 | | 5,662.50 |
| Income tax using the Thai corporation tax rate | 20.00 | 58.72 | 20.00 | 1,132.50 |
| Income not subject to tax / Expenses that are deductible at a greater amount | | (428.73) | - | (242.77) |
| Expenses not deductible / Other adjustments | | 3.69 | 0.17 | 9.37 |
| Under (over) provided in prior years | | (96.47) | 0.58 | 33.01 |
| Total | - | <u>(462.79)</u> | 16.46 | <u>932.11</u> |

Reconciliation of effective tax rate

| | Separate financial statements | | | |
|--|-------------------------------|----------------------|--------------|----------------------|
| | 2014 | | 2013 | |
| | Rate (%) | (in million Baht) | Rate (%) | (in million Baht) |
| Profit (loss) before income tax expense | | (30.19) | | 4,886.74 |
| Income tax using the Thai corporation tax rate | 20.00 | - | 20.00 | 977.15 |
| Income not subject to tax / Expenses that are deductible at a greater amount | | (455.34) | | (99.01) |
| Expenses not deductible / Other adjustments | | 136.43 | | 3.92 |
| Under (over) provided in prior years | | (7.39) | | 33.01 |
| Total | - | <u>(326.30)</u> | 18.73 | <u>915.07</u> |

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated 21 December 2011 grants a reduction in the corporate income tax rate for the three accounting periods 2012, 2013 and 2014; from 30% to 23% for the accounting period 2012 which begins on or after 1 January 2012 and to 20% for the following two accounting periods 2013 and 2014 which begin on or after 1 January 2013 and 2014, respectively. Royal Decree No. 577 B.E. 2557 dated 10 November 2014 extends the reduction to 20% for the accounting period 2015 which begins on or after 1 January 2015.

The Group in Thailand has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

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38 Promotional privileges

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

Production of Biodiesel and production of electricity from solar cell

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

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

Summary of revenue from promoted and non-promoted businesses:

| | Consolidated financial statements | | | | | |
|----------------------|-----------------------------------|----------------------------|-------------------|------------------------|--------------------------------|-------------------|
| | 2014 | | | 2013 | | |
| | Promoted businesses | Non-promoted businesses | Total | Promoted businesses | Non- promoted businesses | Total |
| | <i>(in million Baht)</i> | | | | | |
| Export sales | 67.33 | 17,642.13 | 27,709.46 | 80.04 | 24,701.34 | 24,781.38 |
| Local sales | 6,492.34 | 194,316.15 | 200,808.69 | 4,707.34 | 189,218.68 | 193,926.02 |
| Eliminations | | | (35,501.85) | | | (32,217.21) |
| Total Revenue | | | 183,016.10 | | | 186,490.19 |

| | Separate financial statements | | | | | |
|----------------------|-------------------------------|----------------------------|-------------------|------------------------|--------------------------------|-------------------|
| | 2014 | | | 2013 | | |
| | Promoted businesses | Non-promoted businesses | Total | Promoted businesses | Non- promoted businesses | Total |
| | <i>(in million Baht)</i> | | | | | |
| Export sales | - | 17,323.16 | 17,323.16 | - | 24,701.34 | 24,701.34 |
| Local sales | 818.30 | 160,158.89 | 160,977.19 | 778.34 | 157,783.25 | 158,561.59 |
| Total Revenue | 818.30 | 177,482.05 | 178,300.35 | 778.34 | 182,484.59 | 183,262.93 |

39 Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the years ended 31 December 2014 and 2013 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|---|--------------------|----------------------------------|--------------------|
| | 2014 | 2013 (Restated) | 2014 | 2013 (Restated) |
| | <i>(in million Baht / million shares)</i> | | | |
| Profit attributable to ordinary shareholders of the Company (basic) | <u>711.59</u> | <u>4,652.92</u> | <u>296.10</u> | <u>3,970.67</u> |
| Number of ordinary shares outstanding | <u>1,376.92</u> | <u>1,376.92</u> | <u>1,376.92</u> | <u>1,376.92</u> |
| Earnings per share (basic) <i>(in Baht)</i> | <u>0.52</u> | <u>3.38</u> | <u>0.22</u> | <u>2.88</u> |

40 Dividends

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

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

At the Board of Directors meeting of the company held on 27 August 2013, the meeting approved the appropriation of dividend from retained earnings as of 30 June 2013 at Baht 0.60 per share, amounting to Baht 826.06 million. The dividend was paid to shareholders on 24 September 2013.

At the Annual General Meeting of the Shareholders, held on 10 April 2013, the shareholders approved a full year 2012 dividend payment at the rate of Baht 1.25 per share, totaling Baht 1,720.90 million, of which Baht 0.35 per share, totaling Baht 481.91 million was paid as an interim dividend for the first half year of 2012 on 21 September 2012. The remaining dividend was paid for the second half year of 2012 at the rate of Baht 0.90 per share totaling Baht 1,238.99 million on 24 April 2013.

41 Financial instruments

Financial risk management policies

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

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

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Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly floated. The Group is primarily exposed to interest rate risk from its borrowings (Note 21). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivative financial instruments, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

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

| | | Consolidated financial statements | | | |
|-----------------------------------|---|-----------------------------------|---------------------------------|------------------|------------------|
| | Effective interest rate (% per annual) | Within 1 year | After 1 year but within 5 years | After 5 years | Total |
| | | (in million Baht) | | | |
| 2014 | | | | | |
| Current | | | | | |
| Loans from Financial institutions | 2.6 – 5.2 | 1,311.91 | - | - | 1,311.91 |
| Non-current | | | | | |
| Loans from Financial institutions | 2.4 – 5.2 | - | 11,503.63 | 4,397.72 | 15,901.35 |
| Debenture | 3.7 – 5.3 | - | 5,993.59 | 6,991.53 | 12,985.12 |
| Total | | <u>1,311.91</u> | <u>17,497.22</u> | <u>11,389.25</u> | <u>30,198.38</u> |
| 2013 | | | | | |
| Current | | | | | |
| Loans from Financial institutions | 3.9 – 5.2 | 1,042.50 | - | - | 1,042.50 |
| Non-current | | | | | |
| Loans from Financial institutions | 2.4 – 5.2 | - | 11,094.39 | 5,696.95 | 16,791.34 |
| Debenture | 4.9 – 5.3 | - | - | 2,995.71 | 2,995.71 |
| Total | | <u>1,042.50</u> | <u>11,094.39</u> | <u>8,692.66</u> | <u>20,829.55</u> |

| | Effective interest rate (% per annual) | Separate financial statements | | | Total |
|-----------------------------------|---|---------------------------------|------------------|------------------|------------------|
| Within 1 year | | After 1 year but within 5 years | After 5 years | | |
| (in million Baht) | | | | | |
| 2014 | | | | | |
| Current | | | | | |
| Loans from Financial institutions | 3.9 – 4.4 | 825.49 | - | - | 825.49 |
| Non-current | | | | | |
| Loans from Financial institutions | 2.4 – 4.4 | - | 10,662.48 | 3,622.06 | 14,284.54 |
| Debenture | 3.7 – 5.3 | - | 5,993.59 | 6,991.53 | 12,985.12 |
| Total | | 825.49 | 16,656.07 | 10,613.59 | 28,095.15 |
| 2013 | | | | | |
| Current | | | | | |
| Loans from Financial institutions | 3.9 – 4.4 | 776.66 | - | - | 776.66 |
| Non-current | | | | | |
| Loans from Financial institutions | 2.4 – 4.4 | - | 10,297.78 | 4,760.10 | 15,057.88 |
| Debenture | 4.9 – 5.3 | - | - | 2,995.71 | 2,995.71 |
| Total | | 776.66 | 10,297.78 | 7,755.81 | 18,830.25 |

Foreign currency risk

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

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

| | | Consolidated | | Separate | |
|--|------|----------------------|------------|----------------------|------------|
| | | financial statements | | financial statements | |
| | Note | 2014 | 2013 | 2014 | 2013 |
| | | (in million Baht) | | | |
| USD and others | | | | | |
| Cash and cash equivalents | 7 | 299.05 | 2,481.94 | 5.38 | 2,481.94 |
| Trade accounts receivable | 9 | 1,323.37 | 2,165.98 | 1,323.37 | 2,165.98 |
| Receivable from oil hedging contracts | | 32.99 | 58.63 | 32.99 | 58.63 |
| Trade accounts payable | 22 | 102.38 | - | - | - |
| Other current liabilities | | (22.32) | (25.06) | (7.19) | (25.06) |
| Long term liabilities | 21 | (6,900.55) | (6,500.94) | (6,553.10) | (6,500.94) |
| Gross statement of financial position exposure | | (5,165.08) | (1,819.45) | 5,198.55 | (1,819.45) |
| Currency forwards | | 0.10 | 7.47 | 0.10 | 7.47 |

Additionally, the Company entered into foreign currency buying and selling forward contracts, net totalling Baht 397.91 million, to hedge future sales and purchases transaction of goods with price denominated in foreign currencies.

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Credit risk

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

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

Liquidity risk

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

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade and other short-term receivables is taken to approximate the carrying value.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

The fair value of non-derivative financial liabilities, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

The fair value and book value of debentures reported in financial position as of 31 December were as follows :

| | Consolidated | | Separate | |
|--------------------------|-----------------------------|------------|-----------------------------|------------|
| | financial statements | | financial statements | |
| | Fair value | Book value | Fair value | Book value |
| | <i>(in million Baht)</i> | | | |
| <i>Debentures</i> | | | | |
| 31 December 2014 | 13,808.69 | 12,985.12 | 13,808.69 | 12,985.12 |
| 31 December 2013 | 3,035.94 | 2,995.71 | 3,035.94 | 2,995.71 |

42 Commitments with non-related parties

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|-----------------|----------------------------------|-----------------|
| | 2014 | 2013 | 2014 | 2013 |
| | <i>(in million Baht)</i> | | | |
| Capital commitment | | | | |
| Construction projects | 1,595.76 | 3,645.59 | 37.00 | 243.30 |
| Total | 1,595.76 | 3,645.59 | 37.00 | 243.30 |
| Non-cancellable operating lease commitments | | | | |
| Within one year | 875.29 | 487.12 | 502.57 | 487.12 |
| After one year but within five years | 1,904.39 | 1,908.85 | 1,896.16 | 1,908.85 |
| After five years | 2,414.18 | 2,440.18 | 2,414.18 | 2,440.18 |
| Total | 5,193.86 | 4,836.15 | 4,812.91 | 4,836.15 |
| Other commitment | | | | |
| Bank guarantees | 629.99 | 633.29 | 628.29 | 628.29 |
| Total | 629.99 | 633.29 | 628.29 | 628.29 |

The Company entered into 3.9 million barrels oil price hedging contracts with foreign oil traders for the periods between January 2015 and June 2016.

The Company entered into foreign currency selling forward contracts cover the period to December 2015 amounting to USD 12 million equivalents to Baht 397.91 million.

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

| Loan agreement facility (in million Baht) | Due date |
|--|------------------|
| 1,500 | 30 June 2015 |
| 7,000 | 30 December 2015 |
| 1,500 | 30 June 2016 |
| 1,000 | 30 December 2018 |

Others

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

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

On 12 December 2014, Nido Petroleum Limited (“NIDO”), a subsidiary within the group entered into Sale and Purchase Agreement with Otto Energy Limited (“OTTO”) whereby NIDO will acquire 100 per cent of the shares in Galoc Production Company WLL (“GPC”) for a purchase price of USD 108 million. NIDO has paid a USD 10.8 million deposit (approximately Baht 351.36 million). Completion of the transaction was conditional on OTTO’s shareholder approval which was received on 20 January 2015. Subsequently on 17 February 2015, all remaining conditions with respect to the transaction have been finalised and NIDO has completed its acquisition of 100 per cent of the shares in GPC. The acquisition of GPC will increase NIDO’s working interest in the Galoc oilfield in Philippines from 22.88% to 55.88% and will assume operatorship of the project. NIDO intends to fund the acquisition through a combination of existing cash reserves and debt. Bangchak Plc has committed to provide NIDO a revolving loan facility for USD 120 million on arms length market terms.

43 Contingent liabilities and contingent assets

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

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

44 Events after the reporting period

At the Board of Directors’ meeting held on 19 February 2015, the Board approved to submit for approval at the Annual General Meeting of the Shareholders on 8 April 2015 as follows:

- A full year 2014 dividend payment at the rate of Baht 1.00 per share, of which Baht 0.60 per share was paid as an interim dividend on 19 September 2014 as discussed in note 40. Thus, the remaining dividend will be at the rate of Baht 0.40 per share to the shareholders entitled to receive dividends.
- To decrease the registered capital of the Company from Baht 1,531,643,461 to Baht 1,376,923,157 with the par value of Baht 1 each by deducting 154,720,304 unsold registered shares, with the par value of Baht 1 each.
- To increase the registered capital of the Company from Baht 1,376,923,157 to Baht 1,692,307,787 divided into 315,384,630 shares with par value of Baht 1.00 totaling Baht 315,384,630. Details of issuing new ordinary shares as below:
 - Specifying the purpose to accommodate the exercising of warrants under the Employee Stock Option Program (ESOP) for directors, executives, and employees of the Company and its subsidiaries in Thailand totaling 40,000,000 shares with par value of Baht 1.00
 - General-mandate capital increase for General Public and specify persons totaling 275,384,630 shares with par value of Baht 1.00
- To purchase Cogeneration Power Plant with a capacity of 25 MW from PTT Public Company Limited (PTT), the major shareholder with a total value not exceeding Baht 1,332 million.

45 Thai Financial Reporting Standards (TFRS) not yet adopted

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

| TFRS | Topic | Year Effective |
|-----------------------|---|----------------|
| TAS 1 (revised 2014) | Presentation of Financial Statements | 2015 |
| TAS 2 (revised 2014) | Inventories | 2015 |
| TAS 7 (revised 2014) | Statement of Cash Flows | 2015 |
| TAS 8 (revised 2014) | Accounting Policies, Changes in Accounting Estimates and Errors | 2015 |
| TAS 10 (revised 2014) | Events after the Reporting Period | 2015 |
| TAS 12 (revised 2014) | Income Taxes | 2015 |
| TAS 16 (revised 2014) | Property, Plant and Equipment | 2015 |
| TAS 17 (revised 2014) | Leases | 2015 |
| TAS 18 (revised 2014) | Revenue | 2015 |
| TAS 19 (revised 2014) | Employee Benefits | 2015 |
| TAS 21 (revised 2014) | The Effects of Changes in Foreign Exchange Rates | 2015 |
| TAS 23 (revised 2014) | Borrowing Costs | 2015 |
| TAS 24 (revised 2014) | Related Party Disclosures | 2015 |
| TAS 26 (revised 2014) | Accounting and Reporting by Retirement Benefit Plans | 2015 |
| TAS 27 (revised 2014) | Separate Financial Statements | 2015 |
| TAS 28 (revised 2014) | Investments in Associates and Joint Ventures | 2015 |
| TAS 33 (revised 2014) | Earnings per Share | 2015 |
| TAS 34 (revised 2014) | Interim Financial Reporting | 2015 |
| TAS 36 (revised 2014) | Impairment of Assets | 2015 |
| TAS 37 (revised 2014) | Provisions, Contingent Liabilities and Contingent Assets | 2015 |
| TAS 38 (revised 2014) | Intangible Assets | 2015 |
| TAS 40 (revised 2014) | Investment Property | 2015 |
| TFRS 2 (revised 2014) | Share-based Payment | 2015 |
| TFRS 3 (revised 2014) | Business Combinations | 2015 |
| TFRS 5 (revised 2014) | Non-current Assets Held for Sale and Discontinued Operations | 2015 |
| TFRS 8 (revised 2014) | Operating Segments | 2015 |
| TFRS 10 | Consolidated Financial Statements | 2015 |
| TFRS 12 | Disclosure of Interests in Other Entities | 2015 |

| TFRS | Topic | Year Effective |
|------------------------|--|----------------|
| TFRS 13 | Fair Value Measurement | 2015 |
| TSIC 15 (revised 2014) | Operating Leases – Incentives | 2015 |
| TSIC 27 (revised 2014) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease | 2015 |
| TFRIC 1(revised 2014) | Changes in Existing Decommissioning, Restoration and Similar Liabilities | 2015 |

Notes to the financial statements

The Bangchak Petroleum Public Company Limited and its Subsidiaries

| | | |
|-------------------------|---|------|
| TFRIC 4 (revised 2014) | Determining whether an Arrangement contains a Lease | 2015 |
| TFRIC 10 (revised 2014) | Interim Financial Reporting and Impairment | 2015 |
| TFRIC 13 (revised 2014) | Customer Loyalty Programmes | 2015 |

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



Information on Reference Persons

Securities Registrar

Thailand Securities Depository Limited
62 The Stock Exchange of Thailand Building,
Rachadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Tel. 0-2229-2888
Fax. 0-2654-5427

Auditor

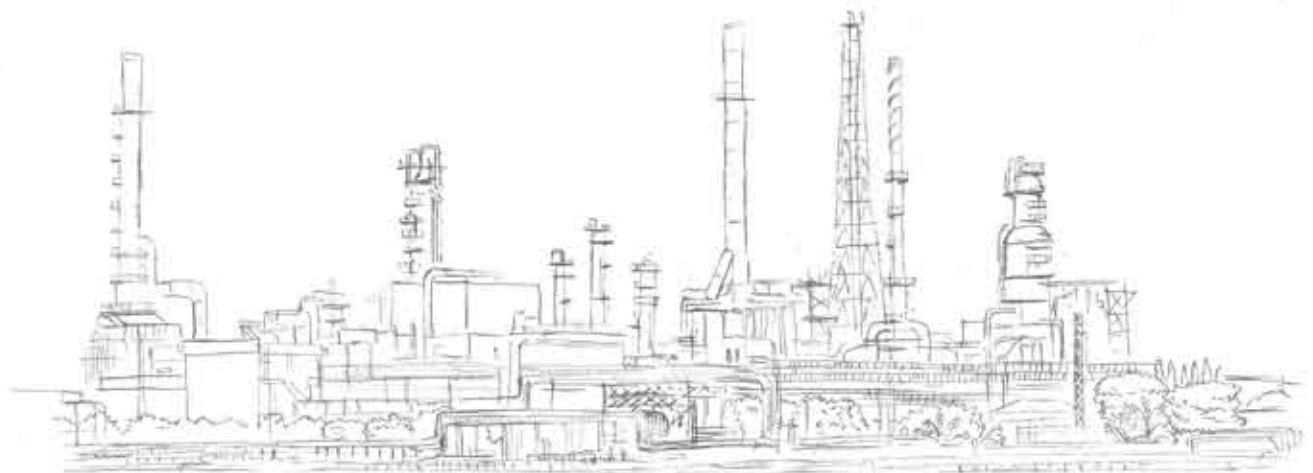
KPMG Phoomchai Audit Limited
48th - 51st Floors, Empire Tower
195 South Sathorn Road, Yannawa, Sathorn,
Bangkok 10120
Tel. 0-2677-2000
Fax. 0-2677-2222

Others

- Investor support
- Reporting losses of share certificates
- Shareholders' information change

Contact

Issuer Service Unit
Thailand Securities Depository Limited
62 The Stock Exchange of Thailand
Building, Rachadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Tel. 0-2229-2888
Fax. 0-2654-5427





Company Information

The Bangchak Petroleum Public Company Limited

Registration No.

0107536000269

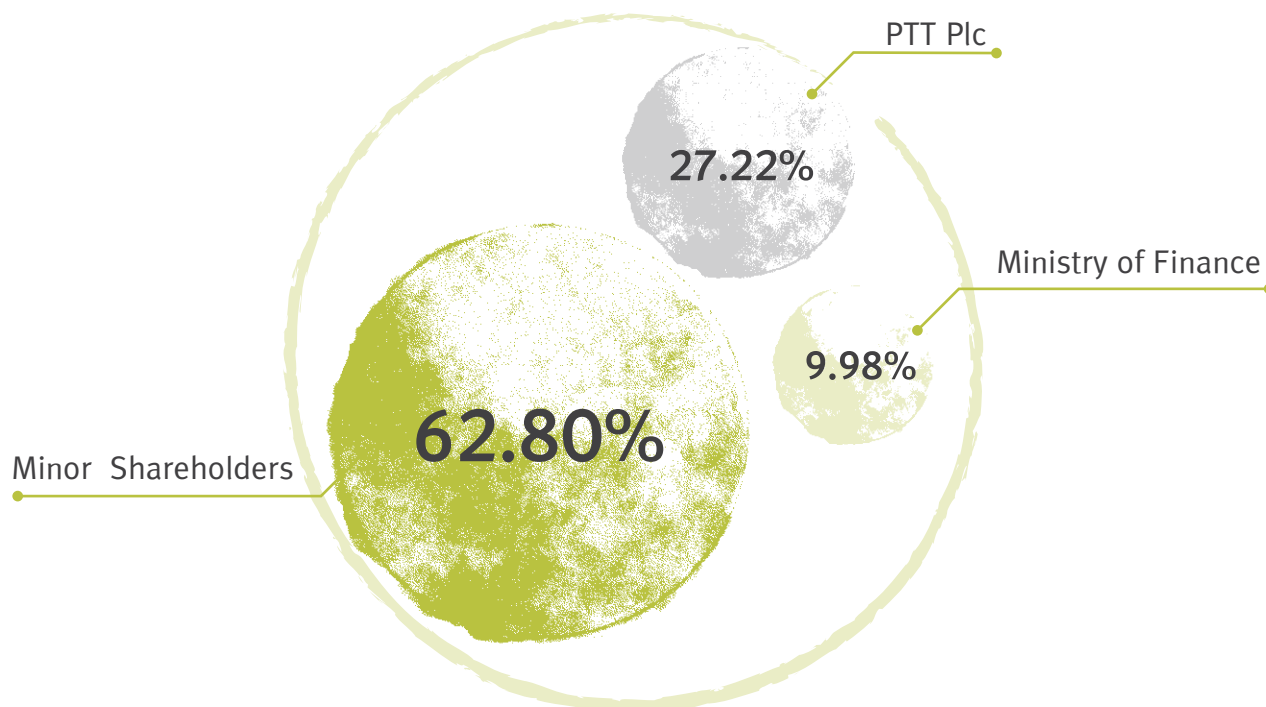
Company establishment and Commercial operation

November 8, 1984 and April 1, 1985

Registered capital as of December 31, 2014

- 1,531,643,461 Baht, of which Baht 1,376,923,157 was paid up, dividing in to 1,531,643,461 shares, at 1 Baht per share.

Shareholders (%) as of December 31, 2014



Nature of Business:

Management of 120,000-barrel/day Bangchak Refinery; sales of refined fuel products; management of a solar power plant project, at a capacity of 38 MW PPA

Customers:

- The public, via Bangchak service stations and those of dealers nationwide
- Industrial sector, including industrial plants
- Transport and service sectors, including airlines, ocean-going vessels, hotels, trucks, and construction work
- Agricultural sector, via Bangchak community service stations
- Overseas export markets.
- Electricity Generating Authority of Thailand (EGAT) and Provincial Electricity Authority (PEA)

Website:

<http://www.bangchak.co.th>



Office and Terminals:

1. Head Office:

555/1 Energy Complex, 10th Floor, Building A, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900
Tel. 0-2140-8999
Fax 0-2140-8900

2. Bangchak Refinery and Terminal:

210 Sukhumvit 64 Road, Bangchak, Phra Khanong, Bangkok 10260
Tel. 0-2335-4999, 0-2331-0047
Fax 0-2335-4009

3. Central Region Business Office and Bang Pa-In Terminal:

99 Moo 9, Tambon Bang Krasan, Amphoe Bang Pa-in, Ayutthaya 13160
Tel. 0-3535-0260, 0-3527-6999, Fax (Central Region Business Office) 0-3535-0290
Fax (Bang Pa-In Terminal) 0-3527-6920

4. Northern Region Business Office:

87/9 Yee-wan Building, 3rd Floor, Thung Hotel Road, Tambon Wat Ket, Amphoe Muang, Chiang Mai 50000
Tel. 0-5330-0484
Fax 0-5330-0485

5. Northeastern Region Business Office:

499 Moo 3, Mitraphab Road, Tambon Muang Kao, Amphoe Muang, Khon Kaen 40000

Tel. 0-4326-1789-92, 0-4326-1751-3

Fax 0-4326-1750

6. Southern Region Business Office:

Room 402, 4th Floor, P.C. Tower, 91/1 Moo 1, Kanchanawithi Road, Tambon Bang Kung, Amphoe Muang, Surat Thani 84000

Tel. 0-7722-4790-2

Fax 0-7722-4793

7. Samut Sakhon Oil Distribution Center:

100/149 Moo 1, Tambon Tha Chin, Amphoe Muang, Samut Sakhon 74000

Tel. 0-3482-0974

Fax –none–

8. Si Racha Oil Distribution Center:

115/14 Moo 10, Tambon Thung Sukhla, Amphoe Si Racha, Chon Buri 20230

Tel. 0-3849-3179

Fax 0-3849-3129

9. Rayong Oil Distribution Center:

1, 3B Road, Tambon Map Ta Phut, Amphoe Muang, Rayong 21150

Tel. 0-3860-9389

Fax 0-3860-9413

10. Surat Thani Oil Distribution Center:

104/1 Moo 2, Surat-Pak Nam Road, Tambon Bang Kung, Amphoe Muang, Surat Thani 84000

Tel. 0-7727-5056-8

Fax 0-7728-2943

11. Song Kla Oil Distribution Center:

13/1 Moo 6, Tambon Sa Ting Mor, Amphoe Singha Nakorn, Song Kla 90280

Tel. 0-7433-2782

Fax 0-7433-2783

12. Suksawat Lubricant Oil Distribution Center:

196 Moo 1, Suksawat Road, Tambon Pak Khlong Bang Pla Kot, Amphoe Phra Samut Chedi, Samut Prakan 10290

Tel. 0-2815-6997-8

Fax 0-2815-6996

Subsidiaries:

Bangchak Green Net Co., Ltd.

223/94 Country Complex, Building A, 19th Floor, Sanpawut Rd., Bangna, Bangkok 10260

Tel. 02-3672-699

Fax. 02-7457-9452

Bangchak Biofuel Co., Ltd.

28 Moo 9 (Highway No. 3048), Tambon Bang Krasan, Bang Pa-in District, Ayudthaya 13160

Tel. 035-276-500

Fax. 035-276-549

Website: <http://www.bangchakbiofuel.co.th>

Bangchak Solar Energy Co., Ltd.

99/1 Moo (Highway No. 3048), Tambon Bang Krasan, Bang Pa-in District, Ayudthaya 13160

Tel. 035-276-000

Fax. 035-276-014

E-mail: info-sunny@bangchak.co.th

BCP Energy International Pte. Ltd.

8 Marina Boulevard # 05-02, Marina Bay Financial Centre, Singapore 018981

Nido Petroleum Limited

Aquila Centre, Level 3, 1 Preston Street, COMO WA 6152, Australia

Tel. +61 8 9474 0000

Fax. +61 8 9474 0099

E-mail: reception@nido.com.au

Website: www.nido.com.au





Awards and Achievements

2013

- Board of the Year Award for Distinction Practices in Good Corporate Governance in the “Board of the Year Awards 2013” contest, awarded by the Thai Institute of Directors (IOD). The contest was organized in conjunction with the Stock Exchange of Thailand, The Thai Chamber of Commerce and Board of Trade of Thailand, Federation of Thai Industries, Thai Bankers’ Association, Thai Listed Companies Association (TLCA), and the Federation of Thai Capital Market Organizations.
- SET Awards of Honor, presented at the SET Awards 2013 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report Award, in its eighth straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Best Corporate Social Responsibilities Award, in its seventh straight year. This award honors listed companies with outstanding social responsibility practices.In addition, the Company won an Outstanding Investor Relations Award.
- Membership Certificate of the Private Sector Collective Action Coalition Against Corruption (CAC). Among CAC’s 249 signatory companies, Bangchak was one of the 22 certified founding members during Thailand’s 4th National Conference on Collective Action Against Corruption in 2013. CAC was initiated through the cooperation of eight leading organizations, with IOD as its secretary.
- Thailand Quality Class (TQC) Award of 2013, organized by the National Quality Award Office. This award honors entities with integrated organizational management systems under the National Quality Award guidelines, as well as world-standard quality.
- Recognition Awards 2013 “THE BEST OF ASIA”, organized by Corporate Governance Asia Magazine:
 - Asian Corporate Director Recognition Award 2013, this award honors the company leader with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.
 - Corporate Governance Asia Recognition Award 2013, this award is given in recognition to the Company’s continuing commitment to the development of Corporate Governance in the region.
- Gold Award, presented at The Asset Corporate Awards 2013, in its third year, organized by The Asset Magazine. This award honors based on the magazine’s consideration of corporate governance, social responsibility, environment responsibility, financial, and investor relations aspects.
- The assessment outcome of a survey on corporate governance reports of listed companies of 2013, given by Thai Institute of Directors (IOD), showed that the Company commanded ‘excellent’ rating.
- A perfect score of 100 under a project to assess the quality of organizations for the Annual General Meeting of Shareholders (AGM) 2013, organized by the Thai Investor Association.
- Best Investor Relations Award, in its second year, honors companies with outstanding investor relation, given by votes from the readers of magazine, investors, analyst etc, presented at 3rd Asian Excellence Recognition Awards 2013 event, organized by Corporate Governance Asia Magazine.
- CSRI Recognition 2013 Award (General Category), presented by the Corporate Social Responsibility Institute in honor of Bangchak’s committed and successful development of social responsibility implementation.

- Exemplary Sustainability Report Award 2013 for Bangchak's information disclosure, reporting policy with emphasis on social responsibility, and CSR in process for business conduct, organized by the CSR Club, TLCA, Office of the Securities and Exchange Commission (SEC), and Thaipat Institute.
- CSR-DIW Advanced Award Level 5 (the top level), CSR-DIW Continuous Award, and CSR-DIW Supply Chain Award, recognized by the Department of Industrial Works, for Bangchak's plant operation with social responsibility and community networking in performing public service activities for sustainable development.
- Outstanding Award (Building Category) at the SOS Featuring Energy 2013 contest. Bangchak passed all three aspects (power-saving in buildings, promotion of energy-saving appliances, and awareness campaigns on energy conservation), presented by the Department of Alternative Energy Development and Efficiency, Ministry of Energy.
- Trusted Brands Gold Awards 2013 in the Service Station Category for the third year in a row, voted by the readers of Reader's Digest Magazine for consumers' trust, quality, value, understanding of consumers' needs, social responsibility, and creativity in marketing new products.
- Distinction Winner Awards on Website Branding and Website Corporate Communication at the Communicator Awards 2013 event, in recognition of Bangchak's creativity in marketing and communication, organized by International Academy of The Visual Arts.
- ICT Excellence Awards (under the category of Core Process Improvement Project) in recognition of entities with excellence in IT and communication management for the Audit Management System, presented at the Thailand ICT Excellence Awards 2013, sponsored by the Thailand Management Association and the National Electronics and Computer Technology Center.
- Carbon Offset Certification for Organization - Bangchak was Thailand's first entity to win this certificate from the Thailand Greenhouse Gas Management Organization (Public Organization)
- Certification for Bangchak's river terminal, Thailand's first Chao Phraya River oil terminal issued by Marine Department to win this acclaim, formally known as the Statement of Compliance of a Port Facility under The International Code for the Security of Ships and Port Facilities (ISPS Code).
- The Quality and Safety Service Stations Award, presented by the Department of Energy Business and designed to raise the quality of service stations nationwide. Bangchak won this award for the fourth consecutive year, totaling 178 stations: 68 gold, 64 silver, and 46 bronze medals.

2012

- SET Awards of Honor, presented at the SET Awards 2012 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report Award, in its seventh straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Best Corporate Social Responsibilities Award, in its sixth straight year. This award honors listed companies with outstanding social responsibility practices.

In addition, the Company won an Outstanding Corporate Social Responsibility Award and Outstanding Investor Relations Award.

- Recognition Awards 2012 “THE BEST OF ASIA”, organized by Corporate Governance Asia Magazine:
 - Asian Corporate Director Recognition Award 2012, this award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.
 - Corporate Governance Asia Recognition Award 2012, this award is given in recognition to the Company’s continuing commitment to the development of Corporate Governance in the region.
- Outstanding Entrepreneur Award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, corporate governance, and social&environmental responsibility., presented at ASIA PACIFIC ENTREPRENEURSHIP AWARDS 2012 THAILAND”, organized by Enterprise Asia, a leading NGO for entrepreneurship development in Asia.
- Gold Award, presented at The Asset Asian Awards 2012, organized by The Asset Magazine. This award honors based on the magazine’s consideration of management, corporate governance, financial, social responsibility, and investor relations aspects.
- Best Investor Relations Award honors companies with outstanding investor relation, given by votes from the readers of magazine, investors, analyst etc, presented at 2nd Asian Excellence Recognition Awards 2012 event, organized by Corporate Governance Asia Magazine.
- IP Champion 2012, in recognition of successful creative entrepreneurs that effectively applied intellectual properties in commercial senses and were commercially outstanding, sponsored by the Department of Intellectual Property, Ministry of Commerce.
- ICT Excellence Awards (under the category of Thai software application) in recognition of entities with excellence in IT and communication management for the e-Legal System, presented at the Thailand ICT Excellence Awards 2011, sponsored by the Thailand Management Association and the National Electronics and Computer Technology Center.
- The assessment outcome of a survey on corporate governance reports of listed companies of 2012, given by Thai Institute of Directors (IOD), showed that the Company commanded ‘excellent’ ratings in over all categories.
- An excellent score for its quality under the Annual General Meeting (AGM) for 2012 project, given by the Thai Investors Association.
- First prize in the category of clean and pleasant service stations under the Clean and Pleasant Bangkok Project 2012, and clean toilets in compliance with the standard of Department of Health, Ministry of Public Health, in recognition of Bangchak’s Vibhavadi Rangsit service station (Thailand’s first green station), sponsored by Bangkok Metropolitan Administration. The prizes promoted and upgraded the environmental standards of buildings and public places.
- ISO/IEC 27001:2005 standard certification, under the category of information security management, presented by Bureau Veritas (Thailand) Co., Ltd.
- The Certificate of Green Industry Level 4 (Green Culture), given by Ministry of Industry, which certified that the Company has a systematic environmental management, including the monitoring and continuing development.

2011

- Board of the Year Awards - Hall of Fame 2010/11 for being a Board with commitment to ensuring good corporate governance practices and the Board of the Year Award for Exemplary Practices for three consecutive years in the Board of the Year Awards 2010/11, organized by the Thai Institute of Directors (IOD) in conjunction with the Stock Exchange of Thailand (SET), Board of Trade of Thailand, Federation of Thai Industries (FTI), The Thai Bankers' Association (TBA), Thai Listed Companies Association (TLCA), and the Federation of Thai Capital Market Organizations (FETCO).
- SET Awards of Honor, presented at the SET Awards 2011 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report Award, in its sixth straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Best Corporate Social Responsibilities Award, in its fifth straight year. This award honors listed companies with outstanding social responsibility practices.

In addition, the Company won an Outstanding Corporate Social Responsibility Award and Outstanding Investor Relations Award.
- Recognition Awards 2011 "THE BEST OF ASIA", organized by Corporate Governance Asia Magazine:
 - Asian Corporate Director Recognition Award 2011, this award honors Dr. Anusorn Sangnimnuan with his contributions in growing the business, social responsibility, environmental protection and also efforts in raising the standards of corporate governance practice in the country.
 - Corporate Governance Asia Recognition Award 2011, this award is given in recognition to the Company's continuing commitment to the development of Corporate Governance in the region.
- ASEAN Honorary Fellow Award, presented at Conference of 19th ASEAN Federation of Engineering Organization (CAFEO 29), Brunei. This award honors Dr. Anusorn Sangnimnuan with his contributions and efforts in engineering development.
- The assessment outcome of a survey on corporate governance reports of listed companies of 2011, given by Thai Institute of Directors (IOD), showed that the Company commanded 'excellent' ratings in over all categories.
- An excellent score for its quality under the Annual General Meeting (AGM) for 2011 project, given by the Thai Investors Association.
- NACC Integrity Awards 2011 (Honorable Mention Award) given by the Office of the National Anti-Corruption Commission. This award is given in recognition to the Company's promotional activities for corporate governance, righteousness, and transparency. the Company was among the ten private-sector finalists at this event,
- The Certificate of Green Industry (Level 3), given by Ministry of Industry, which certified that the Company has a systematic environmental management, including the monitoring and continuing development.
- The Crown Standard, for the Company's solar power plant project (Sunny Bangchak) in operating sustainable development and environment protection project, creating stakeholders' participation procedure, and also supporting activities on society, culture and sufficiency economy philosophy, given by Thailand Greenhouse Gas Management Organization.
- A plaque and Certificate of CSR-DIW Continuous Award, as the business with social responsibility, awarded by Management System Certification Institute (Thailand) and the Department of Industrial Works.
- The Certificate for reduction in greenhouse gas emission for buildings for using and maintaining buildings and facilities with low emissions of greenhouse gases, given by Thailand Business Council for Sustainable Development, Thailand Greenhouse Gas Management Organization and Thailand Environment Institute.

- The Certificate for Green Meetings in recognition of meetings, seminars, training sessions and businesses conducive to natural balance and sustainable development through cost-effective resource application and mitigation of environmental impacts, given by Thailand Greenhouse Gas Management Organization and Thailand Environment Institute.
- The Best Oil and Gas Innovation in Refining Technology Award 2011, given by opinion surveys among the readers of the World Finance Magazine.
- The Quality and Safety Service Stations Award from the Department of Energy Business, designed to raise the quality of service stations nationwide. 128 Bangchak stations were awarded with 53 gold (five-star) medals, 42 silver (four-star) medals, and 33 bronze (three-star) medals.
- Trusted Brands Awards 2011, given by votes from the readers of Reader's Digest Magazine, illustrating consumers' confidence in the Company brand when deciding to buy goods and services.
- Marketing Excellence Awards 2011 (second place), for the Company's an outstanding marketing campaign in green marketing or environmentally friendly marketing, given by MCOT FM 100.5 News Network.

2010

- Thailand Quality Class (TQC) Award of 2010, organized by the National Quality Award Office. This award honors entities with integrated organizational management systems under the National Quality Award guidelines, as well as world-standard quality.
- SET Awards of Honor, presented at the SET Awards 2010 event, organized by the Stock Exchange of Thailand (SET) and Finance and Banking Magazine:
 - Top Corporate Governance Report, in its fifth straight year. This award honors listed companies with outstanding reports on compliance with corporate governance
 - Corporate Social Responsibilities, in its fourth straight year. This award honors listed companies with outstanding social responsibility practices.
- First prize at a contest of Sufficiency Economy practices for large corporations (for modern- management adaptation of the principle), presented at the second such event, organized by the Chaipattana Foundation, Office of the Royal Development Projects Boards, Ministry of Interior, Bureau of the Budget, Royal Thai Army, and the Sufficiency Economy National Research and Development Institute.
- Award of Excellence (Community Development Program of the Year), presented at the Platts Global Energy Awards 2010 event. This award honors entities with outstanding aspects of management in Asia. The Company was the only Thai winner of the award.
- Titanium Award (Corporate Governance), presented at The Asset Corporate Awards 2010, organized by The Asset Magazine. This award honors entities with outstanding Corporate Governance, which compared aspects of listed regional companies.
- The assessment outcome of a survey on good corporate governance reports of listed companies of 2010, organized by IOD (Thai Institute of Directors), showed that the Company commanded 'excellent' ratings in all categories, with top average scores for all categories among the entrants.
- A plaque presented under a project on transparent organizations to those with promotional activities for corporate governance, righteousness, and transparency. The Company was among the ten private-sector finalists at this event, hosted by the Office of the National Anti-Corruption Commission.
- Honorary award as an entity engaged in environmental public service, presented on the World Environment Day 2010 by the Ministry of Natural Resources and Environment.

- A perfect score of 100 for its quality under the Annual General Meeting (AGM) for 2010 project, sponsored by Office of the Securities and Exchange Commission (SEC) in conjunction with the Listed Companies Association and the Thai Investors Association.
- The Quality and Safety Service Stations Award from the Department of Energy Business, designed to raise the quality of service stations nationwide. 75 Bangchak stations were awarded with 16 gold (five-star) medals, 31 silver (four-star) medals, and 28 bronze (three-star) medals.
- Certificate for potable piped water given by the Provincial Waterworks Authority for the quality of the company's water, which passed the recommended standards of the World Health Organization of 2006.
- Trusted Brands Awards 2010 given by votes from Reader's Digest Magazine readers, as a Thai brand of excellence (gold level) in the service stations category.

2009

- ASEAN Business Award 2008 for Corporate and Environmental Social Responsibility for Large-Scale Businesses in ASEAN, sponsored by the ASEAN Business Advisory Council and the Thai Chamber of Commerce, The Federation of Thai Industries (FTI) and Thai Bankers' Association (TBA).
- Board of the Year Awards 2008/09 Project achievements:
 - The Board of the Year Award for Exemplary Practices for the third consecutive year, ranking in the top five with the highest average score
 - Audit Committee of the Year Award, ranking in the top five with the highest average score
 - Honorary Award (Hall of Fame) for being a Board with Consistent Exemplary Practices, presented to the Board that has received the Board of the Year Award for Exemplary Practices for three consecutive years.

This was organized by the Thai Institute of Directors (IOD) in conjunction with the Stock Exchange of Thailand (SET), Board of Trade of Thailand, Federation of Thai Industries (FTI), TBA, Thai Listed Companies Association, and the Federation of Thai Capital Market Organizations (FETCO).
- The Top Corporate Governance Report Award as a listed Company with outstanding good corporate governance practices for the fourth consecutive year. This was presented at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.
- The Corporate Social Responsibility Award as a listed company with outstanding corporate social responsibility (CSR) and environmental practices for the third consecutive year. This was presented at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.
- The IR Excellence Award as a listed company with outstanding investor relations (IR) practices, which values participation from across the board in the organization for investor relations with investors and shareholders. The Company received this award for the second consecutive year at the SET Awards 2009 event, organized by SET and Finance and Banking Magazine.
- A perfect score of 100 under a project to assess the quality of organizations for the Annual General Meeting of Shareholders (AGM) 2009, organized by the Securities and Exchange Commission (SEC) in conjunction with the Listed Companies Association and the Thai Investor Association.
- A plaque under a staff volunteer project entitled 'Chit Asa Personnel Development toward Sustainable Development of Organization and Society', sponsored by the Center for the Promotion and National Strength on Moral Ethics and Values, the Office of Knowledge Management and Development, and Kenan Institute Asia.
- The "Quality and Safety Service Stations Award" from the Department of Energy Business, designed to raise the quality of service stations nationwide. 67 the Company stations were awarded with 17 gold (five-star) medals, 38 silver (four-star) medals, and 12 bronze (three-star) medals.

- A plaque under a project entitled 'Rak Mae, Rak Mae Nam' as an organization which has conserved and recognized the value of the Chao Phraya River under the initiative of 'Friendly Works and Community and Environment' following the guidance of Her Majesty Queen Sirikit, who has expressed concern for the quality of river water. The project coordinated efforts from the public, schools, local communities, local administrations and organizations, private industrial entrepreneurs and the Ministry of Industry to restore and conserve the four major rivers, namely the Chao Phraya, Tha Chin, Mae Klong, and Bang Pakong river. The Company has received this honor for the second consecutive year.
- National Outstanding Business Operator in Safety, Occupational Health and Work Environment Award for the second consecutive year, presented at the 23rd National Safety Week 2009 event, organized by the Department of Welfare and Labour Protection, Ministry of Labour.
- A certificate of laboratory competence under ISO/ IEC 17025:2005 standards, terms, rules and conditions of the Office of Administration and Laboratory Accreditation, Department of Science Service, Ministry of Science and Technology.
- Outstanding Franchise Award in Coffee Category for Inthanin Coffee, in the 6th Thailand Asian Coffee & Tea 2009, organized by Thailand Coffee & Tea Association, Thai Community Products Association, the Department of Agriculture under the Ministry of Agriculture and Cooperatives.

2008

- The Top Corporate Governance Report Award as a listed company that has shown excellence in reporting good corporate governance practices under the guidance for listed companies. The Company received this award for the third consecutive year in the SET Awards 2008 event, organized by SET and Finance & Banking Magazine.
- The Corporate Social Responsibilities Award as a listed company with outstanding corporate social responsibility and environmental practices for the second consecutive year. This was presented at the SET Awards 2008 event, organized by SET and Finance and Banking Magazine.
- The IR Excellence Awards as a listed company with outstanding IR practices, which values participation from across the board in the organization for investor relations with investors and shareholders, presented at the SET Awards 2008 event and organized by SET and Finance and Banking Magazine.
- A plaque and Certificate of Compliance to Corporate Social Responsibility guidelines, under a project entitled "Corporate Social Responsibility, Department of Industrial Works" (CSR-DIW), awarded by Management System Certification Institute (Thailand) (MASCI) and the Department of Industrial Works.
- A plaque under a project entitled 'Rak Mae, Rak Mae Nam' as an organization which has conserved and recognized the value of the Chao Phraya River under the initiative of 'Friendly Works and Community and Environment' following the guidance of Her Majesty Queen Sirikit, who has expressed concern for the quality of river water. The project raises awareness in industrial buildings and the local community situated on the river banks to coordinate efforts to curb pollution and restore the environment, as well as monitoring and safeguarding the quality of the river water, initiated by the Ministry of Industry.
- A plaque for participation in World Environment Day 2008 as an organization campaigning for public awareness of environmental protection and exemplary practices for environmental protection, organized by Office of Natural Resources and Environmental Policy and Planning and Bangkok Metropolitan Administration.
- National Outstanding Business Operator in Safety, Occupational Health and Work Environment Award, presented at the 22nd Occupational Safety and Health Week 2008, organized by the Department of Labour Protection and Welfare, Ministry of Labour.

- ISO/TS 16949:2002 certificate based on a set of internationally-recognized technical specifications for quality management for the automotive industry. The Company was the first in Thailand to receive this certification from United Registrar of Systems (Thailand) Ltd.
- Recognition for Good Lab Practice/Department of Industrial Works (GLP/DIW) and analytical laboratory which meets the standards of ISO/IEC 17025 from the Thai Industrial Standards Institute (TISI), Ministry of Industry.
- CNBC's Corporate Social Responsibility Award 2008, awarded for the Company's leading CSR practices, under CNBC's Asia Business Leader Award (ABLA) project, organized by the Consumer News and Business Channel (CNBC), NBC Universal.

2007

- Board of the Year for Exemplary Practices 2006-2007 from IOD, organized in conjunction with SET, The Thai Chamber of Commerce and Board of Trade of Thailand, FTI, TBA, Thai Listed Companies Association, and FETCO.
- Runner-up for work practices that follow the guidelines of the Sufficiency Economy Philosophy Competition (for Large-Scale Businesses) from the Office of Royal Development Projects Board (RDPB).
- The Company's laboratories are ISO 17025-certified for competence in diesel product testing from TISI, Ministry of Industry.
- A Certificate of Commitment to Social and/or Environment Issues from the Thailand Management Association (TMA) in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the "Thailand Corporate Excellence Awards" 2006 event.
- A Certificate of Commitment to Energy Saving from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 6th "Thailand Corporate Excellence Awards" 2006 event.

2006

- Being among the nine companies with the highest scores for good corporate governance from IOD, organized in conjunction with SEC and SET.
- A certificate of Distinction in Maintaining Excellent Corporate Governance Reports from Money & Banking Magazine and SET, presented at the SET Awards 2006 event.
- Best Corporate Social Responsibilities Award from Money & Banking Magazine and SET, presented at the SET Awards 2006 event.
- A Certificate of Commitment to Social and/or Environment Issues from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 5th "Thailand Corporate Excellence Awards" 2006 event.
- A Certificate of Commitment to Energy Saving from TMA in conjunction with Sasin Graduate Institute of Business Administration of Chulalongkorn University, presented at the 5th "Thailand Corporate Excellence Awards" 2006 event.
- Best Toilets on Main Roads of the Year 2006 Award on Pahonyothin Road and Rama 2 Road, awarded by the Department of Health, Ministry of Public Health, under a project to develop Thai public toilets, presented at the "World Toilet Expo and Forum 2006" event.

2005

- Certificate of recognition for Board of the Year 2004-2005 from IOD, organized in conjunction with SET, Board of Trade of Thailand, FTI, TBA, Thai Listed Companies Association, and FETCO.
 - Certified in Occupational Health and Safety Management according to TISI /OHSAS 18001 for the Company's Bang Pa-in Oil Distribution Center, Ayutthaya province, from MASCI in 2005.
 - Best Corporate Governance Report Award from Money & Banking Magazine and SET, presented at the SET Awards 2005 event.
 - Selection to Top Quartile Companies 2005 for the third consecutive year, under the Corporate Governance of Thai Listed Companies 2005 project, organized by IOD in conjunction with SET and SEC.
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1990-2004

- Most Creative Issue Award under the Best Bond Awards 2004 project of the Thai Bond Market Association.
- Recipient of the "Prueksa Nakhara" medal for Green and Clean Presentation of Large-scale Office Buildings between 2002 and 2004, organized by Khet Phra Khanong Office, Bangkok.
- Certificate of Occupational Health and Safety Management under TISI-18001-2542 and OHSAS 18001-1999 in all work processes as of 2004.
- OHSAS 18001 Certificate of Occupational Health and Safety Management in 2003.
- ISO 9001:2000 Quality Management Certificate for motor oil product development, contract and procurement, and car care in 2002
- EIA Monitoring Award 2001 for Environmental Impact Assessment and Planning, presented by the Office of Natural Resources and Environmental Policy and Planning.
- The Company's Refinery was the first Thai refinery to receive Occupational Health and Safety Management System (OHSAS 18001) certification in 2000.
- EIA Monitoring Award 1997 for Environmental Impact Assessment and Planning, presented by the Office of Natural Resources and Environmental Policy and Planning 1998
- Best Board for Occupational Health and Safety Award 1998
- ISO 14001-Petroleum Refining Certificate for environmental management system in production processes in 1997, extended in 2003.
- Compliance with Environmental Impact Assessment and Environmental Monitoring 1995.
- National Outstanding Business Operator in Safety Award 1995.
- Best Industrial Practices for Safety Management 1994.
- Best Environmental Stewardship 1991.
- Best Energy Conservation 1990.

For additional information, please log on to Bangchak's Sustainability Report at www.bangchak.co.th.

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