



Bor. Hor. 27/2019

13th May 2019

Subject: Report of 1st Quarter 2019 Financial performances

**Attention: President
The Stock Exchange of Thailand**

The Company is pleased to report 1st Quarter 2019 unaudited but reviewed consolidated financial performance of its Group.

Reference to the unaudited but reviewed financial statements ended 31st March 2019, Net Profit After Tax for the 1st quarter 2019 stood at Baht 718 million or 136.0% increase as compared to Net After Tax of Baht 304 million in the corresponding period of 2018. Details of the Company's performance are as follows:

- 1 Sales and services stood at Baht 7,091 million, reflecting an increase of 34.7% from the same period of last year. This was mainly attributable to the significant increase in sale volume during 1st quarter of 2019 in international markets from the steady crude supply and high production reliability at our refinery in this quarter despite the logistic challenges from the July 2018 fire incident.

Cost of sales and services in the 1st quarter 2019 stood at Baht 6,682 million or 94.2% (88.3% in corresponding quarter in 2018) of sales and services before the allowance for diminution in value of inventory and hedging. This cost increase was mainly due to the high inventory cost compared to the corresponding period of 2018. However, the company had a gain from the reversal of net realizable value (NRV) provision of Baht 791 million on inventory which recorded in the year 2018.



- 2 Selling and administrative expenses stood at Baht 35 million and Baht 265 million representing 0.5% and 3.7% of sales and services respectively. Comparatively, these expenses in the same period 2018 stood at Baht 37 million and Baht 285 million or 0.7% and 5.4% of sales and services. The company is committed to controlling overhead expenses while improving the operating gross profit margin.
- 3 The refinery incurred additional operating expense of Baht 143 million in alternative storage facilities for crude, logistic handling and other related expenses, attributable to the fire incident. Some of these expenses could be recurring until the damaged crude tanks are back in service. Nevertheless, the fire damage is covered by comprehensive insurance policy.
- 4 The Group's cashflow generated from operations increased to Baht 474 million compared to Baht 162 million in the corresponding period of 2018 which mainly from an increase in sales volume.
- 5 The Group's consolidated debt to equity ratio (D/E ratio) was 1.00 comparing to 0.54 in corresponding period a year ago.
- 6 Financial expense in the 1st quarter 2019 increased to Baht 60 million compared to Baht 28 million in the same period of prior year due to the increase of short-term loans used for purchase of crude oil.
- 7 The Net Profit After Tax of Baht 718 million for the 1st quarter 2019 represented earning per share of Baht 0.46 (par value of Baht 1 each) as compared to Baht 0.19 per share in corresponding quarter of 2018.



Please be informed accordingly.

Sincerely yours,

A handwritten signature in blue ink, consisting of stylized Thai characters, followed by a horizontal line underneath.

Mr. Chaiwat Srivalwat
Managing Director