



IRPC Public Company Limited

Management Discussion and Analysis

Operating Results for the First Quarter of 2024



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Management Discussion and Analysis (MD&A)

IRPC Public Company Limited and its subsidiaries

Operating Results for the First Quarter of 2024

Executive Summary

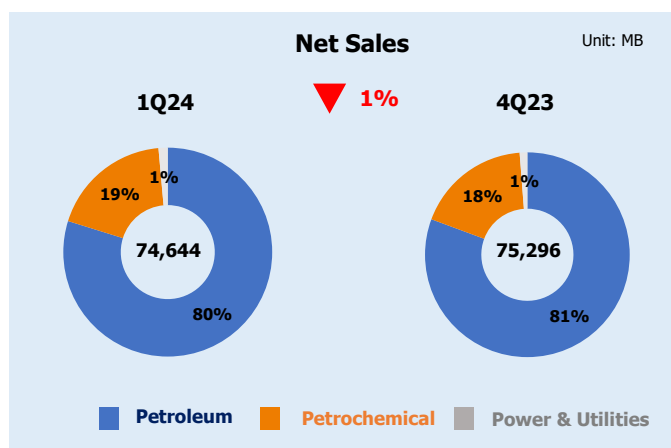
	Unit	Quarter			% Change	
		1Q24	4Q23	1Q23	QoQ	YoY
Crude Intake	Million bbl	16.60	17.65	17.63	(6%)	(6%)
Sales ^[1]	Million Baht	79,348	79,059	81,430	0.4%	(3%)
Net Sales ^[2]	Million Baht	74,644	75,296	75,760	(1%)	(1%)
Market GIM	Million Baht	5,618	2,719	7,084	107%	(21%)
	USD/bbl ^[3]	9.45	4.31	11.80	119%	(20%)
Accounting GIM	Million Baht	7,902	733	5,342	978%	48%
	USD/bbl	13.30	1.16	8.90	>1,000%	49%
EBITDA	Million Baht	4,680	(2,256)	2,020	307%	132%
Net Profit	Million Baht	1,545	(3,417)	301	145%	413%

Note: ^[1] **Sales** include (1) Petroleum Sales (2) Petrochemical Sales (3) Power and Utilities Sales
(4) Sales of tank farm and port service, etc

^[2] **Net Sales** include (1) Petroleum Sales (excluding excise tax) (2) Petrochemical Sales (3) Power and Utilities Sales

^[3] **Market GIM per bbl** : [(Market GIM / Crude Intake)/Exchange Rate]

The operating results in the first quarter of 2024 (1Q24) compared to those in the fourth quarter of 2023 (4Q23): In 1Q24, the Company registered net sales of Baht 74,644 million



decreasing by Baht 652 million or by 1% from that in the previous quarter. This attributed to a 3% decrease in sales volume following lower crude run versus a 2% increase in average selling prices. For petroleum business unit, Market Gross Refining Margin (Market GRM) improved from an increase in most of the spreads between refinery product prices and Dubai crude oil price, especially Gasoline spread.

In addition, the Company has distributed Diesel with the Euro 5 (Euro V) standard which has sulfur not exceeding 10 parts per million (ppm) domestically in accordance with government policy since 1Q24, hence upgraded value of Diesel spread that the Company has sold. Furthermore, petrochemical business unit obtained increased Market Product to Feed (Market PTF) margin owing to the higher spreads between petrochemical product prices and naphtha price in all groups, especially those in

Olefins group being mainly supported by a demand increase in Indonesia after the Indonesian government prepared to announce an enforcement of a chemical import license. Power plant and utility business units contributed stable margin from sales of electricity and steam. Therefore, the Company recorded Market Gross Integrated Margin (Market GIM) of Baht 5,618 million or USD 9.45 per barrel increasing by 107%. During the interval, the crude oil price was supported by the OPEC and allies (OPEC+)’s decision to cut the production continuously and announcement to extend additional voluntary cuts till end of June 2024. Moreover, in late 1Q24, the crude oil price was upheld by market expectations on OPEC+ production to keep the cuts and political conflicts in many countries including Israel-Hamas and Russia-Ukraine. Meanwhile, U.S. crude oil production had been at the highest level since the COVID-19 outbreak. These resulted in a stock gain of Baht 901 million or USD 1.52 per barrel, a reversal on Net Realizable Value (NRV) of Baht 1,324 million or USD 2.23 per barrel and a realized gain from oil hedging of Baht 59 million or USD 0.10 per barrel. All previously mentioned led to a net inventory gain of Baht 2,284 million or USD 3.85 per barrel. Therefore, an Accounting Gross Integrated Margin (Accounting GIM) was Baht 7,902 million or USD 13.30 per barrel rising by 978% from that in the prior quarter. Moreover, there were earnings before interest, tax, depreciation and amortization (EBITDA) of Baht 4,680 million compared to a loss on EBITDA of Baht 2,256 million in 4Q23. In 1Q24, according to Thai Baht depreciation, the Company recorded a loss on financial derivatives of Baht 319 million as well as a loss on foreign exchange from U.S. dollar borrowing of Baht 134 million. As a result, the Company recorded a net profit of Baht 1,545 million increasing by 145% from that in 4Q23.

The operating results in the first quarter of 2024 (1Q24) compared to those in the first quarter of 2023 (1Q23): the Company’s net sales decreased by Baht 1,116 million or by 1% from that in 4Q23 due to an 8% decline in sales volume following the lower crude run versus a 7% increase in average selling prices. For petroleum business unit, the Market GRM declined mainly in Lube Base Oil group owing to a decrease in the spread between Asphalt price and Fuel Oil. While the Market GRM of Refinery group raised because of the spread between Fuel Oil and Dubai crude oil price and the lower utility cost. In addition, the Market PTF for petrochemical business unit decreased owing to the remaining softened petrochemical product demand as a result of the global economic slowdown. Power plant and utility business units obtained stable margin. Hence, the Company recorded a drop in the Market GIM by 21%. However, there was a net inventory gain of Baht 2,284 million in 1Q24. Therefore, the Accounting GIM was Baht 7,902 million rising by 48%. Moreover, the EBITDA amounted to Baht 4,680 million improving by 132% compared to that in 1Q23. Consequently, the Company’s 1Q24 net profit was Baht 1,545 million rising by 413% from that in the same period last year.

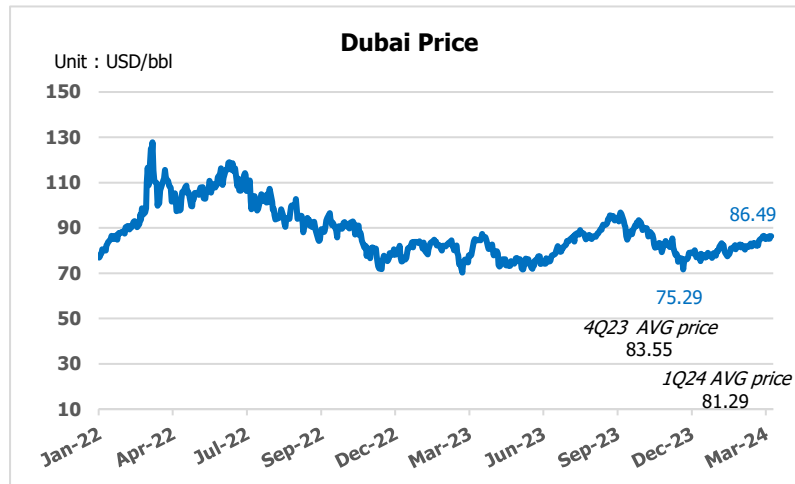
Operating Performance

1. Operating Performance by Business Units

1.1 Petroleum business unit

1.1.1 Petroleum Market Overview

Crude oil situation in the first quarter of 2024 (1Q24): The global oil consumption was 102.7 million barrels per day dropping by 0.3 million barrels per day from 4Q23 oil consumption of 103.0 million



barrels per day. The Dubai price in 1Q24 moved between USD 75.29 per barrel and USD 86.49 per barrel, with an average of USD 81.29 per barrel decreasing by USD 2.26 per barrel from USD 83.55 per barrel in 4Q23. OPEC and allies (OPEC+) arranged the production cuts regularly and decided in early-March 2024 to

extend the voluntary cuts initially being set to terminate in end-March 2024 to conclude in end-June 2024 instead. However, U.S. crude oil production was at around 13 million barrels per day, the highest level since COVID-19 outbreak began. Meanwhile, there were certain factors supporting the crude oil price in late-March 2024 including market expectations that OPEC+ would maintain the level of the voluntary cuts, the persistent Russia-Ukraine conflict having taken place since February 2022, and the Israel-Hamas conflict having started since October 2023.

Crude oil outlook in the second quarter of 2024 (2Q24): It is foreseen that the oil demand is supposed to enhance, mainly owing to aviation that have significantly recovered from its condition during COVID-19 outbreak and tends to soar seasonally. Plus, there are potential supports for the demand from construction, agriculture, and transportation. The oil supply is thought to be backed by OPEC+’s decision in early-April 2024 to maintain the voluntary cuts as the market expected. According to OPEC+’s announcement, the voluntary cuts is prone to be stricter than what they were recently and member countries that significantly overproduced crude oil compared to their quotas have to deliver detailed compensation plans to the OPEC+ secretary by end-April 2024. Additionally, the Israel-Iran tension starting to enrage in April 2024 builds market concerns over crude oil production, hence possibly escalating crude oil price by comparing QoQ.

1.1.2 Crude Intake and Capacity

Petroleum	Quarter			% Change	
	1Q24	4Q23	1Q23	QoQ	YoY
Crude Intake					
Million barrels	16.60	17.65	17.63	(6%)	(6%)
KBD	182	192	196	(5%)	(7%)
Utilization Rate					
Refinery	85%	89%	91%	(4%)	(6%)
RDCC	108%	109%	111%	(1%)	(3%)
Lube Base Oil	66%	79%	94%	(13%)	(28%)

Remark: Crude intake capacity is 215,000 barrels per day



In 1Q24, crude intake was 16.60 million barrels or 182,000 barrels per day. Refinery utilization rate was 85%.



In 1Q24, crude intake was 16.60 million barrels or 182,000 barrels per day (182 KBD). Refinery utilization rate was 85% declining by 4%, QoQ, and by 6%, YoY, as the Lube Base Oil plant arranged a planned maintenance shutdown in 1Q24.

The utilization rate of RDCC plant in 1Q24 was 108% being close to that last quarter, while lessening by 3% from that in 1Q23.

The utilization rate of Lube Base Oil plant in 1Q24 was 66% decreasing by 13%, QoQ, and by 28%, YoY, as the Lube Base Oil plant arranged a planned maintenance shutdown in 1Q24 taking 18 days.

1.1.3 Petroleum Sales

Products	Sales Volume (Million Barrel)			Sales Value (Million Baht)		
	Quarter			Quarter		
	1Q24	4Q23	1Q23	1Q24	4Q23	1Q23
Refinery	14.75	15.05	16.21	55,001	55,126	54,678
Lube Base Oil	1.40	1.60	1.99	4,566	5,589	7,095
Total	16.15	16.65	18.20	59,567	60,715	61,773



In 1Q24, net sales of petroleum businesses was down by 2%, QoQ, owing to a 3% drop in sales volume versus a 1% rise in average selling prices.



In 1Q24, net sales of petroleum businesses were Baht 59,567 million being down by Baht 1,148 million or by 2%, QoQ, mainly owing to a 3% drop in sales volume, from 16.65 million barrels to 16.15 million barrels, versus a 1% rise in average selling prices. Most of the softened sales volume was contributed from Naphtha and Asphalt.

By comparing YoY, the net sales of petroleum businesses slumped by Baht 2,206 million or by 4%, mainly from an 11% contraction in sales volume versus a 7% improvement in average selling prices. Most of the sales volume decrease was from Naphtha and Fuel Oil.

The proportion of domestic and export of petroleum products in 1Q24 was 79% and 21%, respectively and most of the exported products were shipped to Singapore, Cambodia and Laos.

1.1.4 Crude Price and Petroleum Products Spread

	Quarter			% Change	
	1Q24	4Q23	1Q23	QoQ	YoY
Dubai Crude Oil (USD/bbl)	81.29	83.55	80.32	(3%)	1%
Petroleum (USD/bbl)					
Naphtha – Dubai	(7.9)	(12.9)	(6.5)	39%	(22%)
ULG95 – Dubai	17.9	12.6	18.6	42%	(4%)
Gas Oil 0.05%S - Dubai	21.7	21.1	25.2	3%	(14%)
Gas Oil 0.001%S - Dubai	23.1	24.4	28.6	(5%)	(19%)
FO 180 3.5%S - Dubai	(9.7)	(11.0)	(16.3)	12%	40%
Lube Base Oil (USD/MT)					
500SN - FO 180 3.5%S	520	521	640	(0.2%)	(19%)
150BS - FO 180 3.5%S	809	729	888	11%	(9%)
Asphalt - FO 180 3.5%S	(42)	8	88	(625%)	(148%)

Remark : Uses Gas Oil 0.001%S (10 ppm : Euro 5 standard) instead of Gas Oil 0.05%S (500 ppm : Euro 3 standard) starting from 1 January 2024 being in accordance with the government's policy.

The spread between petroleum products and raw material price

The spread between petroleum products and Dubai crude oil price

- Naphtha Spread - Higher:** Naphtha - Dubai spread in 1Q24 was USD -7.9 per barrel escalating by 39% from USD -12.9 per barrel in 4Q23. This was because several refineries in Russia was attacked by drones being released from Ukraine. The attack led 4 million barrels per day of refining capacity to be on risk of being destroyed, hence market concerns on the supply of Naphtha. In the meantime, Naphtha crackers in Asia still reduced their utilization rates in order to align with market situations. By comparing with 1Q23 of USD -6.5 per barrel, the spread shrank by 22%.

- ULG95 Spread - Higher:** ULG95 - Dubai spread in 1Q24 was USD 17.9 per barrel improving by 42% from USD 12.6 per barrel in 4Q23 being mainly owing to traveling demand during the Lunar New Year festival, along with unplanned shutdowns of several refineries including some refineries in the U.S. and Malaysia because of their operational issues. Meanwhile, Gasoline supply was partially pressured by China's first batch of petroleum product export quota for 2024 of 19 million tons,

which equaled to the first batch of last year. By comparing with 1Q23 of USD 18.6 per barrel, the spread declined by 4%.

- Gas Oil 0.001%S Spread - Lower:** Low Sulphur Gas Oil - Dubai spread in 1Q24 was USD 23.1 per barrel dropping by 5% from USD 24.4 per barrel in 4Q23 as winter in Europe was warmer than market expectations constraining Diesel demand for heating purposes in Europe and Diesel export from Asia to Europe, respectively. Therefore, accumulated Diesel quantity in Asia pressured Diesel price. By comparing with 1Q23 of USD 28.6 per barrel, the spread dropped by 19%.

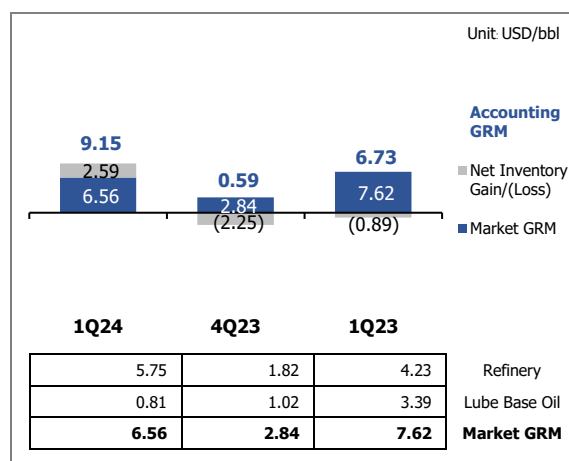
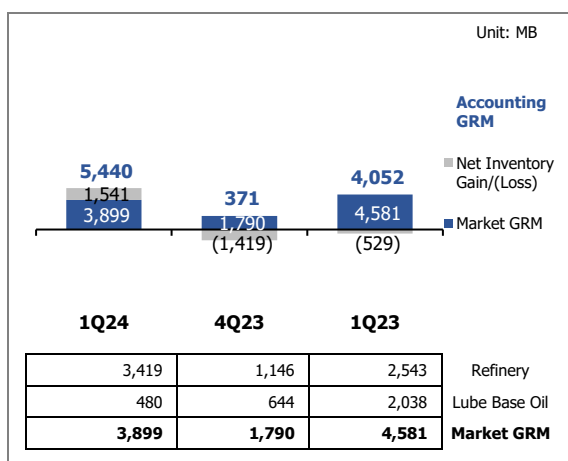
- Fuel Oil Spread - Higher:** High Sulphur Fuel Oil (HSFO) - Dubai spread in 1Q24 was USD -9.7 per barrel developing by 12% from USD -11.0 per barrel in 4Q23 as the conflict in Red Sea incentivized cargo ships to adjust their routes, from passing Red Sea to encircling the cape of Good Hope lengthening the journey, hence boosted Fuel Oil demand for bunkering purposes. By comparing with 1Q23 of USD -16.3 per barrel, the spread improved by 40%.

The spread between Lube Base Oil products and Fuel Oil price

- 500SN Spread - Approximate:** 500SN - Fuel Oil spread in 1Q24 was USD 520 per ton being approximate to that last quarter as prices of Lube Base Oil and Fuel Oil slightly changed from those last quarter. Still, Lube Base Oil demand in 1Q24 was supported by seasonally rising manufacturing activities QoQ. By comparing with 1Q23 of USD 640 per ton, the spread dropped by 19%.

- Asphalt Spread - Lower:** Asphalt - Fuel Oil spread in 1Q24 was USD -42 per ton lessening by 625% from USD 8 per ton in 4Q23 because China, who prioritizes importing Asphalt from Iran, decreased construction budget. This entailed Asphalt flows from Iran to other markets dampening overall Asphalt market. By comparing with 1Q23 of USD 88 per ton, the spread slumped by 148%.

1.1.5 Gross Refining Margin





In 1Q24, Market GRM was Baht 3,899 million or USD 6.56 per barrel enhancing by Baht 2,109 million or USD 3.72 per barrel, QoQ, mainly owing to improved Gasoline spread and the Company's distribution of Euro 5 Diesel domestically being in accordance with the government's policy.



The Gross Refining Margin (Market GRM) in 1Q24 was Baht 3,899 million or USD 6.56 per barrel enhancing by Baht 2,109 million or USD 3.72 per barrel from that in 4Q23, mainly owing to improvements of most refinery product spreads compared to Dubai crude oil price, especially Gasoline spread. In 1Q24, the Company also distributed Diesel with Euro 5 (Euro V) standard obtaining sulfur not exceeding 10 ppm domestically being in accordance with the government's policy, compared to the prior quarter

that the Company distributed Diesel with Euro 4 (Euro IV) standard obtaining sulfur not exceeding 50 ppm. This made the spread of IRPC's distributed Diesel higher.

In the meantime, by comparing YoY, the Market GRM was down by Baht 682 million or USD 1.06 per barrel, mainly from Lube Base Oil GRM of USD 2.58 per barrel owing to the lessened spreads of entire products in Lube Base Oil group compared to Fuel Oil price, especially Asphalt spread. On the other hand, refinery group obtained higher Market GRM of USD 1.52 per barrel thanks to comparatively strong Fuel Oil spread compared to Dubai crude oil price, along with the saved utility expenses.

In 1Q24, there was a net inventory gain equaling Baht 1,541 million or USD 2.59 per barrel comprising of a stock gain of Baht 898 million, an NRV reversal of Baht 584 million, and a gain on realized oil hedging equaling Baht 59 million. This entailed the Accounting Gross Refining Margin (Accounting GRM) of Baht 5,440 million or USD 9.15 per barrel rising by Baht 5,069 million or USD 8.56 per barrel, QoQ, and by Baht 1,388 million or USD 2.42 per barrel, YoY.

1.2 Petrochemical business unit

1.2.1 Petrochemical Market Overview

Petrochemical market situation in 1Q24: The overall demand for petrochemical products slightly improved compared to that in 4Q23. The demand in China, a major petrochemical market, continued to be affected by the property crisis and persistently high interest rates, which reduced consumer purchasing power, especially those in the construction industry of which borrowing costs have increased. Additionally, the demand was curbed during the Lunar New Year holiday. However, Indonesia market had an increased demand for petrochemical products from mid-December 2023 to early-February 2024, after Indonesian government announced a plan to enforce import licenses for chemical products including PP and PE, which would take effect in early-March. This led suppliers and factories across Indonesia to increase their inventory in advance, fearing that domestic prices would rise after the regulation took effect, hence increased prices of petrochemical products in Olefins group. Nevertheless, the Indonesian government announced an exemption from these measures in late-

February, which caused demand to decrease. Meanwhile, pressure from new capacity additions tended to slow down as some producers delayed their new capacity startup periods, while others reduced their operating rates to maintain profit margins and balance the production with market demand.

Petrochemical market situation in 2Q24: The demand for petrochemical products is expected to slightly improve and the recovery is likely to begin after long holidays such as Ramadan and Songkran festivals. Moreover, many factories in China will enter their annual maintenance shutdown period during this quarter. By considering domestically, policies or economic stimulus projects from the government are expected to be more tangible after Thailand’s 2024 government statement of expenditure would be disbursed in late-April. This is anticipated to stimulate economic activities and support the demand for petrochemical products. However, the demand in China, a major petrochemical market, is seen to still be waiting for recovery, despite the improvement of the demand in manufacturing and consumption sectors as evidenced by a rise in China's Consumer Price Index (CPI) in March. This is because the construction sector remains sluggish due to China’s property crisis. Although Chinese government impose various measures to boost demand in this sector, they are not sufficient to revive the demand. Additionally, increasing new capacity additions will continue to pressure the market.

1.2.2 Petrochemical Capacity

Products	Quarter			% Change	
	1Q24	4Q23	1Q23	QoQ	YoY
Utilization Rate					
Olefins Group	79%	78%	54%	1%	25%
Aromatics and Styrenics Group	75%	73%	77%	2%	(2%)

In 1Q24, the utilization rate of Olefins group was 79% being approximate to that in 4Q23 and increasing by 25%, YoY, as there was a planned maintenance shutdown of Olefins plant in 1Q23.

The utilization rate of Aromatics and Styrenics group was 75% rising by 2%, QoQ. On the contrary, by comparing YoY, the utilization rate dropped by 2% due to production adjustment aligning with market conditions.

The spread between petrochemical products and raw material

The spread between Polyolefins group and Naphtha

- **HDPE Spread - Lower:** HDPE - Naphtha spread was USD 397 per ton decreasing by 7% from USD 428 per ton in 4Q23 because the demand in HDPE Pipe market did not recover compared to other products as construction industry, especially in China, was affected by the property crisis and the persistently high interest rate. When compared with 1Q23 of USD 466 per ton, the spread decreased by 15%.

- **PP Spread - Higher:** PP - Naphtha spread was USD 359 per ton increasing by 15% from USD 312 per ton in 4Q23. The demand improved after Indonesian government prepared to announce a plan to enforce import licenses for chemical products in March leading some producers in Indonesia to increase their inventory swiftly in advance, thus the price increases. However, demand slowed down after the exemption from these measures was announced in late-February. When compared with 1Q23 of USD 435 per ton, the spread decreased by 17%.

The spread between Aromatics group and Naphtha

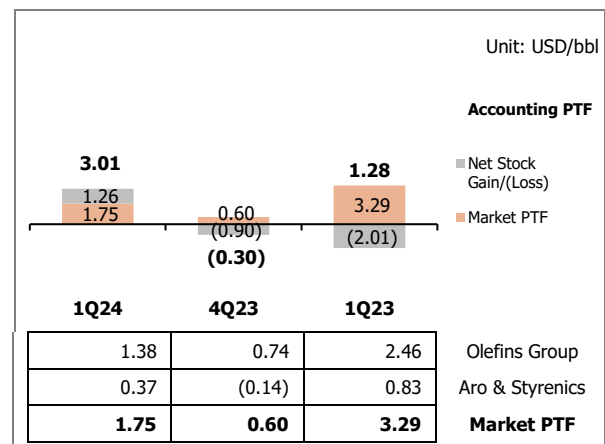
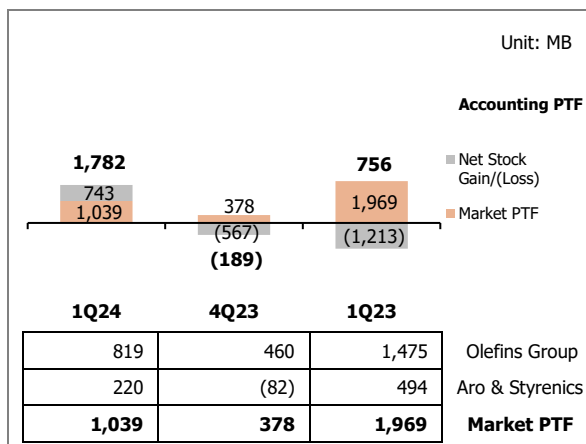
- **TOL and MX Spreads - Higher:** Toluene - Naphtha spreads were USD 195 per ton being approximate to that in 4Q23 of USD 194 per ton. Mixed Xylene - Naphtha spreads were USD 244 per ton increasing by 10% from that in 4Q23 of USD 222 per ton. These were due to increased demand for Toluene and Mixed Xylene for blending into Gasoline, especially in the U.S. being in preparation for the driving season in 3Q. For Toluene - Naphtha spread, when compared with 1Q23 of USD 185 per ton, the spread increased by 5%, while for Mixed Xylene - Naphtha spread, when compared with 1Q23 of USD 257 per ton, the spread decreased by 5%.

The spread between Polystyrenics group and Naphtha

- **ABS Spread - Higher:** ABS - Naphtha spread was USD 618 per ton increasing by 9% from USD 568 per ton in 4Q23. The demand in Chinese market improved after the government announced measures to stimulate domestic spending encouraging consumers to upgrade their home appliances with more energy-efficient or smart gadgets, which supported ABS products market. When compared with 1Q23 of USD 694 per ton, the spread decreased by 11%.

- **PS Spread - Higher:** PS - Naphtha spread was USD 554 per ton being approximate to that in 4Q23 of USD 549 per ton. The overall demand remained sluggish because most end-product manufacturers purchased primarily based on necessity or upon receiving orders to avoid excessive stockpiling. On the supply side, the operating rates were kept low to maintain profit margins and balance the market. When compared with 1Q23 of USD 603 per ton, the spread decreased by 8%.

1.2.5 Product to Feed Margin (Product to Feed : PTF)*



Remark : * Includes Trading business (iPolymer) and New S-Curve business (Innopolymer and Rakpasak)



In 1Q24, the Market PTF was Baht 1,039 million enhancing by Baht 661 million, QoQ, as most product spreads rose, particularly Olefins spread.



By comparing with 1Q23, the Market PTF decreased by Baht 930 million or USD 1.54 per barrel, mainly from declining spreads of most products as economy remained subdued resulting in a continued slowdown in demand for end-products, while new capacity additions still impacted the market.

In 1Q24, the Company recorded the net inventory gain of the petrochemical businesses of Baht 743 million or USD 1.26 per barrel comprising of a stock gain of Baht 3 million and a reversal on Net Realizable Value (NRV reversal) of Baht 740 million. Hence, the Company obtained the Accounting Product to Feed Margin (Accounting PTF) equaling Baht 1,782 million or USD 3.01 per barrel compared to the Accounting PTF loss of Baht 189 million or USD 0.30 per barrel in the prior quarter. Meanwhile, by comparing YoY, the Accounting PTF rose by Baht 1,026 million or USD 1.73 per barrel.

The Market Product to Feed Margin (Market PTF) in 1Q24 was Baht 1,039 million or USD 1.75 per barrel enhancing by Baht 661 million or USD 1.15 per barrel, QoQ, mainly from rises in spreads of most petrochemical products compared to raw material price in all groups, particularly those in Olefins group

1.3 Power Plant and Utility business units

Capacity and Sales

	Quarter			% Change	
	1Q24	4Q23	1Q23	QoQ	YoY
Utilization Rate					
Electricity	57%	58%	61%	(1%)	(4%)
Steam	60%	59%	60%	1%	0%
Sales (Baht million)					
Electricity	564	474	754	19%	(25%)
Steam	440	379	483	16%	(9%)
Others	60	57	62	5%	(3%)
Total	1,064	910	1,299	17%	(18%)

Utilization rates of Electricity and Steam: In 1Q24, the utilization rate of Electricity was 57% being approximate to that in 4Q23 while declining by 4% from that in 1Q23 owing to shutdowns of some units. The utilization rate of Steam was 60% being close to that in 4Q23 while being stable when compared to that in 1Q23.

The net sales of Power and Utility businesses: In 1Q24, the net sales of Power and Utility businesses were Baht 1,064 million rising by 17%, QoQ, mainly from higher average selling prices and sales volumes of Electricity being sold to EGAT, along with higher sales volumes of Steam being sold to industrial customers in Rayong. On the contrary, by comparing YoY, the net sales declined by 18%, mainly from lower average selling prices of Electricity and Steam versus higher sales volumes.

2. Total Operating Performance

Total Operating Performance of IRPC and its subsidiaries for 1Q24 is as follows;

	Unit : Million Baht			Unit : USD per barrel		
	Quarter			Quarter		
	1Q24	4Q23	1Q23	1Q24	4Q23	1Q23
Average FX (THB/USD)	35.82	35.81	34.07			
Total Crude Intake (Mbbbl)	16.60	17.65	17.63			
Average Crude (USD/bbl) ⁽¹⁾	85.85	88.29	85.10			
Sales ⁽²⁾	79,348	79,059	81,430	133.45	125.08	135.57
Net Sales ⁽³⁾	74,644	75,296	75,760	125.53	119.13	126.13
Variable Cost (Raw Material - Market Price)	(69,026)	(72,577)	(68,676)	(116.08)	(114.82)	(114.33)
Market GIM	5,618	2,719	7,084	9.45	4.31	11.80
Stock Gain (Loss)	901	(1,464)	(3,763)	1.52	(2.32)	(6.26)
Net Realizable Value (NRV)	1,324	(1,142)	2,021	2.23	(1.81)	3.36
Realized Gain (Loss) on Oil Hedging	59	620	-	0.10	0.98	-
Net Inventory Gain (Loss)	2,284	(1,986)	(1,742)	3.85	(3.15)	(2.90)
Accounting GIM	7,902	733	5,342	13.30	1.16	8.90
Other Incomes ⁽⁴⁾	310	322	352	0.52	0.51	0.59
Selling Expenses	(318)	(340)	(383)	(0.53)	(0.54)	(0.64)
Accounting GIM and Other Incomes	7,894	715	5,311	13.29	1.13	8.85
OPEX	(3,214)	(2,971)	(3,291)	(5.41)	(4.70)	(5.47)
EBITDA	4,680	(2,256)	2,020	7.88	(3.57)	3.38
Depreciation	(2,141)	(2,229)	(2,105)	(3.60)	(3.53)	(3.50)
EBIT	2,539	(4,485)	(85)	4.28	(7.10)	(0.12)
Net Finance Cost	(499)	(488)	(496)	(0.84)	(0.77)	(0.83)
Gain (Loss) on Financial Derivatives	(319)	443	23	(0.54)	0.70	0.04
Gain (Loss) on Foreign Exchange from Borrowing	(134)	182	47	(0.23)	0.29	0.08
Unrealized Gain (Loss) on Oil Hedging	179	16	61	0.30	0.03	0.10
Gain (Loss) on Impairment and Disposal of Assets	(10)	(3)	825	(0.02)	-	1.37
Gain (Loss) on Investment	140	48	10	0.24	0.08	0.02
Other Expenses	12	15	(11)	0.02	0.02	(0.02)
Net Profit (Loss) before Income Tax	1,908	(4,272)	374	3.21	(6.75)	0.64
Income Tax	(362)	860	(70)	(0.61)	1.36	(0.12)
Gain (Loss) on non-controlling interests	(1)	(5)	(3)	-	(0.01)	-
Net Profit (Loss)	1,545	(3,417)	301	2.60	(5.40)	0.52
Earning per share (EPS) (Baht/Share)	0.08	(0.17)	0.01			

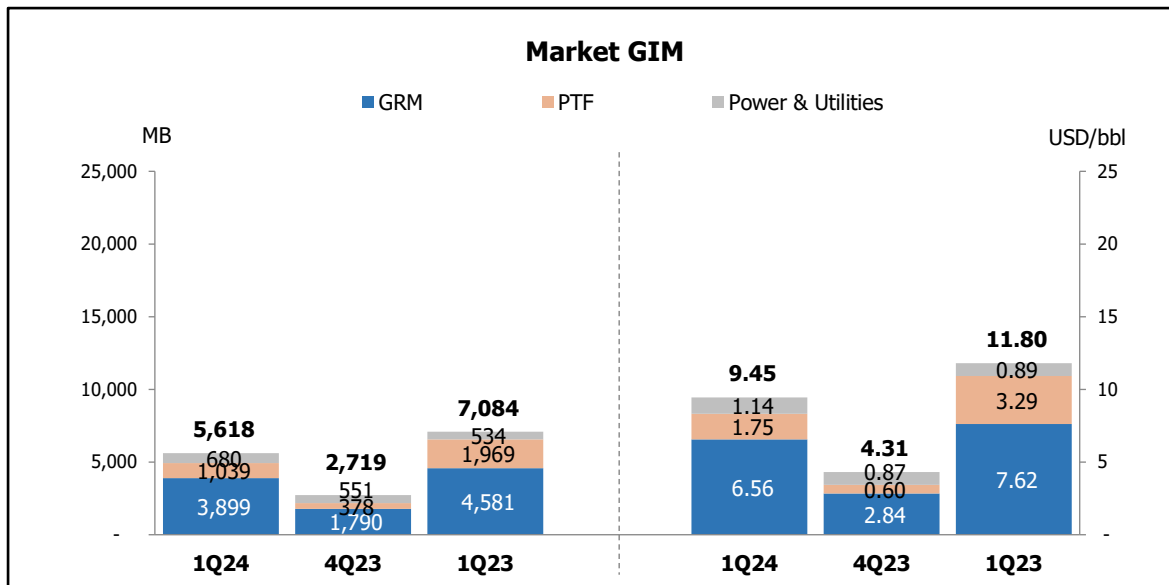
Note : ⁽¹⁾ Average market prices of crude used in the production process

⁽²⁾ Sales include (1) Petroleum Sales (2) Petrochemical Sales (3) Power and Utilities Sales (4) Sales of tank farm and port service, etc.

⁽³⁾ Net Sales include (1) Petroleum Sales (excluding excise tax) (2) Petrochemical Sales (3) Power and Utilities Sales

⁽⁴⁾ Other Incomes include land, tank farm and port service etc.

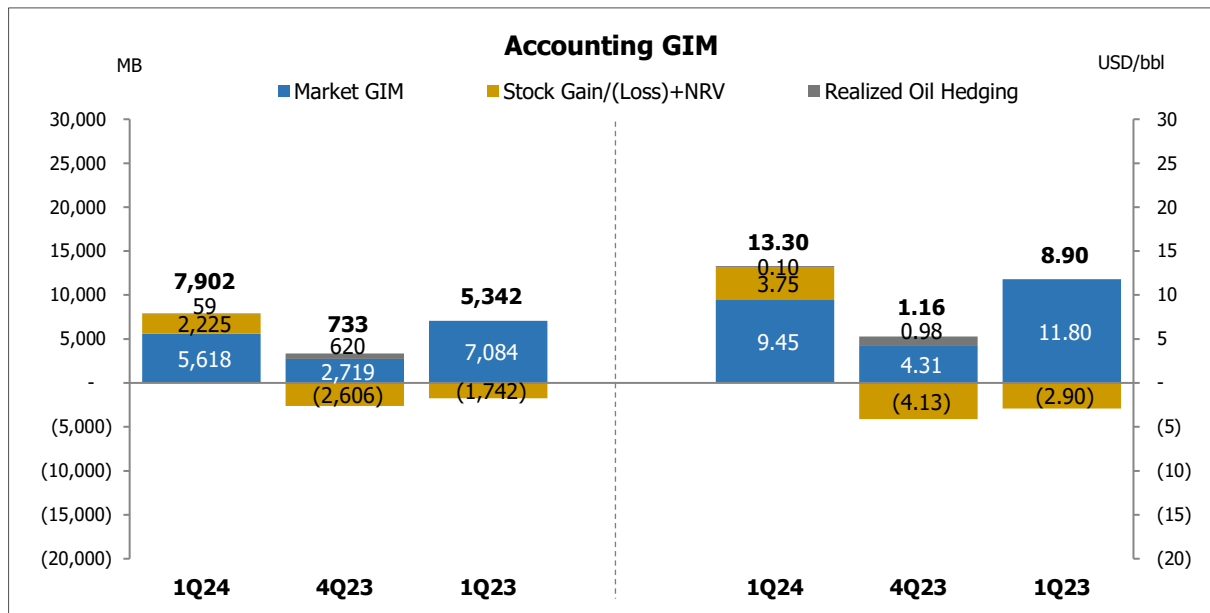
2.1 Market Gross Integrated Margin (Market GIM)



In 1Q24, the Market Gross Integrated Margin (Market GIM) was Baht 5,618 million or USD 9.45 per barrel increasing by Baht 2,899 million or USD 5.14 per barrel from that in the prior quarter. This was mainly from the increasing spreads of most refinery product prices compared to Dubai crude oil price, especially Gasoline spread. In addition, the Company has distributed Diesel with the Euro 5 (Euro V) standard domestically in accordance with government policy since 1Q24, hence upgraded value of Diesel spread that the Company has sold. Furthermore, the spreads between petrochemical product prices and naphtha price increased in every group, especially those in Olefins group being mainly supported by a demand increase in Indonesia according to an enforcement of a chemical import license issued by Indonesian government.

When compared to 1Q23 Market GIM of Baht 7,084 million or USD 11.80 per barrel, the Market GIM declined by Baht 1,466 million or USD 2.35 per barrel, mainly owing to the lower spreads between petrochemical product prices in entire groups compared to naphtha price. This was because the overall economy remained in the stage of stagnation curbing the downstream demand and new production capacity still pressured the market. In addition, the spread between petroleum product prices and raw material price decreased, especially the spread between Asphalt and Fuel Oil, due to the pressure from Asphalt supply from Iran being distributed to other markets instead of China due to the diminished Chinese road construction budget.

2.2 Accounting Gross Integrated Margin (Accounting GIM)



Note : Net Inventory Gain (Loss) = Stock Gain (Loss) + NRV + Realized Oil Hedging

The Accounting Gross Integrated Margin (Accounting GIM) in 1Q24 was Baht 7,902 million or USD 13.30 per barrel improving by Baht 7,169 million or USD 12.14 per barrel from that in 4Q23. This was mainly because the Market GIM rose by Baht 2,899 million or USD 5.14 per barrel as well as the net inventory gain of Baht 2,284 million or USD 3.85 per barrel compared to the net inventory loss of Baht 1,986 million or USD 3.15 per barrel in 4Q23. The net inventory gain of Baht 2,284 million or USD 3.85 per barrel in 1Q24 comprised of a stock gain of Baht 901 million or USD 1.52 per barrel, an NRV reversal of Baht 1,324 million or USD 2.23 per barrel and a gain on realized oil hedging of Baht 59 million or USD 0.10 per barrel.

By comparing with the Accounting GIM of Baht 5,342 million or USD 8.90 per barrel in 1Q23, the Accounting GIM improved by Baht 2,560 million or USD 4.40 per barrel. This was because of the net inventory gain of Baht 2,284 million or USD 3.85 per barrel in 1Q24 compared to the net inventory loss of Baht 1,986 million or USD 3.15 per barrel in 4Q23 while the Market GIM moved down by Baht 1,466 million or USD 2.35 per barrel.

2.3 Other Incomes

Other incomes consist of port and tank farm services and other services. In 1Q24, the Company had other incomes of Baht 310 million declining by Baht 12 million, QoQ, and dropping by Baht 42 million, YoY, mainly owing to lower incomes from port and tank farm services.

2.4 Operating Expenses

In 1Q24, the Company had operating expenses of Baht 3,214 million increasing by Baht 243 million from that in the prior quarter, mainly from maintenance and employee expenses. When compared to 1Q23, the operating expenses fell by Baht 77 million, mainly from maintenance expenses.

2.5 Depreciation expense

In 1Q24, the depreciation expense was Baht 2,141 million decreasing by Baht 88 million, QoQ, mainly from fully depreciated assets. Meanwhile, the depreciation expense increased by Baht 36 million, YoY, mainly from increased asset value as a result of the investment in the refinery major turnaround.

2.6 Net Finance Cost

In 1Q24, the net finance cost was Baht 499 million increasing by Baht 11 million, QoQ, and by Baht 3 million, YoY, mainly due to increased interest rates following market situation.

2.7 Gain (Loss) on Financial Derivatives

In 1Q24, there was a loss on financial derivatives amounting to Baht 319 million, mainly from a loss on Cross Currency Swap (CCS) due to Thai Baht depreciation compared to the 4Q23 gain on financial derivatives of Baht 443 million and the 1Q23 gain of Baht 23 million.

2.8 Gain (Loss) on Foreign Exchange from Borrowing

In 1Q24, the Company recorded a loss on foreign exchange (FX) from U.S. dollar-borrowings of Baht 134 million compared to a 4Q23 gain on FX from U.S. dollar-borrowings of Baht 182 million and a 1Q23 gain on FX from U.S. dollar-borrowings of Baht 47 million. This was owing to Thai Baht depreciation.

2.9 Unrealized Gain (Loss) on Oil Hedging

In 1Q24, the Company recorded an unrealized gain on oil hedging of Baht 179 million increasing by Baht 163 million from that in 4Q23 as well as rising by Baht 118 million from that in 1Q23.

2.10 Gain (Loss) on Impairment and Disposal of Assets

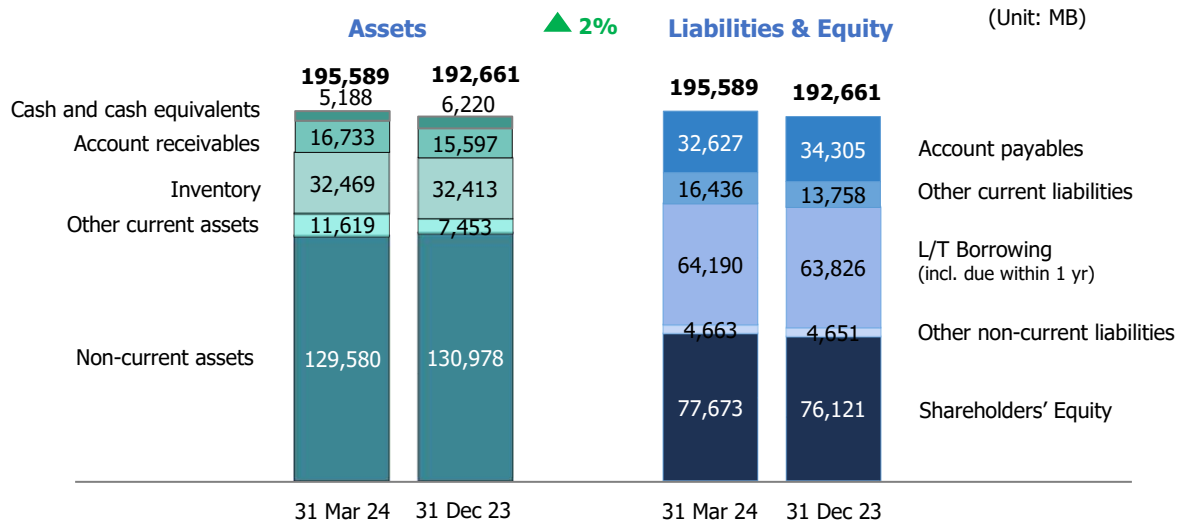
In 1Q24, the Company recorded a loss on impairment and disposal of assets of Baht 10 million. The loss rose by Baht 7 million compared to that in 4Q23, while compared to a gain on impairment and disposal of assets of Baht 825 million in 1Q23 being mainly from a reverse on spare part impairment in 1Q23 following adjustment of impairment principal, from time-based to condition-based.

2.11 Gain (Loss) on Investments

In 1Q24, the Company recorded a gain on investments of Baht 140 million increasing by Baht 92 million, QoQ, as well as by Baht 130 million, YoY, mainly from higher profit sharing from investments in associates and joint ventures.

2.12 Corporate Income Tax

In 1Q24, the Company recorded a corporate income tax of Baht 362 million compared to a corporate income tax benefit of Baht 860 million in 4Q23. However, when compared to 1Q23, the corporate income tax increased by Baht 292 million thanks to the improved performance.

Financial Positions as of 31 March 2024

Assets

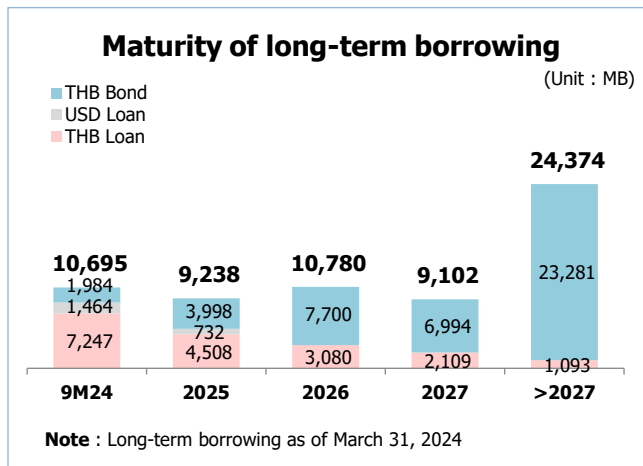
As of March 31, 2024, the Company had total assets of Baht 195,589 million increasing by Baht 2,928 million or by 2% from that on December 31, 2023. It was due to the following reasons:

- **Cash and cash equivalents:** decreased by Baht 1,032 million or by 17% from that at the end of 2023, mainly owing to the decrease of net cash flow from operations after investment and loan repayment.
- **Trade receivables:** increased by Baht 1,136 million or by 7% from that at the end of 2023, mainly due to a rise in selling volume and selling prices. The Company's credit term policy is about 7 - 120 days and most customers made payment on schedule. The average collection period was 19 days increasing by 1 day from that at the end of 2023.
- **Inventory:** increased by Baht 56 million or by 0.2% from that at the end of 2023, mainly due to a reversal on NRV of Baht 1,324 million versus a 2% decrease in the crude oil price and products prices following market situations as well as a 2% decrease in inventory volume. The average inventory period was 39 days decreasing by 3 days that at the end of 2023.
- **Other current assets:** increased by Baht 4,166 million or by 56% from that at the end of 2023. This was mainly attributed to a rise in other receivables amounts due from related parties of Baht 5,042 million, mainly from an advance payment of crude oil procurement, while there was a decrease in refundable value-added tax by Baht 1,257 million.
- **Non-current assets:** decreased by Baht 1,398 million or by 1% from that at the end of 2023, mainly due to a drop in property, plant and equipment by Baht 1,195 million, from some assets reaching the end of their useful lives.

Liabilities

As of March 31, 2024, the Company had total liabilities of Baht 117,916 million increasing by Baht 1,376 million or by 1% from what was stated as of December 31, 2023. It was due to the following reasons:

- **Trade payables:** decreased by Baht 1,678 million or by 5% compared to that at the end of 2023. It was mainly due to a decrease in crude procurement payable amount. The average payment period was 40 days being equal to that at the end of 2023.



- **Other current liabilities:** increased by Baht 2,678 million or by 19% compared to that at the end of 2023, mainly due to a rise in short – term borrowing from financial institutions by Baht 3,730 million, while a decline in accrued bonus expenses by Baht 695 million and a drop in advance receipts for goods by Baht 506 million.

- **Long-term borrowing including current portion within one year:** increased by Baht 364 million or by 1% compared to that at the end of 2023, mainly due to the drawdown of long – term loan from financial institutions of Baht 500 million while the repayment of maturity borrowing of Baht 275 million.

The details of long-term borrowings are shown below:

(Unit: MB)

	Mar 31, 2024	Dec 31, 2023	Change
Thai Baht Bonds	43,957	43,954	3
USD Loan*	2,196	2,061	135
Thai Baht Loan	18,037	17,811	226
Total Long-term Borrowing	64,190	63,826	364
Less current portion of long-term borrowing	(10,972)	(10,881)	(91)
Net Outstanding Long-term Borrowing	53,218	52,945	273

Note : * The Company obtained USD loan of USD 60 million as of March 31, 2024.

Shareholders' Equity

As of March 31, 2024, shareholders' equity amounted to Baht 77,673 million, which increased from what was stated as of December 31, 2023 by Baht 1,552 million or by 2%. This was mainly from the net profit amounting to Baht 1,545 million in 1Q24.

Statement of Cash Flow

(Unit : MB)

	Jan – Mar 24	Jan – Mar 23
Net cash flows from (used in) operating activities	(3,750)	3,620
Net cash flows from (used in) investing activities	(807)	(1,921)
Net cash flows from (used in) financing activities	3,525	(1,515)
Net increase (decrease) in cash	(1,032)	184
Beginning cash	6,220	3,230
Ending cash	5,188	3,414

As of March 31, 2024, the ending cash was Baht 5,188 million. Net cash flow decreased by Baht 1,032 million, which was mainly contributed from the following items:

- **Net cash outflow from operating activities:** of Baht 3,750 million, mainly from a rise in other receivables amounts due from related parties of Baht 5,042 million, and an increase in trade receivables of Baht 1,079 million while a decrease in trade payables of Baht 1,683 million. Nevertheless, the cash inflow from EBITDA was Baht 4,680 million.

- **Net cash outflow from investing activities:** of Baht 807 million, mainly from an investment in Ultra Clean Fuel (UCF) Project.

- **Net cash inflow from financing activities:** of Baht 3,525 million, from the short – term borrowing from financial institutions of Baht 3,730 million and the drawdown of long – term loan from financial institutions of Baht 500 million with the interest payment of Baht 396 million and the repayment of long-term borrowings of Baht 275 million.

Key Financial Ratios

	Unit	Quarter		
		1Q24	4Q23	1Q23
Profitability Ratios				
EBITDA Margin	%	5.90	(2.85)	2.48
Net Profit Margin	%	1.95	(4.32)	0.37
Earnings per share	Baht/share	0.08	(0.17)	0.01
Return on Equity*	%	8.06	(3.76)	1.51
Liquidity Ratios				
Current Ratio	time	1.10	1.05	1.14
Quick Ratio	time	0.37	0.37	0.33
Financial Policy Ratios				
Net Interest Bearing Debt to Equity	time	0.90	0.86	0.84
Net Interest Bearing Debt to EBITDA*	time	3.61	11.62	8.42

Note: *Annualized

Liquidity and Capital Structure

In 1Q24, current ratio was 1.10 times increasing by 0.05 times from that in 4Q23 of 1.05 times. This was mainly owing to a rise in trade receivables as well as a drop in trade payables. Thus, the Company has sufficient liquidity for its operations. At the end of 1Q24, net interest bearing debt to equity ratio was 0.90 times increasing by 0.04 times from that in 4Q23 of 0.86 times. This was mainly due to an increase in the short-term borrowing from financial institutions while a rise in equity from net profit for the period in a smaller proportion. The Company could complete all payments on due date and comply with all financial covenants.

Note:

Account Receivable Turnover	=	Sales / Average Account Receivable before Doubtful Account [average]
Collection Period	=	365 / Account Receivable Turnover
Inventory Turnover	=	Cost of Goods Sold / Average Inventory [average]
Inventory Period	=	365 / Inventory Turnover
Account Payable Turnover	=	Cost of Goods Sold / Average Account Payable [average]
Payment Period	=	365 / Account Payable Turnover
EBITDA Margin	=	EBITDA / Revenue from Sales
Net Profit Margin	=	Net Profit (Owner of the Parent) / Revenue from Sales
Return on Equity	=	Net Profit (Owner of the Parent) / Average Shareholders' Equity (Owner of the Parent)
Current Ratio	=	Current Assets / Current Liabilities
Quick Ratio	=	(Cash + Marketable Securities + Account Receivable) / Current Liabilities
Net Interest Bearing Debt to Equity	=	(Interest Bearing Debt – Cash) / Total Equity
Net Interest Bearing Debt to EBITDA	=	(Interest Bearing Debt – Cash) [average] / EBITDA