Management's Discussion and Analysis of Financial Condition and Results of Operations

For Quarter 4/2024 and Year 2024

Star Petroleum Refining Public Company Limited

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1. Executive Summary

Summary of Consolidated Financial Statements

(US$ Million)	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Total Revenue	1,873	1,850	23	1,993	(120)	7,626	7,593	33
EBITDA	36	(52)	88	(124)	160	189	83	106
Gain (loss) on foreign exchange	6	3	3	(5)	11	20	(25)	45
Net income (loss)	5	(64)	69	(124)	129	60	(26)	86
Net income (loss) (US$ per share)	0.00	(0.01)	0.02	(0.03)	0.03	0.01	(0.01)	0.02

(Baht Million)	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Total Revenue	64,043	64,752	(709)	71,347	(7,304)	270,606	265,497	5,108
EBITDA	1,233	(1,775)	3,008	(4,364)	5,597	6,832	2,873	3,959
Gain (loss) on foreign exchange	235	93	141	(129)	363	708	(861)	1,569
Net income (loss)	162	(2,216)	2,378	(4,375)	4,537	2,235	(937)	3,171
Net income (loss) (Baht per share)	0.04	(0.51)	0.55	(1.01)	1.05	0.52	(0.22)	0.73

Remark: The Company has prepared the Q4/23 consolidated financial statements for business combination under common control for comparison as above table. Therefore, the Company presents comparative data for Q4/24, Q3/24 and Q4/23 only to align with the consolidated financial statements.

Key Performance

	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Accounting gross refining margin (US$/barrel) [1]	5.44	(1.55)	6.99	(6.82)	12.26	4.69	3.51	1.19
Market gross refining margin (US$/barrel) [2]	6.04	4.24	1.80	1.80	4.24	5.28	4.39	0.89
Crude intake (thousand barrels/day)	154.9	157.4	(2.5)	150.2	4.7	159.3	152.6	6.7
Crude intake Utilization	89%	90%	(1%)	86%	3%	91%	87%	4%

Remark: [1] Margin includes inventory gain/loss based on weighted average inventory cost.
[2] Margin is calculated based on current replacement cost.

In Q4/24, SPRC transitioned from a net loss in the previous quarter to a net profit of US$5 million (Baht 162 million). Comparing Q4/24 with Q3/24, the increase in SPRC's EBITDA, EBIT, and net profit was primarily driven by a stronger market refinery margin, despite a slight stock loss. While Q3/24 faced a significant decline in oil prices, resulting in a substantial stock loss. The utilization rate for crude intake was slightly lower from the previous quarter at 155 thousand barrels per day, or equivalent to 89% in Q4/24 due to a DHTU shutdown for catalyst change out, compared to 90% in Q3/24. For the marketing business, the total sale volume of Q4/24 rose compared to Q3/24. This growth was primarily driven by heightened demand, particularly in the travel and aviation sectors, due to the year-end travel season. Additionally, the expansion of retail stations significantly boosted marketing sales, with the number of stations rising to 527 by the end of December 2024.

Star Petroleum Refining PCL

Comparing Q4/24 with Q4/23, there was an increase in earnings due to higher market refining margin and the lower transportation cost from SPM resumption. Meanwhile, Q4/23 earnings was impacted by a significant net stock loss due to declining oil prices. Excluding stock gains (losses), the market refining margin was US$6.04/bbl in Q4/24, driven by a strong refining margin, particularly in middle distillate products and SPM resumption. In contrast, Q4/23 had a market refining margin of US$1.80/bbl due to declining product spreads and an unplanned RFCC shutdown for maintenance during that period, even though operating expenses remained relatively the same.

In 2024, SPRC and its subsidiaries reported a net profit of US$60 million (Baht 2,235 million), reflecting an increase of US$86 million (Baht 3,171 million) compared to a net loss in 2023. This growth was primarily attributed to an enhanced gross refining margin and a higher crude intake compared to the previous year as well as lower transportation cost from SPM resumption since July 2024. Additionally, with the integration of its refinery and fuel business, SPRC has continued to enhance its entire value chain. This includes improvements in crude and feedstock procurement, optimizing run rates, increasing process efficiency, and optimizing product channels and logistics. These efforts have consistently enhanced cost-effectiveness and operational performance, culminating in the enterprise's Bottom Line Improvement Program (BLIP) achieving a value of US$0.75 per barrel. Moreover, the Company successfully completed the acquisition of the fuel business on 3 January 2024. In September 2024, SPRC continued to expand its fuel service station network by partnering with Pure Thai Energy Company Limited (Pure Thai) and enabling them to operate their service stations under the Caltex brand, boosting the number of stations rising to 527 by the end of December 2024.

Remark: For the year 2024, SPRC successfully completed the acquisition of the fuel business, including Star Fuels Marketing Company Limited (SFL) which is the exclusive licensee of Caltex brand and the share capital of Thai Petroleum Pipeline Company Limited (Thappline), from Chevron Asia Pacific Holdings Limited. These acquisitions were assessed as business combinations under common control. Consequently, SPRC retrospectively adjusted the transactions as if the combination had occurred at the beginning of the preceding comparative period or the date the acquiree came under common control. This adjustment is reflected in the retrospectively adjusted consolidated financial statements of the year 2023.

2. Key significant events in 2024 and subsequent events

Successfully completed the acquisition of Fuel Business

On 3 January 2024, the Fuel Business Investment Transaction, involving the acquisition of shares and associated strategic assets from Chevron Asia Pacific Holdings Limited, has been successfully completed. The acquisition of the Fuel Business is expected to enhance the Company's value chain as a fully integrated refining and marketing business in Thailand.

Following the fuel marketing business integration, SPRC continues to create value with partnership to strengthen the brand positioning and broadly expand the customer base throughout Thailand. Apart from fuel service station network expansion, the Company also places emphasis on expanding our non-oil offerings to enhance customers' satisfaction by partnering with strategic retail partners including convenience stores, restaurants, coffee shops, and car repair and car care service centers.

- September 2024 – Star Fuels Marketing Limited (SFL) has partnered with Pure Thai Energy Company Limited (Pure Thai) and to operate their 78 fuel retail service stations under the Caltex brand. The renovation of all the service stations have completed within 2024.
- October 2024 – Caltex is partnering with an affiliate of Aroma Group, the owner of "Chao Doi" coffee brand, to compete in the service station coffee shop segment. The partnership targets to expand to 200 branches of "Chao Doi" coffee shop at Caltex service stations throughout Thailand within 5 years.

There are currently about 527 service stations in Caltex station network. The number of non-oil retail outlets now covers 80% of Caltex station network which we plan to increase to 85% of our network within 2025.

Successfully resumed the operation of offshore Single Point Mooring (SPM)

In July 2024, the Company received the relevant written regulatory approvals to resume operations at the offshore Single Point Mooring (SPM), located 20 km southeast of Map Ta Phut Industrial Estate in the Gulf of Thailand. Starting from 14 July 2024, the Company has resumed SPM operations.

3. Market Condition

Crude Oil and Singapore Pricing

Crude/Products (US$/barrel)	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Dubai crude oil	73.60	78.31	(4.71)	83.75	(10.15)	79.61	82.10	(2.49)
Light Naphtha (MOPJ)	72.44	74.64	(2.20)	73.23	(0.79)	72.25	69.13	3.12
Gasoline (premium)	85.03	89.45	(4.42)	96.22	(11.19)	92.87	98.77	(5.90)
Jet Fuel	88.38	91.44	(3.06)	107.38	(19.00)	95.05	104.63	(9.58)
Diesel	88.69	91.95	(3.26)	104.94	(16.25)	96.13	106.43	(10.30)
Fuel Oil	71.34	73.04	(1.70)	72.64	(1.30)	73.89	71.77	2.12

Crack Spread over Dubai by Products

Products (US$/barrel)	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Light Naphtha (MOPJ)	(1.16)	(3.67)	2.51	(10.52)	9.36	(7.36)	(12.97)	5.61
Gasoline (premium)	11.43	11.13	0.3	12.47	(1.04)	13.26	16.67	(3.41)
Jet Fuel	14.78	13.12	1.66	23.63	(8.85)	15.44	22.53	(7.09)
Diesel	15.09	13.64	1.45	21.19	(6.1)	16.52	24.33	(7.81)
Fuel Oil	(2.26)	(5.27)	3.01	(11.11)	8.85	(5.72)	(10.33)	4.61

The average Dubai price in Q4/24 dropped by US$(4.71)/bbl quarter-on-quarter to US$73.6/bbl. This decline was driven by weak economic conditions, particularly in Mainland China, de-escalated of geopolitical tensions in the Middle East and increased supply from the resumption of production in Lybria despite OPEC+ decided to extend production cut until the end of December 2025.

The spread between refined products and Dubai price

- **Naphtha spread over Dubai** in Q4/24 rose to US$(1.16)/bbl from US$(3.67)/bbl in Q3/24 as softening crude prices and reducing in global supply availability, despite a limited recovery in demand. Additionally, the switch to winter gasoline specifications, which lifted LPG prices, made naphtha a more favorable feedstock for crackers compared to LPG, further supporting naphtha crack. Nevertheless, the continued subdued recovery in petrochemical derivative demand capped gains in Asian naphtha cracks.
- **Gasoline spread over Dubai** in Q4/24 slightly increased to US$11.43/bbl from US$11.13/bbl in Q3/24. The rise was supported by higher imports from Australia due to the spring travel season and the reduction in China's export tax rebate, which curtailed gasoline exports and bolstered gasoline cracks. However, climbing inventories in Singapore, ARA, and the U.S. in December exerted downward pressure, limiting further increases in the crack spreads.
- **Jet spread over Dubai** in Q4/24 strengthened to US$14.78/bbl from US$13.12/bbl in Q3/24 due to higher winter heating oil demand, strong festive travel demand in India, and spring travel in Oceania. Additionally, reduced exports from South Korea and Taiwan tightened supply, further boosting the jet crack spreads.
- **Diesel spread over Dubai** in Q4/24 firmed by US$1.45/bbl from Q3/24 to US$15.09/bbl due to higher domestic demand in India and greater inflows required by Australia and Indonesia, which supported diesel crack spreads. Additionally, reduced exports from China and South Korea further tightened the market. However, higher flows from the Middle East and increased exports from Russia, as the maintenance season wind down, limited the extent of the crack increase.
- **Fuel oil spread over Dubai** in Q4/24 bolstered from Q3/24 to US$(2.26)/bbl. This was supported by lower supply availability due to fall maintenance in Europe and a weak margin environment, which tightened the market and pushed up the crack spreads. However, higher exports from the Middle East and Russia, along with slower bunker demand following the festive holidays, weighed on demand and limited the increase in crack.

SPRC's average refinery margin in Q4/24 was US$6.04/bbl, improved from US$4.24/bbl in Q3/24. The key contribution to the SPRC refinery margin is good process optimization and reliability amid an improved refinery margin environment during the year-end period. Moreover, In Q4/24, SPRC continued to perform feedstocks and products optimization such as optimizing freight cost, replacing heavy crude with alternative crude and process optimization via BLIP (Bottom line Improvement Program) to consistently enhance cost-effectiveness and operational performance.

4. Financial Performance

4.1 Financial Results for Q4/2024 and 2024

Consolidated Financial Results

	US$ Million			US$ Million		US$ Million		
	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Total Revenue	1,873	1,850	23	1,993	(120)	7,626	7,593	33
Cost of sales	(1,844)	(1,910)	66	(2,111)	267	(7,494)	(7,502)	8
Gross profit (loss)	**29**	**(60)**	**89**	**(118)**	**147**	**132**	**91**	**41**
Share of profit from investment in associate	1	1	0	0	1	4	0	4
Other income	2	1	1	2	0	25	7	18
Gain (loss) on exchange rate	6	3	3	(5)	11	20	(25)	45
Administrative and other expenses	(29)	(23)	(6)	(28)	(1)	(94)	(103)	9
Finance costs	(3)	(3)	0	(4)	1	(12)	(14)	2
Fair value gain (loss) on derivatives	0	0	0	0	0	0	14	(14)
Income tax	(3)	16	(19)	28	(31)	(16)	4	(19)
Net income (loss)	**5**	**(64)**	**69**	**(124)**	**129**	**60**	**(26)**	**86**

	Baht Million			Baht Million		Baht Million		
	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Total Revenue	64,043	64,752	(709)	71,347	(7,304)	270,606	265,497	5,108
Cost of sales	(63,057)	(66,797)	3,740	(75,525)	12,468	(265,820)	(262,371)	(3,449)
Gross profit (loss)	**986**	**(2,045)**	**3,031**	**(4,178)**	**5,164**	**4,785**	**3,126**	**1,659**
Share of profit from investment in associate	38	32	6	0	38	157	0	157
Other income	76	47	29	74	1	912	261	651
Gain (loss) on exchange rate	235	93	141	(129)	363	708	(861)	1,569
Administrative and other expenses	(982)	(804)	(178)	(994)	11	(3,315)	(3,586)	271
Finance costs	(93)	(102)	9	(129)	36	(426)	(504)	78
Fair value gain (loss) on derivatives	0	0	0	0	0	0	501	(501)
Income tax	(97)	563	(660)	980	(1,078)	(587)	126	(713)
Net income (loss)	**162**	**(2,216)**	**2,378**	**(4,375)**	**4,537**	**2,235**	**(937)**	**3,171**

Key Performance

Refinery

	Q4/24	Q3/24	+/(-)	Q4/23	+/(-)	2024	2023	+/(-)
Crude								
Crude intake (thousand barrels/day)	154.9	157.4	(2.5)	150.2	4.7	159.3	152.6	6.7
Crude intake Utilization	89%	90%	(1%)	86%	3%	91%	87%	4%
Gross Refining Margin (US$/barrel)								
Accounting gross refining margin [1]	5.44	(1.55)	6.99	(6.82)	12.26	4.69	3.51	1.19
Market gross refining margin [2]	6.04	4.24	1.80	1.80	4.24	5.28	4.39	0.89
Revenue Breakdown (US$ Million)								
Polymer Grade Propylene	26	24	2	13	13	92	80	12
Liquefied Petroleum Gas	35	32	3	28	7	131	115	16
Light Naphtha	81	87	(6)	78	3	340	234	106
Gasoline	501	497	4	440	61	2,034	1,979	55
Jet Fuel	164	155	9	173	(9)	647	684	(37)
Diesel	657	724	(67)	664	(7)	2,940	2,615	325
Fuel Oil	62	32	30	93	(31)	213	200	13
Asphalt	19	19	-	13	6	66	104	(38)
Mix C4	34	37	(3)	27	7	160	150	10
Crude	-	-	-	141	(141)	1	226	(225)
Other [3]	32	80	(48)	123	(91)	277	427	(150)
Total revenue	**1,610**	**1,687**	**(77)**	**1,793**	**(183)**	**6,901**	**6,816**	**85**
Production Breakdown (Thousands barrels)								
Polymer Grade Propylene	391	356	36	212	180	1,371	1,212	159
Liquefied Petroleum Gas	592	572	20	515	77	2,315	2,221	94
Light Naphtha	1,190	1,182[4]	7	913	277	4,676[4]	3,237	1,439
Gasoline	4,182	4,057	125	3,004	1,178	16,134	14,484	1,650
Jet Fuel	1,784	1,680	104	1,632	153	6,743	6,576	167
Diesel	5,459	5,871	(412)	5,391	68	23,491	21,742	1,749
Fuel Oil	680	606	73	1,202	(523)	2,931	2,957	(26)
Asphalt	232	151	80	220	12	820	1,332	(511)
Mix C4	410	439	(29)	300	110	1,750	1,744	6
Other [3]	96	1,050	(990)	1,595	(1,500)	3,087	5,450	(2,363)
Total production	**15,015**	**15,965[4]**	**(970)**	**14,984**	**32**	**63,318[4]**	**60,955**	**2,363**
Distribution Channel (%)								
SFL	44%	45%	(1%)	33%	11%	43%	35%	8%
PTT	33%	28%	3%	33%	0%	30%	36%	(6%)
Others	15%	19%	(4%)	17%	(2%)	17%	18%	(1%)
Export	8%	8%	0%	18%	(10%)	9%	10%	(1%)
Total distribution	**100%**	**100%**		**100%**		**100%**	**100%**	

Remark: [1] Margin includes inventory gain/loss based on weighted average inventory cost.
[2] Margin is calculated based on current replacement cost.
[3] Includes sulfur and reformate and products sold pursuant to our cracker feed exchange.
[4] Corrected Light Naphtha Volumes for Q3/24 and 9M/24 (more details in appendix).

Commercial

	Q4/24	Q3/24	+/(-)	2024
Caltex Performance				
Throughput Volume per station (K Liter/Month)	260	276	(16)	276
Same Store Sale Growth (%) [1]	7%	11%	(4%)	15%
Number of Caltex service stations	527	524	3	527
RORO	499	497	2	499
COCO	28	27	1	28

Remark: [1] Same store sale growth is compared on a year on year basis.

Revenue

The Company's total revenue for Q4/24 remained relatively consistent with Q3/24, showing a slight increase of 1%. This increase was driven by improved demand in Q4, which resulted in higher marketing sales volumes (higher demand particularly in the travel and aviation sectors and the expansion of retail stations) despite a decrease in average oil prices compared to Q3/24. However, the utilization rate for crude intake was slightly lower from the previous quarter at 155 thousand barrels per day, or equivalent to 89% in Q4/24 due to a DHTU shutdown for catalyst change out, compared to 90% in Q3/24. As a result, refinery production volumes slightly decreased to 15.0 million barrels in Q4/24, compared to 16.0 million barrels in Q3/24.

The Company's total revenue for Q4/24 decreased by 6% YoY, primarily due to a decline in average oil prices and a reduction in refinery sales volumes in Q4/24 compared to Q4/23. However, there was partially offset by marketing sale volume improved in Q4/24.

Total Company revenue for 2024 slightly rose from 2023, mainly due to higher product sales volumes, which aligned with an increased refinery utilization rate, as well as improvements in marketing sales driven by increased market share and the expansion of retail stations.

Cost of Sale

The cost of sales in Q4/24 decreased by 3% QoQ. This decrease was primarily due to a decline in average crude prices in Q4/24, lower refinery sales volumes and reversal of inventory to net realizable value. Meanwhile, Q3/24 was impacted by the loss of inventory write-downs to net realizable value.

The cost of sales in Q4/24 decreased by 13% compared with Q4/23. This decrease was primarily due to lower crude price, lower transportation cost from SPM resumption and a reduction in net stock loss.

The cost of sales for 2024 remained relatively consistent with 2023. Both years recorded net stock losses due to significant declines in oil prices, particularly in 2023. Also, transportation cost was lower from SPM resumption. However, sales volumes increased in 2024 impacted to cost of sale remained consistent with the same period in the prior year.

Gain / (loss) on Foreign Exchange and Financial Derivatives

SPRC had a net foreign exchange gain of US$6 million in Q4/24, doubling the US$3 million gain from Q3/24. This increase was driven by the depreciation of the Thai Baht against the USD compared to the end of the previous quarter, resulting in a net decrease in liabilities denominated in Thai Baht due to Thai Baht borrowings and payables. However, this was partly offset by Baht receivables. Meanwhile, there was a net exchange loss (including derivatives) of US$5 million from Thai Baht appreciate in Q4/23.

In 2024, the overall value of the Thai Baht declined due to the strengthening of the US dollar. This resulted in an exchange gain of US$20 million on Baht borrowings and payables, compared to an exchange loss of US$25 million in 2023.

Administrative and Other Expenses

Administrative and other expenses increased to US$29 million in Q4/24 from US$23 million in Q3/24 mainly due to higher marketing expenses, service fee, and tax surcharge (which is reimbursable with our reseller and presented in other income). Meanwhile, administrative and other expenses in Q4/24 are approximately the same as in Q4/23.

Administrative and other expenses decreased to US$94 million in 2024 from US$103 million in 2023 mainly resulted by lower service fee.

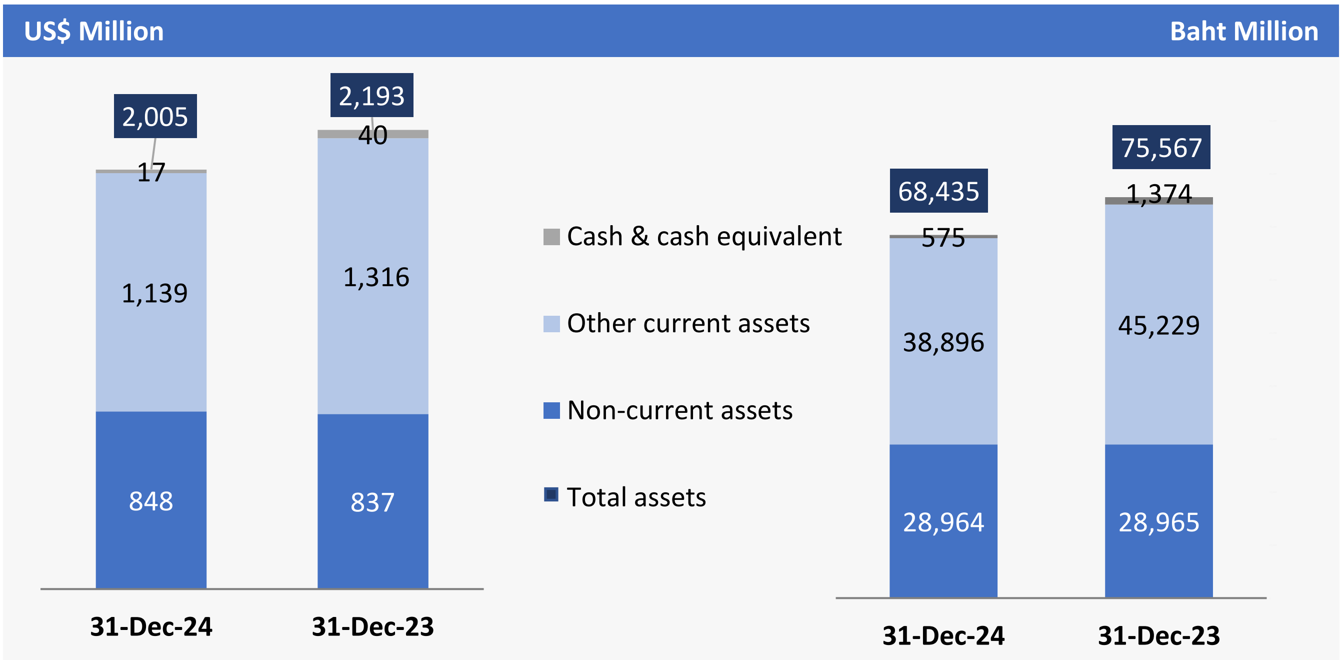
Net Profit

In Q4/24, SPRC and its subsidiaries reported a net profit of US$5 million (Baht 162 million), grew from Q3/24 and Q4/23 mainly from better market refinery margin and lower stock loss.

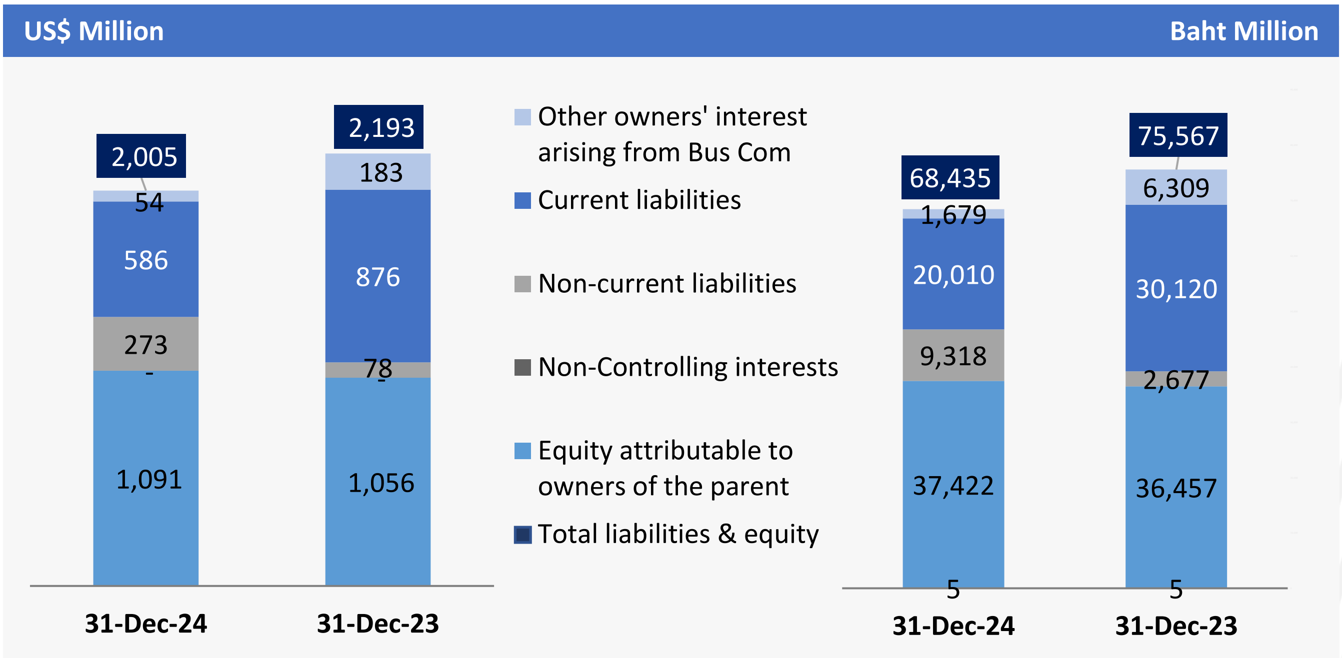
In 2024, SPRC and its subsidiaries reported a net profit of US$60 million (Baht 2,235 million), increased from 2023. This growth was primarily attributed to an enhanced gross refining margin, an SPM resumption, a higher crude intake and the integration benefit of its refinery and commercial business.

4.2 Analysis of Financial Position

Asset Breakdown



Liabilities & Equity



Assets

Total consolidated assets as of 31 December 2024 decreased by US$188 million (Baht 7,132 million) from 31 December 2023. The decrement was mainly from:

- A decrease in trade and other receivables of US$97 million (Baht 3,429 million), primarily due to a lower average selling price in December 2024, despite an increase in sales volume.
- A decrease in inventory of US$82 million (Baht 2,977 million), primarily due to both a lower average inventory cost and volume in December 2024, but partly offset by

- Non-current assets increased US$11 million (but decrease Baht 0.3 million from currency translation) mainly due to an increase in investment in associate US$47 million (Baht 1,616 million) related to investment in Thappline shares and other non current assets of US$28 million (Baht 956 million). However, this was partly offset by a decrease in property, plant, and equipment of US$49 million (Baht 1,843 million) due to depreciation expenses over 2024 and a reduction in prepaid income tax of US$18 million (Baht 790 million).

Liabilities

Total consolidated liabilities as of 31 December 2024 decreased by US$95 million (Baht 3,468 million) from 31 December 2023. The decrement was mainly from:

- Net balance in S-T and L-T borrowing decreased US$141 million (Baht 4,891 million) led by working capital movement and cash generated in 2024 but partly offset by an increase in trade and other account payables of US$34 million (Baht 1,058 million) mainly from crude purchases volume increased compared to December 2023.

Shareholders' Equity

Consolidated shareholders' equity as of 31 December 2024 decreased by US$94 million (Baht 3,664 million) from 31 December 2023 mainly driven by

- The surplus from business combination under common control decreased US$129 million (Baht 4,630 million).
- The net profit in 2024 of US$61 million (Baht 2,294 million) and offset with dividend payment of US$31 million (Baht 1,084 million) in September 2024.

4.3 Statement of Cash Flow

	US$ Million		Baht Million	
	2024	2023	2024	2023
Net cash generated from operating activities	360	214	12,897	7,509
Net cash (used in) investing activities	(199)	(33)	(7,036)	(1,161)
Net cash generated from (used in) financing activities	(182)	(149)	(6,607)	(5,214)
Net increase (decrease) in cash and cash equivalents	**(22)**	**32**	**(747)**	**1,134**
Cash and cash equivalents at the beginning of the period	**40**	**12**	**1,374**	**421**
Adjustments from foreign exchange translation	(2)	(4)	(52)	(181)
Cash and cash equivalents at the end of the period	**17**	**40**	**575**	**1,374**

SPRC cash and cash equivalents were US$17 million at the end of December 2024, compared with US$40 million at the end of December 2023.

Details of cash flow activities in 2024 are as follows:

Cashflow activities	Details
Net cash generated from operating activities US$360 million (Baht 12,897 million)	• 2024 net profit before tax of US$76 million (Baht 2,822 million), supported from strong refining margin during the year, • Cash generated from operating assets was US$187 million (Baht 6,612 million), mainly due to a decrease in inventory of US$131 million (Baht 4,652 million) as both inventory volume and value decreased, and a decrease in trade and other receivables of US$92 million (Baht 3,244 million) due to a lower average selling price in December 2024 compared to December 2023.
Net cash used in investing activities was US$199 million (Baht 7,036 million)	• The new acquisition of Fuel business Investment including SFL, and a subsidiary of SPRC purchased the land being operated in the petroleum product distribution. The total amount paid was US Dollar 125 million (Baht 4,482 million). • Investment of associate which referred to acquiring the Thappline shares at US$45 million (Baht 1,541 million).
Net cash used from financing activities was US$182 million (Baht 6,607 million)	• From decreased in short-term borrowing of US$344 million (Baht 12,183 million) partly replacing by drawdown new Long term borrowing of US$203 million (Baht 7,000 million) to support the Fuel business acquisition.

4.4 Financial Ratios

		Q4/24	Q3/24	Q4/23	2024	2023
Gross Profit Margin	(%)	1.6	(3.2)	(5.9)	1.7	1.2
Net Profit Margin	(%)	0.2	(3.5)	(6.2)	0.8	(0.3)
Interest Coverage ratio	(Time)	3.7	(26.5)	(41.1)	7.3	(1.0)

Note:

Gross Profit Margin	= Gross Profit (Loss) / Sales Revenue	(%)
Net Profit Margin	= Quarter (Net Profit (Loss) / Total Revenue)	(%)
Interest Coverage ratio (Accrual basis)	= Earnings before interest and taxes (EBIT) / interest expenses	(Time)

5. Market Outlook

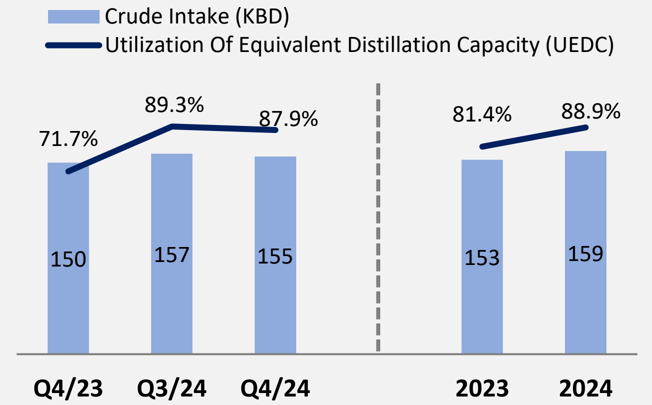
The outlook for Asian total liquids demand is estimated to grow by 584,000 b/d year over year in 2024, driven by strong transportation demand and positive economic momentum in most Asian markets, which is expected to rise to 845,000 b/d in 2025, led by mainland China and India. In 2024, Asia's average crude runs are set to decline to 30.3 million b/d down by 540,000 b/d year over year, with mainland China accounting for 75% of this overall decrease, while India is projected to provide a modest support of 55,000 b/d. However, Asia's refinery runs are expected to rise by 677,000 b/d in 2025, with mainland China and Southeast Asia contributing nearly 75% to the regional as forecasting a rebound of mainland China, driven by a lower baseline and higher expected demand. Thus, FCCU margins are forecast to soften which is less favorable than Hydrocracking unit (HCU) configuration owing to the seasonal increase in middle distillate demand and festive travels in near term.

The Near-term outlook for refined products

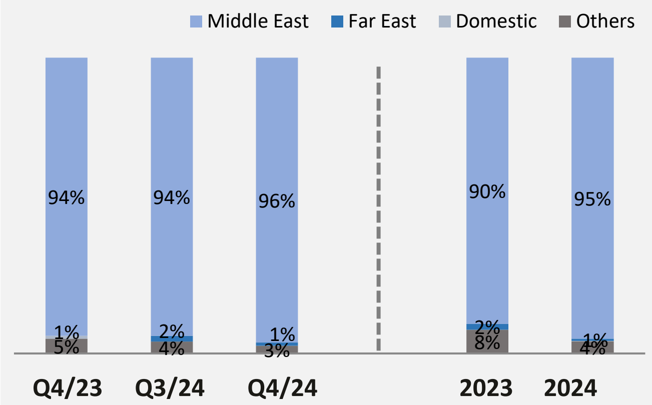
- **Naphtha crack** is forecasted to firm in Q1/25 owing to restocking activity amid weak market fundamental, higher LPG price due to needed butane for mogas blending (winter grade) & winter heating demand, and continue Ukrainian drone attacks on Russian refineries, support Naphtha cracks. However, subdued petrochemical demand will keep a lid on the crack.
- **Gasoline crack** is expected to support in Q1/25 as curtailed China export and more domestic demand due to the travel activities amid the Lunar New Year. Moreover, summer driving season in Oceania will support the cracks. Also delay or later than expected for commercial production from the RFCC unit in the Dangote refinery will relax more supply in the market.
- **Jet/kerosene cracks** are expected to strengthen in Q1/25 supported by winter heating oil demand (Colder-than-typical temperatures in Japan, US and Europe) and festive travel over the Lunar New Year and summer travel in Oceania will boost up the demand. Moreover, China's export volume is expected to remain muted amid higher domestic demand and the reduction of the export tax rebate, supporting the cracks.
- **Gasoil crack spreads** are expected to improve in Q1/25, supported by winter heating oil requirements in Europe and the US. Expected lower China export due to higher domestic demand during the Lunar New Year, will keep market tight. Moreover, intensifying conflict between Russia and Ukraine will add more risk premium to diesel despite the startup of new refining capacities.
- **Fuel oil cracks spreads** are expected to decline in Q1/25, due to lower bunker demand amid tight supply in the market as per defer easing of production cut from OPEC+, limiting the supply of medium, heavy crudes into the market. Additionally, lower refining margins are likely to curtail fuel oil production further.

6. Appendix

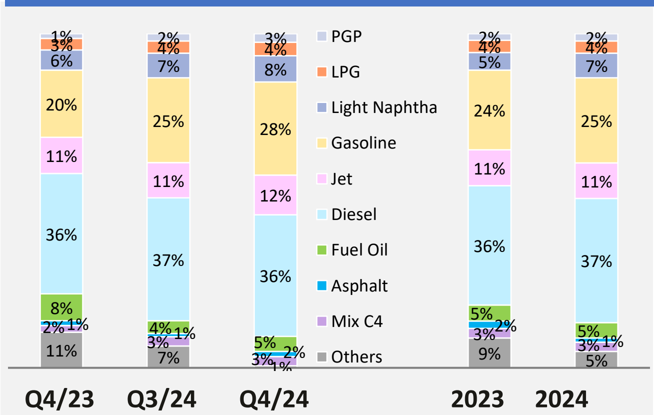
Crude intake



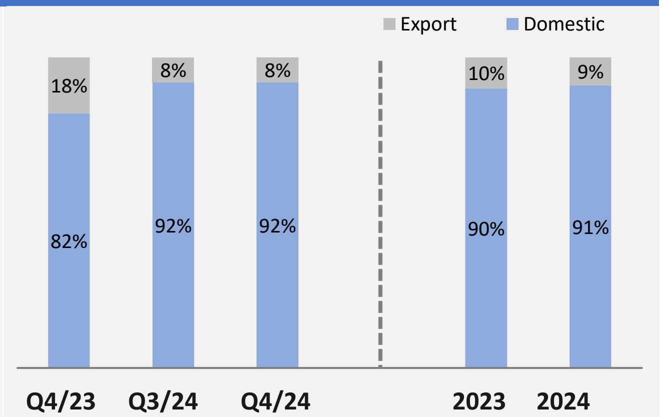
Crude Sources



Production Volumes



Domestic / Export Sales



Remarks: % of products sales only

Revision: 2024 Refinery production volume

The table below represents the correction of 2024 Refinery production volume only for Light Naphtha product, which has been retroactively revised since Jan 2024, impacting total production figures as follows

Petroleum products (Thousand barrels)	Q4/24	Q3/24	Q2/24	Q1/24	2024
Polymer Grade Propylene	391	356	277	347	1,371
Liquefied Petroleum Gas	592	572	547	604	2,315
Light Naphtha	1,190	1,182	1,146	1,158	4,676
Gasoline	4,182	4,057	3,849	4,046	16,134
Jet Fuel	1,784	1,680	1,535	1,744	6,743
Diesel	5,459	5,871	5,926	6,234	23,491
Fuel Oil	680	606	766	879	2,931
Asphalt	232	151	198	239	820
Mix C4	410	439	385	516	1,750
Other (1)	96	1,050	935	1,005	3,087
Total production	**15,015**	**15,965**	**15,565**	**16,773**	**63,318**

Remark: (1) Includes sulfur and reformate and products sold pursuant to our cracker feed exchange.