



BANGCHAK CORPORATION PCL.

ANALYST MEETING

Q3/2021

November 19, 2021



Awards & Recognitions

2021 SET Awards:

- ❖ *Business Excellence - Innovation Company Awards*
- ❖ *Sustainability Excellence*



BCP in Thailand Sustainability Investment (THSI) index

for the 7th consecutive years  Sustainable Capital Market Development



Excellence award in Low Carbon and Sustainable Business Index (LCSi)



2021 Global Brand Award

- ❖ *Best in Corporate Governance & Sustainability Performance*
- ❖ *Excellence in Sustainable Greenovation*



2021 Most Innovative Knowledge Enterprise Award (Silver)



2021 UN Women Thailand WEPs Awards: *1st Runner Up in the Gender Inclusive and Workplace*



Key Activities

- **Intergeneration destination:** official sponsor of PSG esports team to reach out to Gen Z and Millennial prospect customers
- **"B nature+"** BBGI's B2C products: Asta-Immu & alcohol sanitizer
- **Winnonie 24-hr self-serve battery swapping station**



- **Local agricultural support projects** with Department of Internal Trade



- **COVID-19 and flood relief projects**



- The 3rd consecutive year **"Dust Reducing Fuel"**, same price low-Sulphur Euro 5 Diesel 15/11/2021 – 28/2/2022

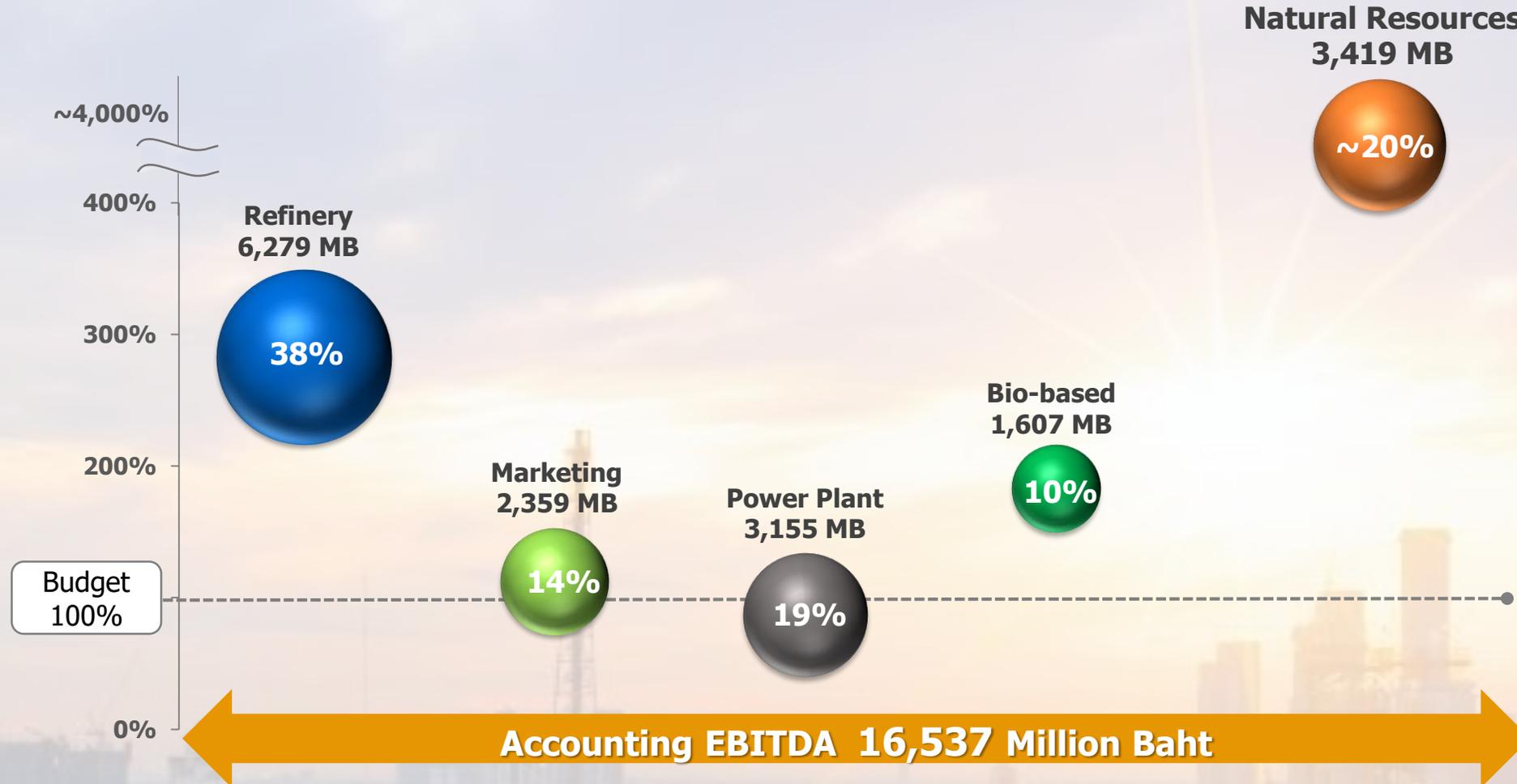


- **BCPG investment in VRB Energy**, utility-scale energy storage business
- **BBGI filling** in September 2021

- **OKEA ASA consolidation** since 1 July 2021
- **BCPG 12,000 MB Green bond issuance** in September 2021 with nearly 3x oversubscribed
- **BCP 7,000 MB bond issuance** in November 2021 with more than 3x oversubscribed



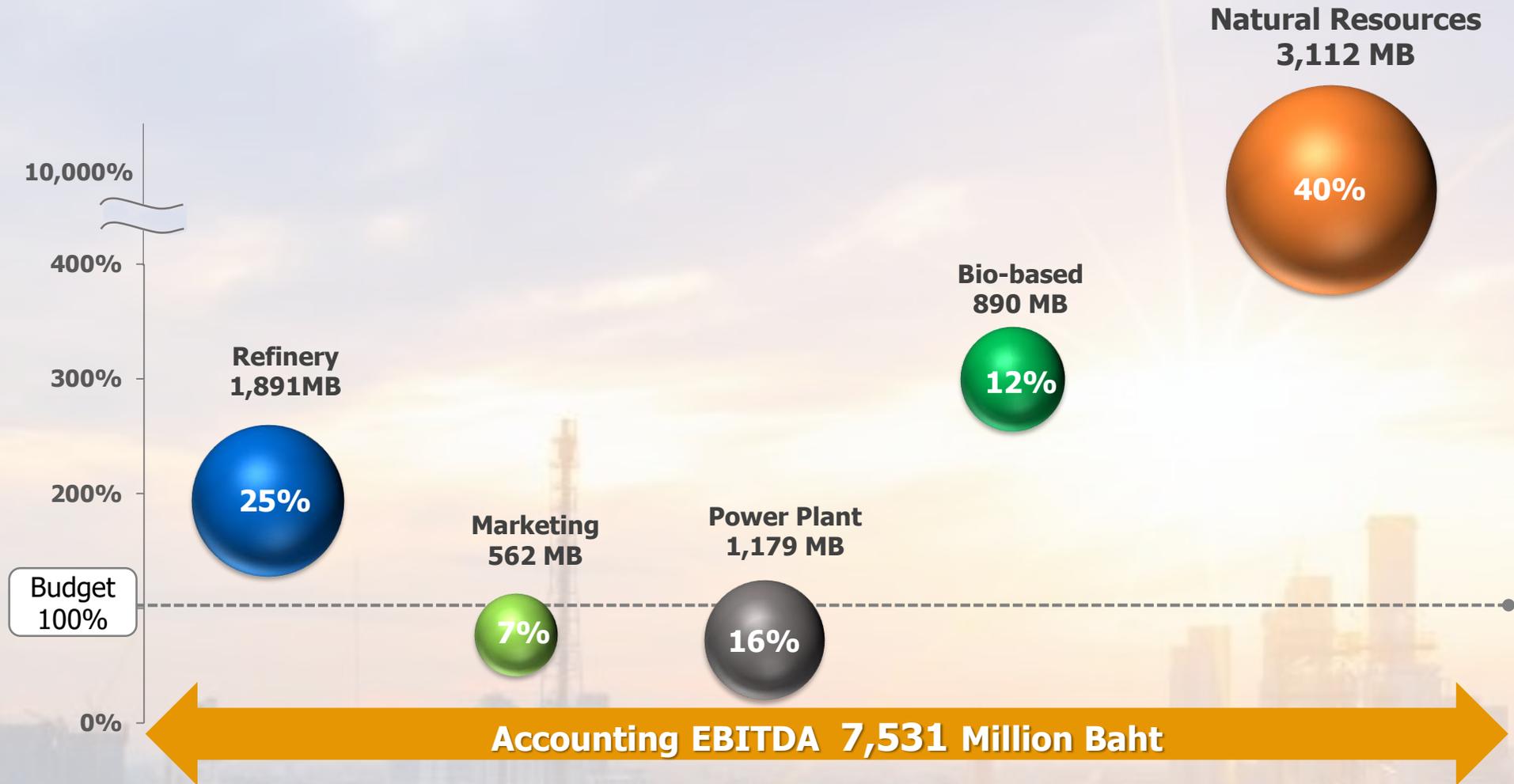
9M/2021 Performance Contribution from Each Business Unit



Unit: MB	9M/2020	9M/2021
EBITDA	1,355	16,537

	9M/2020	9M/2021
EPS (THB/Share)	(5.59)	4.05
PAT (attributable to owners of parent)	(7,219)	5,868

Q3/2021 EBITDA Contribution by Business Group



Unit: MB	Q2/2021	Q3/2021
EBITDA	4,269	7,531

	Q2/2021	Q3/2021
EPS (THB/Share)	1.21	1.25
PAT (attributable to owners of parent)	1,765	1,820

Q3/2021 Performance Key Takeaways

Natural Resources

- **OKEA was consolidated** for the first quarter
- OKEA core performance improved continuously from production, sales volume including the surge in oil and gas price
- **Recorded profit from divestment BCPE/NIDO of 122 MB**

Power Plant

- **Electricity sales + 56% QoQ**, mostly attributed the high season of 114 MW hydropower plant in Laos
- **Share of profit of 150 MB**
- **24 MUSD investment in VRB Energy**, utility-scale energy storage business

Refinery & Trading

- **Crude run 111.4 KBD** (93% run rate). **Shifting focus toward becoming a niche product refinery**
- **Operating GRM 3.07 \$/BBL** - soften from the rising cost in crude premium
- **Inventory gain (Net NRV) of 1,261 MB**
- Recorded an extra income received from the **delayed construction penalty of 433 MB**

Marketing

- Overall performance was pressured by the Covid-19 and high oil & B100 price
- **MKM 0.73 Baht/Litre**
- **Total sales volume 351 ML/Mo**

Bio-Based Products

- Operational performance of both B100 and Ethanol businesses dropped, mainly by the decrease in transportation fuel demand during the lockdown
- **One time item from UBE's IPO 616 MB**



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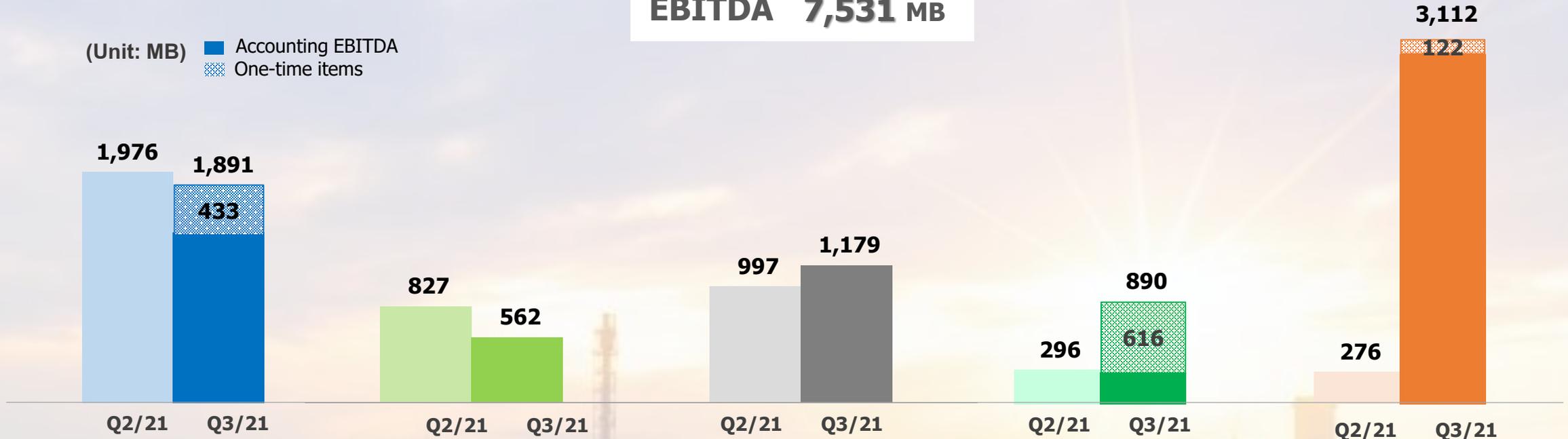
03 Business Update and Going Forward



BCP Group EBITDA by Business Unit

EBITDA 7,531 MB

(Unit: MB) ■ Accounting EBITDA
 ■ One-time items



Refinery & Trading

- Crude run 111.4 KBD (93% run rate) increased 4% QoQ from 107.0 KBD (89% run rate)
- Operating GRM 3.07 \$/BBL - slightly soften from the rising cost in crude premium
- Inventory gain (Net NRV) of 1,261 MB
- Recorded an extra income received from the delayed construction penalty of 433 MB



Marketing

- Total sales volume was pressured by the 3rd wave of Covid-19 as well as the domestic lockdown measure
- MKM 0.73 Bath/Litre soften from 0.88 Bath/Litre in Q2/2021, due to the sudden rise in finished product and B100 price throughout the quarter



Power Plant

- Electricity sales significantly improved, mostly attributed the high season of hydropower in Laos (+106%)
- Share of profit of 150 MB



Bio-Based Products

- Operational performance was pressured by the Covid-19. B100 and Ethanol sales volume decreased 15% and 10% respectively.
- Overall EBITDA increased due to an extraordinary item from UBE's IPO 616 MB



Natural Resources

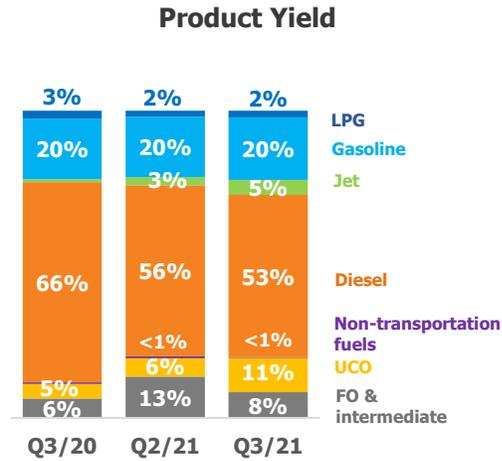
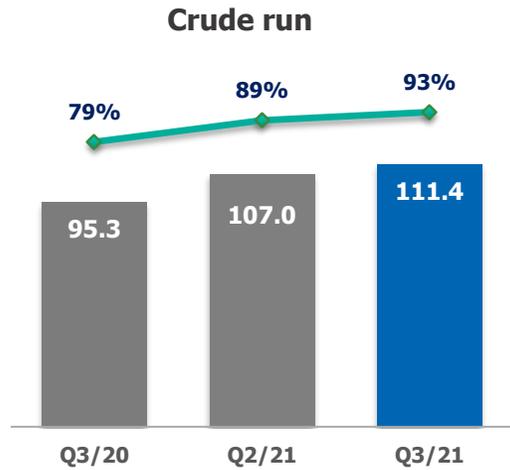
- EBITDA shifted significantly from the recognition of OKEA ASA consolidation,
- OKEA performance continues to improve, sales volume increased, oil and gas price continued to strengthen as the global vaccination rate rise, and optimism toward global economic recovery
- Profit from divestment BCPE/NIDO of 122 MB



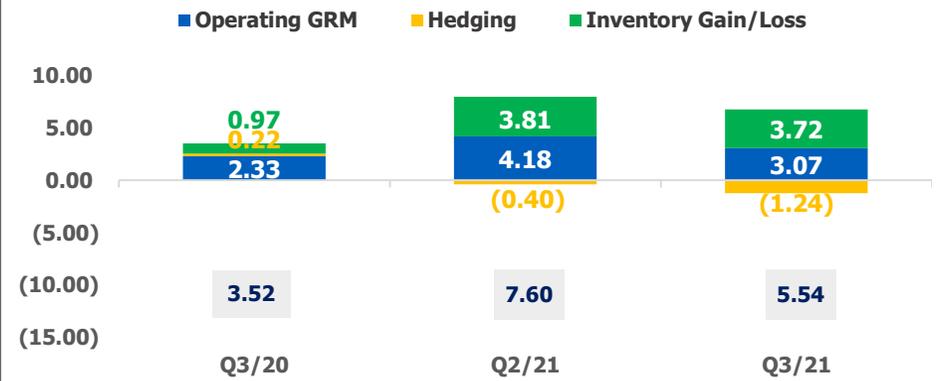


Refinery and Trading Business: Q3/2021 EBITDA 1,891 MB

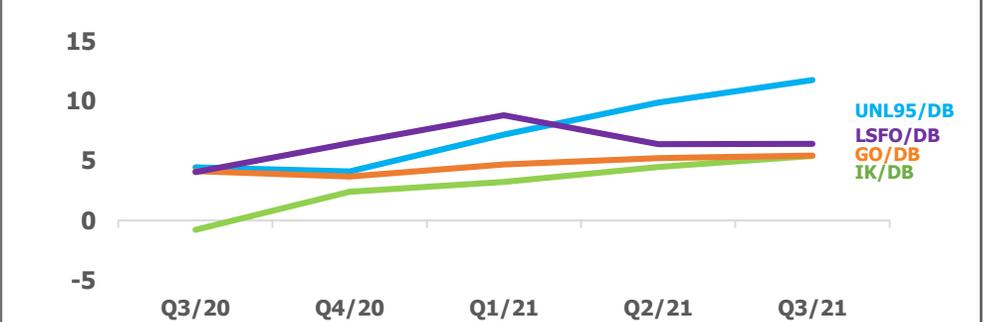
Production Profile



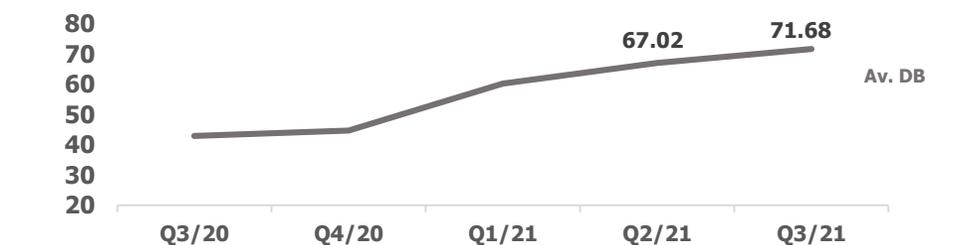
GRM Performance (\$/BBL)



Crack Spreads (\$/BBL)



Av. Oil Price (\$/BBL)

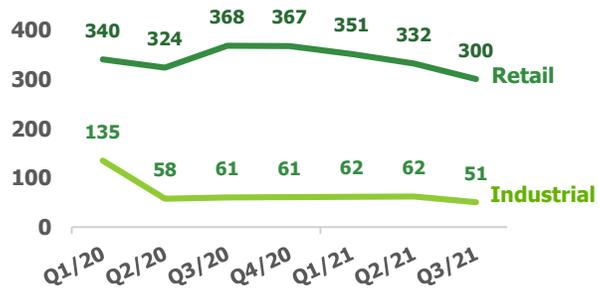


- As the company transitioned towards **becoming a niche product refinery** as well as the increased in UCO production, **allowing utilization rate to remain at a high level**
- **Operating GRM in this quarter was soften** mainly due to the rising in crude premium despite better Gasoline, Jet and Diesel crack spread
- **Inventory gains of 1,261 MB (Net NRV)**, slightly increased due to the rise in crude oil price in coupled with the Thai bath/USD depreciated

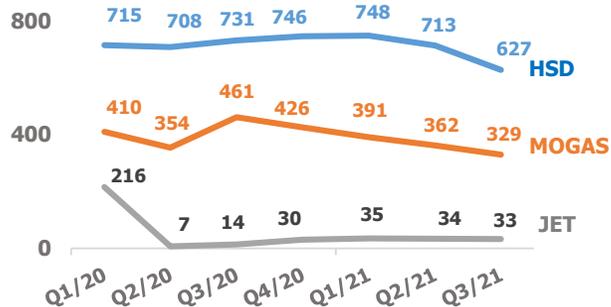


Marketing Business: Q3/2021 EBITDA 562 MB

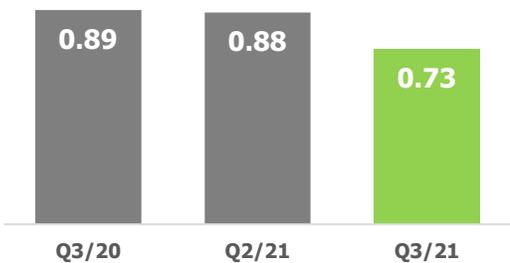
Total Sales Volume (ML/Mo)



Sale Volume by Product (ML)

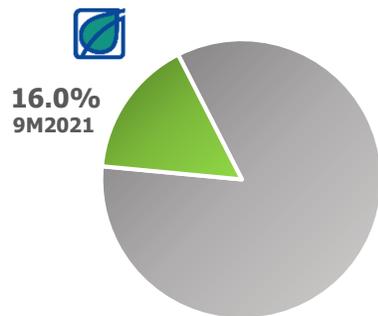


Net Marketing Margin (Baht/Litre)



*Net Marketing Margin of Bangchak only (excluding Inventory Gain/(Loss) and NRV)

Retail Oil Market Share (%)



9M2020: 15.6%

Source: DOEB & BCP

Fuel consumption was under the pressure of Covid-19 lockdown measures

- Total sales volume lowered by 11% QoQ
 - Retail sales -10%
 - Industrial sales -18%
- Net marketing margin per unit declined 17% QoQ from finished product price increased volatilyly as well as B100 product price surged throughout the quarter



BCP SERVICE STATIONS

as of Sep 2021

1,253 sites

- Standard → 642 sites
- COOP → 611 sites

Supporting non-oil businesses

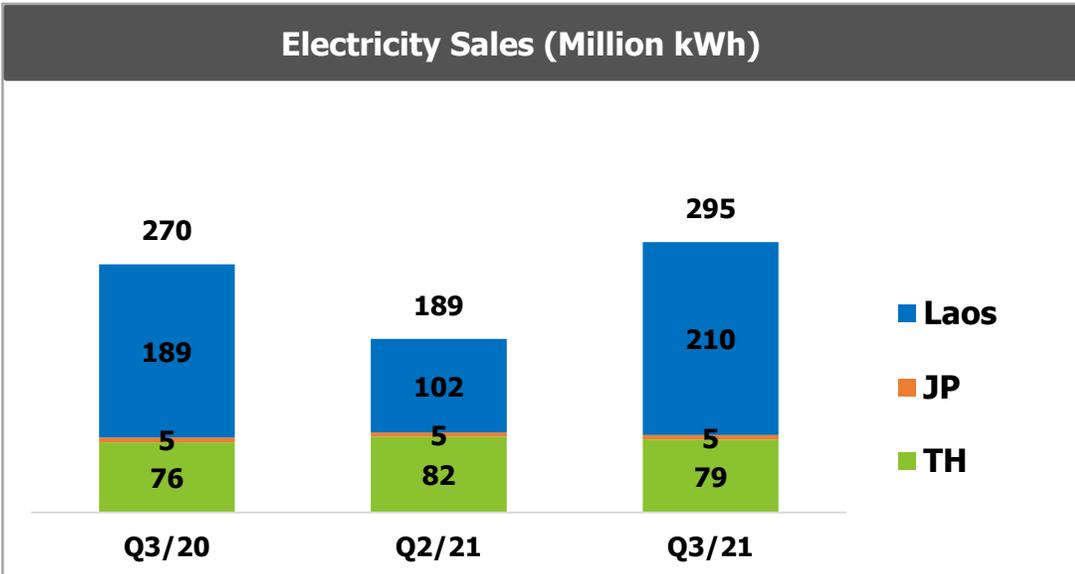


~190 Stores





Power Plant Business: Q3/2021 EBITDA 1,179 MB

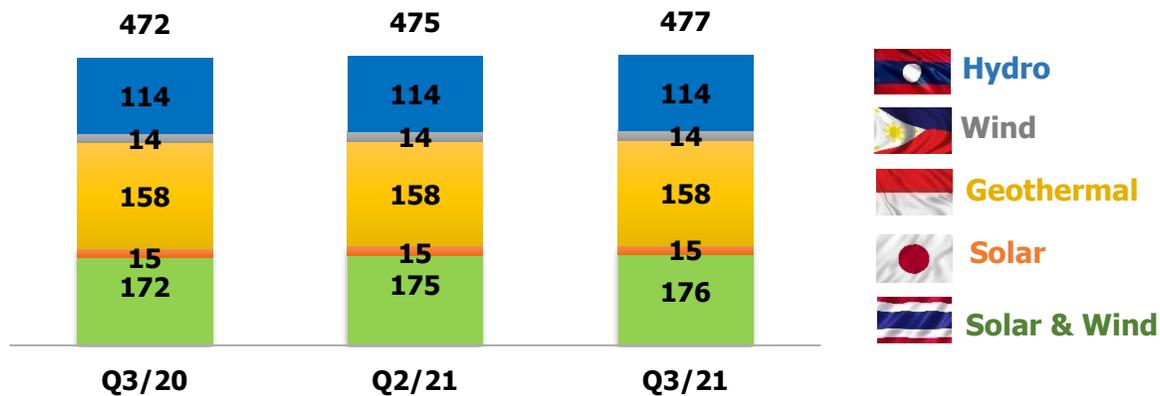


Core profit from operation significantly improved mainly from high season of hydropower in Laos

Electricity sales +56% QoQ

- **Laos hydropower sales +106%** from the increase in the amount of rainfall as entering its peak season
- **Japan solar power sales +11%** attributed to lower curtailment days compared to last quarter
- Thai solar power sales -6% caused by less favorable weather conditions
- Thai wind power sales +62% attributed to seasonal factors

Operating Capacity (MW PPA)



Share of profit 150 MB, -4% QoQ

- Geothermal power plant 156 MB: slightly increase in electricity generation and lower finance cost
- Wind power plant of -5 MB: lower as there was a tariff adjustment in previous quarter





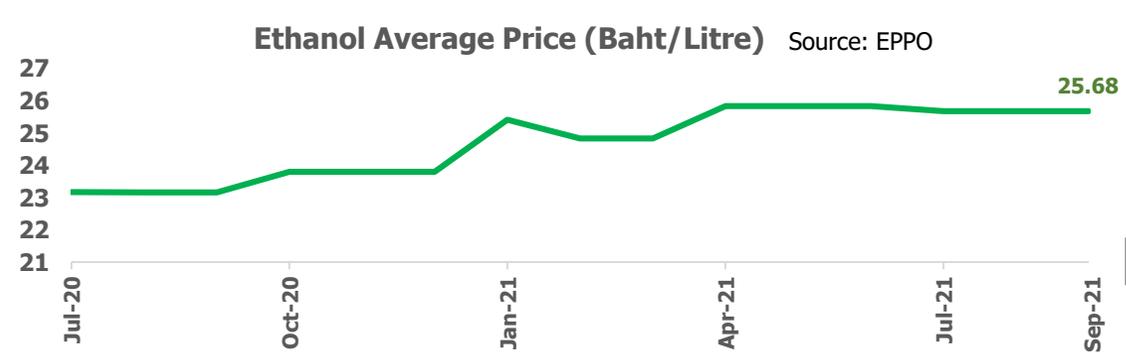
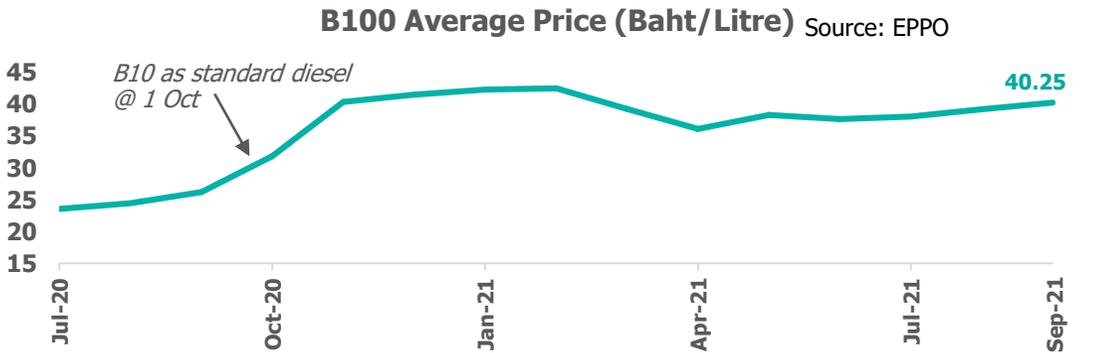
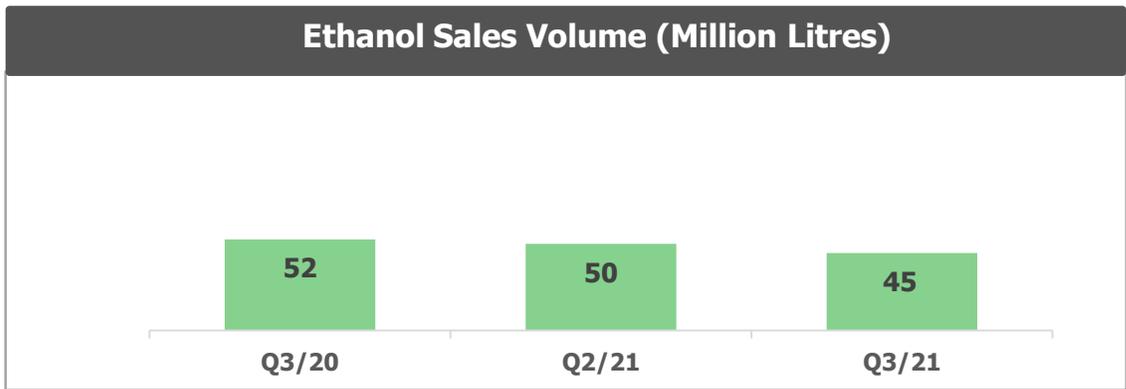
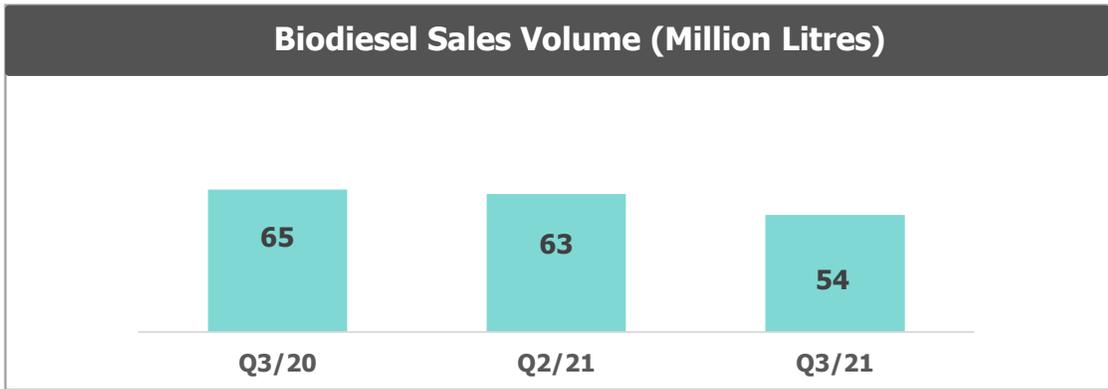
Bio-based Product Business: Q3/2021 EBITDA 890 MB



Operational performance was softened as a result of major domestic lockdown, putting pressure on overall biofuel demand ,but EBITDA improved due to an extraordinary item of 616 MB from UBE’s IPO

○ Even the revenue declined 12% QoQ, as the sales volume was pressured, **gross profit was supported to remain at the same level from cost management and refined glycerin income**

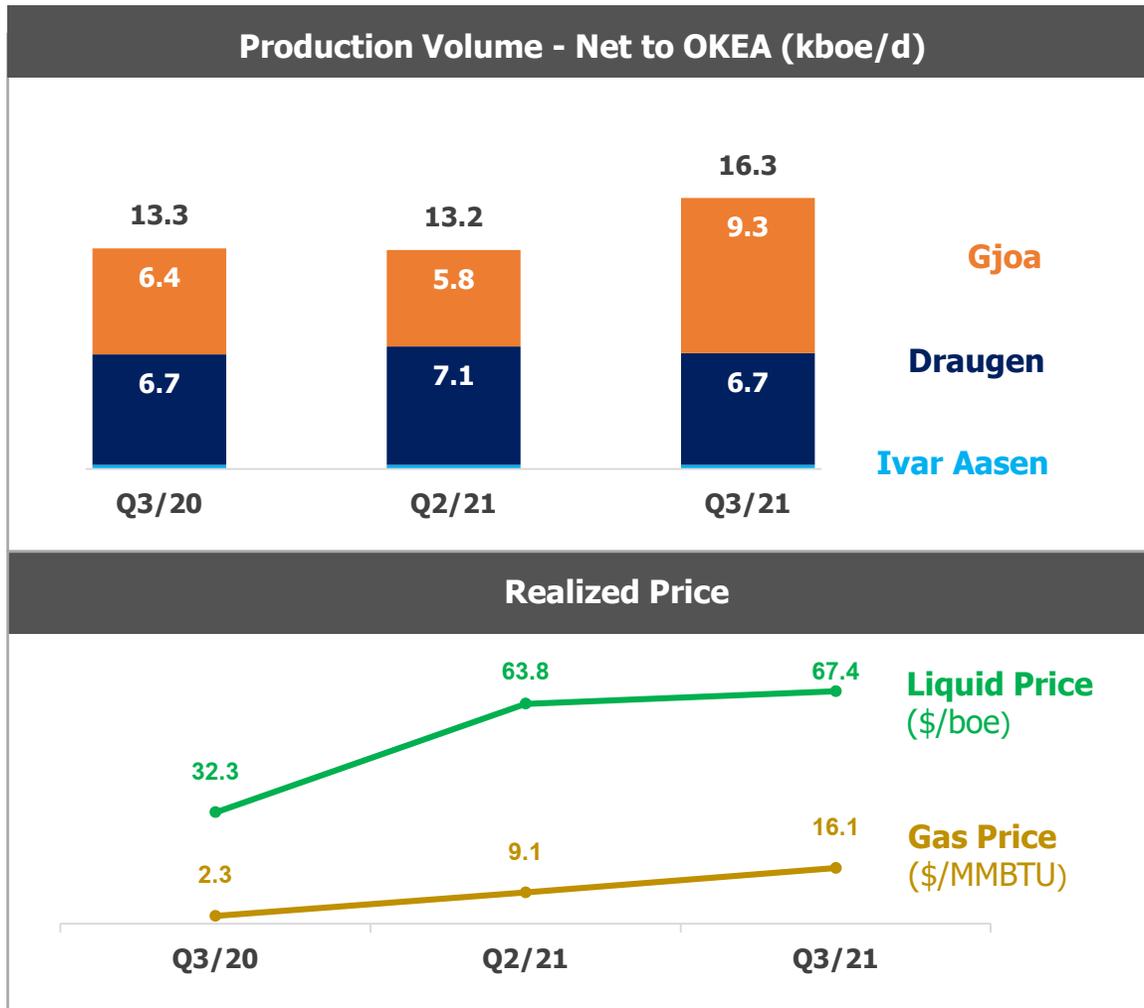
○ **Revenue and Gross profit dropped 9% and 48% QoQ**, sales volume decreased as the slowdown in ethanol demand for fuel consumption due to the domestic outbreak and lockdown policy





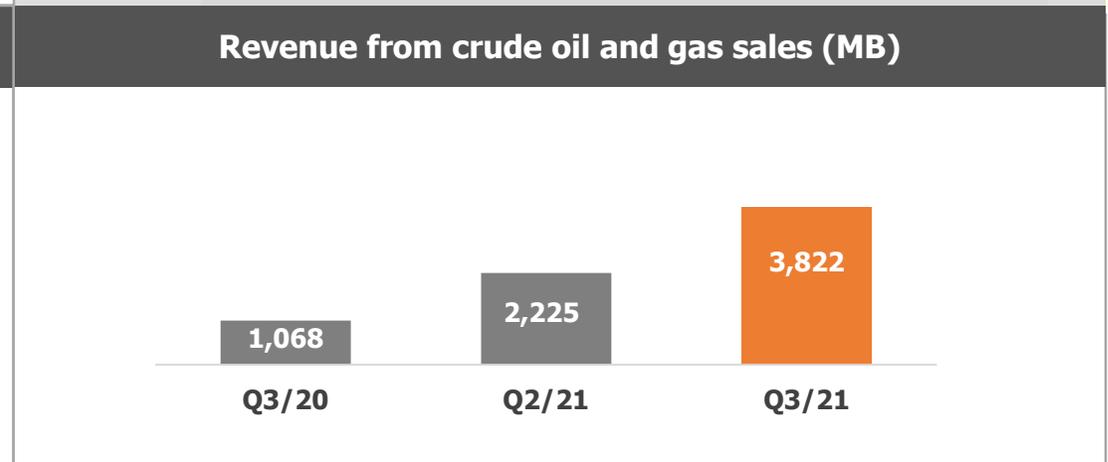
Natural Resources Business: Q3/2021 EBITDA 3,112 MB

EBITDA shifted from the recognition of OKEA ASA consolidation, and profit from divestment BCPE 122 MB



OKEA continues to deliver solid operational results, mainly driven by higher oil and gas price as the global oil demand getting close back to pre Covid-19 level

- Net production was increased to 16.3 Kboe/d +24% QoQ, thanks to the production reliability, and production recovery from Gjoa 31-day planned shutdown in previous quarter
- Higher sales volume +30% QoQ, in coupled with oil and gas price have continued their positive momentum resulted in significantly increased in revenue



Source: OKEA



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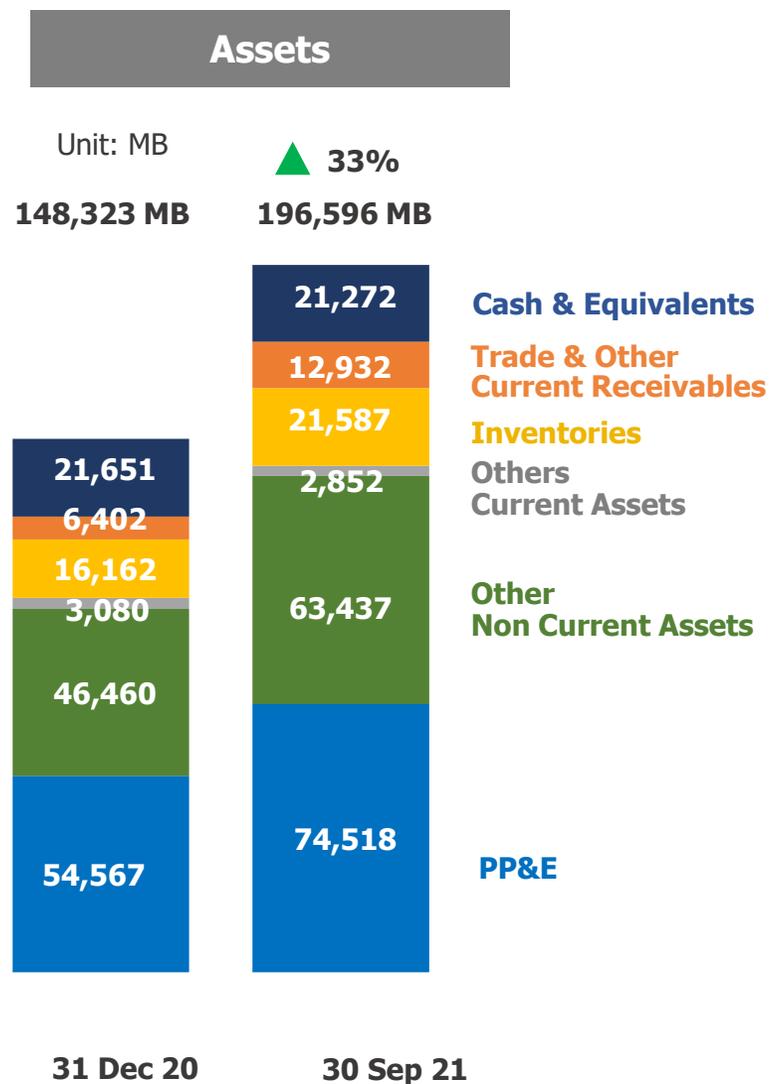


Q3/2021 Consolidated Statement of Income

Statement of Income (Unit:MB)	Q2/2021	Q3/2021		QoQ
		BCP Group	OKEA	
Revenue	43,775	47,649		9%
Cost of goods sold	(40,032)	(41,613)		4%
Gross Profit	3,744	6,036	2,528	61%
Other incomes	132	777	179	487%
Selling and administrative expenses	(1,628)	(1,785)		10%
Loss from derivatives	(202)	(777)	(143)	N/A
Gain on foreign exchange	181	103		N/A
Gain on fair value of investment	43	575		N/A
Gain on disposal of investment	0	122		N/A
Reversal (Loss) from impairment of assets	13	(13)		N/A
Profit from operating activities	2,283	5,037		121%
Finance costs	(518)	(748)		44%
Impairment gain(loss) (TFRS9)	(8)	0.3		N/A
Share of profit of associate and JV	512	177		N/A
Profit before income tax expense	2,269	4,466		97%
Tax expense	(195)	(1,904)	(1,613)	N/A
Profit for the period	2,074	2,562	365	24%
Owners of parent	1,765	1,820		3%
Non-controlling interests	309	742		
Earnings per share (Baht per Share)	1.21	1.25		

- ❖ **Gross profit increased 61% QoQ** mostly attributed to OKEA, driven by higher oil and gas price and sales volume
- ❖ **Other incomes increased** mainly from extra income received from delayed construction penalty of 433 MB
- ❖ **Loss on derivative increased** largely from BCP's oil hedging loss
- ❖ **Gain on fair value of investment** mostly from BBGI profit from UBE's IPO
- ❖ **Gain on disposal of investment** from divestment of BCPE (NIDO)
- ❖ **Share of Profit decreased** because the absence of OKEA's contribution
- ❖ **Tax Expenses increased** mainly from OKEA's tax

Consolidated Statement of Financial Position



Items	Change	Main factors	
		From BCP Group ex. OKEA	From OKEA
Trade & Other Current Receivables	+102%	+3,783 MB <ul style="list-style-type: none"> BCP's higher sales volume and average selling price of finished products BCPG's EDL receivable 	+2,747 MB
Inventories	+34%	+4,550 MB <ul style="list-style-type: none"> Increase in cost of oil inventory per unit 	
Others Non Current Assets	+37%	+5,584 MB <ul style="list-style-type: none"> Investments in associate and joint ventures +2,343 MB The change of investment status in UBE & BCPG investment in VRB's convertible bond +2,275 MB 	+11,393 MB <ul style="list-style-type: none"> Indemnification assets, Receivable of Draugen & Gjoa decommissioning cost from the seller
PP&E	+37%	+1,971 MB <ul style="list-style-type: none"> BCP's TAM, 3E +2,854 MB BCPG's solar projects +1,783 MB BBGI's expansion & steam generator plant projects +463 MB Depreciation 3,286 MB 	+17,980 MB <ul style="list-style-type: none"> Oil & gas properties

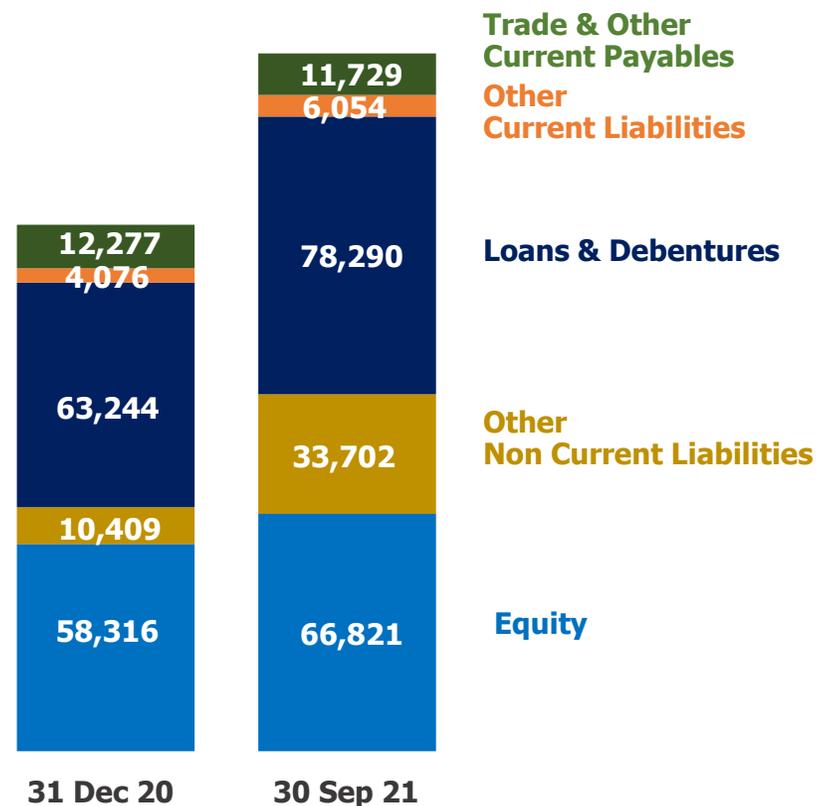
Consolidated Statement of Financial Position

Liabilities & Equities

Unit: MB

148,323 MB

196,596 MB



Unit: MB	31 Dec 20	30 Sep 21	Change
Total Liabilities	90,006	129,775	▲ 44%
Total Equity	58,316	66,821	▲ 15%

Items	Change	Main factors	
		From BCP Group ex. OKEA	From OKEA
Loan & Debentures	+24%	+5,900 MB <ul style="list-style-type: none"> Short-term loan +3,828 MB mostly from BCP's portion Long-term loans and debentures (incl. current portion) +~2,000 MB 	+9,145 MB <ul style="list-style-type: none"> Bonds
Other NCL	+224%		+23,445 MB <ul style="list-style-type: none"> Decommissioning cost 16,349 MB DTL 6,480 MB
Equity	+15%	+8,505 MB <ul style="list-style-type: none"> Net profit of 7,278 MB Exchange differences on translating financial statements by 2,374 MB Dividend payment 2,407 MB 	

Consolidated Statement of Cash Flow

As of Jan 21

Beginning Cash
21,651 MB

Cash from OKEA Consolidation
5,011 MB (at 1 July)

Cash movement
(5,503) MB

Effect of exchange rate changes
112 MB

Ending Cash
21,272 MB

As of Sep 21

Unit: MB

Sources of Cash
22,895

Uses of Cash
(28,398)

Interest & Dividend & Others
CFO

802
3,248

ST & LT loans

5,545

Debenture

13,300

Investments & Loan to Related co.
(1,587)

Dividend & Others
Right of Use
(2,805)

(5,925)

PP&E

(16,791)

Debt Service

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Refinery Business Update

9M/2021 Q4/2021E 2021E 2022E

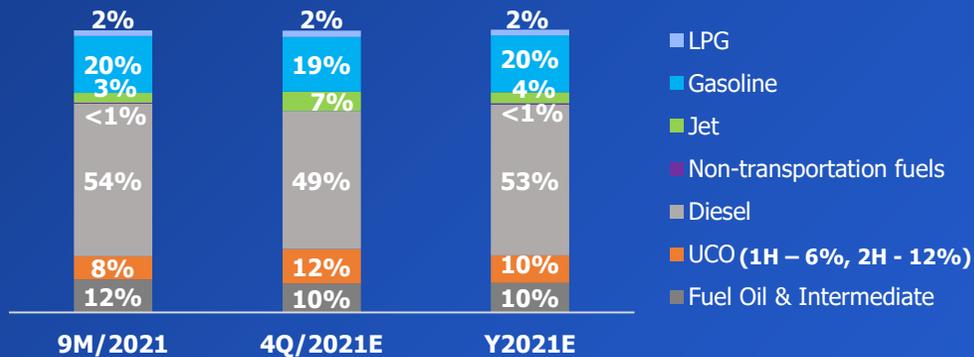
Crude run: KBD

94.6 110 95-100 120

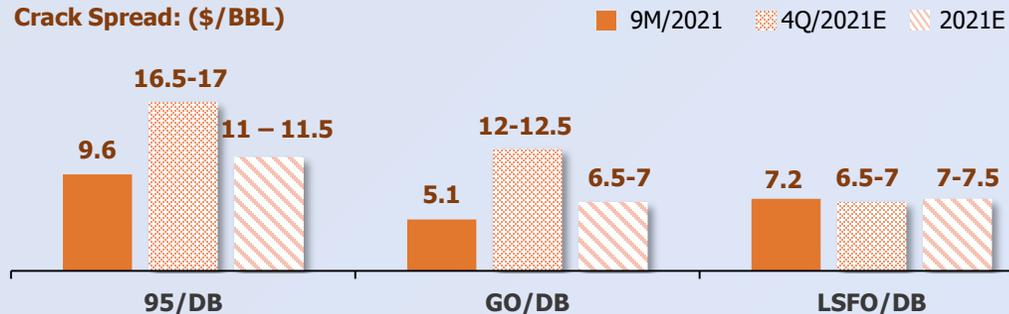
DB: \$/BBL

66.4 80-85 65-70 75-80

Customized Products:



Crack Spread: (\$/BBL)



FAST+



Work Process Improvement



Yield Improvement

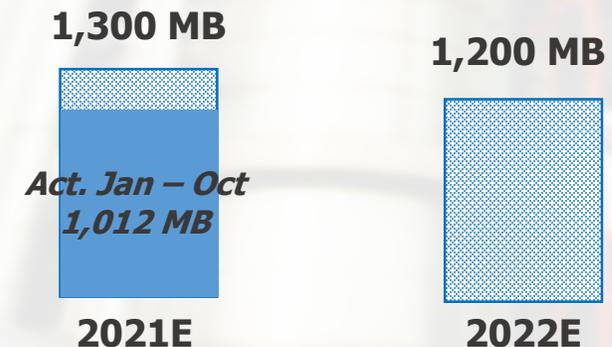


Logistic Improvement



Energy Efficiency Improvement

Estimate benefit:



Greenovative Destination

1,253

Service stations as of Sep 2021

Standard Type 642 sites

COOP Type 611 sites

Unique Design Service Stations



41/61 Stations in 2021



Network Expansion

No. of stations

1,233
Y2020

~1,300
in 2021

+100
(Gross)
in 2022

Focus on: Standard type and JV type

Strengthen modern channel to satisfy customers need and diverse lifestyles

Digital Experience

- QR and Digital payment for Petrol Products, Good & Services

Within 500 stations → + 100 more in 2021

- Transfer points



- Exchange points



COMING SOON

Collaboration Platform & Digital card Society

E-coupon & Digital Card



KTB X BANGCHAK



EV Chargers in 40/109 Bangchak Stations Target in 2021



56 stations

Ready-to-use now in 40 sites



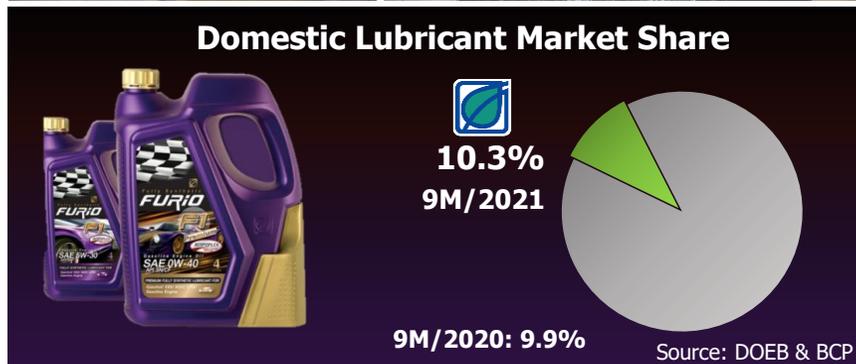
MG SUPER CHARGE
50 stations

SHARGE
3 stations

Becoming More Engaging with Intergeneration

739 * Inthanin stores as of Sep 2021

492 sites in S/S 247 sites out S/S



Variety of non-oil businesses, both food and non-food that enable convenience for multi-generation customers

Food Trucks 5/15 stations in 2021

- Partners with well known brand, enable convenience for multi-generation customers
- Grab & GO with Street Food and Truck



มาจาก **Food Truck**

มีมาจาก ศรีนครินทร์

สถานีเต็มอิ่ม

19 พ.ย. - 31 ธ.ค. 64

ได้เวลาสังสรรค์

อิ่มอร่อยกับอาหาร และ
ชิงสุกสุ่มานกับ SURFSKATE
ในบรรยากาศดี ๆ ถนนริFOLK SONG

ทุกศุกร์ เสาร์ อาทิตย์
15:00 น. - 21:00 น.

เติมความอร่อยให้คุณอื่น โดย

ส่วนลด 20 บาท

Business Updates



- ✓ **Japan solar projects (65 MW)**
 - **Chiba 1 20 MW has COD on 1 Nov 2021**
 - **Yabuki 20 MW and Komagane 25 MW COD planned in Q1/2022**
- ✓ **Solar rooftop project at Chiangmai University has COD phase 1 7.7 MW on 1 Nov 2021**
 - **Phase 2 4.3 MW in 2022**
- ✓ **Commencement of 170 MW solar farm development in Taiwan**
 - **Aim to achieve 1-2GW in near future**



- ✓ **BBGI's "B Nature +" wellness products:**
 - **Asta-Immu (launched)**
 - **More than 10 products to be launched in Q4/2021 to 2022, including Astra-VIS, etc.**
 - **B2C via FB, Line and upcoming channels, e.g., online marketplaces, chain drug store, and supermarket**
- ✓ **Win Ingredients Co., Ltd. domestic market update:**
 - **Neotame sweetener launched in Oct 2021 (B2B)**
 - **"NutraSweet" (tabletop sweetener) to be certified by FDA within 2021 (B2C)**
 - **Reb M, natural sweetener, to be certified by FDA within Q1/2022 (B2B)**
- ✓ **IPO expected to be in Q1/2022**

Successfully Added New Capacity to Portfolio amid the Favorable Market

Yme in operation on 25 October



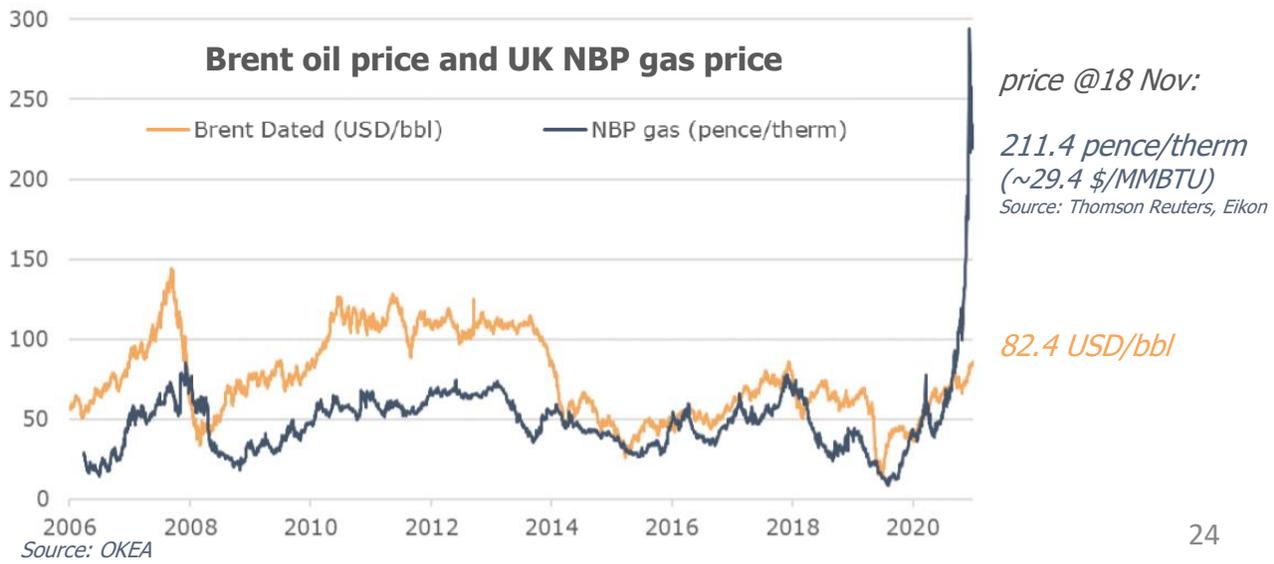
- Av. 5,600 boepd in the next 12 mo.
- 8,400 boepd at Plateau

WI 15%

Production Guiding – Net to OKEA (kboe/d)



Attractive market fundamentals support value creation



Gjøa



WI 12%

Draugen



WI 44.56%

Ivar Aassen



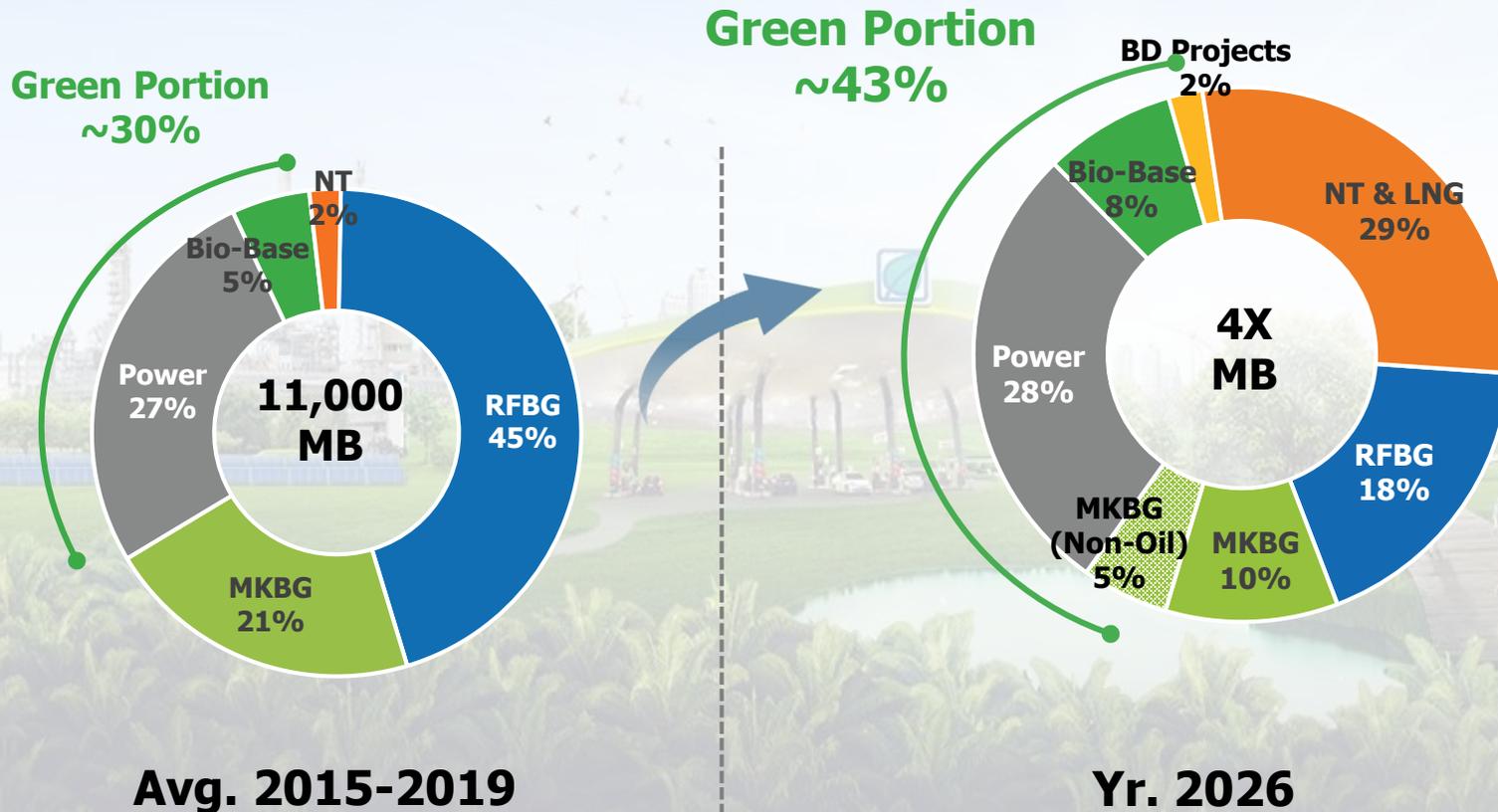
WI 0.554%
→ 2.777% (in 2022)

Note: WI = working interest

With OKEA Consolidated,

Our Commitment Remains the Same

“Green Portion to be 50% of Portfolio in 2030”



2021
DJSI/CSA
S&P Global

Score:
84

MSCI
ESG RATINGS



ESG Target



Carbon Neutral in 2030
Zero GHG Emission in 2050



THANK YOU

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