



# BANGCHAK CORPORATION

## Opportunity Day- FY 2021 Results *March 3, 2022*



# Awards & Recognitions in 2021



**Sustainability Award**  
Silver Class 2022

**S&P Global**

**MSCI**  
ESG RATINGS



*Over 40 awards of pride ...*

## Leadership and Management Awards

- Thailand Corporate Excellence Awards 2021
- Asian Excellence Recognition Award 2021 Corporate Governance Asia - Asia's Best CEO, CFO, and Investor Relations company

## Sustainability and Corporate Governance Awards

- Thailand Sustainability Investment (THIS) listed companies 2021
- Global Good Governance (3G)
- An outstanding Low Carbon Award
- Sustainability Disclosure
- Carbon Reduction Label and Trophy

## Innovation Awards

- Global Brands Awards - Excellence in Sustainable Greenovation
- CFI.co Award 2021 (Capital Finance International) for Best Sustainable Innovation Strategy (Thailand)
- Most Innovative Knowledge Enterprise Award (Thailand MIKE Award 2021)

## Corporate Image and CSR Awards

- Superbrands 2021 (Bangchak & Inthanin)
- Asia's Influential Brands Top Brand
- UN Women 2021 Thailand WEPs Awards

# Amidst the 2021 Crisis, Achievements Have Reached



**Crude run 120+ KBD** in Nov & Dec

**New High UCO** yield

2020	2021
5%	9%

**BPR Benefit 1,300 MB**

Work, yield, Logistic and Energy Efficiency Improvement project

**Market Share 16.2%**

**Inthanin ranked #3 Café Chain** in Cup Sale

**Highest... Retail Sales 432 ML/MO** in Dec

**Lube Market Share 11.7%** in Jan

New Investment Projects

**Solar farm development in Taiwan**

**170 MW** initially

VRB Gigafactory, **utility-scale energy storage business**

Fully Integrated Biofuel Producer

**Filing for IPO** in late Sep

Serve new **High Value Bio-based products**

To B2B and B2C market

Food ingredients

Wellness

**OK EA OKEA Consolidated** in 3Q/2021

**Yme first oil** in 2H2021

**Record-high Q4 revenue** of **NOK 1.7 billion**

# Bangchak Group's New High Record, the New Era awaits...

Accelerate EBITDA through  
"Green Portfolio" expansion



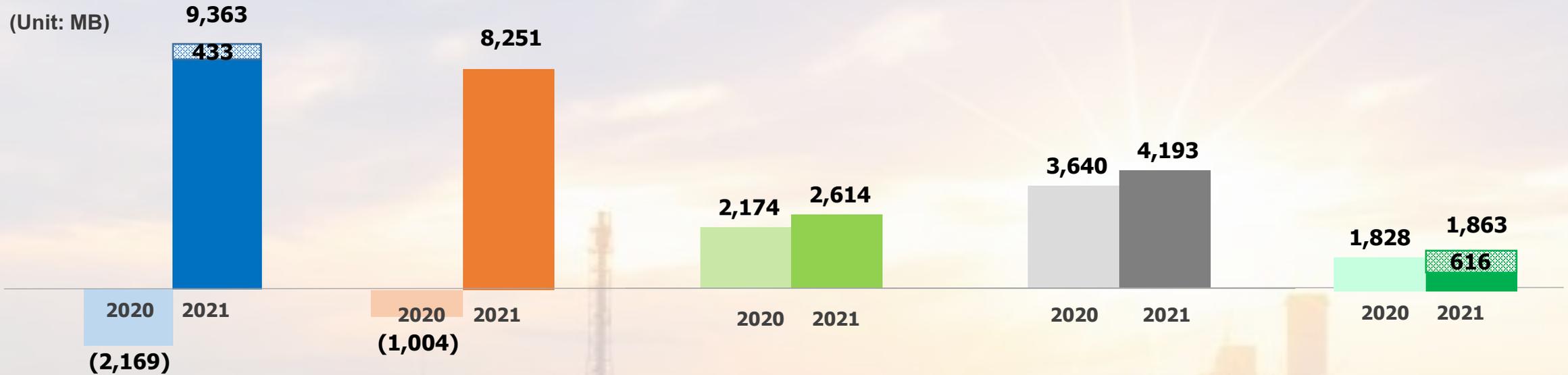
■ Consolidated EBITDA ■ PAT\*

Unit: MB



# FY 2021 BCP Group Accounting EBITDA by Business Unit

**FY2021** **25,818 MB**  
Accounting EBITDA



## Refinery & Trading

- **Crude run 99 KBD** (83% run rate) increased 2% YoY from 97.2 KBD
- **Operating GRM 4.52 \$/BBL** from 3.20 \$/BBL in 2020 mainly by increase in crack spread of most products and in UCO yield
- **Inventory gain (Net NRV) of 5,966 MB** vs. loss of 4,379 MB in 2020

## Natural Resources

- 2020 EBITDA included share loss of 914 MB from OKEA, which was hit by low oil&gas price and impairments
- 2021 EBITDA: **OKEA was firstly consolidated in Q3**
  - 1H included share gain of 371 MB from OKEA
  - 2H consold OKEA EBITDA of 7,832 MB

## Marketing

- **Total sales volume -6% YoY.** Sales was pressured by the more intense COVID prevention measures and WFH policy
- **MKM 0.72 Bath/Litre** from 0.84 Bath/Litre in 2020, pressured by government policy to cap diesel price in Q4/2021
- **Inventory gain (Net NRV) of 734 MB**

## Power Plant

- **Share of profit of 600 MB** vs. 270 MB in 2020
- **Total electricity sales +13%** mainly from higher rainfalls in Laos Hydro power project compared to the previous year

## Bio-Based Products

- Under the IPO process -

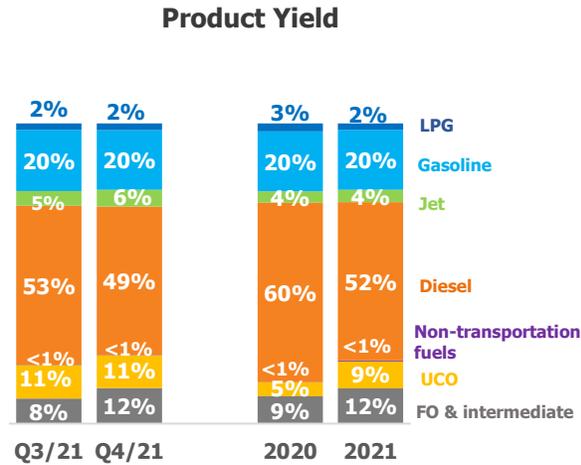
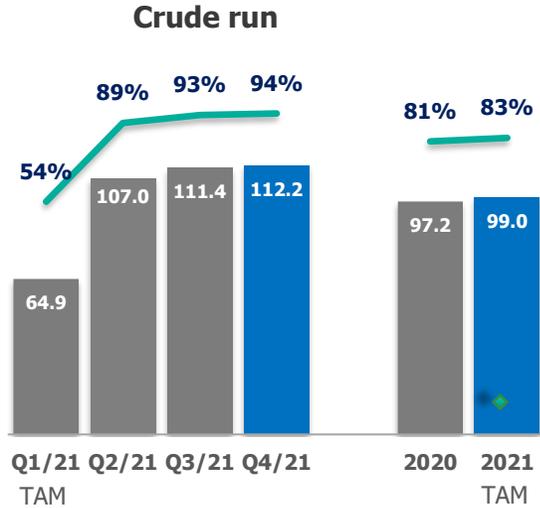


# Refinery & Trading Business

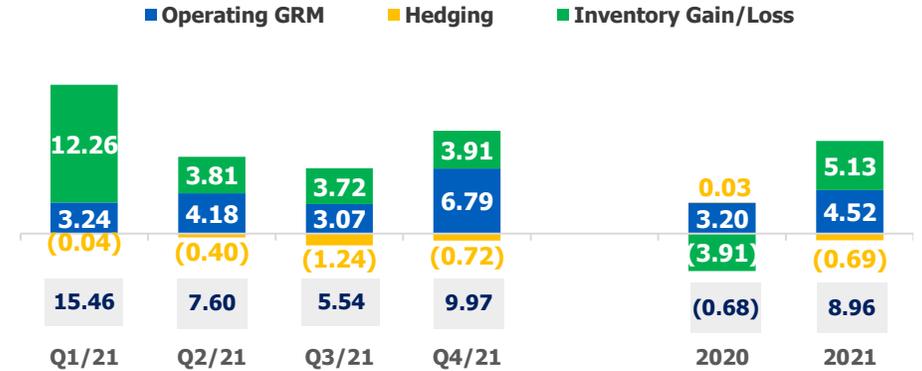


# Refinery and Trading Business: FY2021 EBITDA 9,363 MB

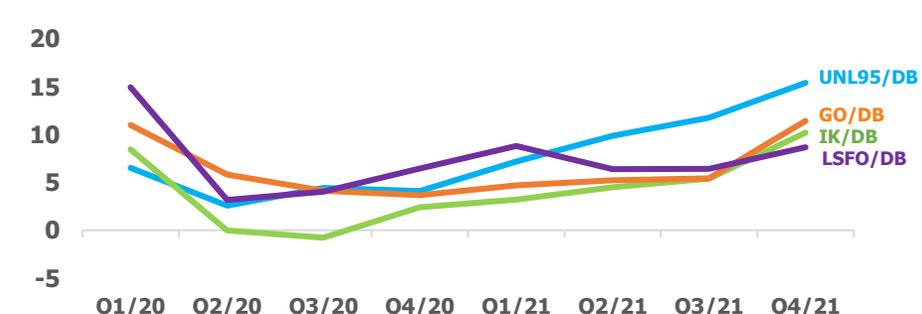
Production Profile



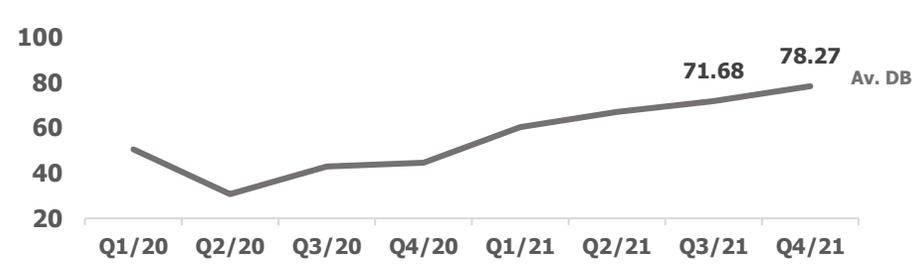
GRM Performance (\$/BBL)



Crack Spreads (\$/BBL)



Av. Oil Price (\$/BBL)



## FY2021 vs. FY2020

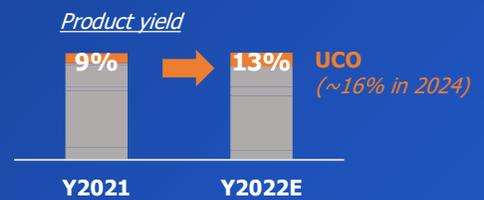
- The company has successfully **increased UCO production yield to 9%**, achieving the target **to become a niche product refinery**
- **Overall refinery performance was significantly improved** primarily from
  - **Higher refining margin** mainly by increase in crack spread of most products and in UCO yield
  - **Inventory gains of 5,966 MB (Net NRV)**, as global oil prices rallied from demand recovery and 2020 oil price war

# Aims for High Run Rate and Higher Niche Product

**Crude run: KBD**  
DB: \$/BBL

	2021	Q1/2022E	2022E
Crude run (KBD)	99.0	120	120
DB (\$/BBL)	69.4	85 - 90	90

- Crude run at maximum capacity **~120+ KBD** as demand rises
- Produce more high-value **UCO**

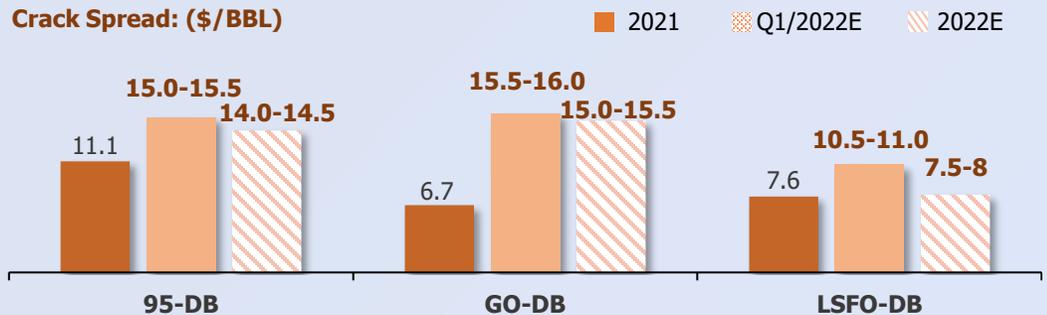


**Turnaround cycle extension:**



- **Logistic optimization:** add benefits along the international and domestic supply chain (**BCPT & BFPL**)

**Crack Spread: (\$/BBL)**



**BPR:** Work, yield, Logistic and Energy Efficiency Improvement

**2022 Estimated Benefit of 1,200 MB**



**Succeeded as a Thai Leader Trading Company**

- Synergy and Collaboration within the BCP group

... aims for **Carbon & Lithium Carbonate trading**

- Enhance 3<sup>rd</sup> party (Out-Out)

- Value Added Activities

Products Blending, Entering to bunker market, High-margin niche products; UCO, solvent, biofuel

- Logistics Optimization through supply chain





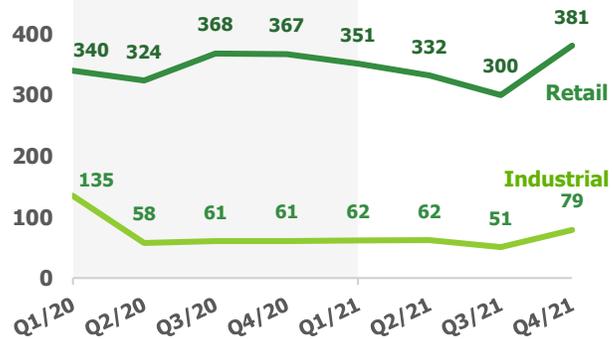
# Marketing Business



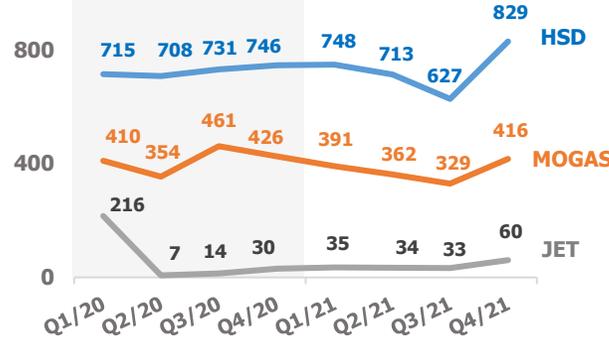


# Marketing Business: FY2021 EBITDA 2,614 MB

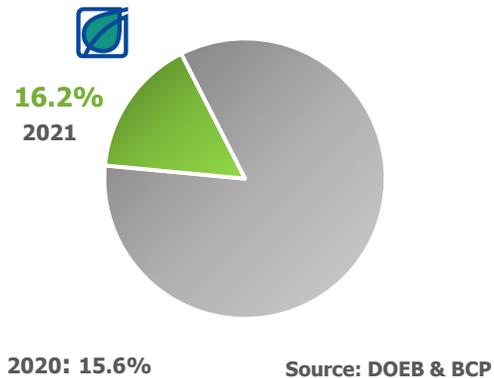
**Total Sales Volume (ML/Mo)**



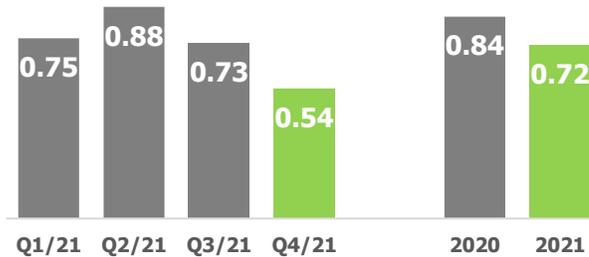
**Sale Volume by Product (ML)**



**Retail Oil Market Share (%)**



**Net Marketing Margin (Baht/Litre)**



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

## FY2021 vs. FY2020

- Delta variants led the government to deploy maximum measure in the strictly controlled areas, including WFH measure in public and private sectors pressured **Y2021 sales volume to drop 6% YoY**
- As the company effectively deployed marketing campaign to drive more sales resulting in the year **2021 market share to be 16.2%**
- **Net marketing margin per unit declined 14% YoY.** The margin was extremely pressured by the government policy to cap diesel price started in late Oct

## ○ **Bangchak has continuously expanded its outlets for both oil and non-oil, as of 31 Dec 2021:**

- 1,277 service stations
- 817 Inthanin coffee shops
- 202 Minimarts

# Emphasizing on Retail Growth and Premium Products



## Service station

**1,277**

as of Dec 2021

Standard Type **662 sites**

COOP Type **615 sites**

## Network Expansion

2021 **1,277** Stations → **+80 to 100** Stations (gross) 2022

Focus on: Standard type and JV type

## Unique Design Service Stations



### Thruput (KL/MO/SS)

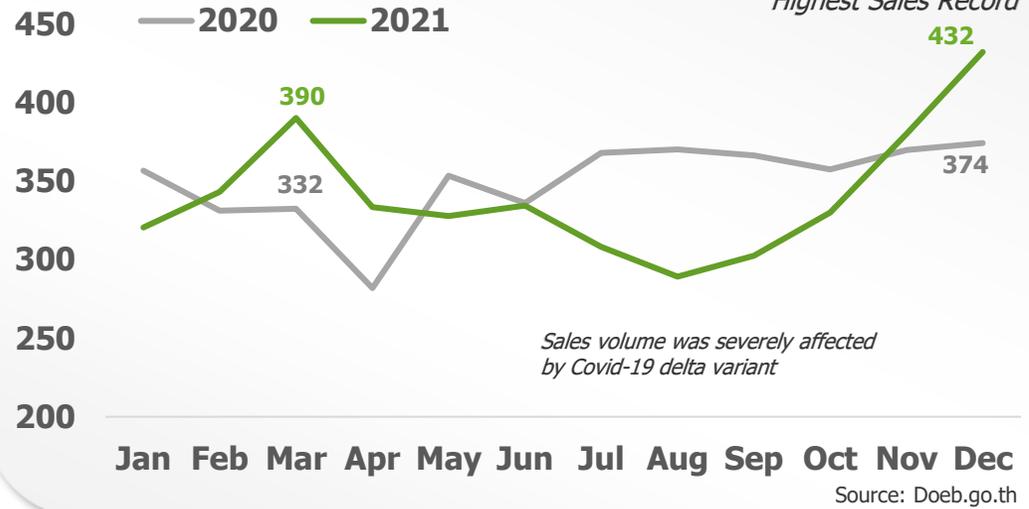
Unique Design **500-800**

Standard Type **300-500**

COOP **150-200**

2021 **44** stations → 2022 **+20** stations

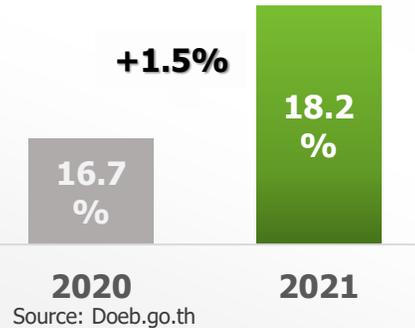
## RM Sales Volume (ML/MO)



Target Average sales **+18%**



## BCP's E20 Market share



high quality fuel for its highest performance



# Continuously Introduce More Food and Beverages Choices

**817** Inthanin

516 sites in S/S  
301 sites out S/S

stores as of Dec2021



**INTHANIN 2021 SUPER YEAR BRAND**



**Sales through Online Delivery Platform**

**+ 185% YoY**



**No. of stores**

	<b>2021</b>	<b>817</b>	➔	<b>2022</b>	<b>1,000</b>
		<b>Stores</b>			<b>Stores</b>
	<small>As of Dec 2021</small>				

	<b>15</b>	➔	<b>+20</b>
<i>Dakasi</i>	<b>Stores</b>		<b>Stores</b>

**Sales Growth**

Total cups/Day

**+20%**  
*YoY*

Revenue (MB)

**+18%**  
*YoY*

## FoodTrucks

**9** stations in 2021 ➔ **26** stations in 2022

**New business model, ready for the growth engine**

- Top leading food brands, to enable convenience for multi-generation customers



- Grab & GO with Street Food and Truck, special but inexpensive dishes from our food experts



**Street food franchise**



**Ramen**



**Magic Food Truck**

# EV Infrastructure Development and Lube Market Penetration

EV Chargers on Major Routes across The Country

2022 Target: **246** stations

Ready-to-Use in **70** Bangkok Stations

Covering **37** Provinces

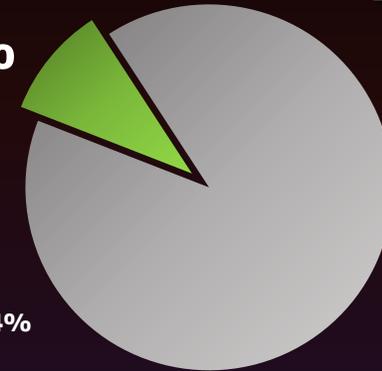
As of Dec 2021



Domestic Lubricant Market Share



2021  
9.9%



2022 Target  
**10.5%**

2020: 9.4%

Source: DOEB & BCP

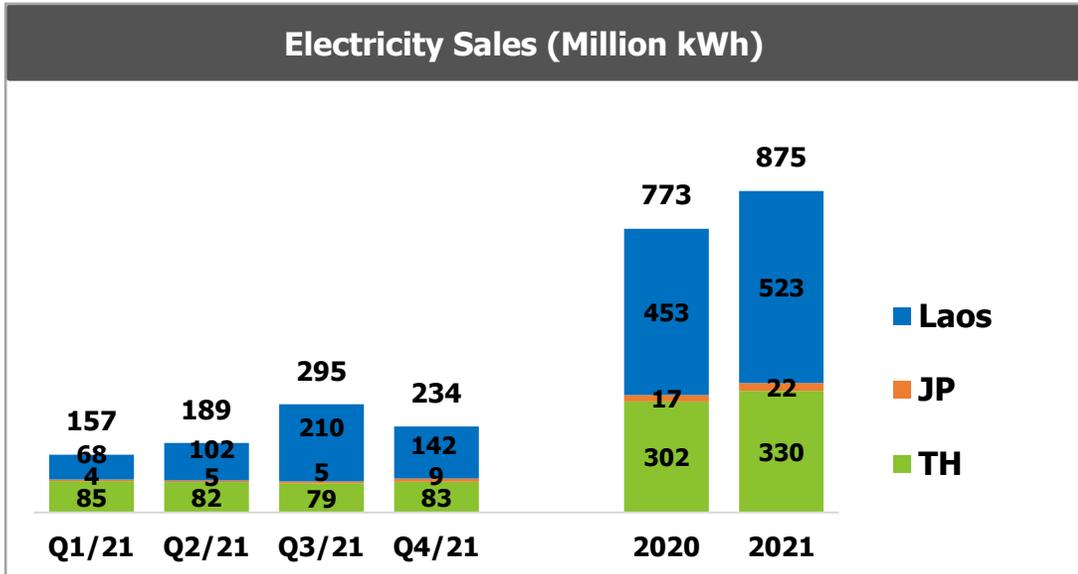


# Green Power Business





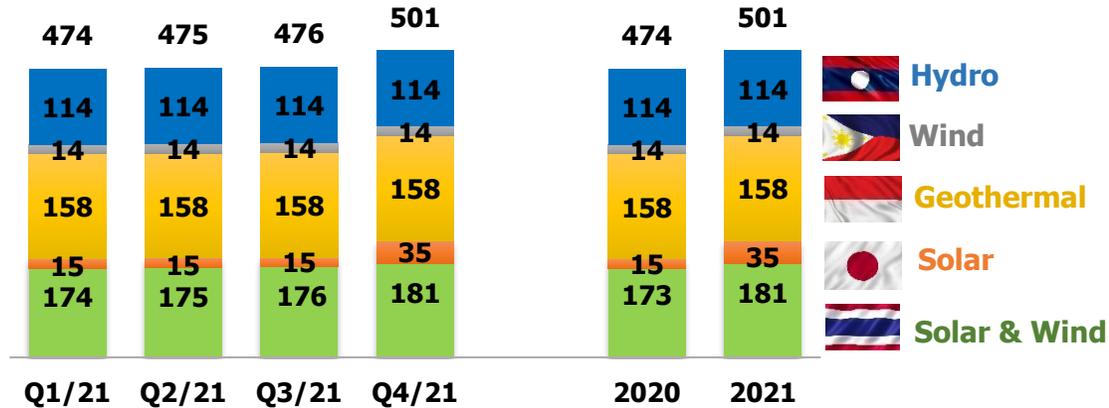
# Power Plant Business: FY2021 EBITDA 4,193 MB



### FY2021 vs. FY2020

- **Share of profit 600 MB**, +122% YoY from 270 MB in 2020, mainly from
  - Geothermal power plant 577 MB: significantly increased due to higher tariff rate and lower finance cost
- **Electricity sales +13% YoY attributed to**
  - **Laos hydropower sales +15%** from the increase in the amount of rainfall, and the Nam San 3B, acquired in late February 2020, full year recognition
  - **Japan solar power sales +29%** attributed to the new 20 MW from November COD
  - **Thai solar power sales +9%** due to the full year recognition of 20 MW acquired in August 2020 in coupled with efficiency improvement in power generation
  - Thai wind power sales +15% from better wind speeds

### Operating Capacity (MW PPA)



# BCPG Business Update



- ✓ **2022 Performance** drivers:
  - **Japan solar projects**
    - **45 MW solar COD plan in Q1/2022** (Komagane & Yabuki)
    - The **first full-year contribution of 20 MW** Chiba 1 (COD in Nov 2021)
  - **M&A of operating projects**
- ✓ **2022 EBITDA growth of >25%**
- ✓ Current **469 MW Taiwan solar farms in development** to **COD from Q4/2022** – 2H/2025, and **aim to achieve 1 –2 GW in near future**
- ✓ **230 MW Laos wind farm** to COD 2025, plus potential **right to participate 1 GW with partner**

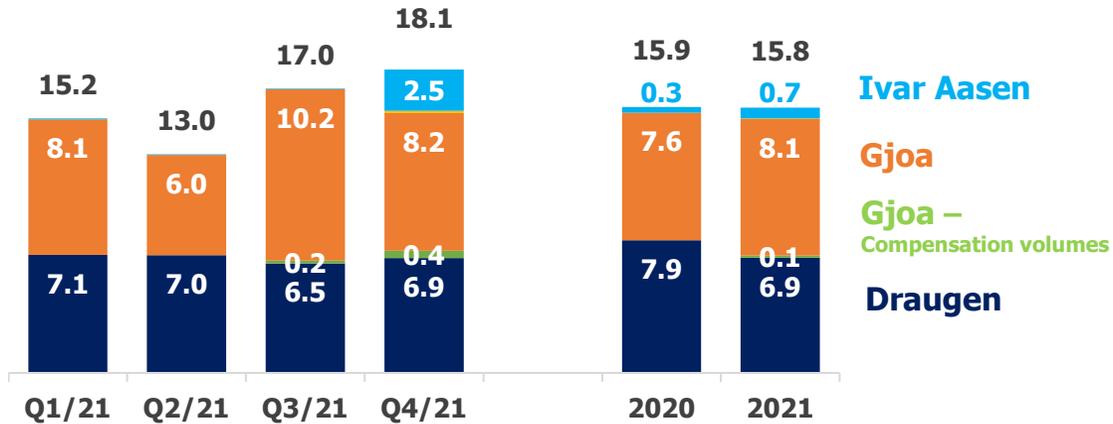
# Natural Resources Business





# Natural Resources Business: FY2021 EBITDA 8,251 MB

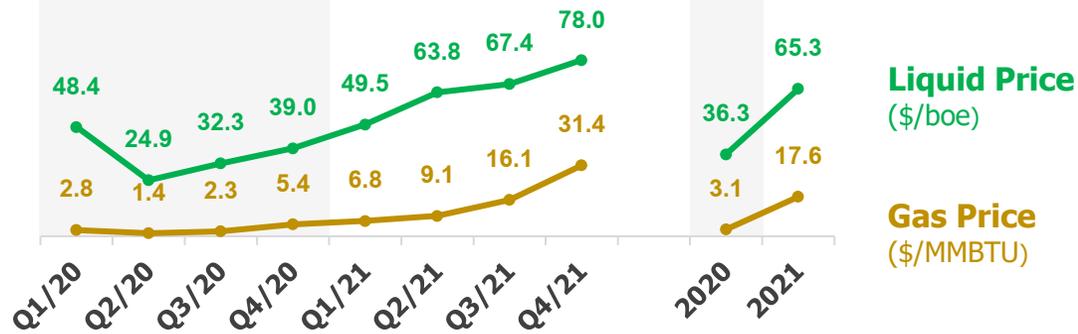
Sales Volume - Net to OKEA (kboe/d)



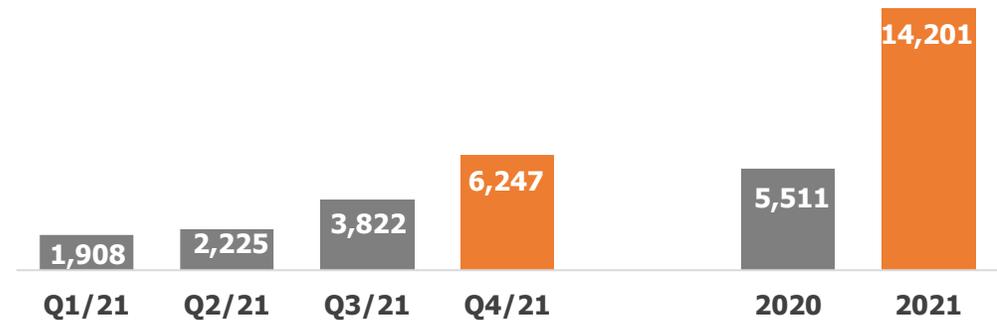
**FY2021 vs. FY2020**

- 2021 EBITDA shifted as OKEA was firstly consolidated in Q3/2021
- **OKEA's EBITDA substantially increased following the oil and gas price that spiked up in 2021**
- Natural resources business group also recorded 122 MB gain from sales of investment in BCPE (net of exchange rate) in Q3

Realized Price



Revenue from crude oil and gas sales (MB)



Source: OKEA

# OKEA Business Update



OKEA

- ✓ **Production guiding** net to OKEA
  - **2022: 18,500-20,000 boepd**
- ✓ **Strong cash positive** to prepare for acquisition
- ✓ Newly **awarded 4 licenses**, 3 of which as operator
- ✓ **Oil and gas markets significantly strengthened** Dated Brent price climbing above 90 \$/BBL, and European gas prices remain at high level

# 2022 Performance Guidance

## Natural Resources

- 2022 Production guiding of 18,500-20,000 boepd
- Strong cash position, from high oil and gas price, for executing on the growth strategy
- Seek for additional licenses added to portfolio

## Bio-Based Products

- IPO in March 2022
- Expand toward high value products in health and well-being. To affirm BBGI's readiness for being Leader of synthetic biology in Thailand

## Refinery & Trading

- Average Crude run of 120 KBD
- DB price @ 90 \$/BBL
- Head toward more niche product refinery, UCO portion of 13%
- Aim for BCPT EBITDA to increase from 8.4MUSD to 15MUSD

## Marketing

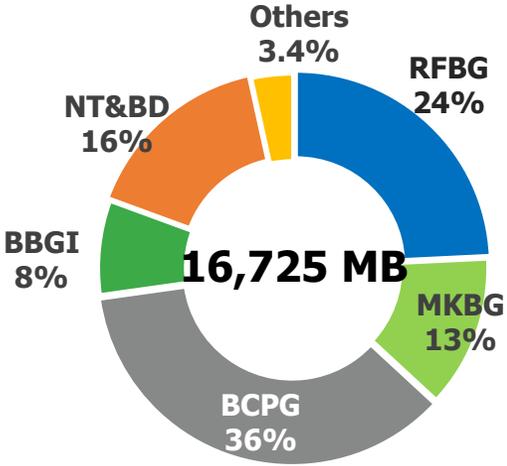
- Continue expanding retail network 80 to 100 stations, including ~20 unique design service stations
- +23% total sales volume and +18% RM sales volume
- 246 Bangchak stations with EV chargers

## Power Plant

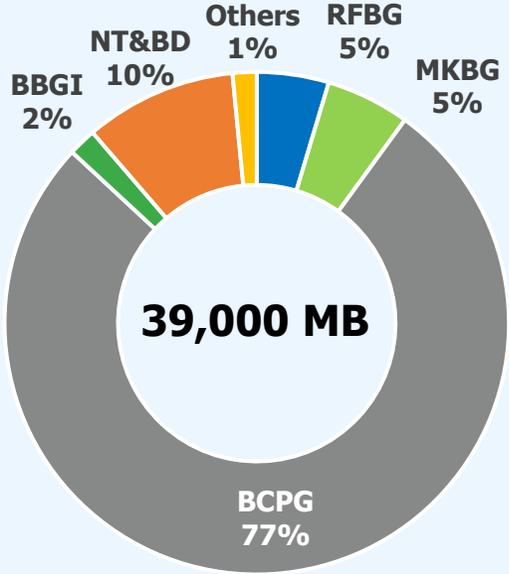
- New 45 MW Japan solar projects COD in Q1/2022
- The first full-year contribution of Chiba 1 (20 MW)
- M&A of operating projects
- EBITDA target growth >25%



# CAPEX 2022: Growing More Green Portfolio Portion



Actual Y2021



Y2022

Group CAPEX	2022 CAPEX
<b>Refinery (RF+Trading)</b>	<b>1,800</b>
<i>BAU</i>	<i>1,300</i>
<i>Growth</i>	<i>500</i>
<b>Marketing (MK+BCR+BGN)</b>	<b>2,100</b>
<i>BAU</i>	<i>300</i>
<i>Growth</i>	<i>1,800</i>
<b>BCPG</b>	<b>30,000</b>
<b>BBI</b>	<b>700</b>
<b>Natural Resources &amp; Business Development</b>	<b>3,800</b>
<b>Other (BiiC &amp; Holding)</b>	<b>600</b>
<b>Total</b>	<b>39,000</b>

# Q&A Session



**THANK YOU**

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