



BANGCHAK CORPORATION PCL.

ANALYST MEETING

1Q2021

May 19, 2021



TABLE OF CONTENT

01

Q1/21 Business Performance & Update



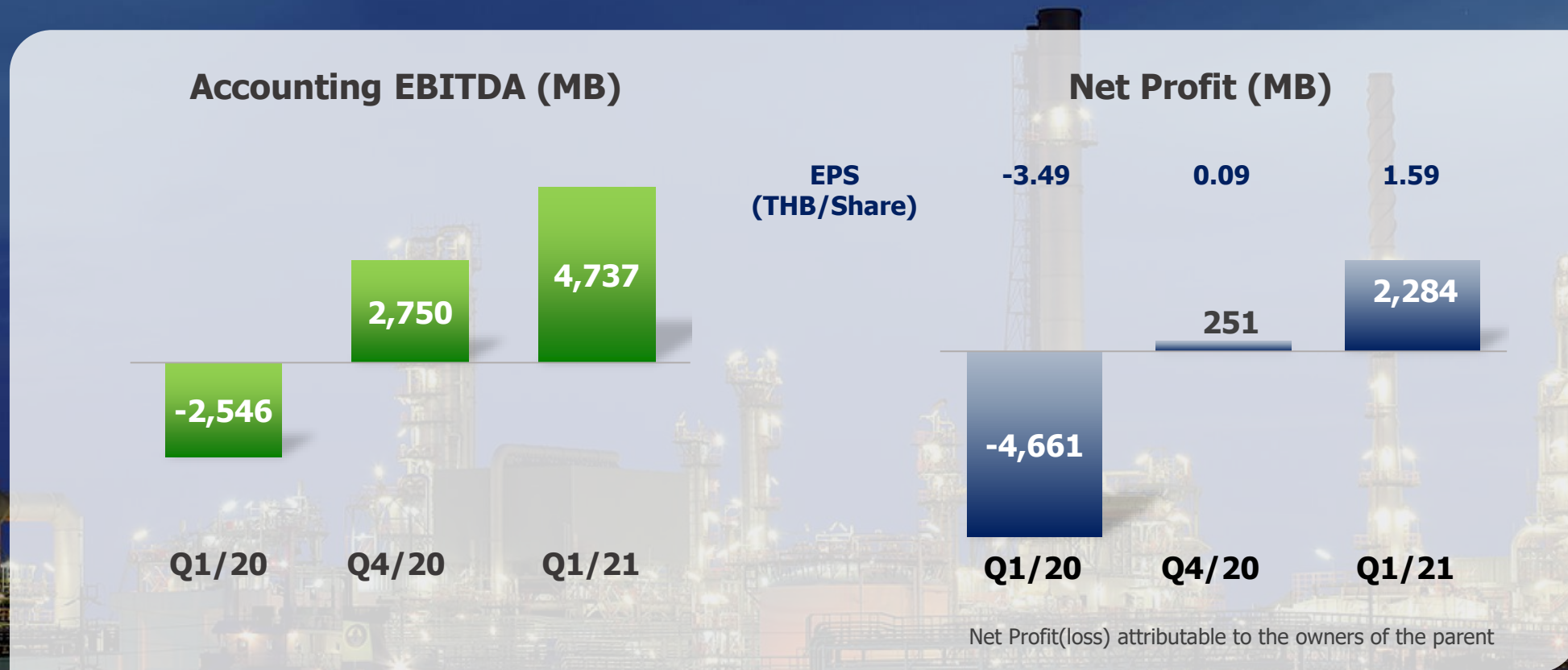
02

Financial Performance



Consolidated Performance Q1/2021

Performance improved significantly, as the Refinery business have recovered from peaked crude oil prices driven by covid-19 vaccine distribution program across the world and continued production restraint by OPEC and its partners (OPEC+)



EBITDA by Business Group

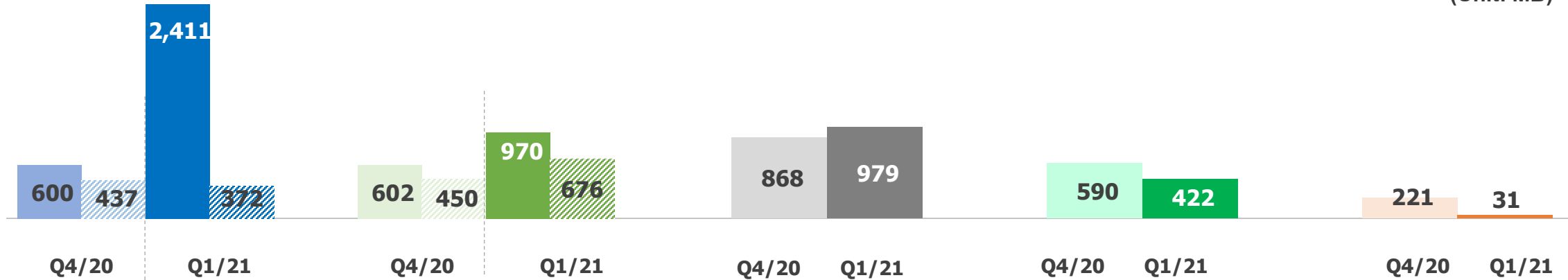
Net Profit ^{1/} **2,284 MB**

EBITDA **4,737 MB**

Operating EBITDA ^{2/} **2,396 MB**

■ Accounting EBITDA
▨ Operating EBITDA

(Unit: MB)



Refinery & Trading

- **Inventory gain (Net NRV) 2,180 MB** from the significant improvement in crude oil price and preemptive Diesel inventory management for TAM
- **TAM 2021** 39 days
- **Crude run 64.9 KB** (54% run rate)
- **Operating GRM 3.24 \$/BBL**: lower production rate of gasoline and gasoil products

Marketing

- **Inventory gain (Net NRV) 295 MB** whereas Q4/20 recorded Inventory gain 152 MB
- **Total sales volume slightly decreased 3% QoQ**, mainly from retail sales pressured by the 2nd wave of Covid-19 pandemic during Jan-Feb
- **MKM 0.75 Baht/Litre**

Power Plant

- **Electricity sales decreased 34% QoQ**, mostly attributed to the low season of Laos Hydropower plant
- **Share of profit of 140 MB**

Bio-Based Products

- **Sales volume declined** in response to lower transportation fuel demand
- **EBITDA dropped 28%**, mainly from revenue drop and high CPO cost in the quarter

Natural Resources

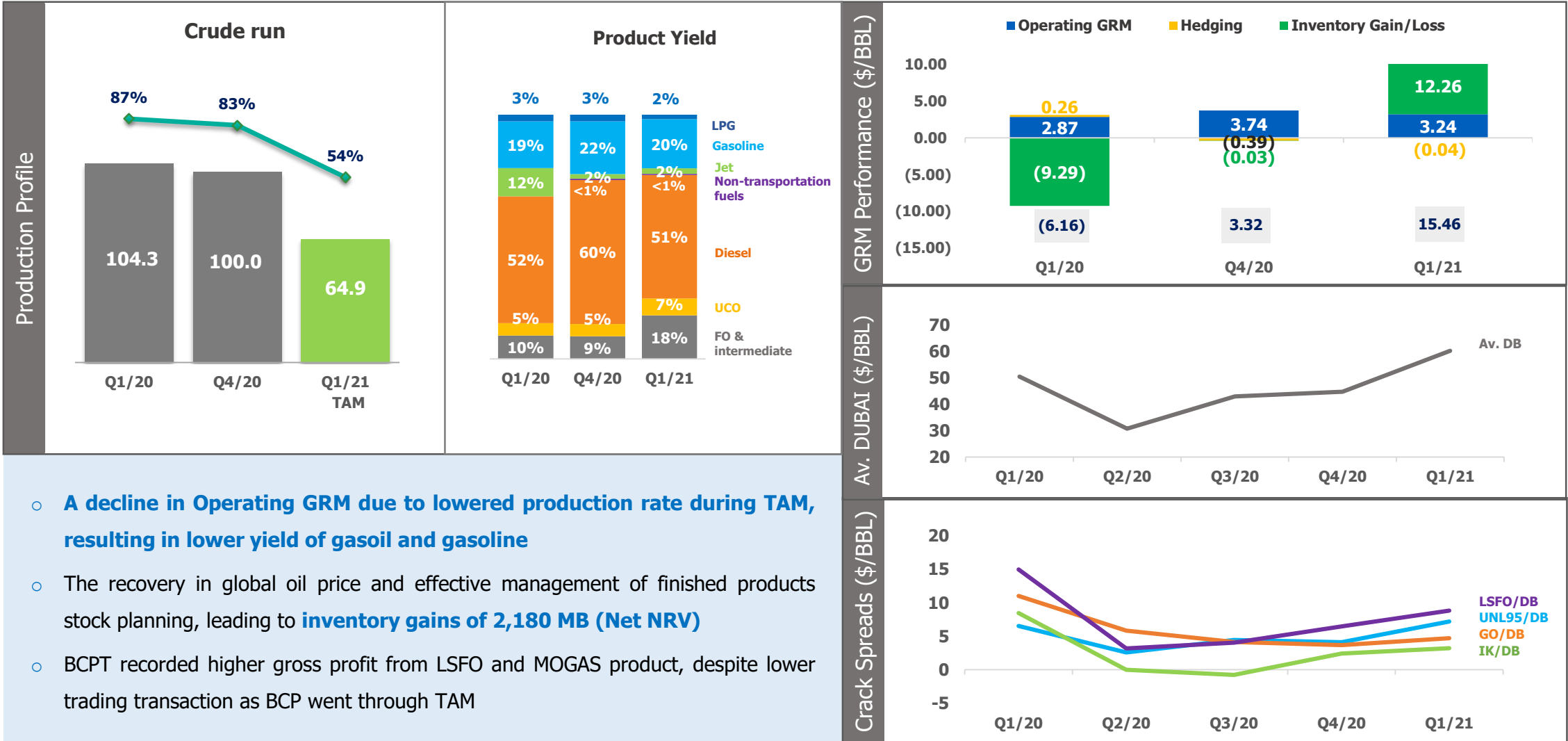
- **Share of gain 38 MB from OKEA**, decreased from previous quarter
- **OKEA production at ~16.6 kboe/d**

Note: 1/ Net loss attributable to the owners of parent

2/ Operating EBITDA excludes Inventory gain/loss, One-time items, Gain/loss from FX forward contracts



Refinery and Trading Business: Q1/21 EBITDA 2,411 MB



Crack Spreads (\$/BBL)

Period	LSFO/DB	UNL95/DB	GO/DB	IK/DB
Q1/20	~15	~11	~8	~6
Q2/20	~5	~3	~2	~0
Q3/20	~4	~4	~4	~0
Q4/20	~6	~4	~4	~2
Q1/21	~9	~7	~5	~3

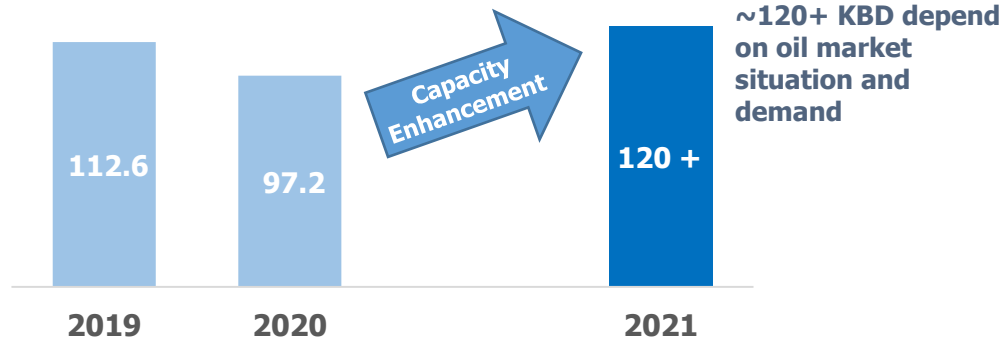
- A decline in Operating GRM due to lowered production rate during TAM, resulting in lower yield of gasoil and gasoline
- The recovery in global oil price and effective management of finished products stock planning, leading to **inventory gains of 2,180 MB (Net NRV)**
- BCPT recorded higher gross profit from LSFO and MOGAS product, despite lower trading transaction as BCP went through TAM

Refinery Business Update

Crude run: (KBD)

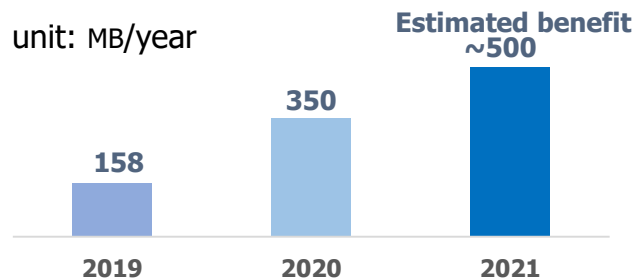
64.9 (1Q/21)	100 - 110 (2Q/21)	80 - 90 (1H2021)	95 - 100 (FY2021)
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- Turnaround Maintenance (TAM) in 2021 completed as planned
- Equipment efficiency investigation and cleaning, catalyst replacement
- Completed hydrocracker unit modification to increase its capacity by 10%

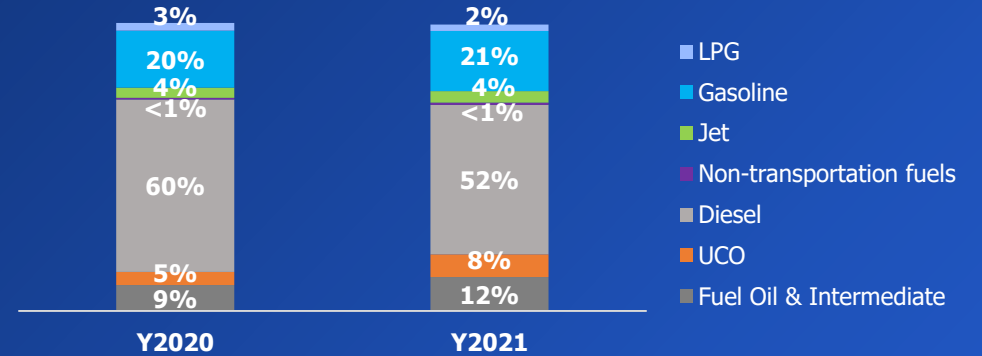


Refinery projects:

❖ **Project Rocket** To increase outputs and improve operation for optimal benefits

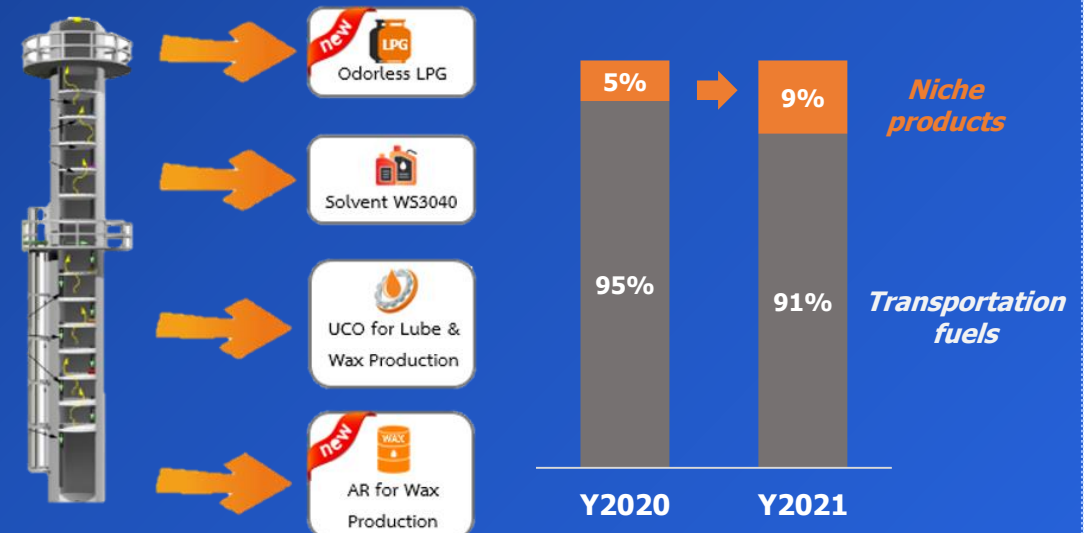


Customized Products:



Niche Products

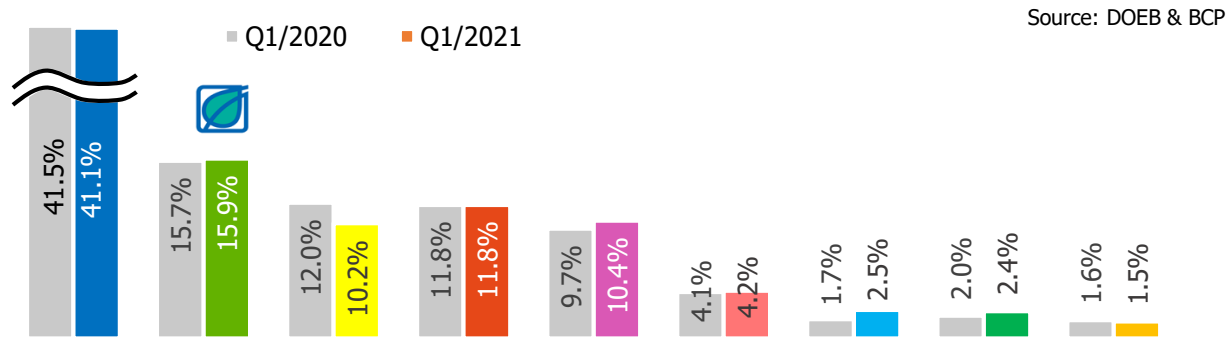
- Produce more high-value **UCO** – For customer in Korea, Japan and China
- Focus more on Niche products – Odorless LPG, Solvent



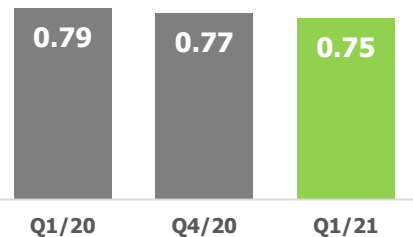


Marketing Business: Q1/21 EBITDA 970 MB

Retail Oil Market Share (%)

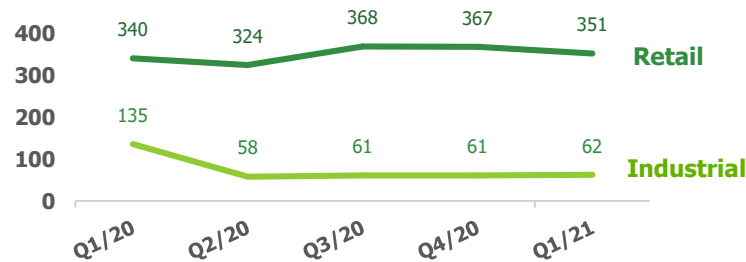


Net Marketing Margin (Baht/Litre)

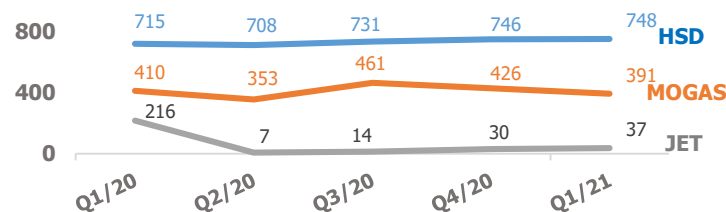


*Net Marketing Margin of Bangchak only (excluding Inventory Gain/(Loss) and NRV)

Total Sales Volume (ML/Mo)



HSD, MOGAS & JET Sale Volume (ML)



- **Sales volume lowered by 3% QoQ**, as the retail market was pressured from the resurgence of COVID-19 since Dec 2020
 - Despite the slight drop of Retail sales, -4% QoQ, the sales reached **new high of 390 million litre/mo in March**, picking up from earlier in the quarter
 - Compare to Q1 last year Retail Sales volume grow +3.3% YoY, greater than the market (+1.7%)
 - Industrial sales insignificantly changed
- **Net marketing margin per unit slightly declined** because of the sudden rise of crude oil, B100 and ethanol product price. However, BCP focused on driving sales in retail channel which led to higher marketing margin than the sudden rise in cost.
- **Inventory gain of 295 MB (Net NRV)**
- Bangchak service station: **+ 11 new S/S** (1,243 sites @ Mar 2021)

Non-oil business

- **+ 25 new Inthanin branches** (694 branches @ Mar 2021)
- **~190 stores:** Mini BigC, Family Mart, Tops Daily



Strengthening Marketing Network



Service station

1,243

as of Mar 2021

- Cluster development in main roads, commercial and tourism area
- Unique Design/Flagship service stations in high-potential area

Standard Type **630 sites**

COOP Type **613 sites**

Network Expansion

2020	2021
1,233 stations	+100 stations
Focus on:	
• Standard type	
• JV type	

Unique Design Service Stations

Thruput 10% higher than the standard type



May 2021 → 2021 Target

39 Stations → 59 stations

#FIGHT COVID

ตัวห่าง แต่ใจห่วง **7safe** ลดเสี่ยง เลี่ยงโควิด-19

- สวมหน้ากากอนามัย
- สวมถุงมือ
- ผ่านการตรวจวัดอุณหภูมิ
- บริการเจลแอลกอฮอล์ ทำความสะอาดทุกจุดสัมผัสสำหรับล้างมือ
- ทำความสะอาดทุกวัน
- ใช้ตาชั่งรับเงิน ลดการสัมผัส
- Digital Payment ลดเสี่ยง เลี่ยงสัมผัส

ใช้บริการบีมบางจาก #สะอาด #ปลอดภัย #มั่นใจ

ใช้เพียง 1,000 คะแนน สมาชิกสมัคร บุคค่านี้ประกันภัย 280 บาท สูงสุด 230,000 บาท

บริการ 8 โมง - 6 โมง - 30 โมง - 6 โมง
บริการ 1 โมง - 6 โมง - 30 โมง - 6 โมง - 30 โมง - 6 โมง
บริการ 1 โมง - 6 โมง - 30 โมง - 6 โมง - 30 โมง - 6 โมง

บางจากฯ ชวนคนไทยสู้โควิด-19

ร่วมบริจาคน้ำดื่ม ที่ได้รับการเติมน้ำขึ้น ให้โรงพยาบาลสนาม และสถานพยาบาลในพื้นที่วิกฤติ

น้ำดื่ม สู้โควิด

LINE MAN Inthanin

1 โดนม 1 ฟรี

เพียง 55 บาท

gojek Inthanin

ลดเพิ่มอีก 20.- เมื่อซื้อครบ 150.-

Inthanin

โกโก้เย็น ลดพิเศษ 50%

เพียง 80 บาท

Inthanin Delivery

Non-oil Business: Build The Base, Create The Growth

694 *Inthanin*
Stores as of Mar 2021
466 sites in S/S
228 sites out S/S

- 100% Arabica coffee bean
- The best in cocoa beverage
- Eco brand

1Q/21 sales +17% YoY

Inthanin

#ขอบคุณทุกรีวิว

Inthanin Cocoa Fever!

New high in Mar 2021

+50%
compared to Dec 20

Domestic Lubricant Market Share

Market share 9% (1Q/20) → 11% (1Q/21)

New high in Market Share @ 11.7% in Jan 2021

Source: DOEB & BCP

ใหม่ นำมันหล่อลื่นเกรดพรีเมียม

FURIO

RESPOPLEX USA

SAE 5W-30, SAE 0W-40

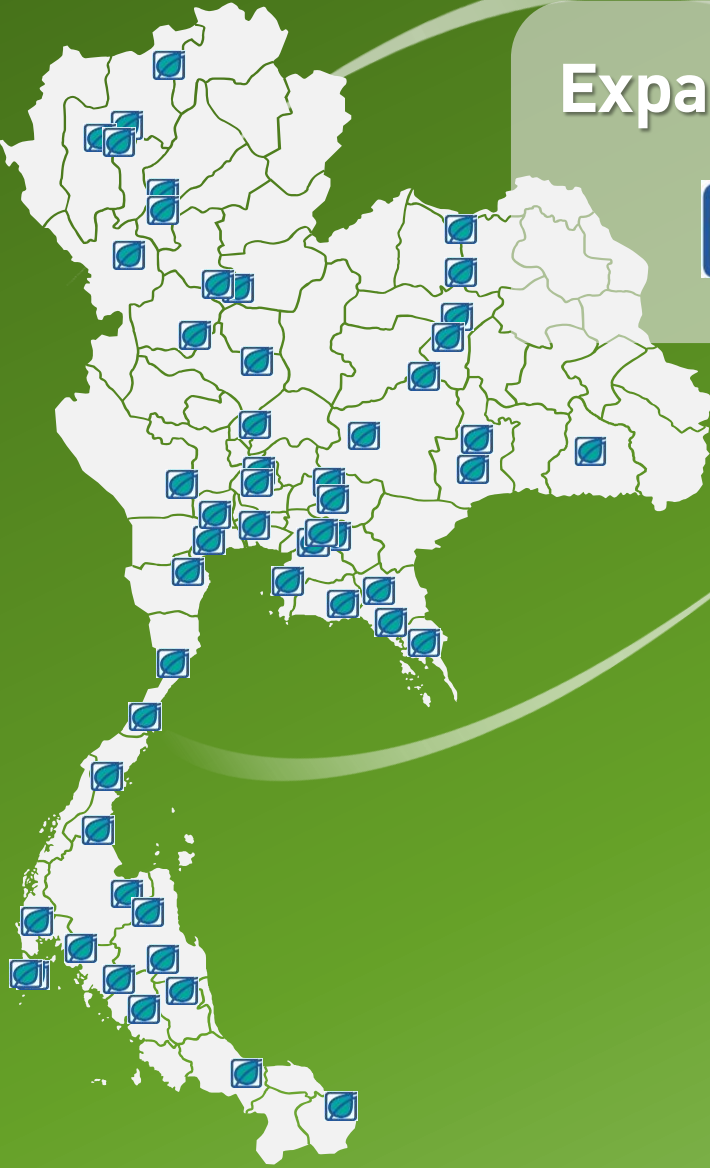
นวัตกรรมเทคโนโลยีการปกป้อง
จากสนามแข่งสู่รถคุณ

Bangchak with EV chargers on major routes across the country

Expanding for EV Chargers in **152 Bangchak Stations**



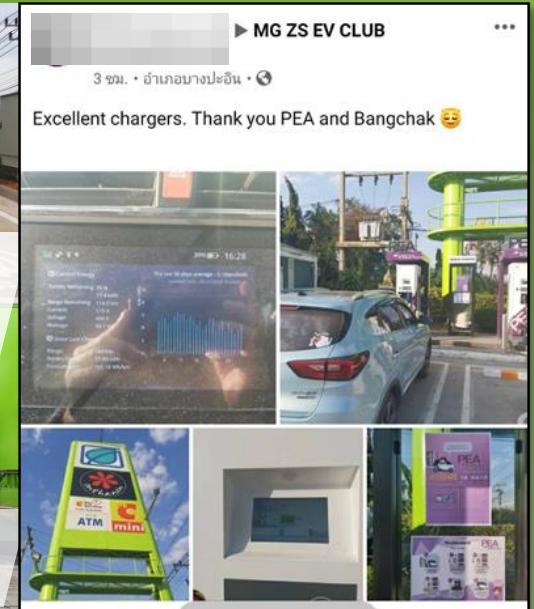
Others Potential
Strategic Partners



Ready-to-use in 18 Bangchak stations

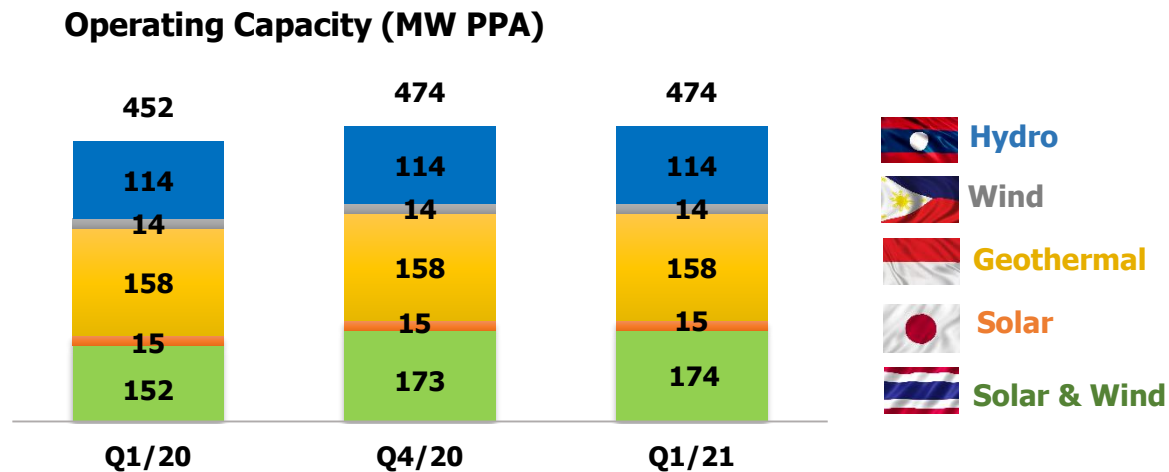
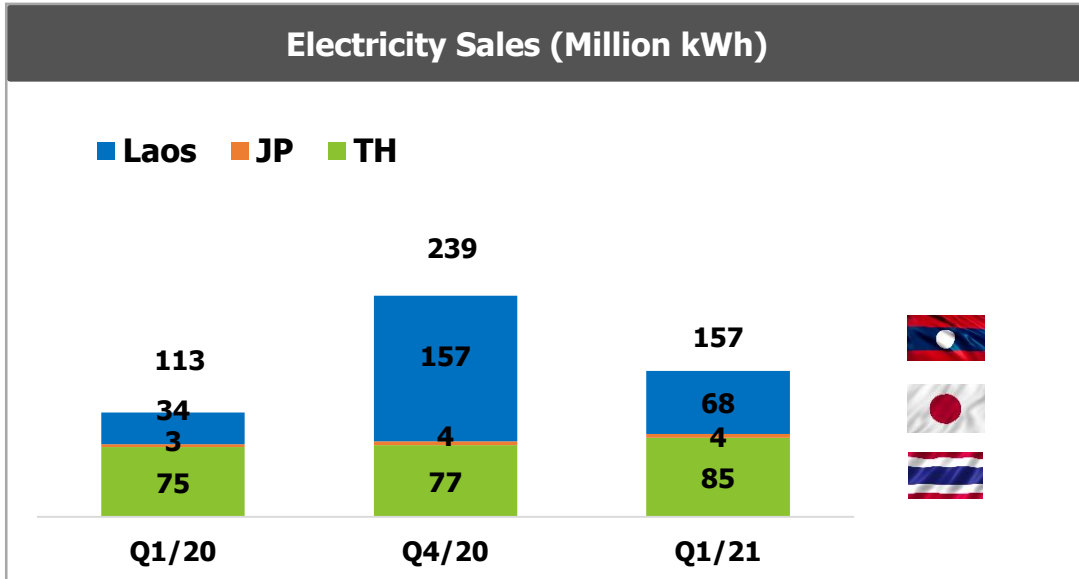


56 stations within Q2/2021





Power Plant Business: Q1/21 EBITDA 979 MB



Share of profit supported performance while total electricity sales dropped

Electricity sales

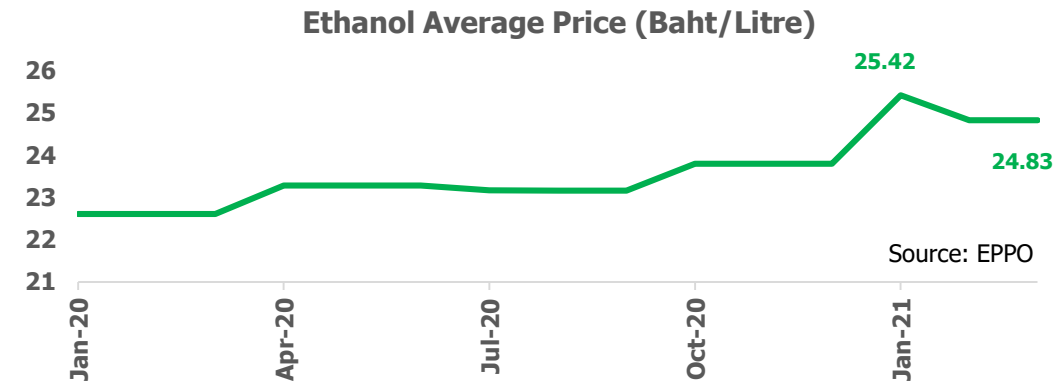
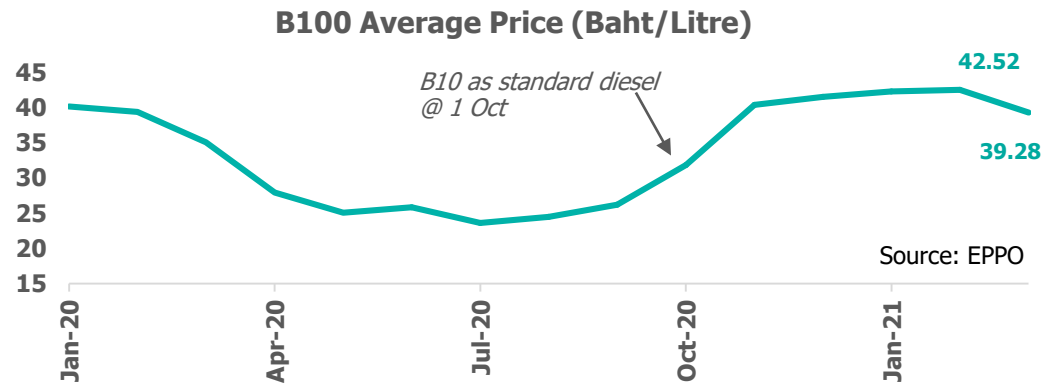
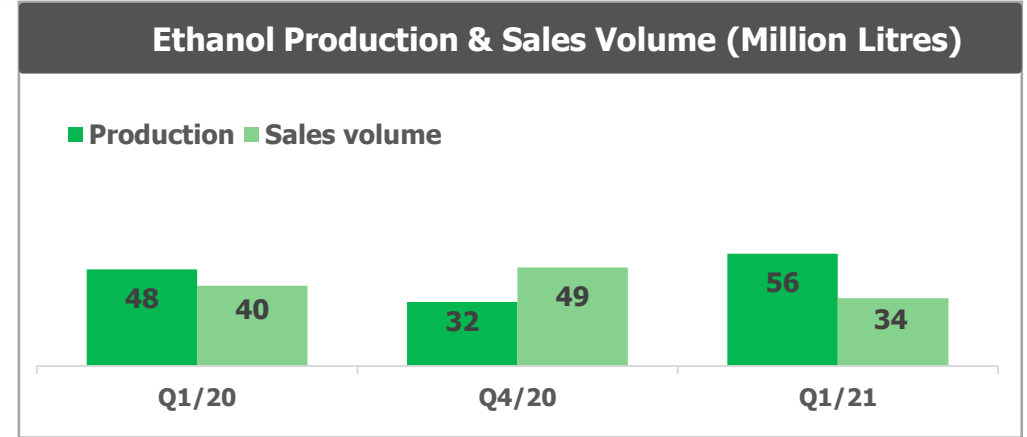
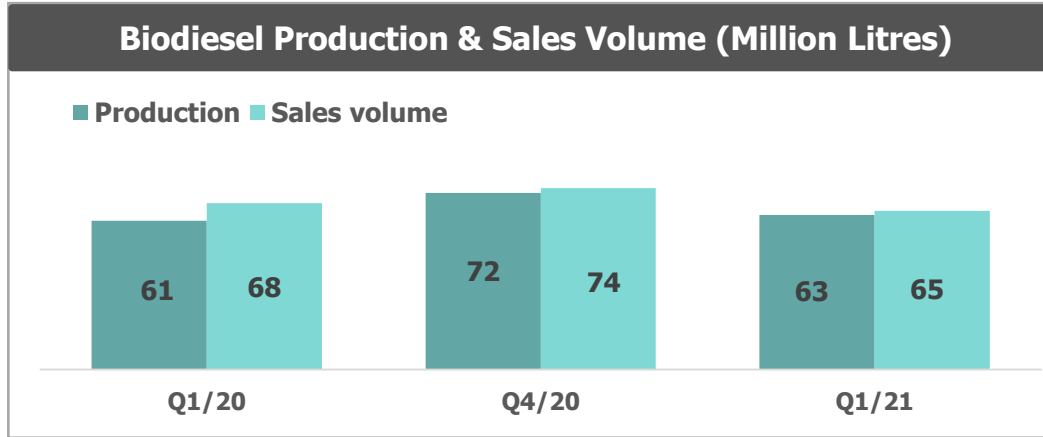
- Laos hydropower sales -57% QoQ as 1st quarter was in low season
- Thai solar power sales +11% QoQ from higher average irradiation hours
- Thai wind power sales +8% QoQ from higher average wind speed
- Japan solar power sales -5% QoQ from period of curtailment

Share of profit 140 MB

- Geothermal power plant: 121 MB, +672% QoQ
 - Less operating expenses and finance cost, including none refinancing cost compare to 4Q2020
- Wind power plant: 19 MB, -62% QoQ
 - Better electricity generation, but 4Q2020 recorded retroactive payment from the adjustment of tariff



Bio-Based Product Business: Q1/21 EBITDA 422 MB



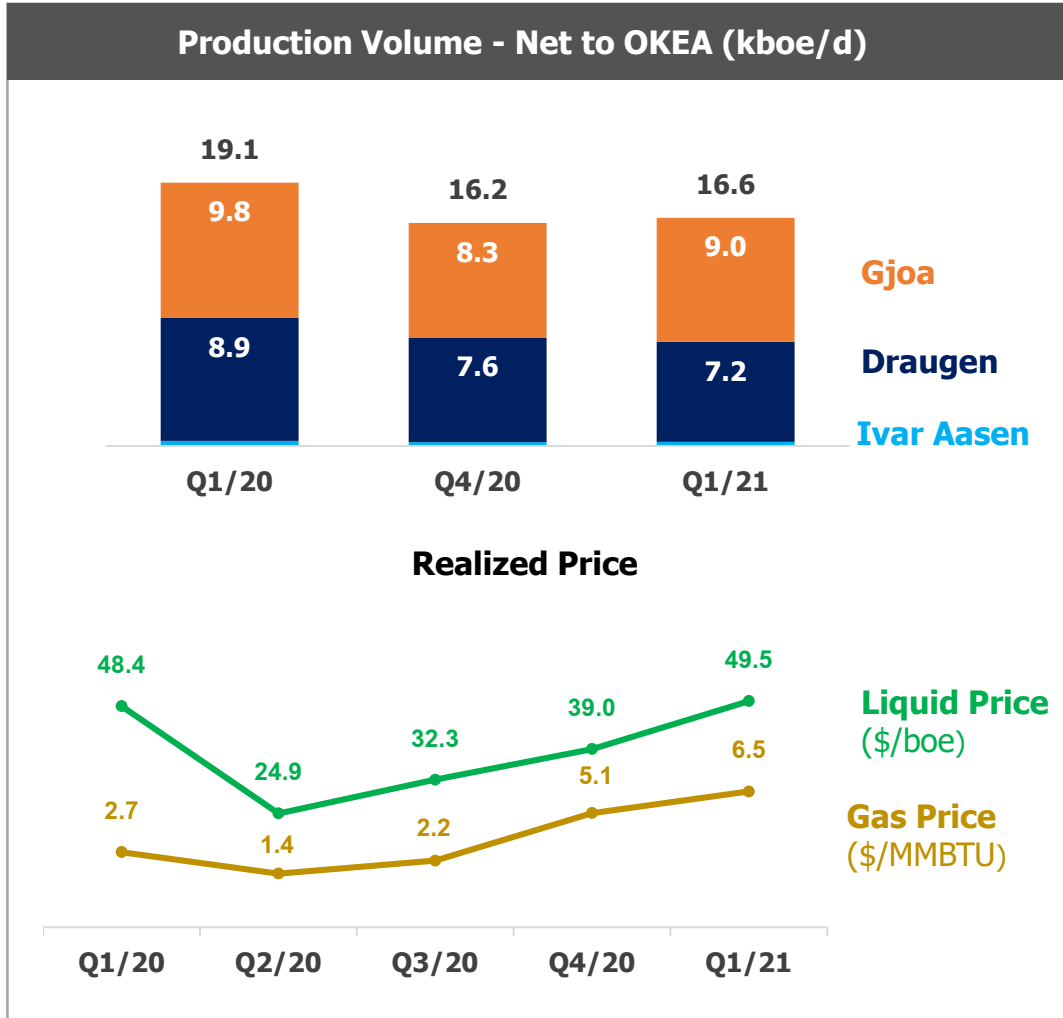
1Q2021 performance was weakened as Covid-19 continued to weight on transportation and overall biofuel demand

- Despite the higher B100 price as a result of its undersupply crude palm oil situation but Revenue and gross profit fell 3% and 47% QoQ respectively, due to the decline in diesel demand and higher CPO cost.

- Revenue dropped -25% QoQ due to its lower sales volume, nevertheless gross profit still increased +25% QoQ from the successful raw material cost management
- Production level increased 76% QoQ as KGI plant finished its TAM in 4Q2020



Natural Resources Business: Q1/21 EBITDA 31 MB



Source: OKEA



OKEA ASA

BCPR holds 46.09 % in OKEA ASA

BCP recorded share of gain 38 MB from OKEA

- Operating income declined mainly from **lower sold volumes was partly offset by higher realised prices**
- **No impairment or reversal of impairment**
- **Exploration and evaluation expenses increased**, related to the exploration well Jerv which was concluded a non-commercial discovery
- Currency gain on loans decreased as NOK remained stable in 1Q2021, while strengthened by 10% against USD in the previous quarter

BCP Group Business Update



- ✓ **2Q Laos hydropower plant (114MW) performance may improve from 1Q by seasonality effect**
- ✓ **Construction of transmission line on track**



- ✓ **Japan solar projects (65 MW) COD plan**
 - in 4Q: Komagane 25 MW, Chiba 20 MW
 - in 2H: Yabuki 20 MW
- ✓ **2Q Geothermal powerplant's performance may improve QoQ thanks to lower scheduled maintenance.**



- ✓ **Plan to Filing Q3/21 & IPO in Q1/22**
- ✓ **Win Ingredients to launch sweetener product Mid 2021 in TH, VN, ID and PH**

BIODIESEL BUSINESS

**+ Refined Glycerin
27,000 Ton/Y
(Construction completed)**



ETHANOL BUSINESS

**KGI-NP
+200,000 L/D
(Construction progress 77%,
COD Q1/22)**



OKEA

- ✓ **Tentative schedule for development projects**
 - **Yme: first oil in 2H/21**
 - Hasselmus: FID in Q2/21
- ✓ **Production guiding net to OKEA**
 - **15,500-16,500 boepd in 2021**

LAC

- ✓ **Construction at Caucharí-Olaroz underway with first production targeted for mid-2022**
- ✓ **BCP holds offtake rights up to 6,000 TPA**

TABLE OF CONTENT

01

Q1/21 Business Performance & Update



02

Financial Performance



Event Highlights



Bangchak Refinery TAM 2021, 39 days from 15th February to 25th March, **completed as planned**



BCV Innovation Company Limited, a wholly owned subsidiary of BCP, has **invested 50 MB** in 99.8% common shares of **WINNONIE** Company Limited



(April 2021) **BCP's dividend payment of 0.40 B/share** for 2020 performance, totaling 543 MB



(May 2021) **BBGI has issued the first debenture, amount 1,300 MB** with BBB+ rating to II/HNW investor, intended to raise funds to drive forward strategic plans and facilitate growth in the future. **The deal was 5x oversubscription.**

Statement of Income: Consolidated

Statement of Income (Unit:MB)	Q1/2020	Q1/2021	% Change
Revenue	43,070	41,230	-4%
Cost of goods sold	(44,287)	(36,626)	-17%
Gross Profit	(1,216)	4,604	479%
Other income	105	142	35%
Selling and administrative expenses	(1,763)	(1,447)	-18%
Gain (loss) from derivatives	(360)	(429)	
Gain (loss) on foreign exchange	326	43	
Reversal (Loss) from impairment of assets	(1,404)	400	
Profit (Loss) from operating activities	(4,311)	3,313	177%
Finance costs	(464)	(464)	-0.01%
Impairment gain(loss) (TFRS9)	5	6	
Share of profit(loss) of associate and JV	(1,082)	194	
Profit (Loss) before income tax expense	(5,852)	3,049	152%
Tax income (expense)	1,536	(408)	
Profit (loss) for the period	(4,316)	2,642	161%
Owners of parent	(4,661)	2,284	149%
Non-controlling interests	345	358	
Earnings per share (Baht per Share)	(3.49)	1.59	

- ❖ **Revenue decreased 4% YoY** from declining sales volume in petroleum and biofuel businesses resulted from COVID-19 resurgence
- ❖ **Gross profit increased significantly** mainly from the rise of global crude oil price, resulting in inventory gain of 2,473 MB (Net NRV).
- ❖ **Recorded 400 MB Reversal of impairment on asset** due to the higher valuation of investment in OKEA as the oil and gas price continue to strengthen, **compared to impairment loss of - 1,404 MB in Q1/2020** mainly from Nido asset impairment
- ❖ **Share of Profit** – improved significantly mostly because Q1/2020 took significant share loss from OKEA as it recorded impairment loss

Main attributors	Q1/2020	Q1/2021
Petrowind Energy Inc.	24	19 MB
Star Energy Group Holdings Pte. Ltd	67	121 MB
OKEA ASA	(1,199)	38 MB

Statement of Income: Consolidated

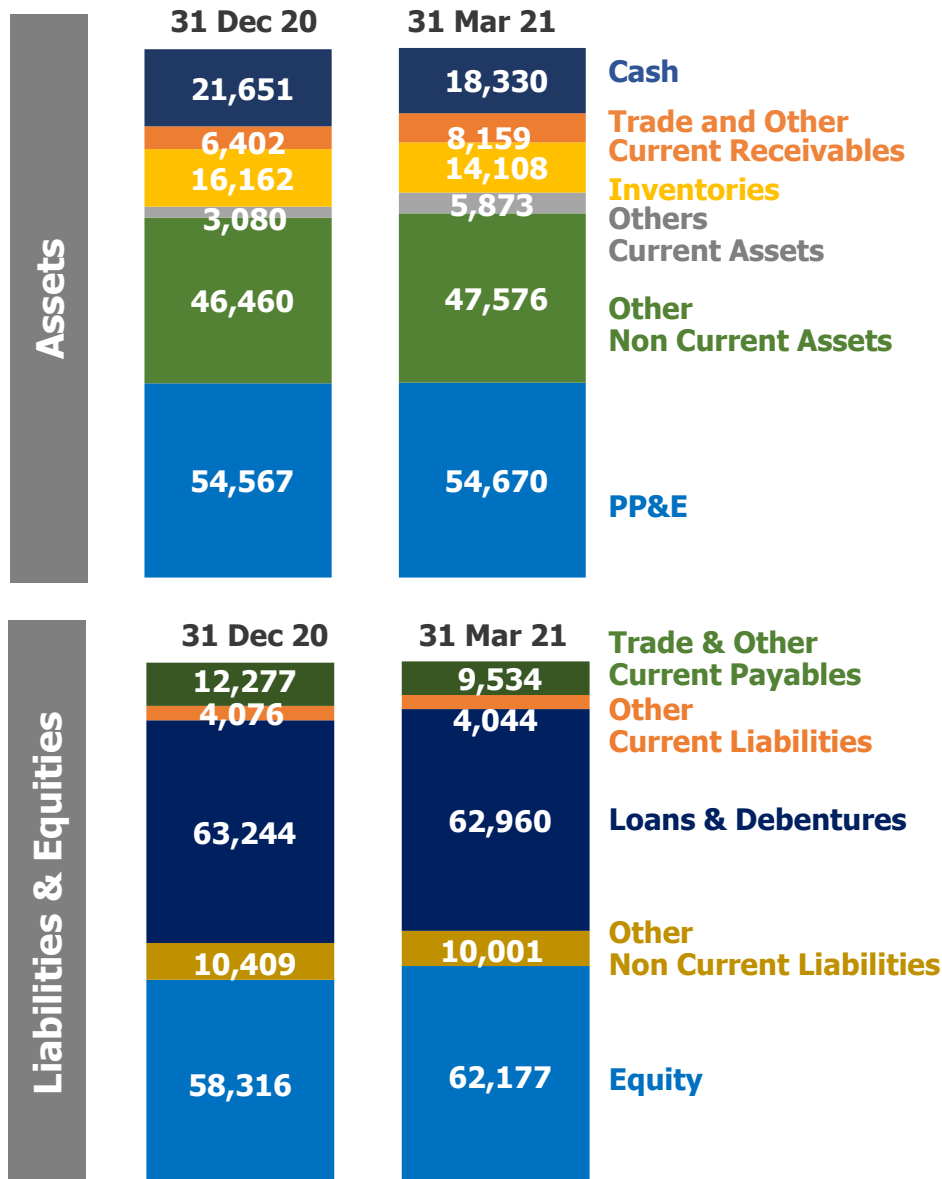
Statement of Income (Unit:MB)	Q4/2020	Q1/2021	% Change
Revenue	33,134	41,230	24%
Cost of goods sold	(30,741)	(36,626)	19%
Gross Profit	2,393	4,604	92%
Other income	120	142	18%
Selling and administrative expenses	(2,180)	(1,447)	-34%
Gain (loss) from derivatives	165	(429)	
Gain (loss) on foreign exchange	140	43	
Reversal (Loss) from impairment of assets	115	400	
Profit (Loss) from operating activities	752	3,313	340%
Finance costs	(484)	(464)	-4%
Impairment gain(loss) (TFRS9)	23	6	
Share of profit(loss) of associate and JV	264	194	
Profit (Loss) before income tax expense	555	3,049	449%
Tax income (expense)	46	(408)	
Profit (loss) for the period	601	2,642	340%
Owners of parent	251	2,284	808%
Non-controlling interests	349	358	
Earnings per share (Baht per Share)	0.09	1.59	

- ❖ **Revenue increased 24% QoQ** mainly from the petroleum related businesses. BCP selling price per unit +18%QoQ, and BCPT traded more out-out transaction
- ❖ **Gross profit increased significantly 92% QoQ** mainly from the rise of global crude oil price, resulting in inventory gain of 2,473 MB (Net NRV).
- ❖ **Recorded 400 MB Reversal of impairment on asset** due to the higher valuation of investment in OKEA as the oil and gas price continue to strengthen
- ❖ **Share of Profit** – slightly decline mostly due to less share of profit from OKEA as it had no reversal of impairment in this quarter

Main attributors	Q4/2020	Q1/2021
Petrowind Energy Inc.	50	19 MB
Star Energy Group Holdings Pte. Ltd	(74)	121 MB
OKEA ASA	275	38 MB

Consolidated Statement of Financial Position

Unit: MB



Unit: MB	31 Dec 20	31 Mar 21	Change
Total Assets	148,323	148,716	▲ <1%
Total Liabilities	90,007	86,539	▼ 4%
Total Equity	58,316	62,177	▲ 7%

- ❖ **Trade and other current receivables +27%**, attributed to the average selling price of BCP and BCPT adjusted upward
- ❖ **Inventory -13%** as previous quarter refinery built up stock for TAM in Q1
- ❖ **Other Non Current Assets +2%**
 - Investments in associates and joint ventures ▲ 1,262 MB mostly attributed to currency conversion of invested capital in associated company (THB depreciation), and the reversal of recorded impairment on investment to OKEA
- ❖ **PP&E +<1%**
 - Asset investment 1,010 MB mainly on major turnaround and 3E project
 - Depreciation of 1,035 MB
- ❖ **Trade & Other current payables -22%** mostly from BCPT's trade payables was lower than last quarter
- ❖ **Equities +7%**
 - Net profit of 2,642 MB
 - Exchange differences on translating financial statements 874 MB

Consolidated Statement of Cash Flow

As of Dec 20

Beginning Cash
21,651 MB

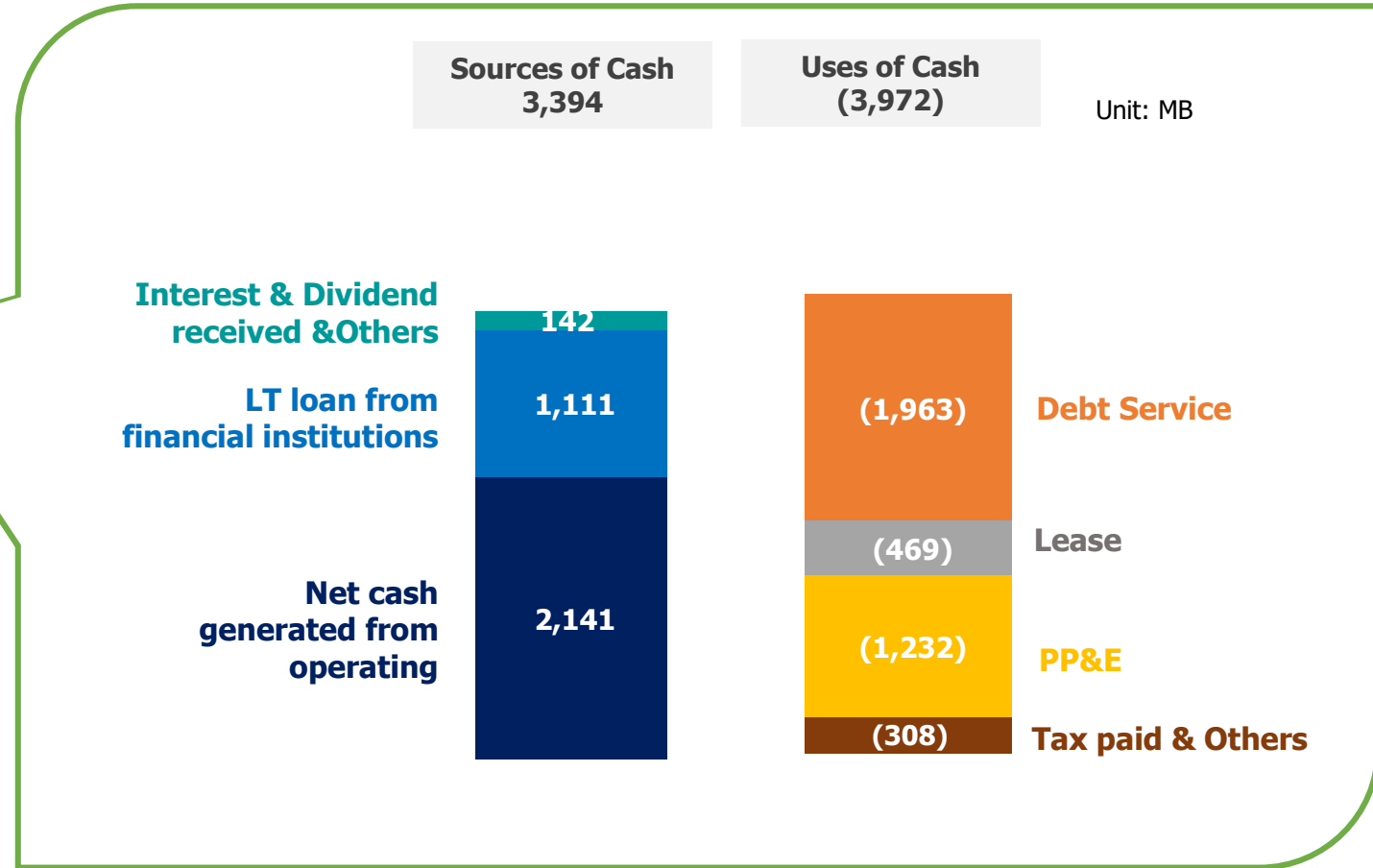
Cash movement
(578) MB

Short Term Deposit
(2,995) MB

FX adjustment
253 MB

Ending Cash
18,330 MB

As of Mar 21





Appendix

Financials



Profit and Loss (Consolidated)

Consolidated Statement of Income (Unit: THB Million)	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Revenue from sale of goods and rendering of services	41,230	33,134	24%	43,070	-4%
Cost of sale of goods and rendering of services	(36,626)	(30,741)	19%	(44,287)	-17%
Gross Profit	4,604	2,393	92%	(1,216)	479%
Other income	142	120	18%	105	35%
Selling and administrative expenses	(1,447)	(2,180)	-34%	(1,763)	-18%
Gain (loss) from derivatives	(429)	165		(360)	
Gain (loss) on foreign exchange	43	140		326	
Reversal (loss) from impairment of assets	400	115		(1,404)	
Profit (loss) from operating activities	3,313	752	340%	(4,311)	177%
Finance costs	(464)	(484)	-4%	(464)	-0.01%
Reversal of impairment loss determined in accordance with TFRS 9	6	23		5	
Share of profit (loss) of associates and joint ventures accounted for using equity method	194	264		(1,082)	
Profit (loss) before income tax expense	3,049	555	449%	(5,852)	152%
Tax income (expense)	(408)	46		1,536	
Profit (loss) for the period	2,642	601	340%	(4,316)	161%
Owners of parent	2,284	251	808%	(4,661)	149%
Non-controlling interests	358	349		345	
Basic earnings (loss) per share (Baht per Share)	1.59	0.09		(3.49)	

EBITDA Structure (Consolidated)

Unit: THB Million	Q1/2021	Q4/2020	QoQ	Q1/2020	YoY
Total Revenue	41,230	33,134	24%	43,070	-4%
Accounting EBITDA	4,737	2,750	72%	(2,546)	286%
Refinery and Trading Business ^{1/}	2,411	600	302%	(2,590)	193%
Marketing Business ^{2/}	970	602	61%	81	>1,000%
Green Power Business ^{3/}	979	868	13%	770	27%
Bio-Based Product Business ^{4/}	422	590	-28%	510	-17%
Natural Resource Business ^{5/}	31	221	-86%	(1,227)	103%
Others	(76)	(131)	42%	(90)	16%
Profit attributable to owners of the Company	2,284	251	808%	(4,661)	149%
Earnings (Loss) per share (Baht)	1.59	0.09		(3.49)	

Note: 1/ EBITDA from Refinery Business of the Company, BCP Trading Pte. Ltd. and share of profit from associated companies

2/ EBITDA from Marketing Business of the Company, Bangchak Green Net Co.,Ltd., Bangchak Retail Co., Ltd., and share of profit from associated companies

3/ EBITDA from Power Plant Business of BCPG Plc., its subsidiaries, and share of profit from associated companies

4/ EBITDA from BBGI Plc., its subsidiaries, and share of profit from associated companies

5/ EBITDA from Natural Resources business of Nido Petroleum Pty. Ltd., BCP Energy International Pte. Ltd., BCP Innovation Pte. Ltd., BCPR Co., Ltd. and share of profit from associated companies

Financial Ratio (Consolidated)

Profitability Ratios (%)	Q1/2021	Q4/2020	Q1/2020
Gross Profit Margin	11.17%	7.22%	-2.82%
EBITDA Margin	11.49%	8.30%	-5.91%
Net Profit Margin	6.41%	1.81%	-10.02%
Return on Equity ^{1/} (ROE)	-0.05%	-14.22%	-7.06%
Return on Assets (ROA)	2.44%	-3.90%	-1.48%

1/ Profit and Total equity attributable to owners of the parent

	31-Mar-21	31-Dec-20	31-Mar-20
Liquidity Ratios (Times)			
Current Ratio	2.12	1.85	1.18
Quick Ratio	1.35	1.10	0.61
AR Turnover	18.92	18.33	26.01
Collection Period (Days)	19	20	14
AP Turnover	20.38	13.44	19.69
Payment Period (Days)	18	27	19
Financial Policy Ratios (Times)			
Debt to Equity	1.39	1.54	1.61
Interest bearing Debt to Equity	1.13	1.22	1.32
Net Interest bearing Debt to Equity	0.79	0.85	1.12
Release of Debenture Ratio (Times)			
Net Interest bearing Debt to Net Equity	0.64	0.66	0.86

THANK YOU

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