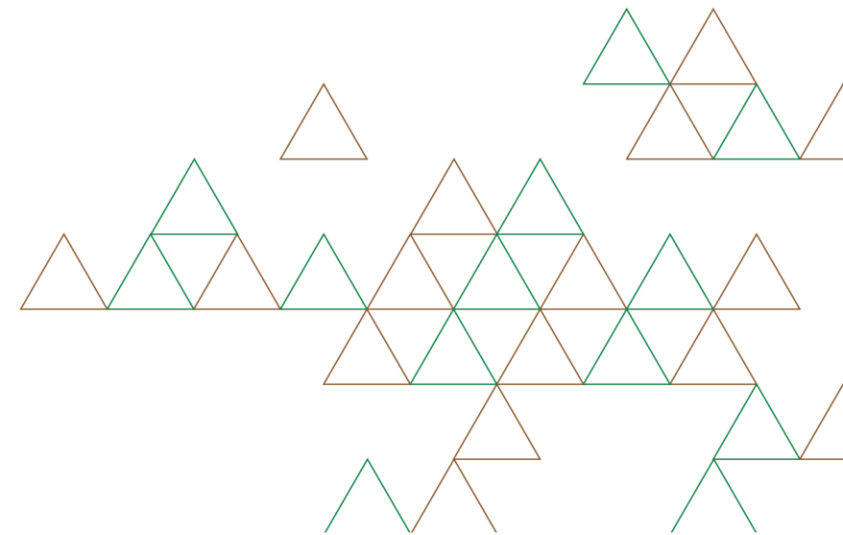




Tipco Asphalt Public Company Limited (TASCO)

3-2018 Analyst meeting

16th August 2018



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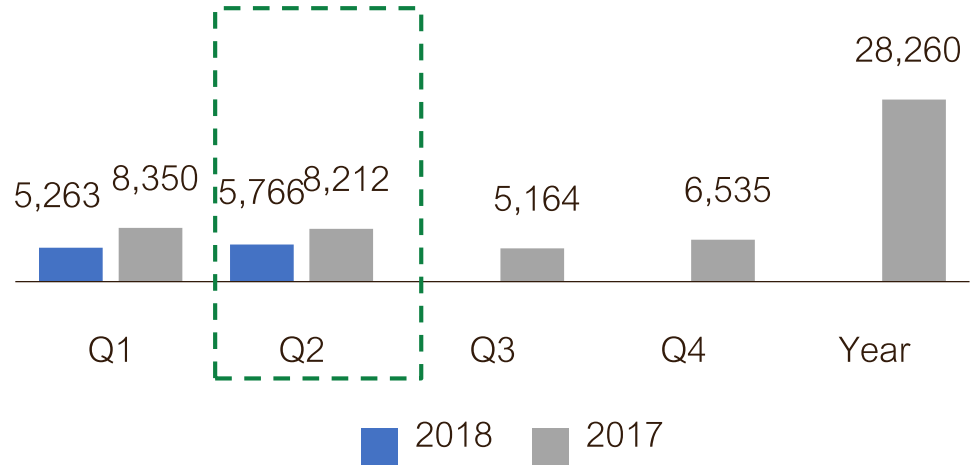
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Q&A

Q2 2018 Financial Performance : Sales & Services Revenue vs. Sales Volume

Sales & Services Revenue

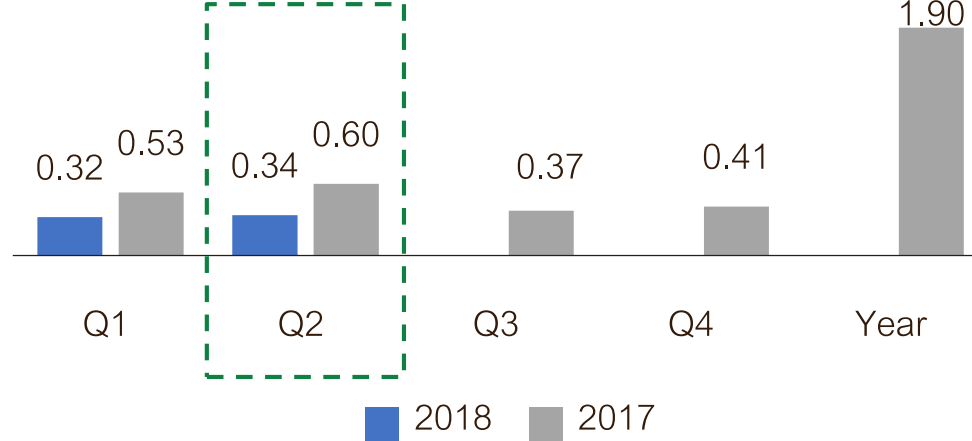
Unit: Mil. THB



- Sales and services stood at Baht 5,766 million, reflecting a decrease of 29.8% from the same period of last year
- This reduction was mainly attributable to the significant drop in total sale volume

Sales Volume

Unit: Mil. Ton

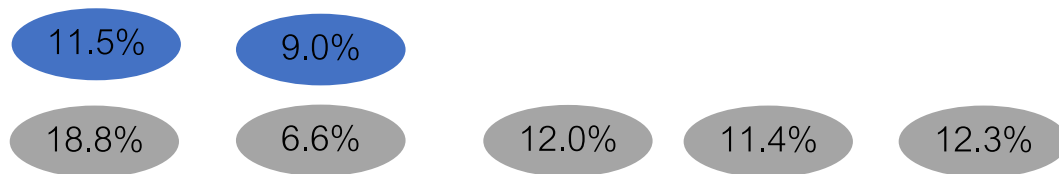
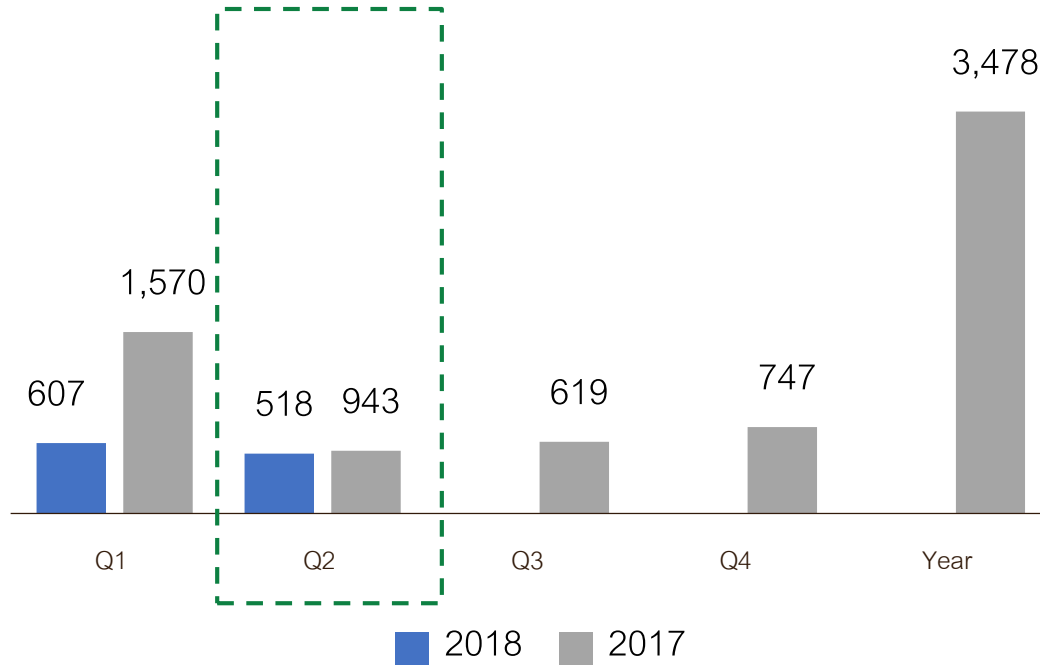


- Decrease in sales volumes was mainly due to decrease in international markets
- The reduced production was result of operations delay of crude supply and refinery planned shut down for maintenance in June 2018

Q2 2018 Financial Performance : Operating Gross Profit

Operating Gross Profit

Unit: Mil. THB

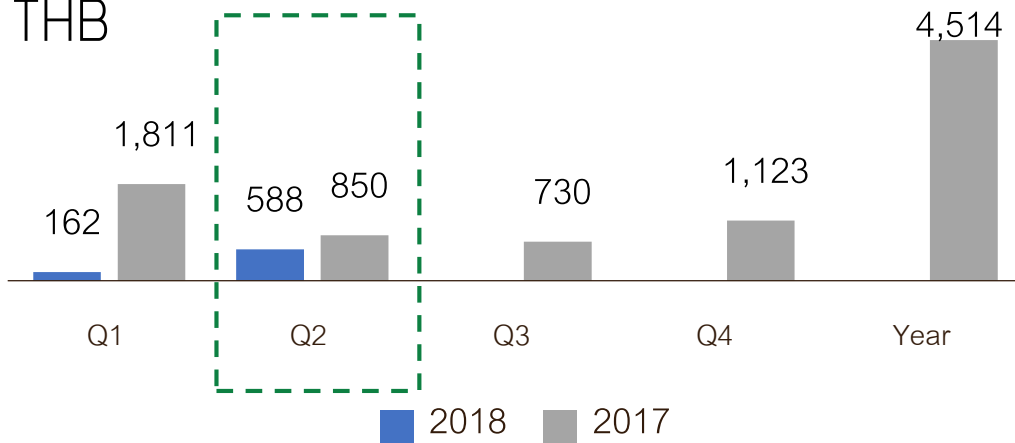


- Cost of sales and services in the 2nd quarter 2018 stood at Baht 5,059 million or 87.7% (90.2% in corresponding quarter in 2017) of sales and services before the allowance for diminution in value of inventory and hedging
- The improvement of gross margin was mainly due to increase in selling price of asphalt products together with low inventory crude cost brought forward from the 1st quarter. Brent price increased from USD 69.93/bbl at the end of March 2018 to USD 78.16/bbl at the end of June 2018

Q2 2018 Financial Performance : EBITDA & Net Profit

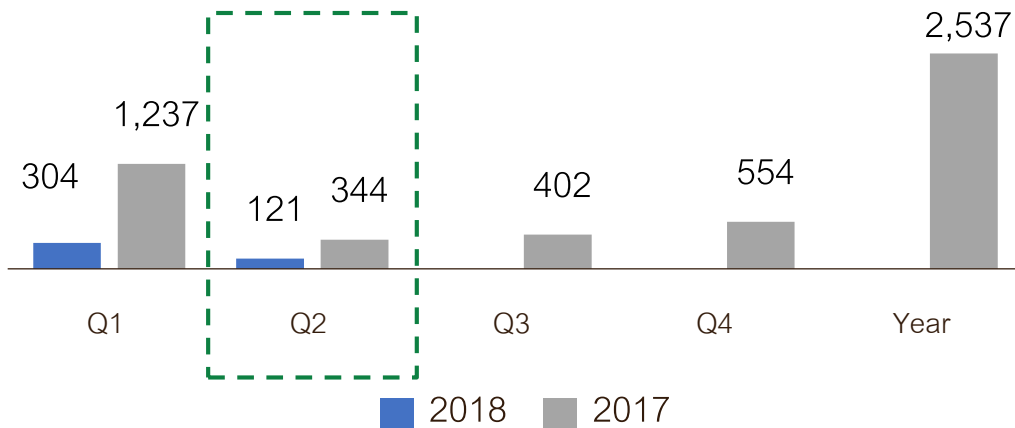
EBITDA

Unit: Mil.
THB



- The Group's cashflow generated from operations stood at Baht 588.6 million compared to Baht 850.41 million in corresponding period in 2017 due to the decrease in sales volume during 2nd quarter of 2018 as compared to corresponding period of 2017

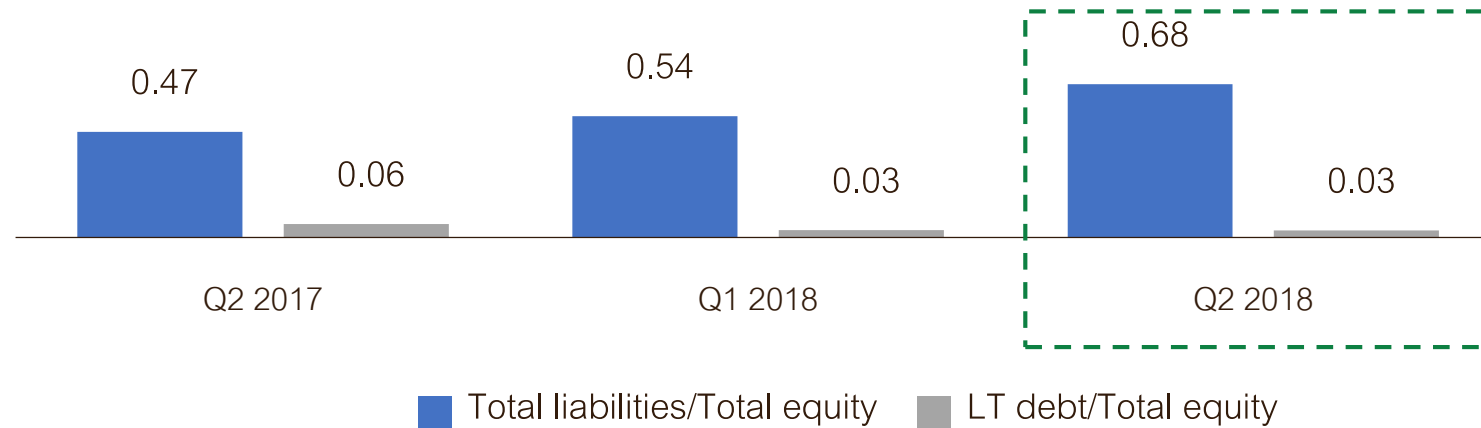
Net Profit After Tax



- The Net Profit After Tax of Baht 121 million for the 2nd quarter 2018 represented earning per share of Baht 0.08 (par value of Baht 1 each) as compared to Baht 0.22 per share in corresponding quarter of 2017

Q2 2018 Financial Performance : Debt to Equity Ratio

Debt/Equity Ratio

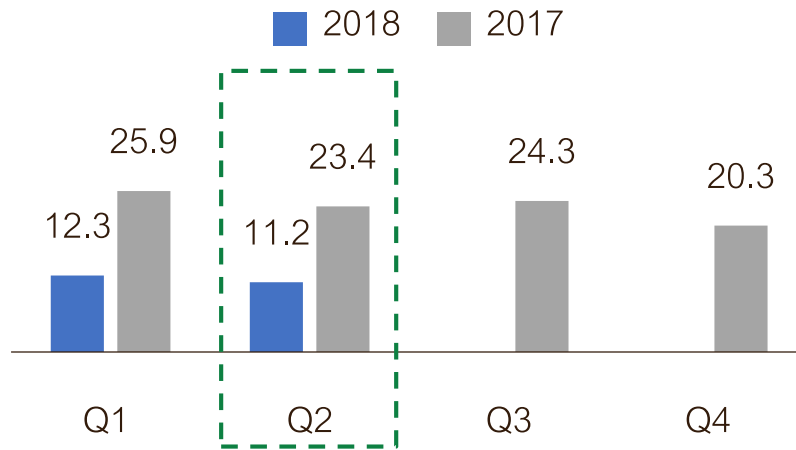


- The Group's consolidated debt to equity ratio (D/E ratio) remained low at 0.68 comparing to 0.47 in corresponding period of 2017 due to increase in working capital financing

Q2 2018 Financial Performance : Key Ratios and Historical Dividend

Return on Equity^{1/}

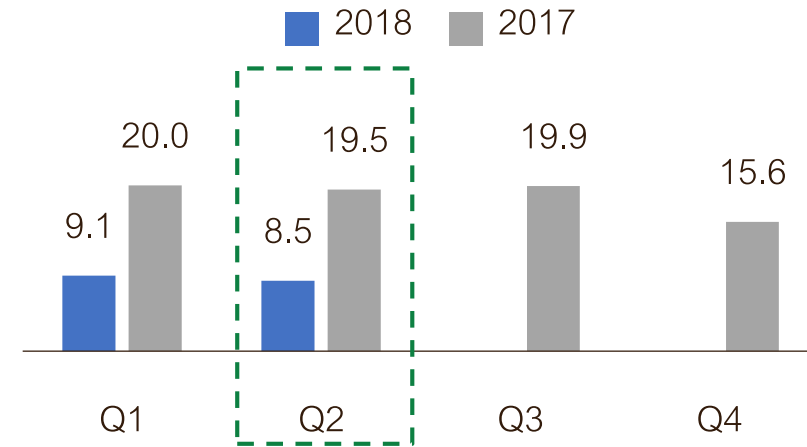
Unit: %



1/ Return is based on sum of last 12 months net profit

Return on Asset^{2/}

Unit: %

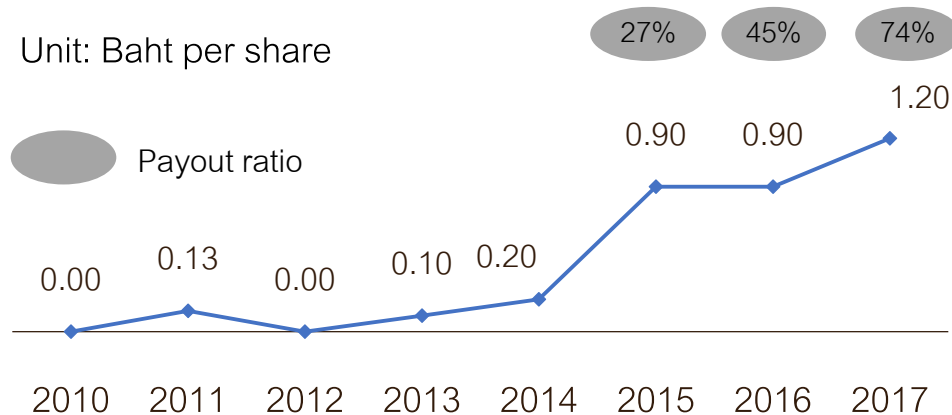


2/ Return is based on sum of last 12 months net profit

Return is based on profit before interest and tax

Historical Dividend

Unit: Baht per share



- TASCO has still been qualified in SET High dividend ("SET HD") since H2 2016 up to H2 2018



Q2 2018 Highlights

Crude

- 4 crude cargoes have been received year to date July 18

Domestic Market



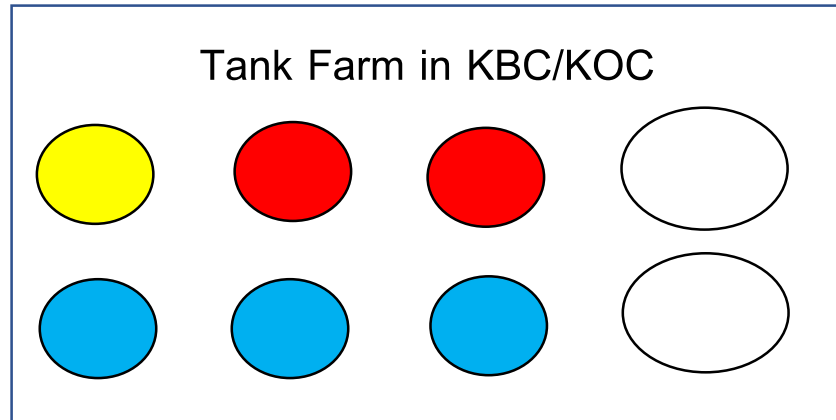
- Sales volume Q2 was lower than Q1 but still comparable to Q2 2017
- However, margin was slightly affected due to strong competition

International Market



- Sales volume Q2 was higher than Q1 due to crude receipt has improved slightly, but still much lower than to Q2 2017
- New JV in Laos started trading business

Highlights - Refinery



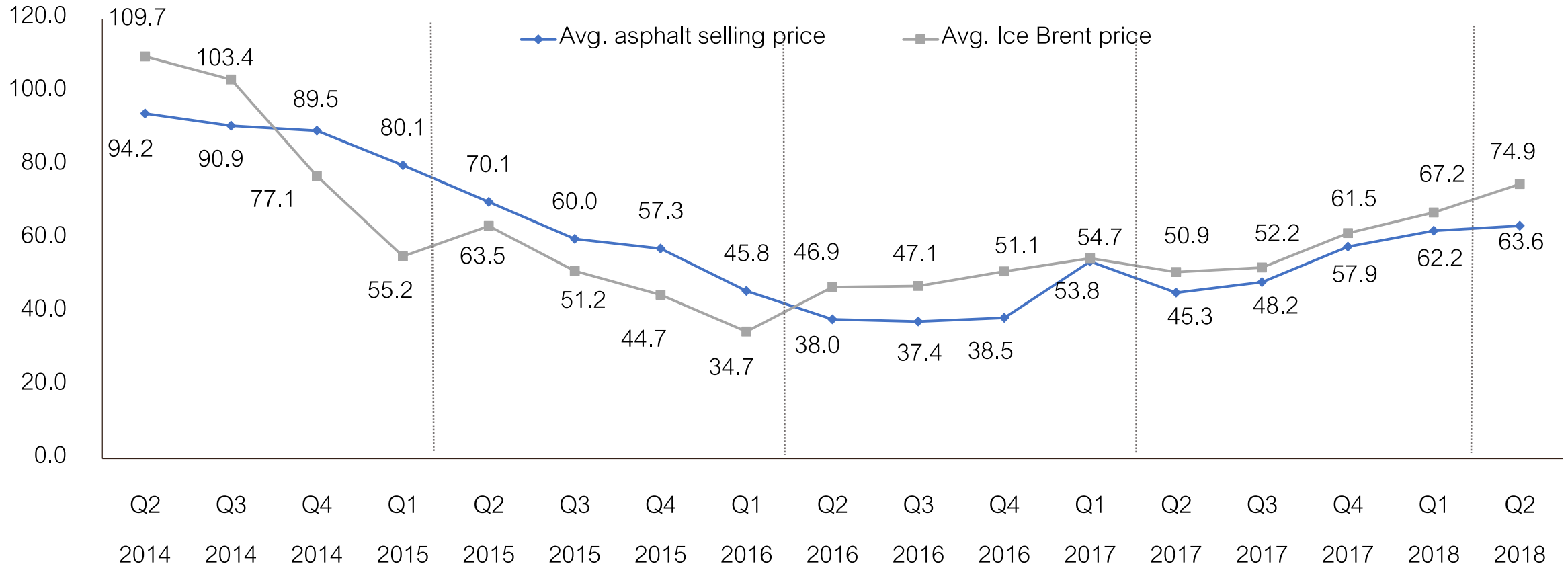
- Damaged
- Partially damaged
- Unaffected tanks but wait for integrity test
- Unaffected and available

	Storage capacity - m ³ / barrel
- 3 damaged tanks	101,030 / 635,500
- 3 other tanks (wait for integrity test)	135,080 / 849,630
- 2 available tanks	120,000 / 755,000
Total (8 tanks)	356,110 / 2,240,130

- KBC had been shutdown from 2 Mar - 3 Apr and 17 Jun - 5 Jul 2018
- On evening 5 Jul 2018, a fire broke out and damaged 3 crude tanks in crude oil tank farm area at KBC
- The fire was completely extinguished within 38 hours on 7 July 2018 morning
- There was no fatality nor environmental damage. Refining facilities, product tanks and 5 other crude tanks are not affected as the fire was well contained from spreading
- The 3 affected tanks storage accounted for 635,500 barrels out of 2,240,130 barrel storage capacity
- The refining operations has resumed since 30 Jul 2018
- Insurance policies cover the fire damages including assets, inventories, and business interruptions up to 24 months

Asphalt Selling Price vs. Ice Brent Price

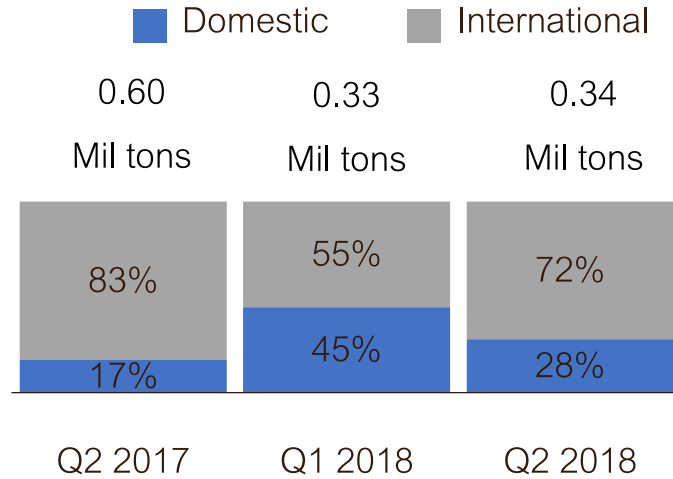
Unit: USD/barrel



Highlights : Asphalt Volume & Asphalt Revenue Structure

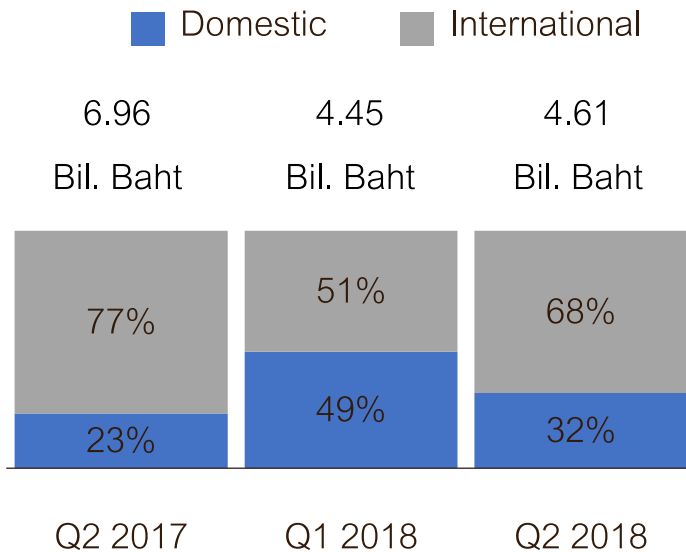
Asphalt sales volume concentration by market

Unit: %



Asphalt Revenue (Exc. Non asphalt & service income)

Unit: %



Main International Markets



China



Malaysia



Australia



Vietnam



Indonesia

H2 2018 Outlook – Refinery and Marine

Crude



- Confirmed target for 9 crude cargos in 2018

Refinery



- Since the fire incident on 5th July, the Refinery has resumed processing from 30 July 2018 and ready to take the next delivery of crude in August

H2 2018 Outlook – Domestic & International market

Domestic Market



- Domestic price has increased to catch up with the Brent price increased during late Q2
- Q3 sales is expected to remain unchanged, but Q4 sales will benefit from 2019 government budget spending expected to start in October

International Market



- International market sales is expected to increase due to the availability of crude/products
- Indonesia, one of main market, will enter in high working season



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