

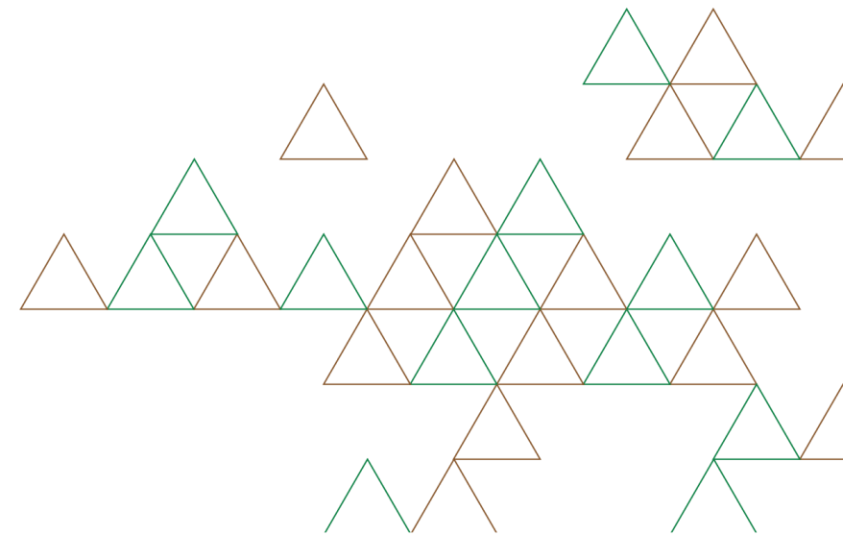


Tipco Asphalt Public Company Limited (TASCO)

1-2020 Analyst Meeting

(FY/2019 Operational Results)

19th February 2020



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2019 Financial Performance

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Q4 2019 Highlights

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2020 Outlook

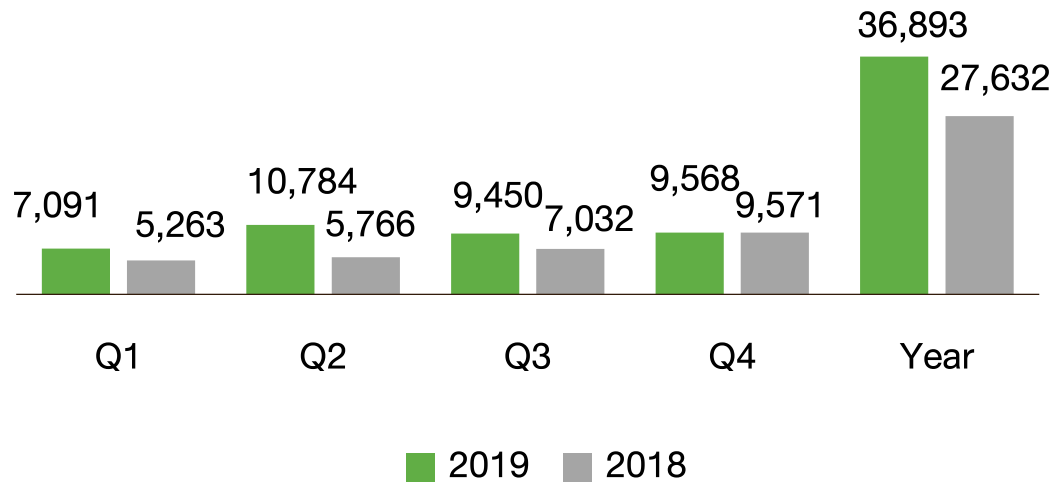
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Q&A

Sales & Services Revenue & Sales Volume

Sales & Services Revenue

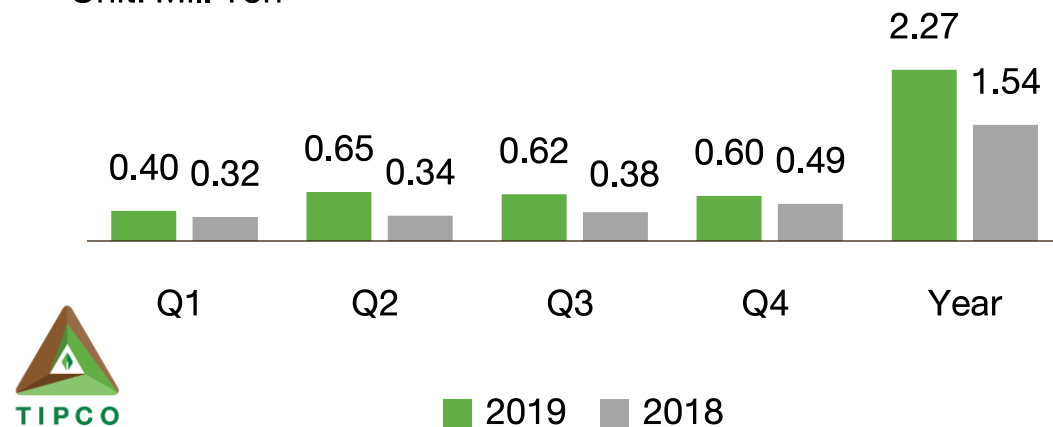
Unit: Mil. THB



- Sales and services stood at Baht 36,893 million, reflecting an increase of 33.52% from last year
- Asphalt price remained stable and sustainable through the year

Sales Volume

Unit: Mil. Ton

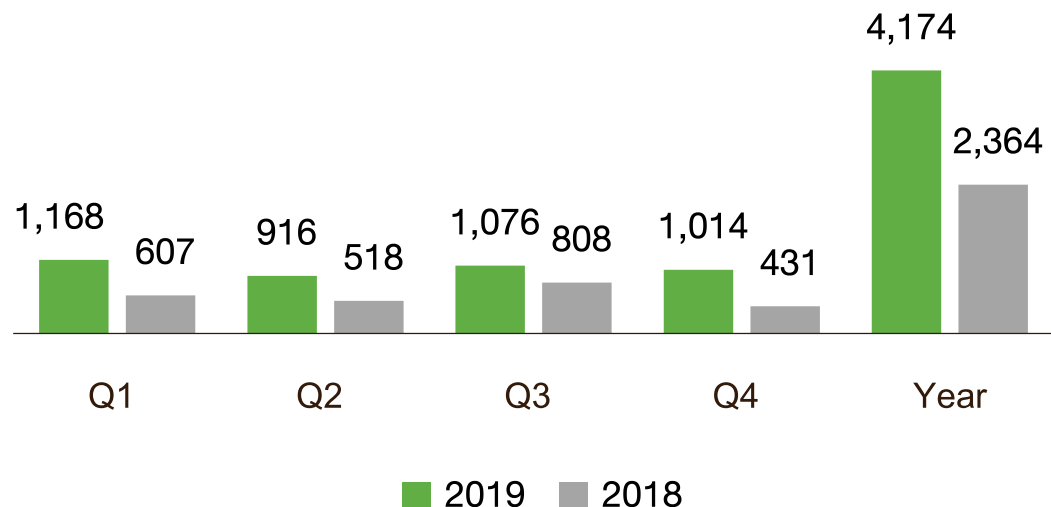


- This was mainly attributable to the significant increase in sales volume in international market in China, Indonesia and Vietnam
- The significant increase in sales volume in international market, as a result of continuous crude supply together with high production reliability at our refinery

Operating Gross Profit

Operating Gross Profit

Unit: Mil. THB



Gross profit margin (%)					
	Q1	Q2	Q3	Q4	FY
2019	16.5% ^{2/}	8.5%	11.4%	10.6%	11.3%
2018	11.5%	9.0%	11.5%	4.5% ^{1/}	8.6%

1/: Additional provision for impairment of stocks net realizable value at Baht 782 million

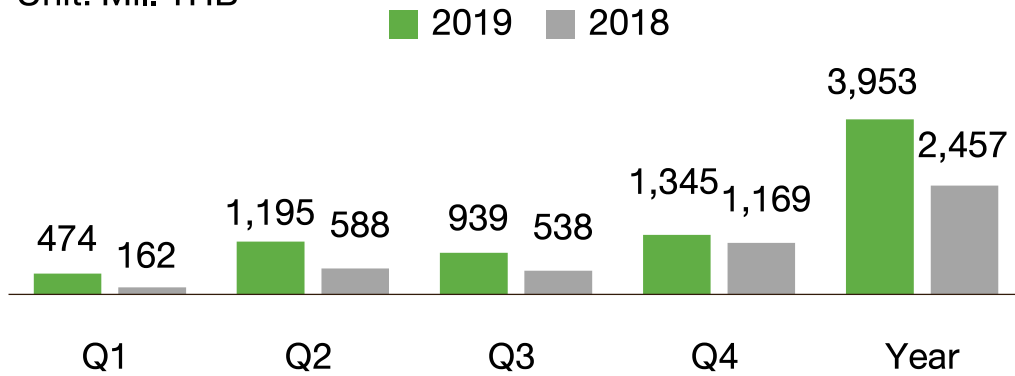
2/: Reversal of impairment of stocks net realizable value at Baht 794 million

- Gross profit in 2019 increased to Baht 4,174 million compared to Baht 2,364 million in 2018 due to lower crude cost and reversal of NRV Baht 794 million and small hedging loss.
- The Company recorded a loss from price hedging contract of Baht 90 million in 2019 attributable to the increase of ICE Brent price from \$53.80 to \$66.00 per barrel. This is marked to market “hedging loss” is supported by the physical inventory holding gain.
- In 2019, gross profit margin increased from 8.6% to 11.3% was mainly due to lower crude cost and stable asphalt selling price

EBITDA & Net Profit

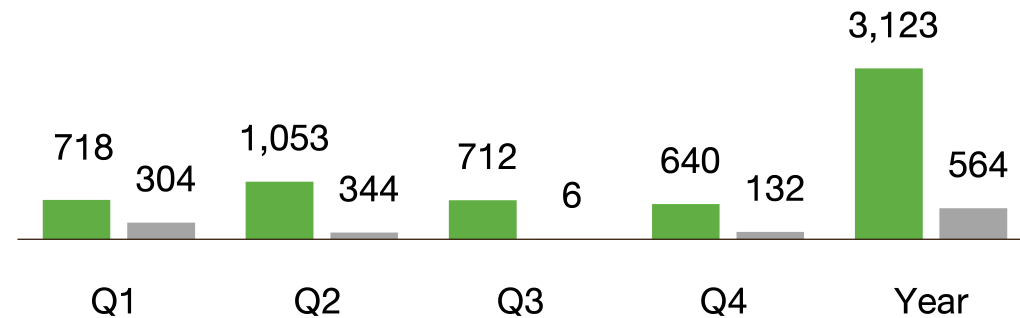
EBITDA

Unit: Mil. THB



Net Profit After Tax

Unit: Mil. THB

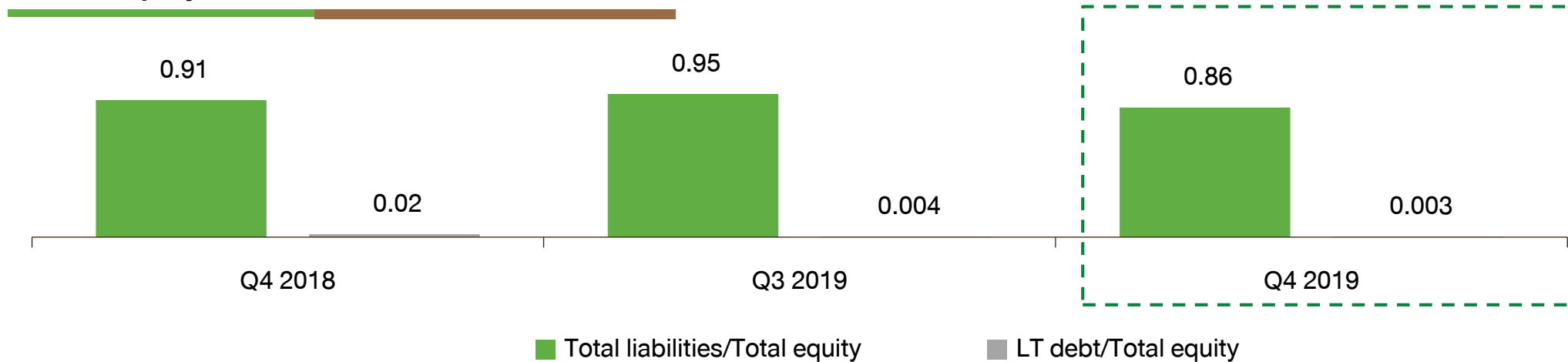


- The Group's cashflow generated from operations stood at Baht 3,953 million compared to the Baht 2,457 million in 2018 due to improved performance in this year as compared to last year and the net insurance cash received in respect of the fire incident in the year 2018

- Net Profit After Tax of Baht 3,123 million for 2019 represented earning per share of Baht 1.98 as compared to Baht 0.36 per share in previous year

Debt to Equity Ratio

Debt/Equity Ratio

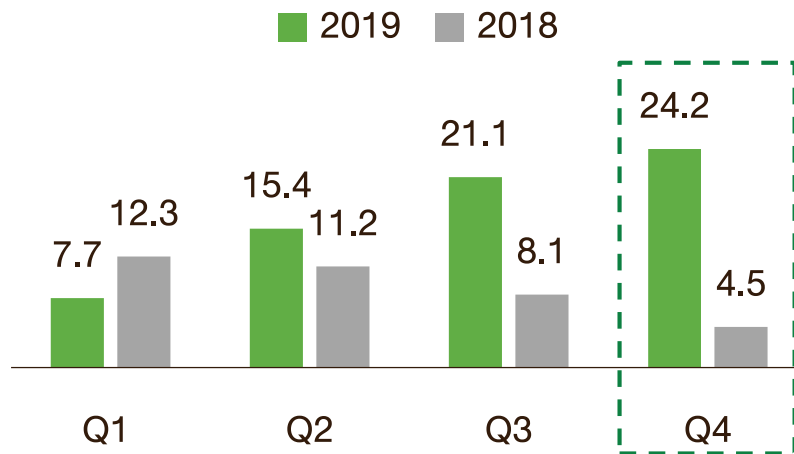


- The Group's consolidated debt to equity ratio (D/E ratio) was at 0.86 comparing to 0.91 in 2018 due to better operation performance in this year

Key Ratios and Historical Dividend

Return on Equity^{1/}

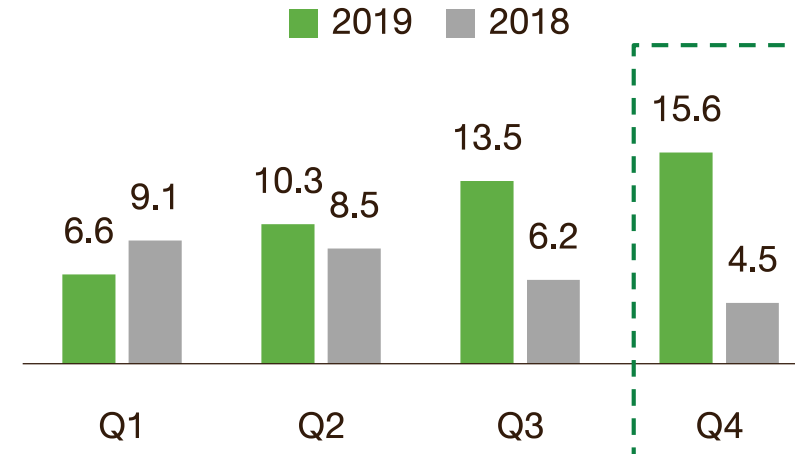
Unit: %



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

Return on Asset^{2/}

Unit: %

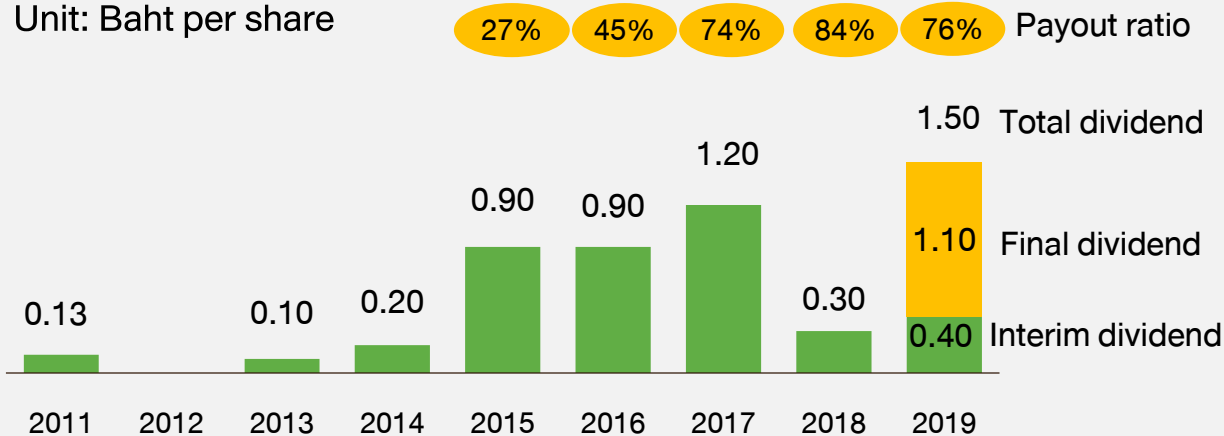


2/ Return is based on sum of last 12 months net profit

Return is based on profit before interest and tax

Historical Dividend

Unit: Baht per share



Dividend Policy

The Company has a policy to pay dividends of not less than 60% of its consolidated net profit of each fiscal year.

On 6th September 2019, the Company paid an interim dividend of 0.40 Baht/share for the year 2019

Final dividend will be proposed to 2020 AGM approval on 7th April 2020. EX-Dividend Date is on 28th Feb 2020 and with a proposed date of payment on 24th April 2020

Expense relating to fire incident and insurance claim

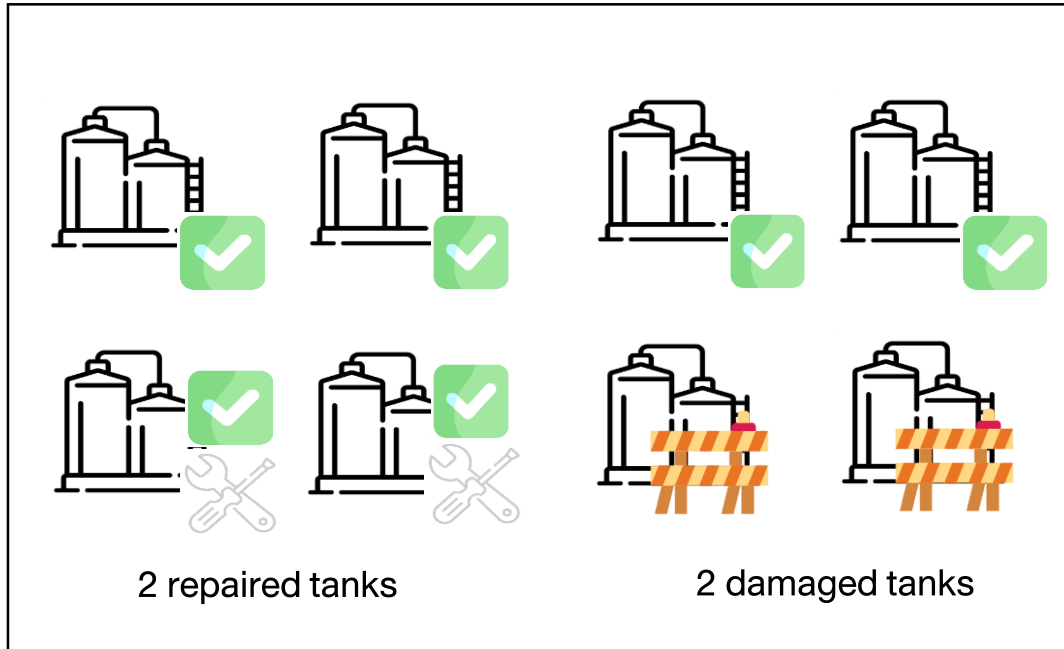
- In 2019, the subsidiary had incurred additional operating expenses for crude storage, logistic handling and other related expenses of USD 12.6 million or Baht 387 million. Some of these expenses will be recurring until the damaged crude oil tanks are back in service. However, the subsidiary received payment pursuant to its insurance claim of MYR 80 million or approximately Baht 593 million.

Loss/(Gain) from the fire incident (Unit: Mil. THB)	2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	2019
Damaged Assets written off	289.9					
Related expenses to the incident ^{1/}	68.2	143	27.5	68.0	148.6	387.1
Claims Received			(450)		(143)	(593)
Total	358.1	143	(422.5)	68.0	5.6	(205.9)

1/ include cost of floating storage unit rental, demurrage, tanks repair and other expenses

Status of crude storage of KBC refinery

Total 6 out of 8 tanks are in place



- 2 repaired tanks were completed and in operation since late-Nov 2019
- A new construction tank and the other new construction tank are expected to be completed in March 2020 and April 2020, respectively
- Rental of Floating Storage Units contract is extended to Aug 2020

Q4 2019 – Highlights

Refinery



- Refinery was continuously processing at high reliability rate
- 2 repaired tanks have been successfully recommissioned in operation since December 2019
- Second insurance payment of Baht 143 million was received in Q4 2019

Domestic Market



- 25% lower sales volume in Q4 2019 comparing with Q4 2018 was due to delayed government budget, but the full year sales volume was still at the level similar to 2018

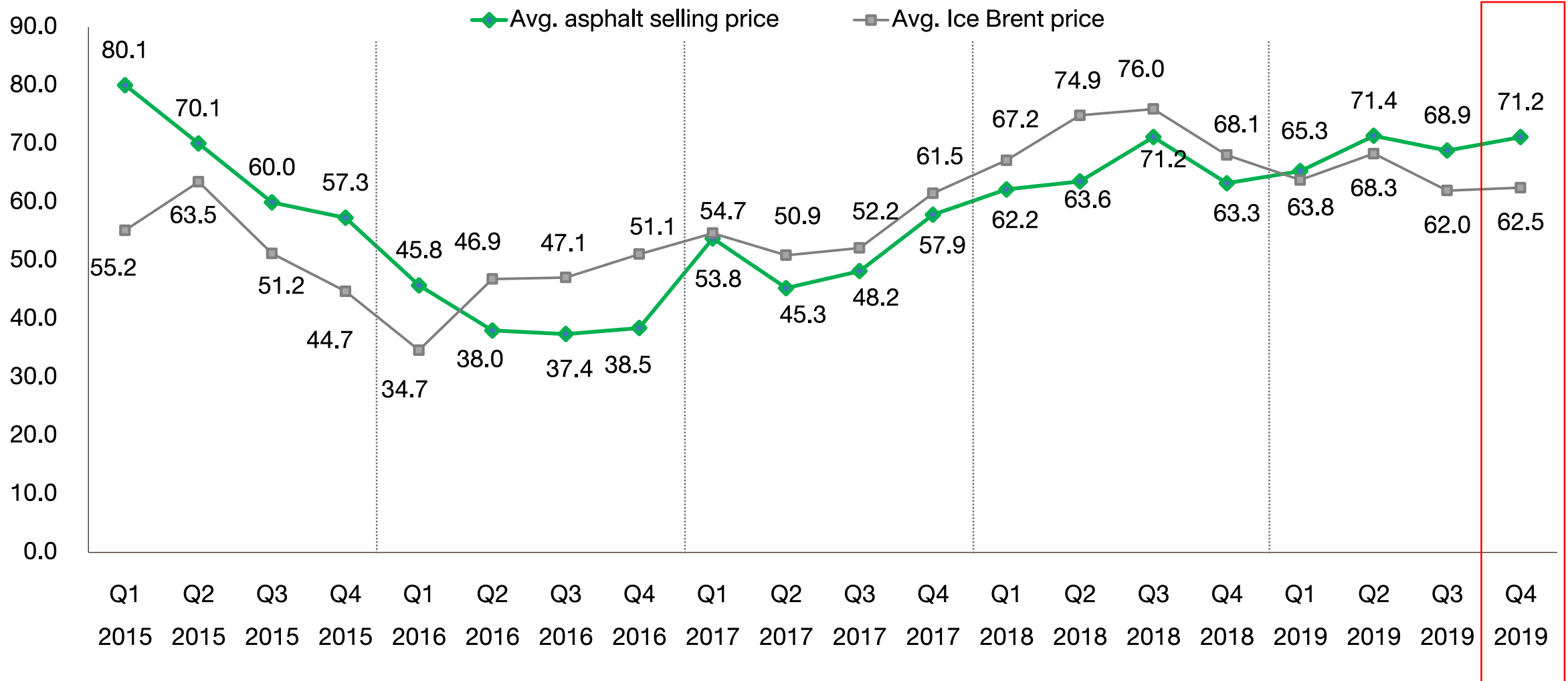
International Market



- International sales volume remained strong especially in China, Indonesia and Vietnam

Asphalt Selling Price vs. Ice Brent Price

Unit: USD/barrel



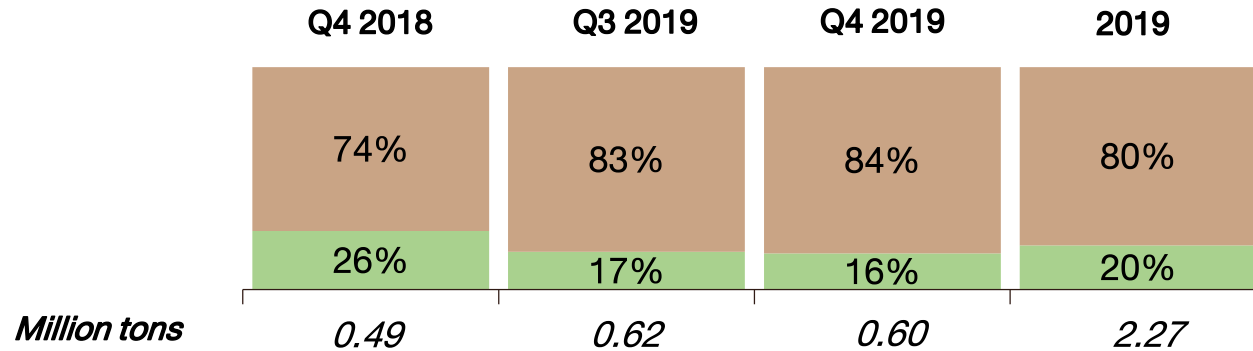
Highlights : Asphalt Volume & Asphalt Revenue Structure

Asphalt sales volume by market

Unit: %

Domestic

International

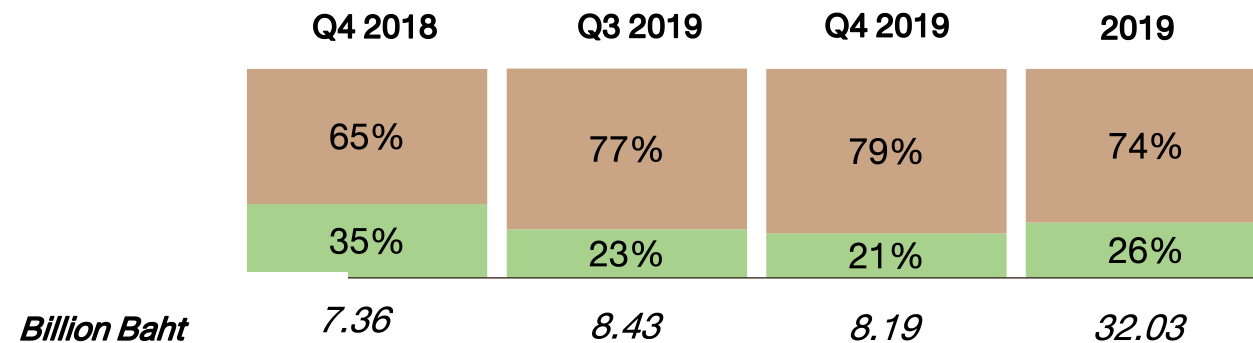


Asphalt Revenue (Exc. Non asphalt & service income)

Unit: %

Domestic

International



Main International Markets



China



Indonesia



Vietnam



Malaysia



Australia



Billion Baht

Outlook

Refinery



- 2 new construction tanks will be completed as scheduled in April 2020
- Refinery is maintaining high throughput but adjustable to the level of demand

Domestic Market



- The delayed government budget in 2019 will be disbursed after Q1 2020

International Market



- Expect negative Impact on Covid-19 virus



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