

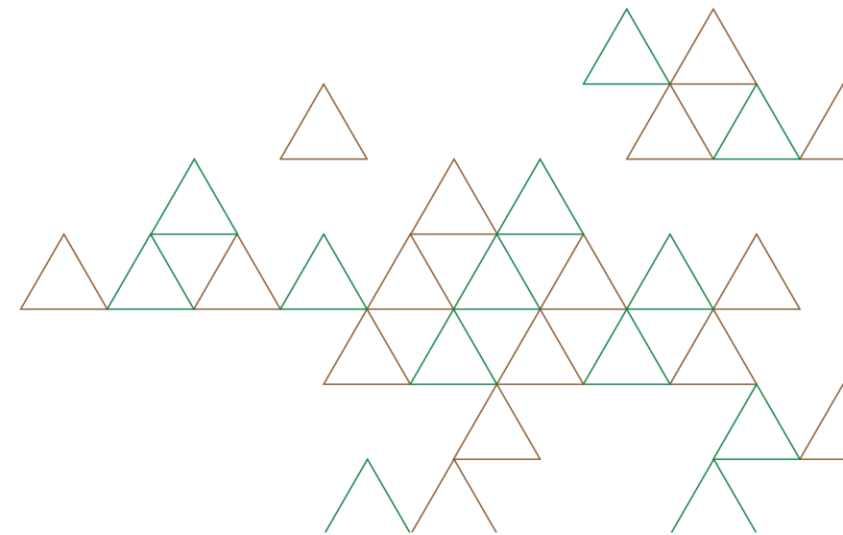


Tipco Asphalt Public Company Limited (TASCO)

3-2021 Analyst Meeting

(Q2 2021 Operational Results)

13th Aug 2021



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Outlook

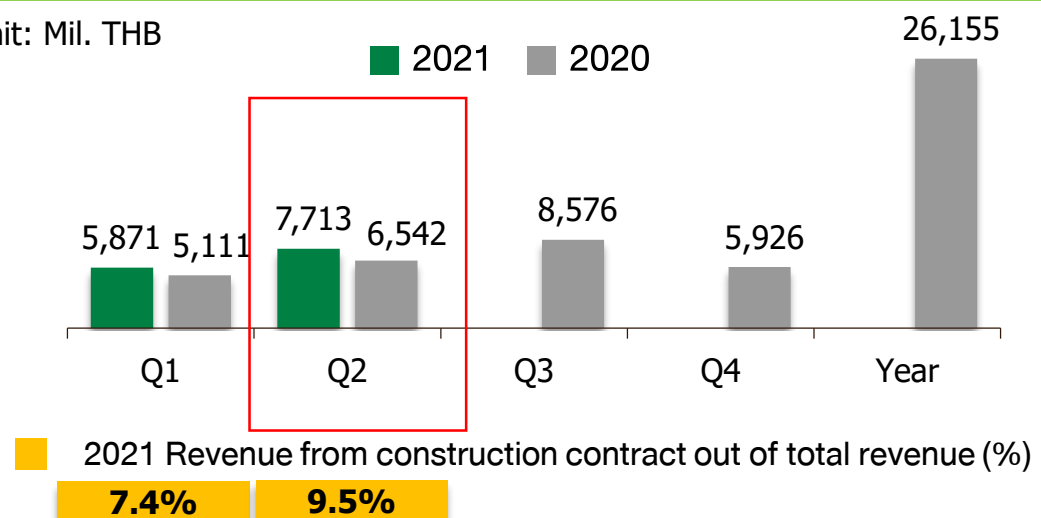
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Q&A

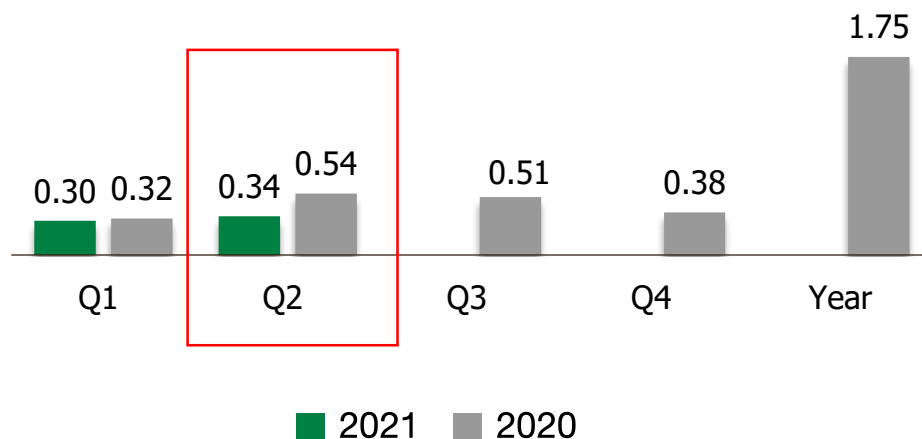
Sales & Services Revenue & Sales Volume

Total Revenue

Unit: Mil. THB



Sales Volume



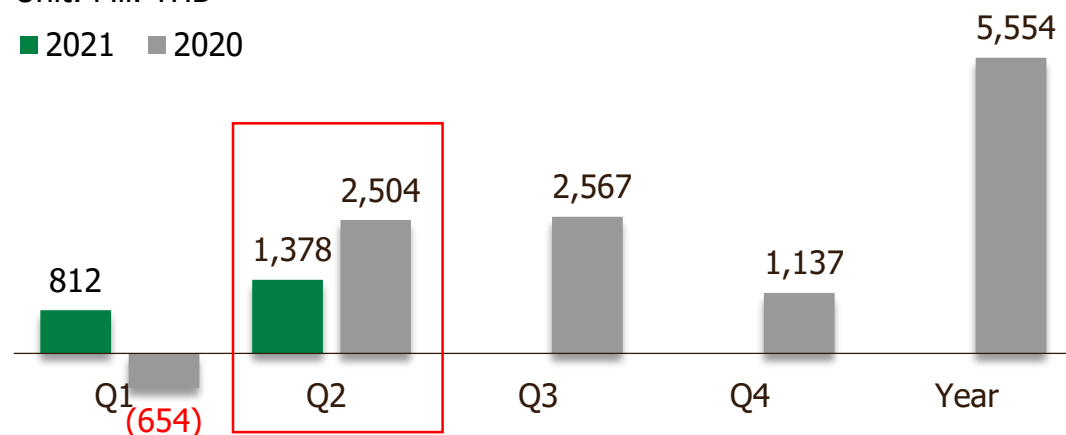
- Revenue from asphalt business stood at Baht 7,041 million, an 7.6% increase from Q2 2020. This was mainly attributed to the hike in average asphalt selling price related to the global oil market price increase in Q2 2021
- The Company recognized revenue from construction business of Baht 672 million since Q2 2021
- There was a reduction in total sales volume, in particular our international market, as compared to Q2 2020 which affected by the COVID-19 pandemic

Operating Gross Profit

Operating Gross Profit

Unit: Mil. THB

■ 2021 ■ 2020



- The improvement in gross profit was mainly due to an increase in average retail asphalt selling price as compared to the inventory cost together with an increase in emphasis towards retail sales rather than wholesale segment

Gross Profit Margin

	Q1	Q2	Q3	Q4	FY
Gross Profit margin (net hedging and NRV)					
2021	13.8%	17.9%			
2020	(12.8%)^{1/}	38.3%^{2/}	29.9%	19.2%	21.2%

1/: Additional provision for impairment of stocks net realizable value at Baht 2.16 billion and Hedging gain of Baht 1.31 billion

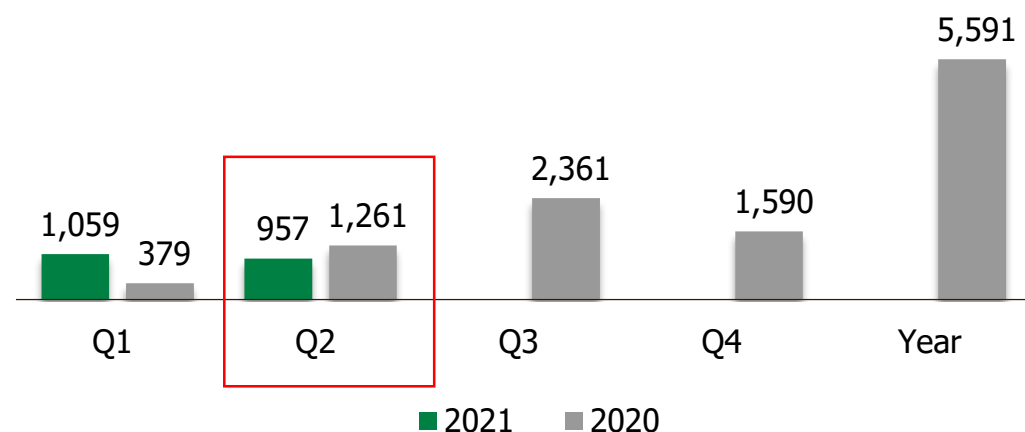
2/ Reversal of net realizable value (NRV) provision of Baht 2,103 million

- The Company recorded loss from price hedging contracts of Baht 471 million because of an increase in the global market price for crude oil, asphalt, and petroleum products

EBITDA & Net Profit

EBITDA

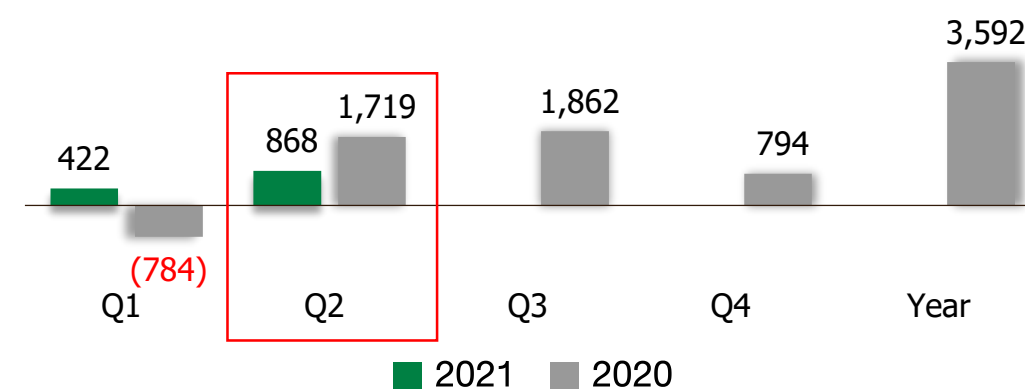
Unit: Mil. THB



- The Group's cashflow generated from operations stood at Baht 957 million compared to Baht 1,261 million in Q2 2020 mainly from the reduction of sales volume of international market as compared to same period of last year

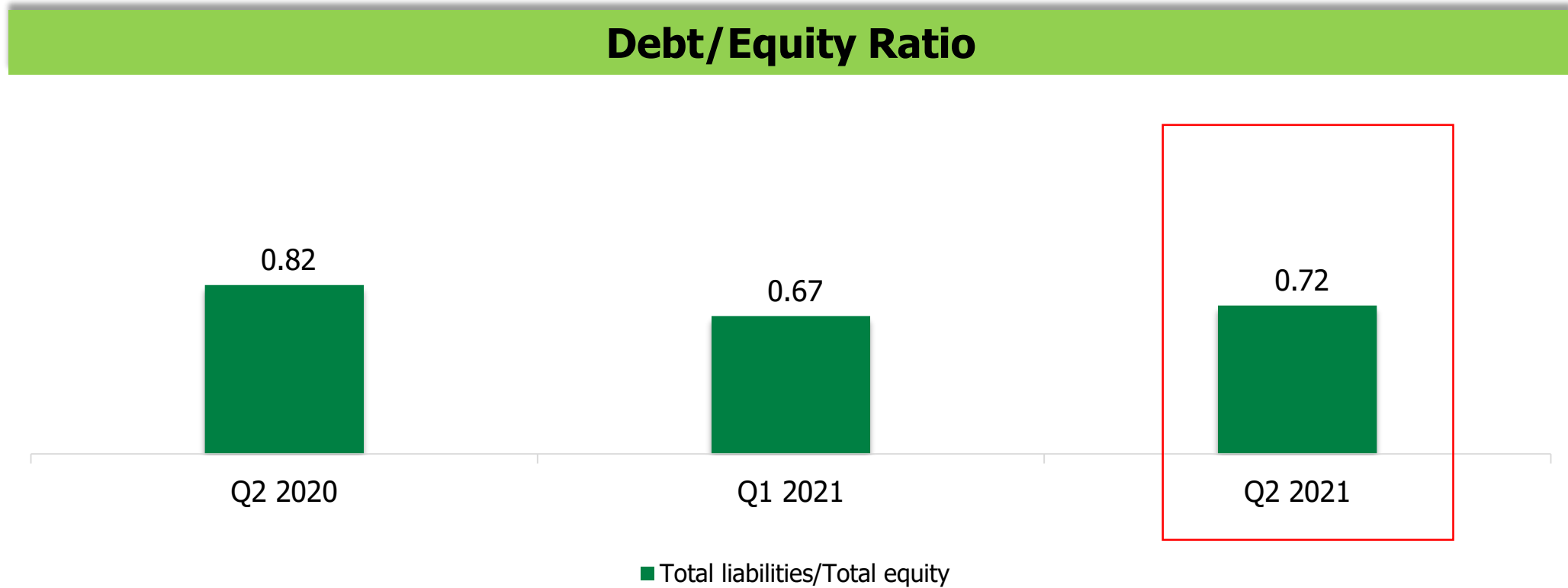
Net Profit After Tax

Unit: Mil. THB



- The Profit After Tax of Baht 868 million for the Q2 2021 represented earnings per share of Baht 0.55 (par value of Baht 1 each) as compared to earnings per share of Baht 1.09 per share in Q2 2020

Debt to Equity Ratio



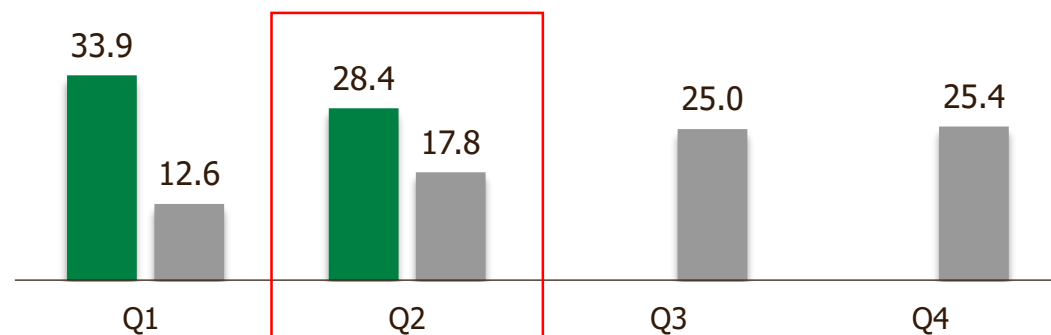
The Group's consolidated debt to equity ratio (D/E ratio) was 0.72 comparing to 0.82 in the corresponding period a year ago due to operating gain in Q2 2021 and the reduction of short-term loan used for working capital

Key Ratios and Historical Dividend

Return on Equity^{1/}

Unit: %

■ 2021 ■ 2020

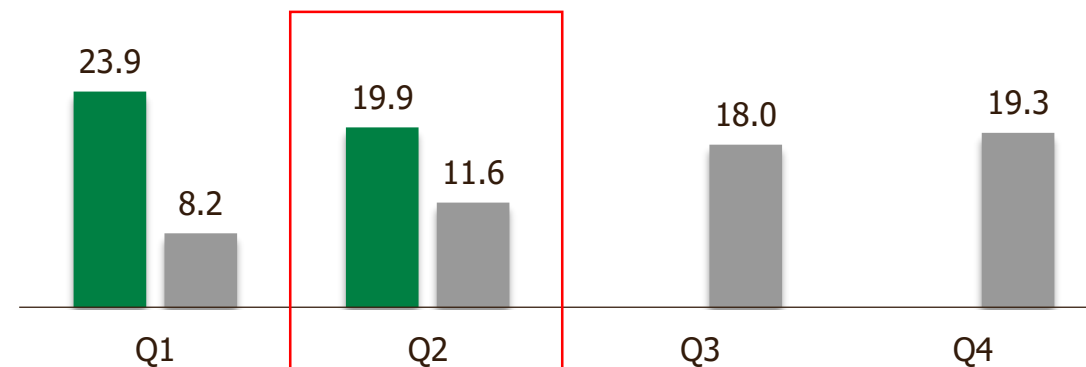


1/ Return is based on sum of last 12 months net profit

Return on Asset^{2/}

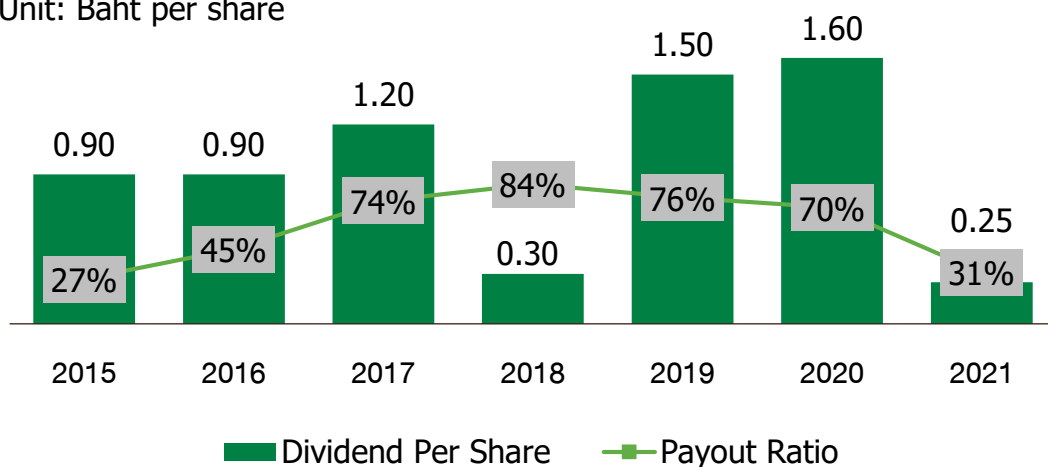
Unit: %

■ 2021 ■ 2020

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 11th August 2021, the Board of Directors approved the interim dividend payment of Baht 0.25 Baht per share, a total of Baht 395 million.

Ex-dividend date (XD): 24th August 2021

Payment date: 9th September 2021

Q2 2021 Highlight

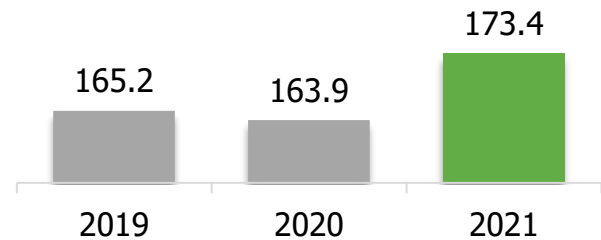
Refinery & Crude

- On top of 2 alternative crudes receive in Q1 2021, 2 additional alternative crudes were received in Q2 2021

Domestic

Road related budget in Thailand

Unit: Billion Baht



Source: Budget Bureau

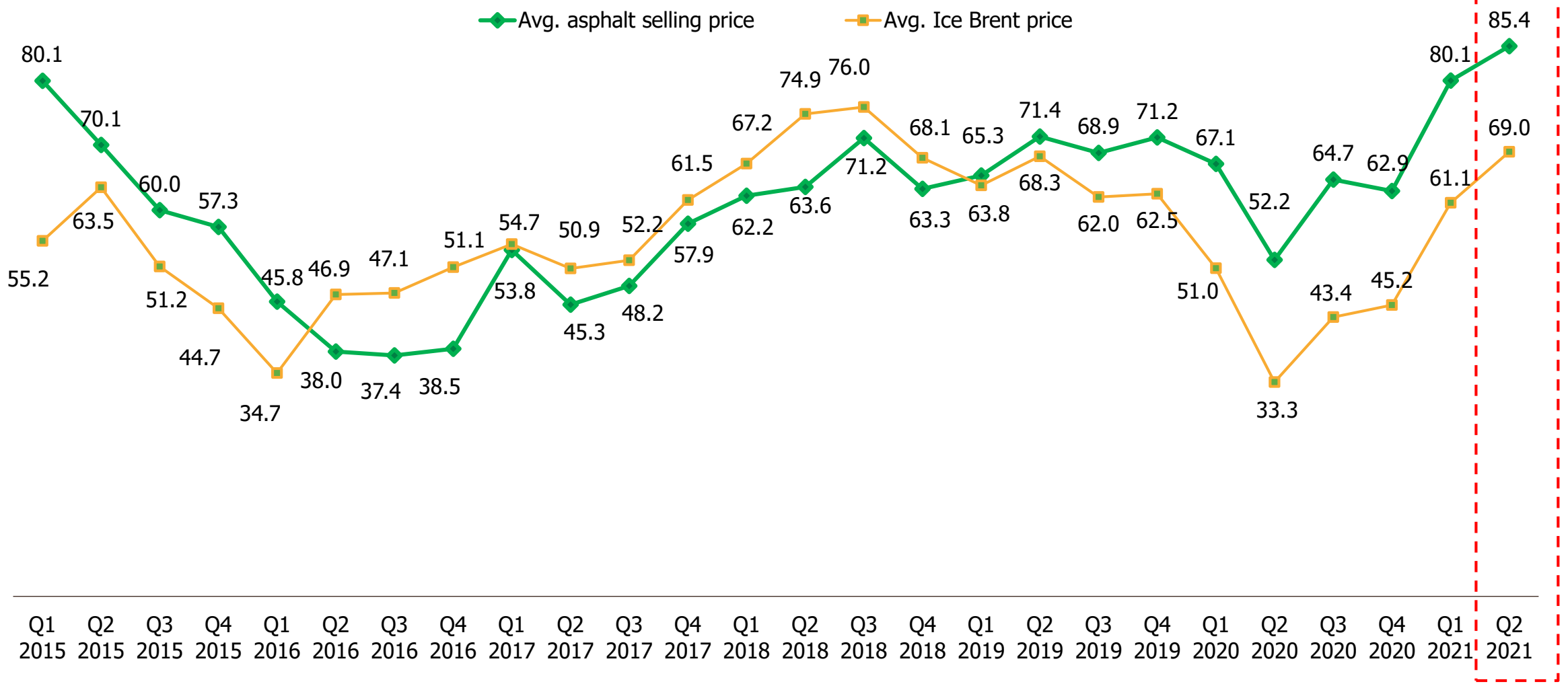
- Strong budget disbursement in Q2 2021 which led to strong sales volume
- Asphalt selling price in Q2 2021 was high

International

- In line with selective market strategy, sales volume in certain markets, e.g. Malaysia, Vietnam, New Zealand were strong

Q2 2021 Highlight - Asphalt Selling Price vs. Ice Brent

Unit: USD/barrel



CSR Activities in Q2 2021

With the ongoing 3rd-wave COVID-19 pandemic outbreak situation, our Group has greatly participated upon several philanthropy and donation activities with government agencies and private hospitals

PHILANTHROPY CARE & SHARE



Outlook – Crude & Refinery

Crude

- Received a cargo in July
- Current crude inventory is sufficient for asphalt production until Q1 2022
- Potential temporary shutdown to accommodate selective market strategy
- Currently, the Group's management is in the final process of negotiating insurance claim with the insurance company

Refinery

	2018	2019	2020	Total
Key events	July 2018: Fire Incident at refinery's tanks	Feb 2019: Floating storage unit rental Nov 2019: Maintenance tanks resumed to operate	May 2020: <ul style="list-style-type: none"> • 2 new crude tanks operated • Insurance cover expiration 	
Damaged Assets written off	289.9	-	-	289.9
Related expenses to the incident	68.2	387.1	64.3	519.6
Claims Received	-	(593.0)	(174.0)	(767.0)
Total	358.1	(205.9)	(109.9)	42.5

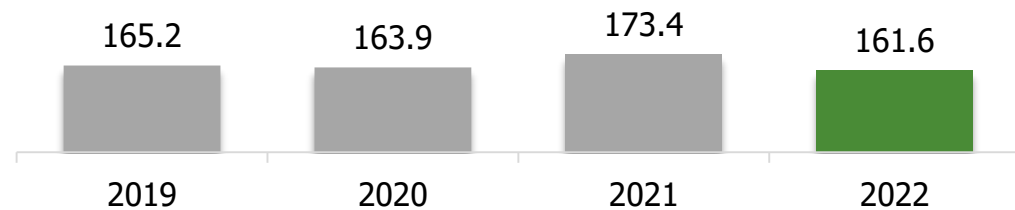
Outlook - Domestic and International market

Domestic Market

- Although Q3 2021 will be soft quarter, Q4 2021 is driven by 2022 government budget

Road related budget in Thailand

Unit: Billion Baht



Remark: 2022 budget is subject to final approval in Aug 2021

International Market

- H2 2021 will be driven by Vietnam, China Malaysia and selective markets



THANK YOU

Any queries, please contact:



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