

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

SAM
Sustainability Award
Gold Class 2020



Thai Oil Public Company Limited

Q3/20

Financial Result Conference Call

5 November 2020

For Thai Analyst & Investors: +66 2 104 6000 / pin code 656672# (5th November @ 7.00 PM)
For Foreign Analysts & Investors: : +66 2 104 6000 / pin code 256301# (6th November @ 8.00 AM)



Disclaimer

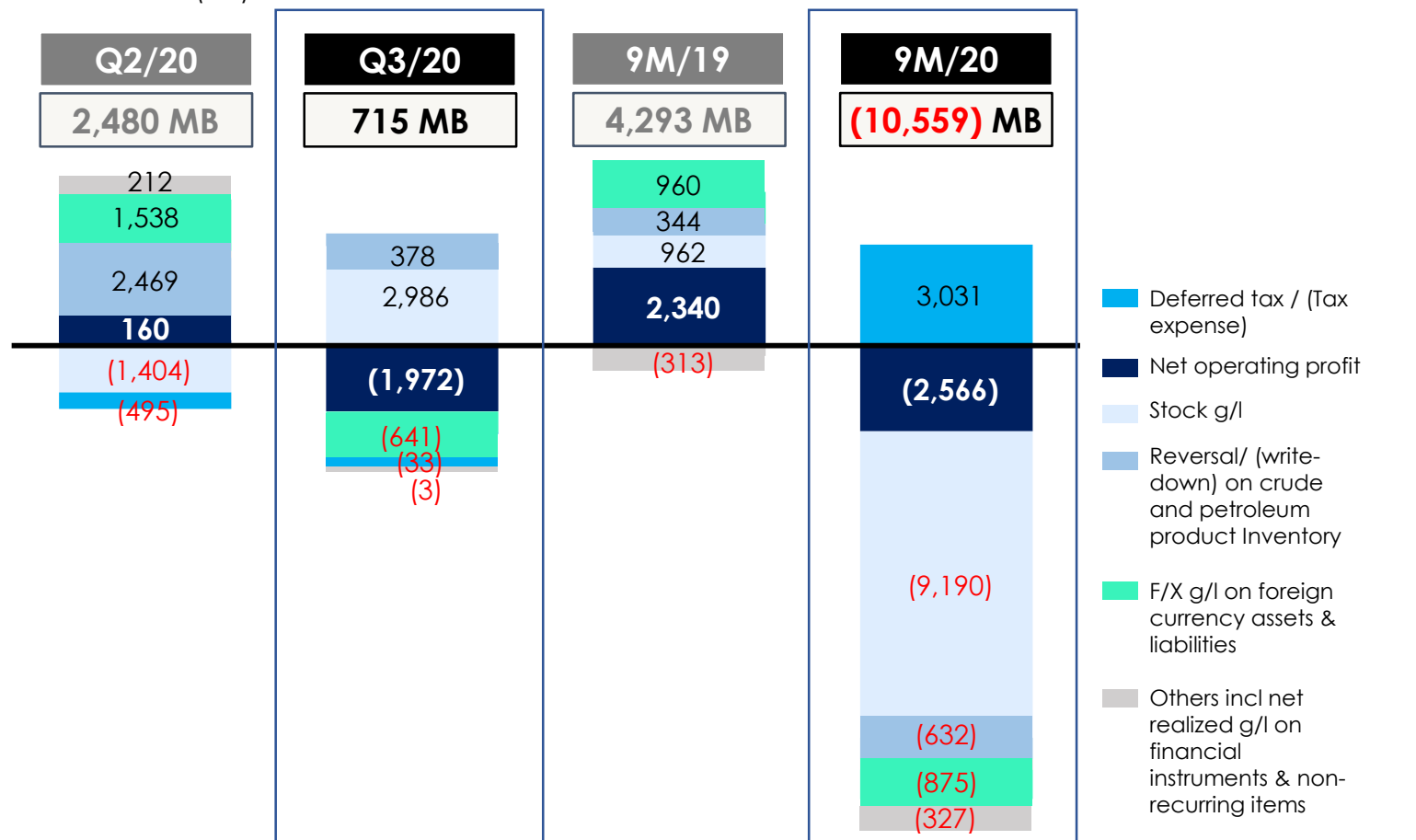
The information contained in this presentation is intended solely for your personal reference. Please do not circulate this material. If you are not an intended recipient, you must not read, disclose, copy, retain, distribute or take any action in reliance upon it.

Some statements made in this material are forward-looking with relevant assumptions, which are subject to uncertainties, which may cause the actual result/performance to be materially deviated from any future result/performance implied by such forward-looking statements. Please note that the company and management/staff are not capable to control and guarantee if these forward-looking statements will be accurately materialized, they are subject to various risks and uncertainties.

Financial Performance

TOP Group Net Profit

Unit : million THB (MB)



Remark

- Stock gain/(loss) : Q2/20 (1,404) MB, Q3/20 2,986 MB, 9M/19 962 MB, 9M/20 (9,190) MB
- Reversal/ (write-down) on crude and petroleum product inventory : Q2/20 2,469 MB, Q3/20 378 MB, 9M/19 344 MB, 9M/20 (632) MB
- F/X gain/(loss) on gain on foreign currency assets & liabilities : Q2/20 1,538 MB, Q3/20 (641) MB, 9M/19 960 MB, 9M/20 (875) MB
- (Tax expense)/Reversal of Tax expense : Q2/20 (495) MB, Q3/20 (33) MB, 9M/19 (895) MB, 9M/20 3,031 MB
- Net realized gain/(loss) on financial instruments : Q2/20 (45) MB, Q3/20 144 MB, 9M/19 71 MB, 9M/20 80 MB
- Non-recurring item: Impact of TFRS-9 : Q2/20 389 MB, Q3/20 33 MB, 9M/20 45 MB, Impact of TFRS-16 : Q2/20 (132) MB, Q3/20 (180) MB, 9M/20 (452) MB, Severance payment : 9M/19 (384) MB

Gross Refining Margin - GRM

	\$/bbl	Q2/20	Q3/20	9M/19	9M/20
Market GRM		1.4	(1.1)	3.2	0.1
Stock Gain/(Loss)		(1.8)	4.0	0.4	(3.8)
Accounting GRM		(0.4)	2.9	3.6	(3.7)

Gross Integrated Margin - GIM

Aromatics & LAB	1.6	1.2	1.2	1.4
Lube base	0.0	0.8	0.5	0.4
Market GIM	2.9	1.0	4.9	2.0
Accounting GIM	1.1	4.9	5.2	(1.8)

Utilization / Production Rate

Refinery	98%	93%	105%	101%
Aromatics	75%	56%	70%	71%
Base Oil	89%	89%	85%	86%

Performance Breakdown

	Petroleum	Petrochemical & Lube Base ⁽¹⁾	Power ⁽²⁾	Others & New Business ⁽³⁾	Consolidated Net Profit (excl. Stock G/(L))	Stock Gain/ (Loss)	Consolidated Net Profit (incl. Stock G/(L))
Q2/20	2,652	375	716	141	3,884	(1,404)	2,480
Q3/20	(3,701)	391	833	206	(2,271)	2,986	715
9M/19	456	1,199	1,521	154	3,330	963	4,293
9M/20	(5,537)	1,509	2,135	524	(1,369)	(9,190)	(10,559)

Q3/20 Key Points

Petroleum

- Slowdown in refinery utilization to 93%
- Lower contribution due to lower market GRM (from 1.4 \$/bbl in Q2'20 to -1.1 \$/bbl in Q3'20)
- Stock gain from low crude cost in Q2'20

Power

- TOP SPP slightly lower electricity dispatched due to LABIX planned MTA in mid-July to end-August
- Higher profit-sharing from GPSC mainly from associated company i.e. XPCL

Petrochemical

- **Aromatics & LAB** : lower contribution from weak aromatic spread and lower LAB contribution due to planned MTA mid-July to end-August
- **Lube** : higher contribution due to improving lube and bitumen demand after lockdown easing

Others & New Business

- **Solvent** : higher contribution due to improving product gross margins from tight supply
- **Ethanol**: higher contribution due to higher ethanol sale volume

Remark

(1) Includes 75% of LAB net profit, Q2/20 75 MB, Q3/20 (221) MB, 9M/19 (109) MB, 9M/20 (212) MB

(2) Apply on an equity accounted basis in the consolidated financial statement. (GPSC has been held by TOP 8.9% and TP 20.8%, TP has been held by TOP 74% & TOP SPP has been held by TOP 100%)

(3) Consisting of Solvent, Marine, Ethanol and other business

Q3/20 & 9M/20 TOP Group Consolidated P&L

(MB)	Q3/20	Q2/20	QoQ+/(-) (A)	Q3/19	YoY+/(-) (B)	9M/20	9M/19	YoY+/(-) (C)
Sales Revenue	57,225	49,372	7,853	82,329	(25,104)	183,248	265,916	(82,668)
Net Realized G/(L) on Financial Instrument	144	(45)	189	147	(3)	80	71	9
EBITDA	↑ 3,819	2,881	938	945	2,874	↓ (5,549)	9,906	(15,455)
EBITDA excl. Stk G/(L) & NRV	455	1,816	(1,361)	2,670	(2,215)	4,273	8,599	(4,326)
Net Loss on FV of Financial Instrument	33	389	(356)	-	33	45	-	45
FX G/(L) & CCS	(453)	2,045	(2,498)	303	(756)	(746)	1,549	(2,295)
Financial cost	(1,172)	(1,029)	(143)	(1,041)	(131)	(3,306)	(3,452)	146
Tax Expense	(33)	(495)	462	222	(255)	3,031	(895)	3,926
Net Profit	↓ 715	2,480	(1,765)	(683)	1,398	↓ (10,559)	4,293	(14,852)
EPS (THB/Share)	0.35	1.22	(0.87)	(0.33)	0.69	(5.18)	2.10	(7.28)
Stock G/(L) and NRV	3,364	1,065	2,299	(1,725)	5,089	(9,822)	1,307	(11,129)
Net Profit excl. Stk G/(L) & NRV	(2,649)	1,415	(4,064)	1,042	(3,691)	(737)	2,986	(3,723)
THB/US\$ - average selling	31.49	32.11	(0.62)	30.88	0.61	31.68	31.47	0.21
THB/US\$ - ending	31.83	31.07	0.76	30.77	1.06	31.83	30.77	1.06
Effective Tax Rate (%)	N/A	16%	N/A	N/A	N/A	22%	17%	5%

Analysis

QoQ

- (A) Lower sales volume from lower jet fuel demand but higher avg. selling price
- (B) Mainly from stock gain 4.0\$ in Q3'20, compare to stock loss 1.8\$/bbl in Q2'20

YoY

- (C) Lower sales volume and avg. selling price due to impact of COVID-19
- (D) Lower market GIM from lower overall product spreads and huge stock loss

9M/20 Consolidated Cash Flow

(Unit: MB)

Operating Cash Flow

Net income

Depreciation & NRV

Other adj. ⁽¹⁾

Change in working capital

9M/20	9M/19
(2,568)	6,838
(10,285)	4,461
7,425	4,347
(919)	332
1,212	(2,303)

+

Investments

Dividend income

ST investments

CAPEX (PP&E) & other

9M/20	9M/19
(71,846)	35,896
1,489	763
(40,849)	55,177
(32,486) ⁽²⁾	(20,044)

(2) TOP 31,716, TPX 94, LABIX 283, SAP&SGE 97 MB, TLB 77 MB

(1) Key Items	9M/20 / 9M/19
Financial Cost	3,306 MB / 3,452 MB
Unrealized FX	892 MB / (1,089) MB
Share profit	(2,129) MB / (1,000) MB
Tax expense	(3,031) MB / 895 MB
Tax paid	91 MB / (1,780) MB

Financing

Loans proceeding

Loans repayment

Bond issue

Interest

Dividend & Lease

9M/20	9M/19
23,822	(12,565)
6,280 ⁽³⁾	5,739
(7,121) ⁽⁴⁾	(7,153)
30,998	(3,000)
(4,359)	(3,526)
(1,976)	(4,626)

(3) ST-loan LABIX 2,978, TS Group 2,006, SAP&SGE, 944, TMS 238 MB
LT-loan LABIX 60 MB, SAP&SGE, 56 MB

(4) ST-loan LABIX 3,210, SAP&SGE 829, TS Group 2,114, TMS 215 MB, TM 200 MB
LT-loan, TOP SPP 154, LABIX 100, TM 150, TMS 15, TS group 89, SAP&SGE, 44 MB

Free Cash Flow

(74,413)	42,733
----------	--------

+

Beginning Cash

74,854

↑ / ↓
(50,591) ↓

Effect of FX changes

3,586

=

Ending Cash

27,849

Cash incl. S/T Investment

76,937

(5,990) ↓

Ending Cash incl. S/T Investment

=

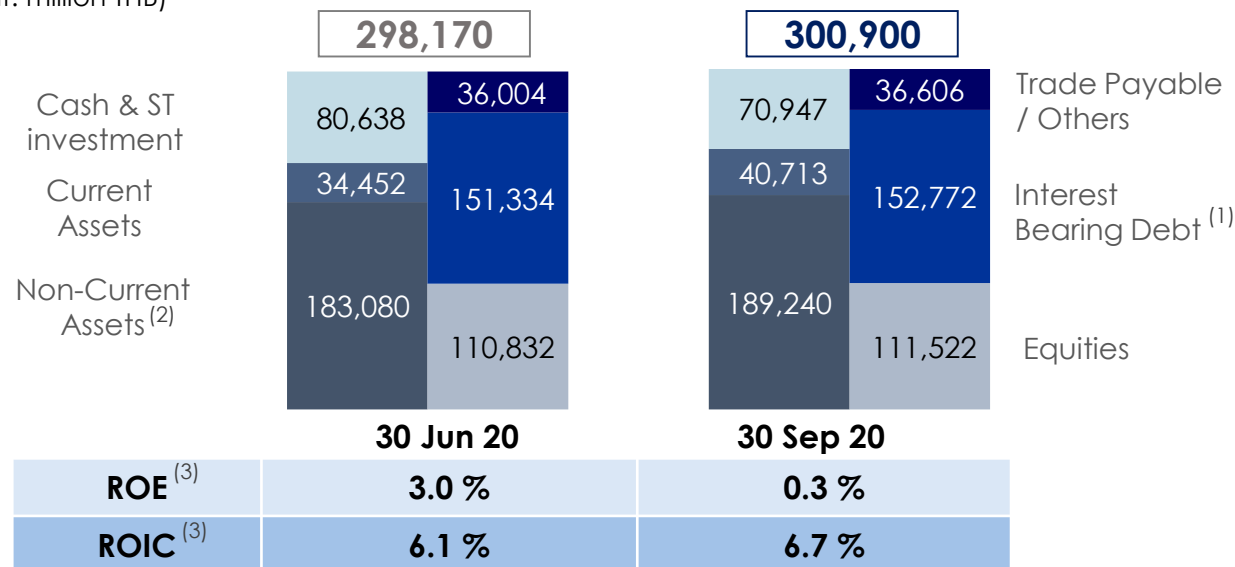
70,947 ⁽⁵⁾

(5) USD Deposit 58,909 MB (1,871 MUSD)
Other currency 3,994 MB (EUR, VND, MMK, IDR)

Q3/20 TOP Group Strong Financial Position

Statements of Financial Position

(Unit: million THB)

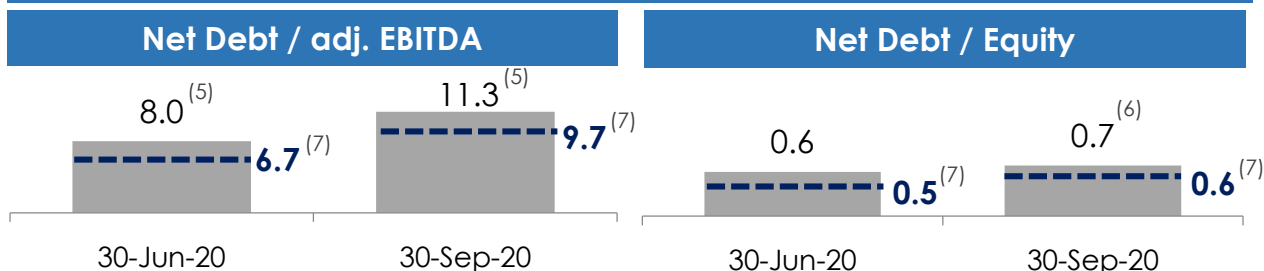


(1) Including current portion of Long-Term Debt

(2) Including investment in EPIF as of 30 Jun 20 323 MB, 30 Sep 20 275 MB

(3) Based on actual performance in the past 12 month and excluding stock g/l & NRV

Financial Ratios

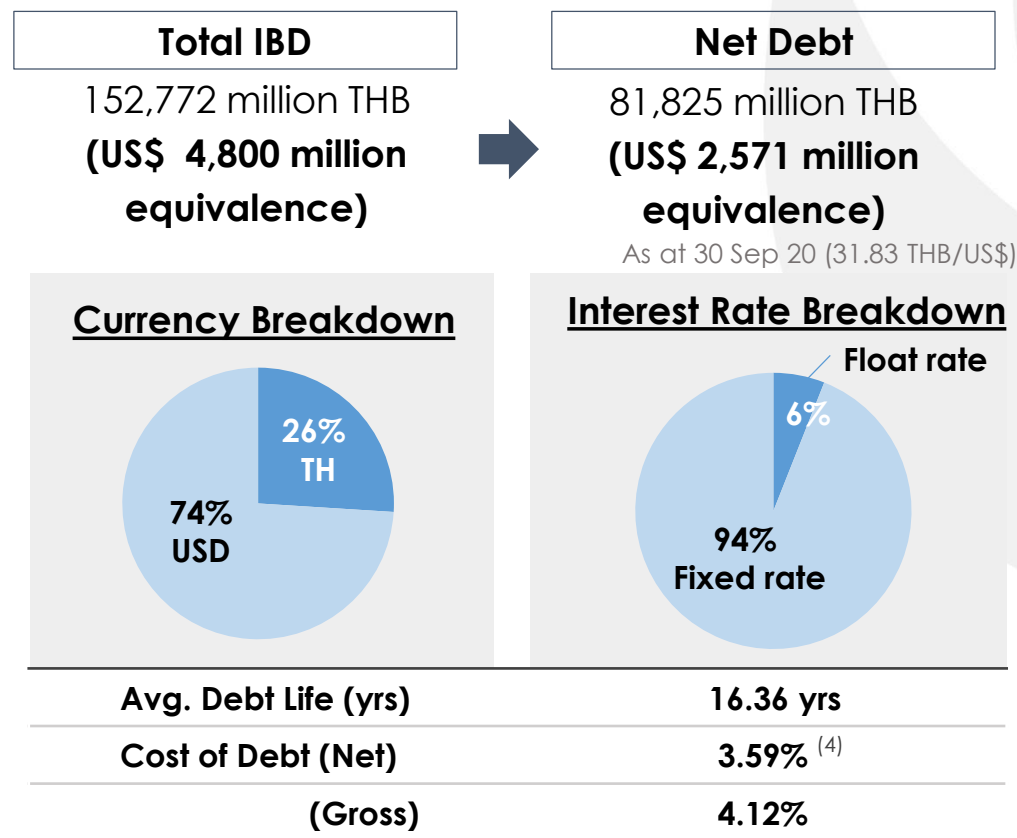


(5) Based on actual performance in the past 12 month and excluding stock g/l & NRV

(6) As of 30 Sep 20 Net Debt 81,825 MB or 2,571 M\$

(7) Adjusted Net Debt excluding Lease Liabilities

Consolidated Long-Term Debt as at 30 Sep 20



(4) Due to yield enhancement

Moody's

Final rating

Baa2
Negative Outlook

STANDARD
& POOR'S

BBB+
Negative Outlook

FitchRatings

AA- (Tha)
Negative Outlook

Thank You

Any queries, please contact:



at email: ir@thaioilgroup.com

Tel: 662-797-2999 / 662-797-2961

Fax: 662-797-2976