

**Banpu Moves Forward with “Greener” Strategy:  
*Expanding Gas Business and  
Moving “Banpu NEXT” at Full Capacity to Expand Clean Energy Portfolio***

- Sales revenue reached USD 2,759 million (approximately THB 85,660 million) and EBITDA of USD 695 million (approximately THB 21,578 million)
- Going forward with Greener strategy, expansion of shale gas business and full steam operation of Banpu NEXT to expand clean energy portfolio to meet future energy demand

Banpu Public Company Limited (BANPU), a leading integrated energy solutions company in Asia-Pacific, reported its 2019 operating results with a total sales revenue of USD 2,759 million (approximately THB 85,660 million), a decrease of USD 722 million (approximately THB 22,416 million) or 21 percent from last year, while achieving the EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) of USD 695 million (approximately THB 21,578 million), a 41-percent decrease from last year. The company is moving forward with ‘Greener’ strategy by fostering green energy business growth, fueled by increased proportion of shale gas business, and establishing Banpu NEXT Company Limited to develop and expand clean energy and energy technology businesses to align with the world’s future energy trend.

Ms. Somruedee Chaimongkol, Chief Executive Officer of Banpu Public Company Limited revealed, “The energy business performance in 2019 was affected by challenges from various factors, including the global economic setback, the trade war, decreased energy demand due to a warmer winter season in the Northern Hemisphere, and the continuous appreciation of Thai baht. Looking forward, we will continue to strengthen and balance the business ecosystem between our core business groups —

Energy Resources, Energy Generation, and Energy Technology with a focus on creating business growth that responds to the energy trend of the future. Supporting the production and use of clean energy, and leveraging innovation and technology are pivotal to our concrete business progress in 2020.”

To pursue sustainable growth through the Greener & Smarter strategy, in December 2019, Banpu invested USD 770 million (approximately THB 23,907 million) to acquire a shale gas asset in the Barnett in Texas, the U.S., where is the top state which consumes the most shale gas in the U.S., representing 15 percent of the country's total shale gas demand. With the acquisition of Barnett, Banpu has become one of the top 20 natural gas producers in the U.S. The deal is the result of Banpu's timely investment at an attractive acquisition price in the low-risk, low-operating cost, and helps diversify the Company's portfolio to respond to demand in various areas. In addition, the acquisition has reaffirmed its leadership in efficient managing the shale gas resource as an addition to the existing Marcellus in northeast Pennsylvania. The investment in Barnett have potentially quick payback within 6 years, while 16 years remaining gas reserve life.

Banpu's major restructuring, the establishment of **Banpu NEXT Company Limited**, with a registered capital of THB 7,919 million, has completed its amalgamation process on 27 February 2020. Banpu NEXT is Banpu Group's flagship company, focusing on investment and project development in the clean energy operation as well as energy technology businesses, including renewable power plant, clean power generation system installation solutions, electric vehicles (EV) design and production, battery manufacture and distribution, energy storage and energy technology management systems — all of which are aligned with the Company's integrated smart energy solution.

Banpu NEXT's key operations in 2019 included expanding the solar power rooftop business portfolio by acquiring several premium customers nationwide, forming a logistics partnership for transportation of goods and parcels by using electric vehicles, and achieving the production capacity of 1 GWh for lithium-ion battery factory. The new Company's active action in forming new business alliances and

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expanding the business to respond to the market and the rapidly changing behavior of consumers reflect Banpu's strong commitment to grow its clean energy portfolio in short-term and long-term, and adheres to sustainable business operation in accordance with the ESG (Environmental, Social, and Governance) principles.

"As we step into our fourth decade, the Greener & Smarter strategy, smarter deployment of technologies and innovations, and integrated and synergized business platforms are the keys that unite our entire business groups in 10 countries across the Asia-Pacific region. These are the key progress in generating strong growth that respond to the future energy trends in long-term, including our primary income, the energy resources, which is geared towards continuous quality improvement and cost efficiency, as well as the exploration of new potential markets such as India and Bangladesh. The energy generation business will head towards achieving the total capacity of 5.3 GWe within the next 5 years by focusing on high-performance and eco-friendly technologies, as well as strengthening its ability to generate consistent positive cash flow through continued timely development of the projects in the pipeline. The energy technology business will soon prove its caliber to create a diverse, comprehensive range of smart energy solutions that generate significant revenue for Banpu Group. We will continue to exert our best effort to demonstrate our true leadership in providing integrated energy solutions," concluded Somruedee.

For the overall performance of 2019, Banpu earned a **total sales revenue** of USD 2,759 million (approximately THB 85,660 million), a decrease of USD 722 million (approximately THB 22,416 million) from last year, equivalent to 21 percent. The **EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)** was reported at USD 695 million (approximately THB 21,578 million), a 41-percent decrease from last year. The net profit excluding foreign exchange was USD 75 million (approximately THB 2,329 million). The continued appreciation of Thai Baht against US Dollar during the year has adversely impacted earnings. A foreign exchange loss of USD 95 million (approximately THB 2,950

million) was realized in 2019, resulting in consolidated net loss of USD 20 million (approximately THB 621 million).

\*Remark: Calculation based on exchange rate of USD 1: THB 31.0476

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#### About Banpu

Banpu Public Company Limited is a leading integrated energy solutions company with 3 core groups of businesses: energy resource, energy generation and energy technology in 10 countries — Thailand, Indonesia, China, Australia, Lao PDR, Mongolia, Singapore, Japan, the United States of America and Vietnam. As of 31 December 2019, Banpu's assets totaled USD 8.542 billion, an increase of USD 88 million compared to the total assets as of 31 December 2018.

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