

# News Release

10<sup>th</sup> November 2022

## 3Q/2022 Results Highlight

**Banpu has submitted to the SET its 3Q/2022 financial performance with full details.**

Banpu continue deliver sustainable growth with reported **net profit of USD 487 million in 3Q2022**, increase by 31% compared to previous quarter. This reflects the company's ability to create value through its 3 core businesses focus on operational excellence through agility and flexibility in production and sales improvement which enable the opportunity to increase its sale revenue during the record high commodity prices for both coal and natural gas. The average selling price (ASP) of coal for 191.05 USD/ton increase by 22% QoQ and the average local price of US Natural gas for 7.61 USD/Mcf increase by 15% QoQ. The company also continue implementation of operational cost control, resulting in profit improvement with ability to deliver consistent cash flow. Moreover, with the strong financial position enable the company to continue its growth strategy in accelerating its portfolio transformation to greener & smarter business and expand into high growth country.

The report EBITDA of USD 1,350 million, 42% improve from previous quarter which consists of Coal business reported EBITDA of USD 902 million (up by 43% QoQ), Gas business reported EBITDA of USD 377 million (up by 43% QoQ), Power business reported EBITDA of USD 74 million (up by 28% QoQ), and Energy Technology business reported EBITDA of USD (-4) million.

The **Energy resources business** deliver outstanding performance from an improvement in operational efficiency and the ability to capture higher selling prices for both coal & gas businesses.

**Coal businesses** reported strong earnings, driven by higher selling price and the increase in sales volume. The group ASP improved to USD 191.05/ ton, up by 22% compared to previous quarter which reported ASP of USD 156.66/ton. The total coal sales volume reported at 8.68 million tons up by 10% compared to previous quarter. This result in an average gross margin from coal business up to 62%.

Indonesia coal business reported improvement in average selling price at 210.97 USD/ton, up by 4% from 203.33 USD/ton in previous quarter. The sales volume of 5.67 million tons, significantly increased by 47% QoQ, as a result of its operational flexibility to continue deliver strong production volume despite

บริษัท บ้านปู จำกัด (มหาชน)

ทะเบียนเลขที่ 0107536000781

1550 อาคารธนภูมิ ชั้นที่ 27 ถนนเพชรบุรีตัดใหม่

แขวงมักกะสัน เขตราชเทวี กรุงเทพฯ 10400

โทร. +66(0) 2694 6600 โทรสาร +66(0) 2207 0695-8

www.banpu.com

Banpu Public Company Limited

Registration No. 0107536000781

1550 Thanapoom Tower, 27<sup>th</sup> Floor, New Petchburi Road,

Makkasan, Ratchathewi, Bangkok 10400, Thailand

T. +66(0) 2694 6600 F. +66(0) 2207 0695-8

www.banpu.com

challenging weather caused by higher rainfall. The cost of sale was 62.40 USD/ton. This result in an improvement in average gross margin from coal Indonesia up to 70%.

Australia coal business also reported strong performance, driven by significant improvement in ASP of AUD 249.14/ton, supported by the strong export price that reach to average of AUD 569.86/ton. While, the sales volume was 2.28 million tons, 18% lower compared to previous quarter, as Mandalong mine production was impacted by an Aboriginal cave step-around and challenging COVID-19 workers absenteeism. The cost of sale therefore increases to AUD 142.18/ton. However, it still able to report strong gross profit margin of 43%.

China coal business continue to report outstanding operational performance as the Chinese domestic coal price remain high, so it delivers share of profit of USD 57.03 million, up by 14% compared to previous quarter.

This quarter, **Gas business** started to recognize the revenue from its newly acquired shale gas business in North Texas for the first time, so the total production volume increase to 78.09 billion Cubic Feet (Bcf). up by 31% from previous quarter. The average local price was 7.61 USD/Mcf, increased by 15% compared to 6.64 USD/Mcf in the previous quarter, driven by strong domestic demand from all sectors as a result of higher temperatures caused by La Niña impact. However, the domestic natural gas price started to stabilize as the gas production continued to rise, provides a storage cushion domestically for the upcoming winter.

The **Energy generation business** reported outstanding performance, mainly come from its Gas-fired power plant in the US "Temple I" in Texas driven by a strong demand during summer, so it reported the net profit of USD 76.89 million. While the major IPPs which are HPC power plant continue reported strong operational result with an improvement in EAF reached 95%, generate an equity income of USD 38.5 million. BLCP also reported an improvement in its operation with EAF reached 100%, however with the impact from FX translation, it reported an equity income of USD 0.35 million. Nakoso power plant in Japan reported profit sharing of USD 0.07 million, as a result of its planned maintenance during the quarter. For the performance of CHPs plants in China experienced its seasonality, so it reported net loss of USD 3.9 million, from lower demand during summer and the pressure from high Chinese domestic coal cost for an average of RMB 1,185/ton. On the other hand, Shanxi Lu Guang (SLG) power plant in China reported an improvement in its power sold compared to previous quarter and as a result of the execution of long-term coal supply contract, SLG can purchased coal supply at lower cost of average RMB 765/ton, so its operational performance improved from previous quarter with reported in net loss of only USD 0.03 million.

The renewable business portfolio mostly reported strong operational performance starting from the 2 Solar farm in Australia reported net profit of AUD 0.6 million, Solar business in China reported net profit of RMB 18 million, Solar business in Japan reported TK dividend distribution of JPY 532 million. The solar farm in Vietnam reported decline in its capacity factor due to unfavorable weather condition, so it generated net profit of USD 0.2 million while EI Wind Mui Dinh wind farm also experience lower capacity factor, so it reported net loss of USD 1.5 million.

For **Energy Technology business** continues expanding its business through the development of various products and services. In this quarter, the solar rooftop business increases its capacity by penetrating to China market through the synergy within Banpu's ecosystem as Zhengding CHPs was selected by Zhengding government to developed 58 MW solar rooftops under the “whole-county rooftop solar PV” policy with the potential to increase up to 167 MW by 2023. For E-mobility business, Muvmi, the Electric Tuk-Tuks (E-tuktuks), has expand its services covering 12 areas with total of 251 E-tuktuks under operation and 115 E-tuktuks under registration process, while Evolt, the leading EV charging company, has been awarded to install 94 chargers at 25 Central Department stores. The company also continue expand its energy management business by Banpu Next has entered into Share Subscription Agreement (SSA) for 25% interest in Altotech Global Co., Ltd, the Internet of Things (IoT) platform developer that will support the energy management and optimization business and also signed subscription agreement for total amount of Euro 15 million in Eurazeo smart city Fund II, a leading global private equity company in which the investment strategy aligning with Energy Technology business that focus on new energy, smart mobility, and industrial technology to support the future growing of new pattern of energy consumption.

## Summary of 3Q/2022 results

Year-end Dec ('M.USD)	3Q22	2Q22	3Q21	Note
<b>Coal sales volume (M.Tonnes)</b>	<b>8.7</b>	<b>7.9</b>	<b>8.7</b>	Indonesia 5.7mt (+47%QoQ, -3%YoY), Australia 2.3mt (-18%QoQ, -8%YoY), and Coal trading 0.7mt. ASP Indo US\$211/t, ASP Australia A\$249.14/t
Sales revenues	2,396.7	1,773.0	1,161.5	
Cost of sales	(963.7)	(841.9)	(619.5)	
Gross profit	1,433.0	931.1	542.0	GPM from coal 62% (GPM Indo coal 70%, GPM Australia coal 43%)
<b>GPM</b>	<b>60%</b>	<b>53%</b>	<b>47%</b>	GPM from Gas 66%, GPM from Power 15%
Administrative expenses	(102.8)	(65.4)	(72.6)	
Selling expenses	(54.4)	(51.1)	(51.6)	
Royalty	(207.8)	(131.2)	(87.1)	
Equity income	91.9	81.4	64.1	Equity income from China coal US\$57m, HPC US\$38.5m, BLCP US\$0.4m
Other	5.1	12.7	5.0	SLG US\$-0.03m, Nakoso US\$0.07m and Solar & Tech business US\$-4m
<b>EBIT</b>	<b>1,165.0</b>	<b>777.5</b>	<b>399.8</b>	
<b>EBIT margin</b>	<b>49%</b>	<b>44%</b>	<b>34%</b>	
Interest expenses	(73.1)	(54.1)	(42.9)	
Financial expenses	(2.2)	(1.8)	(3.3)	
Income tax - Core business	(124.2)	(74.0)	(46.1)	
Minorities	(167.4)	(101.5)	(46.6)	
<b>Net profit before extra items</b>	<b>798.2</b>	<b>546.1</b>	<b>261.0</b>	
Non-recurring items	(7.7)	157.4	(4.8)	
Gain (Loss) on Derivatives	(248.3)	(292.9)	(176.9)	Loss from financial derivative instruments
Income tax - Non core business	(1.5)	(16.3)	(0.3)	
Deferred tax income/expenses	(132.6)	(75.1)	(14.2)	
<b>Net profit</b>	<b>408.0</b>	<b>319.2</b>	<b>64.7</b>	
Net gains (losses) on exchange rate	79.3	52.6	41.8	FX gain from the depreciation of Thai Baht against US Dollar
<b>Net profit</b>	<b>487.3</b>	<b>371.8</b>	<b>106.5</b>	
<i>EPS (USD/share)</i>	0.072	0.055	0.021	
Depreciation	98.9	91.0	68.1	
Amortization	86.1	79.0	61.7	
Depre & Amortization	185.0	170.0	129.7	
<b>EBITDA</b>	<b>1,350.0</b>	<b>947.5</b>	<b>529.6</b>	EBITDA from Coal of US\$902.4m, Gas US\$377m, Power US\$74m
<b>EBITDA margin</b>	<b>56%</b>	<b>53%</b>	<b>46%</b>	and Energy Technology US\$-3.6m

### บริษัท บ้านปู จำกัด (มหาชน)

ทะเบียนเลขที่ 0107536000781

1550 อาคารธนภูมิ ชั้นที่ 27 ถนนเพชรบุรีตัดใหม่

แขวงมักกะสัน เขตราชเทวี กรุงเทพฯ 10400

โทร. +66(0) 2694 6600 โทรสาร +66(0) 2207 0695-8

www.banpu.com

### Banpu Public Company Limited

Registration No. 0107536000781

1550 Thanapoom Tower, 27<sup>th</sup> Floor, New Petchburi Road,

Makkasan, Ratchathewi, Bangkok 10400, Thailand

T. +66(0) 2694 6600 F. +66(0) 2207 0695-8

www.banpu.com

DETAIL OF PROFIT&LOSS STATEMENT		3Q22	2Q22	3Q21
<b>ROM Production (M. tonnes)</b>				
<i>Total production of Coal Indonesia</i>		4.61	3.90	4.59
<i>Total production of Coal Australia</i>		2.29	2.82	2.73
<b>Total Production</b>	<b>M.Ton</b>	<b>6.89</b>	<b>6.72</b>	<b>7.32</b>
<b>Coal sales volume (M tonnes)</b>				
<i>ITMG own</i>		4.81	3.24	5.17
<i>Other Source</i>		0.86	0.62	0.65
<i>Total Coal Sales - Indonesia</i>		5.67	3.86	5.82
<i>Coal Sales - Coal Australia</i>		2.28	2.78	2.49
<i>Coal Sales - China (traded coal)</i>		0.56	0.75	0.41
<i>Coal Sales - Others &amp; Elimination</i>		0.17	0.51	0.01
<b>Total sale volume</b>	<b>M.Ton</b>	<b>8.68</b>	<b>7.90</b>	<b>8.74</b>
<b>Sales revenue (M.USD)</b>				
<i>Sales revenue - ITMG</i>		1,084.5	697.5	597.8
<i>Other Sources</i>		112.3	87.3	58.0
<i>Sales revenue - Coal Indonesia</i>		1,196.8	784.8	655.8
<i>Sales revenue - Coal Australia</i>		388.5	342.8	187.7
<i>Sales revenue - China (traded coal) &amp; Others</i>		73.3	110.3	26.5
<b>Revenue from COAL business</b>		<b>1,658.6</b>	<b>1,237.9</b>	<b>869.9</b>
<b>Revenue from POWER business</b>		<b>148.8</b>	<b>138.8</b>	<b>39.2</b>
<b>Revenue from GAS business</b>		<b>572.6</b>	<b>386.8</b>	<b>230.5</b>
<b>Revenue from OTHER business</b>		<b>16.7</b>	<b>9.6</b>	<b>21.8</b>
<b>Total revenues</b>	<b>M.USD</b>	<b>2,396.7</b>	<b>1,773.0</b>	<b>1,161.5</b>
<b>Cost of sale (M USD)</b>				
<i>Cost of sales - ITMG</i>		(262.6)	(174.2)	(209.8)
<i>Other Sources</i>		(91.3)	(86.5)	(57.6)
<i>Cost of sales - Coal Indonesia</i>		(354.0)	(260.7)	(267.4)
<i>Cost of sales - Coal Australia</i>		(221.9)	(221.0)	(160.8)
<i>Cost of sales - China (traded coal) &amp; Others</i>		(56.4)	(95.6)	(25.1)
<b>COST OF SALE - COAL business</b>		<b>(632.2)</b>	<b>(577.2)</b>	<b>(453.3)</b>
<b>COST OF SALE - POWER business</b>		<b>(126.7)</b>	<b>(119.9)</b>	<b>(38.7)</b>
<b>COST OF SALE - GAS business</b>		<b>(193.0)</b>	<b>(132.4)</b>	<b>(109.4)</b>
<b>COST OF SALE - OTHER business</b>		<b>(11.8)</b>	<b>(12.4)</b>	<b>(18.0)</b>
<b>Total cost of sale</b>	<b>M.USD</b>	<b>(963.7)</b>	<b>(841.9)</b>	<b>(619.5)</b>

DETAIL OF PROFIT&LOSS STATEMENT	3Q22	2Q22	3Q21
<b>Gross profit (M USD)</b>			
Gross profit - ITMG	821.8	523.3	388.0
Other Sources	21.0	0.8	0.4
<i>Gross profit - Coal Indonesia</i>	842.8	524.1	388.4
<i>Gross profit - Coal Australia</i>	166.6	121.8	26.8
<i>Gross profit - China (traded coal)</i>	16.9	14.7	1.4
<b>Gross profit from COAL business</b>	<b>1,026.4</b>	<b>660.7</b>	<b>416.6</b>
<b>Gross profit from POWER business</b>	<b>22.1</b>	<b>18.9</b>	<b>0.5</b>
<b>Gross profit from GAS business</b>	<b>379.6</b>	<b>254.4</b>	<b>121.2</b>
<b>Gross profit from OTHER business</b>	<b>4.9</b>	<b>(2.8)</b>	<b>3.8</b>
<b>Total Gross profit</b>	<b>M.USD 1,433.0</b>	<b>931.1</b>	<b>542.0</b>
<b>Gross profit margin</b>			
<i>GPM - ITMG</i>	76%	75%	65%
<i>Other Sources</i>	19%	1%	1%
<i>GPM - Coal Indonesia</i>	70%	67%	59%
<i>GPM -Coal Australia</i>	43%	36%	14%
<i>GPM - China (traded coal)</i>	23%	13%	5%
<b>GPM from COAL business</b>	<b>62%</b>	<b>53%</b>	<b>48%</b>
<b>GPM from POWER business</b>	<b>15%</b>	<b>14%</b>	<b>1%</b>
<b>GPM from GAS business</b>	<b>66%</b>	<b>66%</b>	<b>53%</b>
<b>GPM from OTHER business</b>	<b>29%</b>	<b>-30%</b>	<b>17%</b>
<b>GPM for Banpu group</b>	<b>60%</b>	<b>53%</b>	<b>47%</b>