

News Release

10th May 2023

1Q/2023 Results Highlight

Banpu has submitted to the SET its 1Q/2023 financial performance with full details.

Banpu has reported a **net profit of USD 147 Million** in 1Q2023, demonstrating the company's ability to deliver consistent operational performance despite the volatile global energy market, and the challenges posed by the decline in commodity prices from the previous year. The market normalization that followed the energy crisis during the Russia-Ukraine war led to a decrease in commodity prices, but the company has shown resilience and remains focused on meeting customers' ongoing demands with operational consistency, while focusing on its sustainability goals to drive portfolio transformation which will be carefully managed and executed, with a mindful approach to ensure optimal operational efficiency and effective use of investment budgets.

The company reported strong operational results with **EBITDA of USD 467 million**, Coal business reported EBITDA of USD 346 million (-52% QoQ), Gas business reported EBITDA of USD 74 million (-70% QoQ), Power business reported EBITDA of USD 47 million, (-21% QoQ), and Energy Technology business reported EBITDA of USD (-0.3) million. This quarter, Banpu also recognized a gain of USD 79 million from re-measuring the fair value of its previously held investment in Durapower, which had been held as an associate and became a subsidiary after additional investment.

Despite fluctuations in the market, **the Energy Resources business** has been able to deliver substantial earnings, primarily from its Coal business, The moderate growth in coal supply and consistent demand have maintained healthy coal prices, resulting in strong operating cash flows from the coal business.

Indonesia coal business reported sales volume of 4.5 million tons as targeted despite heavy rainfall at the start of the quarter, down by -12% compared to previous quarter, the average selling price (ASP) was reported at 151.59 USD/ton, down by -24% from previous quarter. The cost of sales was 67.50 USD/ton, improved by 8% compared to the previous quarter, therefore the Gross Profit Margin (GPM) remained strong at 55%.

Australia coal business reported total sales of 1.8 million tons. The ASP was reported at 180.82 AUD/ton. The ASP reflected the combination of increasing in domestic coal price of 91.56 AUD/ton increased by 14% from previous quarter reflect some portions of new domestic contract that have been repriced while

บริษัท บ้านปู จำกัด (มหาชน)

ทะเบียนเลขที่ 0107536000781

1550 อาคารธนภูมิ ชั้นที่ 27 ถนนเพชรบุรีตัดใหม่

แขวงมีนาคะ สัน 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, 27th Floor, New Petchburi Road,

Makkasan, Ratchathewi, Bangkok 10400, Thailand

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

www.banpu.com

the export price remains strong at 400.46 AUD/ton. However, the production volume down by -11% QoQ, due to geological challenges conditions which lead to higher unit cost of 171.82 AUD/ton, to mitigate these challenges, all operating mines are implementing cost control measures, which are expected to gradually reduce costs going forward.

China coal business has continued to perform well, generating a share of profit of USD 51.61 million. This is largely due to the sustained strength of the domestic coal price, which has been driven by the resuming of the country's economic activities, despite the supply having remained stable.

The gas business reported total sales volume of 78.90 billion Cubic Feet (Bcf), slightly down by -5% compared to the previous quarter. The average local price was 2.89 USD/Mcf, reduced by 44% QoQ, from 5.32 USD/Mcf, this decline was largely due to warmer-than-average temperatures across the US, resulting in reduced natural gas consumption, especially for heating. Additionally, the delay in the resumption of the Freeport LNG liquefied natural gas export facility contributed to an increase in domestic storage levels. Our gas business remained focused on operational efficiency and cost control measures with an effective hedging strategy to ensure the cashflow stability to protect against price and revenue volatility.

The Energy generation business has performed well, the smooth operation of our power plants, particularly HPC, has allowed us to consistently produce and distribute electricity without interruption. HPC power plant reported an equity income of USD 32.67 million, significantly improved compared to the previous quarter as all 3 units fully operated with Equivalent availability factor (EAF) achieved at 96%. BLCP reported an equity income of USD 3.34 million and achieved EAF of 86%, though during the quarter, its Unit 2 underwent a 26-day shutdown for planned maintenance. While, CHPs in China though still facing challenges from high domestic coal cost, it reported profit contribution of RMB 2 million, this was due to the implementation of several measures for cost control, resulted in the reduction of average coal cost at 1,221 RMB/ton compared to 1,300 RMB/ton from previous quarter. Shanxi Lu Guang (SLG) power plant in China, reported share of profit of RMB 4 million, as SLG power plant had signed long-term coal supply contract with domestic supplier, so the average coal cost was reduced to 771 RMB/ton. Temple, I Gas-fired in US reported share of loss of USD (-10) million due to the mild weather conditions in Texas, there was a decline in the electricity price per MWh, which subsequently resulted in a decrease in electricity revenue compared to the previous quarter. For Nakoso IGCC power plant in Japan reported share of loss of USD (-2) million due to its yearly maintenance as planned.

The Renewable business portfolio delivered strong operational performance across most of its operations. Solar business in China reported net profit of RMB 14 million, Solar business in Japan reported TK dividend distribution of JPY 221 million, however the 2 Solar farm in Australia reported loss of AUD (-2.9) million primarily due to seasonal fluctuations in electricity prices. Solar and Wind farm in Vietnam

reported total net profit of USD 1.2 million while 30 MW Vin Chau wind project is undergoing pre-commissioning process to be ready for dispatch as requested by Offtaker.

For **Energy Technology business**, has continued to expand its ecosystem and make significant progress. The Solar rooftops & floating business has made great strides, expanding its presence throughout Asia-Pacific and reaching a committed capacity of 217 MW. The company is also aggressively expanding its Energy Storage system, battery business, and E-mobility offerings, including an investment in Green Li-ion, a Singapore-based technology provider of Li-Ion battery recycles, an investment in Iwate Tono Battery project in Japan with battery capacity of 58 MWh with the support by Japan's government subsidy program, expected to COD within 2025. The company also extended its E-mobility business into 14.2% investment of Oyika, Singapore-based company that develops battery swapping for 2 wheelers that offers solutions for electric motorbikes in Southeast Asia. These investments are expected to bring significant benefits to the company and its customers and demonstrate the company's commitment for continued growth and success in the Energy Technology business.

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, 27th Floor, New Petchburi Road,

Makkasan, Ratchathewi, Bangkok 10400, Thailand

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

www.banpu.com

Summary of 1Q/2023 results

Year-end Dec ('M.USD)	1Q23	4Q22	1Q22	Note
Coal sales volume (M.Tonnes)	6.9	8.0	6.3	Indonesia 4.5mt (-12%QoQ, +7%YoY), Australia 1.8mt (-11%QoQ, +18%YoY), and Coal trading 0.6mt. ASP Indo US\$151.6/t, ASP Australia A\$180.8/t
Sales revenues	1,312.2	2,267.7	1,255.8	
Cost of sales	(872.6)	(1,144.8)	(665.9)	
Gross profit	439.6	1,122.9	589.9	GPM from coal 34% (GPM Indo coal 55%, GPM Australia coal 5%)
GPM	34%	50%	47%	GPM from Gas 15%, GPM from Power 4%
Administrative expenses	(69.5)	(129.2)	(69.4)	
Selling expenses	(50.1)	(80.9)	(42.2)	
Royalty	(125.3)	(168.5)	(85.1)	
Equity income	83.7	103.8	62.3	Equity income from China coal US\$51.61m, HPC US\$32.67m, BLCF US\$3.34m
Other	23.6	28.1	7.2	SLG US\$0.6m, Nakoso US\$-2.0m and Tech business US\$-2.4m
EBIT	302.0	876.2	462.7	
EBIT margin	23%	39%	37%	
Interest expenses	(86.0)	(80.1)	(49.7)	
Financial expenses	(2.4)	(2.4)	(1.8)	
Income tax - Core business	(50.7)	(83.4)	(60.2)	
Minorities	(80.3)	(111.8)	(79.9)	
Net profit before extra items	82.6	598.4	271.2	
Non-recurring items	81.6	(403.2)	191.9	
Gain (Loss) on Derivatives	(27.4)	(126.5)	(148.0)	Loss from financial derivative instruments
Income tax - Non core business	(2.0)	(23.8)	(0.3)	
Deferred tax income/expenses	26.8	85.2	(14.6)	
Net profit	161.6	130.2	300.2	
Net gains (losses) on exchange rate	(14.5)	(137.4)	10.4	FX loss from strong appreciation of Thai Baht against US Dollar
Net profit	147.1	(7.3)	310.5	
EPS (USD/share)	0.017	(0.001)	0.046	
Depreciation	100.8	102.1	83.3	
Amortization	63.9	44.0	49.8	
Depre & Amortization	164.7	146.1	133.1	
EBITDA	466.7	1,022.3	595.8	EBITDA from Mining of US\$346m, Gas US\$74m, and Power US\$47m
EBITDA margin	36%	45%	47%	and Energy Tech (US\$0.3m)

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, 27th 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		1Q23	4Q22	1Q22
ROM Production (M. tonnes)				
<i>Total production of Coal Indonesia</i>		3.7	4.3	3.8
<i>Total production of Coal Australia</i>		1.8	1.8	1.7
Total Production	M.Ton	5.5	6.1	5.5
Coal sales volume (M tonnes)				
<i>ITMG own</i>		3.7	4.3	3.9
<i>Other Source</i>		0.8	0.8	0.4
<i>Total Coal Sales - Indonesia</i>		4.5	5.1	4.3
<i>Coal Sales - Coal Australia</i>		1.8	2.0	1.5
<i>Coal Sales - China (traded coal)</i>		0.6	0.9	0.6
<i>Coal Sales - Others & Elimination</i>		-	0.0	(0.0)
Total Coal sales volume	M.Ton	6.9	8.0	6.3
Natural Gas sales volume (Billion Cubic feed)				
<i>Natural gas sales volume - Marcellus</i>		13.9	14.3	12.9
<i>Natural gas sales volume - Barnett</i>		65.0	68.4	46.7
Total Gas sales volume	Bcf.	78.9	82.7	59.7
Sales revenue (M.USD)				
<i>Sales revenue - ITMG</i>		621.1	941.2	602.0
<i>Other Sources</i>		66.5	83.5	41.4
<i>Sales revenue - Coal Indonesia</i>		687.6	1,024.7	643.4
<i>Sales revenue - Coal Australia</i>		219.4	374.8	147.1
<i>Sales revenue - China (traded coal) & Others</i>		38.3	65.3	37.7
Revenue from COAL business		945.3	1,464.9	828.2
Revenue from GAS business		222.9	419.7	278.6
Revenue from POWER business		116.6	332.7	125.7
Revenue from OTHER business		27.4	50.4	23.4
Total revenues	M.USD	1,312.2	2,267.7	1,255.8
Cost of sale (M USD)				
<i>Cost of sales - ITMG</i>		(223.4)	(296.2)	(185.3)
<i>Other Sources</i>		(82.8)	(91.2)	(41.5)
<i>Cost of sales - Coal Indonesia</i>		(306.2)	(387.4)	(226.8)
<i>Cost of sales - Coal Australia</i>		(208.0)	(194.3)	(136.4)
<i>Cost of sales - China (traded coal) & Others</i>		(30.2)	(49.7)	(37.7)
COST OF SALE - COAL business		(544.4)	(631.4)	(400.9)
COST OF SALE - GAS business		(190.1)	(188.4)	(125.4)
COST OF SALE - POWER business		(111.9)	(295.8)	(116.9)
COST OF SALE - OTHER business		(26.2)	(29.2)	(22.7)
Total cost of sale	M.USD	(872.6)	(1,144.8)	(665.9)

DETAIL OF PROFIT&LOSS STATEMENT	1Q23	4Q22	1Q22
Gross profit (M USD)			
Gross profit - ITMG	397.7	644.9	416.7
Other Sources	(16.3)	(7.7)	(0.1)
<i>Gross profit - Coal Indonesia</i>	381.4	637.3	416.6
<i>Gross profit - Coal Australia</i>	11.4	180.5	10.7
<i>Gross profit - China (traded coal)</i>	8.1	15.6	(0.0)
Gross profit from COAL business	401.0	833.4	427.3
Gross profit from GAS business	32.8	231.3	153.3
Gross profit from POWER business	4.7	37.0	8.7
Gross profit from OTHER business	1.1	21.2	0.7
Total Gross profit	M.USD 439.6	1,122.9	589.9
Gross profit margin			
<i>GPM - ITMG</i>	64%	69%	69%
<i>Other Sources</i>	-25%	-9%	0%
<i>GPM - Coal Indonesia</i>	55%	62%	65%
<i>GPM -Coal Australia</i>	5%	48%	7%
<i>GPM - China (traded coal)</i>	21%	24%	0%
GPM from COAL business	42%	57%	52%
GPM from GAS business	15%	55%	55%
GPM from POWER business	4%	11%	7%
GPM from OTHER business	4%	42%	3%
GPM for Banpu group	34%	50%	47%

บริษัท บ้านปู จำกัด (มหาชน)

ทะเบียนเลขที่ 0107536000781

1550 อาคารธนูภูมิ 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, 27th Floor, New Petchburi Road,

Makkasan, Ratchathewi, Bangkok 10400, Thailand

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

www.banpu.com