

Press release

15 August 2024

Banpu Reveals First-Half 2024 Results, Focusing on Cost Reduction, Decarbonization, and Enhancing Digital Technology Efficiency

Banpu Public Company Limited, a leading international versatile energy provider, has announced its first half of 2024 operating results, reporting total sales revenue of USD 2,441 million (*approximately THB 88,425 million), earnings before interest, taxes, depreciation and amortization (EBITDA) of USD 650 million (*approximately THB 23,547 million), and a net profit of USD 69 million (*approximately THB 2,489 million). The Company continues to focus on enhancing operational efficiency and implementing cost control measures, advancing efforts to reduce carbon dioxide emissions, elevating operations in digital technology, and carefully allocating capital expenditure to reinforce the commitment to long-term stability.

Mr. Sinon Vongkusolkrit, CEO of Banpu Public Company Limited, revealed, “Our decarbonization efforts have made significant strides, particularly with the Carbon Capture, Utilization, and Sequestration (CCUS) projects in the United States. These initiatives are expected to lead to the production of Carbon Sequestered Gas, a Scope 1, 2 and 3 carbon neutral natural gas product. At the same time, we are driving the integration of digital technology and AI across all business units to optimize operational efficiency and create added value for the ecosystem within Banpu. This includes enhancing infrastructure and logistics management, expanding sales and marketing opportunities, reducing costs, and boosting competitiveness, particularly in the energy resources group in Indonesia and the United States.”

Recently, Banpu’s U.S. subsidiary, **BKV Corporation (BKV)**, divested certain of its non-operated upstream and midstream assets located in the Marcellus Shale in Pennsylvania for a combined sale price of approximately USD 132 million, subject to adjustment. This strategic move will allow **BKV** to maintain capital discipline and focus on the development of its higher-return assets. Additionally, the **Ponder Solar project**—a 2.5 MW solar power plant located in the Barnett Shale in Texas—is set to commence operations in August 2024. This project represents a key milestone in **BKV**’s path to achieving net zero Scope 2 emissions from its owned and operated upstream and natural gas midstream businesses. **BKV**’s path to net zero is expected to involve reducing its direct and indirect greenhouse gas emissions, minimizing its reliance on external electricity

บริษัท บ้านปู จำกัด (มหาชน)

ทะเบียนเลขที่ 0107536000781

1550 อาคารธนภูมิ ชั้นที่ 27 ถนนเพชรบุรีตัดใหม่

แขวงมัยกาสัน 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

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purchases, utilizing self-generated power from renewable energy sources like the Ponder Solar project, and executing CCUS projects to sequester its and third party emissions.

In the first half of 2024, Banpu's 3 core groups of businesses delivered the following results:

- **Energy Resources:** The Company focused on continuously managing production efficiency to maintain the ability to generate cash flow, aiming to lower costs by USD 1.5 to 3.0 per ton in the **mining business** and USD 0.06 to 0.07 per Mcf in the gas business. In the **gas business**, BKV recently signed agreements for the sale and purchase of Carbon Sequestered Gas with each of ENGIE Energy Marketing NA, Inc. and Kiewit Infrastructure South Co. The carbon credits included in BKV's Carbon Sequestered Gas will be generated by its CCUS projects and will be third-party verified. Subject to completion of BKV's certification process with the American Carbon Registry, we expect to begin delivery of Carbon Sequestered Gas by the end of 2024.
- **Energy Generation:** This business unit continued to demonstrate strong profitability. In the **thermal power business**, the Temple I and II gas-fired power plants in the United States reported a sales revenue of USD 288 million, a significant increase compared to the same period last year due to the increased electricity sales from the acquisition of the Temple II gas-fired power plant in Q3/2023. In the **renewable power business**, solar power plants in China, Japan, Vietnam and Australia generated a steady cash flow.
- **Energy Technology:** In the first half of 2024, the solar rooftop business signed power generation and supply contracts with partners in Thailand across various industries, totaling 1.9 MW of capacity and had new commercial operations totaling 4.1 MW. Currently, the total committed capacity is 100 MW. Additionally, a 10-MW solar rooftop power purchase agreement (PPA) was signed in Indonesia. The **battery and energy storage system solutions business** began production of lithium-ion batteries at the SVOLT Thailand factory. Another plant also delivered the first batch of nickel manganese cobalt oxide (NMC) batteries to the largest bus service provider in Thailand. The Iwate Tono battery farm project in Japan reached 97% construction progress. In the **e-mobility business**, MuvMi electric tuk-tuks joined the government's electric public vehicle support program and continued to expand its service routing. To date, MuvMi has provided over 13 million rides. The **energy management business** has proceeded with the expansion of the district cooling system (DCS) in Phase 2 at the Government Center Zone C, and was

also awarded 25 contracts at the SB design square in Phuket. Moreover, **Corporate Venture Capital** invested in “enspired”, a trading-as-a-service business that provides real time information on energy assets through its automated platform. This investment aims to advance AI technology capabilities to enhance Banpu NEXT's battery and energy trading businesses.

“With Banpu’s integrated and balanced energy portfolio, combining conventional and new energy across the Asia-Pacific region, we aim to enhance operational efficiency in each group of businesses to ensure stable returns. Our focus is creating sustainable value for our stakeholders and contribute to create a better world every day.” **Mr. Sinon** concluded.

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*Note: Calculated based on the average exchange rate of Q1/2024 at USD 1: THB 35.6601 and Q2/2024 at USD 1: THB 36.7083.

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About Banpu

Banpu Public Company Limited is a leading international versatile energy provider, operating 3 core groups of businesses - energy resources, energy generation, and energy technology in Thailand, Indonesia, China, Australia, Lao PDR, Mongolia, Japan, the United States of America and Vietnam. As of 30 June 2024, Banpu’s assets totaled USD 12,344 million, a decrease of USD 656 million compared to the total assets as of 31 December 2023.

For more information about Banpu Public Company Limited.

Please contact Banpu Corporate Communications Team:

Duangkamol Saleerat 061-446-6698 duangkamol_s@banpu.co.th

Paninard Sutthakard 086-846-8264 paninard_s@banpu.co.th

Investor Relations



Ogilvy Thailand

Eakkapop Panthurat

061-154-4616

eakkapop.panthurat@ogilvy.com

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