

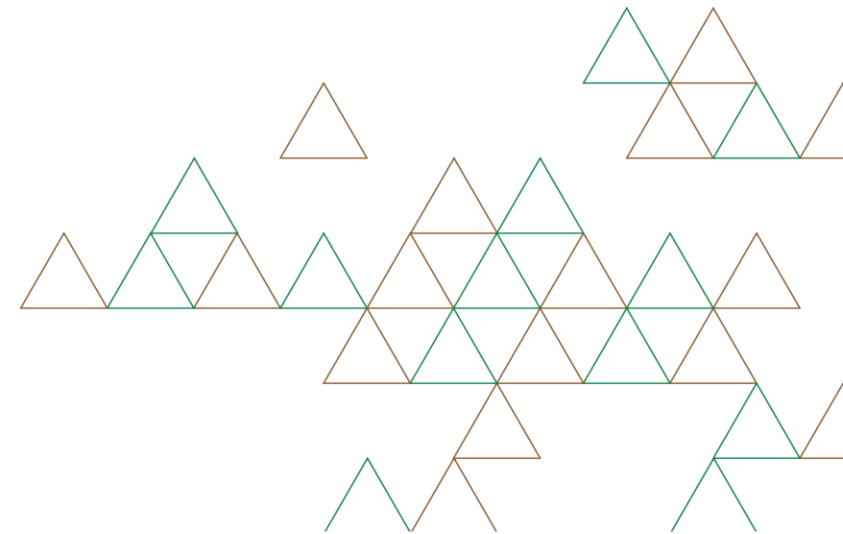


Tipco Asphalt Public Company Limited (TASCO)

3-2022 Analyst Meeting

(Q2 2022 Operational Results)

15th August 2022



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Sales & Services Revenue & Sales Volume

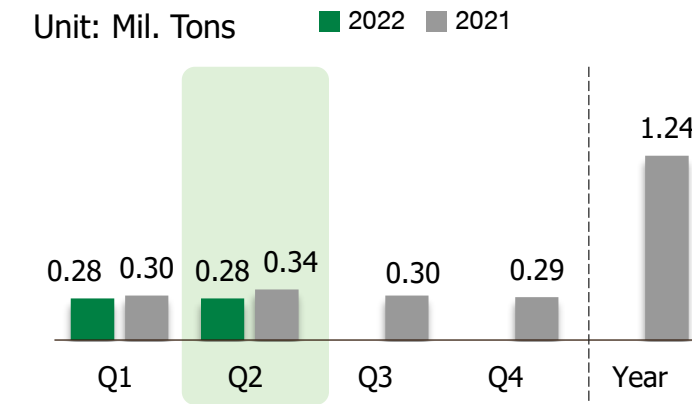
Asphalt Business

- Sales and services stood at Baht 7,034 million, reflecting a decrease of 0.1% from Q2 2021 due to decrease in sales volume in several countries in the international market resulted from the Company's "selective market sales" strategy. On the other hand, the selling prices of asphalt products have increased following the global oil price increase.

Construction Business

- Revenue from construction contracts stood at Baht 816 million, reflecting an increase of 21.4% from Q2 2021. This was resulted from increase in construction and road maintenance income, in particular the 3rd runway construction project at the Suvarnabhumi International Airport.

Sales Volume



Total Revenue in Q2 2022

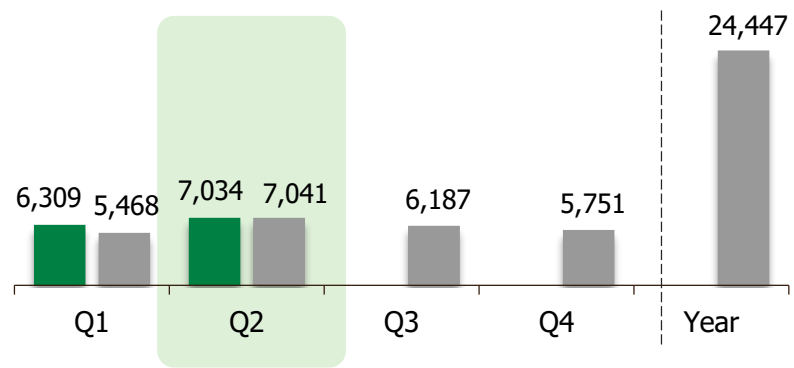
THB 7,850 million

+10.5% QoQ

+1.8% YoY

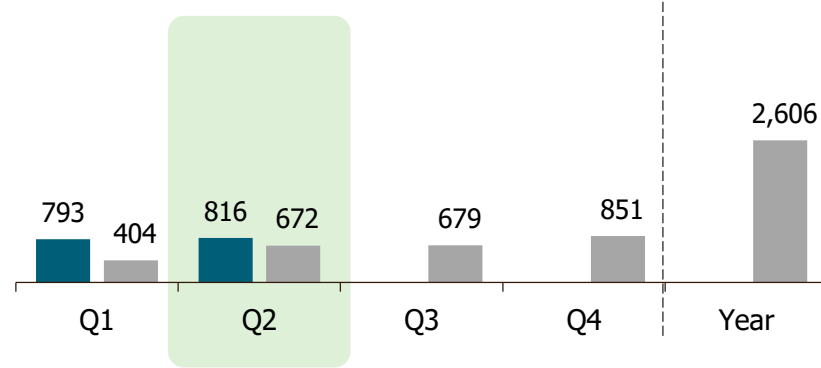
Asphalt business Sales & Services Revenue

Unit: Mil. THB



Construction business Sales & Services Revenue

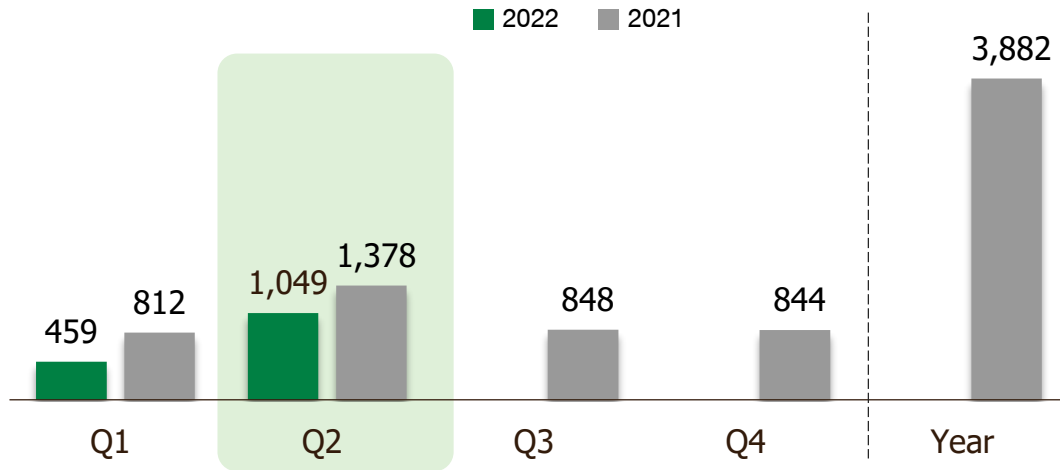
Unit: Mil. THB



Operating Gross Profit

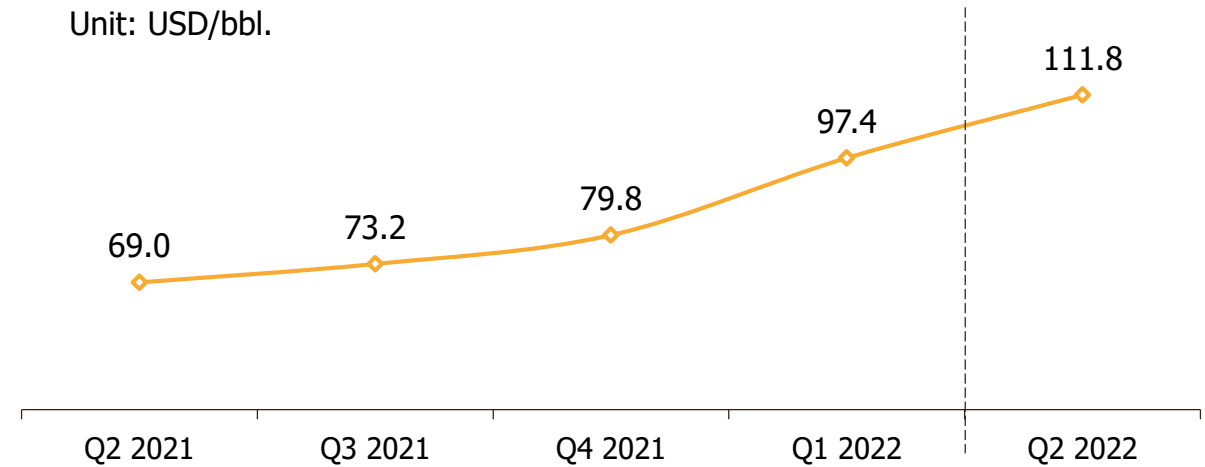
Operating Gross Profit

Unit: Mil. THB



Average Ice Brent

Unit: USD/bbl.



Gross Profit Margin					
	Q1	Q2	Q3	Q4	FY
Gross Profit margin (net hedging and NRV)					
2022	6.5% ^{1/}	13.4%			
2021	13.8%	17.9%	12.4%	12.8%	14.4%

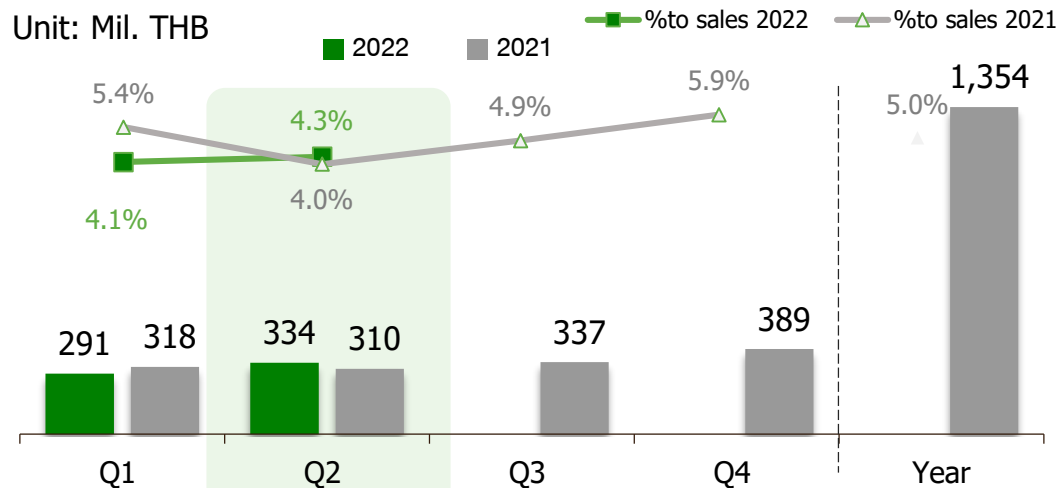
1/ Hedging loss = Baht 531 million

- The decrease on gross profit was mainly resulted from increases in cost of feedstock and asphalt purchased from regional refineries.

Effective Cost Control and strong EBITDA

SG&A

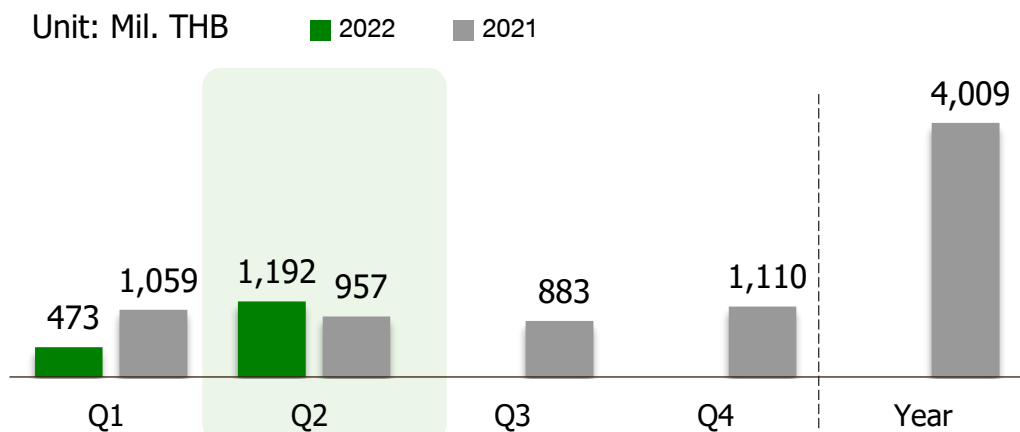
Unit: Mil. THB



- Following effective cost control, SG&A to sales remain below 5.0%.
- Cashflow generated from operations stood at Baht 1,192 million compared to Baht 957 million in Q2 2021
- The net profit after tax of Baht 587 million for Q2 2022 represented earnings per share of Baht 0.37 (par value of Baht 1 each) as compared to Baht 0.55 per share in Q2 2021

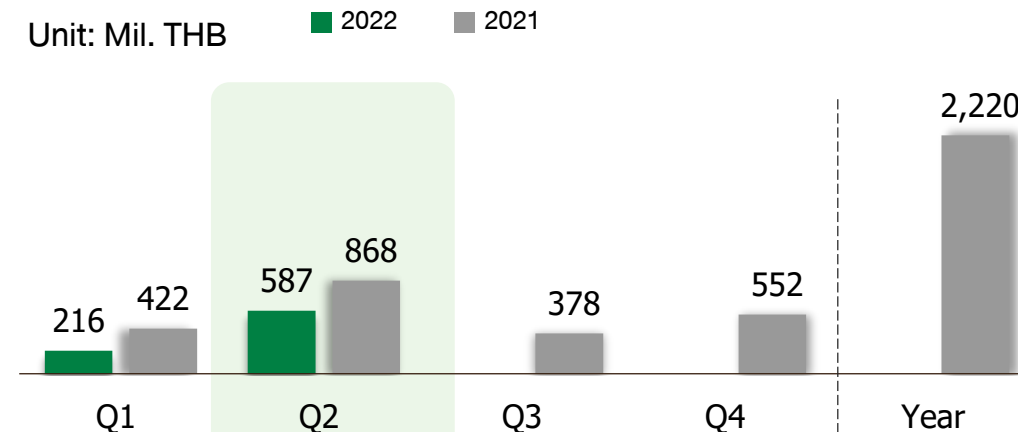
EBITDA

Unit: Mil. THB



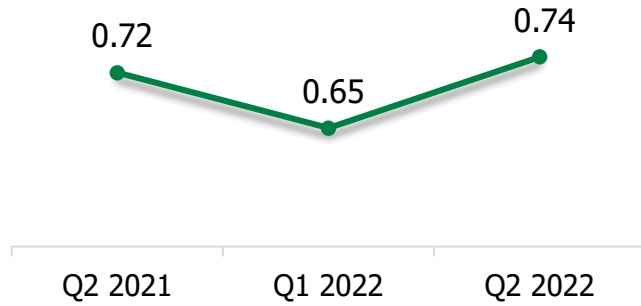
Net Profit

Unit: Mil. THB



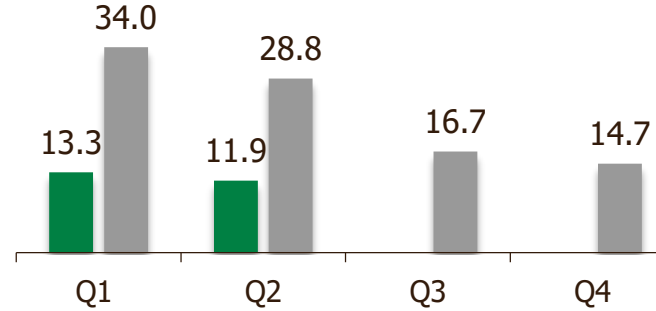
Key Ratios and Historical Dividend

Debt/Equity Ratio



Return on Equity^{1/}

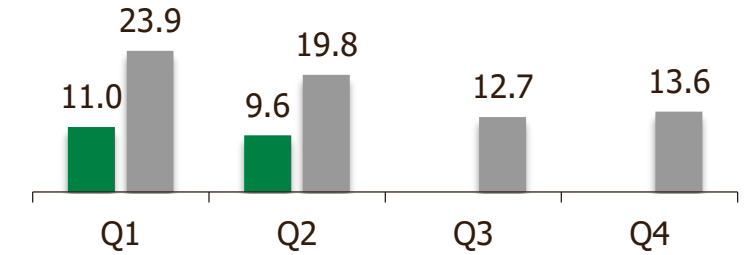
Unit: % ■ 2022 ■ 2021



1/ Return is based on sum of last 12 months net profit

Return on Asset^{2/}

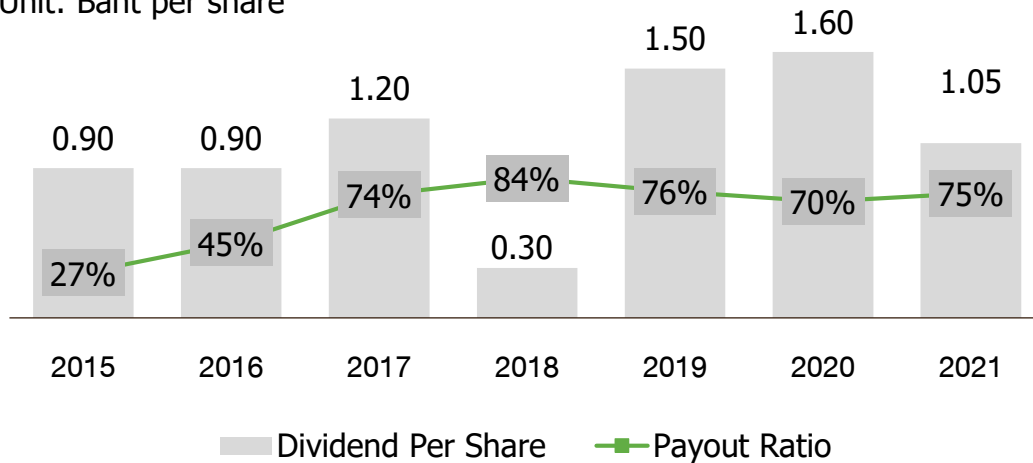
Unit: % ■ 2022 ■ 2021



2/ Return is based on sum of last 12 months net profit
Return is based on profit before interest and tax

Historical Dividend

Unit: Baht per share



Dividend Policy

The Company has a policy to pay dividends of not less than 60% of its consolidated net profit of each fiscal year.

Q2 2022 Highlight

Domestic Market

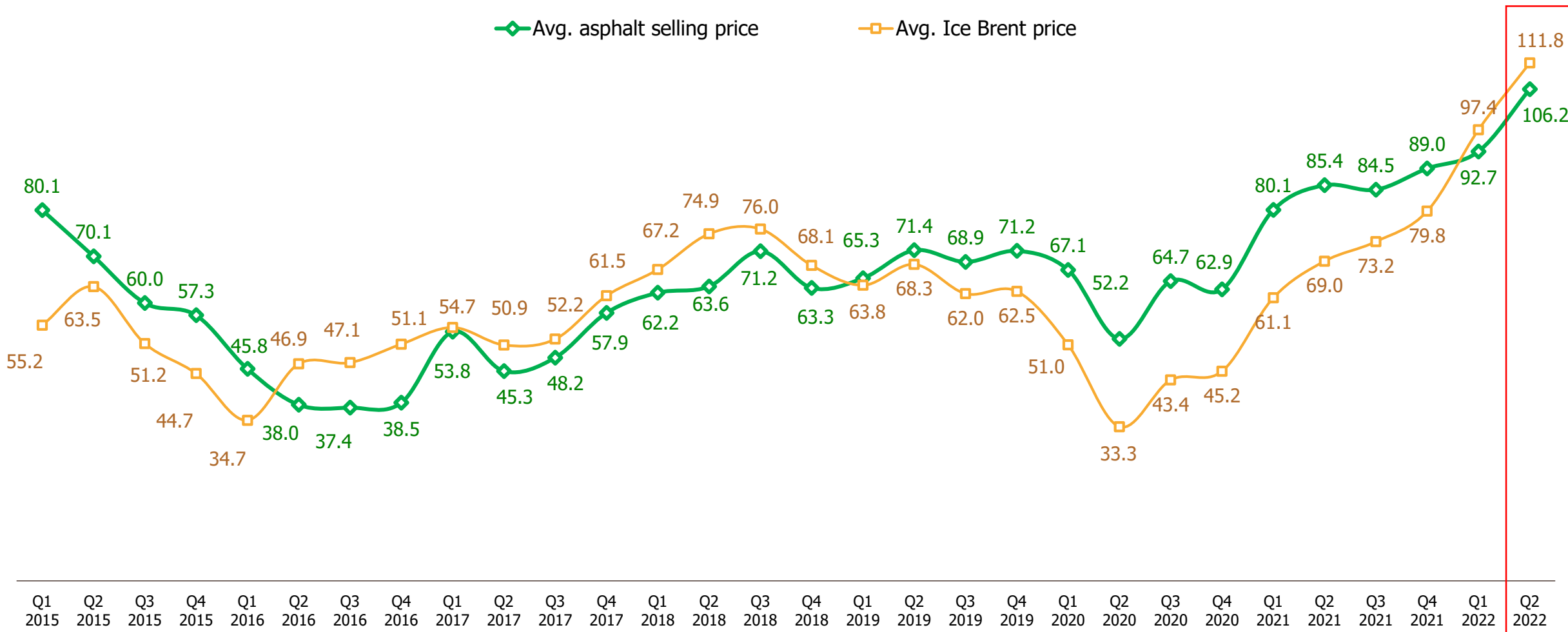
- **Benefit from government budget disbursement**
- **High working season during Q1 2022 to Q2 2022**

International Market

- **Demand of certain international markets, e.g. Indonesia, and China picked up**
- **The Company continue to focus on selective sales market strategy**

Q2 2022 Highlight - Asphalt Selling Price vs. Ice Brent

Unit: USD/barrel



Key SD Materiality Issues

From latest Materiality Analysis, TIPCO Asphalt Group indicates 9 key SD materiality topics, with 12 SD materiality minor topics each of which was mitigated through action plans/projects

Economic : Innovation Leader



Main Topic

- Asphalt pavement excellence

Minor Topic

- Create and promote an innovation culture to become an innovation leader
- Focuses on environmentally and socially friendly products and services

2022 Action and Project example

- Driving a culture of innovation
- New technical service department
- Environmental friendly asphalt concrete road

Environment : Eco-efficiency



- Emission management and Spill
- Waste management
- Energy management

- Opportunities and risks from climate change
- Valuable use of resources and raw materials

- Zero hazardous industrial waste to landfill
- Reduce the rate of greenhouse gas emissions per ton of production
- Optimize energy efficiency in production heating process

Social : Safety Awareness



- Employee health and safety

- Supervision of safety in road transport
- Taking care of the health and safety of customers

- Risk-based Thinking promotion
- Accident terminator project
- Delivery route survey

Corporate governance and employee development



- Risk & crisis management
- Participation in community and society development

- Good corporate governance, transparency, and anti-corruption
- Cyber Security
- Government policies and budgets
- Communication and corporate image
- Quality and responsibility for products and services
- Customer-centricity



- Retaining potential employee and Employee management
- Training and education

- Verify ISO 31000 for risk management system
- Patching pothole : Road safety for all
- CPR : Save lives for all
- Developing high potential employees through individual development
- Total Productive Maintenance project
- Happy workplace to promote employee health, family and community

Example of SD action plan/ project

Project :	Patching Pothole with Asphalt Premix (150 Bags)	Budget :	9,579 Baht
Location :	Ban Wang Kum road, Bangrakammuangmai, Phitsanulok	Stakeholder :	Bangrakam community
Objective :	To repairs of poor road surface/pothole which may cause accidents	Result :	Road surface repairs 112.5 m ²
Period :	29 June 2022 ; Phitsanulok plant		Road distance 1.5 km.



8 Persons
Staff participated



32 Persons
Community members participated



82.19
% Rate

Satisfaction



28 Staff hours participated **8**

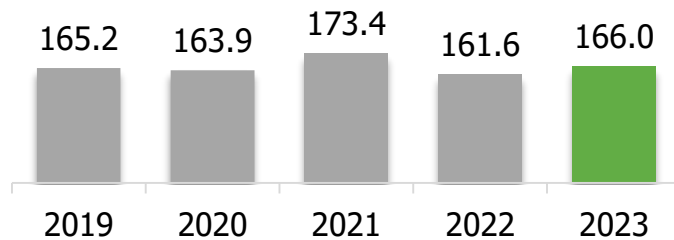
Outlook

Domestic Market

- Expect low season in Q3 2022 due to end of 2022 government budget disbursement
- 2023 budget is slightly higher than that in 2022

Road related budget in Thailand

Unit: Billion Baht

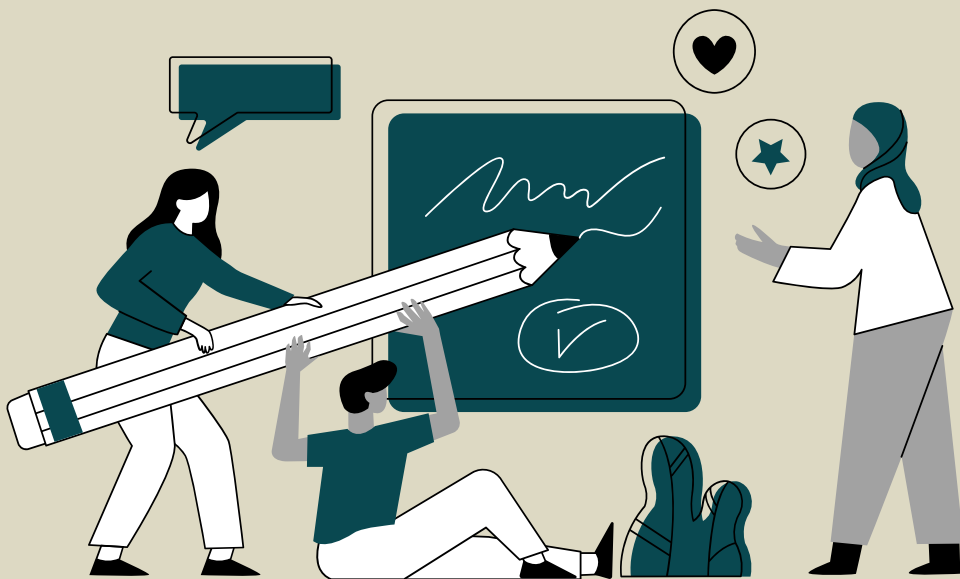


International Market

- The Company continue to focus on selective sales market strategy
- High season for certain countries, e.g. Indonesia and Vietnam

Thank you

Any queries, please contact us!



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