

Q2 2020 Financial Results  
Conference Call  
30 July 2020

# Summary of Q2 2020 Financial Results

Soften net income from lower price and sales volume



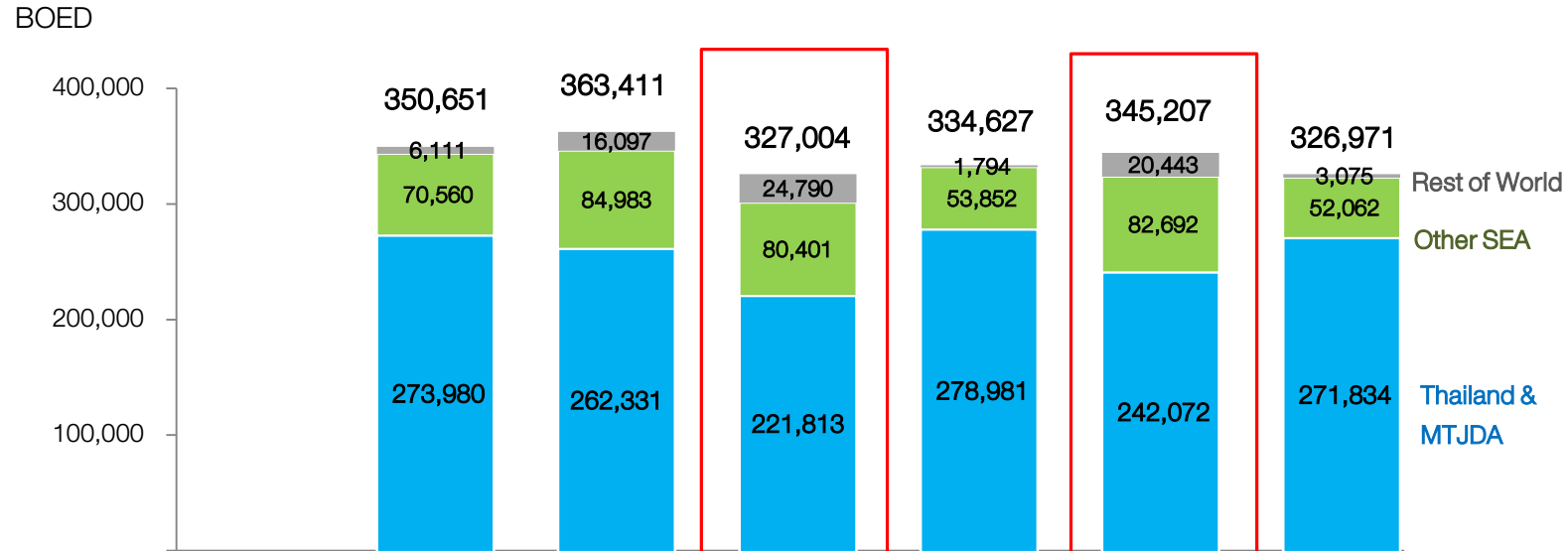
Unit : MMUSD

Statement of Income	Q1 20	Q2 20	% QoQ	Q2 19	% YoY	6M 20	6M 19	% YTD
<b>Total Revenues</b>	<b>1,771</b>	<b>1,095</b>	<b>(38%)</b>	<b>1,573</b>	<b>(30%)</b>	<b>2,779</b>	<b>3,001</b>	<b>(7%)</b>
Sales	1,482	1,041	(30%)	1,469	(29%)	2,523	2,797	(10%)
Others	289	54	(81%)	104	(48%)	256	204	25%
Sales Volume (BOED)	363,411	327,004	(10%)	334,627	(2%)	345,207	326,971	6%
Sales Price (USD/BOE)	44.81	34.97	(22%)	48.26	(28%)	40.15	47.26	(15%)
<b>Total Expenses</b>	<b>1,496</b>	<b>961</b>	<b>(36%)</b>	<b>1,140</b>	<b>(16%)</b>	<b>2,370</b>	<b>2,174</b>	<b>9%</b>
<b>Major Expenses:</b>								
Operating Expenses	197	183	(7%)	154	27%	380	289	31%
DD&A	536	488	(9%)	477	(0%)	1,024	936	9%
Exploration Expenses	39	30	(23%)	32	(6%)	69	41	68%
G&A	66	62	(6%)	92	(33%)	128	157	(18%)
Impairment Loss on Assets	-	47	>100%	-	>100%	47	-	>100%
Income Tax Expense	452	(68)	(>100%)	186	(>100%)	384	294	31%
(Gain)/Loss on FX	12	(9)	(>100%)	(26)	(65%)	3	(59)	>100%
<b>Net Income</b>	<b>275</b>	<b>134</b>	<b>(51%)</b>	<b>433</b>	<b>(69%)</b>	<b>409</b>	<b>827</b>	<b>(51%)</b>
Recurring Net Income	290	128	(56%)	389	(67%)	418	763	(45%)
Non-Recurring *	(15)	6	>100%	44	(86%)	(9)	64	(>100%)

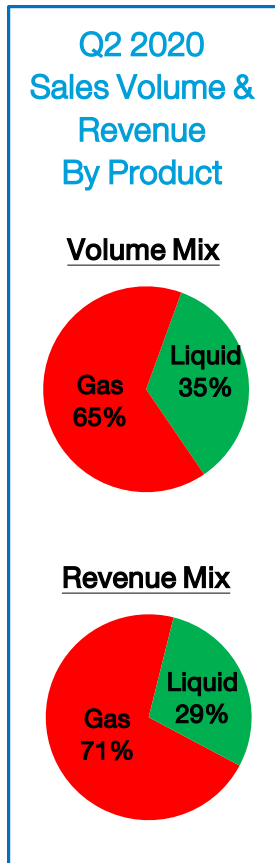
Note: \* Includes Gain/(Loss) on FX, Deferred tax from Functional currency, Current Tax from FX Revaluation, Gain/(Loss) from Financial Instruments, Impairment loss on assets and etc.

# PTTEP Sales Volume & Average Selling Price

Lower sales volumes from lower demand mainly in GoT



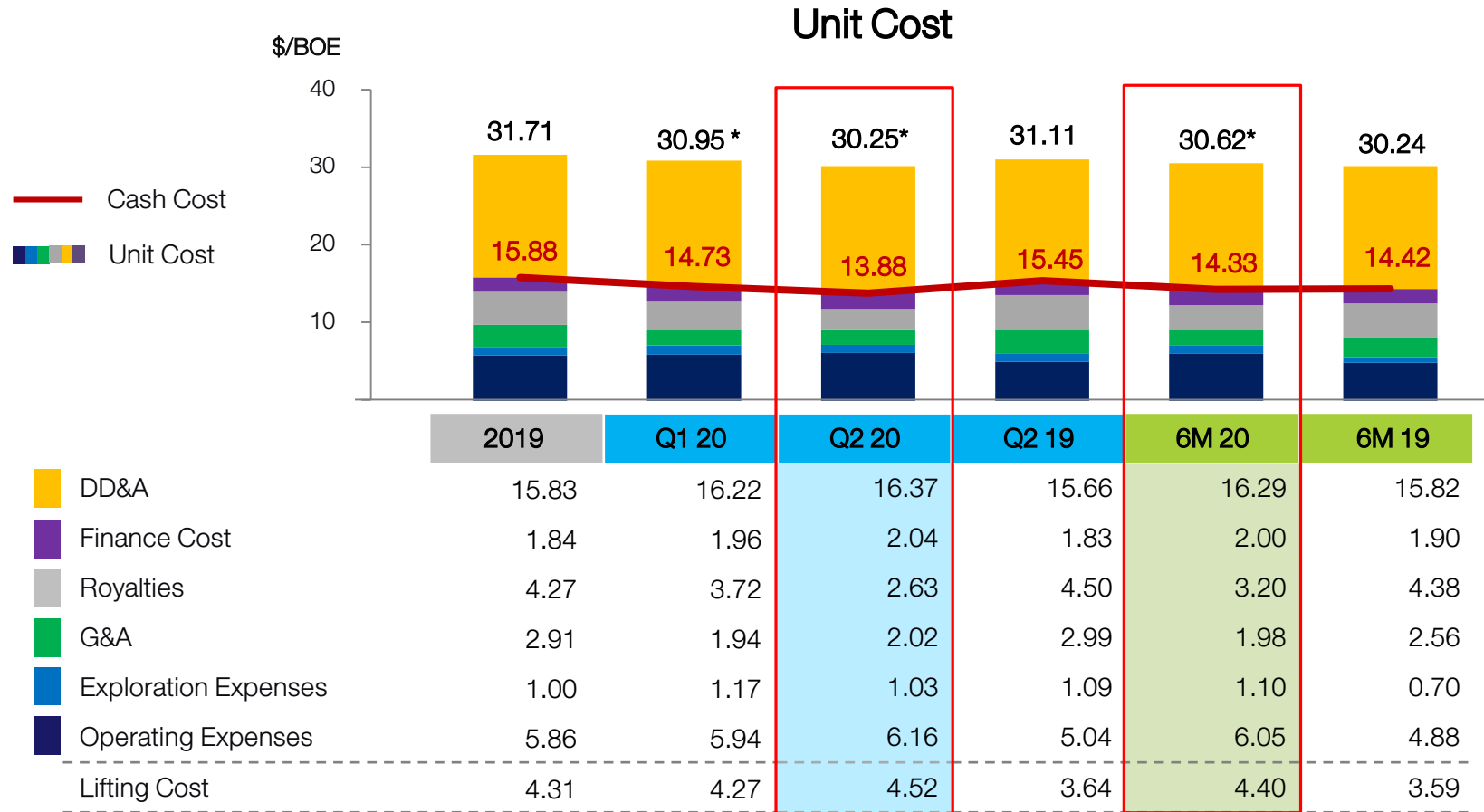
Sales Price	2019	Q1 20	Q2 20	Q2 19	6M 20	6M 19
Gas (\$/MMBTU)	6.92	6.87	6.37	7.03	6.64	6.98
Liquid (\$/BBL)	61.18	52.75	28.92	65.25	40.80	62.07
<b>Weighted Avg. (\$/BOE)</b>	<b>47.24</b>	<b>44.81</b>	<b>34.97</b>	<b>48.26</b>	<b>40.15</b>	<b>47.26</b>
Avg. Dubai (\$/BBL)	63.51	50.41	30.72	67.55	40.72	65.48
Avg. HSFO (\$/BBL) (High Sulphur Fuel Oil)	58.60	43.11	29.18	65.21	36.26	64.58



Note: Include sales volume from ADNOC Gas Processing (AGP)

# Operating Performance

Maintain competitive unit cost



Note: \* Unit Cost per Financial Statements which applied Thai Financial Reporting Standard No. 16 (TFRS 16: Lease), effective 1 Jan 2020

All Unit Cost shown above exclude costs related to new business

The formulas for calculating ratios are provided in the supplementary section for your reference

# Financial Performance : Income Statement

Solid EBITDA margin



	Q1 20	Q2 20	Q2 19	6M 20	6M 19
Sales and Revenue from Pipeline Transportation (MMUSD)	1,506	1,066	1,503	2,571	2,859
EBITDA (MMUSD)	1,082	711	1,087	1,793	2,112
Net Income (MMUSD)	275	134	433	409	827
Recurring Net Income (MMUSD)	290	128	389	418	763
Earning Per Share (USD)	0.07	0.03	0.10	0.10	0.20
<b>Key Financial Ratios</b>					
EBITDA Margin (%)	72	67	72	70	74
Return on Equity (%) (LTM)	12	10	12	10	12
Return on Capital Employed (%) (LTM)	11	8	11	8	11
Return on Equity (%) (LTM, Recurring Net Income)	12	9	11	9	11
Return on Capital Employed (%) (LTM, Recurring Net Income)	10	8	10	8	10

Note: The formulas for calculating ratios are provided in the supplementary section for your reference

# Financial Performance : Balance Sheet

Healthy balance sheet at competitive leverage level



	YE 19	Q2 20
Total Assets (MMUSD)	22,285	21,768
- Cash & cash equivalents * (MMUSD)	3,023	3,090
Total Liabilities (MMUSD)	10,444	10,077
- Interest bearing debt (MMUSD)	3,442	3,882
Equity (MMUSD)	11,841	11,691
<b>Key Financial Ratios</b>		
Total Debt to Equity (X)	0.29	0.33
Net Debt** to Equity (X)	0.04	0.07
Total Debt to Capitalization (X)	0.23	0.25
Total Debt to EBITDA (X)	0.62	0.73
EBITDA Interest Coverage (X)	39	32

<b>Credit Ratings :</b>	BBB+ (S&P), Baa1 (Moody's), AAA (TRIS), BBB+ (FITCH)
<b>Weighted Average Cost of Debt ** :</b>	3.74%
<b>Average Loan Life ** :</b>	14.59 years

Note: \* Cash & Cash Equivalents (Cash on hand) include Short-term Investments > 3 months *but* < 12 months

Net Debt = Total Debt less Cash & Cash Equivalents

\*\* Excludes hybrid bonds

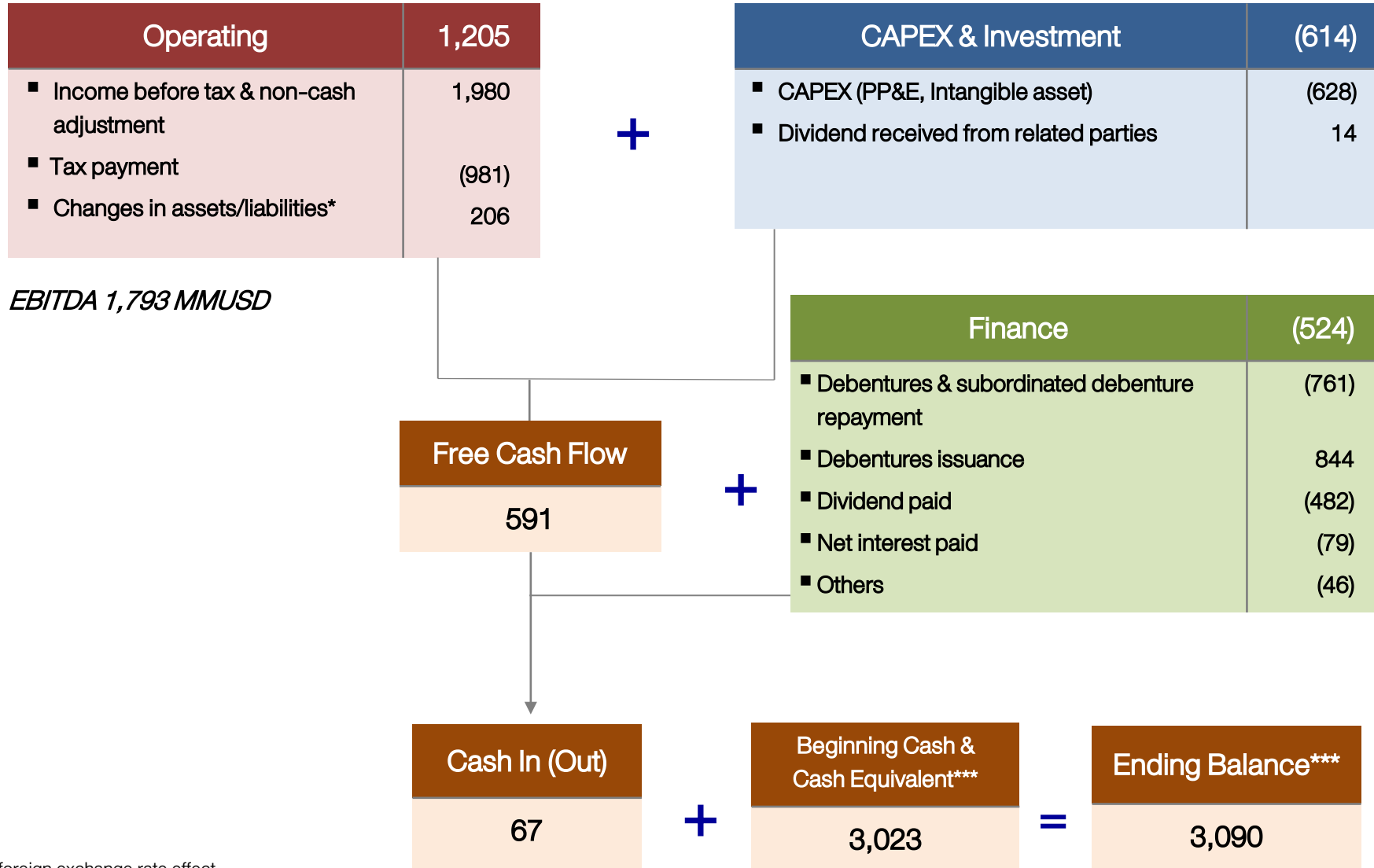
The formulas for calculating ratios are provided in the supplementary section for your reference

# Cash Flows : January – June 2020

Healthy operating cash flow



Unit : MMUSD



Note: \* Net of foreign exchange rate effect

\*\* Net of interest received

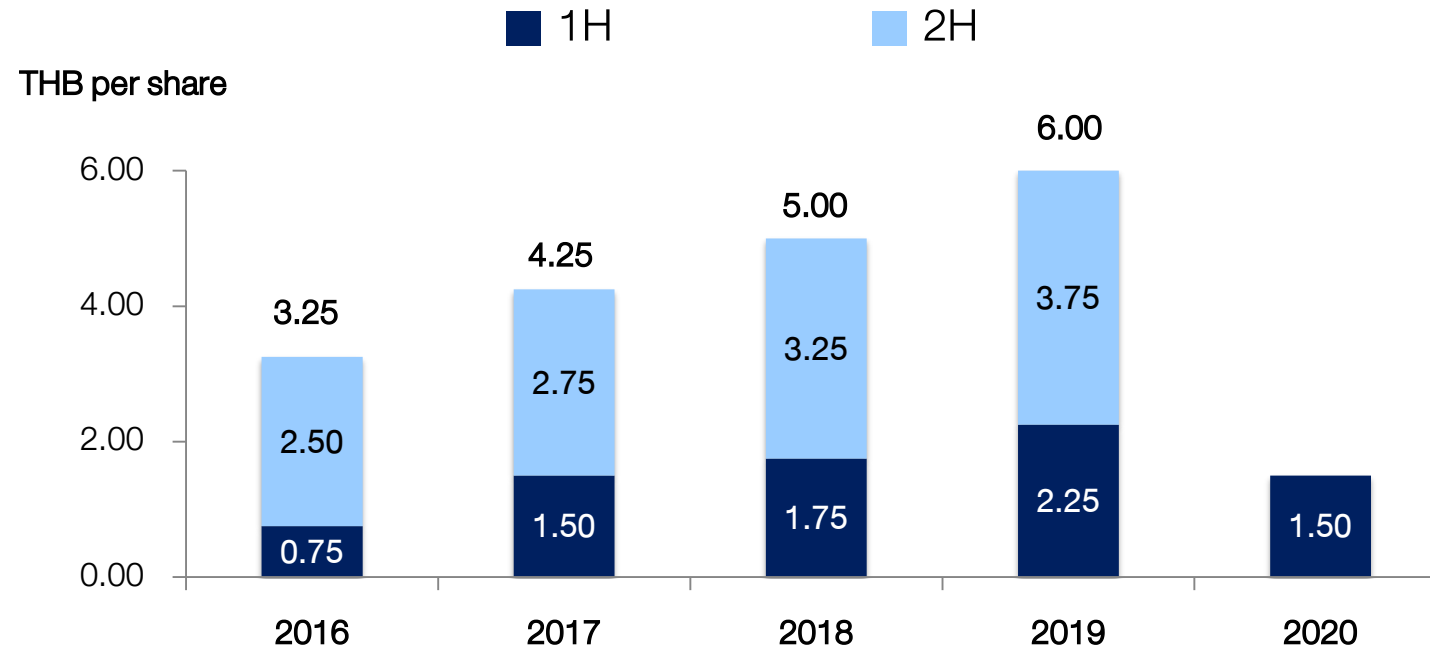
\*\*\* Include Short-term Investment (Fixed deposit > 3 months)

# Dividends

Demonstrating our dividend commitment to shareholders



## Dividend Payment History (Policy : No Less Than 30% of Net Income)



Payout Ratio (% of net income)	98	90	55	49	46
Payout Ratio (% of recurring net income)	79	64	51	53	45



# Financial Outlook

Lower forecasted volume from lower demand, shielded by DCQ



Financial Outlook	
<b>Average Sales Volume*</b> (KBOED)	
Q3 2020	FY 2020
<b>~ 340</b>	<b>~ 355</b>
<b>Average Gas Price</b> (USD/MMBTU)	
Q3 2020	FY 2020
<b>~ 6.1</b>	<b>~ 6.0</b>
<b>Unit Cost</b> (USD/BOE)	
Q3 2020	FY 2020
<b>~ 30</b>	<b>~ 30</b>
<b>EBITDA Margin</b>	
FY 2020	
<b>65-70 %</b>	

Note:

\* Include sales volume from ADNOC Gas Processing (AGP);  
Based on average Dubai oil price in FY2020 at 38 \$/BBL



You can reach the Investor Relations team for more information and inquiry through the following channels:



<http://www.pttep.com>



[IR@pttep.com](mailto:IR@pttep.com)



+66 2 537 4000

Ratio	Formula
Lifting Cost (\$/BOE)	$(\text{Operating Exp.} - \text{Transportation Cost} - \text{Stock Variation} - \text{Other expenses not related to lifting}) / \text{Production Volume}$
Cash Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Exp.} + \text{G\&A} + \text{Royalties} + \text{Finance Cost}) / \text{Sales Volume}$
Unit Cost (\$/BOE)	$(\text{Operating Exp.} + \text{Exploration Exp.} + \text{G\&A} + \text{Royalties} + \text{Finance Cost} + \text{DD\&A}) / \text{Sales Volume}$
Reserves Replacement Ratio	$5\text{-Yr Additional Proved Reserves} / 5\text{-Yr Production Volume}$
Reserves Life Index (Year)	$\text{Proved Reserves} / \text{Production Volume}$
Success Ratio	$\text{Number of wells with petroleum discovery} / \text{Total number of exploration and appraisal wells}$
Sales Revenue	$\text{Sales} + \text{Revenue from pipeline transportation}$
EBITDA	$(\text{Sales} + \text{Revenue from pipeline transportation}) - (\text{Operating expenses} + \text{Exploration expenses} + \text{Administrative expenses} + \text{Petroleum royalties and remuneration} + \text{Management's remuneration})$
EBITDA Margin	$\text{EBITDA} / \text{Sales Revenue}$
Return on Equity	$\text{Trailing-12-month net income} / \text{Average shareholders' equity between the beginning and the end of the 12-month period}$
Return on Capital Employed	$(\text{Trailing-12-month net income} + \text{Trailing-12-month Interest Expenses \& Amortization of Bond Issuing Cost}) / (\text{Average shareholders' equity and average total debt between the beginning and the end of the 12-month period})$
Simple Effective Tax Rate	$\text{Income tax expenses} / \text{Income before income taxes}$
Total debt	$\text{Short-term loans from financial institution} + \text{Current portion of long-term debts} + \text{Bonds} + \text{Long-term loans from financial institution}$
Net debt	$\text{Total debt} - \text{Liquidity}$
Debt to Equity	$\text{Total debt} / \text{Shareholders' equity}$
Net Debt to Equity	$\text{Net debt} / \text{Shareholders' equity}$
Total Debt to Capital	$\text{Total debt} / (\text{Total debt} + \text{Shareholders' equity})$
Total Debt to EBITDA	$\text{Total debt} / \text{Trailing-12-month EBITDA}$
Net Debt to EBITDA	$\text{Net debt} / \text{Trailing-12-month EBITDA}$
EBITDA Interest Coverage Ratio	$\text{Trailing-12-month EBITDA} / \text{Trailing-12-month Interest Expenses \& Amortization of Bond Issuing Cost}$