

How to Prepare for an International Roadshow

The Stock Exchange of Thailand

28 September 2018



PTTEP

MEMBER OF

**Dow Jones
Sustainability Indices**

In Collaboration with RobecoSAM





Purpose and Objectives

Deal:

- ✓ New Funding needs i.e. IPO, PO, Debentures

Non-deal:

- ✓ Diversify / expand foreign investor base
- ✓ Brand recognition to investor community
- ✓ Maintain strong relationships with investors
- ✓ To get feedback from investor community

Company Readiness

Depth and reach of information disclosure:

- ★ Regulatory requirements
- ★ Financial reporting standards
- ★ Board of Directors / governance structure
- ★ Management readiness

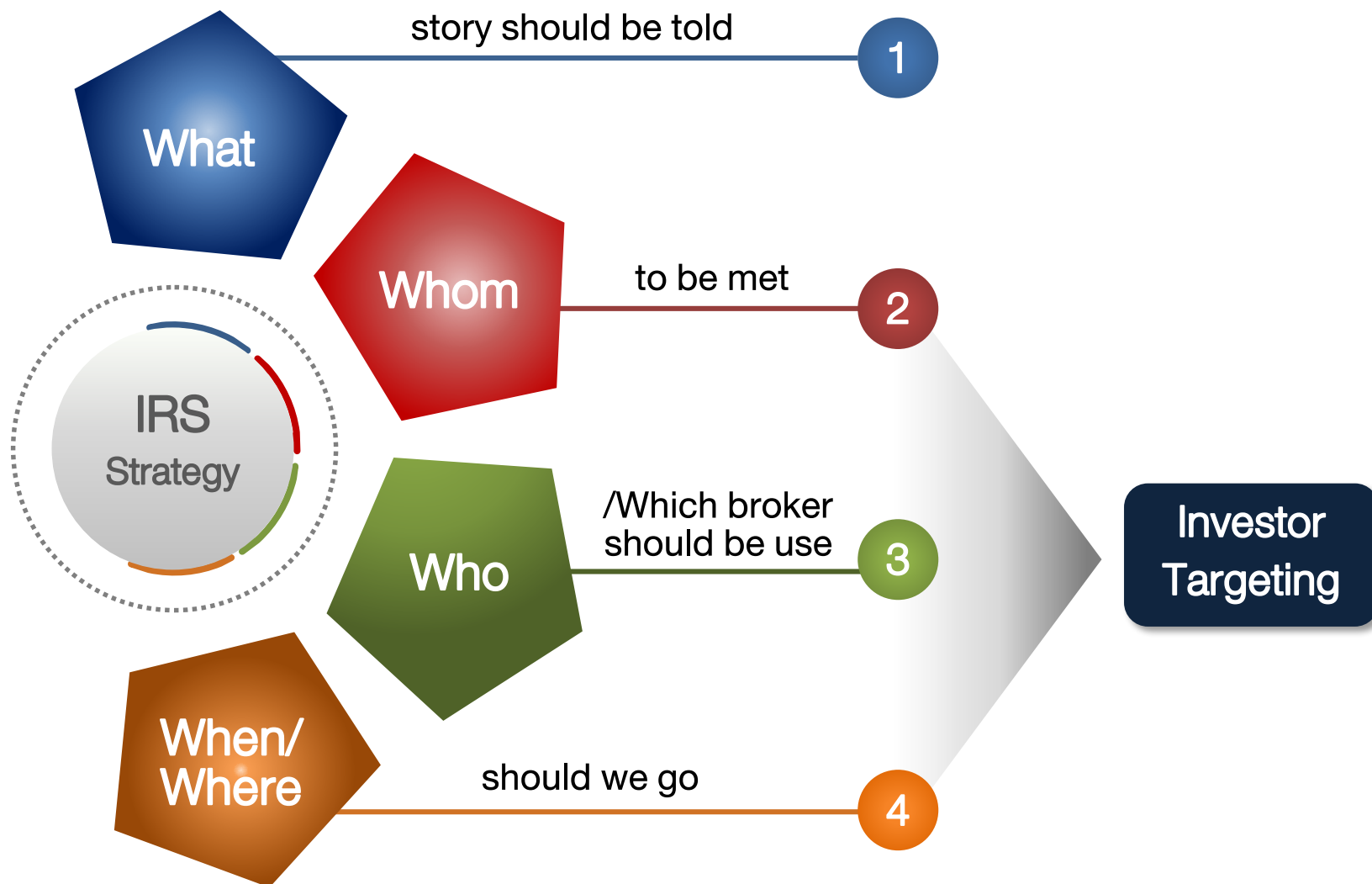
Analyst coverage:

- ★ Domestic vs. regional / global research reports
- ★ Number vs. frequency of coverage

Company activities and strategy:

- ★ Company attractiveness / growth plan
- ★ Sustainable development

International roadshow



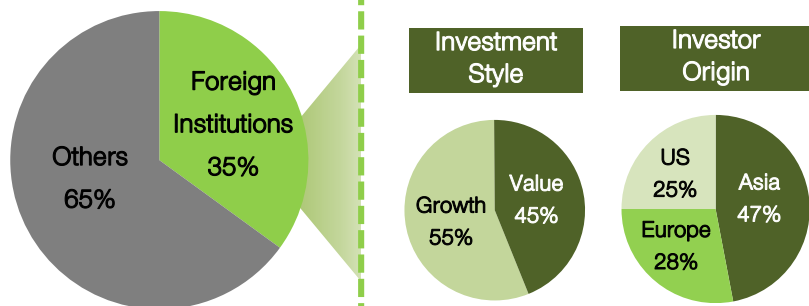


Existing investors

plus

New investors

Own shareholders' analysis



Peers shareholders' analysis

Characteristics of existing investors

Characteristics of peers' shareholders

- ★ Based in Asia
- ★ Long-term only
- ★ Value over growth
- ★ AUM \$5 - \$10 bn
- ★ O&G sector-centric

Peer 1

Fund A
Fund B
Fund C
Fund D
...

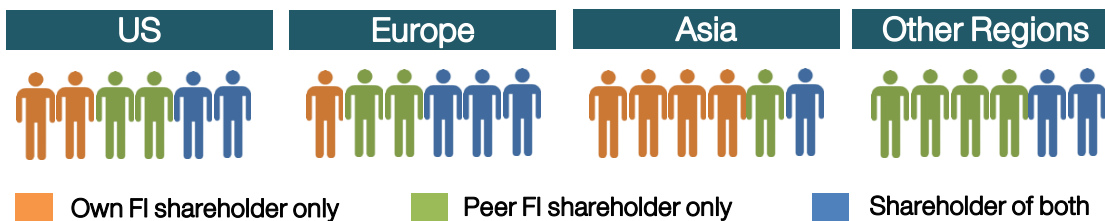
Peer 2

Fund C
Fund D
Fund E
Fund F
...

Peer 3

Fund B
Fund E
Fund G
Fund H
...

Investor targets for roadshow



Other considerations

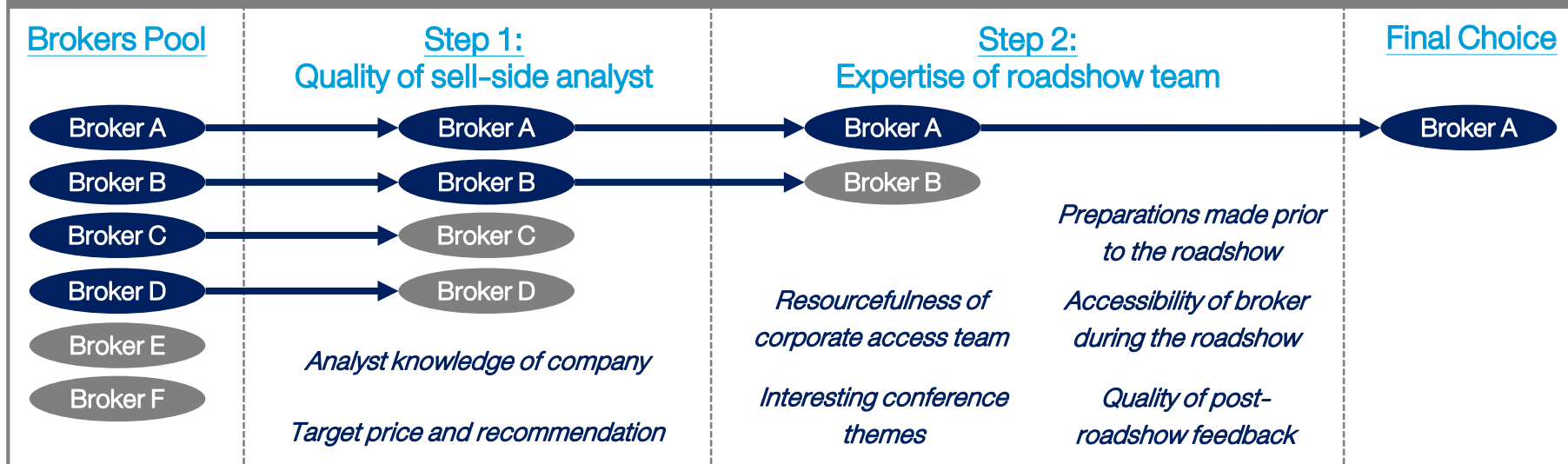
Macroeconomic environment
Investment appetite in sector
Regulatory constraints
Company IR budget



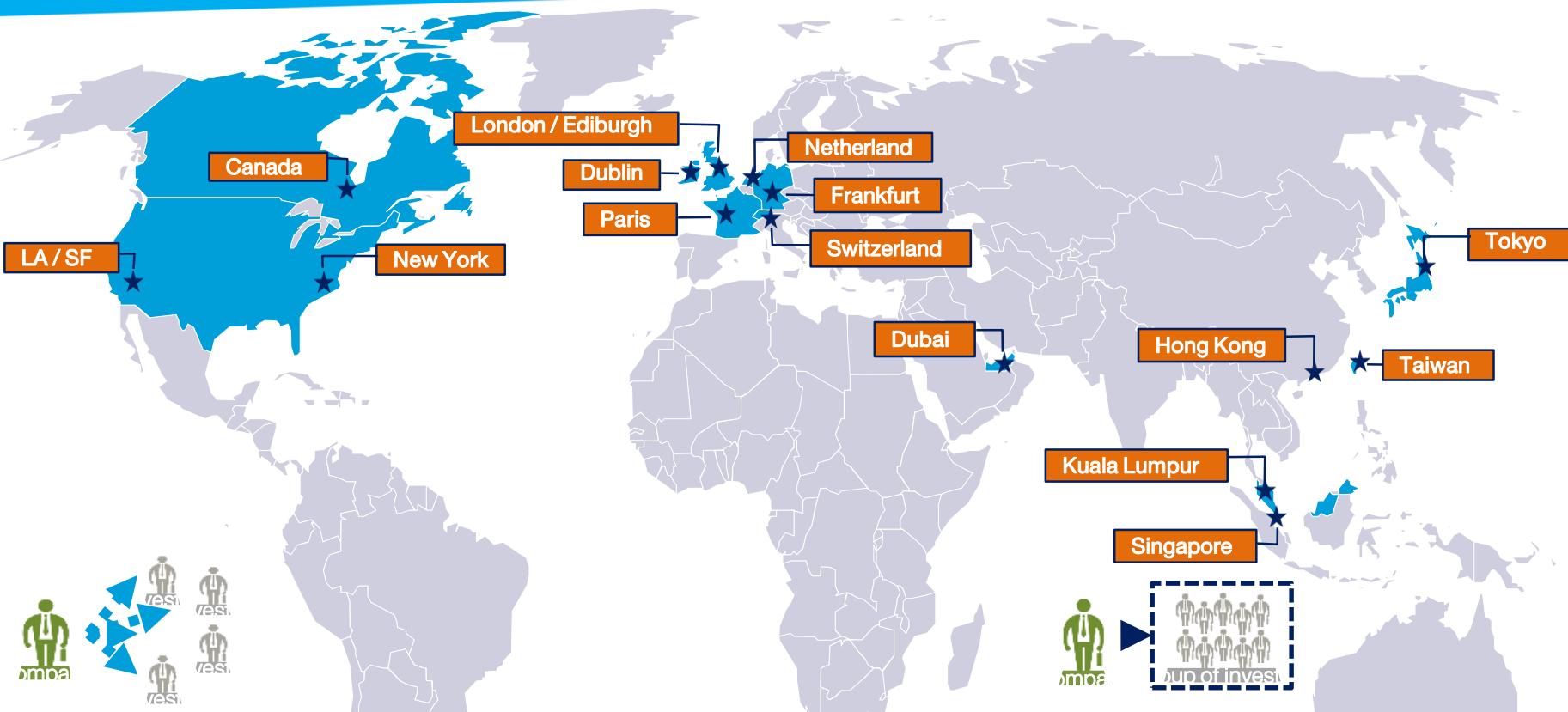
Advantages of a good broker-roadshow match

- Recommendation of new investors outside target group
- Tips and hints on how to approach certain investors
- Consideration to join prospective roadshows in the future
- Seamless logistics arrangement and access to local facilities

How to choose the right broker in two steps



Where – Selecting Roadshow Destinations

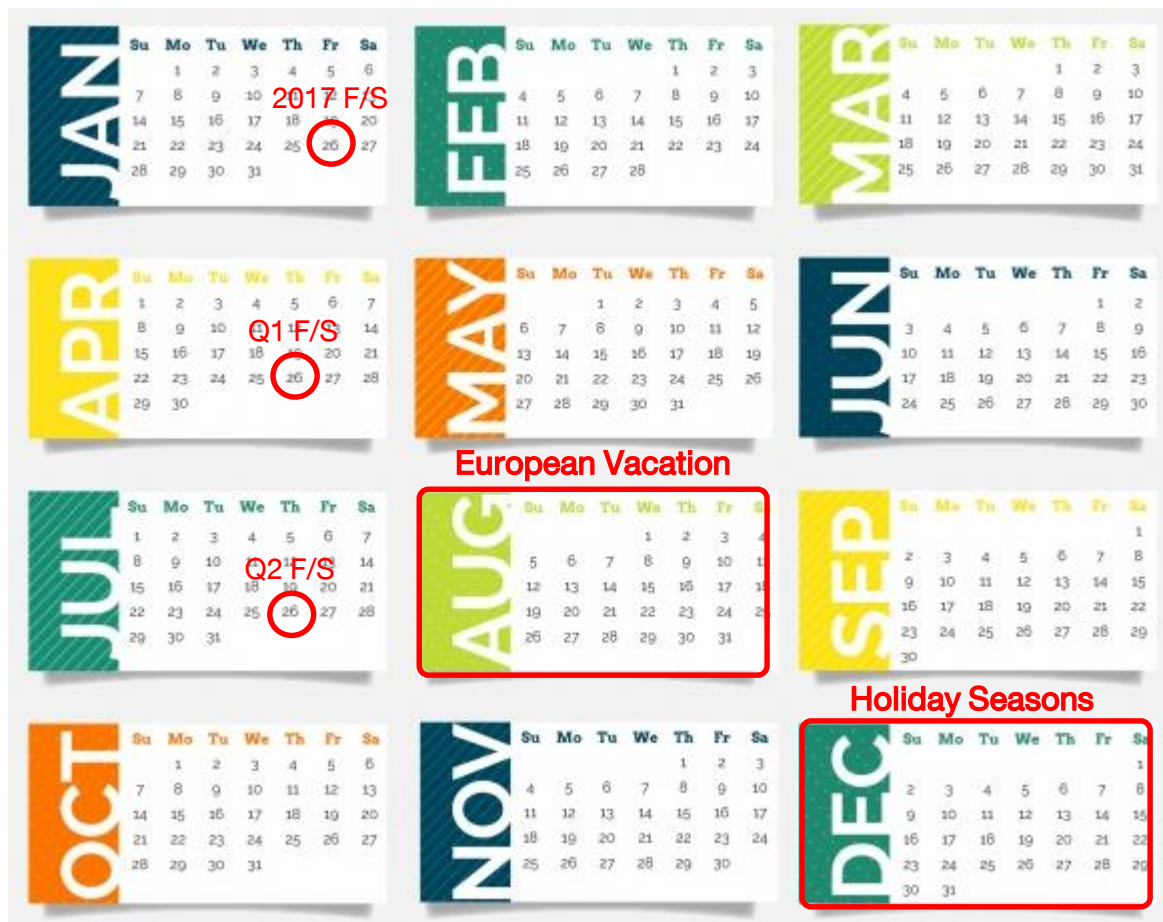


Non-deal roadshow

- ★ Ideal for one-on-one meeting with investors
- ★ More control over which investors to meet
- ★ More flexible on timing and scheduling

Investor conference

- ★ Gain exposure to large investor crowds
- ★ Attract investors from other locations
- ★ Big panel presentation opportunities



Timing is Important !!

- Strategic / Budget Announcement?
- Financial Results?
- Upcoming M&A?
- Big events in town?
- Long Holidays?



Valuation gap



Peers' presentation highlights

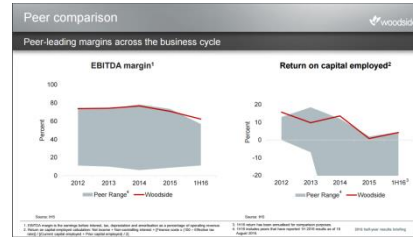
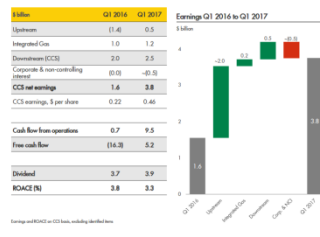
Internal valuation > Analyst Target Price

Internal valuation < Analyst Target Price

Q1 2017 Financial highlights

Value	Q1 2016	Q1 2017
Upstream	11.46	0.5
Integrated Gas	1.0	1.2
Downstream (CCS)	3.0	2.5
Corporate & non-controlling interest	(0.0)	(0.5)
CCS net earnings	1.6	3.8
CCS earnings, \$ per share	0.22	0.46
Cash flow from operations	0.7	0.5
Free cash flow	(14.3)	5.2
Dividend	3.7	3.9
ROCE (%)	3.8	3.3

Earnings and EBITDA on CCS basis, including Woodside fees



WHY invest in the company and WHY invest now?

Formulate a convincing company story

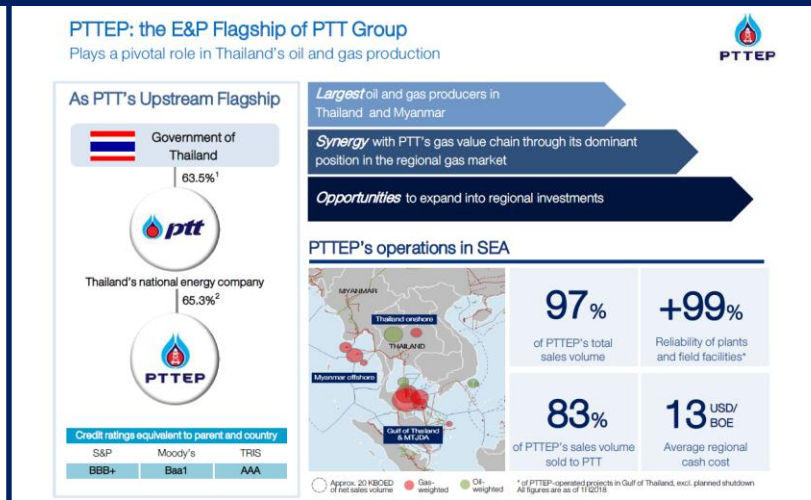
- ✓ Industry and company overview
- ✓ Key achievements to-date
- ✓ Financial performance, Peers' comparison
- ✓ Growth / Financial strategies
- ✓ Key Project highlights / Updates
- ✓ Sustainable Development activities

Back Up Information

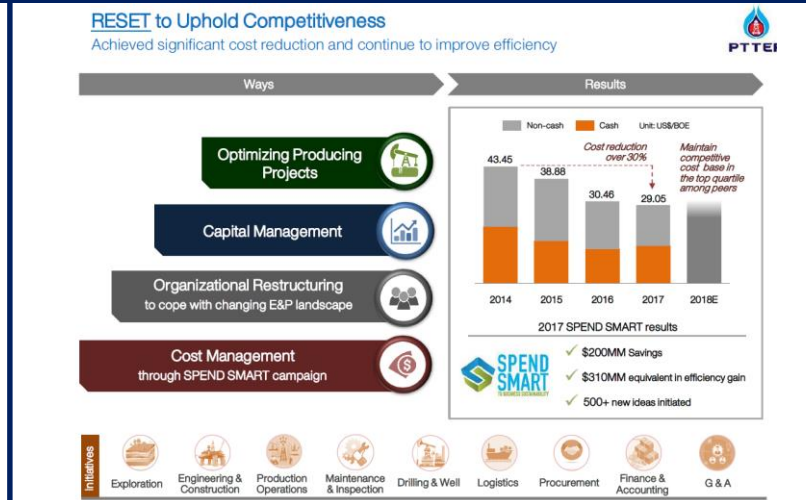
- ✓ Country Overview : Economic, Politic
- ✓ Company Structure : BoD, Committee
- ✓ Investment Screening Process

“Sell”, rather than “tell”, your company to make investors believe

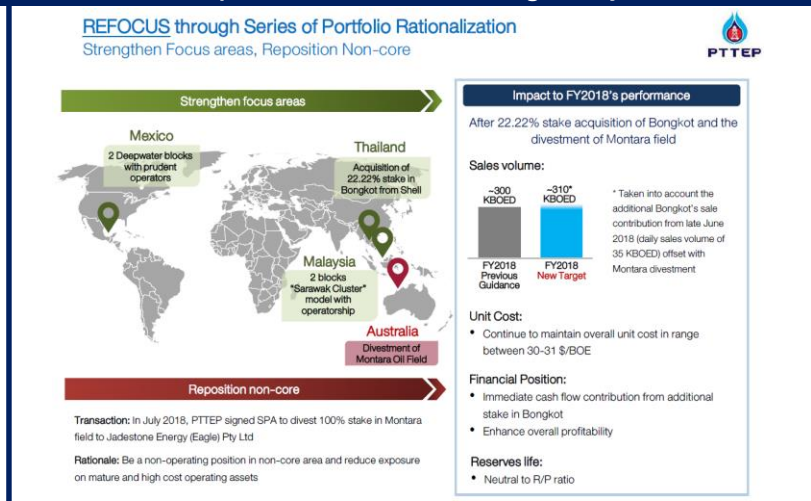
Summarize who we are and what we do



Showcase your strengths and competitive advantages



Outline plan to achieve strategic objectives



Recap all the points made into one “why us” slide





Things to bring

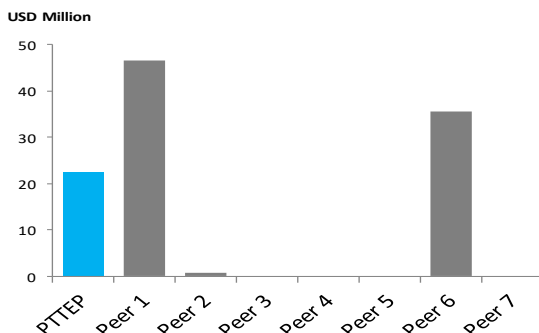


- ✓ Itinerary
- ✓ Profiles
- ✓ iPad back-up
- ✓ Currencies
- ✓ Company presentation (internal)
- ✓ Company presentation (extras)

iPad back-up



Investor profile

Fund Profile		Contact Profile	
ABC Asset Management (Canada)		John Doe	(New Contact)
Equity Investor	Toronto, Canada	Emerging Markets Portfolio Manager	
Equity Asset Size:	USD 14.6 billion	Maple Leaf Tower, 66 Sesame Street, Toronto M5K 1E9	
Investment Style:	GARP / Long-only	Tel :	Email :
Shareholding Status		Accompanied by :	
Shareholding position	Yes	1)	Jane Doe
Top 5 Shareholders	No		(Oil and Gas Analyst)
Top 20 Shareholders	No	2)	
Last Shareholding Position	4.50 M shares	3)	
	0.11% of outstanding shares		
Peers Holding Analysis		Last Meeting: 18 Mar 2013 (Bank G Investment Conference)	
		Venue: Hong Kong (CEO, CFO, IRO1)	
Source : Georgeson, Thomson Reuters		Key Questions / Topics of Discussions:	
		<ul style="list-style-type: none">- Gas price at \$8 only in Thailand or outside Thailand? What will price be going forward?- RRR at 0.9x already accounted for new projects? How much will Cove add?- Why assume flat domestic production by 2020?- Domestic decline rate?- Development projects - which one expect to have high returns? Returns from Myanmar projects?- How many projects as operator? TH and int'l- Offshore vs. onshore domestic - which is better prospect?- What is PTTEP's competitive advantage when going abroad?- KKD - any action plan to optimize operating costs?- Interested to take up more % in KKD?- MZ Area 1 - why is Anadarko selling down 10%? Can project be developed faster?- Other opportunities in Myanmar- Expecting higher competition in Myanmar?- CAPEX - when will company have positive FCF?- Near-term M&A - how to fund?- Dividend policy - plans to increase payout ratio?	
Times met:	Pre-2012 2	2012 2	2013 1
		Remarks:	
		<ul style="list-style-type: none">- Last meeting with Jack Doe and Jill Doe, Portfolio Managers- Also a shareholder of PTT and TOP	



WEB CAST / Net Roadshow



Video Conference

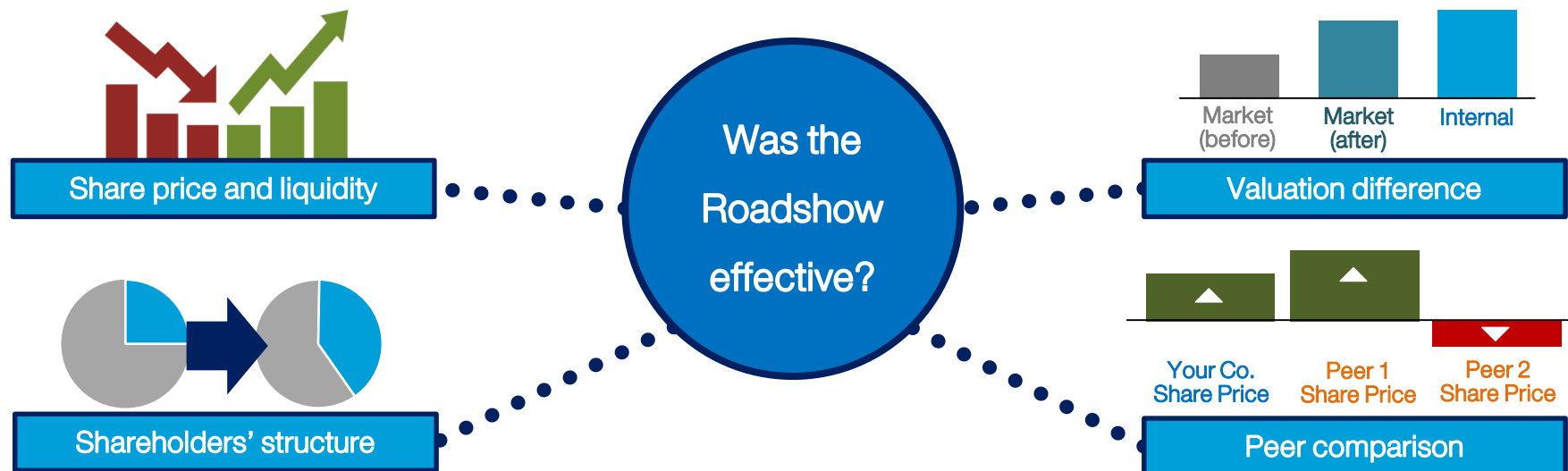


Teleconference



Facebook Live



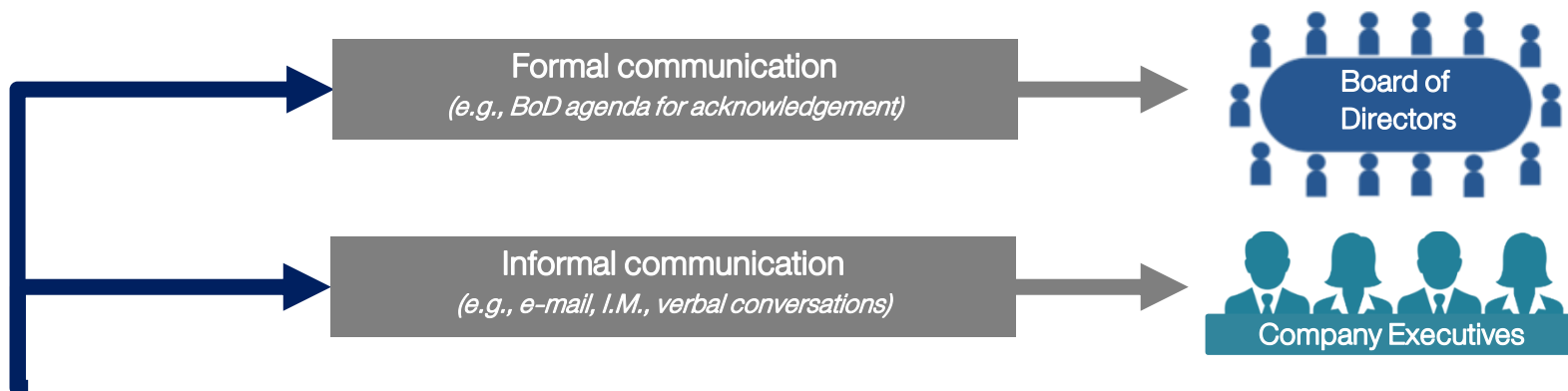


Things to do after the roadshow

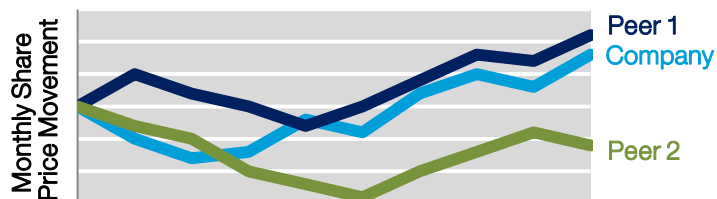
- ✓ Contact broker to coordinate for investor feedback
- ✓ Summarize investor feedback and concerns to management
- ✓ Monitor trading activities for anomalies (share price and volume)
- ✓ Detect key changes in foreign institutional shareholders
- ✓ Update analyst target price and compare difference to internal valuation
- ✓ Consolidate all post-roadshow findings to prepare for next year IR work plan

Complete within

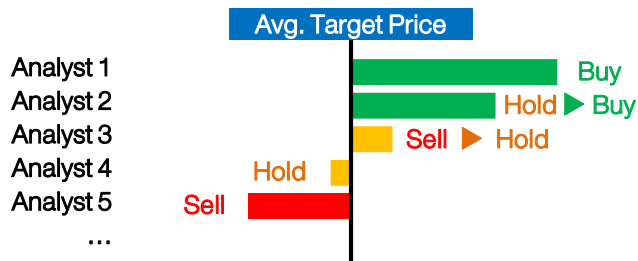
- 1-2 days after RS
- 1-2 days after RS
- 1-2 weeks after RS
- The month following RS
- End of quarter
- Q4 of the calendar year



Company & peers share price performance



Analyst consensus



Summary of roadshows



Date	Venue	Broker	Meetings
20-22 Feb	Singapore	Bank A	18
5-7 Mar	Hong Kong	Bank B	20
21-23 Mar	USA	Bank C	17
7-8 Apr	UK	Bank D	12

Summary of Q&A with investors



Q: Latest financial results
A: xxxx

Q: Growth strategy update
A: xxxx

Q: Dividend policy
A: xxxx