

## Banpu Power Unveils 2019 Operating Results with Plan to Fully Expand Power Plants and Clean Energy Portfolio in China, Japan and Vietnam

- Increased megawatts from 7 power plants and reached total committed capacity of 2,901 MWe in 2019
- Sets sight to achieve COD in China, Japan and Vietnam, with a combined total of 451 MWe in 2020
- Investing in energy trading business and virtual power plant with plans to expand clean energy and energy technology portfolio through 'Banpu NEXT'

Banpu Power Public Company Limited (BPP), a leading power-generating company operating both base-load and renewable power businesses across the Asia-Pacific region, has reported its 2019 operating results with Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of THB 4,802 million, a 19-percent decrease compared to last year, and a total operating profit of THB 3,191 million, a 33-percent decrease compared to last year, due to a decrease of profit sharing from Hongsa and BLCPP power plants. However, the two power plants continued to run effectively, with the Equivalent Availability Factor (EAF) reported at 81 percent and 90 percent respectively. Last year, the company has succeeded in expanding its operation in China and Japan with regards to the expected Commercial Operation Date (COD), plus additional investment in operational power plants which immediately brought revenue back to the Company. Recently, Banpu Power has conducted a groundbreaking ceremony to commemorate the first phase of construction of the 30-MW wind power plant in Vietnam, representing another step of growth in Vietnam in which the company has reached, while simultaneously building a good relationship with the government authorities and local communities for sustainable development. This reflects Banpu Power's commitment to accelerate the growth to reach the target capacity of 5,300 MWe by 2025.

Mr. Sutee Sukruan, Chief Executive Officer of Banpu Power Public Company Limited stated, "Over the past year, Banpu Power has continuously sustained growth by managing investment

portfolio in potential countries. For instance, we had new power plants which achieved COD, including Kurokawa solar power plant in Japan and the phase-3 expansion of Luannan Combined Heat and Power Plant (CHP) in China. We also invested in 5 new solar power plants which achieved COD with instant revenue recognition, including Jixin solar power plant in China, and 4 solar power plants in Japan including Muroran 1 and 2 in Hokkaido, Tenzan and Takeo 2 in Saka. These achievements have pushed the total operational capacity to reach 102 MWe. In addition, the company has also invested in virtual power plant (VPP) and energy trading business which is new business in Japan that allows us to gain revenue instantly. This is in line with our Greener & Smarter strategy by taking into consideration consistent returns and strong cash flows.”

In 2019, Banpu Power has reported a total sales revenue of THB 5,687 million, obtained from power operations in China, including 7 solar power plants, totalling THB 755 million, an increase of THB 40 million compared to last year, resulting from an increase in sales volume and favorable weather conditions, plus the revenue of THB 4,790 million derived from the combined heat and power plants. Moreover, the energy trading business has gained THB 142 million, together with profit sharing under the form of TK (TOKUMEI KUMIAI) investment from solar power plant in Japan for THB 39 million. The company reported a share of profit of THB 3,673 million, a 23-percent drop compared to the previous year, due to BLCP’s declining of availability payment (AP) based on a power purchase agreement and a temporary cease operation of Hongsa power plant, caused by an earthquake in Laos in November 2019. Nevertheless, all 3 production units at Hongsa power plant have now returned to normal operation and expected to generate stable earnings as usual.

Currently, Banpu Power has a total of 33 power plants and projects, comprising 24 operational power plants and 9 projects under development. All the power plants and projects have a total equity-based power generation capacity of 2,901 MWe. The operational plants are responsible for producing 2,247 MWe. For 2020, the Company expects to achieve COD for 4 power plants with a total equity-based power generation capacity of 451 MWe including Shanxi Lu Guang in China, first phase of wind power plant in Vietnam, and solar power plants in Japan, Yamagata and Yabuki.

“As we plan to increase our capacity to 5,300 MWe by 2025, it includes base-load power of 4,500 MWe and renewable power of 800 MW. The latter comes from the 50-percent stake that Banpu Power holds in Banpu NEXT, which is a company that focuses on clean energy and energy technology businesses. This means Banpu Power’s portfolio has diversified and could better cater to the future trend of energy. This year, apart from achieving COD for power plant projects, Banpu Power is looking for more investment opportunities in both the existing and potential countries. We are also committed to cooperating with Banpu Group to improve our strength in terms of planning and developing power generation business. An area to particularly focus on is seeking opportunities to build power plant project that utilizes the High Efficiency, Low Emissions (HELE) technology — in both the US and Vietnam. Most importantly, we are devoted to be the leading sustainable power-generating company that is responsible for the Environment, Society and Governance (ESG), while balancing the delivery of stable returns and cashflows to create sustainable value to all stakeholders,” **Mr.Sutee** concluded.

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#### About Banpu Power

Banpu Power Public Company Limited is a leader in power generation and distributor in Asia-Pacific, including in Thailand, Lao PDR, China, Japan, and Vietnam. For more than two decades, Banpu Power has been committed to operational excellence to achieve efficient power generation while deploying High-Efficiency, Low-Emissions (HELE) technologies which are safe and environmentally sound in accordance with its Greener & Smarter strategy. We are continuously moving forward to reach a total equity-based power generation capacity of 5,300 MWe within 2025. As of 31<sup>st</sup> December 2019, Banpu Power’s assets totaled THB 48,808 million, a decrease of THB 2,758 million compared to the total assets as of 31<sup>st</sup> December 2018.

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