



GLOBAL POWER SYNERGY PUBLIC
COMPANY LIMITED

Analyst Meeting

Synergy and Equity Offering

July 30th, 2019





Overview and Strategic Direction

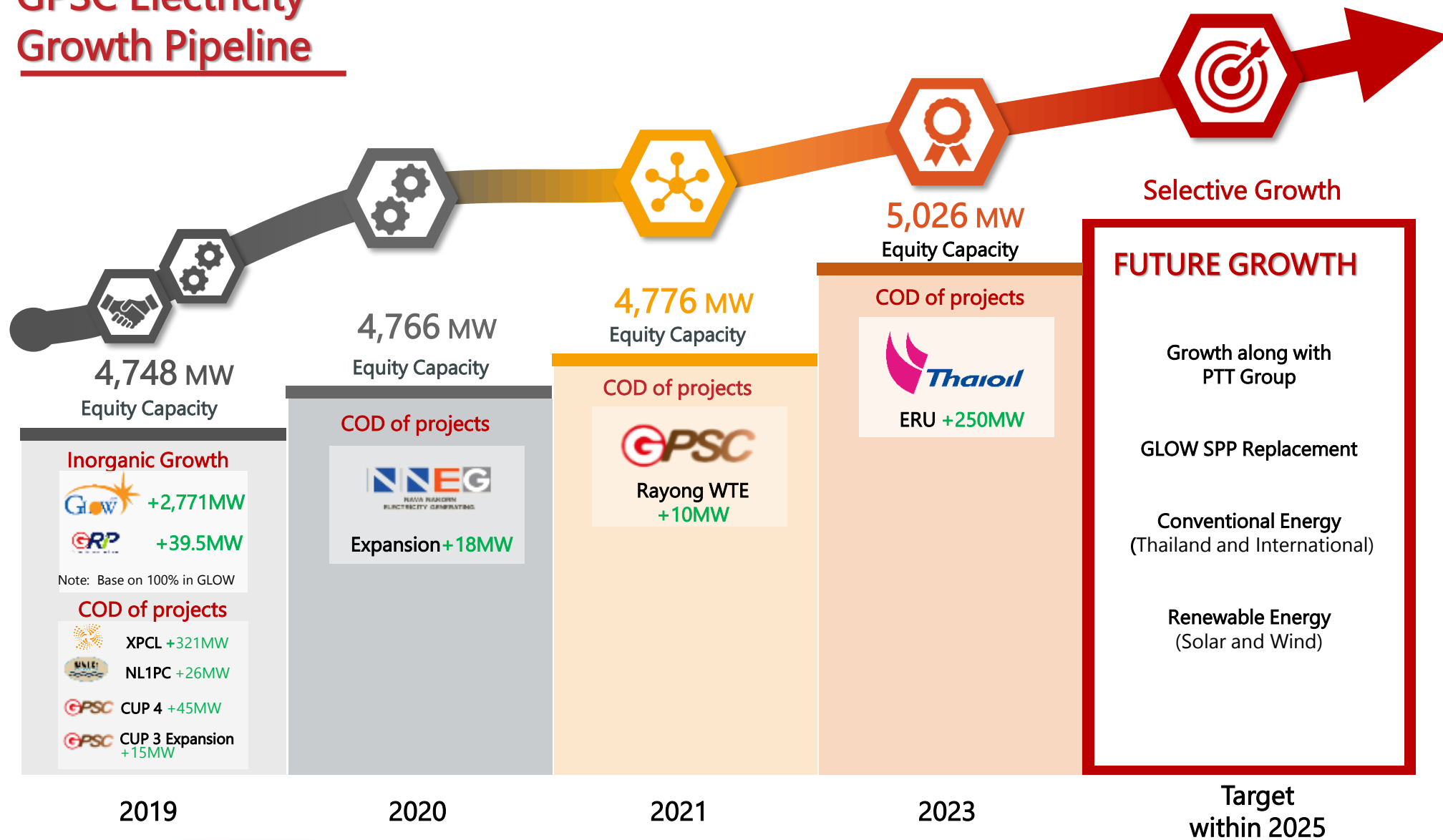


Synergy & Integration



Equity Offering

GPSC Electricity Growth Pipeline



Strategic Direction and Growth Strategy

3 Pillars

SYNERGY & INTEGRATION



Synergy Capture



Operation Excellence &
Asset Optimization



Corporate & Business
Infrastructure

SELECTIVE GROWTH



Growth along with
PTT Group



Domestic and
International



Renewable

S-CURVE



Battery Business



Energy Storage
System Integrator



Energy Management
Solution Provider



Overview and Strategic Direction



Synergy & Integration

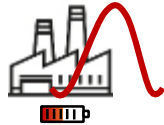


Equity Offering

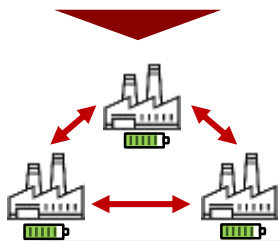
GPSC power plant performance improves after Integration

1 HIGHER RELIABILITY

- Better Load Management (shifting loads between plants)



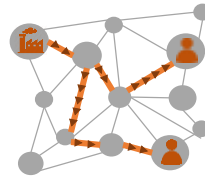
Single power plant output **fluctuate** according to changes in demand



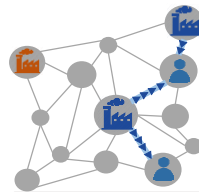
Several power plant **output remain at optimal point** despite changes in demand

2 HIGHER AVAILABILITY

- More integrated power plant network under a well-established backbone system



Longer distribution network to customers



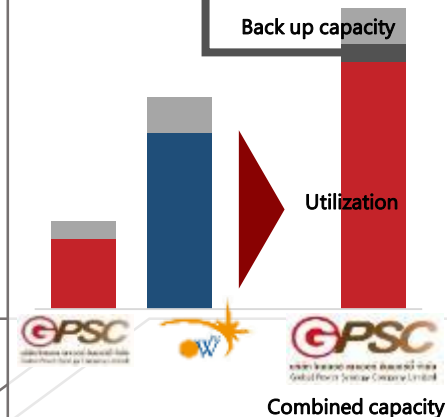
Closer distribution network to customers

3 HIGHER EFFICIENCY

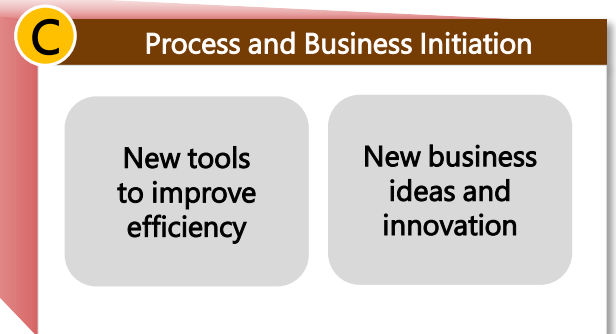
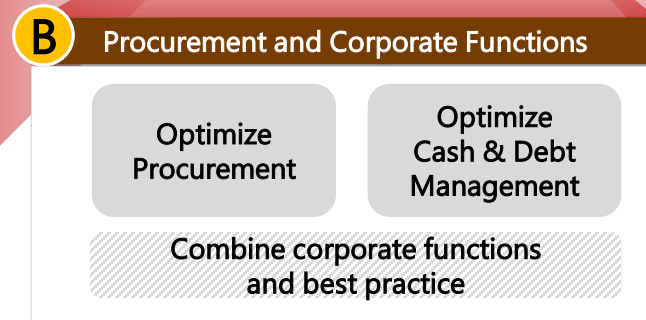
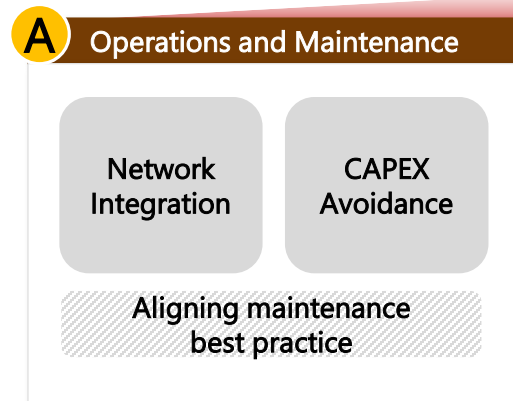
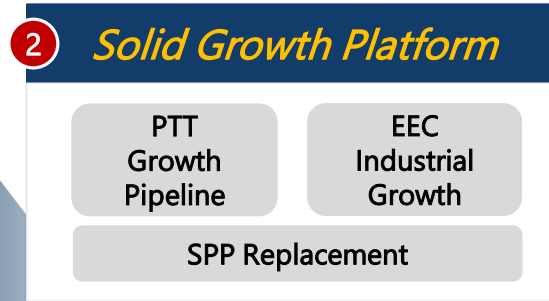
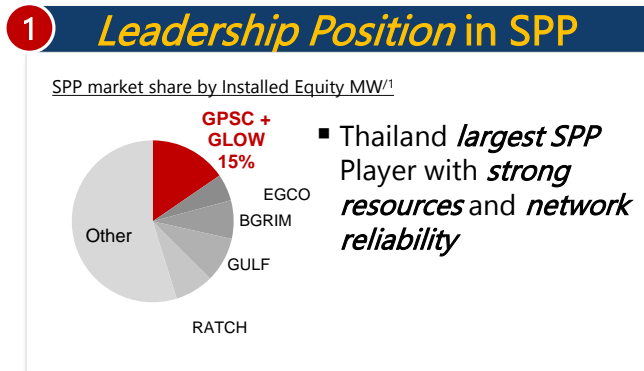
- Capacity Sharing
- Heat rate improvement and transmission loss reduction

Additional Capacity

- ✓ Acquire more customers to generate higher revenue
- ✓ Potential investment savings for CUP-4 Phase II CUP-5, EEC



Growth Platform Strengthened by Synergies



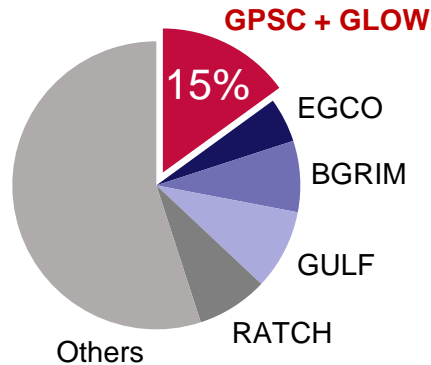
Synergy Way Forward

Note: 1. Data source from companies' website and ERC as of July 2019

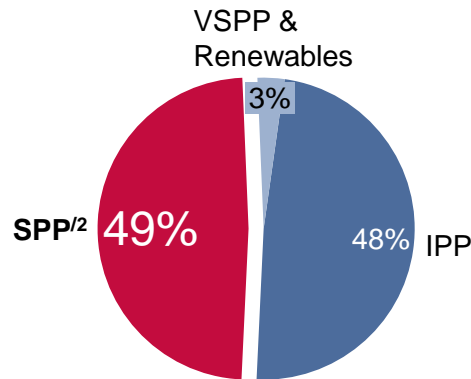
1. Leadership Position in SPP

SPP Market Share by Installed Equity MW¹

Thailand's largest SPP player
with strong resources
and network reliability



GPSC's Committed Portfolio



Committed Equity
5,026 MW
with SPP
2,442 MW

SPP Replacement Project: Stage 1 and 2 Projects (Tentative only)

Plant	Power (MW)	Steam (TPH)	Max. EGAT PPA	Notice to proceed	SCOD
Stage 1					
GEN Phase 2	192	300	30 x 2	2020	2022
Stage 2					
GSPP2	192	300	30 x 2	2022	2024
GSPP3 (Coal)	120	168	30 x 2	2022	2024, 25
GSPP11#1	80	-	30 x 1	2023	2025
Total	584	768			

Note: 1. Data source from companies' website and ERC as of July 2019
2. SPP Includes Cogen (ERU)

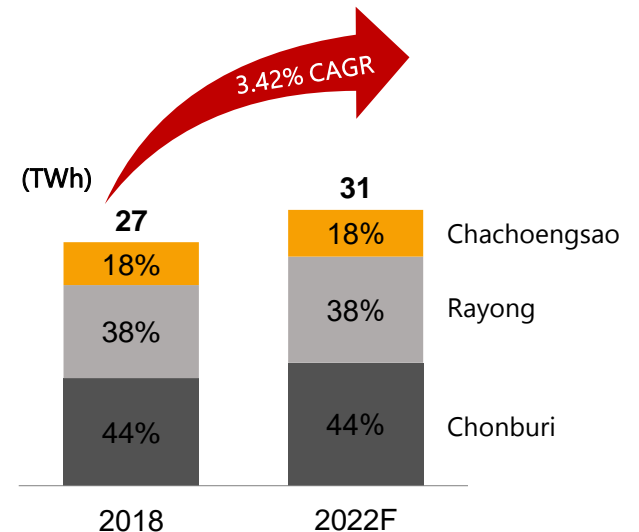
Source: Glow Analyst Meeting Q1/2019

2. Solid Growth Platform

Strategic location in MTP allows GPSC to capture solid growth in EEC



"Utility demand in EEC
expected to grow
3.42% CAGR"



Source: PEA, MEA, Ministry of energy

3. Stronger HR capabilities

Human Resource Key Enablers



- Culture Alignment
- Growth Mindset
- Leadership Development
- Strengthening Core Competencies
- Employee Engagement
- People System Alignment

Group's Objectives

Selected Growth

- Core and project management Expertise
- Technical Expertise
- International BD talents
- M&A, Legal & Financial



S Curves and Digitization

- Dedicated digital energy team
- Technical Expertise
- System integrator / micro-grid
- New Initiatives

Synergy Realization Timeline and Process



Synergy Identification (Phase 1)

May – July 2019

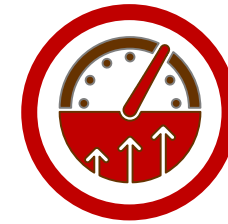
- ✓ Baselining performance
- ✓ Enhancing and prioritizing synergy initiatives
- ✓ Developing business cases and action plans
- ✓ Launching select Quick-win initiatives



Initiatives Launch

Aug – Oct 2019

- ✓ Launching all Quick-wins
- ✓ Preparing to launch all remaining synergy initiatives



Full Implementation

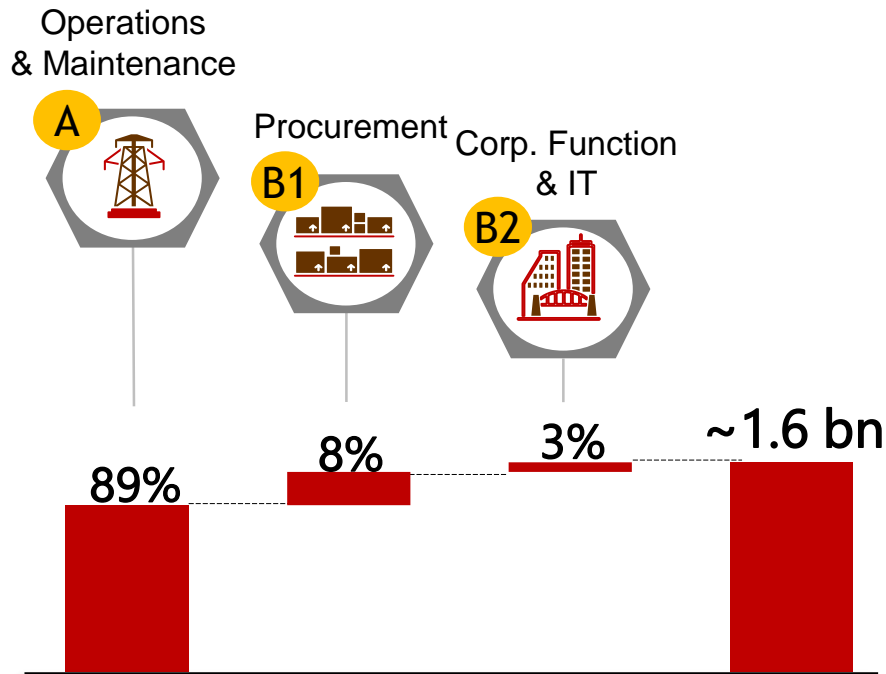
Nov 2019 Onwards

- ✓ Launching all initiatives
- ✓ Driving full integration plan implementation
- ✓ Monitoring, controlling and reporting progress on financial and other metrics

Expected Synergy Benefit

Identified synergy benefit equivalent to THB ~ 1.6 bn per annum

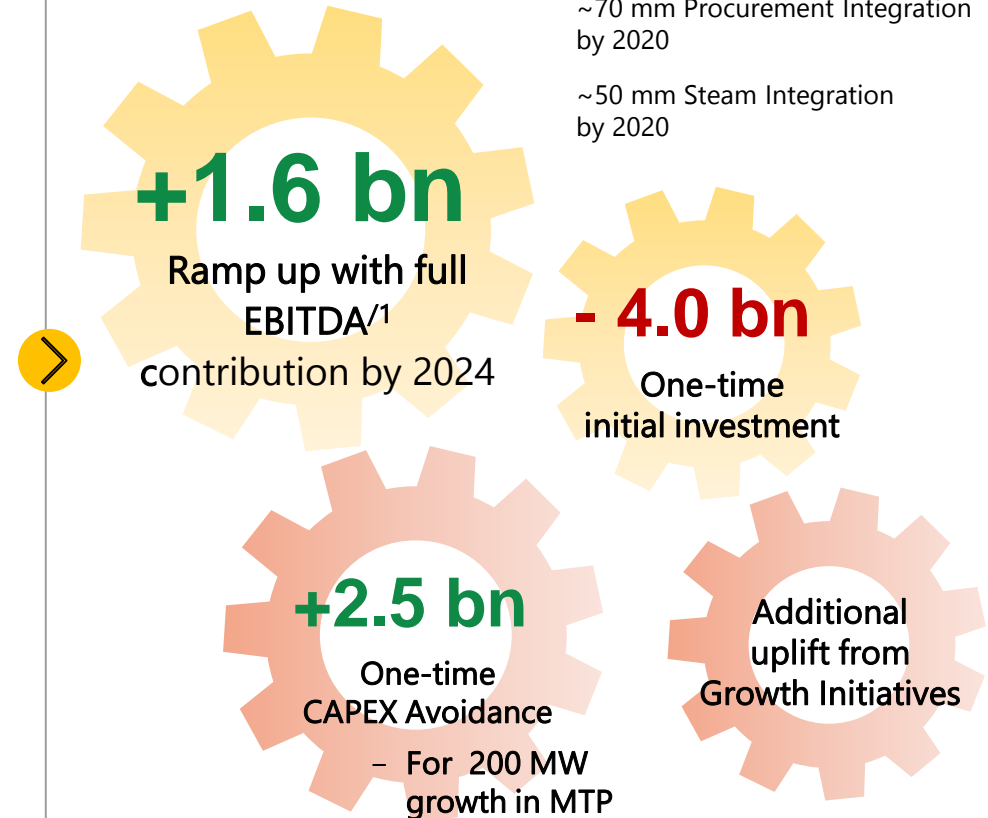
EBITDA Contribution Per Annum/¹



Note: 1. Recurring EBITDA synergy value based on current portfolio

Quick wins

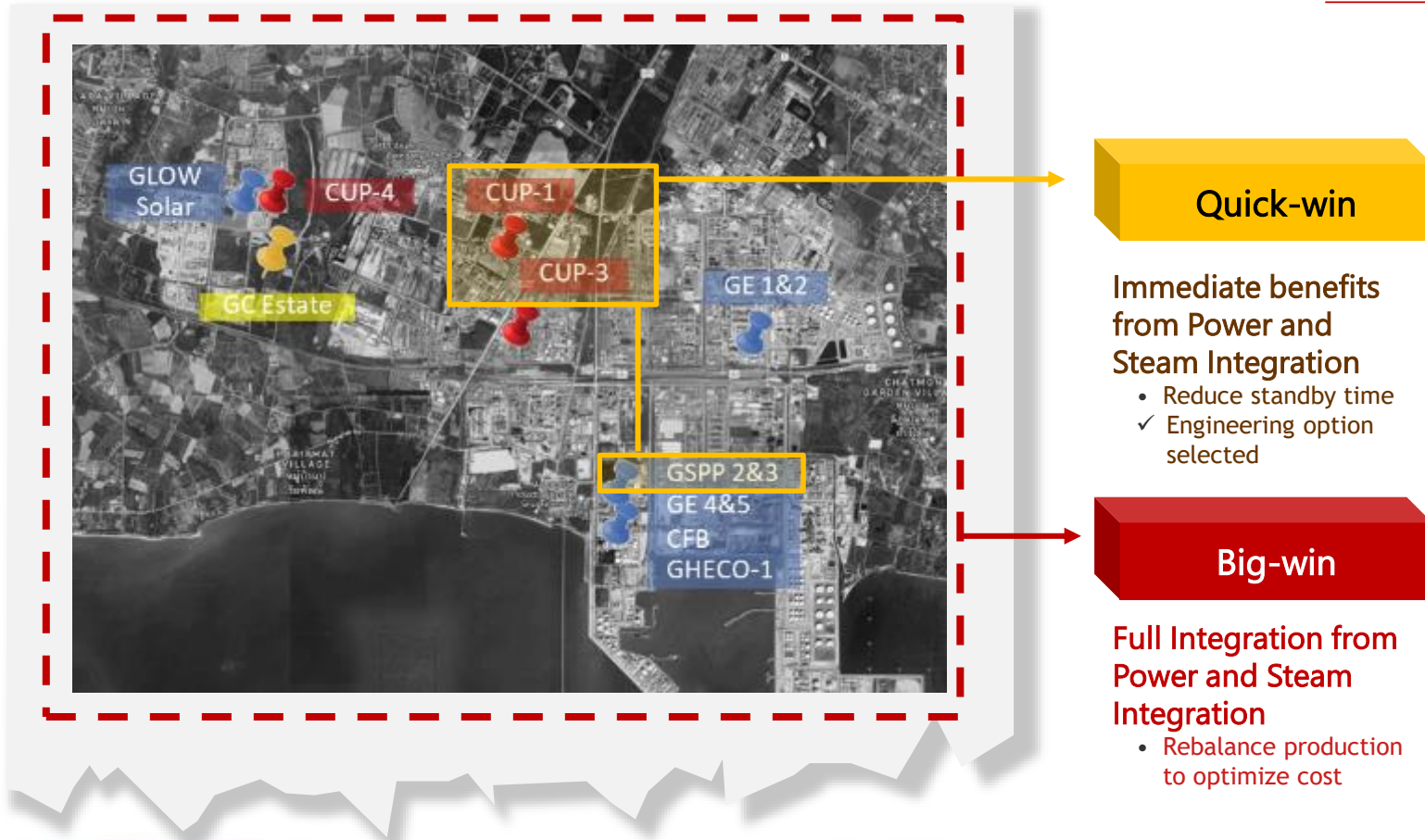
- ~20+50 mm Corporate Function by 2019 and 2020
- ~70 mm Procurement Integration by 2020
- ~50 mm Steam Integration by 2020



A. Operation Synergy

Strategic Location in MTP allows GPSC and GLOW to achieve cost effective integration

Illustrative Only



A. Operation Synergy

Power and Steam Integration leads to cost savings and more capacities to serve new demand



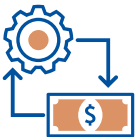
1

Substitute GPSC supply by GLOW's lower cost of production



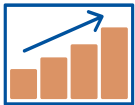
2

Optimize Back-Up Capacity and Cost



3

Avoid or Delay Power Plant and Distribution Network CAPEX

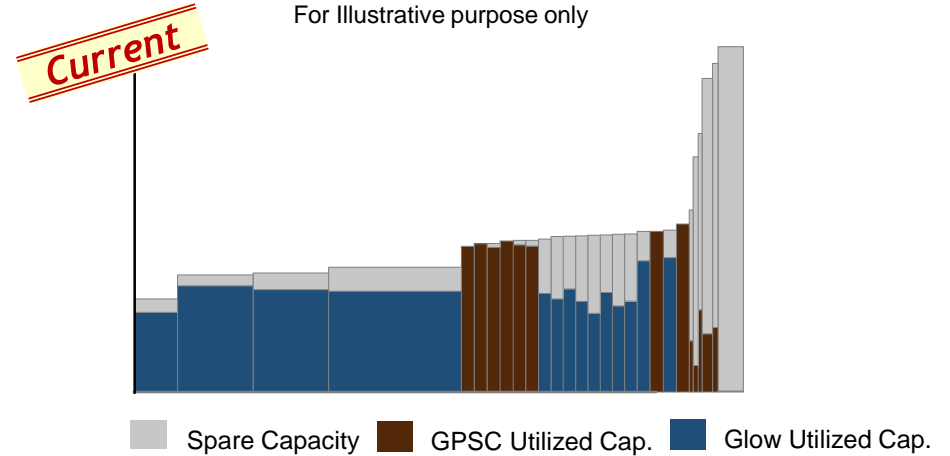


4

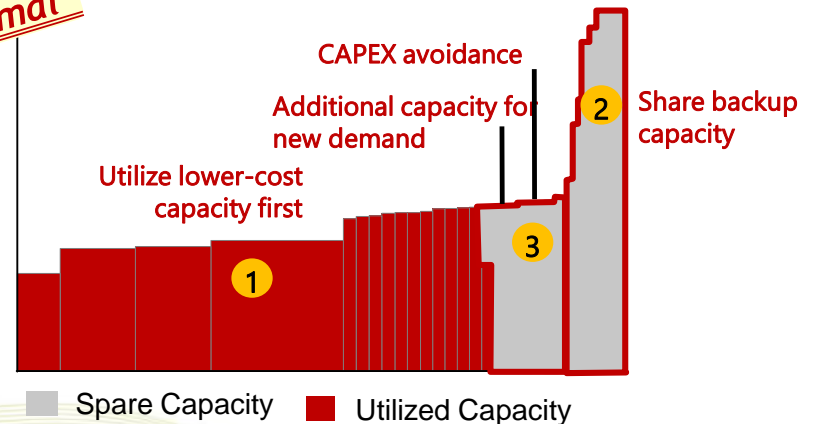
Increase Supply Opportunities from proximity of Glow's network

Marginal cost per unit (THB / MWh)eq)

For Illustrative purpose only



Optimal



A. Operation Synergy: Quick-Win Steam Network Integration



Source of Synergy:

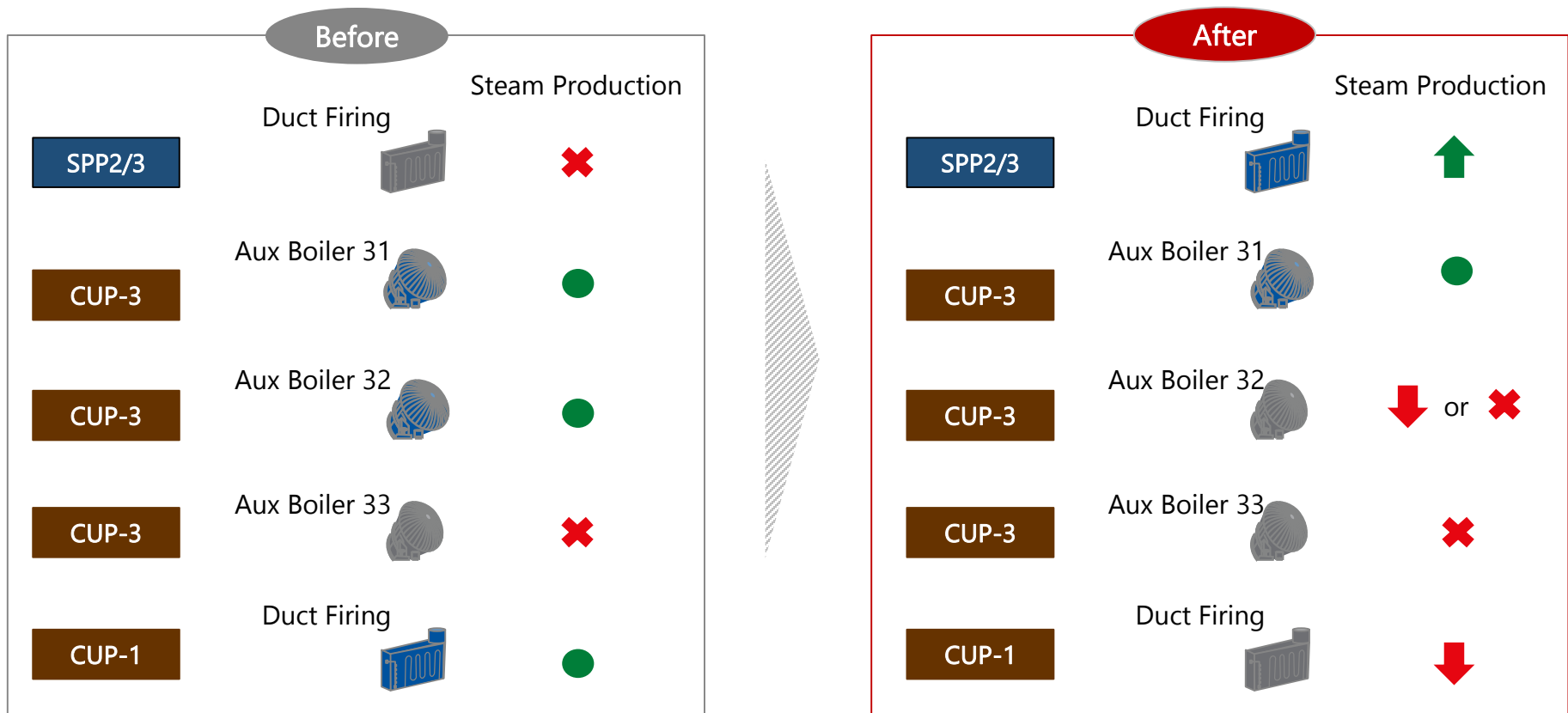
- Fuel cost reduction
- Maintenance cost reduction



Synergy benefit:

THB ~50 mm recurring EBITDA by 2020

Example: Tie-in steam interconnecting header from Glow SPP2/3 to reduce standby time of CUP3 boilers



Legend Glow Plant GPSC plant

A. Maintenance synergy

With tools implemented and knowhow integrated, maintenance cost can be improved

Example: Turbine Maintenance cost of GPSC and Glow powerplants



1

Aligning best practice to
increase internal
maintenance productivity



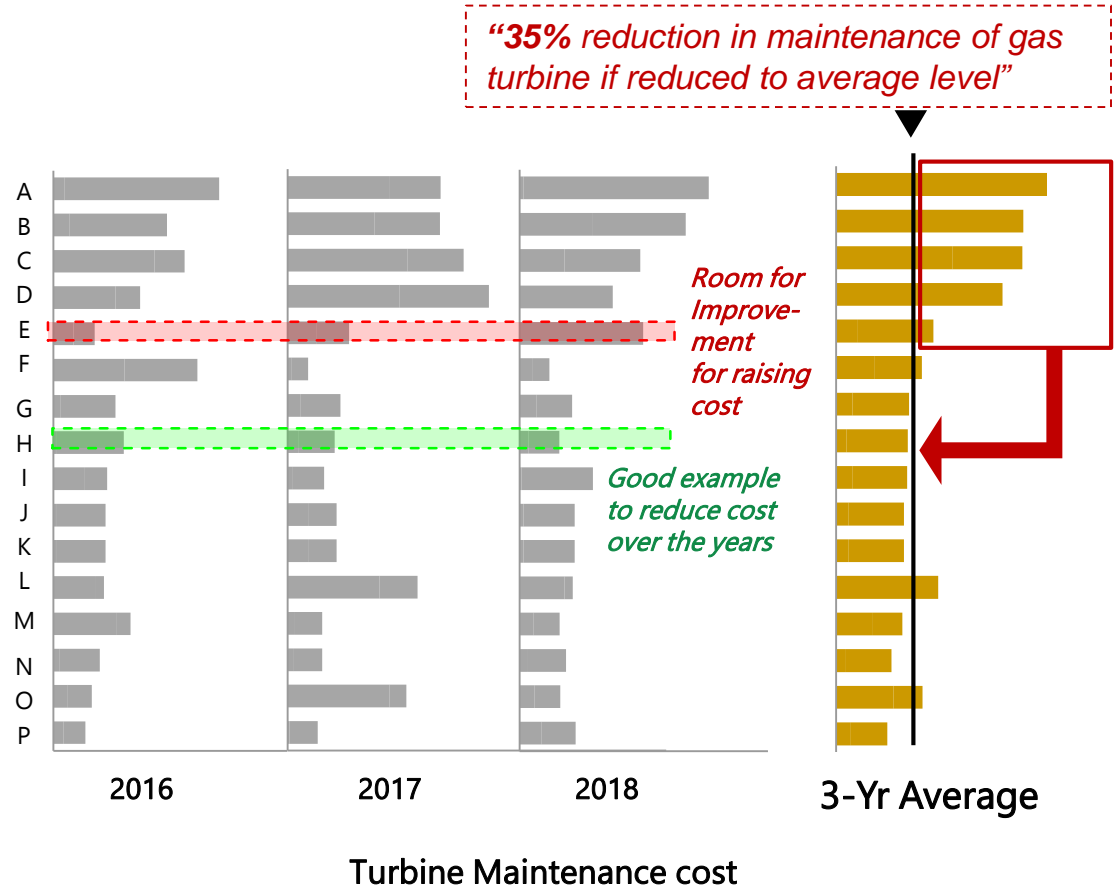
2

Optimize use of external
maintenance services
across firms



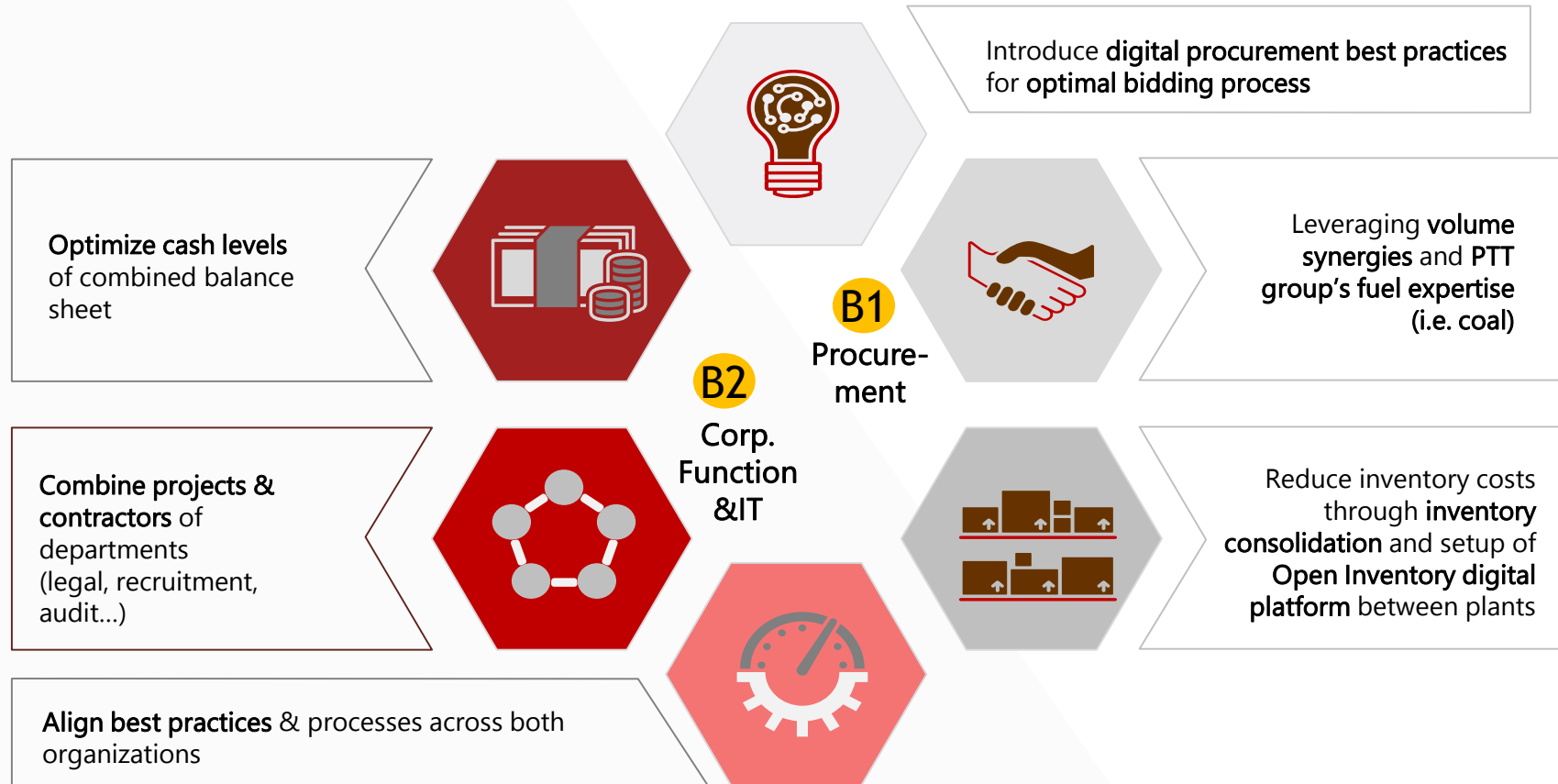
3

Implement preventive
tools to reduce
maintenance cost



B. Procurement and Corporate Function & IT Synergy

THB 90 mm target saving for non-fuel spending
THB 35 mm target saving for coal spending





Overview and Strategic Direction

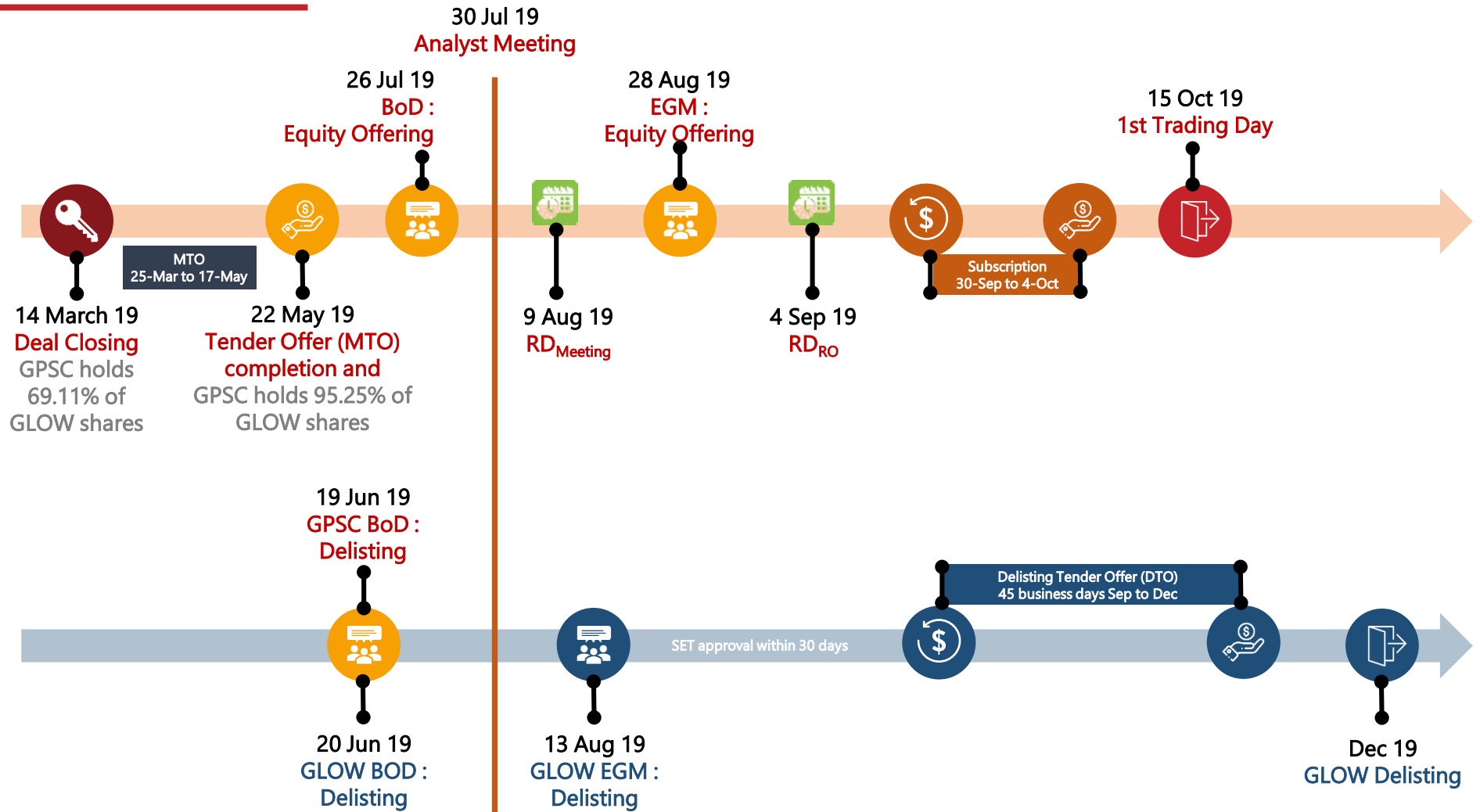


Synergy & Integration

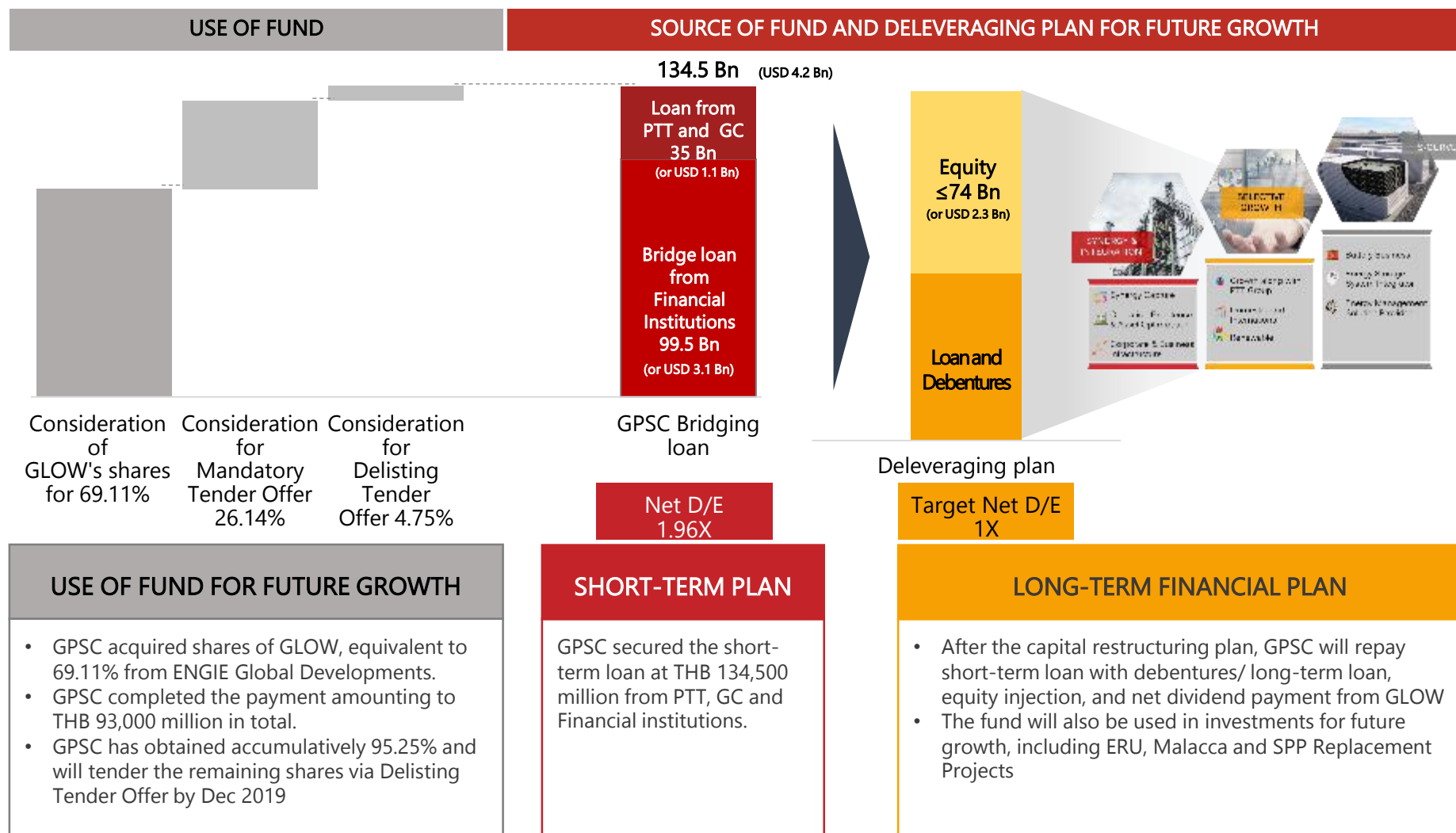


Equity Offering

Timeline : Equity Offering and GLOW Delisting



Use and Source of Fund with Deleveraging Plan



Note: Use FX = 31.975 THB/USD ; the w.a. selling rate announced by the BOT on 22 May 2019

Rights Offerings Key Terms

RO Amount	THB 74,000 million
RO Subscription Price	THB 56 per share
Discount from 30D VWAP (THB 70)	20%
Number of Allotted Shares	1,321 million shares
Allocation Ratio (Old : New)	1 : 0.8819
Allocation Method	<ul style="list-style-type: none"> • Allocate to existing shareholders proportionate to their respective shareholdings • Oversubscription is allowed – allocate until there are no remaining or no shareholder subscribes for the remaining shares
Objective of Capital Increase	<ul style="list-style-type: none"> • Repayment of the short-term loan (Bridge Financing) to financial institutions and the major shareholders (i.e. PTT and PTTGC) • Maintaining financial ratio to be comparable with peers and financial structure which is suitable for the investment in the current and future projects
Record date for EGM	9 Aug 2019
EGM Date	28 Aug 2019
Record date for RO	4 Sep 2019
RO Subscription Period	30 Sep – 4 Oct 2019
First Trading Date	Oct 2019

Equity Offering Summary

Objectives:

- 1 Achieve THB 74 bn as required
- 2 Completion by 2019
- 3 Optimize Free-float



Right Offerings

- 1 Giving rights to existing shareholders (no control dilution if rights are exercised)
- 2 Allow oversubscription for fund raising completion objective
- 3 Offered at discounted market price to attract existing shareholders to subscribe
- 4 Appropriate method for meeting fund raising in timely manner

THANK YOU

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