



GTC

allnex
The Coating Resins Company

Analyst Meeting on allnex acquisition

13 July 2021

Disclaimer

This presentation includes forward-looking statements that are subject to risks and uncertainties, including those pertaining to the anticipated benefits to be realized from the proposals described herein. This presentation contains a number of forward-looking statements including, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand.

PTTGC has based these forward-looking statements on its views with respect to future events and financial performance. Actual financial performance of the entities described herein could differ materially from that projected in the forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections, and financial performance may be better or worse than anticipated. Given these uncertainties, readers should not put undue reliance on any forward-looking statements.

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Vision and Mission

VISION

To be a Leading Global Chemical
Company for Better Living

MISSION

SHAREHOLDER

We deliver the best business performance through trustworthiness to create fair and sustainable value for shareholders

BUSINESS PARTNER

We provide superior solutions from innovative products and services to be the best choice for business partners

SOCIETY

We engage and integrate social and environment to our business with responsibility and care for sustainable development

EMPLOYEE

We create a learning organization and a happy workplace to cultivate proficient workforces with profound engagement and commitment to professional excellence

The global recognized sustainable company



The 1st company in Thailand recognized in

LEAD LEVEL

Among 41 global lead participants

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

Sustainability Award
Gold Class 2021
S&P Global



The only company in chemicals sector ranked
No.1 FOR 2 CONSECUTIVE YEARS

The only company in chemicals sector of Asia awarded
GOLD CLASS MEDAL

The 1st and only Thai-own conglomerate to achieve
A LIST: CLIMATE CHANGE & WATER SECURITY



Agenda



01

Strategic Direction

02

allnex Business overview

03

Financial overview

Agenda



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Strategic Direction

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Signing SPA marking a new beginning



Strategy in action

The allnex acquisition is in-line with GC's corporate strategies



Step Change

- Operational Excellence
- MTP Integration & Synergy
- Upstream Resilience
- Market Focused Business



Step Out

- High Value Business through M&A
- Second Home Base
- CVC in Action



Step Up

- Climate & Water Leadership
- Circular Economy Enhancement
- CSR Transformation to Social Enterprise Model

Acquisition Rationale

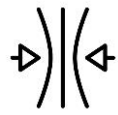
- **A sizeable specialty chemical platform** which significantly increases **GC's specialty chemicals exposure**, in-line with long-term strategic direction
- **Stand-alone, full-function**, positive cash-flow generating business
- Specialty chemical and geographical exposure diversifies GC's income streams resulting in **higher and more predictable margins**

Why allnex?



✓ **Global Leader**

No 1. in Industrial Coating Resins



✓ **Resilience**

Strong recovery from COVID-19 and even stronger



✓ **Portfolio**

Broad portfolio serving diversified end-markets and geographies



✓ **Stable Profit**

Stable business performance with high profitability



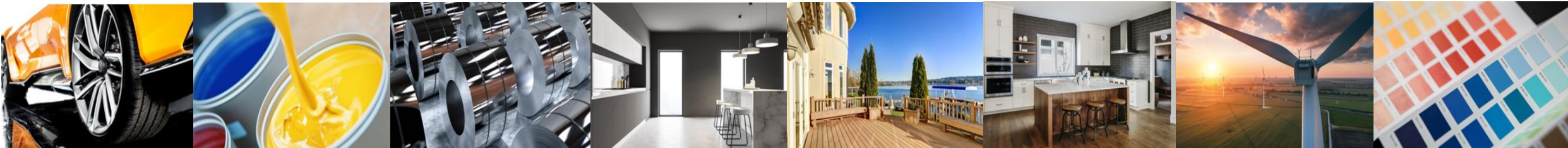
✓ **Megatrend**

Serve high growth sectors fit well with Megatrend



✓ **Sustainability**

Leading in Green Technology



Accomplishing GC's strategy objectives



Step Out Strategy Objectives

Position for Megatrends



Agenda that is strategically rooted in the most important industry trends

Diversify Portfolio



Broad portfolio of technologies sold into diversified end-markets and geographies

Strengthen Business Model



Downstream, customer-focused business centered around high-value products with strong R&D

Enhance Growth



Significant growth opportunities in emerging markets and synergy realization



Step Up Strategy Objective

Sustainability Leadership



Leading green product innovation and clear operational sustainability targets

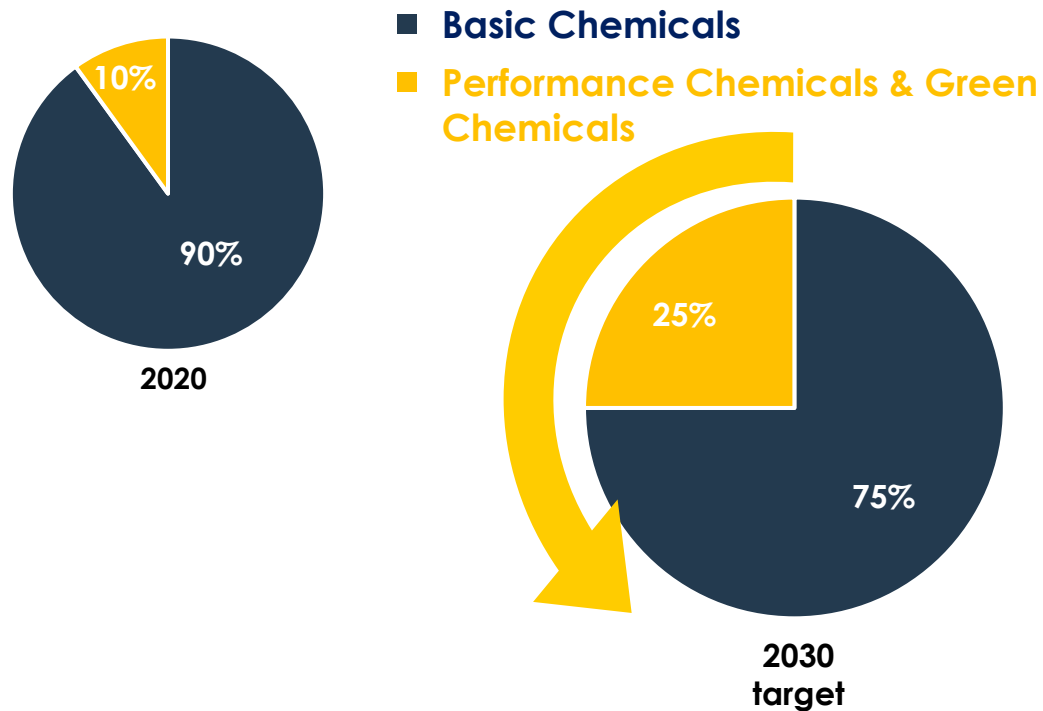
Achieving “step out” with allnex



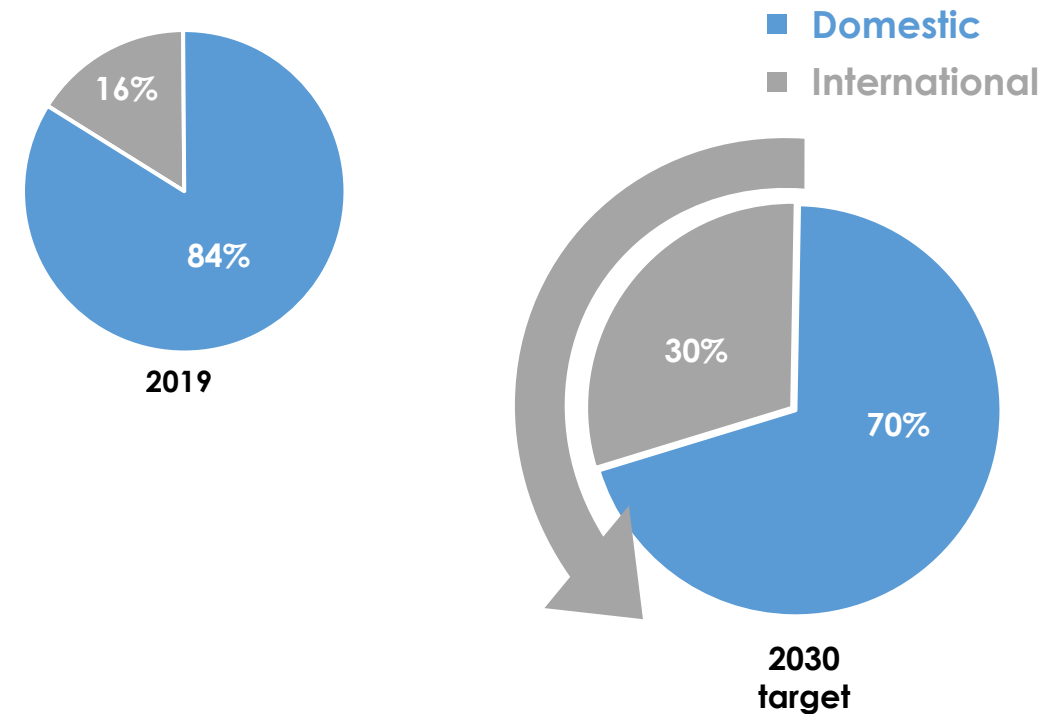
Step Out

The allnex transaction helps GC achieve its business diversification targets and expand its global footprint

Business Portfolio Targets



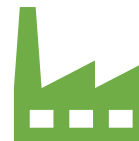
Geographic Diversification Targets



Expanding the
GC footprint:



+14
new country
operations



+1,245 kMT
production
capacity



+3,844
employees

Key transaction highlights



Transaction Value

- Enterprise value of €4.0bn
- 10.0x EV/ LTM Jun 21 Adj. EBITDA¹
- 9.8x EV / 2021 Adj. EBITDA¹
- Accretive acquisition to EPS

allnex Key Financials (Q2'21²)

- LTM Revenue €2,133m
- LTM Adj. EBITDA €398.6m
- Expected specialty chemicals returns 13-15% implies EBITDA €400-500m



Financing

- Acquisition financing in place by combination of
 - GC cash on hand
 - Proceed from GPSC share disposal
 - PTT loan
 - Debt financing



Timing

- Subject to customary regulatory approvals, including antitrust clearance
- Expected closing in Q4'21

1: Excludes synergy / Adjusted EBITDA refers to EBITDA excluding one-time items/non-recurring items

2: Q2/21 is based on Management account

Agenda



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allnex Business overview

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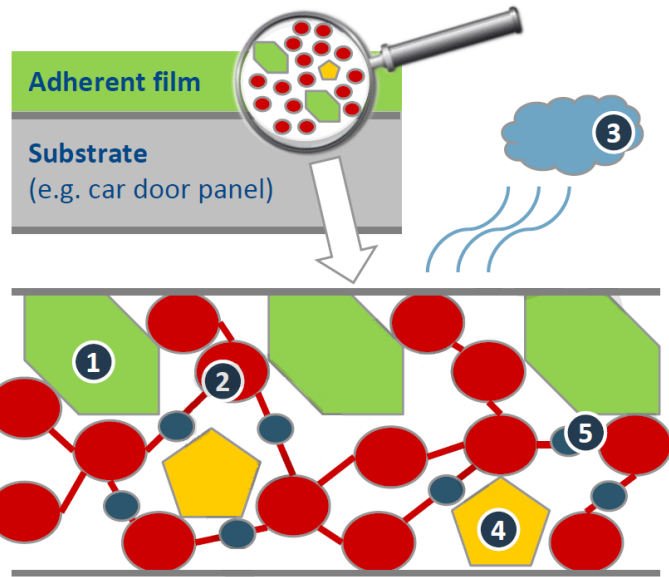
Financial overview

What coating is all about?

allnex focuses on the critical components of industrial coatings



Coating Components



① Pigment



Adds color

③ Solvent



Facilitates coating application and evaporates upon application

② Resin



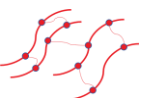
Binds all components to form a protective film on the surface

④ Additives



Improves properties of the film formed

⑤ Crosslinker



Strengthens the binding between resin molecules

Focus
allnex

Critical Chemistry

Coatings' performance characteristics are defined by their underlying **polymer chemistry** and the applied **film formation process**

Polymer Chemistries

Acrylic

Alkyd

Amino

Epoxy

Phenolic

Polyester

Polyurethane

Vinyl

Film Formation

Evaporation

Melting / Cooling

Chemical Reaction

Performance Characteristics



Cure time



Hardness/
abrasion resistance



Substrate
adhesion



Flexibility



Corrosion
protection



Film
appearance



Weather-
ability



Color
retention



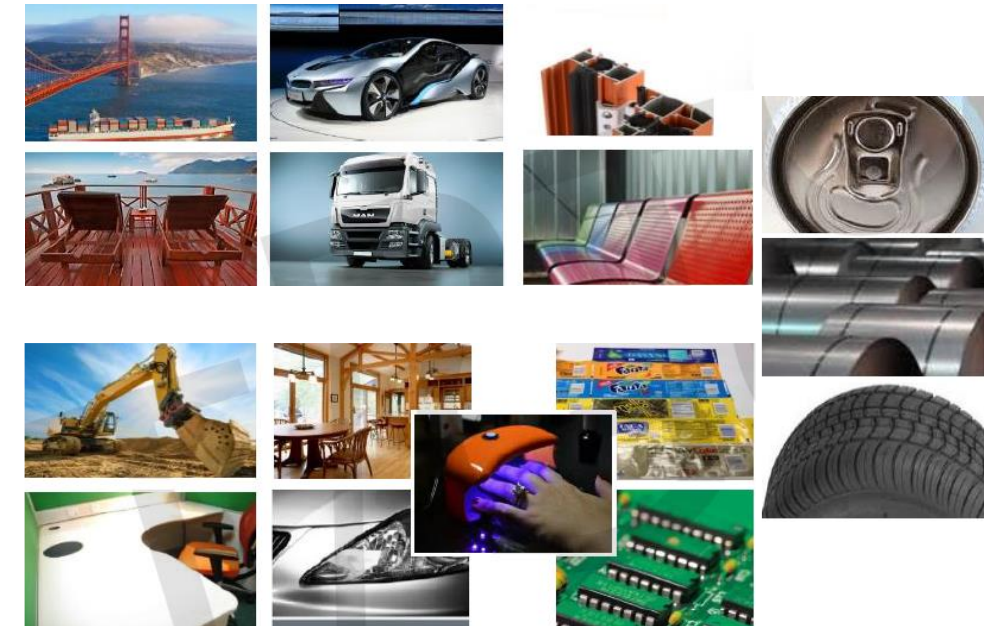
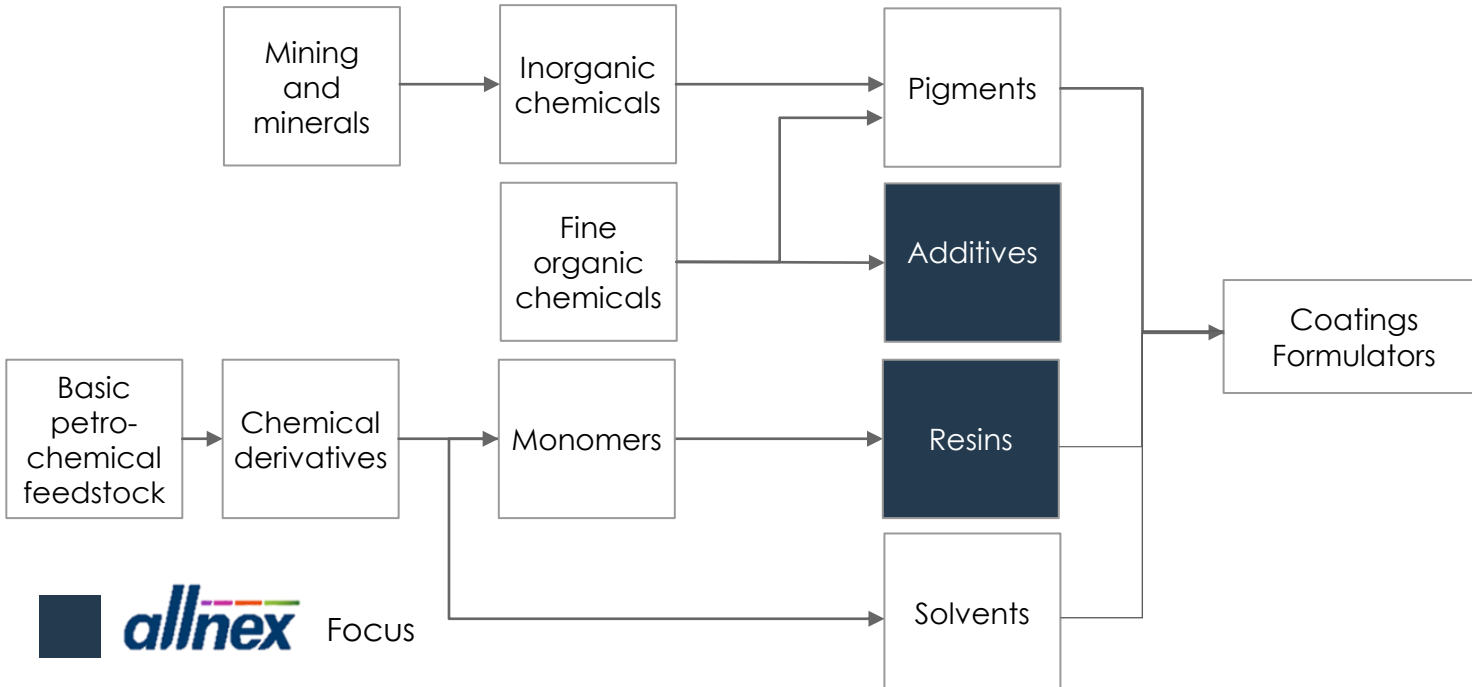
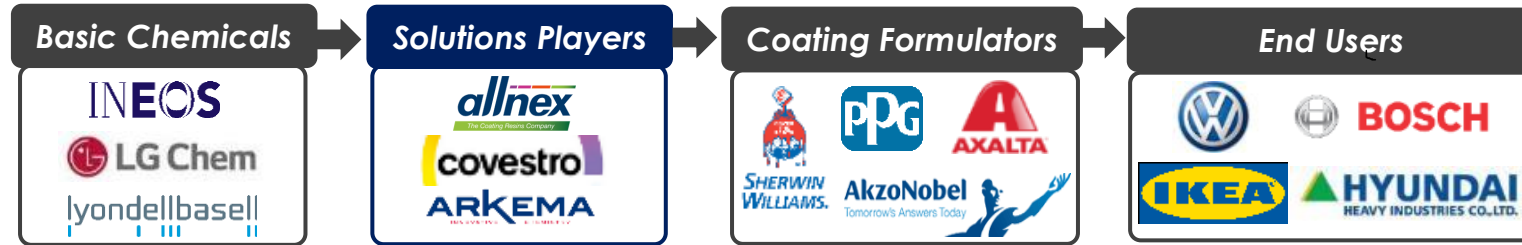
Chemical/
heat
resistance



Inertness

Industrial coatings value chain

allnex focuses on the critical components of industrial coatings



Megatrends driving growth of more sophisticated performance and green industrial coating technologies, accelerated by Covid-19

Shift in Economic Power



The rise of China, India, ASEAN, Russia, Brazil, Latin America, driving new centers of higher demand

Global Middle Class



Demographic change adding one billion people by 2025 and driving overall demand from a growing middle class

Accelerated Urbanization



Urban population growing by 1.5 million people each week, causing demand changes in construction and infrastructure

Digital Transformation



Digital technology driving efficiency and productivity gains that require new enabling technologies

Scarcity of Resources



Likely future restrictions on fossil raw materials, water and energy use, fueling strong growth in green chemistry

allnex is uniquely positioned to benefit

Emerging Markets

Continued shift of growth to emerging markets where allnex has significantly invested in its footprint

Product Performance

Increasing demand for higher performance/ high quality coating resins in allnex's industrial coatings markets; such as automotive, infrastructure, construction, and luxury goods

Environment

Shift to green coatings solutions, in-line with sustainability-advantaged allnex technology portfolio

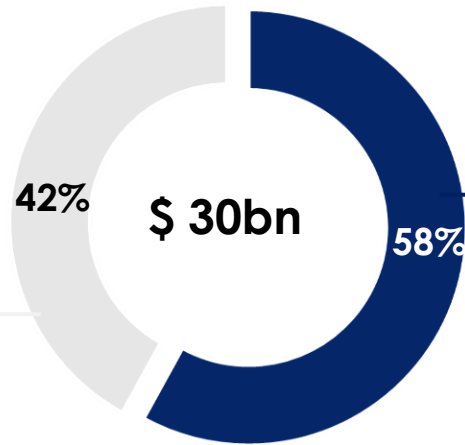
Getting to know Allnex



- **The global leader in industrial coating resins** with over 70 years experience in the industry.
- **Leader in high-value, specialty industrial coating resins.** Pioneering green “low-VOC”⁽¹⁾ technologies with strong market positions in waterborne, high-solids, powder and UV/EB⁽²⁾ coating applications.
- Has global footprint with **33 production sites** and **23 technology centers**.
- **Broadest portfolio of resin technologies & strong product innovation** and application development.
- Highly experienced and professional **management team with >20 years of industry experience**.

allnex focuses on industrial coatings resins, an \$18bn market

Global Coating Resins Market
By value (2020)



Decorative Coating Resins

Decorative and Architectural Paints



Industrial Coating Resins

End Markets

Automotive
Coatings

Packaging
Coatings &
Inks

Marine &
Protective
Coatings

Coil & Pre-
Coated Metal

Industrial
Wood

Specialty
Coatings

Industrial
Metal

BPA-free
Cans



allnex business units

Liquid Resins & Additives (LRA)

Resins and additives carried in **water** (waterborne) or a **solvent** (solventborne) based on multiples chemistries such as polyester, acrylic, urethane

- ❖ Solventborne: most widely used resins due to relatively low cost, ease of use, and short drying times
- ❖ Waterborne: eco-friendly alternative to solventborne resins

Powder Coating Resins (PCR)

Solid saturated polyester resins for powder coatings, cured at high temperature and surface finishing

- ❖ Powder coatings are 100% solids and are usually thermosetting
- ❖ Emit almost no VOCs

Radcured Resins (RAD)

Acrylated monomers and oligomers for radiation curable coatings and inks (low VOC/ energy)

- ❖ Inks and coatings are cured, not dried as in solvent or waterborne systems
- ❖ UV and EB radiation facilitates rapid throughput and high productivity with near instantaneous curing

Crosslinkers (XLR)

Functional, reactive resins, enabling oven-baking of liquid coatings for improved surface performances (amino and phenolic)

- ❖ Used to enhance the performance of a coating by connecting polymer chains at specific reactive sites, forming a variety of networks
- ❖ Provide strength and resiliency that improves resistance properties such as chemical and scratch

Automotive Body



Transportation



Coil & Pre-Coated Metal



Packaging Inks



Flooring



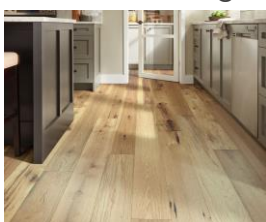
BPA-free Cans



Tires & Rubber



Shipping Containers Wood Flooring



General Industrial



Wood Furniture



3D-Printing



Automotive Body

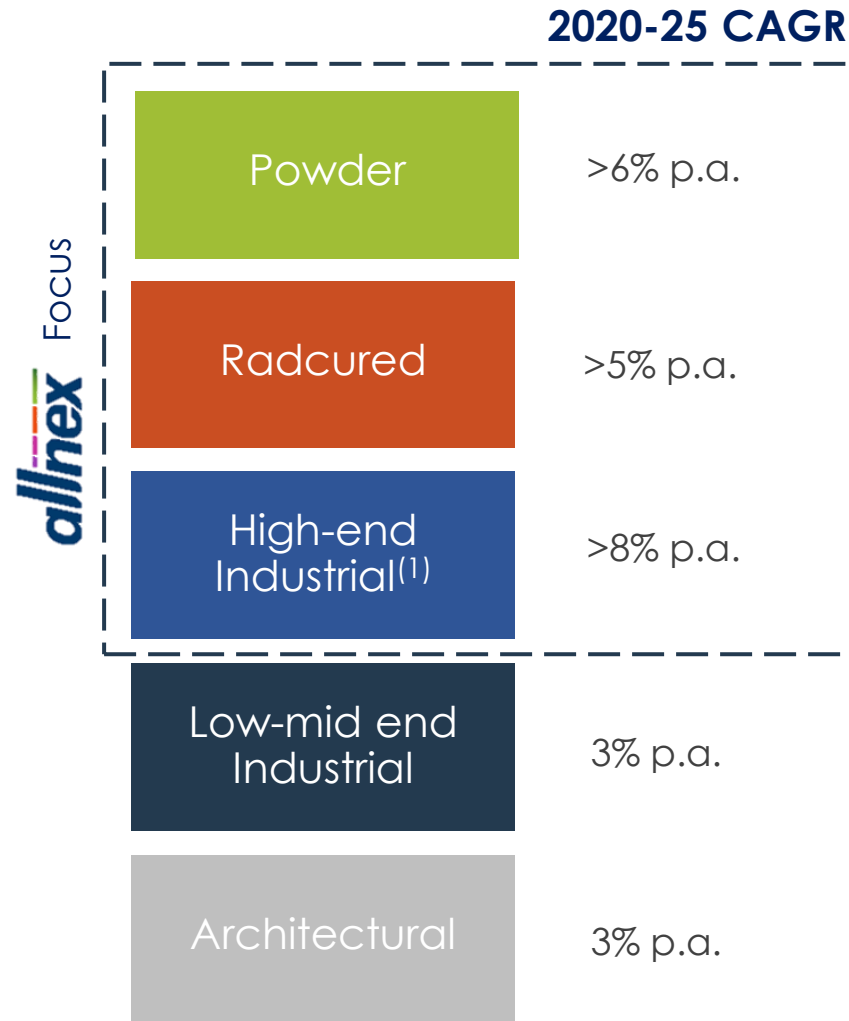
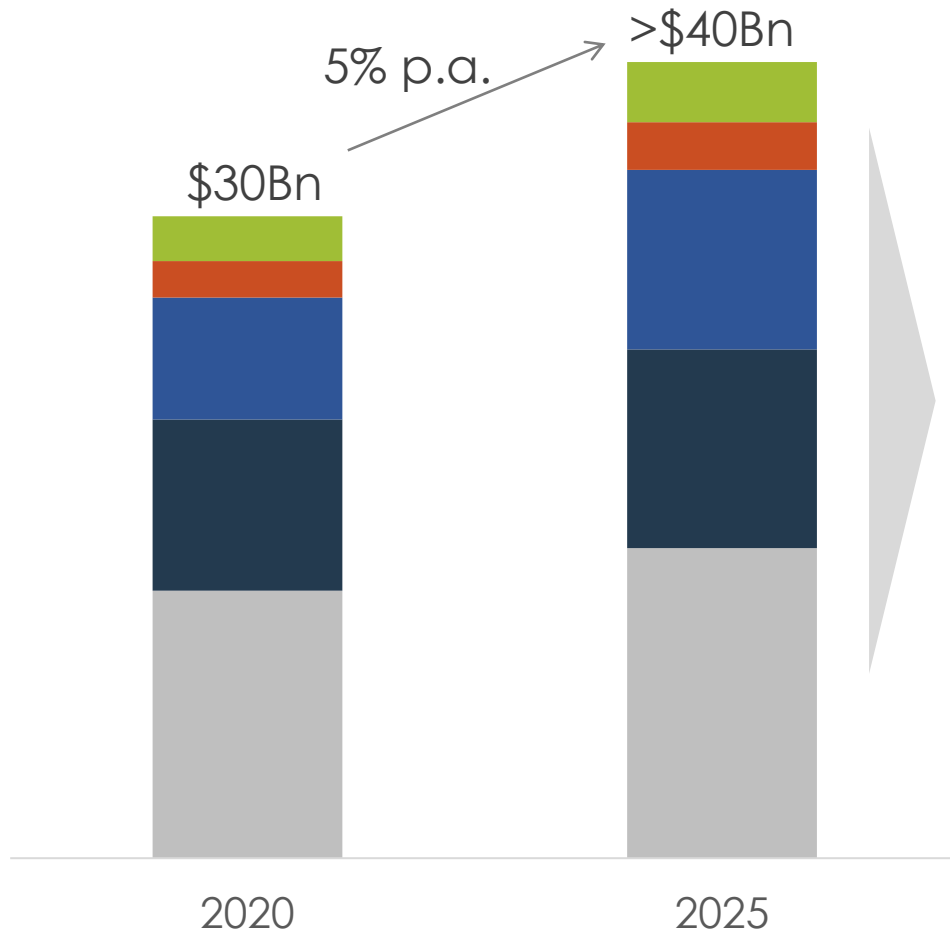


allnex is positioned on the highest growth coating resin technologies



Global Coatings Resins Market

By Technology




Market trends

- Low-VOC (waterborne and high-solids solventborne)
70% of allnex volume
- Increased performance
- Lower curing temperatures for energy savings
- Faster-drying for increased productivity

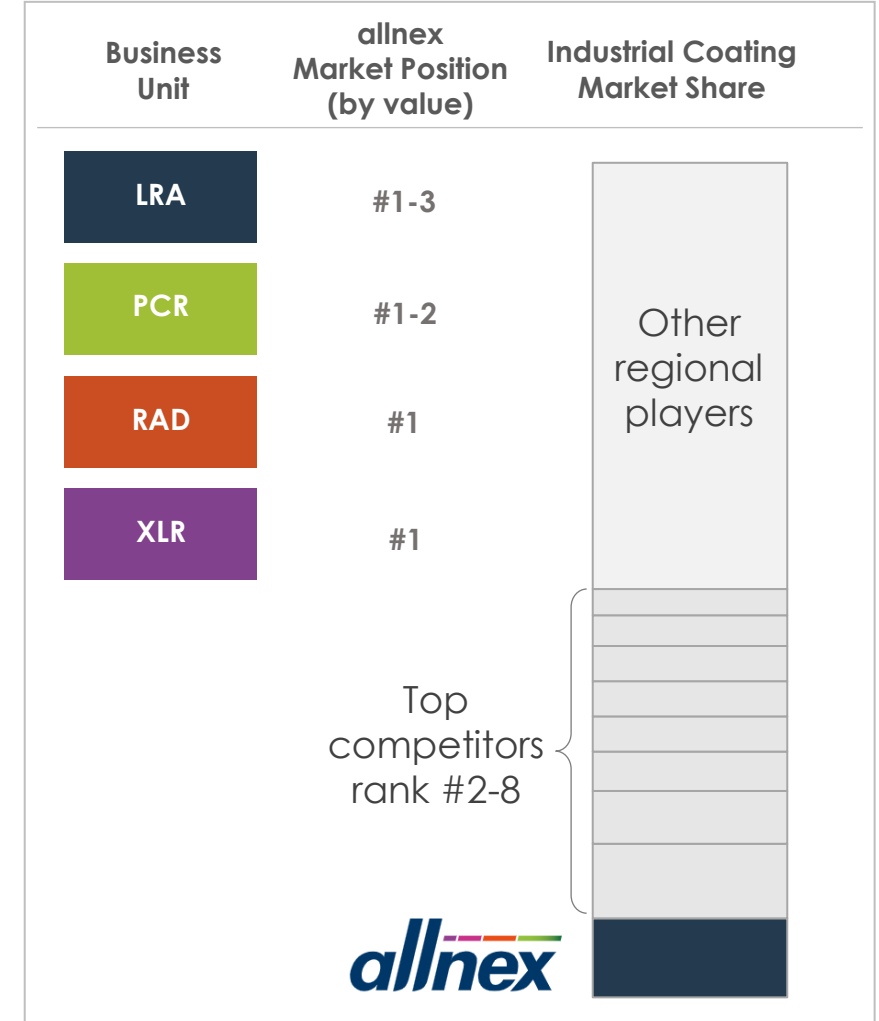
A clear market leader with the broadest portfolio in the industry

Broadest Product Portfolio

		Liquid Resins & Additives (LRA)						RAD Cured Resins (RAD)	Powder Coating Resins (PCR)	Cross-linkers & Catalysts (XLR)
		ACRYLICS	ALKYDS	EPOXY	POLYESTERS	URETHANE				
						ACRYLIC POLYOLS	PUDs			
Competitors		Leading Position	Leading Position	Market Presence	Market Presence	Leading Position	Leading Position	Leading Position	Leading Position	Leading Position
	A	Leading Position	No Presence	No Presence	No Presence	No Presence	Market Presence	Market Presence	No Presence	Market Presence
	B	Leading Position	Market Presence	No Presence	No Presence	Leading Position	Leading Position	Market Presence	Leading Position	No Presence
	C	Market Presence	No Presence	No Presence	No Presence	No Presence	Market Presence	No Presence	No Presence	Market Presence
	D	No Presence	No Presence	No Presence	Market Presence	No Presence	No Presence	No Presence	No Presence	No Presence
	E	Leading Position	No Presence	No Presence	No Presence	Leading Position	No Presence	No Presence	No Presence	No Presence
	F	Market Presence	Market Presence	No Presence	No Presence	No Presence	No Presence	Leading Position	No Presence	Market Presence
	G	Market Presence	No Presence	No Presence	No Presence	No Presence	Leading Position	No Presence	No Presence	No Presence
	H	No Presence	No Presence	Leading Position	No Presence	No Presence	No Presence	No Presence	No Presence	No Presence

Having the industry's broadest portfolio of complementary resins, crosslinkers and additives chemistries **enables allnex to offer a compelling customer value proposition** vs. competitors

Market Leader

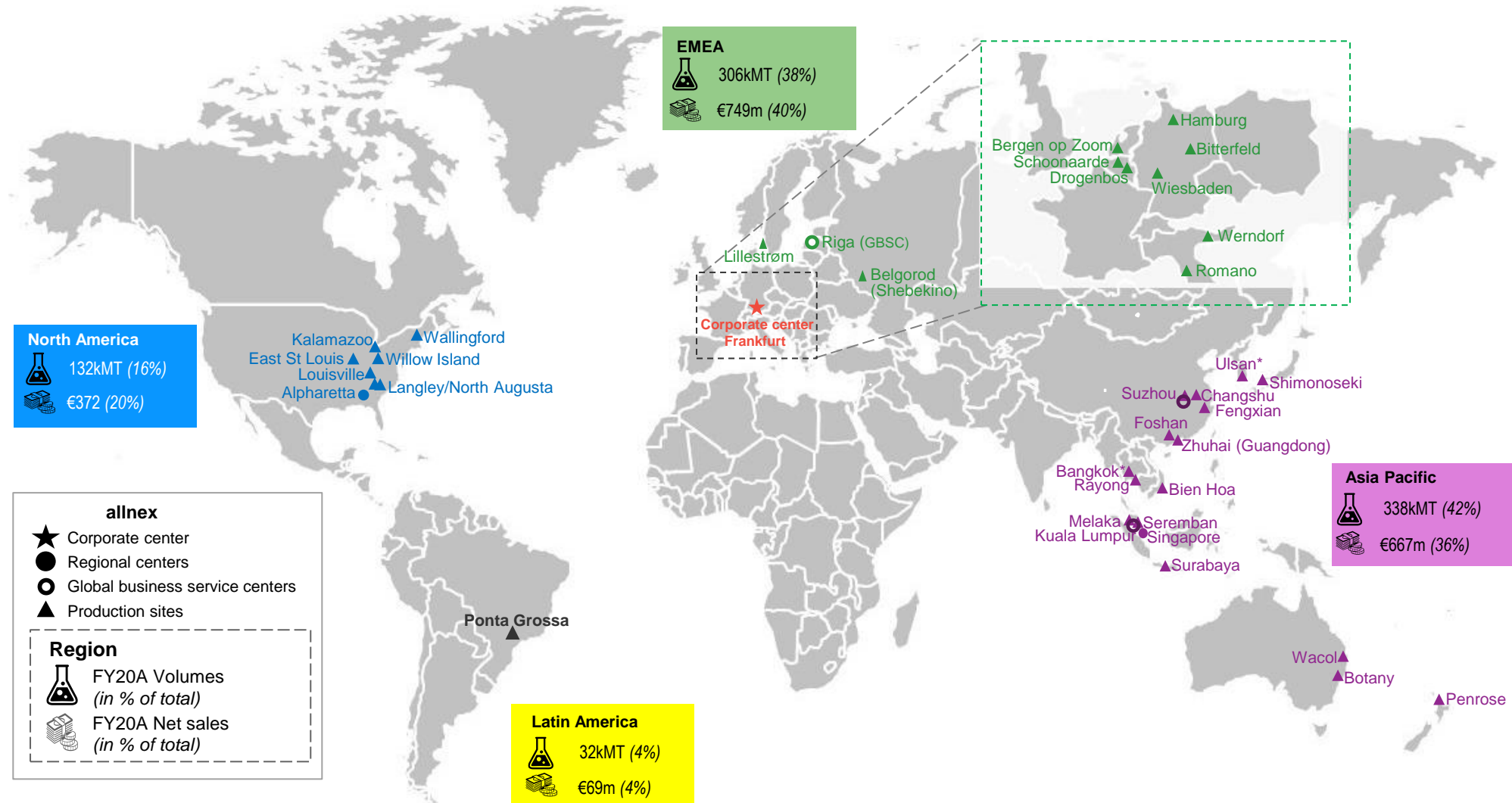


allnex has the most global network in its industry



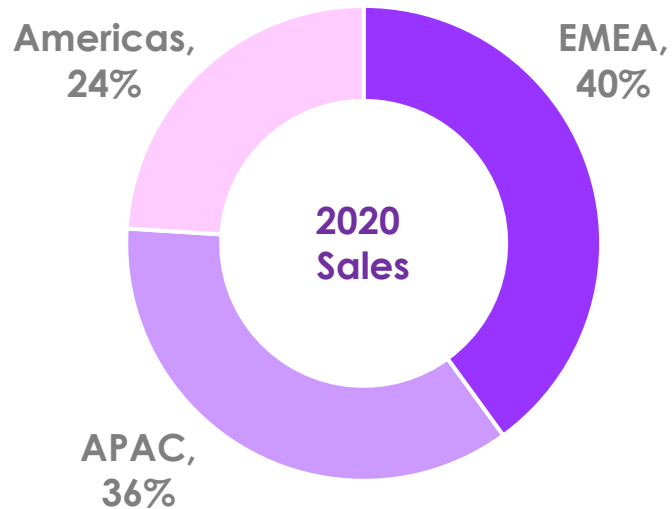
Global Geographic Footprint

Headquartered in Frankfurt with 33 manufacturing facilities and 23 technology centers worldwide

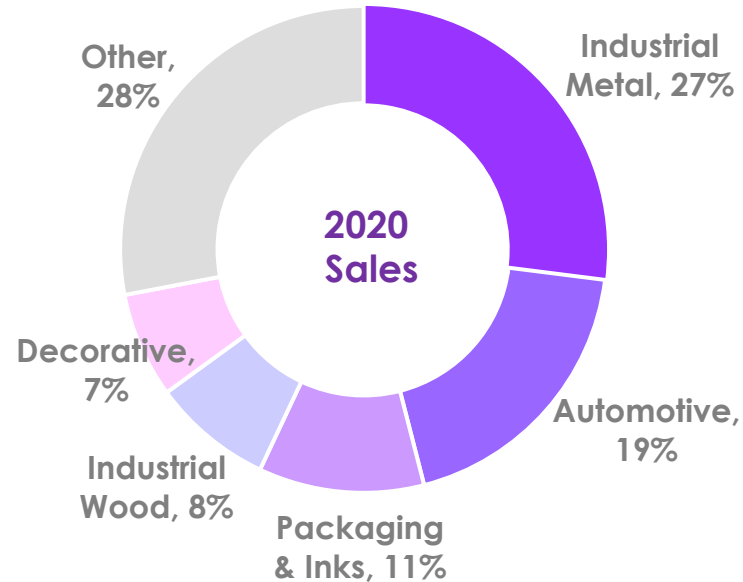


allnex has unique position in all aspects

Global Income Stream

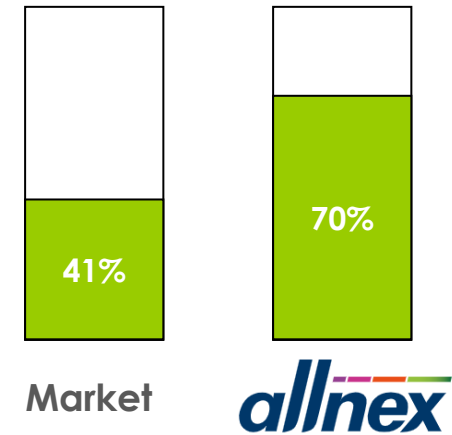


Diversified End Markets



Green Technologies, R&D Capability

Portfolio of green low-VOC technologies (by volume)



Experienced Management Team

Prior experience in allnex legacy companies;
> 20 years industry experience



Hoechst

AkzoNobel

nuplex®

CYTEC

allnex growth strategy

Strategy is based on three pillars driving growth and optimization

1 Green Technologies

■ Sustainability play



- Bio-based resins
- Lower curing temperatures
- Recycled resins



- Low-VOC coating resins
- Free-from chemicals of concern (BPA, Isocyanate, Formaldehyde)

■ Green innovation track record since 1960s (first waterborne resins)

allnex green products by market %



2 China & Growth Markets

■ Geographical expansion



CHINA

Capture growth in emerging market

■ Adjacencies

Leverage current market leadership to grow in adjacent markets



Additives



Tires & Rubbers



Electronics



Batteries



Engineered Materials

3 Existing Optimization Programs

■ Global business optimization



Opportunities identified in current asset base

■ Digital technologies



- Process optimization
- Enhance customer services

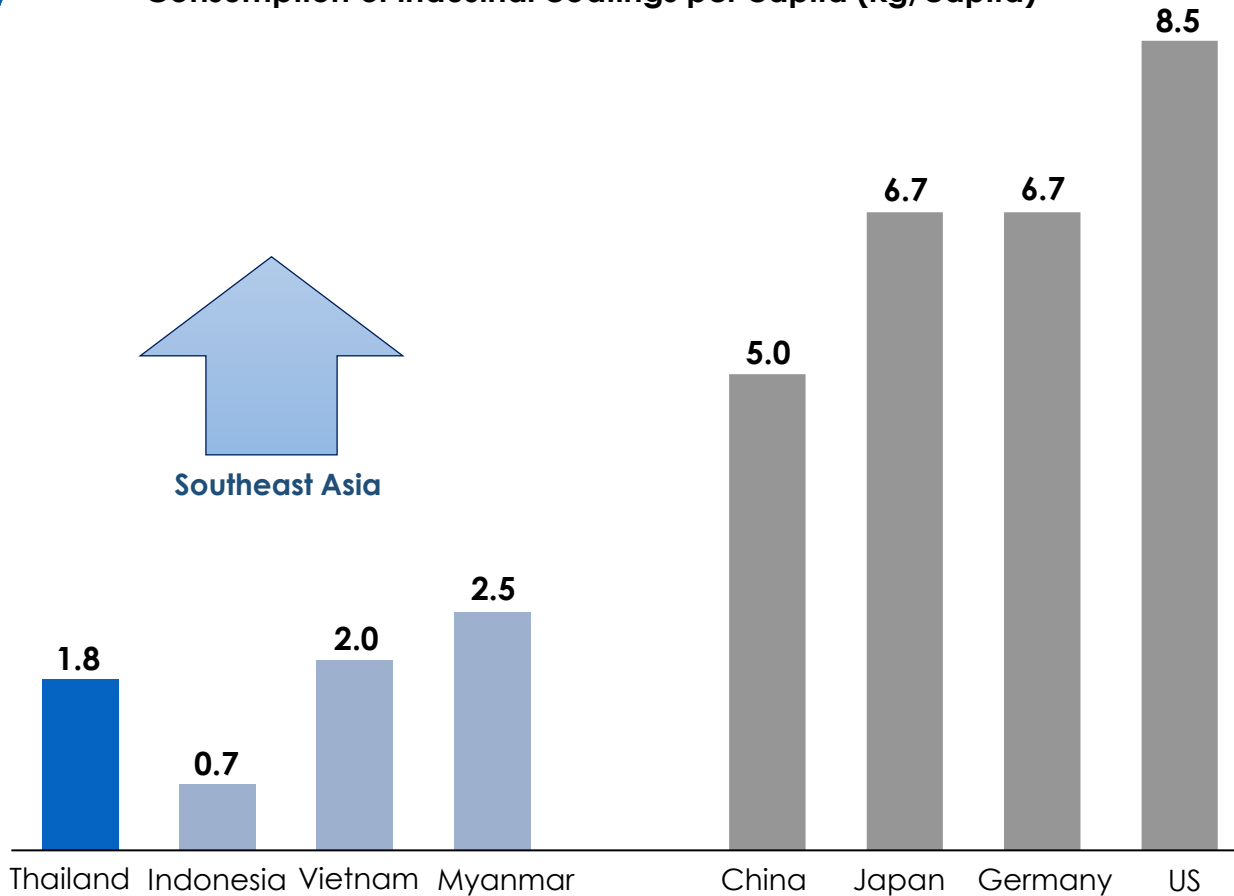
■ Global Business Service Centers



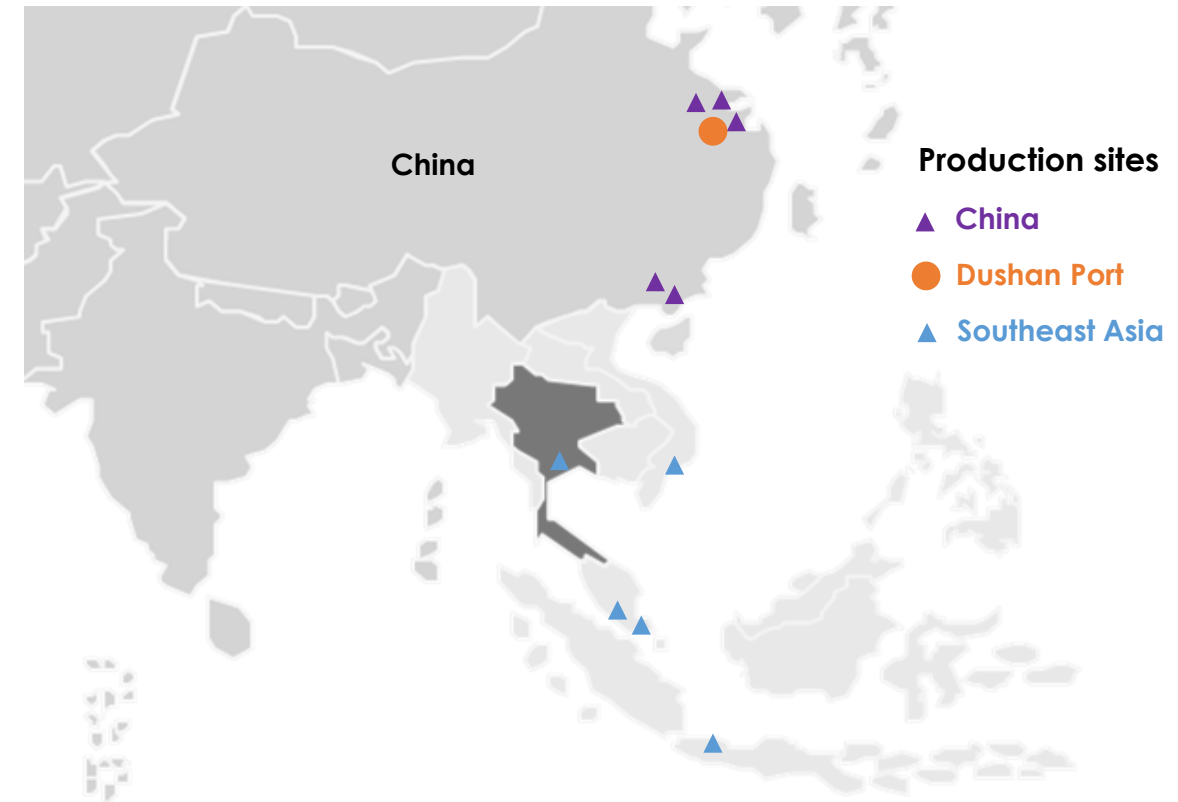
Provide shared services across the globe

allnex has the potential for further penetration in SEA and China

Consumption of industrial coatings per capita (kg/capita)



- There is **large grow potential for coatings in Southeast Asia** with further penetration in industrial applications
- Thailand could be a hub** to serve the Southeast Asian market (~12% of current production capacity is in **Southeast Asia**)



- allnex **recently announced the construction of a production base** of environmentally-friendly resins, with the aim to promote green innovation and **meet the growing demands of China**
- The new production base will have **15 production lines** and will be located in Dushan Port Economic Development Zone
- The site is expected to be put into **production in 2023**

Synergy enhancement in the future



Long term vision

Asia access

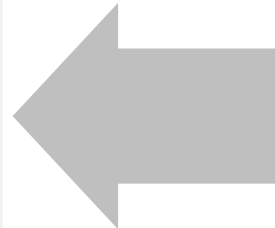
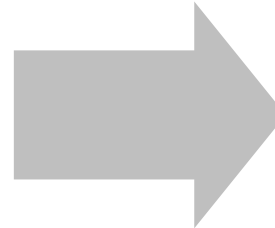
Raw material integration

Support and resources for growth and development

Cultural diversity

Technical / operational excellence

Vencorex & Emery



Leading technologies in specialty coating resins, radcure and crosslinkers

Other technologies of interest: composites, coating additives, tires & rubber

R&D platform

Growth supported by clear initiatives, including Asia

Global business management

High quality team

Sustainability



Step Up

- **Pioneering sustainable innovation** (energy curing, high-solids, powders)
- **Performance innovation of high-end solutions** (SCA)
- **Continuous pioneering spirit** (game-changing can coatings solutions)

Innovation pipeline emphasizing sustainability drivers

Sustainability



Resource
Efficiency

CRYLCOAT®
OCEAN
SETALUX® FC



Greener and
more
sustainable
products



Safer
Materials

CYMEL® NF
EBECRYL® LEO



Substitution of
potentially
harmful
chemicals
with safer
options

Addressing sustainability in all dimensions

- New polymers **substituting chemicals of concern** with a particular focus on packaging and regulated markets
- Rheology modifier to enable use of **waste-free digital coating** technology
- Exploring reversible crosslinking methods to **improve end-of-life coatings recyclability**
- **New renewable raw material building blocks**
- **New crosslinking technologies**
 - Novel chemical technologies to address **conflicting aspects of reactivity, appearance and waste minimization**
- New **isocyanate-free crosslinking** chemistries
- **Low crosslinked polymer networks** to enable new functionalities for coatings

allnex is committed to meeting these sustainability targets on or before 2023



Reduce non-renewable energy purchases by 15% in 5 years



Dedicate **90% of corporate product development resources** annually to projects making a positive impact on the environment



Produce 40%+ of production volume under **ISO500001 certification**



Develop a **waste & water consumption tracking** system

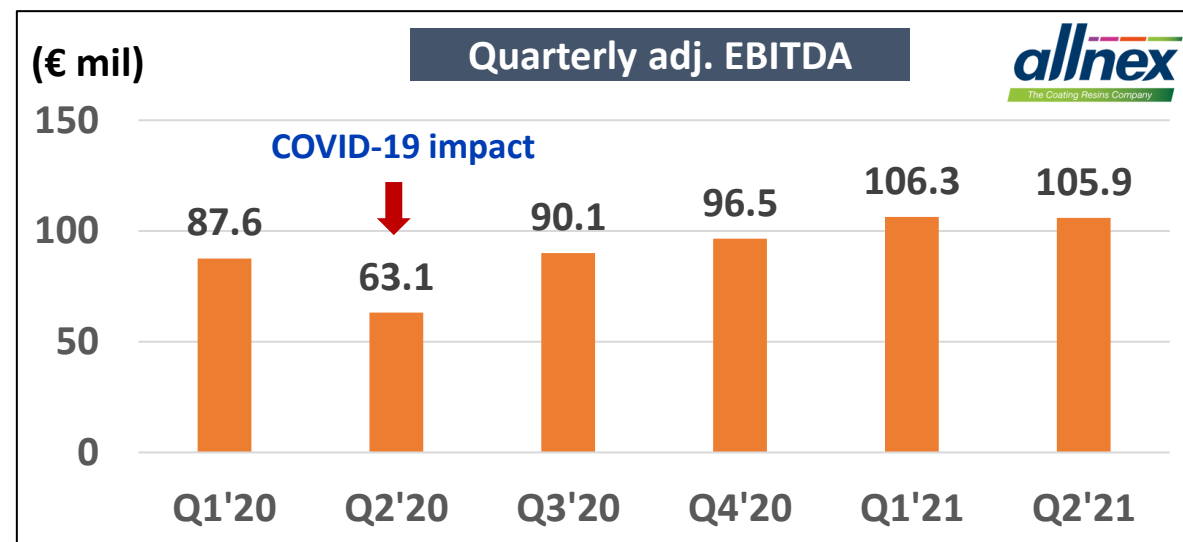
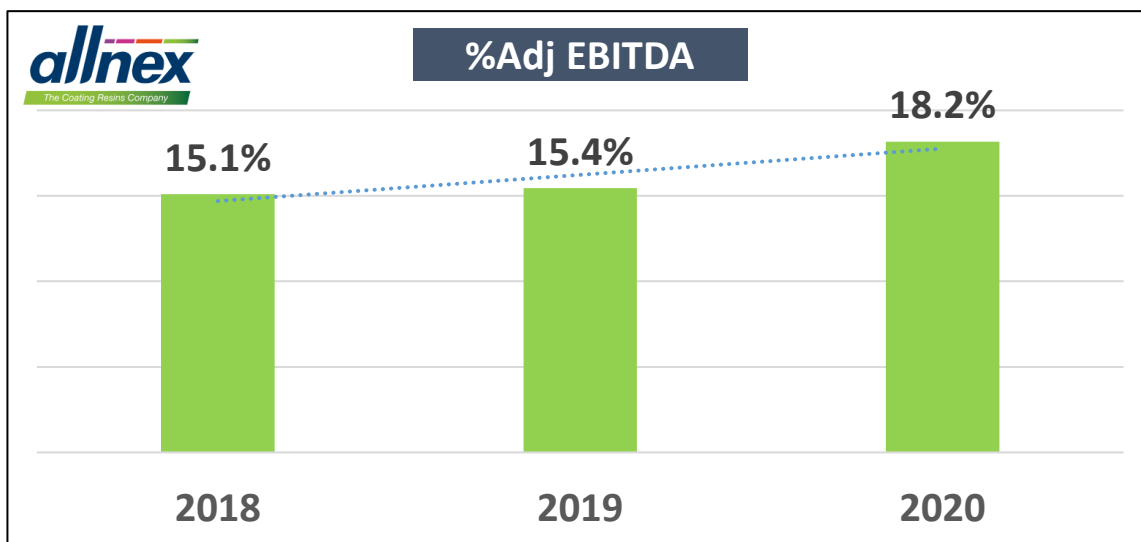
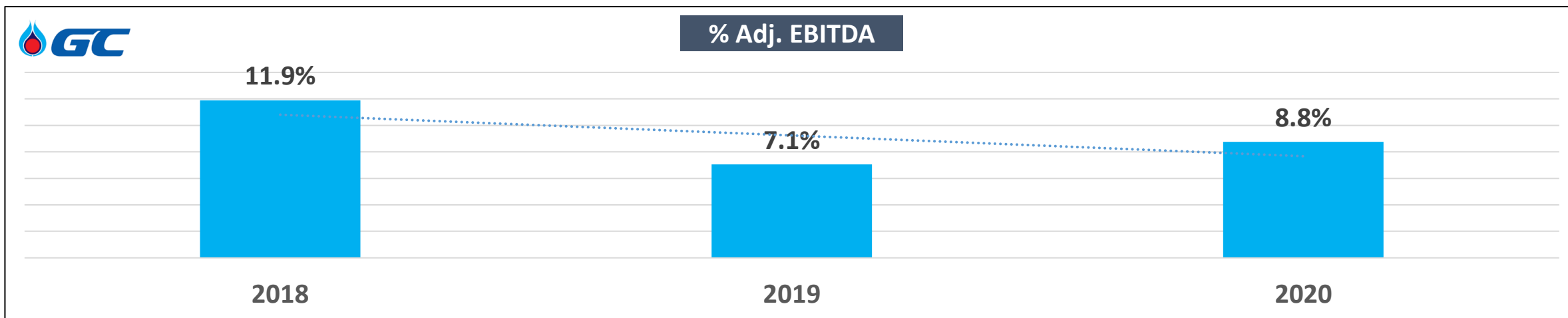


Implement **sustainable product portfolio management** practices



Map **sustainable sourcing options** for renewable, recycled, and lower carbon footprint materials

allnex will improve stability of GC earning

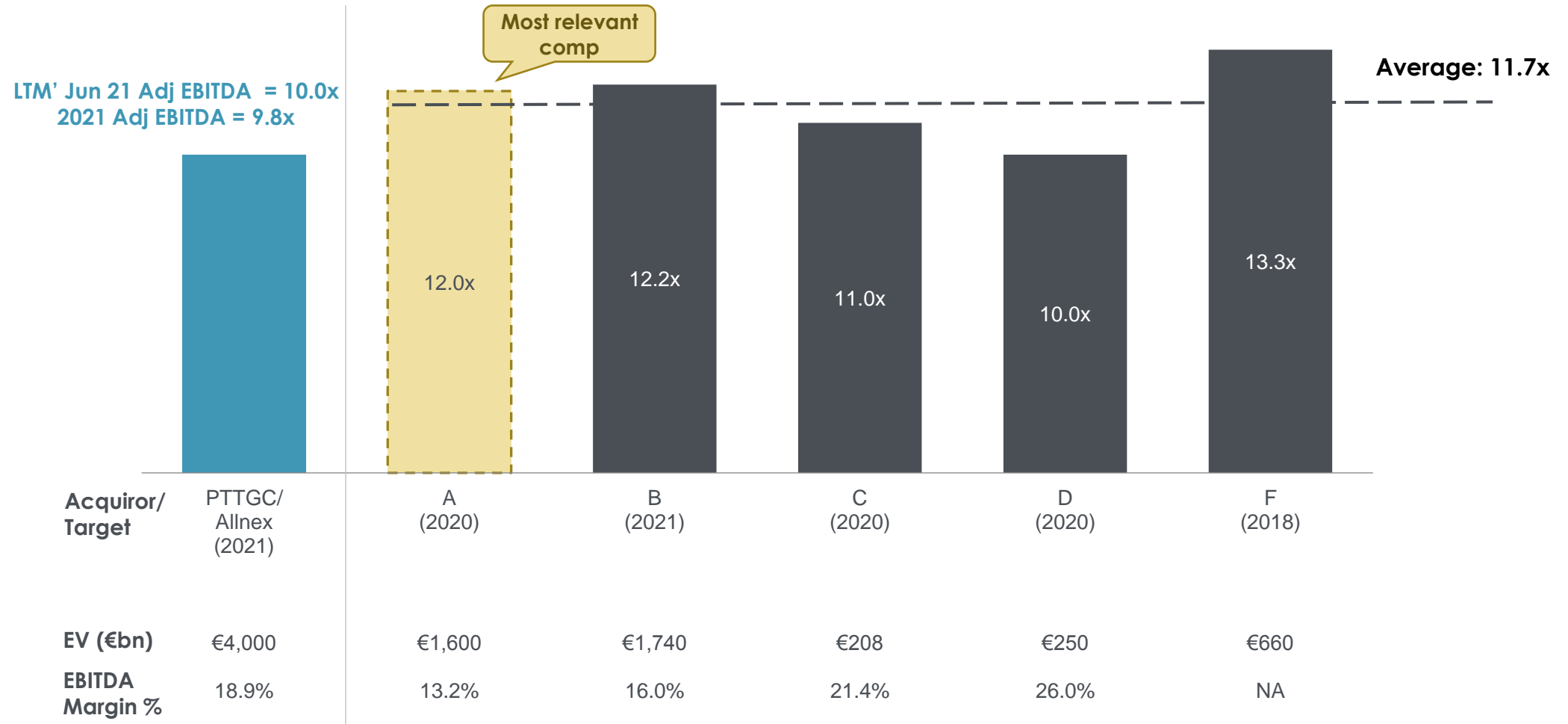


*Q2/21 is based on Management account

Transaction Comparables: Direct Coating Resin Precedents



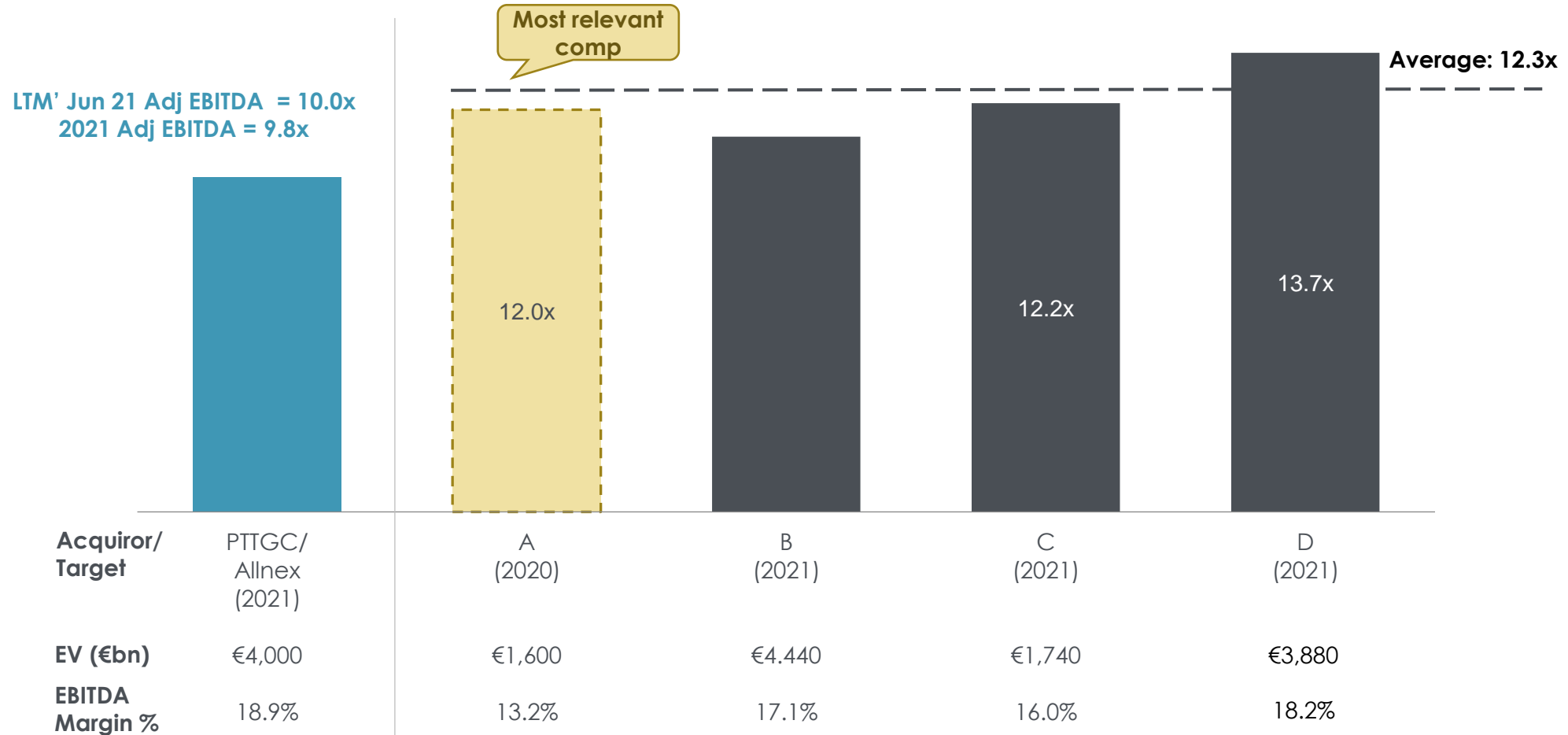
PTTGC acquisition of Allnex c. 1.5x below average of Direct Coating Resin precedents



Transaction Comparables: Recent Chemicals Precedents



PTTGC acquisition of Allnex c. 2.0x below average of recent comparative scale Chemicals precedents



Agenda



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allnex Business overview

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Financial overview

GC Financial capacity after the acquisition of allnex

- ✓ GC Financial Capacity
- ✓ Funding Plan for the Transaction
- ✓ Positive financial impact to GC's Financial Positions

GC Financial Capacity



Cash & Cash equivalents
+ Current investments
in financial Assets

	100	55 Liab.
CA	88	198
		IBD
PPE	269	300
		Share Holder's Equity
Non-CA	95	

Mar 31, 2021
553 Bn

Financial Highlight (2018-2020)

- Adj. EBITDA Margin 9%
- Adj. EBITDA \$1,300mn
- Net IBD/EBITDA 2.7 : 1
- Net IBD/Equity 0.3 : 1

Return Consideration

- Return on Cash: 0.5% - 1.0%
- WACC: 8.0%

Expected return on
specialty chemicals:
13% - 15%



Initial Acquisition Value €4,000mn

- 2021 Adj. EBITDA (est.) €409.7mn
- L-T debt ~€700mn

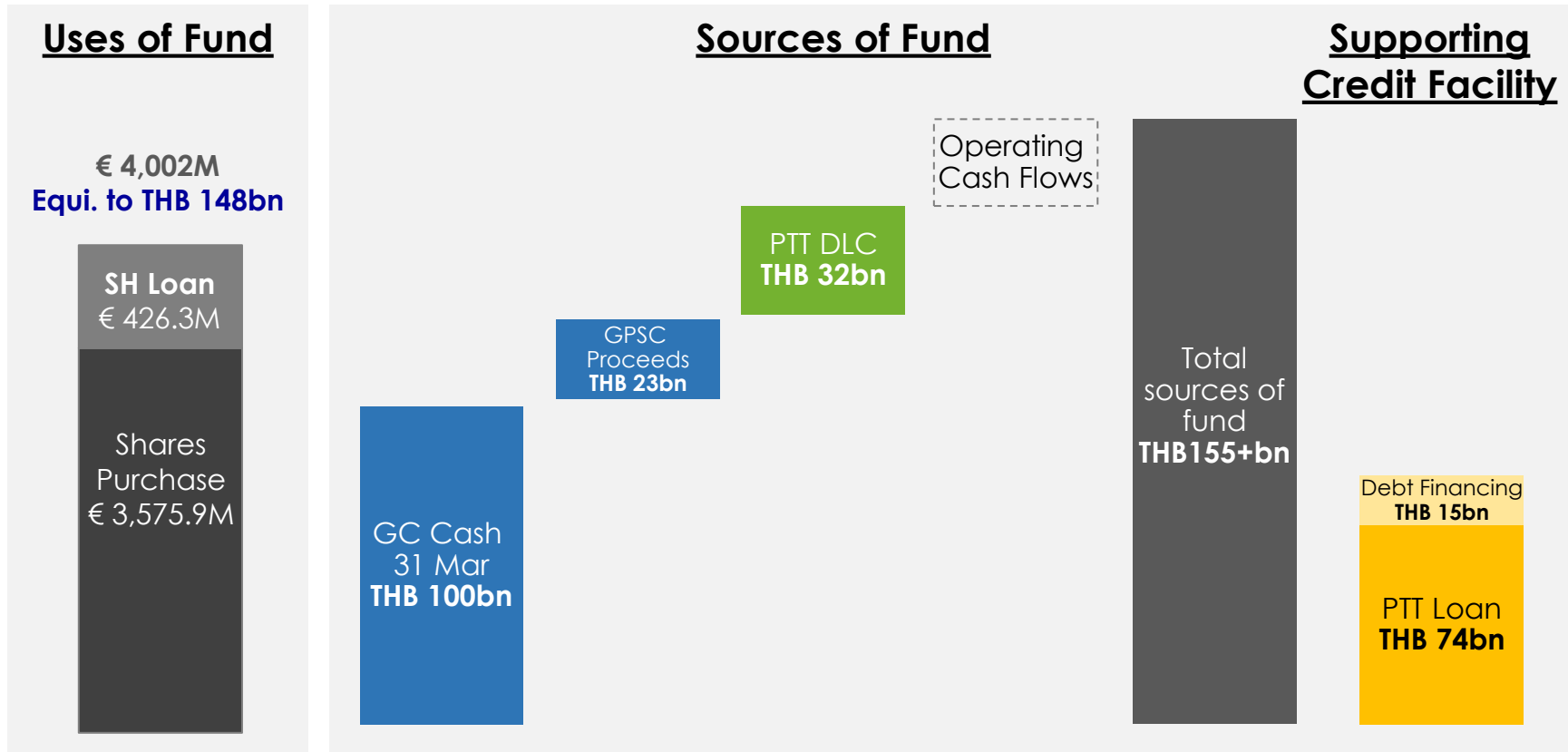


Potential Leverage up to 4x EBITDA
New L-T debt of €1,000mn-1,600mn



Net Acquisition Value = €2,400mn-3,000mn

Funding Plan for the Transaction



Note: THB/EUR Exchange rate of 37.0836 (BOT as of 31 March 2021)

- GC's financial position strength is sufficient to fund the Allnex Transaction
 - Consistent operating performance
 - Existing funding sources from cash on hand (THB 123bn) and PTT DLC (THB 32bn)
 - Additional funding flexibility from PTT Loan (THB 74bn) and External debt financing (THB 15bn)
- Financial liquidity position is strong and no impact to dividend payment ability
- Capital increase is not required
- EBITDA contribution from Allnex and Synergy realization to further enhance GC's financial position

Positive financial impact to GC's Financial Positions

Potential enhancement to GC after the deal

- (1) Volume growth of 5%
- (2) Allnex's EBITDA margins of 16% will enhance GC EBITDA margins of 9% (based on 2018-2020 avg. EBITDA margins)
- (3) Less EBITDA volatility: from cyclical to stable
- (4) Additional synergy benefits & financial cost reduction
- (5) Access to new capital market e.g. Europe or China market.

allnex performance enhancement

	<u>FY 2020</u>	<u>LTM Jun 21</u>
✓ Revenue	€ 1.8 b	€ 2.1 b
✓ Adjusted EBITDA	€ 337 m	€ 398 m
✓ EBITDA margin %	18%	19%
✓ Net income	€ 71 m	

Enhanced by no Covid impact EBITDA, synergy & financial cost reduction

Expected FY2022++

5% Volume Growth

€ 4XX m – 5XX m

17-18%

Net Income: About 40-50% of EBITDA

Less:

GC's PPA: TBD

GC's financing costs: Up to € 50 m

Note:

- Q2/21 is based on Management account

Forward financial strategy

Closing Preparation

- CP closing
- Communication
- Prepare for integration & financial work stream
- Prepare for funding & capital structure of GC Inter BV.

Post-Closing Enhancement

- Ready for refinance
- Integration & Synergy

Jul 21

2022

2023

Execute SPA
SET disclosure

Closing

Realized Full year performance (100% holding)

	MilEUR
▪ Revenue	2,xxx
▪ EBITDA	4xx
▪ NI (Before PPA & Fin. costs)	2xx

Remaining Strong financial position

Net IBD/EBITDA

4.1

3.1

2.7

1.9

1.3

2021

2022

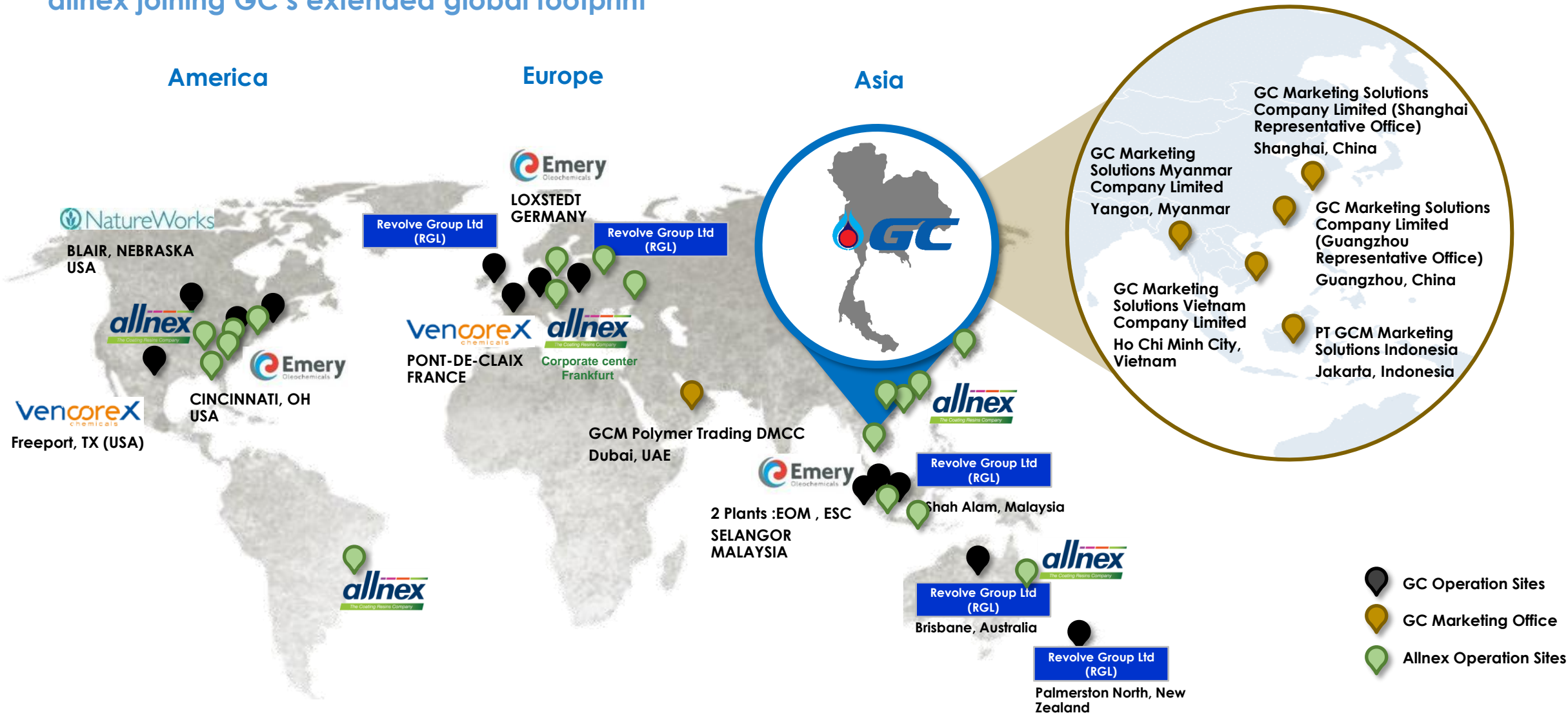
2023

2024

2025

CEO's Conclusion

allnex joining GC's extended global footprint





Thank You

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