

3Q2016 SET Opportunity Day Presentation

14 November 2016



Agenda

Section 1	About BTW Group
Section 2	Business Overview
Section 3	Financial Highlights
Section 4	Investment Highlights
Section 5	Q&A

Disclaimer: Information contained in our presentation is intended solely for your personal reference only. In addition, our presentation may contain projections and forward-looking statements that reflect our current views with respect to future events and financial performance. These views are based on assumptions subject to various risks and uncertainties. No assurance is given that future events will occur, that projections will be achieved, or that our assumptions are correct. Actual results may differ materially from those projected.

Shareholding and Group Structure



Steel Fabrication

Solar & other renewable projects (to support future project bidding)



Best Tech & Engineering Ltd.* ("Best Tech")

Provide engineering service including manufacture of **modularization** and **parts fabrication**

Best Tech Industries Co., Ltd. ("BTI")

Support future **expansion** in manufacture of modularization and parts fabrication

BT and Owl Solar 1 Co., Ltd. ("BT Owl")

Support future project bidding for **solar & other renewable projects**

Global Clean Energy Co., Ltd. ("Global Clean")

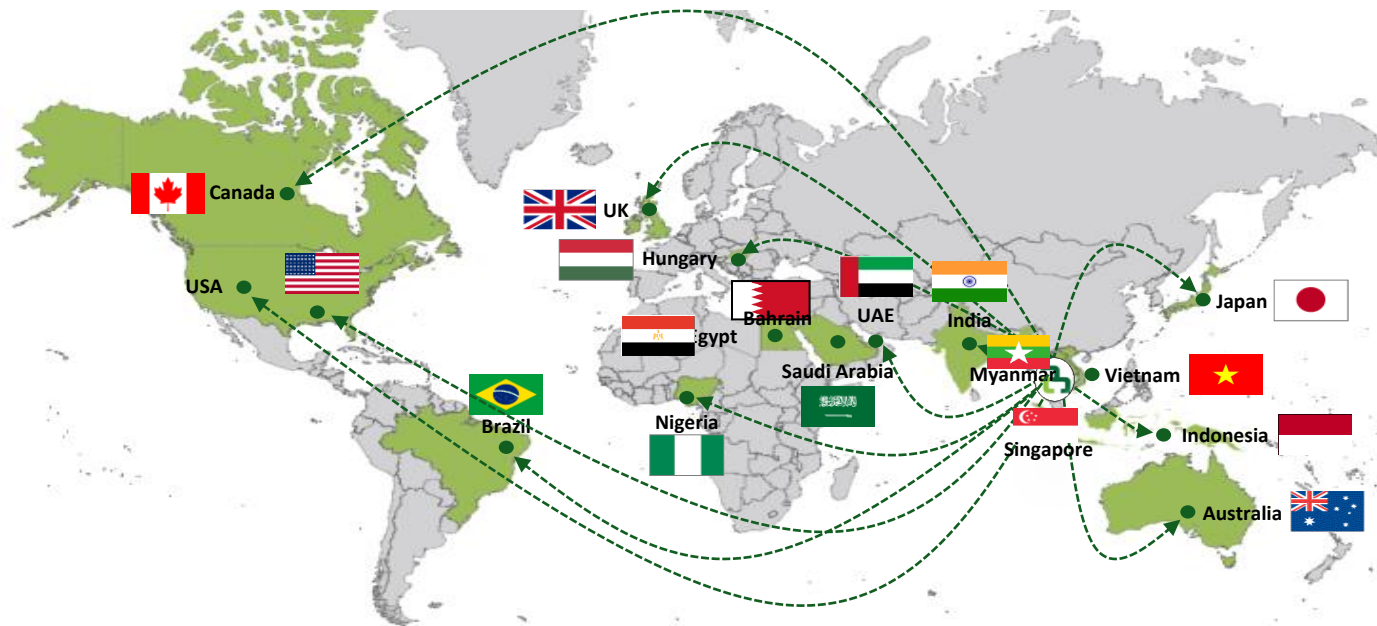
Note: * Best Tech is a core company of BTW Group

Our Business

BTW Group focuses on achieving our **quality commitment** by delivering **innovative integrated steel fabrication services** worldwide

- ✓ *Full-scope of project management to deliver high-quality service on time*
- ✓ *Proven track record across the world*
- ✓ *High-standard with professional services recognized through international certifications*

World-Class Steel Fabrication Achievement



Our Valued Customers:

EPC



LAING O'ROURKE

HITACHI



SAMSUNG

SAMSUNG C&T

Project Owner



PHU BIA MINING



EGAT
Power for Thai Happiness



Fortescue
The New Force in Iron Ore

Agenda

Section 1	About BTW Group
Section 2	Business Overview
Section 3	Financial Highlights
Section 4	Investment Highlights
Section 5	Q&A

I. Parts Fabrication

*With extensive fabrication shops and fully equipped facilities,
BTW Group can fabricate wide-range of **Parts Fabrication***

Piping System



- Scope of services:
 - ✓ Materials supply
 - ✓ Design & engineering
 - ✓ Fabrication
 - ✓ Pipe coating and painting
 - ✓ Rubber lining

- Sample of products
 - ✓ Circulating water system
 - ✓ Cooling water system
 - ✓ Steam pipes
 - ✓ Steam & hot water pipes
 - ✓ Piping supports

Pressure Vessels and Storage Tanks



- Scope of services:
 - ✓ Materials supply
 - ✓ Design & engineering
 - ✓ Fabrication
 - ✓ Repairing

- Sample of products
 - ✓ Fuel oil tank
 - ✓ Water tank
 - ✓ Blow down tank
 - ✓ Air receiver tank

Structural Steels



- Scope of services:
 - ✓ Materials supply
 - ✓ Design & engineering
 - ✓ Fabrication

- Sample of products
 - ✓ Beam and Column
 - ✓ Grinders
 - ✓ Walkways and Gratings

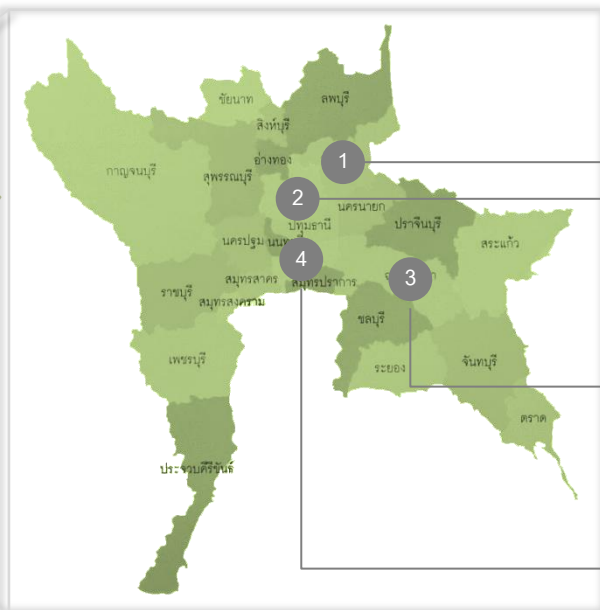
Selective Credential of Parts Fabrication - International

BTW Group has been trusted as a high-quality fabricator by customers worldwide

<div><div>United Kingdom</div><div><div>Project Name:</div><div>Staythrope</div></div><div><div>Type:</div><div>Piping System</div></div><div><div>Contract Value:</div><div>EUR 1.9 million</div></div></div>	<div><div>Japan</div><div><div>Project Name:</div><div>Idemitsu Aichi Thermal Power Plant</div><div>Kawasaki Thermal Power Plant</div></div><div><div>Type:</div><div>Piping System</div><div>Piping System</div></div><div><div>Contract Value:</div><div>USD 0.3 million</div><div>USD 0.3 million</div></div></div>	
<div><div>Ireland</div><div><div>Project Name:</div><div>Aghada CCGT</div></div><div><div>Type:</div><div>Piping System</div></div><div><div>Contract Value:</div><div>EUR 0.9 million</div></div></div>	<div><div>Vietnam</div><div><div>Project Name:</div><div>O Mon Thermal Power Plant</div></div><div><div>Type:</div><div>Piping System</div></div><div><div>Contract Value:</div><div>USD 2.3 million</div></div></div>	<div><div>Lao PDR</div><div><div>Project Name:</div><div>Ban Houayxai Gold</div></div><div><div>Type:</div><div>Pressure Vessels and Storage Tanks</div></div><div><div>Contract Value:</div><div>USD 3.7 million</div></div></div>
<div><div>UAE</div><div><div>Project Name:</div><div>Discovery Garden Project</div></div><div><div>Type:</div><div>Pressure Vessels and Storage Tanks</div></div><div><div>Contract Value:</div><div>USD 5.0 million</div></div></div>	<div><div>Papua New Guinea</div><div><div>Project Name:</div><div>Million Ounce Gold Mining</div></div><div><div>Type:</div><div>Pressure Vessels and Storage Tanks</div></div><div><div>Contract Value:</div><div>AUD 8.6 million</div></div></div>	
<div><div>Singapore</div><div><div>Project Name:</div><div>Senoko Power Plant</div><div>Changi Water Reclamation</div></div><div><div>Type:</div><div>Piping System and Pressure Vessels and Storage Tanks</div><div>Piping System, Pressure Vessels and Storage Tanks, and Steel Structure</div></div><div><div>Contract Value:</div><div>SGD 3.1 million</div><div>SGD 23.1 million</div></div></div>	<div><div>Australia</div><div><div>Project Name:</div><div>Devil Creek Development</div><div>Newman Iron Ores Renovation</div><div>Sino Iron Ore Jetty</div></div><div><div>Type:</div><div>Pressure Vessels and Storage Tanks</div><div>Steel Structure</div><div>Steel Structure</div></div><div><div>Contract Value:</div><div>THB 21.7 million</div><div>THB 15.8 million</div><div>THB 21.7 million</div></div></div>	

Selective Credential of Parts Fabrication - Domestic

BTW Group has strong proven track records in achieving numerous high-quality **Parts Fabrication** to several **domestic clients**, especially in the **power plants sector**



1



Kaeng Khoi Power Plant 2,
(Saraburi, THB 69.3 million)
Fabrication of rubber lined carbon steel pipe spools

2



Wang Noi Power Plant 2 - 4,
(Phra Nakhon Si Ayutthaya, THB 106.7 million)
Fabrication of chiller piping and fittings

3



Bang Pakong Power Plant 5,
(Chachoengsao, THB 94.6 million)
Fabrication and coating of carbon steel pipes

4



North Bangkok Power Plant 2,
(Bangkok, THB 161.2 million)
Fabrication of cooling water piping and supports and repairing of water tank

5



Khanom Power Plant,
(Nakhon Si Thammarat, THB 7.2 million)
Fabrication of lube oil tank

II. Modularization



Peregrino FPSO

Modularization project for Deaerator Module and Boiler Module on Peregrino FPSO, a ship-shaped floating oil production, storage and off-take unit, located along the coast of Brazil

BTW Group provides full-scope of services in modularization

- ✓ Detailed drawing
- ✓ Material supply
- ✓ Project management
- ✓ Fabrication and modularization
- ✓ Full pre-assemble
- ✓ Packaging and shipment preparation
- ✓ Installation
- ✓ Inspection and quality control

Why EPC/Project owners prefer Modularization ?

Modularization is an **innovative construction method** which is suitable for large-scale projects that have limitation on working area or labor or time constraints

✓ **Faster**

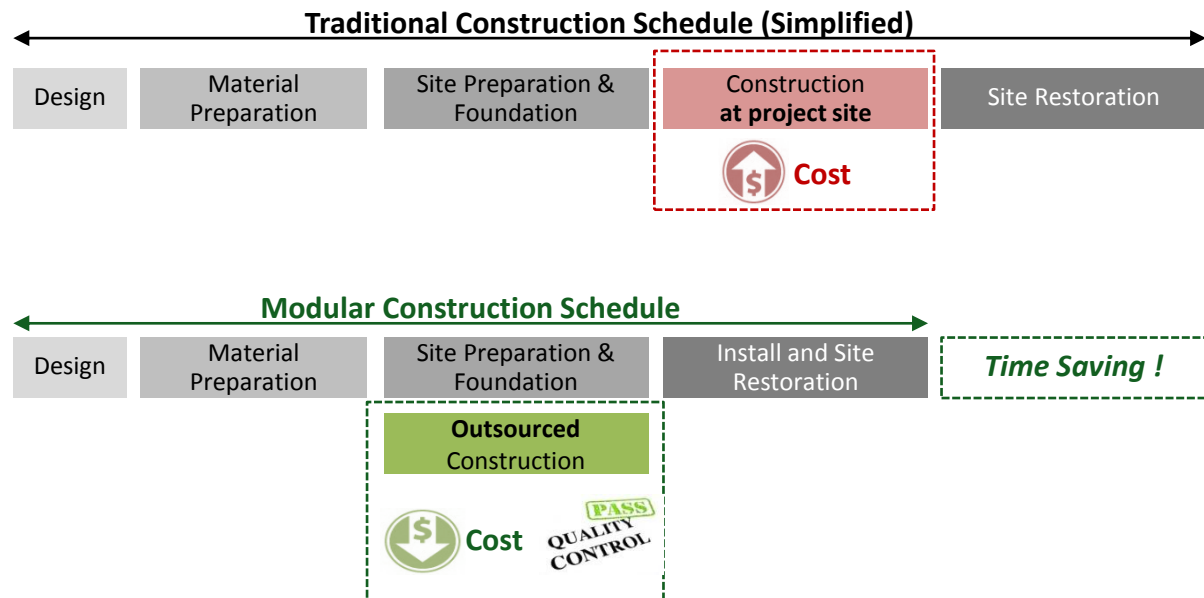
Modules are built simultaneously with site work, allowing projects to be completed with less time than traditional construction method

✓ **Cost Optimization**

Modularization reduces the overall project cost by outsource the construction of modules to cheaper labor supply (e.g. Thailand)

✓ **Better Quality**

Each module is built off-site under the quality-controlled construction yard



Selective Credential of Modularization

*BTW Group has strong expertise and high-experience in several international **modularization** projects*



Golar Winter Renovation of FSRU



Customer: Aalborg Industries

Scope of Service: Material supply, fabrication and modularization of Deaerator Module and Boiler Module

Project Period: Mar 2008 - Nov 2008

Contract Value: EUR 1.3 million

Peregrino FPSO



Customer: Aalborg Industries

Scope of Service: Material supply, fabrication and modularization of Deaerator Module and Boiler Module

Project Period: May 2008 - May 2009

Contract Value: EUR 3.5 million



Solomon Iron Ore



Customer: RCR Resource
Laing O'Rourke
Terra Nova Technologies
Cimeco

Scope of Service: Material supply, fabrication and modularization of

- Iron Ore Processing Plant
- Train Load Out
- Conveyer
- Crushing Hub

Project Period: Aug 2011 - Sep 2013

Contract Value: USD 218.1 million

Roy Hills



Customer: Samsung C&T Corporation

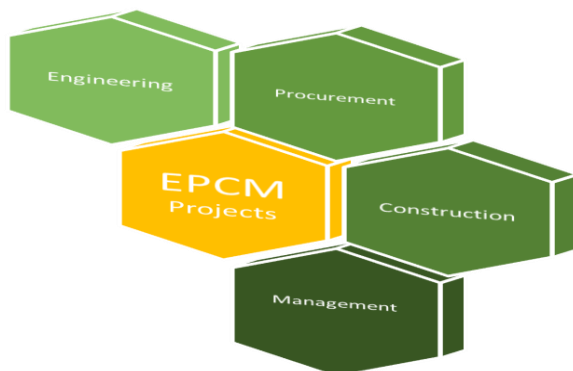
Scope of Service: Material supply, fabrication and modularization of Iron Ore Processing Plant including piping and fittings in the process area

Project Period: Mar 2014 - Apr 2015

Contract Value: USD 105.6 million

III. Power Plant EPC Contractor

With strong project management skill, **BTW Group** has become an EPC contractor for power plant projects.



Mahachai Green Power Plant



Customer:	Mahachai Green Power Co., Ltd.
Scope of Service:	Piping System, Supporting Structure, Boiler Platform, and Deaerator
Project Period:	Jul 2014 - Feb 2016
Contract Value:	THB 58 million



Muang Trat Agriculture Coop. Ltd. Solar Farm



Customer:	ETE Management Co., Ltd.
Scope of Service:	Engineering, design, supply, installation and commission of solar farm
Project Period:	Aug 2016 – Jan 2017
Contract Value:	THB 260 million

Bang Saphan Noi Agriculture Coop. Ltd. Solar Farm



Customer:	Eastern Technical Engineering Pcl.
Scope of Service:	Engineering, design, supply, installation and commission of solar farm
Project Period:	Aug 2016 – Jan 2017
Contract Value:	THB 260 million

Facilities

BTW's High productivity is driven by the flexibility in utilizing two key facilities



Chacheongsao Workshop



- Approximately **90,000 sq.m.** with up to **1,000 tons per month** of capacity
- 1km long undercover fully equipped facility
- Fully equipped with all necessary machine including heavy lift gantry cranes
- Assembly yard adjacent with full lighting available
- 24/7 operation
- BOI benefits: 8-year corporate income tax benefit exception since April 2012
- Entirely owned by BTW and Best Tech
- Good for transport product to clients worldwide

Sattahip Workshop



- Approximately **174,000 sq.m.** with **1,500 - 3,000 tons per month** of capacity
- Six fabrication & assembly yards
- Prime dockside location
 - Assembly yard with the closest direct access to **Sattahip port** - **significant strategic logistics advantage**
 - Deep sea port that supports up to 50,000-cubic metre vessel size
- 24/7 operation
- BOI benefits: 8-year corporate income tax benefit exception since May 2011
- Leased from the Royal Thai Navy (Sattahip)
- Suitable for large-scale complex modularization

total capacity of

2,500 - 4,000 tons/month

BTW Group aims to diversify business into **various markets and industries**

Power Plant

1. Balance of Plant
2. Steel Structure
3. Piping Works
4. Pressure Vessels
5. Tanks
6. HRSG

Oil & Gas

1. Steel Structures
2. Pressure Vessel
3. Heat Recovery
4. Boiler
5. FPSO/FRSU

Mining & Material Handling

Iron Ore, Bauxite, Gold, Copper, Coal

1. Processing Buildings
2. Transfer Tower
3. Conveyors
4. Silo & Tanks

New Quality Certifications

- Certified to CSA Standard by Canadian Welding Bureau
- JIS H-Grade by Japan Steel Structure Appraisal Center (JSA)- Ongoing

Infrastructures

1. Steel Structures for Buildings
2. Bridges
3. Tower

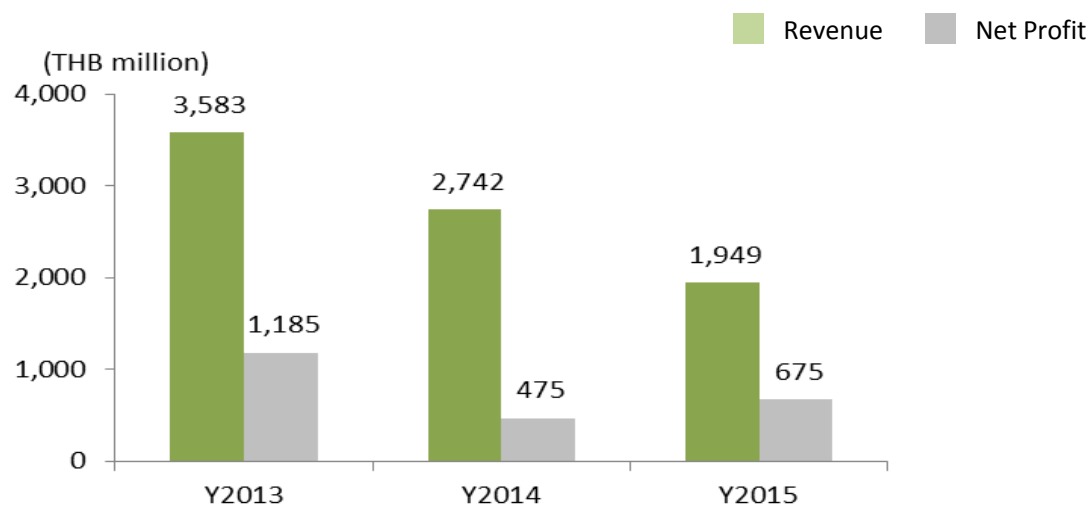
Local & Global market with existing and new countries



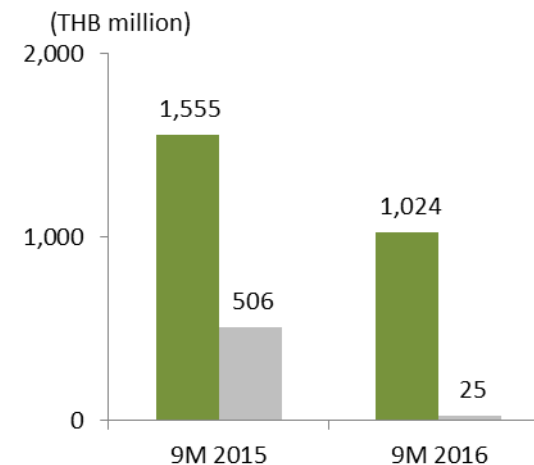
Agenda

Section 1	About BTW Group
Section 2	Business Overview
Section 3	Financial Highlights
Section 4	Investment Highlights
Section 5	Q&A

Revenues and Net Profit



Net Profit Margin		
Y2013	Y2014	Y2015
33.1%	17.3%	34.6%



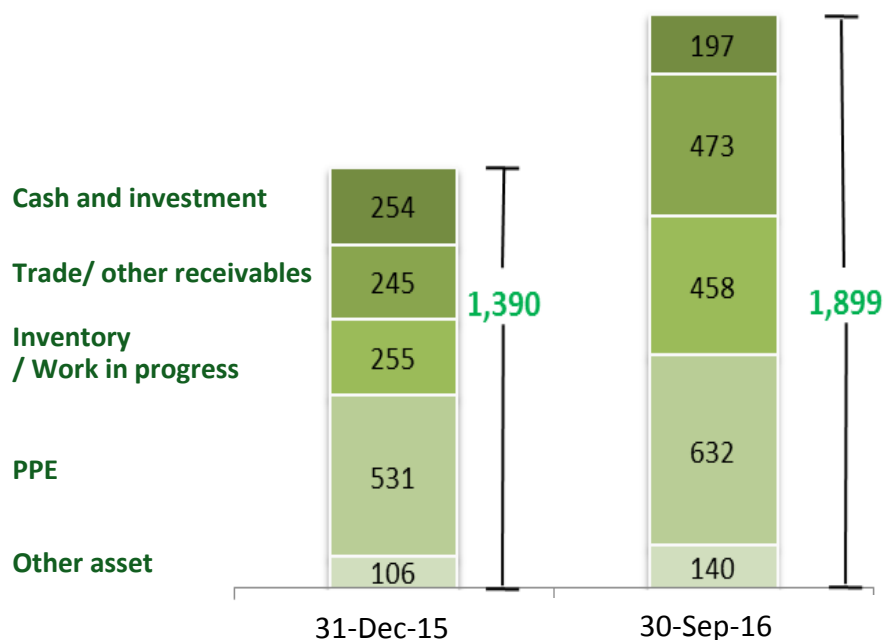
Net Profit Margin	
9M 2015	9M 2016
32.5%	2.4%

- During Y2013 – Y2015, major revenue and profits came from Modularization works of Solomon Iron Ores Project and Roy Hills Project
- For Y2015, net profit margin was at substantial level of 34.6% since BTW Group could recognize revenue from high-margin variable orders during the final phase of Roy Hills Project
- For 9M 2016, revenue and profit decreased due to lower project sizes and profit margins of Parts Fabrication (as compared to Modularization) and higher competitive situation during global economic slowdown

Strong Financial Position

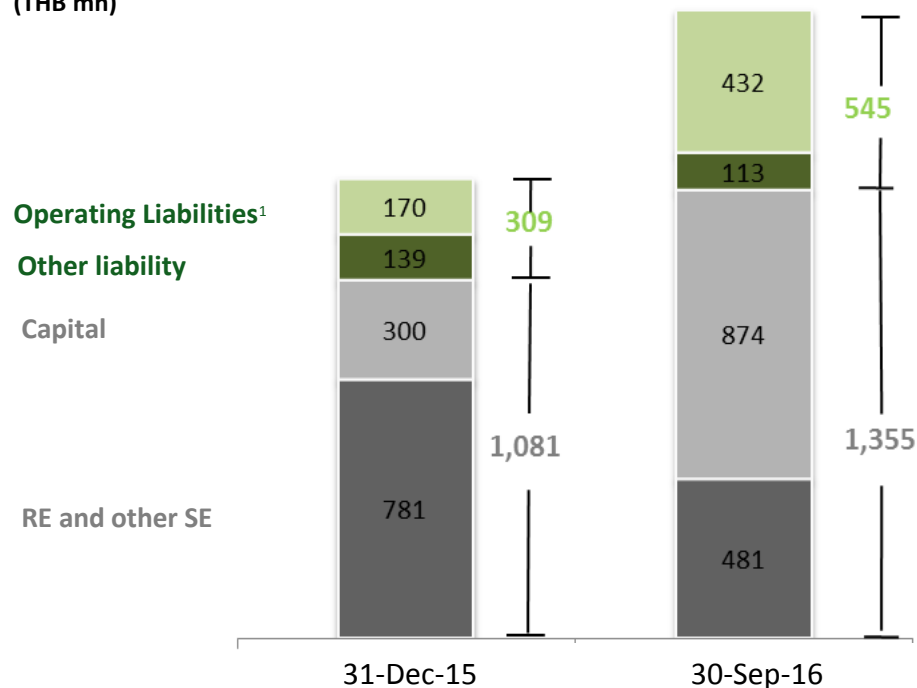
Asset Breakdown

(THB mn)



Liability and Equity Breakdown

(THB mn)



¹ Operating liabilities include trade/ other payables, revenue received in advance, and short-term provision.

- The major components of assets and liabilities relates to **working capital to support the operation**
- Thus, change in asset/ liability varied by **size and value of the on-going projects** at the time
- BTW has additional **investment in PPE** during Y2015 and 9M 2016 to support the future growth and enhance production efficiency

Key Financial Ratio

Key Financial Ratio

Liquidity ratio

	Y2013	Y2014	Y2015	9M 2016
Current Ratio (times)	2.74	1.17	2.65	2.33
Cash Cycle (days)	96.56	22.92	41.78	64.13
Modified Cash Cycle (days)	-32.54	5.30	15.17	51.64

Efficiency ratio

	Y2013	Y2014	Y2015	9M 2016
Return on fixed assets (%)	680.77	274.19	316.74	19.58
Return on asset (%)	69.02	35.88	60.35	2.03
Return on equity (%)	137.45	50.54	80.05	2.74

Leverage ratio

	Y2013	Y2014	Y2015	9M 2016
Total liabilities to total equity (times)	0.43	2.38	0.29	0.40
Interest-bearing debt to total equity (times)	0.06	0.73	0.00	0.01

- Due to the receipt of **cash in advance** in most projects, Best Tech has **high liquidity** to conduct large size of steel fabrication project and has **low interest-bearing debt**
- **Modified cash cycle**, which is calculated by cash cycle (days) – cash received in advance (days), is presented to provide the precise cash cycle (days) of the company
- Due to **high amount of liquid assets and low leverage**, BTW Group has strong liquidity ratio and leverage ratio

Agenda

Section 1	About BTW Group
Section 2	Business Overview
Section 3	Financial Highlights
Section 4	Investment Highlights
Section 5	Q&A

Competitive Edges

1

“Complete facilities enhancing flexibility to support all types of projects”

- Decent combination of facility in 2 strategic locations
- Fully-equipped production areas of 264,000 sqm
- A production yard locating at the closest to the Sattahip deep-sea port, leading to key competitive advantage for Best Tech to conduct modularization projects



2

“Worldwide track records in various industries”

- Achieved remarkable track records in various industries around the world
- Strong footprint in domestic energy sectors, especially in power plant project
- Highly experienced people in engineering and project-management



3

“A quality-focused fabricator ”

- International certificates for engineering, safety, and management systems
- Affirmed Best Tech’s quality of works and promoted the competitiveness in various kind of steel fabrication works



Backlog

Backlog as of 30 Sep 2016 = Baht 1,290 million

- Backlog has increased 70% from 761 MB on 31-Dec-15
- Out of this backlog, 463 MB are from 2 solar farm projects scheduled to complete within Jan-17

Backlog EPC : 2 Solar Farms



Customer	ETE Management Co., Ltd.
Place	Trat & Prachuap Khiri Khan
Scope of Service	Engineering, design, supply, installation and commission of solar farm
Project Period	Aug 2016 – Jan 2017

5MW Waste For Power (W4P) Project

Customer:	Crane Renewable Energy
Scope of Service:	Engineering, design, supply, installation and commission of landfill gas to energy power plant
Project Period:	Nov 2016 – Apr 2017
Contract Value:	THB 36 million

After Q3 2016, 3 new projects with combined contract value of Baht 372 million

St. Charles Power Project

Customer	Nooter/Eriksen.
Place	Louisiana, U.S.A
Scope of Service	Fabrication of Platforms, Ladders, and Selective Catalytic Reduction, Monorail of Structural Steel for 2 Heat Recovery Steam Generators
Project Period	October 2016 - June 2017

Mae Moh Power Plant Project

Customer	Alstom (Thailand) Ltd.
Place	Lampang
Scope of Service	FGD (Flue Gas Desulfurization) Utility Piping with accessories
Project Period	October 2016 – January 2017

Alba Combined Cycle Power Plant Project

Customer	Alstom Middle East FZE
Place	Bahrain
Scope of Service	Fabrication of 3 HRSGs (Heat Recovery Steam Generator)
Project Period	November 2016- August 2017

- Capability to bid for an EPC of upcoming renewable power plant projects including Biomass (total capacity up to 32.5MW) and Solar Roof (2x900kW) Projects
- Local power plant projects including Independent Power Producer (IPP)
- Even not the lowest bidder for EGAT's Krabi Coal Handling System Project, technical evaluation passed has proven our capability to bid as EPC Contractor for project up to THB 10 billion size
- Material handling and mining projects in Thailand, Australia and Russia

Agenda

Section 1	About BTW Group
Section 2	Business Overview
Section 3	Financial Highlights
Section 4	Investment Highlights
Section 5	Q&A

Q&A

QUESTIONS & ANSWERS SESSION