

Press Release

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TRIS Rating No Longer Assigns Equity Credit to BCP's Outstanding Subordinated Capital Debentures.

TRIS Rating revises its assessment of the equity content in Bangchak Corporation PLC's (BCP) THB10 billion of outstanding subordinated capital debentures to "Nil" equity content from "Intermediate (50%)" equity content. This follows BCP's publicly expressed intention to redeem the debentures on the first call date (18 October 2024), by using the proceeds of planned issuance of senior unsecured debentures. Therefore, we deem that BCP does not intend to retain the subordinated capital debentures as part of its long-term capital. As such, we revise the equity content of the existing subordinated capital debentures to "Nil" and we may not assign equity credit to BCP's future hybrid securities, in accordance with our Hybrid Securities Rating Criteria.

We previously treated 50% of the THB10 billion in subordinated capital debentures as equity, and the rest as debt. The revision of the equity content to 0% will increase our calculation of BCP's adjusted debt by THB5 billion, resulting in slightly weakened financial metrics. However, it does not affect our assessment of the company rating on BCP and the ratings on its outstanding senior unsecured debentures at "A" as well as the rating on BCP's subordinated capital debentures at "BBB+".

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