

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

Q2/2018

GPSC GLOBAL POWER SYNERGY
PUBLIC COMPANY LIMITED

THE INNOVATIVE
POWER FLAGSHIP
OF PTT GROUP



Operating highlight in Q2/2018 (THB million)	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			
Operating revenue	5,459	5,716	6,563	15%	20%	10,825	12,279	13%
Gross profit	1,256	1,647	1,834	11%	46%	2,354	3,481	48%
EBITDA	1,101	1,482	1,630	10%	48%	2,016	3,113	54%
EBIT	778	1,067	1,185	11%	52%	1,378	2,253	63%
Non-operating other income and expenses	136	64	75	17%	(45%)	332	139	(58%)
Shares of profit of associates and joint ventures	110	152	155	2%	41%	221	306	38%
Net profit for the company	815	922	1,052	14%	29%	1,565	1,974	26%
Gross profit margin* (%)	23%	29%	28%	(1%)	5%	22%	28%	6%
Net profit margin (%)	15%	16%	16%	(0%)	1%	14%	16%	2%

* Exclude costs of depreciation and amortization

Q2/2018 Financial and Operating Highlights

For Q2/2018, Global Power Synergy Public Company Limited (GPSC) (“the company”) had a net profit of Baht 1,052 million, increased by Baht 130 million or 14% from Q1/18. The increase is mainly due to the rise in Availability Payment (AP) of Sriracha Power Plant and the increase in electricity sales of Rayong Central Utility Plants and IRPC Clean Power (IRPC-CP) together with profit realization of Ichinoseki Solar Power 1 GK (ISP1) due to stable weather condition compared to Q1/18 in which there had been heavy snow in Japan.

When comparing between Q2/2018 and Q2/2017, the net profit increased by Baht 237 million or 29%. The increase in net profit is mainly due to the COD of both phases of IRPC-CP in November 2017, the increase in FT rate and the increase in electricity and steam sales after maintenance shutdown of customers of Rayong Central Utility Plants in Q2/2017.

The company's operating revenue in Q2/2018 was Baht 6,563 million, increased by Baht 847 million or 15% from Q1/2018, resulted mainly from the increase in Energy Payment (EP) of Sriracha Power Plant according to the increase in dispatched volume to EGAT, together with the increase in electricity sales of Rayong Central Utility Plants compared to Q1/2018 due to the maintenance schedule of main customer in the first quarter. In addition, comparing to Q2/2017, operating revenue had increased by Baht 1,104 million or 20% due to the increase in IRPC-CP's electricity sales from the full operation of both phases after COD in November 2017.

The company's financial position: As of 30 June 2018, GPSC and its subsidiaries' total assets increased by Baht 3,952 million or 7% from 31 December 2017, mainly from the increase in cash and cash equivalents, the investments according to the additional paid up in the capital of GPSC's associate, and the increase in Plant, Property and Equipment (PP&E) of subsidiaries in which the power plants are in construction. Moreover, for the first half of 2018, GPSC and its subsidiaries had received net cash of Baht 1,487 million. The details are as follow:

- Net cash flow from **operating activities** of Baht 2,962 million from power plants operation in 1H/2018.
- Net cash flow from **investing activities** of Baht 2,169 million which mainly used in the payment of construction for Baht 1,869 million and in payment for additional capital of the associate for Baht 522 million.
- Net cash flow from **financing activities** of Baht 737 million resulting from long-term loan agreements with the financial institution.

“Electricity and Steam sales volume increased due to the expansion of power generating capacity after COD of both phases of IRPC-CP since November 2017”

Performance of the company's operating power plants in Q2/2018 compared to Q1/2018 (QoQ):

- **Sriracha Power Plant:** Total revenue in Q2/2018 had increased by Baht 516 million or 67% due to the increase in Energy Payment (EP) and the increase in Availability Payment (AP). The availability rate was increased from 99% to 100% with the depreciation of Thai Baht, which are one of the revenue drivers of AP and resulted the gross profit to increase by Baht 45 million or 29%.
- **Rayong Central Utility Plants:** Total revenue in Q2/2018 had increased by Baht 129 million or 4% due to the increase in electricity sales volume. In addition, the maintenance schedule of main customers in Q1/2018 causing the gross profit in this quarter to increase by Baht 24 million or 3%.
- **IRPC Clean Power (IRPC-CP):** The revenue in Q2/2018 had increased by Baht 106 million or 7% due to the increase in electricity sales volume. In addition, the annual maintenance schedule of gas turbine generation in Q1/2018 causing the gross profit to increase by Baht 26 million or 5% from Q1/2018.
- **Ichinoseki Solar Power 1 GK (ISP1):** The revenue in Q2/2018 had increased by Baht 73 million due to the heavy snow condition in Japan during the first quarter of 2018, resulting in the increase in gross profit by Baht 88 million.

Significant events in Q2/2018

- **Acquiring Glow Energy Public Company Limited or GLOW as a significant step of GPSC**

On 20th June 2018, GPSC had signed the share purchase agreement with Engie Global Developments B.V. to purchase 69.11% shares of GLOW and will acquire the remaining share of 30.89% of GLOW through tender offer process in accordance with the conditions and requirements announced by the Office of The Securities and Exchange Commission, at the price of Baht 96.5 per share. Following the process, GLOW have announced to pay dividend at Baht 1.608 per share resulting in the share price of GLOW after dividend deduction to be at Baht 94.892 per share. Subject to the conditions of the share purchase agreement, the sale and purchase of shares will occur only after the fulfilment of the following conditions precedent (unless jointly waived by the seller and the company) :

- (a) The company is granted approval by the company's shareholders to enter into the shares purchase transaction.
- (b) The company is granted relevant approval by the Energy Regulatory Commission (ERC) with respect to the acquisition of the shares of GLOW.

Regarding source of fund for this acquisition, GPSC will secure a short-term loan (tenor not more than 12 months) of Baht 105,000 million from financial institutions, and Baht 35,000 million from the company's major shareholders which are PTT Public Company Limited and PTT Global Chemical Public Company Limited. For the repayment plan of the short-term loan, GPSC plans to increase its capital and consider the type of financial instruments such as issuance of debentures, long-term loan etc. in the estimate amount of Baht 68,500 million in which all plans will be proposed to shareholders for approval in Q1/2019.

This acquisition has supported GPSC's inorganic growth strategy since GLOW has high installed capacity with existing high portions of Small Power Producer (SPP). GPSC will gain benefit in terms of synergy value, through reinforcing the business strength in terms of capacity growth as there will be an instant increase in equity capacity of 2,895 MW after the acquisition, aggregating to a total equity capacity of 4,835 MW; in which the SPP equity capacity will rise to 2,301 MW after the merger.

- **Signing the agreement with PTPL to be EPC for solar rooftop and BESS project**

On 13th July 2018, Combine Heat and Power Producing Company Limited (CHPP), in which GPSC has hold 100% stake, has signed the agreement with PTT Polymer Logistics Company Limited (PTPL) to be the EPC or Engineering, Procurement and Construction for solar rooftop with installed capacity of 2 MW and Battery Energy Storage Systems (BESS) with size of 625 kWh. The development of this project will strongly support the growth of ESS business in which the company has been placing importance on since, this will support the company's future sustainability.

Significant events in Q2/2018

- **GPSC received certificate of Collective Action Coalition Against Corruption (CAC)**

On 7th June 2018, GPSC has received a certificate in compliance with criteria of CAC that the company has policies and practices to prevent corruption within the organization in accordance with the criteria set by CAC. GPSC has been certified by Mr. Prasan Chuaphanich, a CAC committee member to ensure that the organization has implemented the measures to prevent corruption (CAC), and also as the chairman of Thai Institute of Directors Association (IOD) in the ceremony hosted by CAC, Thai Institute of Directors Association (IOD) and related companies. This ensures that GPSC is selected as one of 325 organizations with anti-corruption action.

- **GPSC received Asia's Best CEO and Best IR Company awards from Corporate Governance Asia for second consecutive year**

On 8th June 2018, the company has received up to two awards in the 8th Asian Excellence Award 2018 including Asia's Best CEO to Dr. Toemchai Bunnag and Best Investor Relations Company from Corporate Governance Asia, a leading financial investment magazine in Asia. The awards reflect that the company's management that has been internationally recognized in the professional of the organization, the corporate governance, the social and environmental responsibility, under all stakeholders.

- **GPSC chosen to enter in the universe of ESG100 from Thaipat Institute for the third consecutive year**

The company was selected by the Thaipat Institute in the Global Initiative for Sustainability Ratings (GISR) as the company conducts its business with transparency and fairness, disclose information in an accurate, transparent manner and responsible to social, economic, and environmental requirements as well as stakeholders needs. In which the company has been included in the universe of ESG100 for 3 consecutive years.

- **GPSC received Power Deal of the Year - Highly Commended Award by The Asset after the issuance of the first debenture in September 2017**

In June 2018, GPSC has received Power Deal of the Year - Highly Commended Award from The Asset which is a multi-media company serving the leading corporates and financial decision makers in Asia. Due to the fact that the company has been able to manage down interest costs and achieved diversification of investor base by issuing the first debenture worth Baht 5,000 million in September 2017. GPSC received the booking of this debenture at 7 times higher than the offering amount, reflecting investors' confidence about the company. This debenture issuance was aimed to enhance the company's financial status and innovative power flagship's goal by driving the financial cost down which will reflect on return and performance of the company.

Significant events in Q2/2018

- **GPSC received Most Innovative Power Company Award in 2018 from International Finance**

GPSC was selected to be Most Innovative Power Company in 2018 by International Finance since the company has been adopted digital technology software to optimize productivity as well as developed energy storage system in Thailand. International Finance has chosen the winner of utility and energy awards 2018 in which aims to recognize and reward the most innovative and developed companies as well as initiatives related to utilities and energy sector.

Q3/2018 Market environment and Directions

In Q2/2018, Thailand's economic was forecasted that the Gross Domestic Product (GDP) would be 4.3% for 2018 which is higher than the previous forecast of 4.1%. The increase is reflecting the widespread improvement of economy in the first half of 2018 which is due to continuous expansion and support from the export and tourism sectors resulting in the increase in private and government spending. While the primary energy consumption in Q2/2018 has improved only by 0.6% due to the low temperature, off-season rain and the hot storm in some areas in the first quarter of 2018 together with the increase in Independent Power Supply (IPS). The peak electricity usage from the 3 main electricity units including Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority (PEA) and Metropolitan Electricity Authority (MEA) was 29,968 MW which occurred in April 2018.

In terms of power industry situation for the second half of 2018, the Energy Regulatory Commission (ERC) decided to maintain Ft rate at -15.9 Sa-tang per unit with the original fixed rate of Baht 3.76 per unit, resulting in electricity charge at 3.5966 Baht per unit (before VAT) for the period, which is unchanged from the previous period between May-August 2018. ERC has used the accumulated Ft amount from the first half of 2018 to support the increase in Ft rate from fuel in this period to 7.46 Sa-tang per unit, followed the increasing trend of fuel prices being used in power production such as natural gas, as well as the depreciation of Thai Baht against US dollars. These are measures to support the electricity consumers; however, there is still no measures to support power generators yet.

In addition, the ERC has set the implementation guideline for the 25 Small Power Producers (SPP) Firm Cogeneration plants that will expire between 2017-2025. The guideline has determined that EGAT will purchase electricity from each of these power plants no more than 30 MW for 10 years tenor at Baht 2.37 per unit with heat rate of 7,400 BTU/kWh, where the operator will be able to build a new power plant to replace the existing one at the same location or to refurbish the existing power plant. However, if the location of power plant is changed, the operator will be compensated only Energy Payment (EP) but not Availability Payment (AP). Currently, it is still in the process of decision by Energy Policy and Planning Office (EPPO).

As for the second half of 2018, Sriracha Power Plant will have major maintenance shutdown for almost the whole quarter of Q4/2018. In addition, there will be scheduled maintenance shutdown of IRPC-CP in Q4/2018 and Rayong Central Utility Plants during Q3/2018 and Q4/2018. As for the acquisition of GLOW, if all the condition precedents are completed, the acquisition of 69.11% could be finished within Q3/2018 or Q4/2018, and the remaining 30.89% could be completed within Q4/2018. Upon the completion of this acquisition, tangible and intangible assets in the consolidated financial statement will be valued using fair value method and the difference in fair value will be reflected in Goodwill.

However, the company remains committed to implement operational excellence and the optimization of energy usage to deliver reliable output to customers. The acquisition of GLOW will build up network of utility production and distribution which will enhance reliability and stability of the system especially in Map Ta Phut area; to serve rising demand from PTT Group and industrial customers in EEC area that majorly drive the country's economics.

Moreover, GPSC continues to work on developing the Energy Storage System (ESS) shown by several pilot projects that embeds the energy storage system with the generation of energy especially from solar panels, including the projects in Nava Nakorn Industrial Estate, Chiang Mai University and PTPL. Although the battery has not been produced commercially yet, as the company is still in the process of constructing a lithium-ion battery manufacturing plant with capacity of 100 MWh which is expected to COD at the end of 2019; the company continues to seek other batteries which are at good quality and suitable for usage to develop the on going projects.

Financial Performance

Operating Results
Overall operating results of the company and its subsidiaries

	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-	
									YoY
				QoQ	YoY				
(THB million)									
Operating revenue	5,459	5,716	6,563	15%	20%	10,825	12,279	13%	
Cost of sales (exclude depreciation and amortization)	(4,203)	(4,069)	(4,729)	16%	13%	(8,471)	(8,798)	4%	
Gross profit	1,256	1,647	1,834	11%	46%	2,354	3,481	48%	
Selling and administrative expenses	(158)	(168)	(207)	23%	31%	(344)	(374)	9%	
Operating other income	3	3	3	0%	0%	6	6	0%	
EBITDA	1,101	1,482	1,630	10%	48%	2,016	3,113	54%	
Depreciation and amortization	(323)	(415)	(445)	7%	38%	(638)	(860)	35%	
EBIT	778	1,067	1,185	11%	52%	1,378	2,253	63%	
Finance costs	(100)	(119)	(135)	13%	35%	(197)	(254)	29%	
Non-operating other income (and expenses)	136	64	75	17%	(45%)	332	139	(58%)	
Shares of profit of associates and joint ventures	110	152	155	2%	41%	221	306	38%	
Income tax expenses	(63)	(90)	(112)	24%	78%	(110)	(202)	84%	
Profit before FX & extraordinary items	861	1,074	1,168	9%	36%	1,624	2,242	38%	
Net foreign exchange gains (losses)	(2)	(21)	27	n/a	n/a	(1)	6	n/a	
Net profit	859	1,053	1,195	13%	39%	1,623	2,248	39%	
Non-controlling interests	(44)	(131)	(143)	9%	n/a	(58)	(274)	n/a	
Net profit-Owners of the company	815	922	1,052	14%	29%	1,565	1,974	26%	
Earning per share (Baht/share)	0.54	0.62	0.70	13%	30%	1.04	1.32	27%	
Weighted average number of common share (Million)	1,498	1,498	1,498	0%	0%	1,498	1,498	0%	

Overall operating results of the company and its subsidiaries

GPSC and its subsidiaries generated a net profit in Q2/2018 that attributed to the company for Baht 1,052 million. The net profit in Q2/2018 increased from Q1/2018 by Baht 130 million or 14%. Main factors are profit realization from electricity sales of ISP1 in Q2/2018 after heavy snow condition in Japan during Q1/2018; the increase in Availability Payment (AP) of Sriracha Power Plant due to the rise in Availability Rate from 99% to 100% and the rise in Weight factor during summer, together with the depreciation of Thai Baht currency.

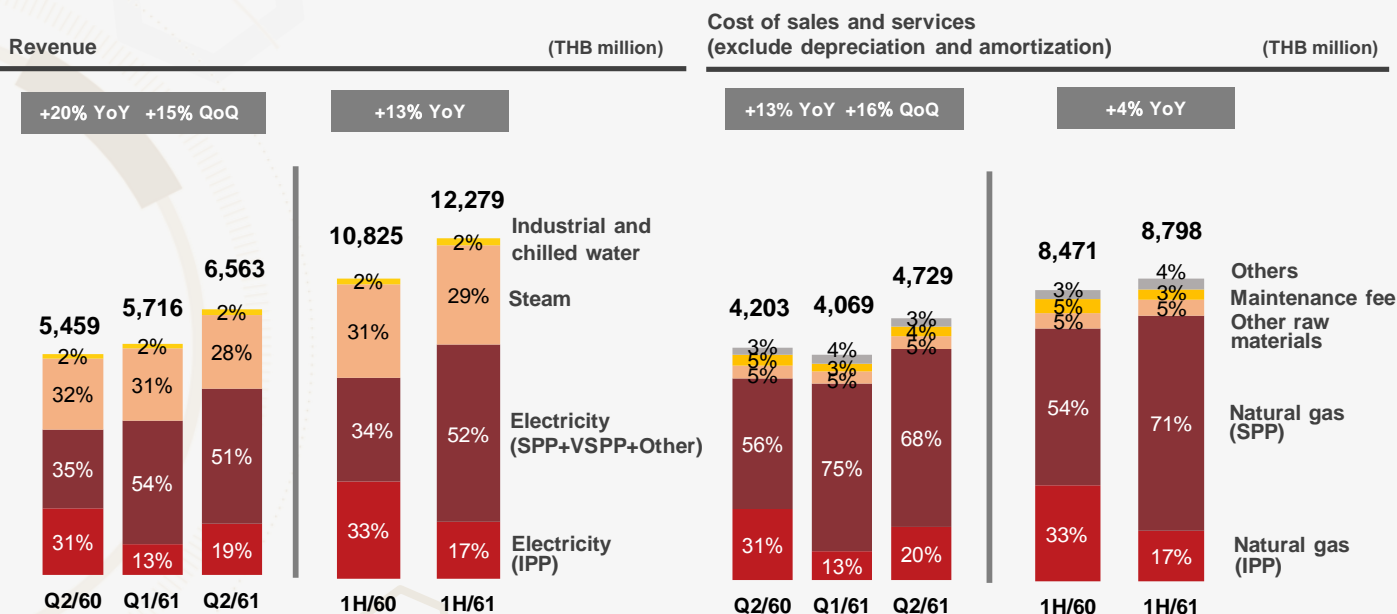
When comparing the net profit of Q2/2018 and Q2/2017, it showed that GPSC's net profit increased by Baht 237 million or 29%. This is mainly due to lower electricity sales volume in Q2/2017 when compared to Q2/2018 due to maintenance shutdown of Rayong Central Utility Plants' customers, together with higher selling price from improving Ft rate in Q2/2018. Also, the full operation of IRPC-CP both phases.

Revenue from operation for Q2/2018 was Baht 6,563 million which increased by Baht 847 million or 15% from Q1/2018. This is mainly due to the increase in Energy Payment (EP) of Sriracha Power Plant according to the increase in dispatched volume to EGAT as well as the maintenance shutdown of main customers of Rayong Central Utility Plants in Q1/2018.

When comparing Q2/2018 and Q2/2017, the revenue increased by Baht 1,104 million or 20% due to the full operation of both phases of IRPC-CP since November 2017 together with the increase in Ft rate, the increase in electricity and steam sales and the maintenance shutdown of main customers of Rayong Central Utility Plants in Q2/2017.

Cost of sales and services (exclude depreciation and amortization)

- **Natural gas**, which is the main operating cost of the company, in Q2/2018 the natural gas cost was Baht 4,173 million, increased from Q1/2018 by Baht 625 million or 18%. The main reason is the usage of natural gas volume increased in line with the increase in dispatched volume to EGAT together with higher natural gas price. But when comparing the cost of natural gas between Q2/2018 and Q2/2017, the increase in natural gas cost is due to the full operation of both phases of IRPC-CP since 15th November 2017.
- **Maintenance cost** in Q2/2018 was Baht 170 million which was higher than in Q1/2018 by Baht 34 million or 25% due to the higher hourly operating maintenance cost of Sriracha Power Plant resulting from the increase in dispatched volume to EGAT. However, when comparing Q2/2018 and Q2/2017, maintenance cost decreased by 20 million or 12% mainly due to the decrease in hourly operating maintenance cost of the Sriracha Power Plant.



Selling and administrative expenses

In Q2/2018, the selling and administrative expenses were Baht 207 million, increased by Baht 39 million or 23% from Q1/2018 and increased by Baht 49 million or 31% from Q2/2017. The increase is mainly due to higher SG&A expenses for supporting the business growth.

Finance costs

In Q2/2018, finance costs were Baht 135 million, increased by Baht 16 million or 13% from Q1/2018 and increased by Baht 35 million or 35% from Q2/2017. This is mainly because of the interest expense of IRPC-CP and Ichinoseki Solar Power 1 GK (ISP1) after COD in late 2017.

Non-operating other income and expenses

Non-operating other income and expenses in Q2/2018 were Baht 75 million in which increased from Q1/2018 for Baht 11 million or 17% due to interest income. When comparing to Q2/2017, non-operating other income and expenses decreased by Baht 61 million or 45%. In addition, when comparing first half of 2018 to first half of 2017, non-operating other income and expenses decreased by Baht 193 million or 58% as the company received income from insurance compensation and dividend income of Baht 120 million from RPCL in Q2/2017.

Net gain or loss from the exchange rate

In Q2/2018, GPSC received the gain from exchange rate in total of Baht 27 million which increased from Q1/2018 and Q2/2017 by Baht 48 million and Baht 29 million, respectively. This is due to the depreciation of Thai Baht resulting in the unrealized foreign exchange gain from bank deposit and loan to the company's affiliates.

Income tax expenses

The income tax expenses in Q2/2018 of Baht 112 million increased from Q1/2018 by Baht 22 million or 24% followed the increase in net profit, and increased from Q2/2017 for Baht 49 million or 78% because of the expirations of BOI certificates of Rayong Central Utility Plants (at present, there is only the benefit of 50% exemption on income tax rate or 10% of corporate income tax), and Sriracha Power Plant has fully utilized BOI benefits for tax exemption of 100% in 2017.

Shares of profit of associates and joint ventures (THB million)	% of shareholding	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
					QoQ	YoY			
					YoY				
Indepent Power Producer (IPP)									
- Xayaburi Power Company Limited (XPCL)	25%	(2)	(7)	(6)	14%	n/a	(10)	(13)	30%
Small Power Producer (SPP)									
- Bangpa-in Cogeneration Company Limited (BIC)	25%	15	35	39	11%	n/a	25	74	n/a
- Nava Nakorn Electricity Generating Company Limited (NNEG)	30%	28	36	29	(19%)	4%	54	64	19%
- Nam Lik 1 Power Company Limited (NL1PC)	40%	9	10	11	10%	22%	2	21	n/a
Total Small Power Producer		52	81	79	(2%)	52%	81	159	96%
Very Small Power Plant (VSPP)									
- Thai Solar Renewable Company Limited (TSR)	40%	60	78	82	5%	37%	150	160	7%
Total shares of profit of associates and joint ventures		110	152	155	2%	41%	221	306	38%

Shares of profit of associates and joint ventures

Shares of profit of associates and joint ventures for Q2/2018 increased by Baht 3 million or 2% from Q1/2018, and increased from Q2/2017 by Baht 45 million or 41% due to the following reasons:

- Shares of loss from Xayaburi Power Company Limited (XPCL) decreased by Baht 1 million from Q1/2018 but increased by Baht 4 million from Q2/2017 because of the increase in administrative expenses during the periods.
- Shares of profit from Bangpa-In Cogeneration Company Limited (BIC) increased by Baht 4 million from Q1/2018 due to increase in electricity sales caused by annual maintenance shutdown in Q1/2018, but increased by Baht 24 million from Q2/2017 due to the COD of BIC 2 in June 2017.
- Shares of profit from Nava Nakorn Electricity Generating Company Limited (NNEG) decreased by Baht 7 million from Q1/2018 because of the annual maintenance shutdown in Q2/2018; but increased by Baht 1 million from Q2/2017 due to the increase in demand of electricity and steam from customers.
- Shares of profit from Nam Lik 1 Power Company Limited (NL1PC) increased by Baht 1 million from Q1/2018 and increased by Baht 2 million from Q2/2017. This is because of the revision of interest revenue recognition according to TFRIC 12.
- Shares of profit from Thai Solar Renewable Company Limited (TSR) increased by Baht 4 million from Q1/2018 due to higher sunlight intensity throughout Q2/2018. In addition, when comparing to Q2/2017, the shares of profit increased by Baht 22 million due to other expenses such as the maintenance cancellation compensation in Q2/2017.

Operating results by plant
Sriracha Power Plant: IPP

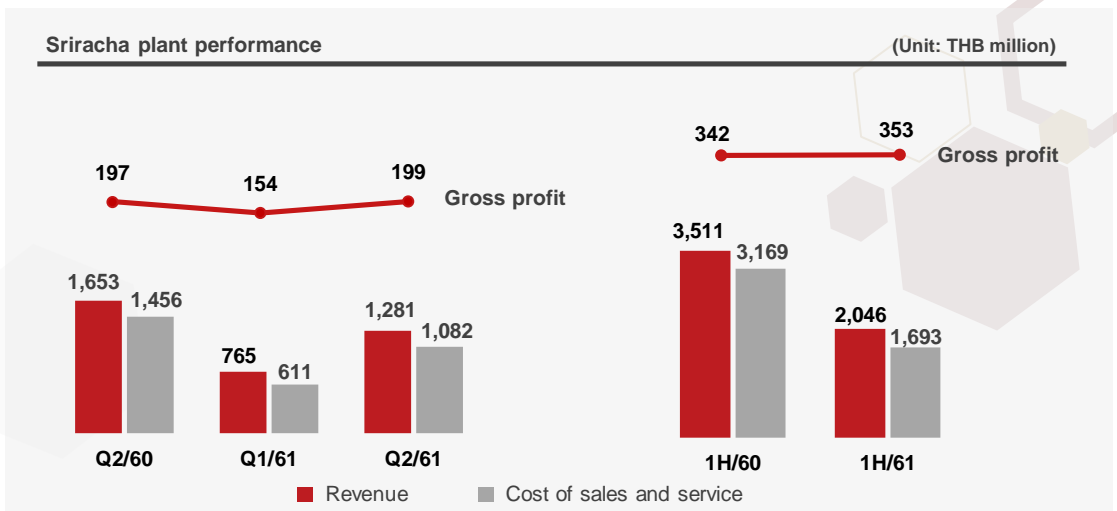
Operating performance	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
	(THB million)			QoQ	YoY	YoY		
Revenue								
Revenue from selling electricity								
- Availability Payment: AP	186	101	166	64%	(11%)	331	267	(19%)
- Energy Payment: EP	1,311	520	969	86%	(26%)	2,864	1,489	(48%)
- Received money to submit to Power Developments Funds	7	2	4	100%	(43%)	15	6	(60%)
Total revenue from selling electricity	1,504	623	1,139	83%	(24%)	3,210	1,762	(45%)
Revenue from finance lease agreement	149	141	138	(2%)	(7%)	301	279	(7%)
Other income	-	1	4	n/a	n/a	-	5	n/a
Total revenue from selling electricity	1,653	765	1,281	67%	(23%)	3,511	2,046	(42%)
Cost of sales of goods and rendering of services								
Cost of raw materials								
- Natural gas	1,277	515	954	85%	(25%)	2,788	1,469	(47%)
- Water	9	3	5	67%	(44%)	20	8	(60%)
- Power Development Funds	7	2	4	100%	(43%)	15	6	(60%)
- Others	8	12	9	(25%)	13%	16	21	31%
Total cost of raw materials	1,301	532	972	83%	(25%)	2,839	1,504	(47%)
Maintenance fee	104	35	65	86%	(38%)	232	100	(57%)
Others (exclude depreciation and amortization)	51	44	45	2%	(12%)	98	89	(9%)
Total cost of sales of goods and rendering of services	1,456	611	1,082	77%	(26%)	3,169	1,693	(47%)
Gross profit	197	154	199	29%	1%	342	353	3%
Gross profit margin	12%	20%	16%	(4%)	4%	10%	17%	7%

The Sriracha Power Plant is an Independent Power Producer (IPP) where the gross profit depend on the Availability Payment (AP) of the power plant.

In Q2/2018, Sriracha Power Plant's gross profit was Baht 199 million, increased by Baht 45 million or 29% from Q1/2018. This resulted from the rise in Availability Payment (AP) due to the increase in Weight Factor which is a seasonal factor that rose during summer, the depreciation of Thai Baht which is one of the revenue drivers of AP, and the rise in Availability Rate from 99% to 100% compared to Q1/2018.

The gross profit for Q2/2018 slightly increased by Baht 2 million or 1% compared to Q2/2017 due to the decrease in hourly operating maintenance cost resulting from the lower dispatched volume instructed by Electricity Generating Authority of Thailand (EGAT).

In addition, gross profit for first half of 2018 was Baht 353 million, increased by Baht 11 million or 3% compared to the first half of 2017 due to the decrease in hourly operating maintenance cost followed lower dispatch volume according to EGAT's instruction.



Revenue

Q2/2018 VS Q1/2018 (QoQ)

- Total revenue in Q2/2018 increased from Q1/2018 by 516 million or 67% due to the rise in Availability Payment (AP) of Sriracha Power Plant due to the increase in Weight factor during summer, the depreciation of Thai Baht, together with the rise of Availability Rate from 99% to 100% compared to Q1/2018.
- The average selling price of electricity decreased due to the increase in dispatched volume to EGAT as instructed while it still received Availability Payment (AP).

Q2/2018 VS Q2/2017 (YoY)

- Total revenue in Q1/2018 decreased by Baht 372 million or 23% from Q2/2017. Since, there was a decrease in revenue from Energy Payment (EP) due to the drop in dispatch volume by 255 Gigawatt-Hours or 37% according to EGAT's dispatch instruction.
- The average selling price of electricity increased because the dispatch volume drop but the company still received the revenue from Availability Payment (AP).

1H/2018 VS 1H/2017

- Total revenue in 1H/2018 was Baht 2,046 million decreased by Baht 1,465 million or 42% from 1H/2017. This is because there was a the drop in dispatch volume by 903 Gigawatt-Hours or 60% according to EGAT's dispatch instruction.
- The average selling price of electricity increased due to the decrease in dispatch volume to EGAT while the company still received the revenue from Availability Payment (AP).

Sriracha Power Plant: IPP	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			YoY
Key revenue drivers								
Availability rate	100%	99%	100%	1%	0%	99%	99%	0%
Dispatch (GWh)	682	180	427	n/a	(37%)	1,510	607	(60%)
Average selling price (Baht/kWh)	2.21	3.45	2.66	(23%)	20%	2.13	2.09	(2%)
Key cost drivers								
Natural gas consumption ('000 MMBTU)	5,212	1,420	3,336	n/a	(36%)	11,476	4,756	(59%)
Average price of natural gas (Baht/MMBTU)	245	362	286	(21%)	17%	243	309	27%

Cost of sales of goods and rendering of services (exclude depreciation and amortization)

Q2/2018 VS Q1/2018 (QoQ)

- The cost of sales of goods and rendering of services in Q2/2018 increased by Baht 471 million or 77%. This is mainly due to the increase in natural gas cost of Baht 439 million or 85% as a result of the increase in the electricity dispatch volume per EGAT's instruction.

Q2/2018 VS Q2/2017 (YoY)

- In comparison with Q2/2017, the cost of sales of goods and rendering of services in Q2/2017 decreased by Baht 374 million or 26%. This was due to the decrease in natural gas cost by Baht 323 million or 25% and the decrease in the maintenance cost by Baht 39 million or 38% as a result of the fall in the electricity dispatch volume per EGAT's instruction.

1H/2018 VS 1H/2017

- In comparison with 1H/2017, the cost of sales of goods and rendering of services in 1H/2018 decreased by Baht 1,476 million or 47%. This was due to the decrease in natural gas cost by Baht 1,319 million or 47% and the decrease in the maintenance cost by Baht 132 million or 57% as a result of the fall in the electricity dispatch volume per EGAT's instruction.

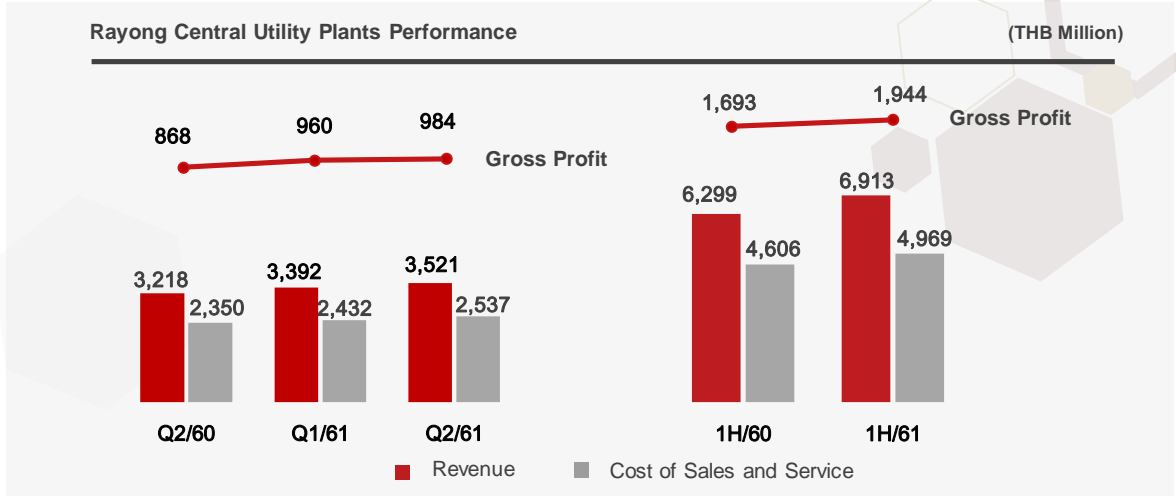
Rayong Central Utility Plants 1-3 (CUP 1-3): SPP

Operating performance (THB million)	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			
Revenue								
Revenue from selling electricity	1,687	1,809	1,882	4%	12%	3,311	3,691	11%
Revenue from selling steam	1,464	1,509	1,563	4%	7%	2,858	3,072	7%
Revenue from selling industrial water	67	74	76	3%	13%	130	150	15%
Total revenue	3,218	3,392	3,521	4%	9%	6,299	6,913	10%
Cost of sales of goods and rendering of services								
Cost of raw materials								
- Natural gas	2,026	2,123	2,237	5%	10%	3,974	4,360	10%
- Steam	98	84	79	(6%)	(19%)	168	163	(3%)
- Water	38	42	43	2%	13%	79	85	8%
- Others	39	39	37	(5%)	(5%)	82	76	(7%)
Total cost of raw materials	2,201	2,288	2,396	5%	9%	4,303	4,684	9%
Maintenance fee	72	66	62	(6%)	(14%)	145	128	(12%)
Others (exclude depreciation and amortization)	77	78	79	1%	3%	158	157	(1%)
Total cost of sales of goods and rendering of services	2,350	2,432	2,537	4%	8%	4,606	4,969	8%
Gross profit	868	960	984	3%	13%	1,693	1,944	15%
Gross profit margin	27%	28%	28%	0%	1%	27%	28%	1%

The gross profit in Q2/2018 of Rayong Central Utility Plants was Baht 984 million, increased by Baht 24 million or 3% compared to Q1/2018. This is due to the increase in electricity sales after maintenance shutdown of main customers in Q1/2018.

When comparing the gross profit with Q2/2017, the gross profit in Q2/2018 increased by Baht 116 million or 13% due to the increase in electricity and steam sales volume after maintenance shutdown of customers in Q2/2017, together with the increase in demand from industrial customers and the higher Ft rate in Q2/2018.

In addition, gross profit in the first half of 2018 was Baht 1,944 million, increased by Baht 251 million or 15% from the first half of 2017 due to the increase in electricity and steam sales volume resulted from maintenance shutdown of main customers in first half of 2017 together with the increase in industrial users demand and the higher Ft rate in the first half of 2018.



Revenue

Q2/2018 VS Q1/2018 (QoQ)

- In Q2/2018, Rayong Central Utility Plants' total revenue was Baht 3,521 million which increased by Baht 129 million or 4% from Q1/2018. This is mainly due to the increase in electricity sales volume by 16 Gigawatt-Hours or 3% due to maintenance shutdown of main customers in Q1/2018.

Q2/2018 VS Q2/2017 (YoY)

- Total revenue for Q2/2018 increased by Baht 303 million or 9% when compared to Q2/2017. This is because the increase in electricity and steam sales volume due to maintenance shutdown from main customers in Q2/2017 together with the increase in industrial customers demand and higher Ft rate in Q2/2018.

1H/2018 VS 1H/2017 (YoY)

- Total revenue for 1H/2018 was Baht 6,913 million, increased by Baht 614 million or 10% when compared to 1H/2017. This is because the increase in electricity and steam sales volume due to maintenance shutdown of main customers in 1H/2017 together with the increase in industrial customers demand and higher Ft rate.

Rayong Central Utility Plants: SPP	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			
Key revenue drivers								
• Power								
Sales volume (GWh)	599	613	629	3%	5%	1,174	1,242	6%
Average selling price (Baht/kWh)	2.82	2.95	2.99	1%	6%	2.82	2.97	5%
• Steam								
Sales volume ('000 Tonnes)	1,374	1,456	1,456	0%	6%	2,675	2,912	9%
Average selling price (Price/Ton)	1,065	1,036	1,073	4%	1%	1,068	1,055	(1%)
Key cost drivers								
Natural gas consumption ('000 MMBTU)								
	8,074	8,403	8,546	2%	6%	15,958	16,949	6%
Average price of natural gas (บาท/MMBTU)								
	251	253	262	4%	4%	249	257	3%

Cost of sales of goods and rendering of services (exclude depreciation and amortization)

Q2/2018 VS Q1/2018 (QoQ)

- In Q2/2018, cost of sales of goods and rendering of services increased by Baht 105 million or 4%. This is mainly caused by the increase in natural gas cost by Baht 114 million or 5% which is consistent with the increase in sales volume of electricity and the increase in natural gas price.

Q2/2018 VS Q2/2017 (YoY)

- When comparing Q2/2018 to Q2/2017, the total cost of sales of goods and rendering of services went up by Baht 187 million or 8%. This is mainly from the increase in natural gas cost by Baht 211 million or 10% which is consistent with the increase in volume of electricity and steam sales and the higher natural gas price.

1H/2018 VS 1H/2017 (YoY)

- The revenue for 1H/2018 increased by Baht 363 million or 8% when compared to 1H/2017. This is because the increase in natural gas usage resulting from the increase in volume of electricity and steams sales and the higher natural gas price.

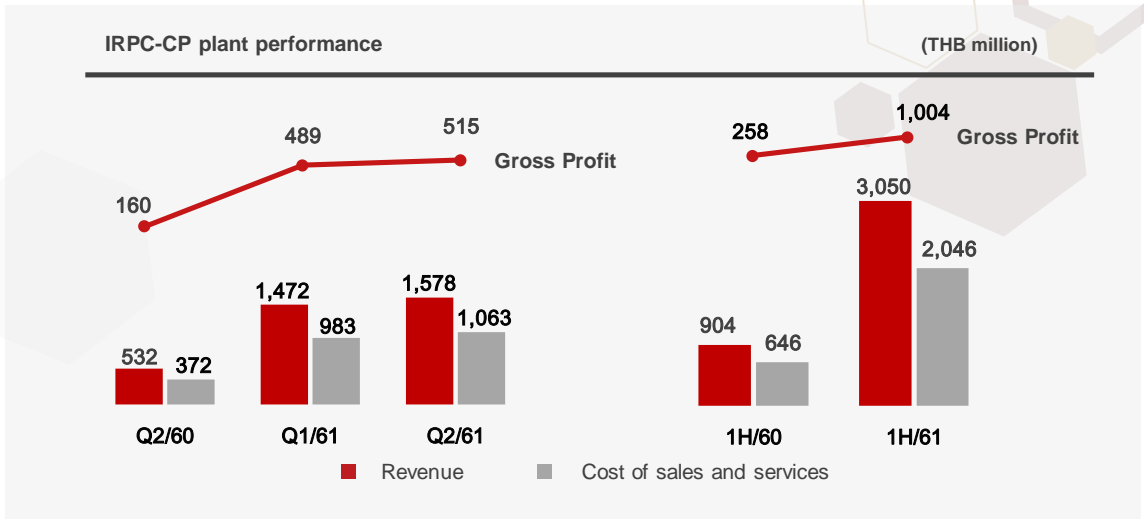
IRPC Clean Power (IRPC-CP): SPP

Operating performance (THB million)	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			YoY
Revenue								
Revenue from selling electricity	237	1,199	1,335	11%	n/a	391	2,534	n/a
Revenue from selling steam	295	273	243	(11%)	(18%)	513	516	1%
Total revenue	532	1,472	1,578	7%	n/a	904	3,050	n/a
Cost of sales of goods and rendering of services								
Cost of raw materials								
- Natural gas	342	909	982	8%	n/a	589	1,891	n/a
- Water	6	11	11	0%	83%	10	22	n/a
- Others	6	13	12	(8%)	100%	13	25	92%
Total cost of raw materials	354	933	1,005	8%	n/a	612	1,938	n/a
Maintenance fee	13	27	36	33%	n/a	24	63	n/a
Others (exclude depreciation and amortization)	5	23	22	(4%)	n/a	10	45	n/a
Total cost of sales of goods and rendering of services	372	983	1,063	8%	n/a	646	2,046	n/a
Gross profit	160	489	515	5%	n/a	258	1,004	n/a
Gross profit margin	30%	33%	33%	0%	3%	29%	33%	4%

The gross profit of IRPC Clean Power in Q2/2018 was Baht 515 million, increased by Baht 26 million or 5% compared to Q1/2018 due to the annual maintenance shutdown of gas turbine generator in Q1/2018.

When comparing with Q2/2017, gross profit increased by Baht 355 million from the COD of both phases since November 2017 resulting in higher electricity sales volume.

In addition, gross profit for first half of 2018 was Baht 1,004 million, increased by Baht 746 million from first half of 2017 due to the COD of both phases resulting in higher electricity sales volume along with the improvement of production management also, the increase in both electricity and steam selling prices.



Revenue

Q2/2018 VS Q1/2018 (QoQ)

- In Q2/2018, total revenue was Baht 1,578 million which increased from Q1/2018 by Baht 106 million or 7% due to the increase in electricity sales volume after annual maintenance shutdown of gas turbine generator in Q1/2018.

Q2/2018 VS Q2/2017 (YoY)

- Total revenue in Q2/2018 increased by Baht 1,046 million compared to Q1/2017. This is due to the COD of both phases since November 2017 resulting in higher electricity sales volume together with the higher Ft rate.

1H/2018 VS 1H/2017

- Total revenue in 1H/2018 was Baht 3,050 million, increased by Baht 2,146 million due to the COD of both phases resulting in higher electricity sales volume, the improvement of production management together with the increase in both electricity and steam selling prices.

IRPC-CP : SPP	Q2/17	Q1/18	Q2/18	Changes +/-		1H/17	1H/18	Changes +/-
				QoQ	YoY			
Key revenue drivers								
• Power								
Sales volume (GWh)	84	410	443	8%	n/a	137	853	n/a
Average selling price (Baht/kWh)	2.81	2.93	3.01	3%	7%	2.84	2.97	5%
• Steam								
Sales volume ('000 Tonnes)	258	236	203	(14%)	(21%)	441	439	(0%)
Average selling price (Price/Ton)	1,145	1,156	1,197	4%	5%	1,165	1,177	1%
Key cost drivers								
Natural gas consumption ('000 MMBTU)	1,350	3,776	3,885	3%	n/a	2,297	7,661	n/a
Average price of natural gas (Baht/MMBTU)	253	241	253	5%	0%	256	247	(4%)

Cost of sales of goods and rendering of services (exclude depreciation and amortization)

Q2/2018 VS Q1/2018 (QoQ)

- In Q2/2018, cost of goods sold and rendering of services increased by Baht 80 million or 8% from Q1/2018. This is due to the increase in natural gas cost by Baht 73 million or 8% followed higher sales volume.

Q2/2018 VS Q2/2017 (YoY)

- The cost of sales of goods and rendering services in Q2/2018 increased by Baht 691 million from Q2/2017. This is mainly due to the increase in the natural gas cost by Baht 640 million followed the increase in consumption volume caused by the COD of both phases in Q4/2017.

1H/2018 VS 1H/2017

- The cost of sales of goods and rendering service in 1H/2018 was Baht 2,046 million, increased from 1H/2017 by Baht 1,400 million. This is mainly due to the increase in cost of natural gas by Baht 1,302 million followed the increase in consumption of natural gas due to the COD of both phases in November 2017 allowing full operation throughout the first half of 2018.

Combine Heat and Power Producing Company Limited (CHPP) : VSPP

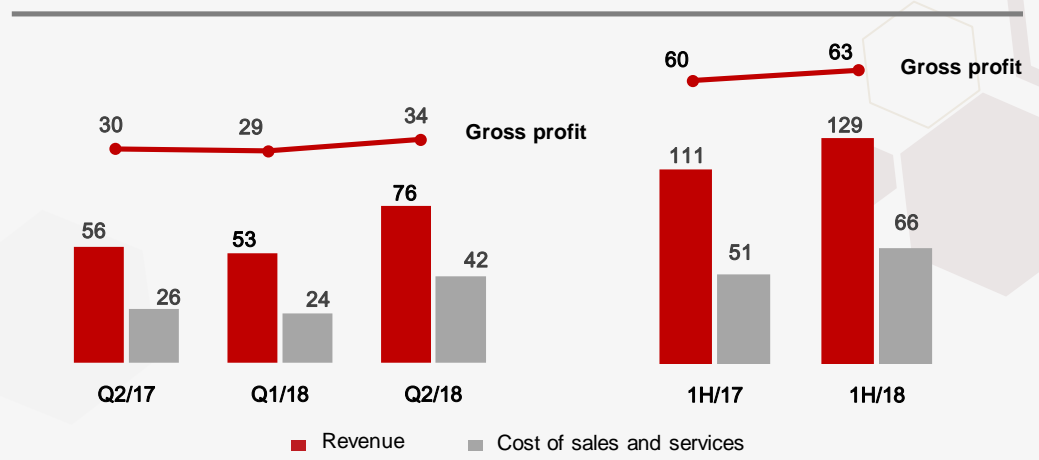
Operating performance (THB million)	Q2/17	Q1/18	Q2/18	Changes +/-		1H/17	1H/18	Changes +/-
				QoQ	YoY			YoY
Revenue								
Revenue from selling chilled water	46	42	43	2%	(7%)	90	85	(6%)
Revenue from selling electricity	10	11	10	(9%)	0%	21	21	0%
Revenue from services	-	0.1	23	n/a	n/a	-	23	n/a
Total revenue	56	53	76	43%	36%	111	129	16%
Cost of sales of goods and rendering of services								
Cost of raw materials								
- Electricity power	18	16	16	0%	(11%)	35	32	(9%)
- Others	1	1	19	n/a	n/a	2	20	n/a
Total cost of raw materials	19	17	35	n/a	84%	37	52	41%
Maintenance fee	1	1	1	0%	0%	2	2	0%
Others (exclude depreciation and amortization)	6	6	6	0%	0%	12	12	0%
Total cost of sales of goods and rendering of services	26	24	42	75%	62%	51	66	29%
Gross profit	30	29	34	17%	13%	60	63	5%
Gross profit margin	54%	55%	45%	(10%)	(9%)	54%	49%	(5%)

Gross profit of the Combined Heat and Power Producing Company Limited (CHPP) in Q2/2018 was Baht 34 million, increased from Q1/2018 and Q2/2017 by Baht 5 million or 17%, and Baht 4 million or 13% respectively. In addition, the Gross profit of 1H/2018 was Baht 63 million, increased from 1H/2017 by Baht 3 million or 5%. All of these increases came from the rise in income from installing solar panels on gas station rooftops.

CHPP: VSPP	Q1/17	Q1/18	Q2/18	Changes +/-		1H/17	1H/18	Changes +/-
				QoQ	YoY			YoY
Sales volume of chilled water ('000 RT)	6,837	6,194	6,283	1%	(8%)	13,106	12,477	(5%)
Average selling price of chilled water (Baht/RT)	6.73	6.78	6.84	1%	2%	6.87	6.81	(1%)
Sales volume of power (GWh)	1.7	1.9	1.7	(11%)	-	3.6	3.6	0%
Average selling price (Baht/kWh)	5.66	5.66	5.66	-	-	5.66	5.66	0%

CHPP plant performance

(Unit : THB million)



Revenue and Cost of sales of goods and rendering of services

Q2/2018 VS Q1/2018 (QoQ)

- Total revenue in Q2/2018 was Baht 76 million, increased from Q1/2018 by Baht 23 million or 43% because of the revenue from the installation of solar panels on gas station rooftops that increased by Baht 23 million.
- The cost of sales of goods and rendering of services decreased by Baht 18 million or 75%.

Q2/2018 VS Q2/2017 (YoY)

- Total revenue in Q2/2018 increased by Baht 20 million or 36% from Q2/2017 was resulted from the increase in revenue from solar panels installation on gas station rooftops of Baht 23 million.
- The cost of sales of goods and rendering of services increased by Baht 16 million or 62%.

1H/2018 VS 1H/2017

- Total revenues in 1H/2018 was Baht 129 million, increased by Baht 18 million or 16% from 1H/2017. This is mainly due to the installation of solar panels on gas station rooftops has increased total revenue by Baht 23 million.
- The cost of sales of goods and rendering of services increased by Baht 15 million or 29%.

Ichinoseki Solar Power 1 GK (ISP1) : Other

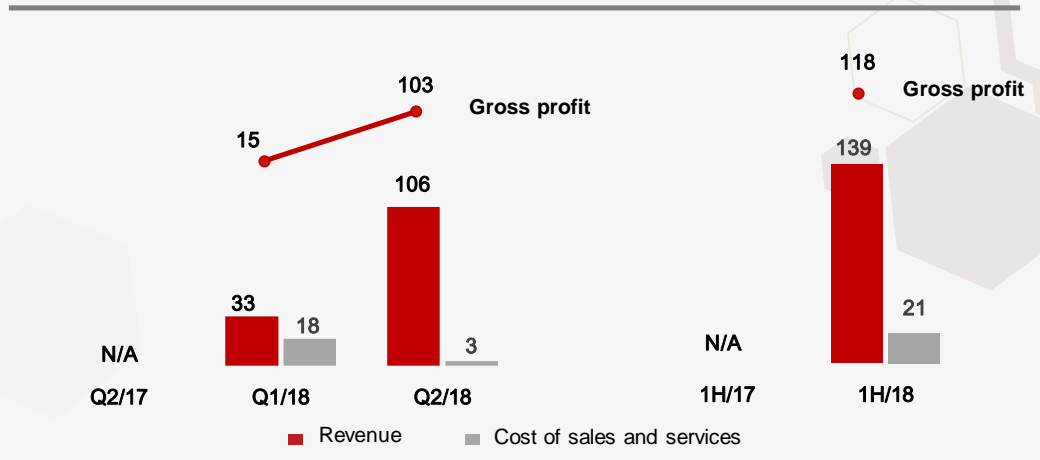
Operating performance (THB million)	Q2/17	Q1/18	Q2/18	Change +/-		1H/17	1H/18	Change +/-
				QoQ	YoY			
Revenue								
Revenue from selling electricity	-	33	106	n/a	n/a	-	139	n/a
Total revenue	-	33	106	n/a	n/a	-	139	n/a
Cost of sales of goods and rendering of services								
Maintenance fee	-	18	3	(83%)	n/a	-	21	n/a
Others (exclude depreciation and amortization)	-	-	-	-	-	-	-	-
Total cost of sales of goods and rendering of services	-	18	3	(83%)	n/a	-	21	n/a
Gross profit	-	15	103	n/a	n/a	-	118	n/a
Gross profit margin	0%	45%	97%	52%	97%	0%	85%	85%

Ichinoseki Solar Power 1 GK (ISP1) is a solar power plant located in Japan that started COD on 15th December 2017 resulting in a realization of revenue from Q4/2017 onwards. The gross profit of ISP1 in Q2/2018 was Baht 103 million, increased from Q1/2018 by Baht 88 million. This is because the plant has experienced a lot of snow fall in Q1/2018. While the cost of sales of goods and rendering of services has decreased from Q1/2018 due to the prepaid land rental adjustment.

ISP1: Other	Q2/17	Q1/18	Q2/18	Changes +/-		1H/17	1H/18	Changes +/-
				QoQ	YoY			
Sales volume of power (GWh)	-	3	9	n/a	n/a	-	12	n/a
Average selling price (Baht/kWh)	-	11.00	11.78	7.1%	n/a	-	11.58	n/a

ISP1 plant performance

(Unit : THB million)

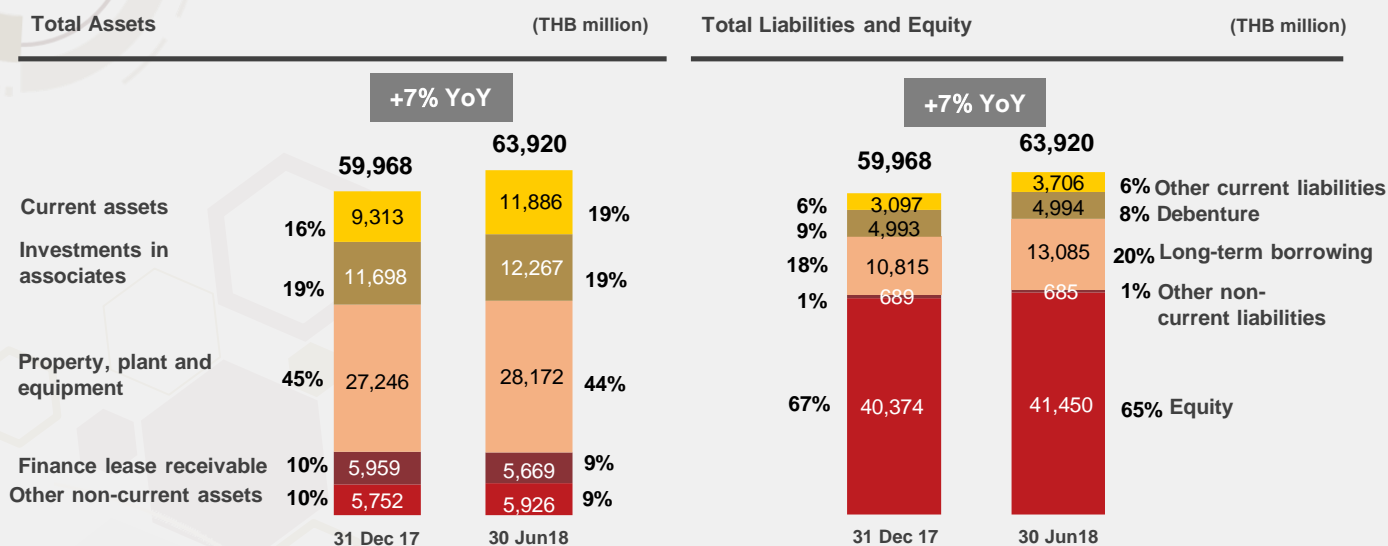


Revenue and Cost of sales of goods and rendering of services

Q2/2018 VS Q1/2018 (QoQ)

- Revenue in Q2/2018 was Baht 106 million, increased by Baht 73 million from Q1/2018 as the weather conditions in Q1/2018 had a lot of snow fall.
- The cost of sales of goods and rendering of services decreased by Baht 15 million or 83% from the prepaid land rental adjustment.

Summary of financial position of the company and its subsidiaries



Assets

As at 30 June 2018, the total assets of GPSC and its subsidiaries were Baht 63,920 million, increased by Baht 3,952 million or 7% from 31 December 2017. The increase was resulted from the increase in cash and cash equivalents, investments in associates and the increase in property, plant & equipment of the power plants that are still under construction. The details of significant changes are as follows:

Current assets increased by Baht 2,573 million or 28% mainly from

- Cash and cash equivalents and short-term investments increased by Baht 1,487 million or 35% mainly because of the increase in loan issuance to repay loan with the amount of Baht 2,196 million.
- Account receivable increased by Baht 1,171 million or 32% as the 2 outstanding balances that will be due in May 2018 has been moved to the beginning of July 2018.

Property, plant and equipment increased by Baht 926 million or 3% due to the cost of land and the construction of Central Utility Plant 4 (CUP-4).

Finance lease receivable, net decreased by Baht 290 million or 5% due to a decline in the EGAT's financial lease receivable with respect to revenue recognition basis under TFRIC4.

Investments in associates and joint ventures increased by Baht 569 million or 5%.

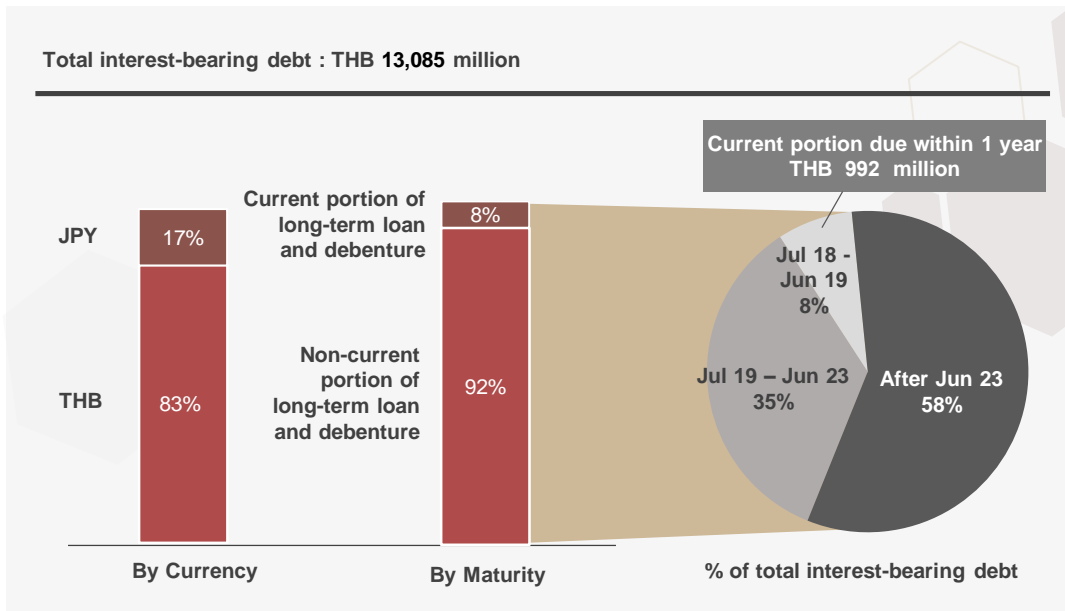
The details are as follows:

Investments	Invested in 1H/18	Share of profit (loss)	Decrease from dividend received	Translation adjustment of currency	Increase (Decrease)
(THB million)					
Investments in associates					
- Bangpa-in Cogeneration Company Limited (BIC)	-	74	(13)	-	61
- Xayaburi Power company Limited (XPCL)	445	(13)	-	-	432
Total investments in associates	445	61	(13)	-	493
Investments in joint ventures					
- Thai Solar Renewable Company Limited (TSR)	-	160	(147)	-	13
- Nava Nakorn Electricity Generating Company Limited (NNEG)	7	64	(108)	-	(37)
- Nam Lik 1 Power Company Limited (NL1PC)	70	21	-	9	100
Total investments in joint ventures	77	245	(255)	9	76
Total	522	306	(268)	9	569

Liabilities

As at 30 June 2018, total liabilities of the company and its subsidiaries were Baht 22,470 million, increased by Baht 2,876 million or 15% from 31 December 2017. This was mainly from the following determinants:

- **Long-term loan from financial institutions** increased by Baht 2,270 million or 21% due to the issuance of long-term loan for IRPC-CP and ISP1 amounting Baht 866 million. In addition, the company has signed to obtain an addition of Baht 2,000 million long term loan for future expansion. However, ISP1, IRPC-CP and CHPP's loans have been repaid of Baht 670 million.
- **Construction and other payables** increased by Baht 609 million or 20% as a result of the increase in construction account payable from the construction of CUP-4.



• **Debt profile**

- The debt balance of the company and its subsidiaries as at 30 June 2018 was in Thai Baht currency and in Japanese Yen currency.
- All interest-bearing debt is long-term loan and debenture, which includes 8% current-portion amounting to Baht 992 million.
- Non-current portion of long-term loan was Baht 12,092 million or 92%.

Equity

As at 30 June 2018, the total shareholders' equity of the company and its subsidiaries was Baht 41,450 million, which increased by Baht 1,076 million or 3% from 31 December 2017, mainly from the increase in the unappropriated retained earnings for Baht 1,052 million and the increase in the non-controlling shareholders equity of Baht 274 million due to the better operating performance of the company and its subsidiaries in 1H/2018.

Liquidity analysis

For the 6M/2018, the company and its subsidiaries had a net increase in cash and cash equivalents increased by Baht 1,487 million or 35% from year end 2017 largely resulting from the increase in cash flow from operating activities:

Cash flow from operating activities

For 6M/2018, the company and its subsidiaries had net cash gained from operating activities of Baht 2,926 million, which increased from cash received from operating activities for Baht 3,071 million net with the Corporate Income Tax payments of Baht 145 million.

Cash flow from investing activities

For 6M/2018, the company and its subsidiaries had net cash used in investing activities of Baht 2,169 million due to the company and its subsidiaries had paid the construction payable amounting to Baht 1,869 million. The company also made additional investments in the additional capital paid-up in the associates and long-term investment amounting to Baht 522 million. Additionally the company has loaned capital to a related companies for Baht 94 million excluded the interest, but at the same time, GPSC received dividend from subsidiaries amounting Baht 262 million.

Cash flow from financing activities

For 6M/2018, the company and its subsidiaries had net cash gained from financing activities of Baht 737 million, mainly from cash received from ISP1 and IRPC-CP's additional drawdowns of long-term loans amounting to Baht 2,866 million. However, there was a repayment of long-term loan from its subsidiaries (ISP1, IRPC-CP and CHPP) amounting Baht 670 million and the payment of interest and related expenses to financial institutions amounting Baht 248 million. Also, the dividend payment to shareholders amounting Baht 1,199 million.

Cash flow
1H/18
(THB million)

Net cash provided by operating activities	2,926
Net cash used in investing activities	(2,169)
Net cash used in financing activities	737
Net cash and cash equivalent (before exchange rate effect)	1,494
Effect of exchange rate to cash and cash equivalent	(7)
Net decrease in cash and cash equivalents (after taken into account exchange rate)	1,487
Cash and cash equivalents at the beginning of the period*	4,257
Cash and cash equivalents at the end of the period*	5,744

*Included restricted cash and temporary investment

Analysis of sources of funds and usages

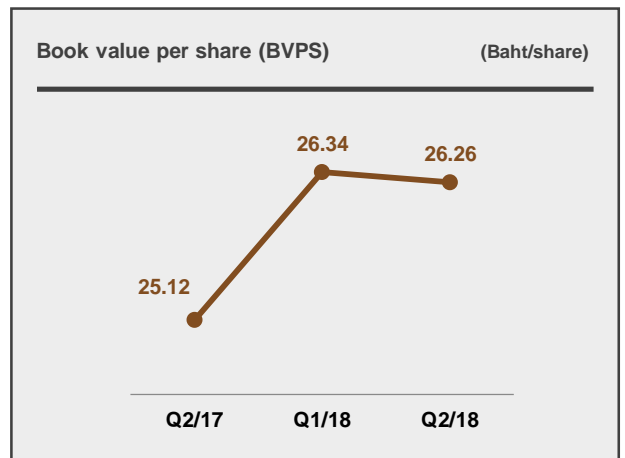
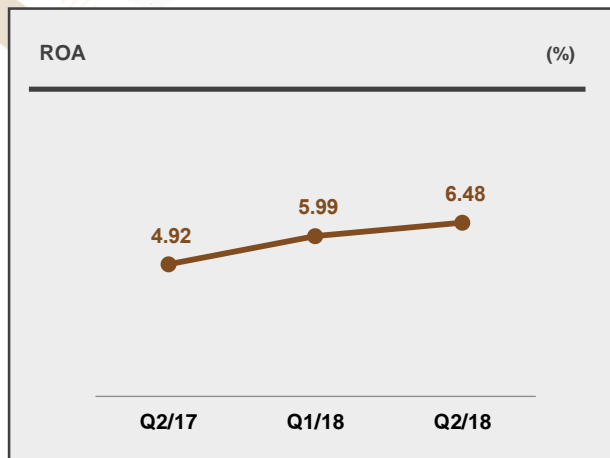
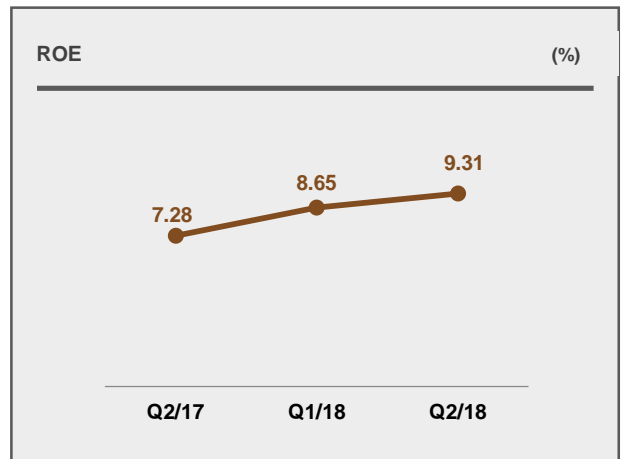
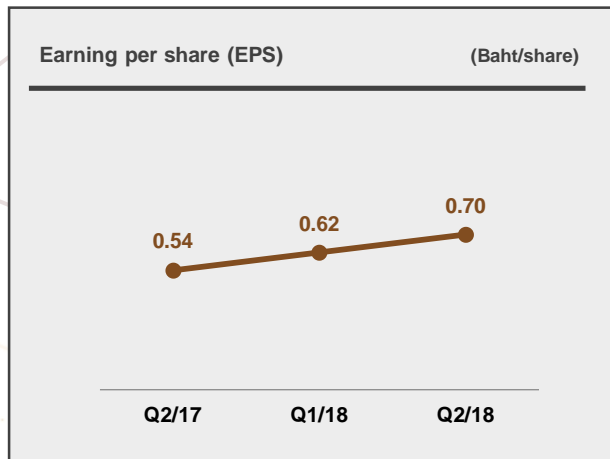
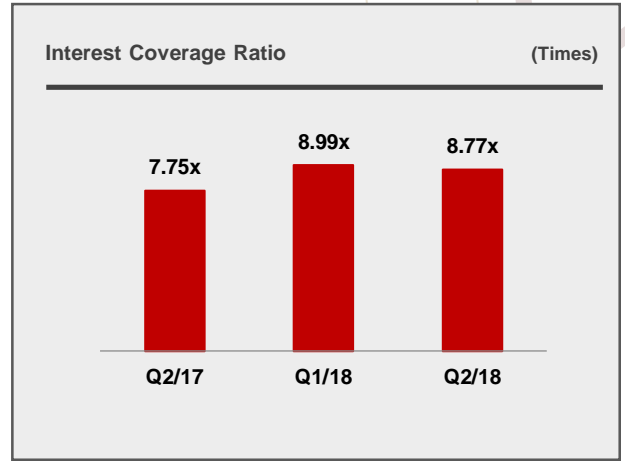
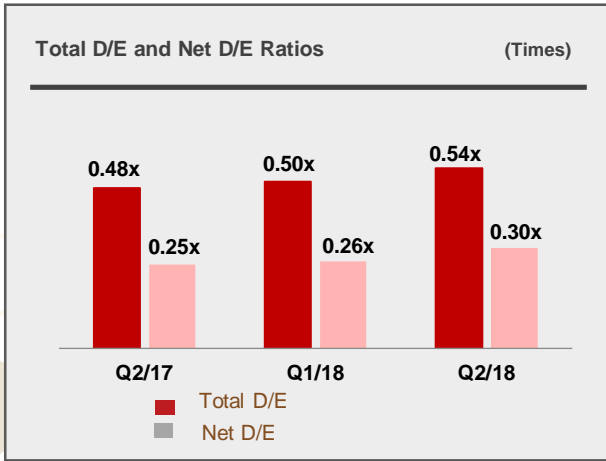
Sources of funds:	1H/18
(THB million)	
Net cash flow from operating activities	2,933
Interest received	42
Loans repayment and interest payment to financial institutions, net from principal drawdown	1,936
Dividend received (paid) - net	(937)

Usages of funds:	1H/18
(THB million)	
CAPEX and Fixed assets	1,869
Cash paid for investments in an associate	522
Loan to related party	94

Key financial ratios and information

Key financial ratios	Unit	Q2/17	Q1/18	Q2/18
Profitability ratios				
Gross profit margin*	%	22.99	28.81	27.95
Net profit margin	%	15.28	18.14	17.93
Leverage ratios				
Interest coverage	Times	7.75	8.99	8.77
Net Debt to Equity (Net D/E)	Times	0.25	0.26	0.30
Total Debt to Equity (Total D/E)	Times	0.48	0.50	0.54
Liquidity ratios				
Current ratio	Times	2.29	2.35	2.67
Quick ratio	Times	1.93	1.92	2.40

* Exclude costs of depreciation and amortization



Project Update



Project Update

of project under construction

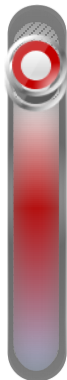
Xayaburi Power Company Limited (XPCL)



% Progress

94%

2Q18
94%
1Q18
92%



Project Summary:

- Xayaburi Power Company Limited (XPCL) is a Run-of-River Hydropower Plant located on Khong River, 100 kilometers from the south of Luang Prabang in Lao People's Democratic Republic (Lao PDR), with a electricity generating capacity of 1,285 MW. The project has a 1,220-MW power purchase agreement (PPA) with EGAT and a 60-MW PPA with Electricite Du Laos (EDL). The concession was extended for another 2 years, totaling to 31 years.
- GPSC holds 25% of total shares.
- Total investment: Baht 131,101 million
- SCOD : October 2019

Project updates:

As of 30 June 2018, the construction progress of the project continued as planned at 94% as appraised by the government of Lao PDR's technical advisor. Main construction tasks such as power house, intermediate block, fish ladder and 500 kV transmission line are progressed as planned.



Nam Lik 1 Power Company Limited (NL1PC)

% Progress

93%

2Q18
93%
1Q18
86%



Project Summary:

- Nam Lik 1 Power Company Limited (NL 1 PC) is a Run-of-River Hydropower Plant located in the north of Vientiane, capital city of Lao PDR, with a electricity generating capacity of 64.7 MW. The project has a 63.8 MW power purchase agreement with EDL, for a period of 30 years.
- GPSC holds 40% of total shares.
- Total investment: USD 135.7 million
- SCOD : Beginning of 2019

Project updates:

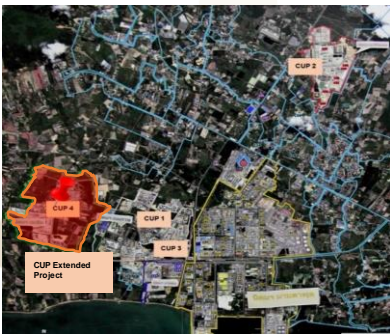
As of 30 June 2018, the construction progress of the project as appraised by technical advisor was 93%. When comparing with Q1/2018 at 86%, there was about 7% increased as the main activities such as the demolition of cofferdams, the permanent closure of the tunnel diversion and the opening of 3 floodgates were completed.

Central Utility Plant 4 (CUP-4)

% Progress

31%*

2Q18
31%



Project Summary:

- **Central Utility Plant 4 (CUP-4)** is a gas-fired SPP Cogeneration power plant located in Asia Industrial Estate, Rayong Province. The project has capacity of 45 MW of electricity and 70 T/h of steam to serve demand from industrial users in Asia Industrial Estate and near by area.
- GPSC holds 100% of total shares.
- Total investment: Baht 3,980 million
- Expected COD: Q3 2019

Project updates:

Central Utility Plant 4 (CUP-4), is the project under construction that provides electricity and steam to support rising demand from customers in Asia Industrial Estate and near by area. In order to increase the system's reliability and stability, the project is now in the design process of connecting between CUP-4 and CUP-3 exiting operations. Currently, the company has started to connect the steam pipeline network.

At the end of Q2/2018, the company has received the permission to start constructing CUP-4. The main contractor has constructed the site office and the foundation of the power plant. On 30th June 2018, the stone laying ceremony has been completed with relevant agencies and customers to congratulate.

*% Progress has been adjusted from last quarter to follow EPC's approach. However, COD still remains the same.

Financial formula

Ratios	Formula
Gross profit margin	$\frac{\text{Gross profit}}{\text{Revenue from sales of goods and rendering of services} + \text{Revenue from finance lease}}$
Net profit margin	$\frac{\text{Net profit}}{\text{Total Revenue}}$
Interest coverage ratio	$\frac{\text{Earnings before interest and tax expenses}}{\text{Interest expense}}$
Net Debt to Equity ratio	$\frac{\text{Interest bearing debts} - (\text{Cash and cash equivalents} + \text{Restricted cash} + \text{Current investments})}{\text{Total shareholder's equity}}$
Debt to Equity ratio	$\frac{\text{Total liabilities}}{\text{Total shareholder's equity}}$
Current Ratio	$\frac{\text{Total current assets}}{\text{Total current liabilities}}$
Quick Ratio	$\frac{\text{Cash and cash equivalents} + \text{Restricted cash} + \text{Current investments} + \text{Trade account receivable}}{\text{Total current liabilities}}$
Debt Service Coverage Ratio (DSCR)	$\frac{\text{EBITDA for DSCR for the last 12 months}}{\text{Principal and interest to be paid in the next 12 months}}$
Earning per share (EPS)	$\frac{\text{Net profit for the company}}{\text{Weighted average number of shares of the company}}$
ROE	$\frac{\text{Net profit for the company}}{\text{Average shareholder's equity}}$
ROA	$\frac{\text{Net profit for the last 12 months}}{\text{Average assets}}$
Book value per share (BVPS)	$\frac{\text{Shareholder's equity of the company}}{\text{Weighted average number of common shares of the company}}$

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