

Management's Discussion and Analysis (MD&A)

**For the Financial Result of Quarter 1 Year 2019
Ended March 31, 2019**

EXECUTIVE SUMMARY



SIGNIFICANT EVENTS

Successful Glow SPP1 acquisition

Glow SPP1 acquisition successfully completed in March 2019 which enhances growth and competitive advantage of BGRIM as one of the largest SPP in Thailand. Glow SPP1 located in Map Ta Phut area which is the ideal location for petrochemical, chemical, steel and utility-intensive customers requiring electricity and steam.

After successfully acquiring 100% shares of Glow SPP1 from Glow Company Limited, BGRIM started to consolidate the financial statement from March 2019. Glow SPP1 has a production capacity of 124 MW of power, 90 t/hr of steam and 190 cu.m of demineralization water per hour with 2 PPAs with EGAT of which qualified for the PPA extension and replacement for another 25-year period according to the outcomes of the National Energy Policy Committee's Meeting on 24 January 2019.

Inclusive of the newly-acquired Glow SPP1, BGRIM has 19 gas-fired combined cycle cogeneration power plants and total operating capacity (from both cogeneration and renewable) of 2,200 MW as of Q'1 2019 while the company still has total of 1,045 MW capacity in the pipeline with the SCOD by 2025 which would raise total capacity by 48% to 3,245 MW by 2025 (based on committed projects and their SCOD).

SPP Extension and Replacement Scheme

Following the approval by the National Energy Policy Committee on 24 January 2019, the cabinet approved the PDP 2018 on 30 April 2019 which allows SPP projects with PPA expiration during 2016-2025 to build new power plants under another 25-year period of PPA while those with the PPA expiration by 2021 is eligible PPA extension for up to 3 years while the new power plants are under construction.

BGRIM has 5 gas-fired combined cycle cogeneration power plants qualified for this replacement scheme of which PPAs with EGAT will expire between 2019-2022. The company plans to replace all of these projects by 2022 with 5 new power plants with new high-efficiency technology to ensure the continuity in providing high-quality services to industrial users.

The strategic movement in the Republic of Korea with strongest local partners

Establishment on 28 February 2019, B.Grimm Power Korea Limited is now ready for our effective expansion of renewable power business in the Republic of Korea.

Moreover, in April 2019, Mutual Cooperation Meeting, between BGRIM and Korea Electric Power Corporation (KEPCO) was held in Seoul, for strengthening the cooperation and implementation of energy storage system (ESS) and smart grid technology in Eastern Aviation Specialised Zone and Eastern Economic Corridor (EEC) area, as well as with Korea Midland

Power Co., Ltd (KOMIPO) for the collaboration in development of wind power project and future renewable energy project in Korea.

BGRIM awarded the certificate from GEIDCO

As the first Thai member, Global Energy Interconnection Development and Cooperation Organization (GEIDCO), the global interconnection organization has, in April 2019, awarded BGRIM the certificate of membership, among other top energy sector members worldwide, to ensure BGRIM the world class sustainable power development company.

Certified Member of Collective Action Coalition Against Corruption

BGRIM has been certified member of the Thailand's Private Sector Collective Action Coalition Against Corruption-CAC, the company will communicate the anti-corruption policy to the partners in next sequence.

BGRIM intends to conduct business in accordance with the principles of good corporate governance and code of conduct with the economic, social and environmental responsibility. BGRIM has recognized and giving importance to anti-corruption by cultivating and advocacy for directors and employees at all level of the Company and subsidiaries to be consciousness and values in working with honesty, transparency, clarity and verifiability without any actions constitute to corruption directly and indirectly. BGRIM has established anti-corruption policies and related policies, corruption risk assessment and management, review of internal control systems, internal-external whistle blowing process. These practices regularly monitored and reported.

Projects under construction are on track

Nam Che 1 Hydro Power Plant (Run of the river) with an installed capacity of 15 MW has 98.9% construction progress. The main facilities have already finished and on process of transmission line and communication system. The target COD is in 1H'2019.

DTE1&2 solar project (Xuan Cau Project) with an installed capacity of 420 MW, the largest under-development solar project in ASEAN, and Phu Yen TTP (Phu Yen Project) with an installed capacity of 257 MW in Vietnam have construction progress of 94.3% and 87.5% respectively. The progress are on schedule with close monitoring from management team. Both projects have the scheduled COD by June 2019 of which immediately record the revenue from EVN.

Interchem, waste to energy project, with an installed capacity of 4.8 MW has 6.8% construction progress which is on process of construction site preparation. The project has the scheduled COD by December 2019.

EXECUTIVE SUMMARY



KEY FINANCIAL HIGHLIGHT

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Sales and service income	10,257	8,156	25.8%	9,933	3.3%
EBITDA	2,413	2,218	8.8%	2,202	9.6%
Net profit	835	1,203	-30.6%	280	198.2%
Net profit - Owner of the parent	532	723	-26.4%	130	309.2%
Normalized net profit (NNP)*	687	830	-17.2%	381	80.3%
NNP - Owner of the parent	443	512	-13.5%	220	101.4%
EBITDA margin (%)	23.5%	27.2%		22.2%	
NNP margin (%)	6.7%	10.2%		3.8%	
% NNP - Owner of the parent	64.5%	61.7%		57.7%	

Remark

* Normalized net profit = Net profit – Unrealized gain / (loss) from FX – Non-recurring income / (expense)

Sales and Service Income

- **Sales and service income increased 25.8% y-on-y** from Baht 8,156 million in Q1'2018 to Baht 10,257 million in Q1'2019 primarily due to the commercial operations of ABPR3, ABPR4 and ABPR5 SPP projects in February, June and October 2018 respectively and the SPP1 acquisition in March 2019.
- **Sales and service income increased 3.3% q-on-q** from Baht 9,933 million in Q4'2018 to Baht 10,257 million in Q1'2019 primarily due to an increase of volume and selling price of electricity and steam and the SPP1 acquisition in March 2019.

EBITDA

- **EBITDA increased 8.8% y-on-y** from Baht 2,218 million in Q1'2018 to Baht 2,413 million in Q1'2019 due to new power plants operated in 2018.
- **EBITDA increased 9.6% q-on-q** from Baht 2,202 million in Q4'2018 to Baht 2,413 million in Q1'2019 due to lower scheduled maintenance and lower expense from the seasonally peak of SG&A in Q4.
- **EBITDA margin in Q1'2019 was 23.5%** compared 27.2% in Q1'2018 because of 1) slight increasing of selling price per unit to from a slow adjustment of Ft charge but an 18.7% increase in gas cost and 2) y-on-y higher scheduled maintenance. However, comparing with Q4'2018, EBITDA margin increased from 22.2% due to 1) more volume dispatched from industrial users, 2) less scheduled maintenances, 3) continual improvement in production efficiency and 4) less seasonal impacts from the peak in Q4.

Normalized net profit (NNP)

- **NNP decreased 17.2% y-on-y / NNP attributable to owner of the parent decreased 13.5% y-on-y** from Baht 830 million in Q1'2018 to Baht 687 million in Q1'2019 / from Baht 512 million Q1'2018 to Baht 443 million in Q1'2019, primarily due to a 18.7% increase in gas cost per unit but a 0.9% increase selling price per unit to IUs (from slow adjusted of Ft charge relatives to gas cost) however, this was the temporary situation as gas price starting to lower in Q2'2019. Furthermore, there was a relatively more scheduled maintenance in Q1'2019 comparing to the same period of last year; however, the scheduled maintenance is expected to be lower in the rest of this year.
- **NNP increased 80.3% q-on-q / NNP attributable to owner of the parent increased 101.4% q-on-q** from Baht 381 million in Q4'2018 to Baht 687 million in Q1'2019 / from Baht 220 million Q4'2018 to Baht 443 million in Q1'2019, primarily due to 1) less seasonal impact than Q4 when there are normally drop in volume during holiday seasons and high SG&A, 2) an improvement on financing cost mainly attributable to debt refinancing, 3) lower interest expense from ABPIF and 4) relatively lower scheduled maintenance.
- **NNP margin in Q1'2019 was 6.7%** lower than 10.2% in Q1'2018 but higher than 3.8% in Q4'2018 as described previously.

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Electricity sales					
Sales to EGAT	6,912	5,032	37.4%	6,652	3.9%
Sales to IUs - Thailand	2,559	2,450	4.4%	2,515	1.7%
Sales to IUs - Vietnam	269	262	2.7%	309	-12.9%
Sales to PEA	174	18	866.7%	125	39.2%
Sales to MEA	32	0	n/a	2	n/a
Sales to EDL	6	8	-25.0%	24	-75.0%
Electricity sales	9,952	7,769	28.1%	9,626	3.4%
Steam sales	192	137	40.1%	146	31.5%
Demin Water	4	0	n/a	0	n/a
Others	109	249	-56.2%	161	-32.3%
Sales and services income	10,257	8,156	25.8%	9,933	3.3%

Electricity Sales to EGAT

- **Electricity sales to EGAT increased 37.4% y-on-y** from Baht 5,032 million in Q1'2018 to Baht 6,912 million in Q1'2019.
- **Electricity sales to EGAT increased 3.9% q-on-q** from Baht 6,652 million in Q4'2018 to Baht 6,912 million in Q1'2019.
 - **The volume of electricity sold to EGAT increased 21.6% y-on-y** (1,750 GWh in Q1'2018 to 2,127 GWh in Q1'2019) **and 3.6% q-on-q** (2,053 GWh in Q4'2018 to 2,127 GWh in Q1'2019), primarily due to 1) the inclusion of ABPR3, ABPR4 and ABPR5 which commenced commercial operation in February, June and October 2018 respectively, 2) seasonal impact (as the dispatch volume is usually soft in Q4) and 3) additional contributions from SPP1 acquisition in March.
 - **Electricity price sales to EGAT increased 12.8% y-on-y** (2.88 Baht/KWh in Q1'2018 to 3.25 Baht/KWh in Q1'2019) **and 0.3% q-on-q** (3.24 Baht/KWh in Q4'2018 to 3.25 Baht/KWh in Q1'2019) because the energy payment is generally adjusted to reflect changes in natural gas price which rose in Q1'2019.

Electricity sales to Industrial Users (IUs) – Thailand

- **Electricity sales to industrial users in Thailand increased 4.4% y-on-y** from Baht 2,450 million in Q1'2018 to Baht 2,559 million in Q1'2019.
- **Electricity sales to industrial users in Thailand increased 1.7% q-on-q** from Baht 2,515 million in Q4'2018 to Baht 2,559 million in Q1'2019.
 - **The volume of electricity sold to industrial users in Thailand increased 3.5% y-on-y** (749 GWh in Q1'2018 to 775 GWh in Q1'2019) **and 1.7% q-on-q** (763 GWh in Q4'2018 to 775 GWh in Q1'2019), primarily due to 1) the inclusion of new industrial users in Amata City Rayong Industrial Estate especially from new operation plants in 2018 2) the inclusion of SPP1's industrial users in WHA Eastern (Map Ta Phut) and 3) an increase in demand load from existing customers in Bangkadi Industrial Park.
 - **Electricity price sales to IUs in Thailand increased 0.9% y-on-y** (3.27 Baht/KWh in Q1'2018 to 3.30 Baht/KWh in Q1'2019) which is in line with the changes in Ft charge announced by the ERC **but remained stable q-on-q** (3.30 Baht/KWh in Q4'2018 and Q1'2019) with the slight increase in Ft charge but a decrease of capacity charge (MW) of ABP1 and ABP2.

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

Electricity Sales to Industrial Users (IUs) – Vietnam

- **Electricity sales to IUs in Vietnam increased 2.7% y-on-y** from Baht 262 million in Q1'2018 to Baht 269 million in Q1'2019.
- **Electricity sales to IUs in Vietnam decreased 12.9% q-on-q** from Baht 309 million in Q4'2018 to Baht 269 million in Q1'2019.
 - **The volume of electricity sold to IUs in Vietnam increased 3.5% y-on-y** (112 GWh in Q1'2018 to 116 GWh in Q1'2019) **but decreased 11.1% q-on-q** (130 GWh in Q4'2018 to 116 GWh in Q1'2019), primarily due to the increase and decrease in demand load from existing customers respectively.
 - **Electricity price sales to IUs in Vietnam decreased 0.4% y-on-y** (2.34 Baht/KWh in Q1'2018 to 2.33 Baht/KWh in Q1'2019) **and 2.1% q-on-q** (2.38 Baht/KWh in Q4'2018 to 2.33 Baht/KWh in Q1'2019), primarily due to a decrease in the prevailing retail tariff charged by the subsidiary of EVN which our power selling prices are set at a premium to.

Steam Sales to Industrial Users (IUs)

- **Steam sales to industrial users in Thailand increased 40.1% y-on-y** from Baht 137 million in Q1'2018 to Baht 192 million in Q1'2019.
- **Steam sales to industrial users in Thailand increased 31.5% q-on-q** from Baht 146 million in Q4'2018 to Baht 192 million in Q1'2019.
 - **The volume of steam sold to industrial users in Thailand increased 25.1% y-on-y** (132,087 tons Q1'2018 to 165,250 tons in Q1'2019) **and 33.8% q-on-q** (123,500 tons Q4'2018 to 165,250 tons in Q1'2019) primarily due to the inclusion of SPP1's steam industrial customers in WHA Eastern (Map Ta Phut) and an increase in demand of existing industrial users.
 - **Steam price sales to IUs in Thailand increased 12.2% y-on-y** (1,035.55 Baht/ton in Q1'2018 to 1,161.88 Baht/ton in Q1'2019) primarily due to an increase in natural gas price as our steam price is generally adjusted to reflect changes in natural gas price **but decreased 2.0% q-on-q** (1,185.75 Baht/ton in

Q4'2018 to 1,161.88 Baht/ton in Q1'2019) as the consolidation of steam revenue from SPP1 in March 2019.

Electricity Sales to PEA and MEA

- **Electricity sales to PEA increased 866.7% y-on-y** (Baht 18 million in Q1'2018 to Baht 174 million in Q1'2019) **and 39.2% q-on-q** (Baht 125 million in Q4'2018 to Baht 174 million in Q1'2019), primarily due to 1) the consolidation of BGYS after raising stake from 49.0% to 100.0% in Q3'2018 and 2) the revenue from PEA and MEA from Solar WVO & CO-OP that were fully developed and is in operation which started COD ended of December 2018.

Electricity Sales to EDL

- **Electricity sales to EDL in Laos decreased 25.0% y-on-y** (Baht 8 million in Q1'2018 to Baht 6 million in Q1'2019) due to the decline of water inflow **and 75.0% q-on-q** (Baht 24 million in Q4'2018 to Baht 6 million in Q1'2019) primarily due to the dry season in Lao PDR during in the first quarter of year.

Other Sales and Service income

- **Other sales and service income decreased 56.2% y-on-y** (Baht 249 million in Q1'2018 to Baht 109 million in Q1'2019) **and 32.3% q-o-q** (Baht 161 million in Q4'2018 to Baht 109 million in Q1'2019) primarily due to a record of construction revenue which is recognized based on the percentage of completion of our hydro power projects in Lao PDR, namely Nam Che.

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

Table 1) Revenue Drivers: Sales volume

	Q1'2019 GWh	Q1'2018 GWh	% change y-on-y	Q4'2018 GWh	% change q-on-q
Electricity sales to EGAT	2,127	1,750	21.6%	2,053	3.6%
<u>Electricity sales to IU - Thailand</u>					
Amata City Chonburi Industrial Estate	395	393	0.6%	395	0.2%
Amata City Rayong Industrial Estate	106	85	24.5%	98	8.4%
Laemchabang Industrial Estate	172	175	-1.8%	172	0.0%
WHA Chonburi 1 Industrial Estate	57	58	-1.3%	63	-8.4%
Bangkadi Industrial Park	38	37	3.1%	35	9.9%
WHA Eastern Industrial Estate (Map Ta Phut)	6	0	n/a	0	n/a
Electricity sales to IU - Thailand	775	749	3.5%	763	1.7%
Electricity sales to IU - Vietnam	116	112	3.5%	130	-11.1%

	Q1'2019 ton	Q1'2018 ton	% change y-on-y	Q4'2018 ton	% change q-on-q
<u>Steam sales to IU - Thailand</u>					
Amata City Chonburi Industrial Estate	37,477	34,717	8.0%	38,482	-2.6%
Amata City Rayong Industrial Estate	33,646	38,918	-13.5%	33,666	-0.1%
Laemchabang Industrial Estate	56,245	58,453	-3.8%	51,352	9.5%
WHA Eastern Industrial Estate (Map Ta Phut)	37,883	0	n/a	0	n/a
Steam sales to IU - Thailand	165,250	132,087	25.1%	123,500	33.8%

Table 2) Revenue Drivers: Price per Unit

Price per unit	Units	Q1'2019	Q1'2018	% change y-on-y	Q4'2018	% change q-on-q
Electricity to EGAT	Baht/KWh	3.25	2.88	12.8%	3.24	0.3%
Electricity to IU - Thailand	Baht/KWh	3.30	3.27	0.9%	3.30	0.0%
Electricity to IU - Vietnam	Baht/KWh	2.33	2.34	-0.4%	2.38	-2.1%
Steam to IU - Thailand	Baht/Ton	1,161.88	1,035.55	12.2%	1,185.75	-2.0%
Effective gas cost	Baht/mmBtu	281.52	237.21	18.7%	278.60	1.0%

FINANCIAL PERFORMANCE



COST STRUCTURE

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Cost of sales and services					
Natural gas	6,503	4,728	37.5%	6,221	4.5%
Cost of electricity- Vietnam	246	235	4.7%	278	-11.5%
O&M	623	440	41.6%	666	-6.5%
Others	239	350	-31.7%	289	-17.3%
Cost of sales and services	7,611	5,754	32.3%	7,454	2.1%
SG&A	328	268	22.4%	411	-20.2%
Depreciation	968	725	33.5%	956	1.3%
Total expenses	8,907	6,747	32.0%	8,821	1.0%

Natural Gas

- **Natural gas cost increased 37.5% y-on-y** (Baht 4,728 million in Q1'2018 to Baht 6,503 million in Q1'2019) **and 4.5% q-on-q** (Baht 6,221 million in Q4'2018 to Baht 6,503 million in Q1'2019), primarily due to an increase in gas consumption arising from an increase in electricity generation and an increase in the effective price of natural gas price which is tied to the weighted average price for the mass of natural gas from PTT's pool gas.

Cost of Electricity- Vietnam

- **Cost of electricity purchased from subsidiaries of EVN increased 4.7% y-on-y** (Baht 235 million in Q1'2018 to Baht 246 million in Q1'2019) **and decreased 11.5% q-on-q** (Baht 278 million in Q4'2018 to Baht 246 million in Q1'2019), in line with changes in electricity sales to industrial users in Vietnam.

O&M

- **Operation and maintenance costs increased 41.6% y-on-y** from Baht 440 million in Q1'2018 to Baht 623 million in Q1'2019, primarily due to commercial operations of ABPR 3, ABPR 4 and ABPR 5 in February, June and October 2018 respectively.

- **Operation and maintenance costs decreased 6.5% q-on-q** from Baht 666 million in Q4'2018 to Baht 623 million in Q1'2019, primarily due to lower maintenance in Q1'2019 relative to Q4'2018.

Other Cost of Sales and Service

- **Other cost of sales and service income decreased 31.7% y-on-y** (Baht 350 million in Q1'2018 to Baht 239 million in Q1'2019) **and 17.3% q-on-q** (Baht 289 million in Q4'2018 to Baht 239 million in Q1'2019), primarily due to a record of construction cost based on our actual incurred construction cost of Nam Che project.

Selling, General & Administrative Expense

- **SG&A increased 22.4% y-on-y** (Baht 268 million in Q1'2018 to Baht 328 million in Q1'2019) **and decreased 20.2% q-on-q** (Baht 411 million in Q4'2018 to Baht 328 million in Q1'2019), primarily due to commercial operations of new power plants in 2018 described previously while the seasonally peak expense in Q'4 also impacted the q-on-q basis.

FINANCIAL PERFORMANCE



NON-OPERATING ITEMS

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Other revenues	48	22	118.2%	72	-33.3%
Share of profit (loss) of associates	30	50	-40.0%	49	-38.8%
Gain (Loss) on exchange rate	11	(93)	n/a	8	37.5%

Other Revenues

- **Other revenues increased 118.2% y-on-y** (Baht 22 million in Q1'2018 to Baht 48 million in Q1'2019) **and decreased 33.3% q-on-q** (Baht 72 million in Q4'2018 to Baht 48 million in Q1'2019), primarily attributable to an interest income.

Share of Profit (Loss) of Associates and Joint Ventures

- **Share of profit from associates decreased 40.0% y-on-y** (Baht 50 million in Q1'2018 to Baht 30 million in Q1'2019) **and 38.8% q-on-q** (Baht 49 million in Q4'2018 to Baht 30 million in Q1'2019), primarily due to 1) change in accounting method for BGYS P earnings contribution from equity method to consolidation method after raising stake from 49% to 100% in Q3'2018 and 2) lower profits at our associate namely ABPIF.

Gain (Loss) on Exchange Rate

- **Recorded Gain on Exchange Rate at Baht 11 million in Q1'2019**, primarily attributable to a unrealized gain on exchange rate from account payable.

FINANCIAL PERFORMANCE



FINANCE COST AND TAX

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Finance cost					
Interest expense from borrowing	652	532	22.6%	673	-3.1%
Interest expense from ABPIF	56	68	-17.6%	144	-61.1%
Unrealized loss/(gain) from FX	(170)	(466)	n/a	13	n/a
Other financing costs	16	12	33.3%	86	-81.4%
Finance cost	554	145	282.1%	917	-39.6%
Tax expense (income)					
Tax on profits for the period	41	88	-53.4%	29	41.4%
Deferred tax	8	(49)	n/a	17	-52.9%
Tax expense (income)	49	39	25.6%	46	6.5%

Finance Cost

- **Finance costs increased 282.1% y-on-y** from Baht 145 million in Q1'2018 to Baht 554 million in Q1'2019.
- **Finance costs decreased 39.6% q-on-q** from Baht 917 million in Q4'2018 to Baht 554 million in Q1'2019, primarily attributable to:
 - Interest expenses from borrowings y-on-y: A 22.6% increase y-on-y from Baht 532 million in Q1'2018 to Baht 652 million in Q1'2019, primarily due to the record of interest expense of ABPR3, ABPR4 and ABPR5 after their COD achievement in 2018;
 - Interest expenses from borrowings q-on-q: A 3.1% decrease q-on-q from Baht 673 million in Q4'2018 to Baht 652 million in Q1'2019, primarily due to debt refinancing after issuing corporate bond and project green bond in October and December 2018 respectively;
 - Interest expense from ABPIF: A 17.6% decrease y-on-y from Baht 68 million in Q1'2018 to Baht 56 million in Q1'2019 and a 61.1% decrease q-on-q from Baht 144 million in Q4'2018 to Baht 56 million in Q1'2019 based on the benefits transferred from the business operation of ABP1 and ABP2;

- Unrealized gain on exchange rate from financing activities y-on-y: From unrealized gain of Baht 466 million in Q1'2018 to unrealized gain of Baht 170 million in Q1'2019 due to a 2.0% appreciation of the Baht against the U.S. dollar at the end of Q1'2019 relative to 4.4% appreciation of the Baht against the U.S. dollar at the end of Q1'2018.
- Unrealized gain on exchange rate from financing activities q-on-q: From unrealized loss of Baht 13 million in Q4'2018 to unrealized gain of Baht 170 million in Q1'2019 due to an appreciation of the Baht against the U.S. dollar at the ending of each financial statement period;

Tax Expense

- **Tax expense increased 25.6% y-on-y** (Baht 39 million in Q1'2018 to Baht 49 million in Q1'2019) **and 6.5% q-on-q** (Baht 46 million in Q4'2018 to Baht 49 million in Q1'2019), primarily attributable to a record of deferred tax expense and an increase in taxable profit respectively.

FINANCIAL PERFORMANCE



NORMALIZED NET PROFIT (NNP)

	Q1'2019	Q1'2018	% change	Q4'2018	% change
	million Baht	million Baht	y-on-y	million Baht	q-on-q
Net profit for the year	835	1,203	-30.6%	280	198.2%
<u>Add</u> Unrealized (gain) on FX	(180)	(400)	n/a	13	n/a
<u>Add</u> Non-recurring expenses	31	27	14.8%	88	-64.8%
Normalized net profit (NNP)	687	830	-17.2%	381	80.3%
<u>Less</u> Minority interest	244	318	-23.3%	161	51.6%
NNP - Owner of the parent	443	512	-13.5%	220	101.4%
<i>NNP per share (Baht per share)</i>	<i>0.17</i>	<i>0.20</i>	<i>-13.5%</i>	<i>0.08</i>	<i>101.4%</i>
<i>No. of shares in calculation (million shares)</i>	<i>2,607</i>	<i>2,607</i>		<i>2,607</i>	

Normalized Net Profit (“NNP”)

- **NNP decreased 17.2% y-on-y / NNP attributable to owner of the parent decreased 13.5% y-on-y** from Baht 830 million in Q1'2018 to Baht 687 million in Q1'2019 / from Baht 512 million Q1'2018 to Baht 443 million in Q1'2019, primarily due to a 18.7% increase in gas cost per unit but a 0.9% increase selling price per unit to IUs (from slow adjusted of Ft charge relatives to gas cost) however, this was the temporary situation as gas price starting to lower in Q2'2019 Furthermore, there was a relatively more scheduled maintenance in Q1'2019 comparing to the same period of last year; however, the scheduled maintenance is expected to be lower in the rest of this year.
- **NNP increased 80.3% q-on-q / NNP attributable to owner of the parent increased 101.4% q-on-q** from Baht 381 million in Q4'2018 to Baht 687 million in Q1'2019 / from Baht 220 million Q4'2018 to Baht 443 million in Q1'2019, primarily due to 1) less seasonal impact than Q4 when there are normally drop in volume during holiday seasons and high SG&A, 2) an improvement on financing cost mainly attributable to debt refinancing, 3) lower interest expense from ABPIF and 4) relatively lower scheduled maintenance.

The adjustments on NNP in Q1'2019 were primarily attributable to:

- **An unrealized gain on exchange rate** of Baht 180 million; and
- **Non-recurring expenses of Baht 31 million**, primarily due to a remuneration program's expense in the amount of Baht 14 million and a provision of obsolete inventory in the amount of Baht 17 million.

FINANCIAL POSITION



STATEMENT OF FINANCIAL POSITION

	31-Dec-2018	31-Mar-2019	% change
	million Baht	million Baht	%
Cash, cash equivalent and short-term investments	15,179	14,940	-1.6%
Total assets	100,636	110,161	9.5%
Total interest-bearing debts	58,173	60,721	4.4%
Total liabilities	72,897	81,625	12.0%
Total equities	27,739	28,536	2.9%
Total equities attributable to Owner	19,253	19,670	2.2%
Net-int debt to equity (times)	1.5	1.6	

Change in Capital Structure

- **Total assets increased 9.5%** from Baht 100,636 million as of December 31, 2018 to Baht 110,161 million as of March 31, 2019, primarily due to an increase in property, plant and equipment, and intangible assets.
- **Total interest-bearing debts increase 4.4%** from Baht 58,173 million as of December 31, 2018 to Baht 60,721 million as of March 31, 2019, primarily due to the short-term borrowing for project acquisition and additional loan drawdown for the projects under development and construction.
- **Total equities increased 2.9%** from Baht 27,739 million as of December 31, 2018 to Baht 28,536 million as of March 31, 2019, primarily due to an increase in retained earnings during the period.
- **As a result of the foregoing, net interest-bearing debt to equity ratio increased** from 1.5 times as of December 31, 2018 to 1.6 times as of March 31, 2019.

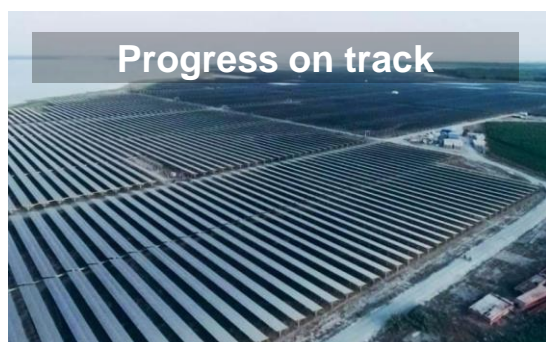
PROGRESS OF PROJECTS UNDER CONSTRUCTION



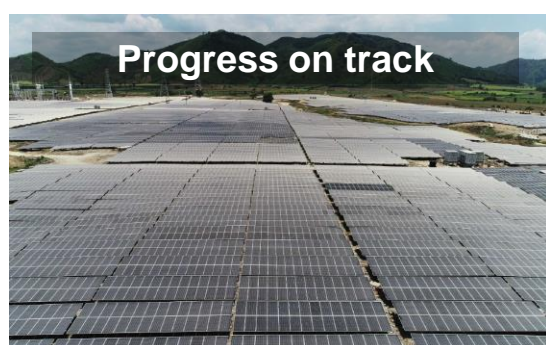
As of 22 April 2019



Nam Che 1 Hydro Power Project	
Type of Fuel	Hydro (Run of the river)
Installed Capacity	15 MW
Economic Ownership	72.0%
SCOD	1H'2019
EDL PPA	15 MW / 25 years
% Progress	98.9%



Dau Tieng 1 and Dau Tieng 2 Solar Plant Project (Xuan Cau)	
Type of Fuel	Solar PV
Installed Capacity	420 MW dc
Economic Ownership	55.0%
SCOD	30 June 2019
EVN PPA	350 MW ac / 20 years
% Progress	94.3%



Phu Yen TTP Solar Plant Project (Phu Yen)	
Type of Fuel	Solar PV
Installed Capacity	257 MW dc
Economic Ownership	80.0%
SCOD	30 June 2019
EVN PPA	214 MW ac / 20 years
% Progress	87.5%



Interchem	
Type of Fuel	Industrial Waste to Energy
Installed Capacity	4.8 MW
Economic Ownership	48.0%
SCOD	31 December 2019
PEA PPA	4.8 MW / 20 years
% Progress	6.8%

ABBREVIATION & OUR PROJECTS



ABBREVIATION

COD	Commercial Operation Date	KWh / GWh	Kilo / Gigawatt-hour
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization	MEA	Metropolitan Electricity Authority
EDL	Electricite Du Laos	mmBtu	Million Btu (unit of gas consumption)
EGAT	Electricity Generating Authority of Thailand	NNP	Normalized net profit
ERC	Energy Regulatory Commission	O&M	Operations and maintenance
EPC	Engineering, Procurement and Construction	P.A.	Per annum
EVN	Electricity of Vietnam	PEA	Provincial Electricity Authority (Thailand)
Ft	Fuel adjustment	PPA	Power purchase agreement
FX	Foreign exchange	PTT	PTT public Company Limited
IPO	Initial public offering	Q-o-Q	Quarter-on-Quarter
IU	Industrial user	SG&A	Selling, general & administrative expense
JV	Joint venture	WVO	War Veteran Organization
		Y-o-Y	Year on year

OUR PROJECTS

ABPIF	Amata B.Grimm Power Plant Infrastructure Fund	BGYSP	B.Grimm Yanhee Solar Power
ABP1	Amata B.Grimm Power 1	BIP1	B.Grimm BIP Power 1
ABP2	Amata B.Grimm Power 2	BIP2	B.Grimm BIP Power 2
ABP3	Amata B.Grimm Power 3	BPLC1	B.Grimm Power (Laem Chabang) 1
ABP4	Amata B.Grimm Power 4	BPLC2	B.Grimm Power (Laem Chabang) 2
ABP5	Amata B.Grimm Power 5	BPWHA1	B.Grimm Power (WHA) 1
ABPR1	Amata B.Grimm Power (Rayong) 1	Nam Che	Nam Che 1 Hydro Power Project
ABPR2	Amata B.Grimm Power (Rayong) 2	XXHP	Xenamnoy 2 and Xekatom 1 Hydro Power Project
ABPR3	Amata B.Grimm Power (Rayong) 3	Interchem	Progress Interchem
ABPR4	Amata B.Grimm Power (Rayong) 4	Solar WVO & CO-OP	Solar WVO-Cooperatives Projects
ABPR5	Amata B.Grimm Power (Rayong) 5	DTE	Dau Tieng Tay Ninh Energy Solar Plant Project (Xuan Cau)
BGPSK	B.Grimm Solar Power (Sakaeo) 1	Phu Yen TTP	Phu Yen TTP Solar Plant Project (Phu Yen)
BGSENA	B.Grimm Sena Solar Power Limited		

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