



Management's Discussion and Analysis (MD&A)

**For the Financial Result of Quarter 2 Year 2020
Ended June 30, 2020**

EXECUTIVE SUMMARY



Q2'2020 net profit grew 62.5% y-on-y despite the COVID-19 pandemic

B.Grimm Power continued to report a remarkable performance with a 62.5% y-on-y growth of net profit-owner of the parent to THB 1,017 million and a 17.2% y-on-y growth of Normalized Net Profit (NNP) to owner to THB 674 million in Q2'2020, despite unfavorable economic situation from COVID-19 pandemic. Key growth drivers were 1) continued expansion of portfolio capacity to 3,019 MW in mid-2020, 2) new industrial users (IUs) with total PPA of 25 MW in 2019 and 15 MW in 1H'2020, and 3) plant efficiency improvements.

For 2H'2020, beside the continued synchronization of new IU clients, volume from existing IUs started to show the recovery sign with 17% growth in July from monthly average in Q2'2020. Furthermore, the trend of gas price looks favorable to our SPP business with a reduction to 241 THB/mmBtu in July (8% below Q2'2020 weighted average) while PTT projected that SPP gas price per unit would continually decline in the rest of the year.

LNG Shipper license

In Q2'2020, B.Grimm LNG Limited (a 100% subsidiary of B.Grimm Power) acquired LNG Shipper license from the Energy Regulatory Commission (ERC) for the amount of 650,000 tons per year from 2022. This would support our cost management for electricity generation of our gas-fired power plants which contribute approximately 70% of our portfolio capacity.

Land Lease Agreement for U-Tapao hybrid project

On June 26, 2020, BGRIM has entered the Agreement to Lease State land (Ratchaphatsadu) with the Eastern Economic Corridor (EEC) for the purpose of producing electricity generation and chilled water supply at the U-Tapao International Airport for the operation of hybrid power plant, consisting of combined cycle cogeneration power plant using natural gas and solar farm with total capacity of 95 MW and the smart energy storage system (ESS) of 50 MWh, partnering with LG Chem, KEPCO and Energy China.

Interim dividend payment

For the first six-month period performance of 2020, interim dividend payment is THB 0.15 per share which scheduled date to determine the names of shareholders entitled to receive the interim dividend (Record Date) on August 31, 2020 and scheduled the payment date on September 11, 2020.

The annual dividend payout policy is no less than 40% of Normalized net profit (NNP).

Progress of projects under construction

Ray Power, solar project in Cambodia, with an installed capacity of 39 MW had 35.9% construction progress with the SCOD in October 2020.

Bo Thong 1&2 wind projects with 16 MW capacity had construction progresses of 29.2% with the SCOD in Q1'2021.

Awards and Recognitions

In June 2020, BGRIM was included in the "FTSE4Good Index Series" announced by FTSE Russell which designed to identify companies that demonstrate strong environment, social and governance practices measured against globally recognized standards. This confirms our commitment to be a world-class energy company with outstanding performance on environment, social and governance (ESG) aspects.

In July 2020, BGRIM got 3 awards from "Institutional Investor Corporate Awards 2020" organized by Alpha Southeast Asia including "Most Organized Investor Relations", "Strongest Adherence to Corporate Governance", and "Most Consistent Dividend Policy".

B.Grimm Fights COVID-19 with Compassion

We stand with all stakeholder to overcome this situation together through supports and donation of over THB 50 million through various channels.



EXECUTIVE SUMMARY



KEY FINANCIAL HIGHLIGHT

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Sales and service income	21,123	22,466	6.4%	10,866	11,223	11,243	3.5%	0.2%
EBITDA*	5,221	6,500	24.5%	2,808	3,278	3,221	14.7%	(1.7%)
Net profit	1,874	1,841	(1.8%)	1,038	159	1,682	62.0%	957.9%
Net profit - Owner of the parent	1,158	1,098	(5.2%)	626	81	1,017	62.5%	1,155.6%
Unrealized gain / (loss) from FX	425	(201)	n/a	245	(886)	685	179.6%	n/a
Non-recurring expense	(151)	(219)	n/a	(119)	(113)	n/a	n/a	n/a
Normalized net profit (NNP)**	1,600	2,260	41.3%	913	1,158	1,102	20.7%	(4.8%)
NNP - Owner of the parent	1,018	1,356	33.2%	575	682	674	17.2%	(1.2%)
EBITDA margin (%)	24.7%	28.9%		25.8%	29.2%	28.6%		
NNP margin (%)	7.6%	10.1%		8.4%	10.3%	9.8%		
% NNP - Owner of the parent	63.6%	60.0%		63.0%	58.9%	61.2%		

Remark

* EBITDA = Earnings before interest, taxes, depreciation and amortization - non-operating income / (expense)

** Normalized net profit = Net profit - unrealized gain / (loss) from FX - non-operating income / (expense)

Sales and Service Income

- Sales and service income increased 3.5% y-on-y in Q2'2020 to THB 11,243 million and 6.4% y-on-y in 6M'2020 to THB 22,466 million, despite the COVID-19 pandemic. This was because the majority of revenue (above 70%) had no impact from COVID-19 while we continued adding new capacity (by 820 MW from COD of 4 projects and the BPAM acquisition in 2019 and by 123 MW from an acquisition of ATP in March 2020) and new clients (with the synchronization of new industrial users with total PPA of 25 MW in 2019 and 15 MW in 6M'2020).

EBITDA

- EBITDA increased 14.7% y-on-y in Q2'2020 to THB 3,221 million and 24.5% y-on-y in 6M'2020 to THB 6,500 million due to capacity growth, new industrial users and continued improvement in plant efficiency.
- EBITDA margin increased y-on-y to 28.6% in Q2'2020 and 28.9% in 6M'2020 from 1) ABP5 and BPWHA1 improving heat rate after gas turbine upgrade in July 2019 and February 2020 respectively, 2) more contribution from renewable power which gives relatively higher EBITDA margin and 3) 4.6% and 4.8% y-on-y declining gas cost per unit respectively.

Normalized net profit (NNP)

- NNP increased 20.7% y-on-y in Q2'2020 to THB 1,102 million and 41.3% y-on-y in 6M'2020 to THB 2,260 million.
- NNP - owner of the parent increased 17.2% y-on-y in Q2'2020 to THB 674 million and 33.2% y-on-y in 6M'2020 to THB 1,356 million from capacity growth, portfolio expansion, plant efficiency improvement and softening gas price as mentioned previously.

Net profit

- In Q2'2020 net profit was THB 1,682 million while net profit-owner of the parent was THB 1,017 million, improving 62.5% y-on-y from the reasons described previously.
- In 6M'2020 net profit-owner of the parent softened 5.2% y-on-y mainly from non-cash expenses: 1) THB 201 million unrealized FX loss from the outstanding of US dollar debts and payable while THB and VND depreciated against US dollar during this period and 2) THB 188 million accretion cost from a discounting of long-term construction payables based on requirement of accounting standards.

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
<u>Electricity sales</u>								
EGAT	14,029	14,861	5.9%	7,117	7,095	7,766	9.1%	9.5%
IUs - Thailand	5,139	4,427	(13.9%)	2,580	2,555	1,872	(27.4%)	(26.7%)
IUs - Vietnam	590	563	(4.6%)	321	294	270	(15.9%)	(8.2%)
PEA/MEA/Rooftop	420	421	0.2%	214	211	210	(1.9%)	(0.5%)
EDL	44	75	70.5%	38	23	52	36.8%	126.1%
EVN	183	1,618	784.2%	183	793	825	350.8%	4.0%
Electricity sales	20,406	21,965	7.6%	10,453	10,970	10,995	5.2%	0.2%
Steam sales	410	440	7.3%	218	240	200	(8.3%)	(16.7%)
Demin Water	15	22	46.7%	11	12	10	(9.1%)	(16.7%)
Others	292*	39**	(86.6%)	184*	1	38**	(79.3%)	3,700.0%
Sales and services income	21,123	22,466	6.4%	10,866	11,223	11,243	3.5%	0.2%

* primarily include the construction revenue recognition based on percentage of completion of Nam Che 1 in Lao PDR according to TFRIC 12 – Concession Agreement, ** with revenue recognition from the EPC service for EGAT's solar floating project

Electricity Sales to EGAT

- **Electricity sales to EGAT increased 9.1% y-on-y in Q2'2020 to THB 7,766 million and 5.9% y-on-y in 6M'2020 to THB 14,861 million.**
 - **Sales volume to EGAT increased 16.3% y-on-y in Q2'2020 to 2,557 GWh and 11.5% y-on-y in 6M'2020 to 4,822 GWh**, primarily due to the acquisitions of BPAM in March 2019 and ATP in March 2020.
 - **Tariff of electricity sold to EGAT decreased 6.2% y-on-y in Q2'2020 to 3.04 THB/kWh and 4.9% y-on-y in 6M'2020 to 3.08 THB/kWh** because the energy payment is generally adjusted to reflect changes in natural gas price which decreased 4.6% and 4.8% y-on-y respectively during the period.

Electricity sales to Industrial Users (IUs) – Thailand

- **Bottom out in Q2'2020 before strong recovery in July 2020**, electricity sales to IUs in Thailand decreased 27.4% y-on-y in Q2'2020 to THB 1,872 million and 13.9% y-on-y in 6M'2020 to THB 4,427 million.
 - **Sales volume to IUs in Thailand softened 28.0% y-on-y in Q2'2020 to 563 GWh and 14.3% y-on-y in 6M'2020 to 1,336 GWh** due to economic slowdown from COVID-19 pandemic. We already noticed significant recovery in July 2020 with the 17.0% volume recovery from monthly average in Q2'2020. Based on this and the scheduled synchronization of new IU clients, IU volume is expected to improve in 2H'2020. Meanwhile, several segments such as packaging and shipyard still grew strongly.
 - **The tariff of electricity sold to IUs in Thailand increased 0.6% y-on-y in Q2'2020 to 3.32 THB/kWh and was stable y-on-y in 6M'2020 at 3.31 THB/kWh** which is in line with the Ft charge announced by the ERC.

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

Electricity Sales to Industrial Users (IUs) – Vietnam

- **Electricity sales to IUs in Vietnam decreased 15.9% y-on-y in Q2'2020 to THB 270 million and 4.6% y-on-y in 6M'2020 to THB 563 million.**
 - **Sales volume to IUs in Vietnam decreased 8.5% y-on-y in Q2'2020 to 120 GWh and 2.1% y-on-y in 6M'2020 to 242 GWh, primarily due to the decrease in demand load from COVID-19 pandemic.**
 - **The tariff of electricity sold to IUs in Vietnam decreased 8.6% y-on-y in Q2'2020 to 2.24 THB/kWh and 2.5% y-on-y in 6M'2020 to 2.33 THB/kWh, primarily due to government's 10.0% tariff reduction during April 20 to July 10; this also caused a reduction in our cost of electricity that we bought from a subsidiary of EVN.**

Electricity Sales to PEA / MEA / Rooftop

- **Electricity sales to PEA / MEA / Rooftop decreased 1.9% y-on-y in Q2'2020 to THB 210 million primarily due to low irradiation of solar plants in Thailand in Q2'2020 compared to Q2'2019 and quite stable y-on-y in 6M'2020 at THB 420 million.**

Electricity Sales to EDL

- **Electricity sales to EDL increased 36.8% y-on-y in Q2'2020 to THB 52 million and 70.5% y-on-y in 6M'2020 to THB 75 million due to 1) contribution from Nam Che 1 project which commenced operation on June 1, 2019 and 2) an increase of water inflow.**

Electricity Sales to EVN

- **Electricity sales to EVN increased 350.8% y-on-y in Q2'2020 to THB 825 million and 784.2% y-on-y in 6M'2020 to THB 1,618 million due to the operation solar projects in Vietnam since June 2019.**

Steam Sales to Industrial Users (IUs)

- **Steam sales to IUs in Thailand decreased 8.3% y-on-y in Q2'2020 to THB 200 million but increased 7.3% y-on-y in 6M'2020 to THB 440 million.**
 - **The volume of steam sold to IUs in Thailand decreased 7.3% y-on-y in Q2'2020 to 189,258 tons primarily due to the economic slowdown from COVID-19 pandemic and increased 12.5% y-on-y in 6M'2020 to 415,761 tons from the inclusions sales volume from BPAM's in WHA Eastern (Map Ta Phut) and ATP in Angthong province after the acquisitions in March 2019 and March 2020 respectively.**
 - **Steam selling price decreased 0.9% y-on-y in Q2'2020 to 1,057.01 THB/ton and 4.8% y-on-y in 6M'2020 to 1,057.34 THB/ton from 1) the lower of natural gas price which generally reflects our steam price and 2) the inclusive of steam revenue from BPAM since March 2019 in which the tariff is relatively lower than other projects.**

FINANCIAL PERFORMANCE



REVENUE STRUCTURE

Table 1) Revenue Drivers: Sales volume

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	GWh	GWh	y-on-y	GWh	GWh	GWh	y-on-y	q-on-q
Electricity sales to EGAT	4,326	4,822	11.5%	2,199	2,265	2,557	16.3%	12.9%
Electricity sales to IU - Thailand								
Amata City Chonburi Industrial Estate	792	608	(23.3%)	397	367	241	(39.3%)	(34.4%)
Amata City Rayong Industrial Estate	229	234	2.0%	123	134	100	(18.7%)	(25.5%)
Laemchabang Industrial Estate	338	307	(9.0%)	166	173	134	(18.8%)	(22.2%)
WHA Chonburi 1 Industrial Estate	114	106	(7.3%)	57	55	50	(11.1%)	(8.8%)
Bangkadi Industrial Park	76	75	(1.3%)	38	40	35	(7.8%)	(14.0%)
WHA Eastern Industrial Estate (Map Ta Phut)	9	6	(27.2%)	3	3	3	4.0%	3.3%
Electricity sales to IU - Thailand	1,558	1,336	(14.3%)	783	772	563	(28.0%)	(27.0%)
Electricity sales to IU - Vietnam	247	242	(2.1%)	131	122	120	(8.5%)	(1.2%)

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	ton	ton	y-on-y	ton	ton	ton	y-on-y	q-on-q
Steam sales to IU - Thailand								
Amata City Chonburi Industrial Estate	74,818	58,688	(21.6%)	37,341	33,598	25,090	(32.8%)	(25.3%)
Amata City Rayong Industrial Estate	69,320	50,973	(26.5%)	35,674	30,678	20,295	(43.1%)	(33.8%)
Laemchabang Industrial Estate	107,724	93,056	(13.6%)	51,479	54,167	38,889	(24.5%)	(28.2%)
WHA Eastern Industrial Estate (Map Ta Phut)	117,644	209,217	77.8%	79,761	107,201	102,015	27.9%	(4.8%)
Angthong province	-	3,828	n/a	-	859	2,969	n/a	245.6%
Steam sales to IU - Thailand	369,505	415,761	12.5%	204,254	226,503	189,258	(7.3%)	(16.4%)

Table 2) Revenue Drivers: Price per Unit

Price per unit	Units	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
				y-on-y				y-on-y	q-on-q
Electricity to EGAT	THB/kWh	3.24	3.08	(4.9%)	3.24	3.13	3.04	(6.2%)	(2.9%)
Electricity to IU -Thailand	THB/kWh	3.30	3.31	0.3%	3.30	3.31	3.32	0.6%	0.3%
Electricity to IU - Vietnam	THB/kWh	2.39	2.33	(2.5%)	2.45	2.42	2.24	(8.6%)	(7.4%)
Steam to IU - Thailand	THB/Ton	1,110.13	1,057.34	(4.8%)	1,067.02	1,057.62	1,057.01	(0.9%)	(0.1%)
Gas cost per unit	THB/mmBtu	278.20	264.71	(4.8%)	275.08	267.06	262.41	(4.6%)	(1.7%)

FINANCIAL PERFORMANCE



COST STRUCTURE

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Cost of sales and services								
Natural gas	13,078	13,144	0.5%	6,575	6,545	6,599	0.4%	0.8%
Cost of electricity- Vietnam	537	516	(3.9%)	291	271	245	(15.8%)	(9.6%)
O&M	1,252	1,273	1.7%	629	636	637	1.3%	0.2%
Others	567*	360	(36.5%)	329*	165	195	(40.7%)	18.2%
Cost of sales and services (exc. Depreciation and amortization)	15,435	15,292	(0.9%)	7,824	7,617	7,676	(1.9%)	0.8%
SG&A	720	896	24.4%	392	447	449	14.5%	0.4%
Depreciation – COGS	2,020	2,651	31.2%	1,073	1,294	1,357	26.5%	4.9%
Depreciation – SG&A	44	66	50.0%	23	29	37	60.9%	27.6%
Total expenses	18,219	18,905	3.8%	9,312	9,387	9,519	2.2%	1.4%

* include the construction cost of Nam Che 1 project in Lao PDR while there was the revenue recognition from the percentage of project completion as well, according to TFRIC 12 – Concession Agreement

Natural Gas

- **Natural gas cost increased 0.4% y-on-y in Q2'2020** to THB 6,599 million and **0.5% y-on-y in 6M'2020** to THB 13,144 million, primarily due to an increase in gas consumption arising from an increase in electricity generation despite a 4.6% and 4.8% y-on-y decline in natural gas price in Q2'2020 and 6M'2020 respectively. Note that the natural gas price is tied to the weighted average price from PTT's pool gas.

Cost of Electricity- Vietnam

- **Cost of electricity purchased from subsidiaries of EVN decreased 15.8% y-on-y in Q2'2020** to THB 245 million and **3.9% y-on-y in 6M'2020** to THB 516 million mainly from the government's tariff reduction program during COVID-19 pandemic. This was in line with changes in electricity sales to industrial users in Vietnam.

O&M

- **Operation and maintenance costs increased 1.3% y-on-y in Q2'2020** to THB 637 million and **1.7% y-on-y in 6M'2020** to THB 1,273 million, primarily due to the portfolio expansion through project COD and the acquisition as mentioned.

Selling, General & Administrative Expense

- **SG&A increased 14.5% y-on-y in Q2'2020** to THB 449 million and **24.4% y-on-y in 6M'2020** to THB 896 million, primarily due to commercial operations of new power plants and project acquisition described previously.

FINANCIAL PERFORMANCE



OTHER ITEMS

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Other revenues	117	169	44.4%	69	92	76	10.1%	(17.4%)
Share of profit (loss) of associates	51	54	5.9%	20	27	27	35.0%	0.0%
Gain (Loss) on exchange rate	(15)	(11)	n/a	(26)	(213)	202	n/a	n/a

Other Revenues

- **Other revenues increased 10.1% y-on-y in Q2'2020** to THB 76 million **and 44.4% y-on-y in 6M'2020** to THB 169 million primarily due to increase of interest income.

Share of Profit (Loss) of Associates and Joint Ventures

- **Share of profit from associates increased 35.0% y-on-y in Q2'2020** to THB 27 million **and 5.9% y-on-y in 6M'2020** to THB 54 million, primarily due to higher profits at our associate named BGSENA as there was a deferred financing fee write-off from refinancing in May 2019.

Gain (Loss) on Exchange Rate

- **A THB 202 million gain on exchange rate in Q2'2020** was from from balance of US dollar EPC construction liabilities of solar projects in Vietnam while VND was appreciated against US dollar during this period. On the other hand, there was a THB 11 million loss on exchange rate in 6M'2020 as VND was depreciated against US dollar during this period.

FINANCIAL PERFORMANCE



FINANCE COST AND TAX

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Finance cost								
Interest expense from borrowing	1,325	1,379	4.1%	673	700	679	0.9%	(3.0%)
Interest expense from ABPIF	104	65	(37.5%)	49	40	26	(46.9%)	(35.0%)
Interest expenses on long-term construction payables	27	188	596.3%	27	98	90	233.3%	(8.2%)
Unrealized loss/(gain) from FX	(446)	184	n/a	(277)	673	(489)	76.5%	n/a
Other financing costs	61	41	(32.8%)	45	20	21	(53.3%)	5.0%
Finance cost	1,071	1,857	73.4%	517	1,531	327	(36.8%)	(78.6%)
Tax expense (income)								
Tax on profits for the period	109	113	3.7%	68	72	41	(39.7%)	(43.1%)
Deferred tax	2	(39)	n/a	(6)	(18)	(21)	250.0%	16.7%
Tax expense (income)	111	74	(33.3%)	62	54	20	(67.7%)	(63.0%)

Finance Cost

- **Finance costs decreased 36.8% y-on-y in Q2'2020** to THB 1,531 million **and increased 73.4% y-on-y in 6M'2020** to THB 1,857 million, primarily attributable to:
 - Interest expenses from borrowings increased 0.9% y-on-y in Q2'2020 to THB 679 million and 4.1% y-on-y in 6M'2020 to THB 1,379 million, primarily due to the record of interest expense after the COD of Nam Che 1 in June 2019 and acquisitions of BPAM and ATP in March 2019 and March 2020 respectively;
 - Interest expense from ABPIF declined 46.9% y-on-y in Q2'2020 to THB 26 million and 37.5% y-on-y in 6M'2020 to THB 65 million from the maturity of ABP1's cash flow to ABPIF since September 17, 2019;
 - Interest expenses on long-term construction payables increased 233.3% y-on-y in Q2'2020 to THB 90 million and 596.3% y-on-y in 6M'2020 to THB 188 million which is a non-cash accretion cost from a discounting of long-term construction payables of solar project in Vietnam based on a requirement of accounting standards;
- Unrealized gain or loss on exchange rate from financing activities was a non-cash item derived from the outstanding of US dollar debts and the THB appreciation or depreciation against US dollar during the period respectively. There was a THB 489 million unrealized gain in Q2'2020 from as THB was appreciated against US dollar during this period. On the other hand, there was a THB 184 million unrealized loss in 6M'2020 as THB was depreciation against US dollar during this 6-month period.

Tax Expense

- **Tax expense decreased 67.7% y-on-y in Q2'2020** to THB 20 million **and 33.3% y-on-y in 6M'2020** to THB 74 million due to a record of deferred tax income and lower taxable profit in Q2'2020.

FINANCIAL PERFORMANCE



NORMALIZED NET PROFIT (NNP)

	6M'19	6M'20	change	Q2'19	Q1'20	Q2'20	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Net profit – Owner of the parent	1,158	1,098	(5.2%)	626	81	1,017	62.5%	1,155.6%
Net profit	1,874	1,841	(1.8%)	1,038	159	1,682	62.0%	957.9%
Less/Add Unrealized gain/(loss) on FX	425	(201)	n/a	245	(886)	685	179.6%	n/a
Add Non-operating expenses	151	219	45.0%	119	113	105	(11.8%)	(7.1%)
Normalized net profit (NNP)	1,600	2,260	41.3%	913	1,158	1,102	20.7%	(4.8%)
Less Minority interest	582	904	55.3%	338	476	428	26.6%	(10.1%)
NNP - Owner of the parent	1,018	1,356	33.2%	575	682	674	17.2%	(1.2%)
<i>NNP per share (THB per share)</i>	<i>0.39</i>	<i>0.52</i>	<i>33.2%</i>	<i>0.22</i>	<i>0.26</i>	<i>0.26</i>	<i>17.2%</i>	<i>(1.2%)</i>
<i>No. of shares in calculation (million shares)</i>	<i>2,607</i>	<i>2,607</i>		<i>2,607</i>	<i>2,607</i>	<i>2,607</i>		

Normalized Net Profit (NNP)

- **NNP / NNP - owner of the parent increased 20.7% / 17.2% y-on-y in Q2'2020** to THB 1,102 million / THB 674 million due to 1) the portfolio expansion through project COD and the acquisition as mentioned, 2) new industrial users, 3) efficiency improvements of ABP5 and BPWHA1 from the gas turbine upgrades and 4) a 4.6% y-on-y decrease in gas cost per unit.
- **NNP / NNP - owner of the parent increased 41.3% / 33.2% y-on-y in 6M'2020** to THB 2,260 million / THB 1,356 million.

The adjustments on NNP in 6M'2020 were :

The adjustments on NNP in Q2'2020 were:

- **A non-cash unrealized gain on exchange rate** of THB 685 million, mainly from the balance of US dollar debt and payables and the appreciation of local currencies (THB and VND) against US dollar in this period; and
- **Non-operating expenses** of THB 105 million, primarily from 1) a non-cash item of THB 90 million is an accretion cost from a discounting of long-term construction payables based on a requirement of accounting standards and 2) a remuneration program's expense in the amount of THB 15 million.
- **A non-cash unrealized loss on exchange rate** of THB 201 million, mainly from the balance of US dollar debt and payables and the depreciation of local currencies (THB and VND) against US dollar in this period; and
- **Non-operating expenses** of THB 219 million, primarily from 1) a non-cash item of THB 188 million is an accretion cost from a discounting of long-term construction payables based on a requirement of accounting standards and 2) a remuneration program's expense in the amount of THB 31 million.

Net profit

- **Net profit-owner of the parent increased 62.5% y-on-y in Q2'2020** to THB 1,017 million from reasons as mentioned previously. On the other hand, that in 6M'2020 softened 5.2% y-on-y to THB 1,098 million mainly from non-cash items: 1) THB 201 million unrealized FX loss from the outstanding of US dollar debts and payable and 2) THB 188 million accretion cost from a discounting of long-term construction payables based on a requirement of accounting standards.

FINANCIAL POSITION



STATEMENT OF FINANCIAL POSITION

	31-Dec-2019	30-Jun-2020	% change
	Btmn	Btmn	
Cash, cash equivalent and short-term investments	23,271	20,451	(12.1%)
Total assets	121,693	126,167	3.7%
Total interest-bearing debts	60,387	61,552	1.9%
Total liabilities	83,016	89,391	7.7%
Total equities	38,677	36,776	(4.9%)
Total equities attributable to owner	28,144	26,746	(5.0%)
Net-int debt to equity (times)	1.0	1.1	

Change in Capital Structure

- **Total assets increased by 3.7%** from the end of 2019 to THB 126,167 million as of June 30, 2020, primarily due to the continual expansion of project portfolio both locally and internationally.
- **Total interest-bearing debts increased by 1.9%** from the end of 2019 to THB 61,552 million as of June 30, 2020, due to debts consolidation after ATP acquisition in March 2020.
- **Total equities decreased by 4.9%** from the end of 2019 to THB 36,776 million as of June 30, 2020, primarily due to a record of loss in hedging reserve in Other components of equity according to new financial reporting standards –TFRS9.
- **As a result of the foregoing, net interest-bearing debt to equity ratio increased** from 1.0 times as of December 31, 2019 to 1.1 times as of June 30, 2020.

PROGRESS OF PROJECTS UNDER CONSTRUCTION



Current Construction Progress



Ray Power Projects	
Type of Fuel	Solar PV
Installed Capacity	39 MW
Economic Ownership	100.0%
SCOD	October 2020
EDC PPA	30 MW / 20 years
% Progress	35.9%



Bo Thong 1&2 Projects	
Type of Fuel	Wind
Installed Capacity	16 MW
Economic Ownership	92.2%
SCOD	Q1' 2021
PEA PPA	16 MW / 25 years
% Progress	29.2%

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-on-Q	Quarter-on-Quarter
IU	Industrial user	SG&A	Selling, general & administrative expense
JV	Joint venture	WVO	War Veteran Organization
		Y-on-Y	Year on year

OUR PROJECTS

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

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