



Management Discussion and Analysis

For the Financial Result of Quarter 3 Year 2020

Ended September 30, 2020

Note: This Management Discussion and Analysis (MD&A) was made to disclose information and the vision of the management in order to assist investors to better understand the company's financial status and operation. It also supports the "Good Corporate Governance Project" of the Securities and Exchange Commission (SEC).

An English version of the MD&A has been prepared from the Thai version. In the event of a conflict or a difference in interpretation between the two languages, the Thai version shall prevail.

The objective of this MD&A is to present the information and the explanation of financial status and operating results as of the date hereof. However, the information provided in this MD&A may vary if any factors or situation are changed in the future; the investors are, therefore, required to have their own discretion regarding the usage of this information for any purpose. For further detail, please contact Investor Relations Division of the Electricity Generating Public Company Limited (EGCO) at Tel: 662-998-5150-3 or Email: ir@egco.com

Management Discussion and Analysis

1. Significant events in the Third Quarter of 2020

1.1 The progress in construction projects

1.1.1 Project completion

- **Gangdong Fuel Cell Project (Gangdong)**, a project of **Paju Energy Services Co.,Ltd. (Paju ES)** (EGCO holds a 49.00% ownership interest), located in Gangdong-gu, Seoul, South Korea with a capacity of 19.80 MW. Gangdong will sell electricity to Korea Electric Power Corporation (KEPCO), the sole off-taker of wholesale power generation in South Korea, through the Korea Power Exchange (KPX). Gangdong also sells thermal energy, and receive renewable credits in the form of Renewable Energy Certificates (REC) concerning its electricity generation output. Construction works of the project was complete and its operation started on October 1, 2020.

1.1.2 Projects under construction

- **Yunlin Project (The project)**, a project of **Yunlin Holding GmbH (Yunlin)** (EGCO holds a 25% ownership interest), is an offshore wind farm power plant project which located in the Taiwan Strait approximately 8 km west of the coast of Yunlin Country in Taiwan. The project has entered into the Power Purchase Agreement (PPA) with Taiwan Power Company (Taipower) pursuant to a fixed 20-year feed-in tariff PPA, for the sale of electricity by the project with the contracted capacity of 640 MW. The construction of the project has progressed 60.67% (The construction plan was 62.95%). The commercial operation date is scheduled in the third quarter of 2021.
- **The extension of the petroleum pipeline system to the northeastern region project (The project)** is a project of **Thai Pipeline Network Company Limited (TPN)** (EGCO holds a 44.60% ownership interest). The project connects the Thai Petroleum Pipeline Co., Ltd (Thappline) Terminal in Saraburi to TPN's owned terminal with storage capacity of 142 million liters in Khon Kaen, through a newly constructed 342.80 kilometers undergrounded pipeline which has an annual transport capacity of approximately 5,443 million liters. The capacity of the project shall potentially increase to 7,330 million liters in the future. The construction of the project has progressed 49.62% (The construction plan was 53.81%). The commercial operation date is scheduled in the fourth quarter of 2021.

- **NT1PC Project**, a project of **Nam Theun 1 Power Company Limited** (EGCO holds a 25% ownership interest), is a hydro power plant project. The project is located on the Nam Kading River in Bolikhamxay Province of Lao PDR. The project has entered into the PPA with EGAT with the contracted capacity of 514 MW and Electricite Du Laos (EDL) with the contracted capacity of 130 MW for 27 years. The construction of the project has progressed 78.35% (The construction plan was 80.07%). The commercial operation date is scheduled in the second quarter of 2022.

1.2 Other events

- On September 16, 2020, EGCO, EGAT International Company Limited, and RATCH Group Public Company Limited entered into a joint development agreement of **Quang Tri 1 thermal power plant project (Quang Tri 1)** with the shareholding proportion of 30%, 40% and 30% respectively. Quang Tri 1 is the coal-fired power plant, located in Quang Tri Economic Zones, Hai Lang District, Quang Tri Province in the central region of the Socialist Republic of Vietnam, with the installed capacity of 1,320 MW (2 units with generating capacity of 660 MW each). The generated electricity will be sold to Vietnam Electricity (EVN) under the long-term PPA. Quang Tri 1 is currently under Green-Field development phase and under advanced negotiation process with the expected commercial operating date in 2025.
- On August 23, 2020, the 21-year PPA between **Samutprakarn Cogeneration Co., Ltd. (SCC)** and EGAT expired. SCC was a combined cycle power plant in Samutprakarn Province of Gulf Electric Public Company Limited (GEC) (EGCO holds a 50% ownership interest), which had entered into the PPA with EGAT with the contracted capacity of 114.45 MW. SCC stopped its operation and electricity sales to EGAT on the same day.

2. Business overview

EGCO Group have invested in the Power Producer (PP), Independent Power Producer (IPP), Small Power Producer (SPP), Very Small Power Producer (VSPP), Coal Mining, Oil Transportation Service with pipeline transportation system (Oil Transportation Service), Operating and Maintenance (O&M), Management and Administrative Services (Management Services). Details of each plant are as follows:

(1) Subsidiaries which can be categorized into 2 businesses:

1. Power Generation

1.1 Local power generation

Khanom Electricity Generating Co., Ltd. (KEGCO)	IPP
EGCO Cogeneration Co., Ltd. (EGCO Cogen)	SPP
Roi-Et Green Co., Ltd. (RG)	SPP
Banpong Utilities Co., Ltd. (BPU)	SPP
Klongluang Utilities Co., Ltd. (KLU)	SPP
Chaiyaphum Wind Farm Co., Ltd. (CWF)	SPP
SPP Two Co., Ltd. (SPP 2)	VSPP
SPP Three Co., Ltd. (SPP 3)	VSPP
SPP Four Co., Ltd. (SPP 4)	VSPP
SPP Five Co., Ltd. (SPP 5)	VSPP
Yanhee EGCO Holding Co., Ltd. (Yanhee EGCO)	Holding Co.
• Solarco Company Limited (Solarco)	VSPP
Theppana Wind Farm Co., Ltd. (TWF)	VSPP
EGCO Plus Co., Ltd. (EGCO Plus)	Holding Co.

1.2 Overseas Power Generation

Quezon Power (Philippines) Limited Co. (Quezon)	PP
Boco Rock Wind Farm Pty Ltd. (BRWF)	PP

2. Other businesses

2.1 Local Other Businesses

EGCO Engineering and Service Co., Ltd. (ESCO)	O&M
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2.2 Overseas Other Businesses

Pearl Energy Philippines Operating Inc. (PEPOI)	O&M
Quezon Management Service Inc. (QMS)	Management Services

(2) Associated in overseas power generation business

Star Energy Geothermal Pte. Ltd. (SEG)	PP
Star Energy Geothermal (Salak – Darajat) B.V. (SEGSD)	PP
Xayaburi Power Company Limited (XPCL)	PP

(3) Joint Ventures which can be categorized into 2 businesses:

1. Power Generation

1.1 Local power generation

Gulf Electric Public Company Limited (GEC)	Holding Co.
● Gulf Cogeneration Co., Ltd. (GCC)	SPP
● Nong Khae Cogeneration Co., Ltd. (NKCC)	SPP
● Samutprakarn Cogeneration Co., Ltd. (SCC)	SPP
● Gulf Yala Green Co., Ltd. (GYG)	SPP
● Gulf Power Generation Co., Ltd (GPG)	IPP
BLCP Power Limited (BLCP)	IPP
Natural Energy Development Co., Ltd. (NED)	SPP & VSPP
G-Power Source Co., Ltd. (GPS)	VSPP

1.2 Overseas power generation

Nam Theun 2 Power Co., Ltd. (NTPC)	PP
San Buenaventura Power Ltd. Co. (SBPL)	PP
Nam Theun 1 Power Co., Ltd. (NT1PC)	PP
Paju Energy Services Co.,Ltd. (Paju ES)	PP
Yunlin Holding GmbH Co.,Ltd. (Yunlin)	PP

2. Other businesses

2.1 Local Other Businesses

Thai Pipeline Network Company Limited (TPN)	Oil Transportation Service
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2.2 Overseas Other Businesses

PT Manambang Muara Enim Co., Ltd. (MME)	Coal Mining
E&E Engineering and Service Company Limited (E&E)	O&M

As of September 30, 2020, EGCO Group's portfolio consists of 27 operating power plants, with a total contracted capacity of 5,418 MW equity and 3 power plant construction projects, with a total contracted capacity of 331 MW equity.

3. Report and Analysis of the Operating Results

EGCO would like to present analysis of the operation result as follows:

Summary of operating results for Q3/2020, Ended of September 30, 2020

Unit : Million Baht

	Power Generation		Others		Total		Increase/(Decrease)	
	Quarter 3		Quarter 3		Quarter 3		Quarter 3	
	2020	2019	2020	2019	2020	2019	Amount	%
Total Revenues	9,618	10,576	212	143	9,830	10,719	(889)	(8%)
Total Expenses	(8,817)	(9,656)	(174)	(148)	(8,991)	(9,804)	(813)	(8%)
Share of Profit (Loss)	2,005	1,647	(5)	2	2,000	1,649	351	21%
Operating profit (loss)*	2,806	2,567	33	(3)	2,839	2,564	275	11%
Impact of financial instruments	184	-	-	-	184	-	184	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income	2,990	2,567	33	(3)	3,023	2,564	459	18%
Deferred income (expense) tax	(61)	(87)	1	1	(60)	(86)	26	30%
Profit (Loss) before the effects of foreign exchange and lease income	2,929	2,480	34	(2)	2,963	2,478	485	20%
Profit (Loss) from foreign exchange	(805)	224	-	-	(805)	224	(1,029)	(459%)
Net Profit (Loss) before the impact of lease income	2,124	2,704	34	(2)	2,158	2,702	(544)	(20%)
Impact of lease income	109	121	-	-	109	121	(12)	(10%)
Net Profit (Loss)	2,233	2,825	34	(2)	2,267	2,823	(556)	(20%)

*Operating profit (loss) : Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment, financial instruments and lease income.

For focusing on the operating performance, the impact of lease income and the impact of financial instruments (IFRS 9) were excluded from the analysis of the company's operating results.

The operating profit of EGCO Group for Q3/2020 was Baht 2,839 million, increasing by Baht 275 million compared to Q3/2019, which came from a increase in power generation business of Baht 239 million and an increase in other business of Baht 36 million. See more details in 3.1 and 3.2 as follows;

3.1 The Analysis of the Operating Results in Power Generation business

The operating profit (loss) for Q3/2020 of power generation business increased by Baht 239 million, comparing to Q3/2019, mainly due to a increase in the operating results of XPCL, Paju ES, SBPL, Quezon, NTPC, EGCP PLUS and GPG. On the other hand, those of BLCP, KEGCO and EGCO were decreased as follows:

XPCL:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	561	-	561	100%
<i>Other income</i>	-	-	-	-
Total revenues	561	-	561	100%
<i>Cost of sale</i>	(159)	-	159	100%
<i>Other expenses</i>	(184)	-	184	100%
Total expenses	(343)	-	343	100%
Operating profit (loss)	218	-	218	100%

- **XPCL** : The operating result was Baht 218 million. This was resulted from the commencement of XPCL on October 29, 2019.

Paju ES:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	2,901	3,794	(893)	(24%)
<i>Other income</i>	56	62	(6)	(10%)
Total revenues	2,957	3,856	(899)	(23%)
<i>Cost of sale</i>	(2,327)	(3,254)	(927)	(28%)
<i>Other expenses</i>	(109)	(239)	(130)	(54%)
Total expenses	(2,436)	(3,493)	(1,057)	(30%)
Operating profit (loss)	521	363	158	44%

- **Paju ES** : Electricity revenue and cost of sale were decreased caused by the lower electricity generation due to a scheduled maintenance in Q3/2020. Meanwhile, corporate income tax expense was decreased because the tax return. The operating result was increased by Baht 158 million.

SBPL:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	998	394	604	153%
<i>Other income</i>	1	4	(3)	(75%)
Total revenues	999	398	601	151%
<i>Cost of sale</i>	(699)	(363)	336	93%
<i>Other expenses</i>	(226)	(20)	206	1,030%
Total expenses	(925)	(383)	542	142%
Operating profit (loss)	74	15	59	393%

- **SBPL** : The operating result was increased by Baht 59 million. This was resulted from the commencement of SBPL on September 26, 2019.

Quezon (Include PEPOI and QMS):

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	2,387	2,508	(121)	(5%)
<i>Other income</i>	1	2	(1)	(50%)
Total revenues	2,388	2,510	(122)	(5%)
<i>Cost of sale</i>	(1,137)	(1,322)	(185)	(14%)
<i>Other expenses</i>	(343)	(333)	10	3%
Total expenses	(1,480)	(1,655)	(175)	(11%)
Operating profit (loss)	908	855	53	6%

- **Quezon** : The operating result was increased by Baht 53 million mainly due to operating and maintenance expenses and interest expenses were decreased.

NTPC:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	655	590	65	11%
<i>Other income</i>	2	5	(3)	(60%)
Total revenues	657	595	62	10%
<i>Cost of sale</i>	(277)	(215)	62	29%
<i>Other expenses</i>	(75)	(126)	(51)	(40%)
Total expenses	(352)	(341)	11	3%
Operating profit (loss)	305	254	51	20%

- **NTPC** : The operating result was increased by Baht 51 million mainly due to an increase in electricity revenue, caused by the higher electricity generation, comparing to the same period of the previous year. Additionally, interest expense was decreased. Meanwhile, cost of sale was increased due to liquidated damages from lower water level.

EGCO Plus (Include Gen Plus B.V. and North Pole):

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
<i>Other income</i>	25	102	(77)	(75%)
Total revenues	25	102	(77)	(75%)
<i>Cost of sale</i>	-	-	-	-
<i>Other expenses</i>	(719)	(813)	(94)	(12%)
Total expenses	(719)	(813)	(94)	(12%)
Operating profit (loss)	(694)	(711)	17	2%

- **EGCO Plus** : The operating result was increased by Baht 17 million mainly due to lower withholding tax expenses from dividends of Quezon, comparing to the same period of the previous year. Meanwhile, interest income was decreased.

GPG:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	592	575	17	3%
- Energy Payment (EP)	237	249	(12)	(5%)
Other income	7	5	2	40%
Total revenues	836	829	7	1%
<i>Cost of sale</i>	(397)	(406)	(9)	(2%)
<i>Other expenses</i>	(108)	(104)	4	4%
Total expenses	(505)	(510)	(5)	(1%)
Operating profit (loss)	331	319	12	4%

- **GPG** : The operating result was increased by Baht 12 million mainly due to an increase in Availability Payment (AP) resulting from higher electricity sales unit price according to the PPA, comparing to the same period of the previous year.

BLCP:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	477	641	(164)	(26%)
- Energy Payment (EP)	1,404	1,445	(41)	(3%)
Other income	71	43	28	65%
Total revenues	1,952	2,129	(177)	(8%)
<i>Cost of sale</i>	(1,679)	(1,675)	4	1%
<i>Other expenses</i>	(106)	(196)	(90)	(46%)
Total expenses	(1,785)	(1,871)	(86)	(5%)
Operating profit (loss)	167	258	(91)	(35%)

- **BLCP** : The operating result was decreased by Baht 91 million mainly due to a decrease in Availability Payment (AP) according to the PPA. Meanwhile, corporate income tax expenses and interest expenses were decreased.

KEGCO:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	926	968	(42)	(4%)
- Energy Payment (EP)	2,508	2,909	(401)	(14%)
Other income	6	8	(2)	(25%)
Total revenues	3,440	3,885	(445)	(11%)
<i>Cost of sale</i>	(2,927)	(3,292)	(365)	(11%)
<i>Other expenses</i>	(239)	(269)	(30)	(11%)
Total expenses	(3,166)	(3,561)	(395)	(11%)
Operating profit (loss)	274	324	(50)	(15%)

- **KEGCO** : The operating result was decreased by Baht 50 million mainly due to a decrease in Availability Payment (AP) according to the PPA. Meanwhile, interest expense was decreased.

EGCO:

Unit : Million Baht

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
Other income	754	730	24	3%
Total revenues	754	730	24	3%
<i>Cost of sale</i>	-	-	-	-
<i>Other expenses</i>	(905)	(858)	47	5%
Total expenses	(905)	(858)	47	5%
Operating profit (loss)	(151)	(128)	(23)	(18%)

- **EGCO** : The operating result was decreased by Baht 23 million mainly due to administrative expenses were increased from consulting fee. Meanwhile, other income was increased.

Other Subsidiaries in Power Generation business:

Unit : Million Baht

	BPU		KLU		EGCO COGEN		RG	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Electricity revenue	1,121	1,200	517	635	389	477	42	47
Other income	1	2	1	2	-	1	-	-
Total revenues	1,122	1,202	518	637	389	478	42	47
Cost of sale	(931)	(1,035)	(469)	(530)	(354)	(418)	(54)	(52)
Other expenses	(92)	(100)	(61)	(64)	(25)	(19)	(3)	(5)
Total expenses	(1,023)	(1,135)	(530)	(594)	(379)	(437)	(57)	(57)
Operating profit (loss)	99	67	(12)	43	10	41	(15)	(10)

Other Subsidiaries in Power Generation business (continued):

Unit : Million Baht

	SPP 2		SPP 3		SPP 4		SPP 5	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Electricity revenue	41	40	43	40	30	29	43	39
Other income	-	-	-	-	-	-	1	-
Total revenues	41	40	43	40	30	29	44	39
Cost of sale	(13)	(13)	(13)	(13)	(10)	(10)	(13)	(13)
Other expenses	(9)	(9)	(10)	(7)	(8)	(6)	(8)	(8)
Total expenses	(22)	(22)	(23)	(20)	(18)	(16)	(21)	(21)
Operating profit (loss)	19	18	20	20	12	13	23	18

Other Subsidiaries in Power Generation business (continued):

Unit : Million Baht

	YEH EGCO		BRWF		CWF		TWF		Total		<u>Increase/(Decrease)</u>	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	319	303	293	234	155	273	10	20	3,003	3,337	(334)	(10%)
Other income	3	2	1	3	1	2	-	-	8	12	(4)	(33%)
Total revenues	322	305	294	237	156	275	10	20	3,011	3,349	338	10%
Cost of sale	(79)	(77)	(117)	(103)	(83)	(82)	(7)	(7)	(2,143)	(2,353)	(210)	(9%)
Other expenses	(68)	(76)	(74)	(69)	(43)	(49)	(3)	(4)	(404)	(416)	(12)	(3%)
Total expenses	(147)	(153)	(191)	(172)	(126)	(131)	(10)	(11)	(2,547)	(2,769)	(222)	(8%)
Operating profit (loss)	175	152	103	65	30	144	-	9	464	580	(116)	(20%)

Other Joint Ventures and Associated in Power Generation business

Unit : Million Baht

	SEG (ASSO)		SEGSD (ASSO)		NED (JV)		GEC* (JV)	
	Quarter 3		Quarter 3		Quarter 3		Quarter 3	
	2020	2019	2020	2019	2020	2019	2020	2019
	Electricity revenue	505	496	317	313	225	220	512
Other income	-	-	-	-	-	-	36	7
Total revenues	505	496	317	313	225	220	548	878
Cost of sale	(95)	(98)	(62)	(59)	(59)	(59)	(450)	(784)
Other expenses	(282)	(270)	(162)	(161)	(28)	(22)	(87)	(44)
Total expenses	(377)	(368)	(224)	(220)	(87)	(81)	(537)	(828)
Operating profit (loss)	128	128	93	93	138	139	11	50

* GEC : GCC and SCC of the GEC group stopped its operation and electricity sales to EGAT on September 3, 2019 and August 23, 2020, respectively.

Other Joint Ventures and Associated in Power Generation business (continued):

Unit : Million Baht

	GPS (JV)		Other* (JV)		Total		Increase (Decrease)	
	Quarter 3		Quarter 3		Quarter 3		Quarter 3	
	2020	2019	2020	2019	2020	2019	Amount	%
	Electricity revenue	77	63	-	-	1,636	1,963	(327)
Other income	-	-	-	-	36	7	29	414%
Total revenues	77	63	-	-	1,672	1,970	(298)	(15%)
Cost of sale	(31)	(23)	-	-	(697)	(1,023)	(326)	(32%)
Other expenses	(9)	(8)	(18)	(4)	(586)	(509)	77	15%
Total expenses	(40)	(31)	(18)	(4)	(1,283)	(1,532)	(249)	(16%)
Operating profit (loss)	37	32	(18)	(4)	389	438	(49)	(11%)

* NT1PC and Yunlin is under construction.

3.2 The Analysis of the Operating Results in Other businesses

Operating profit (loss) for Q3/2020 in other businesses increasing by Baht 36 million compared to Q3/2019 as follows:

Subsidiaries and Joint Ventures in Other business:

Unit : Million Baht

	<i>ESCO (Sub)</i>		<i>MME (JV)</i>		<i>Total*</i>		<i>Increase (Decrease)</i>	
	<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>		<u>Quarter 3</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Revenue</i>	-	-	83	100	83	100	(17)	(17%)
<i>Service income</i>	210	140	-	-	210	140	70	50%
<i>Other income</i>	2	3	1	8	3	11	(8)	(73%)
Total revenues	212	143	84	108	296	251	45	18%
<i>Cost of sale</i>	(151)	(131)	(75)	(93)	(226)	(224)	2	1%
<i>Other expenses</i>	(23)	(17)	(14)	(13)	(37)	(30)	7	23%
Total expenses	(174)	(148)	(89)	(106)	(263)	(254)	9	4%
Operating profit (loss)	38	(5)	(5)	2	33	(3)	36	1,200%

* Including the operating result of TPN and E&E.

Summary of operating results for 9M/2020, Ended of September 30, 2020

Unit : Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Increase (Decrease)</i>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Total Revenues	30,206	31,852	500	476	30,706	32,328	(1,622)	(5%)
Total Expenses	(28,144)	(29,211)	(486)	(495)	(28,630)	(29,706)	(1,076)	(4%)
Share of Profit (Loss)	5,558	5,454	7	(3)	5,565	5,451	114	2%
Operating profit (loss)*	7,620	8,095	21	(22)	7,641	8,073	(432)	(5%)
Impact of financial instruments	974	-	-	-	974	-	974	100%
Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income	8,594	8,095	21	(22)	8,615	8,073	542	7%
Deferred income (expense) tax	(280)	122	2	7	(278)	129	(407)	(316%)
Profit (Loss) before the effects of foreign exchange and lease income	8,314	8,217	23	(15)	8,337	8,202	135	2%
Profit (Loss) from foreign exchange	(1,893)	2,131	6	-	(1,887)	2,131	(4,018)	(189%)
Net profit (Loss) before the impact of lease income	6,421	10,348	29	(15)	6,450	10,333	(3,883)	(38%)
Impact of lease income	479	187	-	-	479	187	292	156%
Net Profit (Loss)	6,900	10,535	29	(15)	6,929	10,520	(3,591)	(34%)

*Operating profit (loss) : Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment, financial instruments and lease income.

The operating profit of EGCO Group for 9M/2020 were Baht 7,641 million, decreasing by Baht 432 million comparing to 9M/2019, mainly due to Availability Payment (AP) decreased of BLCP and low wind speed for electricity generation of CWF. Meanwhile, SBPL has recognized the operating result because the commencement on September 26, 2019.

Summary of operating results for Q1, Q2 and Q3 of 2020, Ended of September 30, 2020

Unit : Million Baht

	<u>2020</u>			<u>2019</u>			<u>Increase/(Decrease)</u>		
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>
Total Revenues	10,312	10,564	9,830	10,434	11,175	10,719	(122)	(611)	(889)
Total Expenses	(9,967)	(9,672)	(8,991)	(9,678)	(10,224)	(9,804)	289	(552)	(813)
Share of Profit (Loss)	2,012	1,553	2,000	2,159	1,643	1,649	(147)	(90)	351
Operating profit (loss)*	2,357	2,445	2,839	2,915	2,594	2,564	(558)	(149)	275
Impact of financial instruments	357	433	184	-	-	-	357	433	184
Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income	2,714	2,878	3,023	2,915	2,594	2,564	(201)	284	459
Deferred income (expense) tax	(307)	89	(60)	46	169	(86)	(353)	(80)	26
Profit (Loss) before the effects of foreign exchange and lease income	2,407	2,967	2,963	2,961	2,763	2,478	(554)	204	485
Profit (Loss) from foreign exchange	(3,098)	2,016	(805)	712	1,195	224	(3,810)	821	(1,029)
Net profit (Loss) before the impact of lease income	(691)	4,983	2,158	3,673	3,958	2,702	(4,364)	1,025	(544)
Impact of lease income	278	92	109	76	(10)	121	202	102	(12)
Net Profit (Loss)	(413)	5,075	2,267	3,749	3,948	2,823	(4,162)	1,127	(556)

*Operating profit (loss) : Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment, financial instruments and lease income.

4. Cash Flow Analysis

As of September 30, 2020 cash and cash equivalents were Baht 14,368 million, decreasing by Baht 6,119 million comparing to December 31, 2019. The details are as follows:

	Unit: Million Baht
Net cash <u>received from</u> operating activities	8,416
Net cash <u>payment for</u> investing activities	(12,115)
Net cash <u>payment for</u> financing activities	(3,464)
Gain from the effect of foreign exchange rate	1,044
Net decrease in cash	<u>(6,119)</u>

- **Net cash received from operating activities** was Baht 8,416 million from operating of EGCO and its subsidiaries.

- **Net cash payment for investing activities** was Baht 12,115 million. Cash payment for acquisition and increase in investment were Baht 14,274 million. Cash payments for short-term investments and investments used as short-term and long-term collateral were Baht 2,307 million and cash payments for equipment and construction in progress were Baht 118 million. Meanwhile, the dividend receives from the joint ventures and other companies were Baht 4,414 million and cash receipts from interest income were Bath 170 million.

- **Net cash payment for financing activities** was Baht 3,464 million, resulted from the repayment of short-term and long-term loans was Baht 10,388 million, dividend payments to shareholders amounting to Baht 3,316 million and interest payment of loans and financing fees totalling Baht 2,946 million. Meanwhile, the drawn down of short-term and long-term loans totalling Baht 13,186 million.

5. Financial Ratios

Profitability Ratios

	<u>Quarter 3</u>		<u>Increase/(Decrease)</u>
	<u>2020</u>	<u>2019</u>	
Gross Profit Ratio (%)	31.54	28.03	3.51
Operating Profit Ratio before FX (%)	31.04	27.49	3.55
Profit Ratio before FX (%)	15.16	12.02	3.14
Profit before FX per share (Baht)	5.63	4.70	0.93

Leverage Ratio and Liquidity Ratio

	<u>Quarter 3</u>	<u>Quarter 2</u>	<u>Increase/(Decrease)</u>
	<u>2020</u>	<u>2020</u>	
<i>Debt to equity ratio (Time)</i>			
- Consolidated	1.13	1.19	(0.06)
- Company	0.67	0.67	-
<i>Book value per share (Baht)</i>			
- Consolidated	193.42	186.06	7.36
- Company	121.52	123.71	(2.19)
<i>Current ratio (Time)</i>			
- Consolidated	2.54	2.53	0.01
- Company	2.44	2.38	0.06
<i>Interest Coverage Ratio (Time)</i>			
- Company	4.74	6.04	(1.30)