

(Translation)

Ref: Bor Jor. 024/2020

November 16, 2020

Subject: Management Discussion and Analysis for Quarter 3 Ending 30 September 2020

To: President
The Stock Exchange of Thailand

Super Energy Corporation Public Company Limited ("the Company") would like to clarify the operating results of the company's consolidated financial statements for the third quarter ended September 30, 2020 with important details shown as follows

(Unit : Thousand Baht)

STATEMENTS OF PROFIT OR LOSS	CONSOLIDATED FINANCIAL STATEMENTS for the nine-months period ended 30 September					
	2020		2019		Change	
	Amount	% to Revenue	Amount	% to Revenue	Amount	% Change
Revenue from sales	4,791,654	97.24%	4,613,877	98.38%	177,777	3.85%
Revenue from services	136,003	2.76%	75,880	1.62%	60,123	79.23%
Total Revenue	4,927,657	100.00%	4,689,757	100.00%	237,900	5.07%
Cost of the sale of goods	(2,258,184)	-45.83%	(2,149,478)	-45.83%	(108,706)	5.06%
Cost of the sale of the rendering of services	(110,768)	-2.25%	(48,388)	-1.03%	(62,380)	128.92%
Gross profit	2,558,705	51.93%	2,491,891	53.13%	66,814	2.68%
Other income	174,554	3.54%	47,005	1.00%	127,549	271.35%
Selling expenses	(3,638)	-0.07%	(1,755)	-0.04%	(1,883)	107.29%
Administrative expenses	(417,402)	-8.47%	(360,011)	-7.68%	(57,391)	15.94%
Finance costs	(1,202,947)	-24.41%	(1,145,331)	-24.42%	(57,616)	5.03%
Share of profit from investments in associates	63,538	1.29%	59,539	1.27%	3,999	6.72%
Profit before income tax expense	1,172,810	23.80%	1,091,338	23.27%	81,472	7.47%
Income tax expense	(42,171)	-0.86%	(23,068)	-0.49%	(19,103)	82.81%
Profit before effects from foreign exchange rates and selling assets to the infrastructure fund	1,130,639	22.94%	1,068,270	22.78%	62,369	5.84%
Gain (loss) on foreign exchange rates - net	395,365	8.02%	(44,340)	-0.95%	439,705	-991.67%
Profit from selling assets to the infrastructure fund	-	0.00%	1,289,923	27.51%	(1,289,923)	-100.00%
Income tax expense from selling assets to the infrastructure fund	-	0.00%	(298,850)	-6.37%	298,850	-100.00%
Profit for the period	1,526,004	30.97%	2,015,003	42.97%	(488,999)	-24.27%
Profit for the period - Owners of the Parent	1,355,564	27.51%	1,845,810	39.36%	(490,246)	-26.56%

(Unit : Thousand Baht)

STATEMENTS OF PROFIT OR LOSS	CONSOLIDATED FINANCIAL STATEMENTS for the three-months period ended 30 September					
	2020		2019		Change	
	Amount	% to Revenue	Amount	% to Revenue	Amount	% Change
Revenue from sales	1,605,518	97.23%	1,457,810	97.72%	147,708	10.13%
Revenue from services	45,679	2.77%	33,956	2.28%	11,723	34.52%
Total Revenue	1,651,197	100.00%	1,491,766	100.00%	159,431	10.69%
Cost of the sale of goods	(812,735)	-49.22%	(774,101)	-51.89%	(38,634)	4.99%
Cost of the sale of the rendering of services	(36,340)	-2.20%	(14,435)	-0.97%	(21,905)	151.75%
Gross profit	802,122	48.58%	703,230	47.14%	98,892	14.06%
Other income	85,443	5.17%	25,356	1.70%	60,087	236.97%
Selling expenses	(1,164)	-0.07%	(578)	-0.04%	(586)	101.38%
Administrative expenses	(142,735)	-8.64%	(125,181)	-8.39%	(17,554)	14.02%
Finance costs	(420,354)	-25.46%	(379,940)	-25.47%	(40,414)	10.64%
Share of profit from investments in associates	17,686	1.07%	30,374	2.04%	(12,688)	-41.77%
Profit before income tax expense	340,998	20.65%	253,261	16.98%	87,737	34.64%
Income tax expense	(21,245)	-1.29%	(9,156)	-0.61%	(12,089)	132.03%
Profit before effects from foreign exchange rates and selling assets to the infrastructure fund	319,753	19.36%	244,105	16.36%	75,648	30.99%
Gain (loss) on foreign exchange rates - net	211,864	12.83%	(33,276)	-2.23%	245,140	-736.69%
Profit from selling assets to the infrastructure fund	-	0.00%	1,289,923	86.47%	(1,289,923)	-100.00%
Income tax expense from selling assets to the infrastructure fund	-	0.00%	(298,850)	-20.03%	298,850	-100.00%
Profit for the period	531,617	32.20%	1,201,902	80.57%	(670,285)	-55.77%
Profit for the period - Owners of the Parent	488,640	29.59%	1,160,912	77.82%	(672,272)	-57.91%

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The company would like to clarify the operating results for the three-month period ended September 30 2020, that changed more than 20% when compared to the same period of the previous year with the following important changes as follows;

(1) Total Revenue

The company's total revenue was Baht 1,651.197 million which increasing by Baht 159.431 million or 10.69% which is mainly due to

- Revenue from sales was Baht 1,605.518 million which increasing by Baht 147.708 million or 10.13%, which is mainly due to
 - (1) Revenue recognition from solar power plant project In Vietnam totaling Baht 291.71 million , an increase of Baht 97.69 million. This is due to the consolidation of revenues from solar power plant projects. In Vietnam, an additional 50 megawatts has been completed in the transfer of shares on July 1, 2020.
 - (2) Revenue from the thermal power plant from industrial waste has increased Baht 66.61 million.
 - (3) Revenue from sales of tap water and raw water in the amount has increased of Baht 17.52 million.
 - (4) Revenues from sales of electricity from solar power plants in the Thailand decreased by Baht 234.22 million, which is a decrease from the following reasons:
 - (4.1) Revenue from 19 solar power plant projects totaling 118 megawatts that were sold to Super Energy Power Plant Infrastructure Fund (SUPEREIF) on August 14, 2019 in the amount of Baht 205.74 million.
 - (4.2) Results from the financial item standard No. 15, Revenue from contracts with customers has been implemented since the second quarter of 2020. The essence of the standard It will use information on income, electricity bill and number of power generating units in the past then the average electric bill has been adjusted with the actual electricity bill amount. As a result, in the third quarter of recording, the accounting revenue has to be reduced by Baht 28.48 million.
- Revenue from service was Baht 45.679 million, an increase of Baht 11.723 million or 34.52% mainly due to the revenue from operating and maintenance services (O&M) to the SUPEREIF increased by Baht 10.25 million.

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(2) Gain on foreign exchange rates – net

The company has gain on foreign exchange rates - net amounted to Baht 211.864 million, increase of Baht 245.14 million or 736.69% compared to the same period of last year. It is the result of the conversion of loans to companies in abroad and the occurrence of fluctuations in the Baht currency resulting in a large amount of foreign exchange. However, the gain from exchange rate is a representation of accounting numbers comparing only at the end of the period.

(3) Other income

The company has other income of Baht 85.443 million which increasing by Baht 60.087 million or 236.97% from the same period of last year which is mainly due to

- The increase in interest income from loans to a company in the amount of Baht 34.29 million. (This loan is in accordance with the resolution of the board of directors in the Board of Directors Meeting No.1/2019 on February 27, 2019)
- Land rental income from Super Energy Power Plant Infrastructure Fund (SUPEREIF) increased by Baht 4.51 million.
- Discount from construction contract from one contractor in the amount of Baht 19.54 million.

(4) Share of profit from investments in associates

The company has a decrease in share of profit from investments in associates of Baht 12.688 million or 41.77% compared to the same period last year, mainly due to a decreasing in the share of income from investments under the equity method of Infinite Alternative Energy Company Limited (IAE) amounting to Baht 24.77 million resulting from the sale the investments in IAE in early 2020. And an increasing in revenue sharing from investments using the equity method Of the SUPEREIF of Baht 12.08 million.

From the above facts , The Company's consolidated financial statements for the three-months period ended 30 September 2020 , If the effects of foreign exchange rate and asset disposal to SUPEREIF are not taken, the company have profit in the third quarter of 2020 equal to Baht 319.753 million and Baht 244.105 million in the second quarter of 2019. And when combining the effects of foreign exchange rates and asset disposal to SUPEREIF , the company had net profit for the three-months period ended 30 September 2020 of Baht 531.617 million which decrease Baht 670.285 million or 55.77% when compared to the same period of the previous year. The Company had net profit for the three-months period - Owners of the Parent of Baht 488.64 million which decrease Baht 672.272 million or 57.91% when compared to the same period of the previous year.

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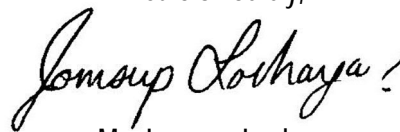
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For the Company's consolidated financial statements for the nine-months period of 2020, if the effects of foreign exchange rate and asset disposal to SUPEREIF are not taken, the company has profit for the nine-months period of 2020 equal to Baht 1,130.639 million and Baht 1,068.27 million for the nine-months period of 2019. And when combining the effects of foreign exchange rates and asset disposal to SUPEREIF the company had net profit for the nine-months period of Baht 1,526.004 million which decreased Baht 488.999 million or 24.27% when compared to the same period of the previous year. The Company had net profit for the nine-months period - Owners of the Parent of Baht 1,355.564 million which decreased Baht 490.246 million or 26.56% when compared to the same period of the previous year.

Please be informed accordingly.

Yours Sincerely,



(Mr. Jormsup Lochaya)

Chairman of the board