

– Translation –



Gulf Energy Development Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS OF THE COMPANY'S PERFORMANCE

For the Second Quarter Ended June 30, 2021

The Management Discussion and Analysis of the Company's Performance (the "MD&A") is intended to present and analyze the Company's results of operations and financial position at the end of the accounting period. Such information may change in the future. The MD&A is primarily prepared in Thai. In cases where the content in the translation contains any conflict or is interpreted differently from the Thai version, the Thai version shall prevail.

For questions or queries, please contact our Investor Relations Department: Tel: +66 (0) 2080-4488 or Email: ir@gulf.co.th

EXECUTIVE SUMMARY

KEY EVENTS IN Q2'21

Investment in Thailand

Additional investment in the ordinary shares of PTT Natural Gas Distribution Company Limited (“PTT NGD”)

The Company increased its investment in PTT NGD by acquiring additional 2% of ordinary shares from CPBE, resulting in the shareholding of 42% as of April 20, 2021. PTT NGD operates a natural gas distribution business by investing in distribution pipeline systems to serve over 250 industrial users in 13 industrial areas in the Bangkok Metropolitan Region and in Rayong province.

Tender Offer for the Securities of Intouch Holdings Public Company Limited (“INTUCH”) and Advanced Info Service Public Company Limited (“ADVANC”)

Tender Offer for all of the securities of INTUCH at the offer price of THB 65.00 per share excluding the 18.93% ordinary shares that the Company previously held prior to the offer period of June 29, 2021 to August 4, 2021. After the completion of the tender offer, the Company acquired an additional 23.32% of INTUCH shares resulting in a total shareholding of 42.25% in INTUCH. The Company has borrowed THB 48,611,851,470 from local financial institutions to pay for the additionally acquired shares.

Tender Offer for all of the securities of ADVANC at the offer price of THB 120.93 per share during the offer period of June 29, 2021 to August 13, 2021. At the date of its Q2'21 financial statement release, the Company does not know the final result of the Tender Offer for all of the securities of ADVANC yet.

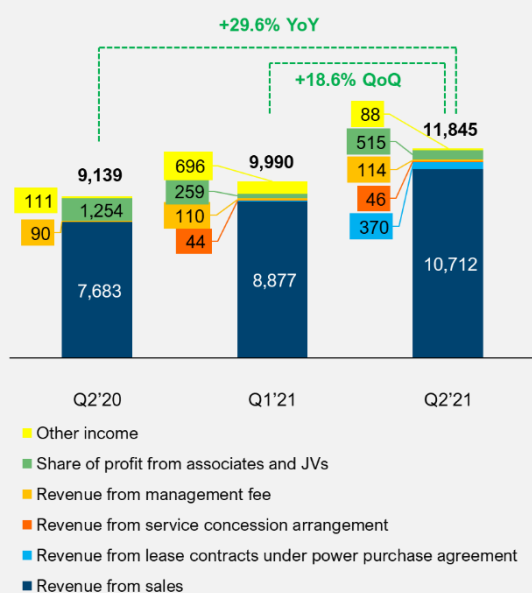
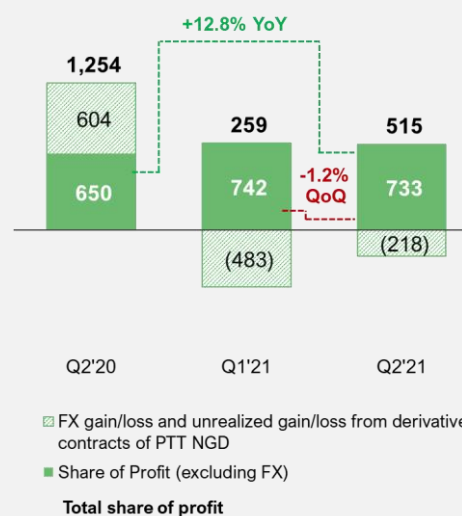
FINANCIAL PERFORMANCE OVERVIEW

	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	THB mn	THB mn	THB mn	%QoQ	%YoY	THB mn	THB mn	%YoY
Revenue from sales, lease contracts under power purchase agreement, management fee, and service concession arrangement	7,773	9,035	11,242	24.4%	44.6%	15,641	20,277	29.6%
Share of profit (loss) from associates and JVs	1,254	259	515	98.9%	-58.9%	988	774	-21.6%
Other income	111	696	88	-87.3%	-20.8%	149	784	426.9%
Total revenues	9,139	9,990	11,845	18.6%	29.6%	16,778	21,835	30.1%
EBITDA ⁽¹⁾	2,914	5,162	4,250	-17.7%	45.8%	5,792	9,412	62.5%
Profit for the period	2,656	1,791	1,833	2.4%	-31.0%	2,153	3,624	68.3%
Profit attributable to owners of the parent	1,881	1,632	1,407	-13.8%	-25.2%	1,468	3,039	107.1%
Less: gain (loss) on exchange rate attributable to owners of the parent	892	(704)	2	<i>n.a.</i>	-99.8%	(446)	(702)	-57.5%
Less: unrealized gain (loss) on derivatives of PTT NGD	-	(53)	4	<i>n.a.</i>	<i>n.a.</i>	-	(50)	<i>n.a.</i>
Core Profit ⁽²⁾	989	2,390	1,401	-41.4%	41.7%	1,914	3,790	98.1%
Share of Core Profit from associates and JVs ⁽³⁾	650	742	733	-1.2%	12.8%	1,256	1,475	17.5%
Basic earnings per share (THB)	0.18	0.14	0.12	-15.0%	-32.5%	0.14	0.26	88.2%

⁽¹⁾ EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization, gain (loss) on exchange rate of the Company and of GJP, and unrealized gain (loss) on derivatives of PTT NGD

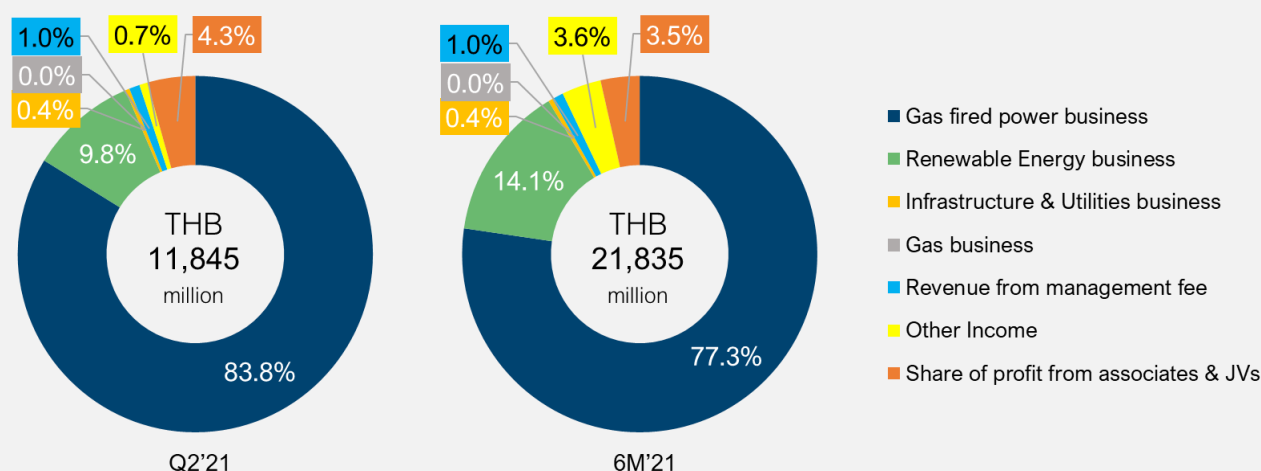
⁽²⁾ Core Profit = profit attributable to owners of the parent before gain (loss) on exchange rate and unrealized gain (loss) on derivatives of PTT NGD

⁽³⁾ Share of Core Profit from associates and JVs = share of profit (loss) from associates and JVs before gain (loss) on exchange rate of GJP and unrealized gain (loss) on derivatives of PTT NGD

Total revenue (THB mn)

Share of profit from associates and JVs (THB mn)


Revenue breakdown by Business Unit	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	THB mn	THB mn	THB mn	%QoQ	%YoY	THB mn	THB mn	%YoY
Gas fired power business	7,375	6,954	9,926	42.7%	34.6%	14,985	16,881	12.7%
Renewable Energy business	307	1,927	1,155	-40.0%	276.0%	480	3,082	542.2%
Infrastructure & Utilities business	0	44	46	4.1%	n.a.	0	91	n.a.
Gas business	0	0	0	n.a.	n.a.	0	0	n.a.
Revenue from management fee	90	110	114	3.8%	26.5%	177	224	26.5%
Other income	111	696	88	-87.3%	-20.8%	149	784	426.9%
Share of profit from associates and JVs	1,254	259	515	98.9%	-58.9%	988	774	-21.6%
Total Revenue	9,139	9,990	11,845	18.6%	29.6%	16,778	21,835	30.1%

Revenue breakdown by business units (%)

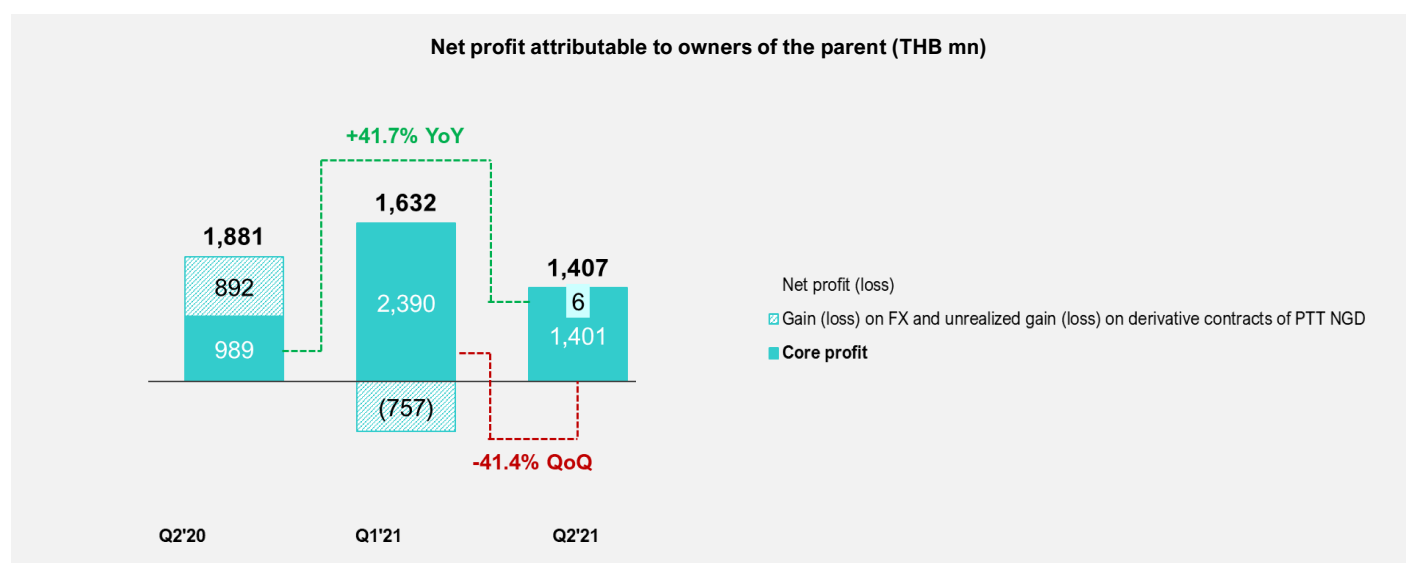


Total revenue in Q2'21 was recorded at THB 11,845 million, an increase of 29.6% YoY, and 18.6% QoQ with the main factors as follows:

- 1) **Revenue from Gas-fired Power business in Q2'21 was at THB 9,926 million, accounting for 83.8% of total revenue.**
 - Compared to Q2'20, revenue increased by 34.6% YoY mainly from the full quarter revenue recognition from the first unit of GSRC project since its commercial operation date on March 31, 2021, as well as a significantly higher volume of electricity and steam sold to industrial users by the 12SPPs under GMP group which was able to offset impacts from lower average electricity selling price per unit which decreased in line with the lower natural gas price.
 - Compared to Q1'21, revenue increased by 42.7% QoQ from the aforementioned full quarter revenue recognition from the first unit of GSRC project, higher electricity sales to EGAT and steam sales to industrial users by GMP group, as well as the higher electricity selling price to EGAT which improved from the previous quarter in line with the higher natural gas price.
- 2) **Revenue from Renewable Energy business in Q2'21 was at THB 1,155 million, accounting for 9.8% of total revenue.**
 - Compared to Q2'20, revenue increased by 276% YoY, mainly due to revenue from BKR2 offshore wind power project in Germany which has been recognized in the Company's financial statements since Q4'20. However, revenue from GTN1 and GTN2 solar projects decreased due to lower power demand in Vietnam as an impact from COVID-19 outbreak, resulting in the temporary curtailment in certain periods. GCG biomass power project recognized lower revenue due to the 10 days scheduled maintenance.
 - Compared to Q1'21, revenue decreased by 40% QoQ primarily from the performance of BKR2 offshore wind project in Germany which softened due to seasonal factor, and lower volume of electricity sold by GCG biomass project from its scheduled maintenance. Nonetheless, GTN1 and GTN2 solar projects in Vietnam recorded higher revenue with less impact from curtailment.
- 3) **Revenue from Infrastructure & Utilities business in Q2'21 was at THB 46 million, accounting for 0.4% of total revenue,** mainly from service concession arrangement of THB 46 million for the infrastructure work of MTP3 industrial port development project, which is scheduled to be completed in 2024. The Company began to recognize such revenue since Q3'20.
- 4) **Revenue from Management Fee in Q2'21 was THB 114 million, an increase of 26.5% YoY and an increase of 3.8% QoQ** from the revenue received from the provision of management services by the Company to its associate

GJP which increased as stipulated in the service agreement, and from services provided to HKP project and SPP power plants under GEC.

- 5) **Other income in Q2'21 was THB 88 million**, a decrease of 20.8% YoY from lower dividend income from SPCG compared to the same period last year, and a decrease by 87.3% QoQ as Q1'21 recorded dividend income from INTUCH of THB 683 million.
- 6) **Share of profit from associates and JVs in Q2'21 was THB 515 million, decreased by 58.9% YoY, but increased by 98.9% QoQ**, a result of FX loss on GJP and an unrealized gain on derivatives of PTT NGD net of THB 218 million in Q2'21, compared to Q2'20 which recorded an FX gain from GJP of THB 604 million, and compared to a loss on FX from GJP and loss on derivatives of PTT NGD net of THB 483 million in Q1'21. Nonetheless, **share of core profit from associates and JVs in Q2'21 was THB 733 million, an increase of 12.8% YoY but slightly softened by -1.2% QoQ** mainly from;
 - **Share of core profit from an associate GJP increased by 1.1% YoY** mainly due to improved profit from the 2IPPs which recorded higher volume of electricity sold to EGAT and the 7SPPs which recorded a higher volume of electricity, steam, and chilled water sold to industrial users. In addition, **GJP's Core Profit improved by 2.3% QoQ** from higher volume of electricity sold to EGAT by the 2IPPs and 7SPPs, and higher volume of electricity and steam sold to industrial users by 7SPPs.
 - **Share of core profit from an associate PTT NGD in Q2'21 was at THB 63 million**, an increase of 22.2% QoQ, from higher gas sales volume which increased from 7.9 million mmbtu in the previous quarter to 15.8 million mmbtu in Q2'21 (+100% QoQ).



- **Core Profit in Q2'21 was recorded at THB 1,401 million**
 - Compared to Q2'20, Core Profit increased by 41.7% YoY, from the full quarter revenue recognition from the first unit of GSRC project since its commercial operation date on March 31, 2021, higher profit contribution from GMP group from the higher volume of electricity and steam sold to industrial users, as well as the lower natural gas price which decreased at a higher rate than the electricity selling price. There was also a share of core profit from PTT NGD of THB 63 million from the Company's investment of 40% equity stake in December 2020, and an additional investment of 2% equity stake in April 2021.
 - Compared to Q1'21, Core Profit decreased by 41.4% QoQ from the performance of BKR2 offshore wind project in Germany which recorded a net loss due to seasonal factor. In addition, there was dividend income from INTUCH of THB 683 million in the previous quarter while in this quarter, only dividend income from

SPCG and EDL totaling of THB 62 million was recorded. Nonetheless, GMP group and GSRC continued to record a strong performance which grew from the previous quarter.

- **The Company recorded net profit attributable to owners of the parent at THB 1,407 million in Q2'21, a decrease of 25.2% YoY.** Although Core Profit improved by 41.7% YoY, this quarter recorded a lower unrealized FX gain than in the same period of last year. Q2'21 recorded FX gain attributable to owners of the parent of THB 2 million and unrealized gain on derivatives of PTT NGD of THB 4 million, while Q2'20 recorded FX gain of THB 892 million. **Compared to Q1'21, net profit softened by -13.8% QoQ**, in line with Core Profit which softened from the net loss of BKR2 offshore wind project, and the lower dividend income, while Q1'21 recorded an FX loss attributable to owners of the parent combined with an unrealized loss on derivatives of PTT NGD net of THB 757 million. Nonetheless, the recording of such gain (loss) on derivatives is an accounting transaction which has no impact on the cash flow and performance of the Group at all.

SUMMARY OF THE COMPANY'S FINANCIAL POSITION ENDED JUNE 30, 2021

- **Total assets as of June 30, 2021 were equal to THB 268,929 million, an increase of THB 23,348 million (+9.5%)** from December 31, 2020, mainly attributable to the Company's additional investment in ordinary shares of Intouch Holdings Public Company Limited, and the value of power plants which increased in accordance with construction progress of GSRC, GPD, and Mekong project.
- **Total liabilities as of June 30, 2021 were equal to THB 190,158 million, an increase of THB 16,657 million or (+9.6%)** from December 31, 2020, mainly from an increase in short term loans from financial institutions for the Company's working capital, and an increase in long-term loans from financial institutions for the construction of GSRC and GPD power plant projects.
- **Total equity as of June 30, 2021 was THB 78,771 million, an increase of THB 6,691 million or (+9.3%)** from December 31, 2020, from the operating performance of the Company's group, and an increase in fair value of interest rate swap derivatives, which was measured as required under TFRS 9 and recorded within other components of shareholders' equity.
- **As of June 30, 2021, the Group recorded a net interest-bearing debt (including lease liabilities) to equity ratio at 1.75 times**, which is lower than the Company's bond covenant of 3.50 times.

OPERATING RESULTS BY BUSINESS UNITS

Gas Fired Power Business Performance

Gas Fired Power Business	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Revenue from electricity sold to EGAT	6,038	5,021	7,635	52.0%	26.4%	11,792	12,656	7.3%
Revenue from electricity sold to industrial users	1,261	1,788	1,760	-1.5%	39.6%	2,981	3,548	19.0%
Revenue from steam sold to industrial users	76	141	161	14.2%	110.8%	211	302	43.4%
Revenue from lease contracts under power purchase agreement	-	4	370	<i>n.a.</i>	<i>n.a.</i>	-	374	<i>n.a.</i>
Total Revenue from Gas Fired Power Business	7,375	6,954	9,926	42.7%	34.6%	14,985	16,881	12.7%

Revenue from Sales (Gas Fired Power business)

In Q2'21, Gas-Fired Power Generation business recorded revenue from sales and lease contracts under power purchase agreement at THB 9,926 million, a decrease of 34.6% YoY when compared to Q2'20 mainly due to the full quarter recognition of revenue from lease contracts under power purchase agreement according to TFRS 16, and revenue from electricity sales to EGAT from the first unit of GSRC project, after its commercial operation commencement on March 31, 2021. In addition, 12SPPs under GMP group recorded a higher revenue from electricity and steam sales to industrial users, which were in line with the higher sales volume. Industrial users coped better with the COVID-19 situation in 2021, with no customers that halted their production during the first half of the year, compared to Q2'20 where some industrial users froze their production during the start of the outbreak. As a result, load factor of industrial users rose from 57% in Q2'20 to 66% in Q2'21, mainly in automotive, steel and metal, and electronic components sectors. However, volume of electricity sold to EGAT and PEA of GMP group remained at the same level as in Q2'20.

The overall increase in the volume of electricity sales resulted in the higher revenue from sales and lease contracts under power purchase agreement of the Gas-Fired Power Generation business, even though revenue from energy payment dropped in accordance with the natural gas price. The average price of natural gas per unit of SPPs dropped from 261.41 THB/mmbtu in Q2'20 to 238.56 THB/mmbtu in Q2'21 (-8.7% YoY), and the average Ft reduced from -0.116 THB/kWh in the same period last year to -0.1532 THB/kWh in Q2'21 (-32.1% YoY).

Compared to Q1'21, Gas-Fired Power Generation business recorded higher revenue from sales and lease contracts under power purchase agreement by 42.7% QoQ, a result of the revenue from lease contracts under power purchase agreement and revenue from electricity sales to EGAT of GSRC unit 1 which recorded in full quarter as mentioned above. Additionally, electricity sales revenue to EGAT and steam sales revenue to industrial users from GMP group also increased in line with the higher sales volumes. This was due to the increased demand for electricity in the country and increased demand for electricity and steam among industrial users, both from the existing group of customers and the Company's customer expansion plans. In addition, there was a fewer planned maintenance shutdown (B-inspection) of SPP power plants under GMP group in this quarter (in Q2'21 there was only 1 power plant underwent B-inspection, compared to 2 power plants which underwent B-inspections in Q1'21). The electricity selling price to EGAT also increased in Q2'21 in line with the cost of natural gas of SPPs which increased from 220.17 THB/mmbtu in Q1'21 to 238.56 THB/mmbtu in Q2'21 (+8.4% QoQ). However, Ft remained at the same level as in the previous quarter.

Revenue drivers for Gas-Fired Power Generation business

Electricity and steam sales volume	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
Power projects under GMP								
Electricity sold to EGAT (GWh)	1,946	1,783	1,945	9.1%	-0.1%	3,744	3,728	-0.4%
Electricity sold to IUs (GWh)	382	537	541	0.9%	41.7%	900	1,078	19.7%
Steam sold (thousand tons)	117,121	176,980	190,225	7.5%	62.4%	294,425	367,205	24.7%
Power projects under IPD								
Electricity sold to EGAT (GWh)	-	4	1,208	n.a.	n.a.	-	1,212	n.a.

Average selling price per unit	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
Power projects under GMP								
Electricity sold to EGAT (THB/kWh)	3.10	2.81	2.93	4.1%	-5.6%	3.15	2.87	-8.9%
Electricity sold to IUs (THB/kWh)	3.33	3.18	3.17	-0.5%	-4.9%	3.28	3.18	-3.3%
Steam sold (THB/ton)	706.34	782.9	836.9	6.9%	18.5%	744.15	810.90	9.0%
Power projects under IPD								
Electricity sold to EGAT (THB/kWh)	-	n.a.	1.97	n.a.	n.a.	-	1.98	n.a.

Renewable Energy Business Performance

Renewable Energy Business	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Revenue from electricity sold to EGAT and PEA	171	179	163	-8.5%	-4.4%	210	342	62.9%
Revenue from electricity sold to EVN	136	119	129	8.3%	-5.2%	270	248	-7.9%
Revenue from electricity sold to Ørsted Energy	-	1,629	863	-47.0%	n.a.	-	2,491	n.a.
Total Revenue from Renewable Energy Business	307	1,927	1,155	-40.0%	276.0%	480	3,082	542.2%

Revenue from Sales (Renewable Energy business)

In Q2'21, the Renewable Energy business recorded revenue from sales at THB 1,155 million, an increase of 276.0% YoY compared to Q2'20 primarily from revenue of BKR2 offshore wind power project in Germany which was recognized from Q4'20 onwards, after the Company invested a 50% equity stake in the project. In Q2'21, the Company recorded revenue from BKR2 project at THB 863 million.

For GTN1 & GTN2 solar power projects in Vietnam, revenue from electricity sold to EVN reduced by 5.2% from the temporary curtailment in Vietnam, as a result of lower power demand caused by COVID-19 outbreak.

Revenue contribution of GCG biomass power project remained at the same level as last year's (-0.9% YoY) but electricity selling price per unit reduced by 3.8% and Ft reduced from reduced from -0.226 THB/kWh in the same period last year to -0.356 THB/kWh (-57.5% YoY).

Compared to Q1'21, revenue from sales of Renewable Energy business decreased by THB 771 million (-40.0% QoQ) due to the performance of BKR2 offshore wind project in Germany which softened by seasonal factor, for the 2nd quarter is low season by nature, causing the wind speed to be lower at the project site. In Q2'21, BKR2's capacity factor was at 20.6% compared 41.0% in Q1'21. Nevertheless, the curtailment of BKR2 project did not have any effect on the

Company's revenue as BKR2 project received full compensation for the total amount of electricity that was affected as if there were no curtailment.

Nonetheless, electricity sales revenue of the GTN1 & GTN2 solar power plant projects in Vietnam increased by 8.3% QoQ with lower impacts from the curtailment, as power demand has picked up during the summer season.

GCG biomass project recorded lower revenue from electricity sales by 8.5% QoQ in line with the lower volume of electricity sales which softened by 9.0% QoQ as a result of annual maintenance shutdown for 10 days in April 2021.

Revenue drivers for Renewable Energy business

Electricity sales volume	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
GCG biomass power project								
Electricity sold to EGAT (GWh)	41	45	41	-9.0%	-0.9%	50	85	69.8%
GTN1 & GTN2 solar power projects in Vietnam								
Electricity sold to EVN (GWh)	46	42	44	4.8%	-4.1%	91	86	-6.2%
BKR2 offshore wind power project								
Electricity sold (GWh)	-	407	208	-48.9%	n.a.	-	614	n.a.
Compensation (GWh)	-	79	36	-53.7%	n.a.	-	115	n.a.

Average selling price per unit	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
GCG biomass power project								
Electricity sold to EGAT (THB/kWh)	4.16	3.99	4.00	0.3%	-3.8%	4.16	4.00	-4.0%
GTN1 & GTN2 solar power projects in Vietnam								
Electricity sold to EVN (THB/kWh)	2.98	2.85	2.95	3.4%	-0.9%	2.95	2.90	-1.6%
BKR2 offshore wind power project								
Electricity sold (THB/kWh)	-	6.71	6.95	3.6%	n.a.	n.a.	6.79	n.a.

Infrastructures & Utilities Business Performance

Infrastructures & Utilities Business	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Revenue from service concession arrangement	-	44	46	4.1%	n.a.	-	91	n.a.

In Q2'21, the Infrastructures & Utilities Business recorded revenue from service concession arrangement of THB 46 million, an increase of 4.1% QoQ compared to Q1'21, mainly from service concession arrangement for the infrastructure work of MTP3 industrial port development project, which is scheduled to be completed in 2024, which began to be recognized since Q3'20 in accordance with the TFRIC 12 accounting standards, and revenue is recorded in accordance with the progress of the project's development.

REVENUE FROM MANAGEMENT FEE

Revenue from Management Fee	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Revenue from Management Fee	90	110	114	3.8%	26.5%	177	224	26.5%

In Q2'21, Revenue from Management Fee was recorded at THB 114 million, an increase of 26.5% YoY and an increase of 3.8% QoQ, from the revenue received from the provision of management services by the Company to its associate GJP which increased as stipulated in the service agreement, and from services provided to HKP project and SPP power plant under GEC.

OTHER INCOME

Other Income	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Dividend income	81	683	62	-91.0%	-23.3%	81	745	823.9%
Interest income	23	12	25	111.2%	9.0%	53	36	-32.1%
Other income	8	1	2	56.1%	-77.2%	15	3	-79.3%
Total Other Income	111	696	88	-87.3%	-20.8%	149	784	426.9%

In Q2'21, other income was recorded at THB 88 million, decreased by 20.8% YoY and decreased by 87.3% QoQ, mainly due to decrease in dividend income. In this quarter, dividend income from SPCG and EDL Gen was totaled at THB 62 million, while in Q1'21, there was a dividend income from INTUCH of THB 683 million, and in Q2'20, there was a dividend income from SPCG of THB 81 million.

COST AND EXPENSE STRUCTURE

Cost of sales structure	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Cost of sales	5,907	5,940	8,424	41.8%	42.6%	11,828	14,364	21.4%
<i>Fuel cost</i>	<i>4,673</i>	<i>3,957</i>	<i>6,349</i>	<i>60.5%</i>	<i>35.9%</i>	<i>9,326</i>	<i>10,306</i>	<i>10.5%</i>
<i>Operations and maintenance cost</i>	<i>240</i>	<i>492</i>	<i>513</i>	<i>4.2%</i>	<i>113.9%</i>	<i>485</i>	<i>1,005</i>	<i>107.0%</i>
<i>Depreciation</i>	<i>704</i>	<i>1,164</i>	<i>1,206</i>	<i>3.7%</i>	<i>71.3%</i>	<i>1,394</i>	<i>2,370</i>	<i>70.0%</i>
<i>Others</i>	<i>290</i>	<i>327</i>	<i>356</i>	<i>8.8%</i>	<i>22.6%</i>	<i>622</i>	<i>683</i>	<i>9.7%</i>
Cost of service concession arrangement	-	41	43	4.1%	n.a.	-	84	n.a.
Cost of service	52	48	58	21.6%	12.4%	93	106	14.7%
Total cost of sales and service	5,958	6,029	8,525	41.4%	43.1%	11,920	14,554	22.1%
Selling and administrative expenses	380	484	532	10.1%	40.3%	774	1,016	31.3%
Total operating costs and administrative expenses	6,338	6,512	9,058	39.1%	42.9%	12,694	15,570	22.7%

Cost of sales

Cost of sales in Q2'21 was THB 8,424 million, an increase from the same period of last year by 42.6% YoY, mainly due to the increase in fuel cost, operations and maintenance cost, depreciation, from the recognition of BKR2 offshore wind project's cost of sales into the Company's consolidated financial statements from Q4'20 onwards, and from GSRC project which recorded first full quarter electricity sales in Q2'21 after its commercial operation commencement on March 31, 2021. In addition, cost of sales of SPPs under GMP group also increased in accordance with the volume of electricity sales. However, average cost of natural gas dropped from 261.41 THB/mmbtu in Q2'20 to 238.56 THB/mmbtu in Q2'21 (-8.7% YoY).

Compared to Q1'21, cost of sales increased by 41.8% QoQ in line with the growing capacity of power generation power plants under the Company's group. Fuel cost increased in tandem with the higher volume of natural gas consumption following the increase in electricity sales volume of SPPs under GMP group and GSRC power plant, as well as the higher average natural gas cost per unit. The average gas cost of the SPPs increased from 220.17 THB/ mmbtu in Q1'21 to 238.56 THB/ mmbtu in Q2'21 (+8.4% QoQ).

Cost drivers

Consumption and average cost per unit	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
Natural gas (SPP under GMP)								
Consumption (thousand mmbtu)	17,497	17,545	18,793	7.1%	7.4%	34,901	36,338	4.1%
Average cost per unit (THB/mmbtu)	261.41	220.17	238.56	8.4%	-8.7%	264.39	229.68	-13.1%
Natural gas (SPP under GSRC)								
Consumption (thousand mmbtu)	-	27	7,601	280.5%	n.a.	-	7,628	n.a.
Average cost per unit (THB/mmbtu)	-	211.50	229.24	8.4%	n.a.	n.a.	229.17	n.a.
Biomass (Wood)								
Consumption (ton)	70,389	73,061	66,173	-9.4%	-6.0%	85,468	139,235	62.9%
Average cost per unit (THB/ton)	1078.7	1,174	1,148	-2.2%	6.5%	1,082	1,162	7.4%

Cost of construction fee under concession arrangement

Cost of construction fee under service concession arrangement is a cost incurred from MTP3 industrial port development project for the infrastructure part which is scheduled for completion in 2024 and started to record revenue in accordance with TFRIC 12 accounting standard since Q3'20. Cost of service concession arrangement increased in line with revenue from service concession arrangement.

Cost of service

Cost of service is a cost incurred from the Company providing management services to its associate GJP, to HKP, and to SPPs under GEC Group. **In Q2'21, cost of service was THB 58 million, an increase of 12.4% YoY and 21.6% QoQ**, mainly from services provided to HKP power plant project and a higher allocated personnel related cost than the previous year.

Administrative expenses

In Q2'21, administrative expenses were THB 532 million, an increase of 40.3% YoY and 10.1% QoQ, due to recognition of administrative expenses which increased in line with the growing number of power plants under the Group.

FINANCE COSTS

Finance costs	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Interest expense	765	959	1,113	16.1%	45.5%	1,495	2,072	38.6%
Guarantee fee	4	9	9	3.3%	119.7%	10	19	95.7%
Commitment fee	43	28	26	-6.9%	-39.9%	82	54	-34.4%
Other costs	24	(64)	25	n.a.	4.4%	73	(39)	-152.8%
Total finance costs	836	932	1,174	26.0%	40.3%	1,659	2,105	26.9%

Finance costs in Q2'21 were THB 1,174 million, an increase of 40.3% YoY compared to Q2'20, from the recognition of finance cost of BKR2 offshore wind project in Germany, and drawdowns of short-term borrowings to be used as the Company's working capital.

Compared to Q1'21, finance costs increased by 26.0% QoQ, in addition to the drawdowns of short-term borrowings in Q2'21, there were other costs items in Q1'21 shown in a negative value from adjustment of provisions for decommissioning cost of BKR2 offshore wind project in Germany. The reduction of such provision for decommissioning cost was recorded as revenue, resulting in the overall decrease in total finance costs in Q1'21.

SHARE OF PROFIT FROM ASSOCIATES & JOINT VENTURES

Share of profit from associates and JVs	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	THB mn	THB mn	THB mn	%QoQ	%YoY	THB mn	THB mn	%YoY
Share of profit from GJP	1,260	219	441	101.8%	-65.0%	1,007	660	-34.5%
Share of profit from PTTNGD	-	(2)	67	n.a.	n.a.	-	65	n.a.
Share of profit from Gulf WHA MT	(0)	1	0	-72.8%	n.a.	(1)	2	n.a.
Share of profit from BSE	(0)	(0)	(0)	-39.1%	n.a.	(7)	(1)	90.9%
Share of profit from HKH	(2)	(3)	(3)	11.7%	-41.8%	(5)	(6)	-21.7%
Share of profit from BPH	0	0	0	79.6%	27.8%	0	0	-3.2%
Share of profit from BGSR 6	-	0	0	-11.4%	n.a.	-	0	n.a.
Share of profit from BGSR 81	-	0	0	-7.3%	n.a.	-	0	n.a.
Share of profit from GMIM	-	41	0	-99.0%	n.a.	-	42	n.a.
Share of profit from a project in Oman	(4)	2	9	287.7%	n.a.	(7)	11	n.a.
Total share of profit from associates and JVs	1,254	259	515	98.9%	58.9%	988	774	-21.6%
<u>Less:</u> Gain (loss) on exchange rate from GJP's share of profit	604	(430)	(222)	48.4%	-136.7%	(268)	(652)	-143.3%
GJP's Core Profit	656	648	663	2.3%	-1.1%	1,275	1,311	2.9%
<u>Less:</u> Unrealized gain (loss) on derivatives of PTT NGD	-	(53)	4	107.4%	n.a.	-	(50)	n.a.
PTT NGD's Core Profit	-	52	63	22.2%	n.a.	-	115	n.a.
Total share of Core Profit from associates and JVs	650	742	733	-1.2%	12.8%	1,256	1,475	17.5%

The Group recorded a share of profit from associates and joint ventures of THB 515 million in Q2'21. If excluding the impact from GJP's loss on exchange rate of THB 222 million, which incurred from translating long-term debts denominated in USD to Thai Baht using the exchange rate at the end of the accounting period, and unrealized gain on derivatives of PTT NGD of THB 4 million, core profit from associates and JVs in Q2'21 was THB 733 million, an increase of 12.8% YoY but slightly softened -1.2% QoQ primarily due to;

Share of profit from an associate GJP

Share of profit from an associate GJP before gain (loss) on exchange rate slightly increased from THB 656 million in Q2'20 to THB 663 million in Q2'21 (+1.1% YoY), primarily due to significant increase in volume of electricity sold to EGAT by the 2 IPPs under GJP, in line with the power demand in the country which grew from the same period last year. The volume of electricity, steam, and chilled water sold to industrial users by the 7SPPs under GJP also improved, particularly in the automotive, construction materials, textile, packaging, and electronic components sectors. Additionally, the average natural gas cost per unit of the SPPs also reduced from 261.41 THB/mmbtu in Q2'20 to 238.56 THB/mmbtu in Q2'21 (-8.7% YoY) resulting in the improved share of profit from an associate GJP despite being affected by the 2 IPPs receiving lower Availability Payment Rate (APR) than the previous year, which was in accordance with the power purchase agreement with EGAT.

Compared to Q1'21, share of profit from an associate GJP before gain (loss) on exchange rate increased by 2.3% QoQ, partly from higher volume of electricity sold to EGAT from the 2IPPs and 7SPPs under GJP group in this quarter as a result from the higher demand of the country during the summer, and the volume of electricity, steam, and chilled water sold to industrial users from 7SPPs which was higher than the previous quarter as a result of the increasing demand from the industry groups, particularly in food & beverages, electronics, textile, and packaging sectors. This resulted in the slightly improved share of profit from GJP in Q2'21 even though it was affected by the increase in average natural gas cost of SPPs from 220.17 THB/mmbtu in Q1'21 to 238.56 THB/ mmbtu in Q2'21 (+8.4% QoQ), while the Ft remained unchanged from the previous quarter.

Volume of electricity, steam and chilled water sold by power projects under GJP

Volume of electricity, steam and chilled water sold	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
				%QoQ	%YoY			%YoY
2 IPPs								
Electricity sold to EGAT (GWh)	1,013	2,014	2,507	24.5%	147.6%	3,436	4,521	31.6%
7 SPPs								
Electricity sold to EGAT (GWh)	1,132	1,058	1,094	3.5%	-3.3%	2,188	2,152	-1.7%
Electricity sold to industrial users (GWh)	251	292	300	2.6%	19.2%	543	592	9.0%
Steam sold (thousand tons)	72,395	85,258	86,631	1.6%	19.7%	141,194	171,889	21.7%
Chilled water sold (million refrigeration tons)	4	7	7	6.4%	66.9%	12	14	16.0%

Share of profit from an associate PTT NGD

Share of Core Profit from an associate PTT NGD was recorded at THB 63 million, an increase of THB 11 million (+22.2% QoQ) compared to Q1'21, mainly from gas sales volume which increased from 7.9 million mmbtu to 15.8 million mmbtu in Q2'21 (+100.0% QoQ). In addition, the Company increased its investment to 42% shareholding in PTT NGD as of April 20, 2021 (from 40% shareholding at the end of Q1'21). In this quarter, PTT NGD recorded THB 4 million unrealized gain on derivative contracts which was entered to hedge against fluctuations of the selling price, resulting from the fuel oil price that increased to a higher level in the previous quarter, compared to THB 53 million unrealized loss on derivative contracts of in Q1'21.

GAIN / LOSS FROM EXCHANGE RATE

Gain (loss) on exchange rate primarily results from loans of the power projects under the GMP and IPD group that were denominated in a foreign currency (USD), which the Group is required to record unrealized gain (loss) on exchange rate incurred from translating long-term debts denominated in USD to Thai Baht using the exchange rate at the end of the accounting period. In cases where the Thai Baht appreciates against USD, the Group will record a gain on exchange rate, as the Group's amount of outstanding debts converted to Thai Baht is lower. The reverse will occur if the Thai Baht depreciates against USD. However, since the long-term debts have not reached the due dates yet, such gain (loss) on exchange rate is only recognized as unrealized gain (loss).

Moreover, in Q3'20, the Company has granted a loan in EUR to its subsidiary GIH, which incorporated in Singapore, to invest in BKR2 offshore wind project, and at the same time partially entered into Cross Currency Swap (CCS) agreements to hedge against exchange rate fluctuations, causing the Company to recognize unrealized gain(loss) from exchange rate from converting EUR denominated loan to related party to THB, and mark to market the fair value of the CCS at the end of each accounting period. In cases where the Thai Baht appreciates against EUR, the Group will record a loss on exchange rate, as the Group's amount of outstanding loan to related parties converted to Thai Baht is lower. The reverse will occur if the Thai Baht depreciates against EUR. Currently, GIH has a EUR denominated loan from the Company in the higher amount than the loan GIH has given to BKR2. However, as the accounting standard requires that foreign currency denominated financial assets and loans, which is not in the functional currency of each country that a company is incorporated in, to be translated to income statement, GIH which has functional currency in USD but has debtor and loan

payable in EUR, must also record unrealized gain (loss) from foreign exchange for the items. As a result, exchange rate between USD and EUR affects the Company's consolidated financial statement as well. In cases where the USD depreciates against EUR, GIH will record an unrealized loss on exchange rate, and the reverse will occur if the USD appreciates against EUR.

At the end of Q2'21, Thai Baht depreciated against USD by 0.72 THB/USD, and appreciated against EUR by 1.42 THB/EUR compared to Q1'21, resulting in the Group to record unrealized loss on exchange rate on USD denominated loan but record unrealized gain on EUR denominated loan that the Company granted to GIH. Nonetheless, USD depreciated against EUR by 0.02 USD/EUR compared to Q1'21, resulting in GIH to record a net unrealized loss on the exchange rate difference between EUR denominated debtors and loan payable, resulting in the Group to record a net gain on exchange rate in Q2'21 of THB 2 million.

In Q2'21 the associate GJP recorded a loss on exchange rate of THB 222 million, and the Company and its subsidiaries recorded a gain on exchange rate of THB 223 million, resulting in a total unrealized gain on exchange rate attributable to the owners of the parent of THB 2 million.

Gain (loss) on exchange rate	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	THB mn	THB mn	THB mn	%QoQ	%YoY	THB mn	THB mn	%YoY
Gain (loss) on exchange rate	665	(614)	26	n.a.	-96.0%	(311)	(587)	-89.1%
Less: Gain (loss) on exchange rate attributable to non-controlling interests	377	(340)	(197)	42.0%	-152.2%	(133)	(537)	-305.0%
Gain (loss) on exchange rate attributable to the owners of the parent	288	(274)	223	n.a.	-22.4%	(178)	(51)	71.6%
Add: Gain (loss) on exchange rate attributable to share of profit from an associate	604	(430)	(222)	48.4%	-136.7%	(268)	(652)	-143.3%
Total gain (loss) from exchange rate attributable to owners of the parent	892	(704)	2	n.a.	-99.8%	(446)	(702)	-57.5%

FX Rate at End of Period

	(THB / USD)	(THB / EUR)	(USD / EUR)*
Q1'20	32.8298	35.6113	-
Q2'20	31.0658	34.3318	-
Q3'20	31.8258	36.7782	-
Q4'20	30.2068	36.4949	1.2290
Q1'21	31.5052	36.3346	1.1706
Q2'21	32.2219	37.7588	1.1902

*Based on the exchange rate in Singapore.

PROFIT

Profit for the period	Q2'20	Q1'21	Q2'21	Change		6M'20	6M'21	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%QoQ</i>	<i>%YoY</i>	<i>THB mn</i>	<i>THB mn</i>	<i>%YoY</i>
Gross profit	1,814	3,006	2,716	-9.7%	49.7%	3,721	5,723	53.8%
<i>Gross profit from sales and lease contracts under power purchase agreement</i>	<i>1,776</i>	<i>2,941</i>	<i>2,657</i>	<i>-9.7%</i>	<i>49.6%</i>	<i>3,637</i>	<i>5,599</i>	<i>53.9%</i>
<i>Gross profit from service from concession arrangement</i>	<i>-</i>	<i>3</i>	<i>3</i>	<i>4.4%</i>	<i>n.a.</i>	<i>0</i>	<i>7</i>	<i>n.a.</i>
<i>Gross profit from management services</i>	<i>38</i>	<i>62</i>	<i>56</i>	<i>-10.0%</i>	<i>45.8%</i>	<i>84</i>	<i>117</i>	<i>39.6%</i>
EBITDA ⁽¹⁾	2,914	5,162	4,250	-17.7%	45.8%	5,792	9,412	62.5%
Profit for the period	2,656	1,791	1,833	2.4%	-31.0%	2,153	3,624	68.3%
Profit attributable to owners of the parent	1,881	1,632	1,407	-13.8%	-25.2%	1,468	3,039	107.1%
Less: Gain (loss) on exchange rate attributable to owners of the parent	892	(704)	2	<i>n.a.</i>	<i>-99.8%</i>	(446)	(702)	<i>-57.5%</i>
Less: unrealized gain (loss) on derivatives of PTT NGD	-	(53)	4	<i>n.a.</i>	<i>n.a.</i>	-	(50)	<i>n.a.</i>
Core Profit⁽²⁾	989	2,390	1,401	-41.4%	41.7%	1,914	3,790	98.1%
<i>Gross profit margin (sales)</i>	<i>23.1%</i>	<i>33.1%</i>	<i>24.0%</i>	<i>-9.1%</i>	<i>0.9%</i>	<i>23.5%</i>	<i>28.0%</i>	<i>4.5%</i>
<i>Gross profit margin (services)</i>	<i>42.3%</i>	<i>56.3%</i>	<i>48.8%</i>	<i>-7.5%</i>	<i>6.4%</i>	<i>47.5%</i>	<i>52.4%</i>	<i>4.9%</i>
<i>EBITDA margin</i>	<i>31.9%</i>	<i>51.7%</i>	<i>35.9%</i>	<i>-15.8%</i>	<i>4.0%</i>	<i>34.5%</i>	<i>43.1%</i>	<i>8.6%</i>
<i>Net profit margin⁽³⁾</i>	<i>20.6%</i>	<i>16.3%</i>	<i>11.9%</i>	<i>-4.5%</i>	<i>-8.7%</i>	<i>8.7%</i>	<i>13.9%</i>	<i>5.2%</i>
<i>Net profit for the period / Total revenue (excl. share of profit from associates and JVs)</i>	<i>33.7%</i>	<i>18.4%</i>	<i>16.2%</i>	<i>-2.2%</i>	<i>-17.5%</i>	<i>13.6%</i>	<i>17.2%</i>	<i>3.6%</i>
<i>Core Profit margin</i>	<i>10.8%</i>	<i>23.9%</i>	<i>11.8%</i>	<i>-12.1%</i>	<i>1.0%</i>	<i>11.4%</i>	<i>17.4%</i>	<i>6.0%</i>

⁽¹⁾ EBITDA = Earnings before Interest, Taxes, Depreciation, and Amortization, gain (loss) on exchange rate of the Company and of GJP, and unrealized gain (loss) on derivatives of PTT NGD

⁽²⁾ Core Profit = profit attributable to owners of the parent before gain (loss) on exchange rate and unrealized gain (loss) on derivatives of PTT NGD

⁽³⁾ Net profit margin = profit attributable to owners of the parent / Total Revenue

Gross profit

Gross profit in Q2'21 was THB 2,716 million, an increase of 49.7% YoY compared to Q2'20, mainly increased from the gross profit from sales and lease contracts under power purchase agreement, from the full quarter profit recognition of GSRC unit 1 project after its commercial operation date on March 31, 2021, coupled by improved performance of GMP group from higher volume from electricity and steam sales to industrial users, as well as profit contribution from BKR2 offshore wind project since Q4'20.

Gross profit margin from sales and lease contracts under power purchase agreement improved slightly from last year, due to a decrease in cost of average natural gas price of SPPs from 261.41 THB/mmbtu in Q2'20 to 238.56 THB/mmbtu in Q2'21 (-8.7% YoY), while the electricity selling price per unit reduced at a lower rate (GMP's electricity selling price per unit to EGAT and industrial users reduced by 5.6% YoY and 4.9% YoY, respectively), resulting in the improved gross profit despite Ft reduced by 32.1% YoY.

Gross profit from services increased by 45.8% YoY as well as gross profit margin from services, due to the higher revenue from management fee from the provision of management services by the Company to its associate GJP, HKP, and power plants under GEC group.

Compared to Q1'21, gross profit reduced by 9.7% QoQ, due to softened gross profit from sales and lease contracts mainly from the lower performance of BKR2 project which was affected by seasonal lower rate of wind speed in the project site. Nonetheless, in Q2'21, the company recognized a full quarter of profit from GSRC Power Plant Project Unit 1 and recognized a slightly better performance of the power plant projects under GMP group from higher amount of electricity sold to EGAT and the amount of electricity and steam sold to industrial users, which helped maintain the gross profit of the Group.

In addition, gross profit margin from sales and lease contracts was affected by natural gas cost which increased at a higher rate than electricity selling price in this quarter. Average cost of natural gas for SPPs increased from 220.17 THB/mmbtu in Q1'21 to 238.56 THB/mmbtu in Q2'21 (+8.4% QoQ) while average Ft remained at the same level as in the previous quarter, and electricity selling price to EGAT from GMP group increased by 4.1% QoQ and average electricity selling price per unit to industrial users reduced by 0.5% QoQ.

Gross profit from services reduced by 10.0% QoQ and gross profit margin from services also reduced as a result of personnel related expenses which was recorded in a higher proportion.

EBITDA

EBITDA in Q2'21 was recorded at THB 4,250 million, an increase of 45.8 % YoY but a decrease of 17.7% QoQ, which moved in tandem with Core Profit.

Core Profit

Core Profit was recorded at THB 1,401 million in Q2'21, an increase of 41.7% YoY from Q2'20 from the following factors:

- 1) Full-quarter profit contribution from GSRC power plant unit 1 which commenced commercial operation on March 31, 2021.
- 2) Increased profit contribution from SPPs under GMP group, from the higher electricity and steam sales volume to Industrial Users such as automotive, steel and metal, and electronic components sectors, and the natural gas cost which reduced at a higher rate than electricity selling price.
- 3) Recognized share of Core Profit from an associate PTT NGD at THB 63 million, after GULF invested in 40% and additional 2% shareholding of PTT NGD in December 2020 and April 2021, respectively.

When compared with Q1'21, Core Profit dropped by 41.4% QoQ from the following factors:

- 1) BKR2 offshore wind project's operating loss of THB 89 million at 50% shareholding, mainly due to lower rate of wind speed in the project site which is a seasonal factor (compared to THB 400 million profit at 50% shareholding in Q1'21).
- 2) Dividend income of THB 62 million in Q2'21 was reduced from THB 683 million in Q1'21 as there was no dividend income from INTUCH.
- 3) Nonetheless, Gas Fired Power Generation Business Group including the GMP group and GSRC power plant, as well as the share of profit from an associate GJP, recorded a strong profit contribution which grew from the previous quarter.

Net profit attributable to the owners of the parent

Net profit attributable to the owners of the parent in Q2'21 was THB 1,407 million, a decrease of 25.2% YoY compared to Q2'20. Although Core Profit improved by 41.7% but this quarter recorded a lower unrealized foreign exchange gain compared to the same period of the previous year (Q2'21 recorded THB 2 million FX gain attributable to owners of the parents and THB 4 million unrealized gain on derivatives of PTT NGD share of profit, compared to THB 892 million FX gain in Q2'20), resulting in the overall decrease of the Company's net profit.

When compared with Q1'21, net profit attributable to the owners of the parent softened by 13.8% QoQ, in line with Core Profit which declined due to the loss from BKR2 project. Q2'21 recorded unrealized FX gain attributable to owners of the parent and unrealized gain on derivatives of PTT NGD's totaling THB 6 million, compared to the previous quarter which recorded unrealized FX loss of THB 704 million and unrealized loss on derivatives of PTT NGD's of THB 53 million. Nonetheless, the recording of such gain(loss) on exchange rate and unrealized gain(loss) on derivatives are accounting transaction which has no impact on the cash flow and performance of the Group at all.

FINANCIAL POSITION AS OF JUNE 30, 2021

Financial position	As of December 31, 2020	As of June 30, 2021	Change
	<i>THB mn</i>	<i>THB mn</i>	<i>%</i>
Cash, cash equivalents, short-term deposits at financial institutions used as collateral	22,998	20,262	-11.9%
Trade accounts receivable	5,660	7,778	37.4%
Investments in associates and joint ventures	22,079	24,169	9.5%
Advance payments for land and power plant construction	6,701	5,516	-17.7%
Property, plant and equipment, net	129,718	124,961	-3.7%
Non-current assets	28,523	41,648	46.0%
Finance lease receivable under power purchase agreement	-	11,977	n.a.
Other assets	29,901	32,617	9.1%
Total assets	245,581	268,929	9.5%
Short-term loans from financial institutions	11,500	24,627	114.1%
Accounts payable for power plant construction	7,177	4,138	-42.3%
Trade accounts payable	1,353	2,341	72.9%
Long-term loans from financial institutions	85,936	95,457	11.1%
Debentures	43,428	41,233	-5.1%
Other liabilities	24,106	22,363	-7.2%
Total liabilities	173,501	190,158	9.6%
Issued and paid-up capital	11,733	11,733	0.0%
Share premium	51,822	51,822	0.0%
Unappropriated retained earnings	7,310	5,675	-22.4%
Other components of equity	(8,670)	(2,078)	76.0%
Other equity	1,831	2,000	9.2%
Total equity attributable to owners	64,027	69,153	8.0%
Non-controlling interests	8,053	9,618	19.4%
Total equity	72,080	78,771	9.3%
Total equity excluding other components of equity	80,749	80,848	0.1%

TOTAL ASSETS

Total assets as of June 30, 2021 was THB 268,929 million, an increase of THB 23,348 million (+9.5%) from December 31, 2020. The increase was attributable to the following factors:

- 1) Other non-current assets increased by 46.0% or THB 13,125 million, from additional investment in ordinary shares of Intouch Holdings Public Company Limited.

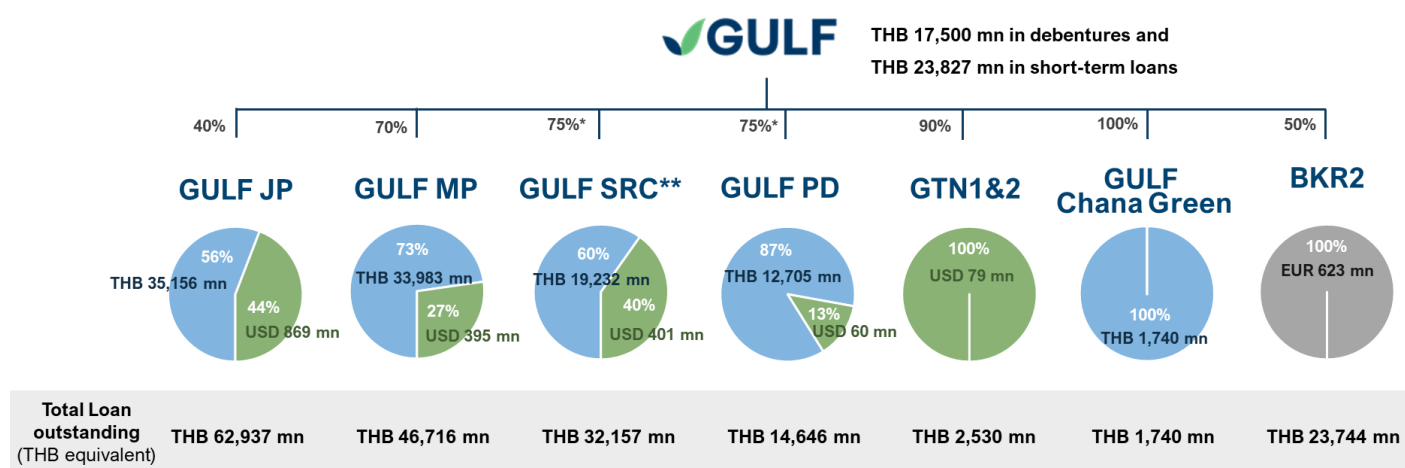
- 2) Trade accounts receivable increased by 37.4% or THB 2,118 million in line with increase in revenue from GSRC power plant unit 1 after its commercial operation date on March 31, 2021.
- 3) Investments in associates and joint ventures increased by 9.5% or THB 2,090 million, mainly due to the increase in acquired shares in PTT NGD. As of April 20, 2021, the Company has a 42% shareholding in PTT NGD.
- 4) Finance lease receivable under power purchase agreement increased by THB 11,977 million but property, plant and equipment net decreased by 3.7% or THB 4,758 million, as GSRC project commenced commercial operation in March 2021, which was in accordance with the TFRS 16 accounting standards.

TOTAL LIABILITIES

Total liabilities as of June 30, 2021 was THB 190,158 million, an increase of THB 16,657 million (+9.6%) from December 31, 2020. The increase was attributable to the following factors:

- 1) Short-term loans from financial institutions increased by 114.1% or THB 13,127 million from the Company's short-term loan from financial institutions to be used as a working capital.
- 2) Long-term loans from financial institutions increased by 11.1% or THB 9,521 million primarily from the loan drawdowns for the construction of GSRC and GPD power projects, but debentures decreased by 5.1% or THB 2,196 million due to the repayment of debentures of the BKR2 project.
- 3) Accounts payable for power plant construction reduced by 42.3% or THB 3,039 million from payment of fees according to the construction progress of the GSRC and GPD power plant projects
- 4) Other liabilities decreased by 7.2% or THB 1,743 million, mainly from other non-current financial liabilities which decreased by THB 2,734 million, from the change in fair value of interest rate swap contracts which was measured for the entire contract life on the Company's financial statement according to the TFRS 9 accounting standards, but increased from deferred liabilities that increased by THB 1,169 million from the higher fair value of investment in INTUCH.

Total debt outstanding of the Company and its subsidiaries as of June 30, 2021



* Based on % profit sharing received from GSRC & GPD

** Gulf SRC has a short-term loan outstanding at THB 800 million

TOTAL EQUITY

Total equity as of June 30, 2021 was THB 78,771 million, an increase of THB 6,691 million (+ 9.3%) from December 31, 2020 due to following factors:

- 1) Other components of equity increased by THB 6,591 million, and non-controlling interests increased by THB 1,565 million, mostly due to the increase in fair value of interest rate swap derivative contracts which was measured as required under TFRS 9. The fair value of interest rate swap contracts, majority of which the Company has entered several years ago to hedge its cashflow, is measured by comparing the contract rate with the current market interest rate, resulting in an increase or decrease in the fair value of such derivative contracts. However, such accounting record does not affect the Company's operating performance.
- 2) Retained earnings decreased by THB 1,635 million from dividend payment THB 4,459 million, reserve according to legal requirement THB 169 million, net with net profit attributable to the parent company of THB 3,039 million.

CAPITAL STRUCTURE

As of June 30, 2021, the Group recorded a debt to equity ratio of 2.41 times. However, net interest-bearing debt (including lease liabilities) to equity was recorded at 1.75 times. From the effect of Thai Financial Reporting Standards (TFRS), shareholders' equity value was lower, resulting in a significantly higher debt to equity ratio. Furthermore, most of the Company's liabilities which have terms of over 15 years, combined with the Company's capital increase in 2020, resulted in the Company's stronger financial position and its ability to take out more loans to support future growth opportunities for the Company.

STATEMENT OF CASH FLOWS

Statement of cash flows	For the period ended June 30, 2021
	<i>THB mn</i>
Net cash generated from (used in) operating activities	6,708
Net cash used in investing activities	(18,592)
Net cash generated from (used in) financing activities	11,018
Net increase (decrease) in cash and cash equivalents	(866)
Gain (loss) adjustment from foreign exchange translation of cash and cash equivalents	6
Cash and cash equivalents as of January 1, 2021	15,902
Cash and cash equivalents as of June 30, 2021	15,042

As of June 30, 2021, the Company and its subsidiaries recorded cash and cash equivalents of THB 15,042 million attributable to the following factors:

Net cash received from operating activities of THB 6,708 million mainly from:

- Cash from operating profit of THB 7,545 million
- Net cash paid for operating assets and liabilities THB 837 million

Net cash used in investing activities of THB 18,592 million mainly from:

- Payments for property, plant and equipment of THB 11,328 million, primarily for projects under GSRC, GPD, and Mekong Wind
- Payments for other financial assets of THB 8,258 million, pursuant to the Company's additional investment in ordinary shares of Intouch Holdings Public Company Limited

Net cash received from financing activities of THB 11,018 million mainly from:

- Net cash received from long-term loans of THB 7,587 million
- Net cash received from short-term loans of THB 13,127 million
- Cash repayment of BKR2 project's debenture of THB 3,006 million
- Payments for interest expense and finance costs of THB 2,438 million
- Payment for dividend of THB 4,459 million

KEY FINANCIAL RATIOS

Financial ratios	Q2'20	Q1'21	Q2'21
Basic earnings per share (THB)	0.18	0.14	0.12
Gross profit margin from sales (%)	23.1%	33.1%	24.0%
EBITDA margin	31.9%	51.7%	35.9%
Net profit margin ¹ (%)	20.6%	16.3%	11.9%
Core Profit margin ^{1,2} (%)	10.8%	23.9%	11.8%
Net profit for the period / Total revenue (excl. share of profit from associates and JVs)	33.7%	18.4%	16.2%
Return on equity (%)	13.4%	15.1%	13.8%
Return on assets ³ (%)	3.7%	4.2%	3.6%
	Jun 30, 2020	Mar 31, 2021	Jun 30, 2021
Book value per share (THB)	2.32	5.99	5.89
Current ratio (times)	1.06	0.88	0.71
Quick ratio (times)	0.99	0.76	0.63
Debt to equity (times)	3.88	2.21	2.41
Net interest-bearing debt (<u>including</u> lease liabilities) to equity ⁴ (times)	1.86	1.60	1.75

¹ Total revenues = revenues from sales and management fee + other income + interest income + dividend income + share of profit from associates and joint ventures

² Core Profit = profit attributable to owners of the parent before gain (loss) on exchange rate and unrealized gain (loss) on derivatives of PTT NGD

³ ROA calculated using net profit (annualized) / average total assets

⁴ Net debt to equity ratio that must be maintained in accordance with the terms and conditions (times) = Net debt to equity ratio that must be maintained in accordance with the terms and conditions is calculated by finding the difference of (a) total interest-bearing debt, (b) cash and cash equivalents and (c) deposits at financial institutions used as collateral, and divided by the issuer's equity which excludes other components of equity as shown in the consolidated financial statements audited by the issuer's auditor

PROGRESS OF PROJECTS UNDER CONSTRUCTION AND DEVELOPMENT

POWER GENERATION AND RENEWABLE ENERGY BUSINESS



Gulf SRC (Thailand)

Fuel Type	Gas-fired	
Capacity	2,650 MW (4 units, 662.5 MW each)	
SCOD	Unit 1: 31 March 2021 Unit 2: 1 October 2021	Unit 3: 31 March 2022 Unit 4: 1 October 2022
Status	Unit 1: Achieved commercial operation Unit 2-4: Under construction: 97.0% completed	



Gulf PD (Thailand)

Fuel Type	Gas-fired	
Capacity	2,650 MW (4 units, 662.5 MW each)	
SCOD	Unit 1: 31 March 2023 Unit 2: 1 October 2023	Unit 3: 31 March 2024 Unit 4: 1 October 2024
Status	Under construction: 33.3% completed	



Hin Kong Power (Thailand)

Fuel Type	Gas-fired	
Capacity	1,540 MW (2 units, 770 MW each)	
SCOD	Unit 1: March 2024 Unit 2: January 2025	
Status	<ul style="list-style-type: none"> Preparation for construction and financing on progress Expected to sign GSA in Q3'21 Expected to start construction within 2021 	



Burapa Power (Thailand)

Fuel Type	Gas-fired	
Capacity	600 MW	
SCOD	November 2027	
Status	<ul style="list-style-type: none"> EIA approval obtained Expected to start construction by 2025 	



DIPWP (Oman)

Fuel Type	Gas-fired	
Capacity	Power: approx. 326 MW Water: approx. 1,667 m ³ /hour	
SCOD	Phase 1 (40 MW): 2021 Phase 2 (286 MW): 2023	
Status	Under construction: 91.9% completed	



Mekong Wind Power Project (Vietnam)

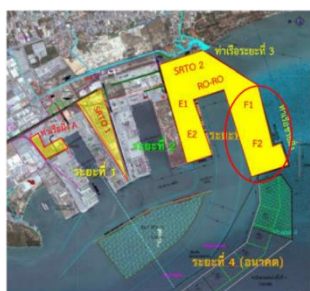
Fuel Type	Offshore Wind
Capacity	Phase 1: 30 MW Phase 2-3: 98 MW Phases 4-8: 182 MW
SCOD	Phase 1: expected in August 2021 Phases 2-3: within October 2021 Phases 4-8: Under MOIT consideration
Status	Phase 1: Under development: 86.3% completed Phases 2-3: Under development: 56.0% completed Phases 4-8: Under MOIT consideration to be included in PDP8

INFRASTRUCTURE & UTILITIES BUSINESS



Map Ta Phut Industrial Port Development Phase 3 (Thailand)

Scope	Infrastructure: Land reclamation Superstructure: LNG terminal
Capacity	Land reclamation: 1,000 rais LNG terminal: up to 10.8 MTPA
Construction Period	Land reclamation: 2021 - 2024 LNG terminal: 2024 – 2026* *subject to LNG demand
Status	Construction preparation in progress



Laem Chabang Port Development Phase 3 (Thailand)

Scope	Container berths (F1 & F2 terminals)
Capacity	At least 4 million TEU/year (operation period 35 years)
SCOD	F1 = [2025] F2 = [2029]
Status	Expected to sign PPP Contract within September 2021 Expected to start construction within 2023



M6 & M81 Intercity Motorways (Thailand)

Scope	Operation and Maintenance of toll collection system, traffic management and control system, and other infrastructures
Capacity	M6: 196 km M81: 96 km
SCOD	[2023]
Status	EPC signed in July 2021 Expected to sign PPP contract within September 2021

ONE BANGKOK



One Bangkok Project (Thailand)

Scope	Electricity Distribution System (Power) District Chilled Water Distribution System (DCS)
Capacity	Power: 240 MW DCS: 36,000 RT
SCOD	Phase 1 – 2022 (Power) Phase 1 – 4 2023 – 2026 (Power and DCS)
Status	<ul style="list-style-type: none"> Electricity Distribution System (Power) - Under development: 10.6% completed District Chilled Water Distribution System (DCS) - Under development: 4.5% completed

DEFINITIONS

Company	Gulf Energy Development Public Company Limited
Group	The Company, its subsidiaries, its associates and its joint ventures
GEC group	Gulf Electric Public Company Limited and its subsidiaries
EGAT	The Electricity Generating Authority of Thailand
PEA	Provincial Electricity Authority
7SPPs	7 SPPs under GJP consisting of GKP1, GKP2, GTLC, GCRN, GNNK, GNLL and GNK2
12SPPs	12 SPPs under GMP consisting of GVTP, GTS1, GTS2, GTS3, GTS4, GNC, GBL, GBP, GNLL2, GNPM, GNRV1 and GNRV2
BKR2	Borkum Riffgrund 2 Offshore Wind Farm GmbH & Co. oHG, an offshore wind farm operator in Germany
BPG	Burapa Power Generation Co., Ltd., a power project operator under BPH
BSE	Bangkok Smart Energy Co., Ltd., a JV in which the Company has a 33.3% stake
BPH	Burapa Power Holding Co., Ltd., a JV in which the Company has a 35.0% stake
DIPWP	Duqm Integrated Power and Water Project, a power project operator in Oman
EPC	Engineering, procurement and construction
EVN	Vietnam Electricity
GBL	Gulf BL Co., Ltd., a power project operator under the subsidiary of GMP
GBP	Gulf BP Co., Ltd., a power project operator under the subsidiary of GMP
GCG	Gulf Chana Green Co., Ltd., a biomass project operator in which the Company has a 100% stake
GCRN	Gulf JP CRN Co., Ltd., a power project operator under the associate GJP
GJP	Gulf JP Company Limited, an associate in which the Company has a 40.0% stake
GKP1	Gulf JP KP1 Co., Ltd., a power project operator under the associate GJP
GKP2	Gulf JP KP2 Co., Ltd., a power project operator under the associate GJP
GMP	Gulf MP Co., Ltd., a subsidiary in which the Company has a 70.0% stake
GMP	Gulf MTP LNG Terminal Co., Ltd., a subsidiary in which the Company has a 70% stake
GNC	Gulf NC Co., Ltd., a power project operator under the subsidiary GMP
GNK2	Gulf JP NK2 Co., Ltd., a power project operator under the associate GJP
GNLL	Gulf NLL Co., Ltd., a power project operator under the associate GJP
GNLL2	Gulf NLL2 Co., Ltd., a power project operator under the subsidiary GMP
GNNK	Gulf JP NNK Co., Ltd., a power project operator under the associate GJP
GNPM	Gulf NPM Co., Ltd., a power project operator under the subsidiary GMP
GNRV1	Gulf NRV1 Co., Ltd., a power project operator under the subsidiary GMP
GNRV2	Gulf NRV2 Co., Ltd., a power project operator under the subsidiary GMP
GNS	Gulf JP NS Co., Ltd., a power project operator under the associate GJP
GPD	Gulf PD Co., Ltd., a power project operator under the subsidiary of IPD
GSRC	Gulf SRC Co., Ltd., a power project operator under the subsidiary of IPD
GTLC	Gulf JP TLC Co., Ltd., a power project operator under the associate GJP
GTN1	Gulf Tay Ninh 1 Joint Stock Company, a solar farm operator in Vietnam
GTN2	Gulf Tay Ninh 2 Joint Stock Company, a solar farm operator in Vietnam
GTS1	Gulf TS1 Co., Ltd., a power project operator under the subsidiary GMP
GTS2	Gulf TS2 Co., Ltd., a power project operator under the subsidiary GMP

GTS3	Gulf TS3 Co., Ltd., a power project operator under the subsidiary GMP
GTS4	Gulf TS4 Co., Ltd., a power project operator under the subsidiary GMP
Gulf WHA MT	Gulf WHA MT Natural Gas Distribution Company Limited, a JV in which the Company has a 35.0% stake
GUT	Gulf JP UT Co., Ltd., a power project operator under the associate GJP
GVTP	Gulf VTP Co., Ltd., a power project operator under the subsidiary GMP
HKH	Hin Kong Power Holding Co., Ltd., a JV in which the Company has a 49.0% stake
HKP	Hin Kong Power Co., Ltd., a power project operator under HKH
IPD	Independent Power Development Company Limited, a subsidiary in which the Company has a 70.0% stake
IPP	Independent Power Producer in which capacity sold to EGAT is more than 90 MW
Marafiq	Centralised Utilities Company L.L.C., a JV in which the Company has a 49% stake
Mekong	Mekong Wind Power Joint Stock Company
MTP3	Map Ta Phut Industrial Port Development Phase 3
PEA	The Provincial Electricity Authority
PTT NGD	PTT Natural Gas Distribution Company Limited
SPP	Small Power Producer in which capacity sold to EGAT is more than 10 MW but not more than 90 MW
TFRIC 4	Revenue recognition standard applied for the IPPs to record revenue from availability payment as income from financial lease
TFRIC 12	Thai Financial Reporting Standard applied for Service Concession Arrangements
TFRS 9	Thai Financial Reporting Standard applied for Financial Instruments
TFRS 16	Thai Financial Reporting Standard applied for Leases