

August 13, 2021

Subjects : Clarification of operating results for the Q2/2021

Attention : The Director and Manager of the Stock Exchange of Thailand

The Consolidated net profit of Eastern Power Group Public Co., Ltd. (EP) for Q2/2021 is Baht 39.65 million in comparison with net profit of Baht 121.56 million for the same period previous year resulted in a decrease of Baht 81.91 million or 67.38% while for the six-month ended of June 30, 2021 is Baht 44.56 million in comparison with net profit of Baht 132.45 million for the same period previous year resulted in a decrease of Baht 87.90 million or 66.36%.

**Summary of the company's operating result and subsidiaries as follows:**

**Unit : Million Baht**

Operating Performance of the Company and subsidiaries	For the Quarter 2 ended June 30,				For six-month ended June 30,			
	2021	2020	Changes	%	2021	2020	Changes	%
<b>Revenues from sales and services</b>	<b>170.92</b>	<b>363.71</b>	<b>(192.80)</b>	<b>53.01</b>	<b>379.35</b>	<b>707.30</b>	<b>(327.95)</b>	<b>(46.37)</b>
- Publishing business	158.36	106.04	52.31	49.33	339.58	258.61	80.97	31.31
- Electricity business	12.56	257.67	(245.11)	(95.12)	39.76	448.69	(408.91)	(91.13)
<b>Other income</b>	<b>92.35</b>	<b>2.97</b>	<b>89.39</b>	<b>3,009.76</b>	<b>210.06</b>	<b>49.89</b>	<b>160.17</b>	<b>321.05</b>
<b>Total revenues</b>	<b>263.27</b>	<b>366.68</b>	<b>(103.41)</b>	<b>(28.20)</b>	<b>589.41</b>	<b>757.19</b>	<b>(167.77)</b>	<b>(22.16)</b>
<b>Cost of sales and services</b>	<b>134.78</b>	<b>183.14</b>	<b>(48.37)</b>	<b>(26.41)</b>	<b>307.23</b>	<b>387.52</b>	<b>(80.29)</b>	<b>(20.72)</b>
- Publishing business	129.08	88.37	40.70	46.06	286.97	205.73	81.24	39.49
- Electricity business	5.70	94.77	(89.07)	(93.99)	20.25	181.79	(161.54)	(88.86)
<b>Administrative and selling expenses</b>	<b>81.17</b>	<b>87.16</b>	<b>(5.99)</b>	<b>(6.87)</b>	<b>240.52</b>	<b>142.29</b>	<b>98.23</b>	<b>69.04</b>
- Publishing business	24.70	25.26	(0.56)	(2.22)	52.44	51.18	1.26	2.46
- Electricity business	56.47	61.90	(5.43)	(8.77)	188.08	91.11	96.97	106.43
<b>Total expenses</b>	<b>215.94</b>	<b>270.30</b>	<b>(54.36)</b>	<b>(20.11)</b>	<b>547.75</b>	<b>529.81</b>	<b>17.94</b>	<b>3.39</b>

Operating Performance of the Company and subsidiaries	For the Quarter 2 ended June 30,				For six-month Ended June 30,			
	2021	2020	Changes	%	2021	2020	Changes	%
Share of profit (loss) on investment of associated companies	<b>87.37</b>	<b>157.22</b>	<b>(69.85)</b>	<b>(44.43)</b>	<b>160.72</b>	<b>124.14</b>	<b>36.58</b>	<b>29.47</b>
- Operating	118.84	107.68	11.16	10.36	244.33	160.79	83.54	51.96
- Profits (losses) from foreign exchange	(31.47)	49.54	(81.01)	(163.52)	(83.61)	(36.65)	(46.96)	(128.13)
<b>Financial cost</b>	<b>77.50</b>	<b>68.61</b>	<b>8.89</b>	<b>12.96</b>	<b>121.56</b>	<b>142.51</b>	<b>(20.95)</b>	<b>(14.70)</b>
- Publishing business	31.78	26.89	4.89	18.18	46.32	55.04	8.72	15.85
- Electricity business	45.72	41.72	4.00	9.59	75.25	87.47	12.23	13.98
<b>Profit before income tax</b>	<b>57.20</b>	<b>184.99</b>	<b>(127.79)</b>	<b>(69.08)</b>	<b>80.82</b>	<b>209.00</b>	<b>(128.18)</b>	<b>(61.33)</b>
Income tax expenses	19.50	20.88	(1.38)	(6.60)	37.40	31.15	6.24	20.03
<b>Net profit attributed to Parent Company</b>	<b>39.65</b>	<b>121.56</b>	<b>(81.91)</b>	<b>(67.38)</b>	<b>44.56</b>	<b>132.45</b>	<b>(87.90)</b>	<b>(66.36)</b>

**The main reasons for the significant changes are as follows: -**

**Revenue from sales and services**

For the second quarter of 2021, it was Baht 170.92 million, decreased by Baht 192.80 million or 53.01% compared to the same period of last year which were from the increase in printing and packaging business income of Baht 52.31 million or 49.33% compared to the same period of last year and a decrease in the revenue from electricity business by Baht 245.11 million or 95.12%.

For the six-month of 2021, it was Baht 379.35 million, decreased by Baht 327.95 million or 46.37% compared to the same period of last year which were from the increase in printing and packaging business income of Baht 80.97 million or 31.31% due to the increase in sales from packaging and a decrease in the revenue from electricity business by Baht 408.91 million or 91.13% due to the divestment of solar farm power plants in Thailand and Japan totaling 65 MW in 2020. Therefore, the revenue from electricity business was from solar

rooftop only. However, the company has the 160 MW wind farm power plant projects in Vietnam which are under construction and are expected to be COD within September 2021.

### **Other revenues**

For the six-month of 2021, it was Baht 210.06 million, increased by Baht 160.17 million or 321.05% compared to the same period of last year which consists of the following important items:

1. Reversal of allowance for liabilities from guarantee obligations amounting to Baht 46.21 million from printing business.
2. Unrealized foreign exchange gains amount Baht 152.42 million from electricity business.
3. Other revenues amount Baht 11.43 million.

### **Cost of sales**

For the second quarter of 2021, it was Baht 134.76 million, decreased by Baht 48.37 million or 26.41%. The main reason was from the cost of printing and packaging business increased by Baht 40.70 million compared to the same period of last year and the power plant cost decreased by Baht 89.06 million.

For the six-month of 2021, it was Baht 307.23 million, decreased by Baht 80.29 million or 20.72% compared to the same period of last year. The main reason was from the cost of printing and packaging business increased by Baht 81.24 million or 39.49% from the increase in sales of packaging. The power plant cost decrease by Baht 161.54 million due to the divestment of the solar power plant projects as mentioned above.

### **Selling and administrative expenses**

For the second quarter of 2021, it was Baht 81.17 million decreased by Baht 5.99 million or 6.87%, compared to the same period last year which was the expense from printing and packaging business decreased by Baht 0.56 million or 2.22%. However, selling and administrative expenses in the power plant part decreased by 5.43 million baht or 8.77%.

For the six-month of 2021, it was Baht 240.52 million, increased by Baht 98.23 million or 69.04% compared to the same period of last year which were from the printing and packaging business increased by Baht 1.26 million or 2.46% and from power plant business increased by Baht 96.97 million or 106.43% due to the loss from the divestment of solar power plant project in Shichikashuku 1, Japan of Baht 42.15 million and the impairment loss of solar power plant project in Shichikashuku 2, Japan of Baht 29.70 million. There was a legal

advisory fee of Baht 4.90 million, loan application fee of Baht 15.75 million and recognized loss from accounting exchange in the amount of Baht 66.13 million.

### **Financial cost**

For the second quarter of 2021, it was Baht 77.50 million increased by Baht 8.89 million or 12.96% compared to the same period of last year due to the issuance of debentures No.1/2021 of Baht 1,500 million on April 1, 2021 which caused the printing and packaging business cost increased by Baht 4.89 million and the electricity business cost increased by Baht 4.00 million.

For the six-month of 2021, it was Baht 121.56.51 million, decreased by Baht 20.95 million or 14.70% compared to the same period of last year from a decrease from the printing and packaging cost by Baht 8.72 million or 15.85% and a decrease from the power plant business by Baht 12.23 million or 13.98% due to the repayment of maturity bonds and from the loan repayment for the solar power plant projects that has already been sold as mentioned above.

### **Share of profits (losses) from investments of associates companies using the equity method**

Share of profits from investments in associated companies, the Co-Generation Combined Power Plants. In the six-month ended June 30, 2021, the company recognized profit from investment in the associated companies in the amount of Baht 160.72 million, increased amount Baht 36.58 million or 29.47% compared to the same period of last year caused by the following: -

- From operating performance amount Baht 244.33 million, increased amount Baht 83.54 million or 51.96%
- From the recognition of the unrealized losses from the accounting exchange rate amount to Baht 83.61 million, increased amount Baht 46.96 million or 128.13%.

In the second quarter of 2021, the company recognized profit from investment in the associated companies in the amount of Baht 87.37 million in comparison to profit of Baht 157.22 million in Q2/2020, decreased by Baht 69.85 million or 44.43 caused by the following: -

- From operating performance amount Baht 118.84 million, increased amount Baht 11.16 million or 10.36%.
- From the recognition of the unrealized losses from the accounting exchange rate amount to Baht 31.47 million, increased amount Baht 81.01 million or 163.52%.



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Please be informed accordingly,

Respectfully yours,

*-Arak Ratboriharn-*

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Chief Executive Officer