



No Boundaries FOR *A TRUE PIONEER*

BCPG Public Company Limited
Management Discussion and Analysis
For Q3/2021 Operating Results



10 November 2021

World's Greenergy Icon

Evolving the world through the greener ways



Executive Summary

Financial Highlight

<i>Unit: THB million</i>	3Q20	3Q21	Δ %	2Q21	Δ %	9M20	9M21	Δ %
Revenue from sale and redering of service	1,237.9	1,302.3	5.2%	1,088.2	19.7%	3,093.9	3,437.1	11.1%
Share of profit of investment in associates*	100.7	150.3	49.3%	157.0	(4.3%)	361.3	447.8	23.9%
EBITDA	1,133.8	1,213.5	7.0%	992.1	22.3%	2,818.2	3,153.4	11.9%
Net profit	673.1	684.7	1.7%	565.1	21.2%	1,601.6	1,773.1	10.7%
Recurring profit*	642.7	708.8	10.3%	503.9	40.7%	1,423.5	1,701.6	19.5%

**Excluding gain/(loss) on FX and one-time items*

Q3/2021: BCPG or the Group of Companies recorded recurring net profit of THB 708.8 million, grew by 10.3% YoY and 40.7% QoQ. These were resulted from the following factors.

+10.3% YoY

- (+) Higher revenue contribution from Hydro power projects in Lao PDR named “Nam San 3A” and “Nam San 3B” that could generate more electricity owing to higher rainfall.
- (+) Higher revenue contribution from wind power project in Thailand that could generation more electricity thanks to better wind speed.
- (+) Higher share of profit from geothermal power plants in Indonesia thanks to higher tariff rate and lower finance cost.
- (+) Higher share of profit from wind power plant in Philippine thanks to better wind speed.

+40.7% QoQ

- (+) Higher revenue contribution from hydropower projects, “Nam San 3A and “Nam San 3B” that entered high season in accordance with the seasonal factor of the hydropower plants as usual.
- (+) Higher revenue contribution from wind power project in Thailand that entered high season in accordance with the seasonal factor of the wind power plants as usual.
- (+) Higher share of profit from geothermal power plants in Indonesia thanks to higher tariff rate and lower operating costs.
- (+) Lower administrative expenses.

For 9M/2021, the Group of Companies recorded recurring net profit of THB 1,701.6 million, increased by 19.5% YoY. This was resulted from the following factors.

- (+) Full 9-month of revenue contribution from new projects including Hydro power project in Lao PDR, “Nam San 3B”, acquired since February 2020 and the 4 new solar power projects in Thailand (20MW), acquired since August 2020. In addition, solar power projects in Thailand have been improving the efficiency of electricity generation.
- (+) Higher revenue contribution from Hydro power project in Lao PDR named “Nam San 3A” and “Nam San 3B” owing to higher rainfall.
- (+) Higher share of profit from both geothermal power plants in Indonesia thanks to higher tariff rate and lower finance cost as well as wind power plant in Philippine thanks to receiving tariff escalation.

Key developments during Q3/2021 until now

Invested in VRB Energy, the manufacturing of utility-scale energy storage business

On 2 July 2021, the Group of the Companies announced the investment in VRB Energy, which conducts research, development, manufacturing, and distribution of energy storage systems in type of Vanadium Redox Flow in the amount of USD 24 million.

Redox Flow batteries are suitable for use in utility scale applications such as connection to transmission lines, decentralized power generation network support or virtual power plant because it can store electricity that needs high capacity and store for a long time, which are trends for the renewable energy business in the future. Also, this is in line with investment direction of the Group of Companies as a producer and distributor of electricity both domestically and internationally as well as to create synergy which makes the Group of Companies access to energy storage technology and can be applied with the development projects in the future.

Signed Monsoon project's Power Purchase Agreement (PPA) with Vietnam Electricity

On 12 July 2021, Impact Energy Asia Development Limited ("IEAD") successfully entered into 25-year power purchase agreement (PPA) of Monsoon project with Vietnam Electricity. The project is located in Lao PDR and is planned to be commercialized within 31 December 2025 with the electricity tariff rate at USD 0.0695 per kWh.

Monsoon project is a 600 MW wind power project located in Sekong and Attapeu provinces, Lao PDR, to produce and supply green electricity through a 500-Kilovolt transmission line to Quang Nam province in Vietnam.

Achieved in issuing Green bonds amounting of THB 12,000 million

In September 2021, the Group of the Companies achieved in issuing Green bonds, which is the Group of the Companies' the first bond issuance to bond market with amounting of THB 12,000 million, average 8.8 years maturity and average interest rate of 2.97%. Given to the subscription, there was nearly three times response higher than the targeted offering. In addition, the green bonds are rated by TRIS Rating at "A-" as well as to be used to repay the original loan of the geothermal power plant projects and used for the developments and investments of the Group of the Companies' solar power plants in the future.

Furthermore, the green bonds are reviewed and certified by DNV and Climate Bonds Initiative (CBI) to comply with Green Bond Principles, ASEAN Green Bond Standards, and CBI's Climate Bonds Standard V.3.0.

Signed MOU to collaborate exclusively with Keppel New Energy Pte Ltd. on the development of sustainable smart city

On 7 October 2021, the Group of the Companies signed a Memorandum of Understanding (MOU) to collaborate exclusively with Keppel New Energy Pte Ltd, a wholly owned subsidiary of Keppel Infrastructure Holdings Pte Ltd (Keppel Infrastructure); Smart Infrastructure Development Specialist world class from Singapore.

This collaboration aims to develop the smart city development business in Thailand to complete a full cycle of energy and environment. This also includes investment in structure and centralized management of cooling systems (Cooling-as-a-Service) and Electric Vehicles, which is a development of solutions to balance carbon emissions into

the atmosphere and support the goal of reducing carbon emissions to net zero within the year 2065-2070 according to the national energy plan.







Achieved the COD 2 solar projects in Japan and Thailand as plan

On 1 November 2021, the Group of Companies' 2 solar projects totaling 27.7 MW have been commercialized, namely Chiba 1 and CMU project. The Chiba 1 project is located in Chiba province, Japan, with a holding stake of 100% and an installed capacity of 20 MW. The project successfully achieved the commercial operation of generating and dispatching power generation to Tokyo Electricity Power Company under Feed-in-Tariff at 36 yen per kWh. The CMU project is a solar rooftop project at Chiang Mai University under CMU Smart City of Chiang Mai province. The CMU project, which is being operated by Thai Digital Energy ("TDED"), a subsidiary of the Group of Companies with a 75 % stake, has already commercialized the first phase with 7.7 megawatts in the Suan Sak, Suan Dok, and Mae Hia areas.

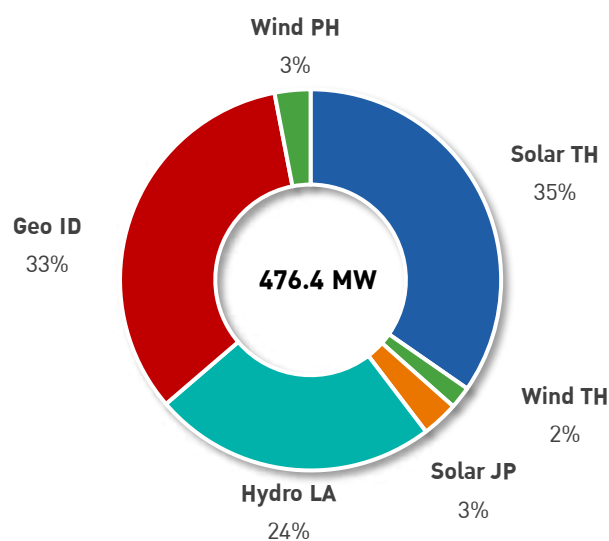
The Group of Companies' Contracted Capacity

Contracted capacity breakdown by countries and types of energy at the end of Q3/2021.

Unit: Equity MW

Country	3Q20	3Q21	Δ %	2Q21	Δ %
Thai					
	162.5	166.9	2.7	165.8	0.6
	9.0	9.0	0.0	9.0	0.0
Japan					
	14.7	14.7	0.0	14.7	0.0
Laos					
	114.0	114.0	0.0	114.0	0.0
Indonesia					
	157.5	157.5	0.0	157.5	0.0
The Philippines					
	14.4	14.4	0.0	14.4	0.0
Total	472.1	476.4	0.9	475.4	0.2

Contracted capacity breakdown by power types



At the end of Q3/2021, total contracted capacity was 476.4 MW, increased by 0.9% YoY and 0.2% QoQ, mainly from the commercial operation of new solar rooftop.

Financial Performance

Financial Performance for Q3/2021

Unit: THB million	3Q20	3Q21	Δ (%)	2Q21	Δ (%)	9M20	9M21	Δ (%)
Revenue from sale and rendering of service	1,237.9	1,302.3	5.2%	1,088.2	19.7%	3,093.9	3,437.1	11.1%
Cost of sale and rendering of services	(373.5)	(394.0)	5.5%	(396.1)	(0.5%)	(1,040.4)	(1,183.7)	13.8%
Gross profit	864.4	908.3	5.1%	692.2	31.2%	2,053.5	2,253.4	9.7%
Administrative expenses	(114.6)	(131.6)	14.8%	(148.9)	(11.6%)	(376.3)	(417.9)	11.0%
Operating profit	749.8	776.7	3.6%	543.3	43.0%	1,677.1	1,835.5	9.4%
Share of profit of investment in associates (excluding one-time item)	100.7	150.3	49.3%	157.0	(4.3%)	361.3	447.8	23.9%
EBITDA	1,133.8	1,213.5	7.0%	992.1	22.3%	2,818.2	3,153.4	11.9%
Other income/(expense)	4.1	14.7	255.2%	15.3	(3.4%)	18.6	54.8	195.3%
FX gain/(loss)	58.0	177.2	NA	80.3	NA	284.7	280.2	NA
Other one-time item	(27.5)	(201.3)	NA	(19.2)	NA	(106.6)	(208.7)	NA
EBIT	885.1	917.6	3.7%	776.7	18.1%	2,235.1	2,409.6	7.8%
Finance costs**	(209.9)	(198.4)	(5.5%)	(192.8)	2.9%	(617.7)	(576.6)	(6.7%)
EBT	675.2	719.2	6.5%	583.9	23.2%	1,617.3	1,833.0	13.3%
Income tax (expense) benefit*	(2.0)	(34.7)	NA	(19.1)	NA	(15.6)	(60.3)	NA
Minority interest	(0.1)	0.1	NA	0.2	NA	(0.1)	0.5	NA
Net profit	673.1	684.7	1.7%	565.1	21.2%	1,601.6	1,773.1	10.7%
Recurring profit*	642.7	708.8	10.3%	503.9	40.7%	1,423.5	1,701.6	19.5%
Basic Earnings per Share (THB)	0.34	0.25	(26.5%)	0.21	19.0%	0.80	0.67	(16.3%)

Remark:

*Excluding gain/(loss) on FX and one-time items

**Excluding expenses related to refinancing cost

	3Q20	3Q21	2Q21	9M20	9M21
Total one-time items:	30.4	(24.1)	61.1	178.1	71.5
FX gain/(loss)	58.0	177.2	80.3	284.7	280.2
Tax related to Gain/(loss) on foreign exchange	(8.8)	(44.5)	(4.8)	(17.8)	(44.3)
Expenses related to refinancing	0.0	(107.8)	0.0	0.0	(107.8)
Loss from disposal of assets	0.0	(48.3)	(0.5)	0.0	(50.5)
Other one-time item	(18.8)	(0.8)	(13.8)	(88.9)	(6.1)

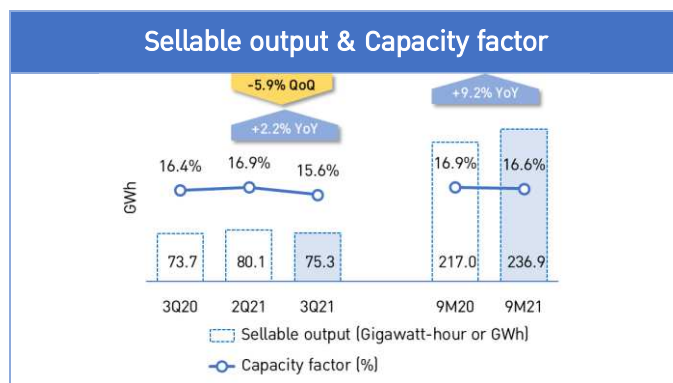
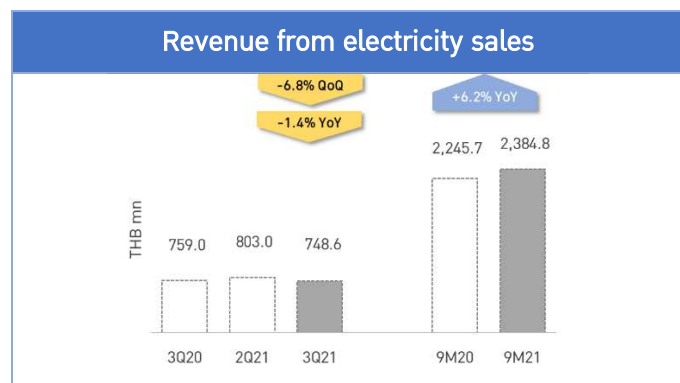
Revenue from sale and rendering of services

The Group of Companies has structures classified by country as follows:

Unit: THB mn	3Q20	3Q21	Δ %	2Q21	Δ %	9M20	9M21	Δ %
Thai	776.4	773.6	(0.4)	818.0	(5.4)	2,298.6	2,447.9	6.5
Laos	396.9	460.3	15.9	213.1	116.0	626.2	810.8	29.5
Japan	56.4	56.6	0.3	48.3	17.2	143.7	148.8	3.5
Other operating income	8.2	11.8	44.1	8.8	33.8	25.4	29.7	17.0
Total	1,237.2	1,302.3	5.2	1,088.2	19.7%	3,093.2	3,437.1	11.1

The company and subsidiaries: Thailand

Solar



In Q3/2021, the Group of Companies recorded operating revenue from solar power plants in Thailand of THB 748.6 million, decreased by 1.4% YoY and 6.8% YoY. These were resulted from the following factors.

YoY

(-) Adder of BCPG 1 project (8MW) was expired in August 2021.

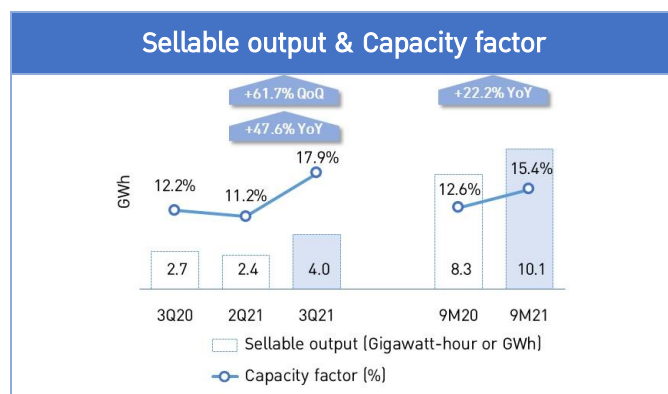
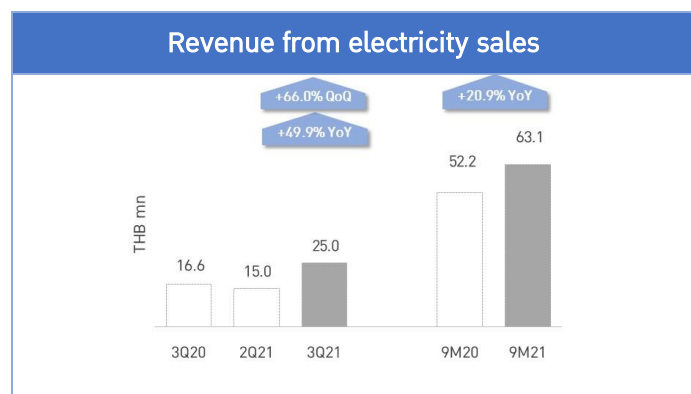
(+) Efficiency improvement of solar power plants in Thailand program made electricity generation rose by 2.2% YoY to 75.3 GWh, which could partially alleviate pressure from the adder expiration.

QoQ

(-) Electricity generation decreased by 5.9% QoQ, due to lower irradiation after entering rainy season.

For 9M/2021, the Group of Companies recorded operating revenue from solar power plants in Thailand of THB 2,384.8 million, rose by 6.2% YoY in line with higher electricity generation growth thanks to recognition of the full 9-month contribution of the 4 new solar power plants in Thailand (20MW), which the Group of the Companies has acquired since August 2020. In addition, there were efficiency improvement of solar power plants in Thailand program.

Wind



In Q3/2021, the Group of Companies recorded operating revenue from a wind power plant in Thailand of THB 25.0 million, up by 49.9% YoY and 66.0% QoQ. These were resulted from the following factors.

YoY

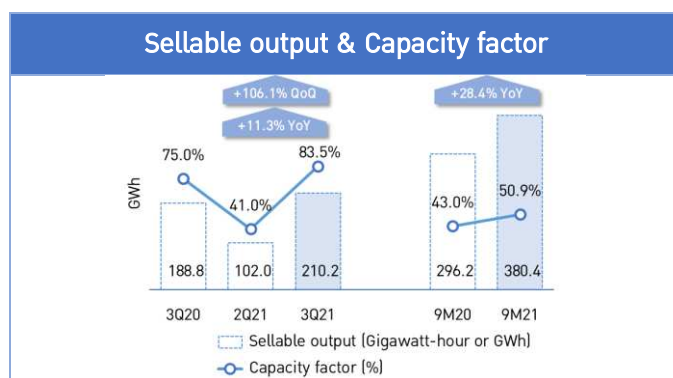
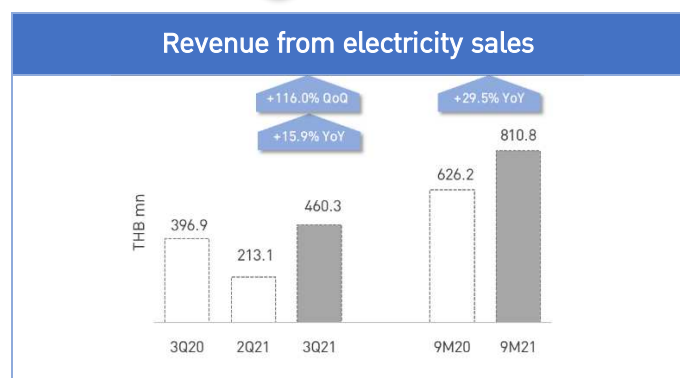
(+) Electricity generation rose by 47.6% YoY to 4.0 GWh. Capacity factor increased to 17.9% from 12.2% in Q3/2020, mainly came from higher wind speed at the project.

QoQ

(+) Electricity generation increased 61.7% QoQ. Capacity factor increased from 11.2% in Q2/2021, owing to seasonal factor, which the third quarter is normally high season for wind power projects.

For 9M/2021, the Group of Companies recorded operating revenue from a wind power plant in Thailand of THB 63.1 million, increased by 20.9% YoY. This mainly came from higher wind speed at the project led to higher capacity factor to 15.4% in 9M/2021 from 12.6% in 9M/2020.

Subsidiaries: Laos



In Q3/2021, the Group of Companies recorded operating revenue from hydro power plants in Laos of THB 460.3 million, grew by 15.9% YoY and 116.0% QoQ. These were resulted from the following factors.

YoY

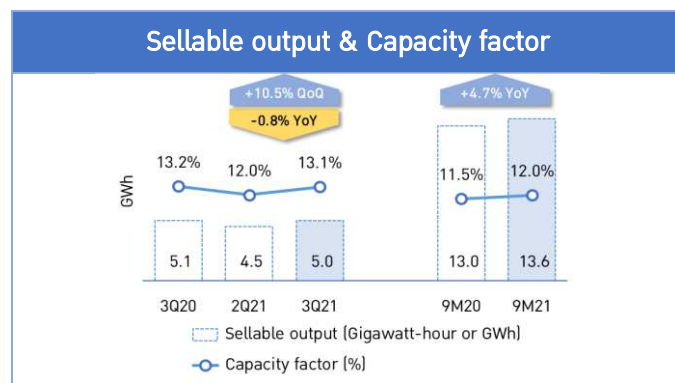
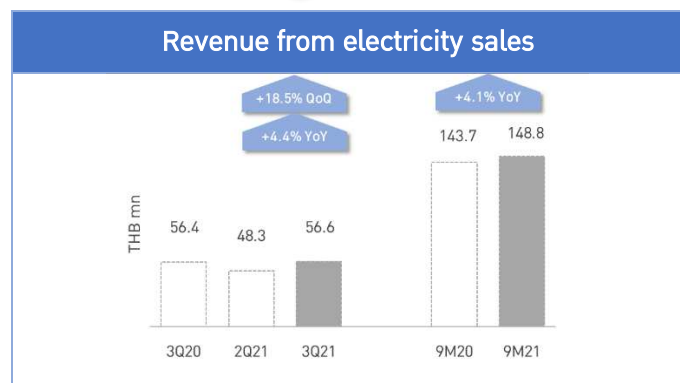
(+) Electricity generation rose by 11.3% YoY to 210.2 GWh. The capacity factor of “Nam San 3A” and “Nam San 3B” increased to 85.3% from 75.0% in Q3/2020 thanks to higher rainfall.

QoQ

(+) Electricity generation significantly grew by 106.1%, owing to seasonal factor of hydro power plants, which is high season in Q3/2021.

For 9M/2021, the Group of Companies recorded operating revenue from hydro power plants in Laos of THB 810.8 million, increased by 29.5% YoY. This mainly resulted by the full 9-month recognition of “Nam San 3B”, which the Group of the Companies has acquired since February 2020 and higher capacity factor of “Nam San 3A” and “Nam San 3B” from higher rainfall.

Subsidiaries: Japan 



In Q3/2021, the operating revenue from solar power plants in Japan reported THB 56.6 million, increased by 4.4% YoY and 18.5% QoQ. These were resulted from the following factors.

YoY

(+) Revenue contribution rose thanks to the depreciation of THB against JPY during the quarter. However, electricity generation dropped by 0.8% YoY to 5.0 GWh, due to slightly higher curtailment days.

QoQ

(+) Electricity generation improved by 10.5% QoQ, thanks to less curtailment days.

For 9M/2021, the operating revenue from solar power plants in Japan reported THB 148.8 million, up by 4.1% YoY from higher electricity generation.

Total Revenue from sale and rendering of services

In Q3/2021, total revenue was at THB 1,302.3 million, grew by 5.2% YoY and 19.7% QoQ. These were resulted from the following factors.

YoY

(+) Higher revenue came from rising electricity generation from hydropower projects in Lao PDR and wind power project in Thailand as mentioned.

QoQ

(+) Higher revenue came from rising electricity generation from hydro power projects in Lao PDR, wind power project in Thailand, and solar power projects in Japan as mentioned.

For 9M/2021, total revenue was at THB 3,437.1 million, grew by 11.1% YoY thanks to higher electricity generation from all projects of the Group of the Companies as mentioned.

Share of profit of investment in associates

The Group of Companies has share of profit of investment in associate's structure classified by country as follows:

Investment in associates: the Philippines



*Share of profits from operation excludes amortization and one-time items.

*Sellable output calculation according to holding stake

Unit: THB million	3Q20	3Q21	Δ YoY (%)	2Q21	Δ QoQ (%)	9M20	9M21	Δ YoY (%)
Share profits from operation	(13.6)	2.1	115.4%	12.5	(83.3%)	11.8	41.4	250.4%
(-) Amortization	(8.1)	(7.5)	7.5%	(8.1)	7.4%	(24.4)	(23.3)	4.7%
Share profits from operation (after amortization)	(21.7)	(5.4)	75.2%	4.5	(220.0%)	(12.6)	18.1	243.7%

In Q3/2021, the Group of Companies recorded share of loss from operation (after amortization) of THB 5.4 million, better than the share of loss from operation recorded in Q3/2020 but decreased by 220.0% QoQ. These were resulted from the following factors.

YoY

(+) Higher capacity factor to 21.1 % from 13.4% in Q3/2020 led to electricity generation rose by 53.4% YoY to 6.5 GWh. This was resulted from better wind speed at the project compared to the same period last year.

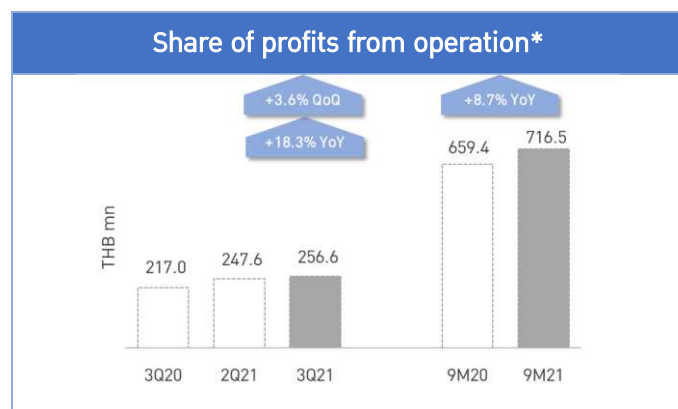
QoQ

(-) The wind project in the Philippines had a tariff escalation adjustment in Q2/2021. However, the tariff adjustment for the period of June 2021 to May 2022 is in the approval process, thus there was no tariff adjustment booked in 3Q/2021. As a result, in Q3/2021, the Group of Companies reported lower share of profit from operations (after amortization) from the previous quarter.

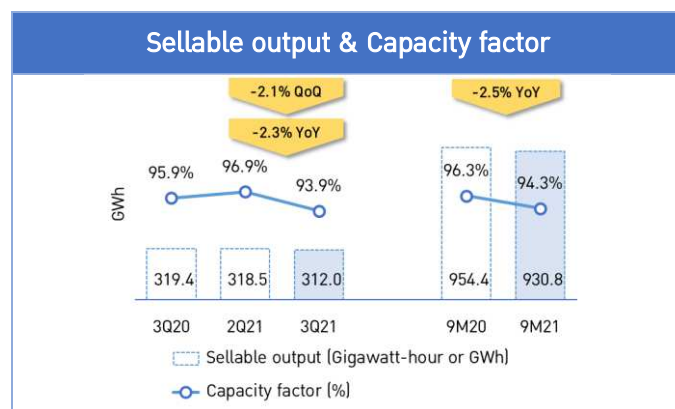
(+) Electricity generation grew by 1.9% QoQ but compared to the previous quarter that booked the adjustment from tariff escalation, the reported share of profits in Q3/2021 was lower than in Q2/2021.

For 9M/2021, the Group of Companies recorded share of profits from operation (after amortization) of THB 18.1 million, significantly turned from share of loss in 9M/2020. This mainly came from higher electricity generation and the tariff escalation.

Investment in associates: Indonesia



*Share of profits from operation excludes amortization and one-time items



*Sellable output calculation according to holding stake

Unit: THB million	3Q20	3Q21	Δ YoY (%)	2Q21	Δ QoQ (%)	9M20	9M21	Δ YoY (%)
Share profits from operation	217.0	256.6	18.3%	247.6	3.6%	659.4	716.5	8.7%
(-) Amortization	(94.6)	(100.9)	6.7%	(95.1)	6.1%	(285.5)	(286.8)	0.4%
Share profits from operation (after amortization)	122.4	155.7	27.2%	152.6	2.0%	373.9	429.7	14.9%

In Q3/2021, the Group of Companies recorded a share of profits from operation (after amortization) of THB 155.7 million, which increased by 27.2% YoY and 2.0% QoQ. These were resulted from the following factors.

YoY

(+) Higher tariff rate compared to the same period last year, even though the electricity generation dropped by 2.3% YoY to 312.0 GWh as capacity factor decreased from 95.9% in Q3/2020 to 93.9% in Q3/2021 due to the higher shutdown days.

(+) Lower finance cost thanks to the drop of interest rate and outstanding loan.

QoQ

(+) Higher tariff rate and lower operational expenses from the decrease in number of employees.

(-) Lower electricity generation by 2.1% QoQ as capacity factor dropped from 96.9% in Q2/2021 to 93.9% in Q3/2021, owing to higher shutdown days that postponed from Q1/2021.

For 9M/2021, the Group of Companies recorded a share of profits from operation (after amortization) of THB 429.7 million, up 14.9% YoY thanks to higher tariff rate and lower finance cost.

Share of profit of investment in associates (before one-time items)

<i>Unit: THB million</i>	3Q20	3Q21	Δ YoY (%)	2Q21	Δ QoQ (%)	9M20	9M21	Δ YoY (%)
Share profits from operation	203.4	258.7	27.2%	260.2	(0.6%)	671.2	757.9	12.9%
(-) Amortization	(102.7)	(108.4)	5.6%	(103.1)	5.1%	(309.9)	(310.1)	0.0%
Share profits from operation (after amortization)	100.7	150.3	49.3%	157.0	(4.3%)	361.3	447.8	23.9%

In Q3/2021, the Group of Companies recorded a share of profits from investment in associates (after amortization and before one-time items) of THB 150.3 million, up 49.3% YoY but down 4.3% QoQ. These were resulted from the following factors.

YoY	QoQ
(+) Higher in share of profit of geothermal power plants in Indonesia from higher tariff rate and lower finance cost.	(-) Lower in share of profits of wind power plant in the Philippines as in Q2/2021 there was the adjustment from tariff escalation until the period of May 2021.
(+) Higher in share of profit of wind power plant in the Philippine from higher capacity factor.	

For 9M/2021, the Group of Companies recorded share of profits from investment in associates (after amortization and before one-time items) of THB 447.8 million, up 23.9% YoY. This mainly came from higher in share of profits of wind power plant in the Philippine and share of profits of geothermal power plants in Indonesia as mentioned.

EBITDA from operation

In Q3/2021, EBITDA from the operation was THB 1,213.5 million, increased by 7.0% YoY and 22.3% QoQ. These were resulted from the following factors.

YoY	QoQ
(+) Higher total revenue from hydropower projects in Lao PDR and wind power project in Thailand as mentioned.	(+) Higher total revenue from wind power project in Thailand, hydropower plants in Lao PDR, and solar power projects in Japan as mentioned.
(+) Higher share of profits of wind power plant in the Philippine and geothermal power plants in Indonesia as mentioned.	(+) Lower in administrative expenses

For 9M/2021, EBITDA from the operation was THB 3,153.4 million, rose by 11.9% YoY due to improved performance of all projects of the Group of the Companies as mentioned.

Administrative expense

In Q3/2021, administrative expense was at THB 131.6 million, up by 14.8% YoY but down 11.6% QoQ. These were resulted from the following factors.

YoY	QoQ
(-) Higher personnel costs following the business expansion and higher consultant fees.	(+) Decreased in expenses from ESOP project

For 9M/2021, administrative expense was THB 417.9 million, rose by 11.0% YoY from higher personnel expenses, which increased following the business growth, and higher expenses from ESOP program.

SG&A to sale ratio in Q3/2021 was higher than Q3/2020 but lower than Q2/2021. Meanwhile, SG&A to sale ratio in 9M/2021 remained at similar level of 9M/2020.

Unit: %	3Q20	2Q21	3Q21	9M20	9M21
SG&A / Sales	9.3	13.7	10.1	12.2	12.2

One-time items

In Q3/2021, the Group of Companies has one-time items as follows.

	3Q20	3Q21	2Q21	9M20	9M21
Total one-time items:	30.4	[24.1]	61.1	178.1	71.5
FX gain/(loss)	58.0	177.2	80.3	284.7	280.2
Tax related to Gain/(loss) on foreign exchange	[8.8]	[44.5]	[4.8]	[17.8]	[44.3]
Expenses related to refinancing	0.0	[107.8]	0.0	0.0	[107.8]
Loss from disposal of assets	0.0	[48.3]	[0.5]	0.0	[50.5]
Other one-time item	[18.8]	[0.8]	[13.8]	[88.9]	[6.1]

Gain/(loss) from foreign exchange

In Q3/2021, the Group of Companies booked FX gain of THB 177.2 million. This came from the Group of the Companies' assets, which dominated in foreign currency, have increased value following the appreciation of foreign currency against THB in Q3/2021. As a result, the gain from translation occurred.

YoY	QoQ
(+) FX gain of THB 58.0 million in Q3/2020 from different in FX translation of THB loan under subsidiary "BCPG Indochina Co., Ltd" that dominated in USD. Then a gain from translation occurred from depreciation of foreign currency against THB in the quarter.	(+) FX gain of THB 80.3 million in Q2/2021 from the Group of the Companies' assets, which use foreign currency as a functional currency have increased value following the appreciation of foreign currency against THB.

For 9M/2021, the Group of Companies booked FX gain of THB 280.2 million, similar to the 9M/2020's THB 284.7 million. This resulted from the appreciation of foreign currency against THB, which raised the value of the Group of the Companies assets that use foreign currency as a functioning currency.

One-time expenses related to refinancing

For 3Q/2021, the Group of Companies recorded expenses related to refinancing of THB 107.8 million, with some of the expenses being non-cash. After the refinancing, the Group of Companies reported a higher proportion of fixed-rate of interest-bearing debt, which reduces interest rate risk that might occur in the future. Furthermore, the longer loan life to maturity of interest-bearing debt improves cash management efficiency as well as enhances future investment capabilities.

One-time expenses from asset disposal

For 3Q/2021, the Group of Companies recorded loss from asset disposal of THB 48.2 million. The loss from asset disposal occurred from the sales of some obsolete equipment of solar power projects in Thailand after changing to a tracking system following an efficiency improvement plan.

Finance cost

In Q3/2021, the Group of Companies recorded finance cost excluding expenses related to refinancing of THB 198.4 million, down by 5.5% YoY but up 2.9% QoQ. These were resulted from the following factors.

YoY	QoQ
(+) Declining of market interest rate resulted in floating rate loan portion had lower finance cost.	(-) The increasing came from the depreciation of THB against foreign currency as the Group of the Companies has some finance cost based on foreign currency.

For 9M/2021, the Group of Companies recorded finance cost excluding expenses related refinancing of THB 576.6 million, declined by 6.7% YoY. This came from declining of market interest rate resulted in floating rate loan portion had lower finance cost.

The average finance cost in Q3/2021 declined from Q3/2020 but relatively similar to Q2/2021. Meanwhile the average finance cost in 9M/2021 was lower from 9M/2020.

Unit: %	3Q20	2Q21	3Q21	9M20	9M21
Average finance costs*	3.03	2.94	2.88	3.06	2.99

** Remarks: The average finance costs calculated by an average of the interest-bearing debt of that period excluding expenses related refinancing.*

Recurring net profit

In Q3/2021, the Group of Companies recorded recurring net profit (excluding one-time items) of THB 708.8 million, grew by 10.3% YoY and 40.7% QoQ. These were resulted from the following factors.

YoY	QoQ
(+) Higher revenue contribution from Hydro power project in Lao PDR and wind project in Thailand as mentioned.	(+) Higher revenue contribution from hydro power projects and wind power project in Thailand as mentioned.
(+) Higher share of profit from wind power plant in the Philippines and geothermal power plants in Indonesia as mentioned.	(+) Higher share of profit from geothermal power plants in Indonesia as mentioned.
	(+) Lower administrative expenses

For 9M/2021, the Group of Companies recorded recurring net profit (excluding one-time items) of THB 1,701.6 million, grew by 19.5% YoY. This came from the recognition of 9-month contribution from the new projects, better contribution from existing power plants and receiving tariff escalation as mentioned.

Recurring net profit margin in Q3/2021 rose from both Q3/2020 and Q2/2021. Meanwhile, recurring net profit margin for 9M/2021 also improved from 9M/2020.

Unit: %	3Q20	2Q21	3Q21	9M20	9M21
Recurring net profit margin	51.9	46.3	54.4	46.0	49.5

Net profit

In Q3/2021, the Group of Companies recorded net profit of THB 684.7 million, grew by 1.7% YoY and 21.2% QoQ. This was in line with recurring net profit growth and was resulted by one-time items as follow.

YoY	QoQ
(-) Higher total one-time expenses of THB 24.1 million in Q3/2021, compared to Q3/2020 that recorded the total one-time revenues of THB 30.4 million. As a result, the net profit growth was lower the recurring net profit growth.	(-) Higher total one-time expenses of THB 24.1 million in Q3/2021, compared to Q2/2021 that recorded the total one-time revenues of 61.1 million. As a result, the net profit growth was lower the recurring net profit growth.

For 9M/2021, the Group of Companies reported net profit of THB 1,773.1 million, up by 10.7% YoY. With the total one-time revenues recorded in 9M/2021 and 9M/2020 of THB 71.5 million and 178.1 million, the net profit growth was lower than the recurring net profit growth.

Net profit margin in Q3/2021 fell from Q3/2020 but rose from Q2/2021. Meanwhile, Net profit margin in 9M/2021 slightly dropped from 9M/2020.

Unit: %	3Q20	2Q21	3Q21	9M20	9M21
Net profit margin	54.4	51.9	52.6	51.8	51.6

Financial Position

Financial position analysis as of 30 September 2021

Unit: THB million	2020	% of total assets	3Q21	% of total assets	Δ (%)
Cash and cash equivalents	11,138.3	21.7%	9,272.2	16.5%	(16.8%)
Current investments	4.6	0.0%	0.0	0.0%	(100.0%)
Trade accounts receivables	1,219.2	2.4%	1,981.7	3.5%	62.5%
Other current assets	130.9	0.3%	1,102.4	2.0%	742.3%
Total current assets	12,492.9	24.4%	12,356.3	22.0%	(1.1%)
Investments in associate & subsidiaries	11,722.8	22.9%	13,526.9	24.1%	15.4%
Property, plant and equipment	14,667.8	28.6%	16,082.3	28.7%	9.6%
Goodwill and Intangible assets	11,313.7	22.1%	12,136.8	21.6%	7.3%
Other non-current assets	1,022.4	2.0%	2,004.7	3.6%	96.1%
Total non-current assets	38,726.6	75.6%	43,750.8	78.0%	13.0%
Total Assets	51,219.6	100.0%	56,107.1	100.0%	9.5%
Short-term borrowings	1,770.6	3.5%	0.0	0.0%	(100.0%)
Current portions of long-term borrowings	1,701.0	3.3%	2,643.4	4.7%	55.4%
Long-term borrowings	23,589.7	46.1%	14,235.7	25.4%	(39.7%)
Other liabilities	1,609.3	3.1%	13,594.1	24.2%	744.7%
Total liabilities	28,670.6	56.0%	30,473.1	54.3%	6.3%
Equity attributable to owners of the Company	22,480.1	43.9%	25,565.6	45.6%	13.7%
Non-controlling interests	68.8	0.1%	68.4	0.1%	(0.7%)
Total liabilities and Equity	51,219.6	100.0%	56,107.1	100.0%	9.5%

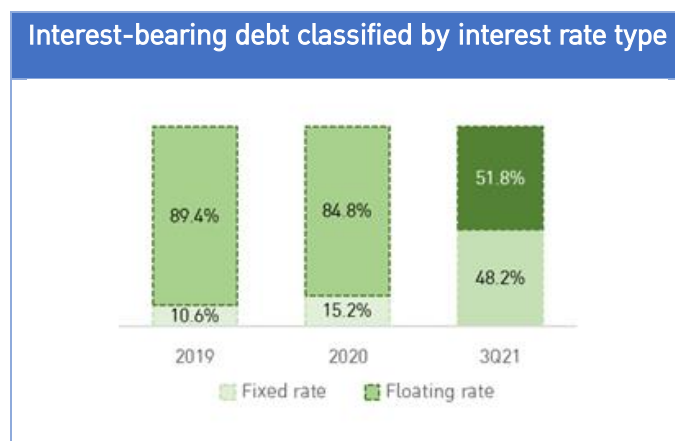
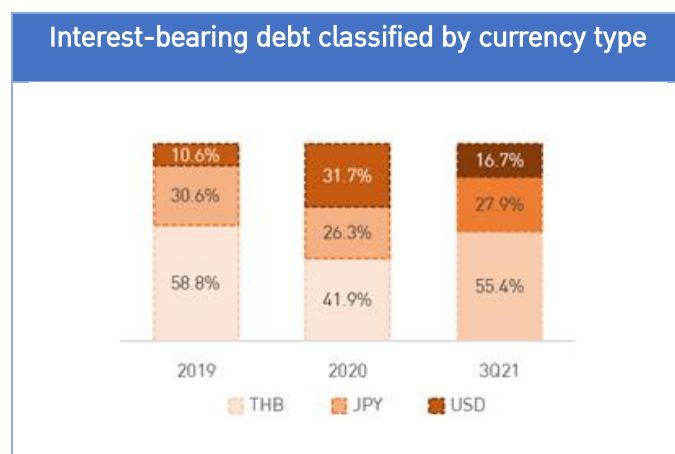
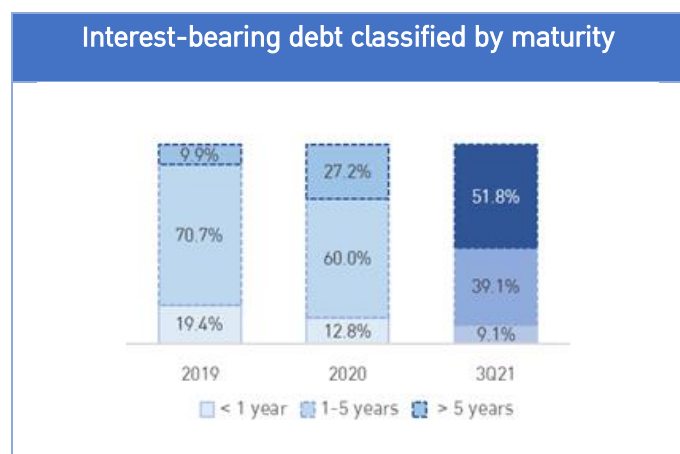
Asset

Total assets increased by 9.5% from the end of 2020 to THB 56,107.1 million, as a result of an increase in investment in associates and subsidiaries, as well as goodwill and intangible assets that are all denominated in USD. These values have risen due to the appreciation of foreign currency against the THB. Furthermore, property, plant and equipment increased from the development of new projects in Japan.

Liability

Total liabilities were THB 30,473.1 million, rising by 6.3% from the end of 2020. This was mainly due to the Green Bonds issuance in September 2021.

Interest-bearing debt classified by maturity, currency type, and interest rate type are as follows:



In 3Q/2021, the Group of Companies issued Green Bond with a total value of THB 12,000 million. Most of the proceeds were used to refinance some existing bank loans. As a result, the portion of interest-bearing debts with a maturity over 5 years grew to 51.8% from 27.2% as of ending 2020. Also, when considering interest-bearing debts classified by interest rate type, the proportion of fixed-rate amounts improved to 48.2% from 15.2% as of ending 2020. At the meantime, the proportion of interest-bearing debts in THB increased to 55.4% from 41.9% as of ending 2020.

Equity

Equity attributable to owners of the group of companies worth THB 25,565.6 million, increased by 13.7% from the end of 2020, following the growth of operating performance.

Cash Flow Statement

Cash flow statement analysis as of 30 September 2021

Unit: THB million	9M20	9M21	Δ YoY
Net cash from (used in) operating activities	2,413.9	1,179.1	(1,234.8)
Net cash from (used in) investing activities	(6,058.6)	(2,641.3)	3,417.2
Net cash from (repay to) financing activities	6,050.8	(639.0)	(6,689.8)
Net increase in cash and cash equivalents	2,406.1	(2,101.2)	(4,507.3)
Cash and cash equivalents at 1 January	1,445.2	11,138.3	9,693.1
Effect of exchange rate changes on balances held in foreign currencies	(132.4)	235.2	367.6
Cash and cash equivalents at end period	3,718.9	9,272.2	5,553.4
CAPEX	(6,005.0)	(1,915.6)	4,089.4

For the 9-month period of 2021, net cash flow from operating activities was THB 1,179.1 million. Meanwhile, net cash flow used in investing activities was THB 2,641.3 million, mainly from the development of solar power projects in Japan, as well as an investment in VRB Energy. Net cash flow received from financing activities was THB 639.0 million, primarily from the refinancing of loans from financial institutions with the proceeds from Green Bonds issuance. As a result, cash and cash equivalents at the end of Q3/2021 were at THB 9,272.2 million.

Key Financial Ratio

Key financial ratio analysis as of 30 September 2021

	3Q20	3Q21	Δ%	2Q21	Δ%
Profitability ratio					
Gross profit margin (%)	69.8	69.7	(0.1)	63.6	6.1
EBITDA margin (%)*	84.7	83.5	(1.2)	79.7	3.8
Net profit margin (%)	54.4	52.6	(1.8)	51.9	0.7
ROE (%) (Annualized)	17.3	11.4	(5.9)	9.7	1.7
ROA (%) (Annualized)	6.5	5.1	(1.4)	4.4	0.7
Liquidity ratio					
Current ratio (x)	1.1	3.8	2.7	3.7	0.1
Account receivable turnover (x)	5.4	3.2	(2.2)	4.0	(0.8)
Average collection period (days)	67.6	113.8	46.2	91.6	22.2
Leverage ratio					
Interest-bearing debt/equity (x)	1.8	1.1	(0.7)	1.1	0.0
Net interest-bearing debt/equity (x)	1.6	0.8	(0.8)	0.8	0.0
Total liability/equity (x)	1.9	1.2	(0.7)	1.1	0.1

*EBITDA margin (%) = EBITDA/(sales + share of profit before one-time items)

Profitability ratio

The gross profit margin in Q3/2021 was 69.7 %, remaining close to the level in Q3/2020 but growing from Q2/2021. The result was mainly attributable to the higher contribution from hydropower plants in Lao PDR (“Nam San 3A” and “Nam San 3B”). The EBITDA margin was 83.5 %, which dropped YoY due to higher administrative expenses but moved up QoQ in line with the growth in the gross profit margin.

Net profit margin in Q3/2021 was 52.6%, lower from the Q3/2020 level due to one-time items as mentioned. However, the net profit margin slightly improved from Q2/2021 because of the better operating performance.

Liquidity ratio

The Group of Companies specifies credit terms of no more than 60 days for trade receivables. As of ending Q2/2021, majority operating income of the Group of Companies come from the State Enterprise, namely EGAT and PEA. These state enterprises need to follow the payment condition in Power Purchase Agreement (PPA) or practice of individual state enterprises.

The average collection period as of Q3/2021 increased from Q2/2020 and Q3/2020, as electricity payments for hydro power plants “Nam San 3A” and “Nam San 3B” in Lao PDR from EDL had a longer period. As a result, the average collection period differed from the Group of Companies practices in the past. However, the Group of Companies closely monitored EDL debt collection and still received payment from EDL continuously. In addition, the hydro power plants have a Power Purchase Agreement (PPA) with EVN, which will begin selling electricity within 2022. This would lessen the average collection period and receive faster payment.

Leverage ratio

Interest-bearing debt to equity ratio in Q3/2021 was lower to 1.1 times from 1.8 times in Q3/2020 thanks to partial interest-bearing debt repayment and enlarging equity from the capital increase in October 2020. Meanwhile, it was the same level as Q2/2021.

Other important information

Key factors which could affect to the Group of Companies performance

The group of companies estimates key factors which could affect its short-term operations as follow:

(+/-) Changes in the policy of the government and other related parties in conducting businesses in Thailand and Japan. The change might affect the group of companies's under-construction projects and the prospect of business in the future. However, our one of the main strategies is to focus an investment to the country that have clear renewable energy supporting policy in Power Development Plan. We also followed the change in a policy closely.

(+/-) The fluctuation of THB against JPY and USD will allow the group of companies to book gain/loss in FX translation due to net assets/liability balance sheet exposure in foreign currency. Nevertheless, the group of companies have plan to manage and follow net assets/liabilities to blend with both transaction and functional currency in each footprint to decrease impact from FX translation.

(+/-) A change in interest rate is expected to allow the financial cost of the group of companies to change slightly since approximate 48% of the group of companies is interest-bearing debt bears with floating rates. However, the group of companies believes that the financial cost will be well-managed under the prudent financial policy. Recently, the Group of the Companies issued debenture in THB with values of THB 1.2 billion and repaid existing loans which mostly was floating-rate loan and some are in foreign currency. Therefore, this could reduce the risk of interest rate and the exchange rate for interest bearing debt.

(+/-) Seasonality factors in each country have impact on electricity generation performance of the group of the group of companies from renewable energy including Solar conditions, Wind and Hydro. For example, in rainy season, electricity generation from solar will decrease while, on the other hand, electricity generation from hydropower will increase.

(-) At this moment, the Group of the Companies have various types of counterparties, including domestic counterparties and international counterparties both in developing country and under developing country. Moreover, there was counterparties in government sector and private sector. The difference types of counterparties have different levels of credit risk. However, the Group of the Companies has managed to diversify the counterparties risk in portfolio. In some circumstances, the counterparty's credit risk could be managed by switching counterparty to another counterparty with better credit risk profile.

Appendices

Sellable electricity output by each power plants

MWh	3Q20	3Q21	Δ (%)	2Q21	Δ (%)	9M20	9M21	Δ (%)
Total production	270,266	294,521	9.0%	189,063	55.8%	534,389	640,990	19.9%
Production - Thailand (Solar)	73,701	75,304	2.2%	80,053	(5.9%)	216,962	236,935	9.2%
Production - Adder	63,541	63,826	0.4%	67,782	(5.8%)	187,927	201,417	7.2%
Tariff (Incl. adder) (THB-kWh)	11.17	10.89	(2.5%)	11.02	(1.2%)	11.21	11.00	-1.9%
Production - FIT 5.66	5,770	6,349	10.0%	6,682	(5.0%)	15,548	19,622	26.2%
Feed in Tariff (THB-kWh)	5.66	5.50	(2.8%)	3.12	76.3%	5.56	4.84	-12.9%
Production - FIT 4.12	3,394	3,177	(6.4%)	3,497	(9.1%)	10,402	10,190	-2.0%
Feed in Tariff (THB-kWh)	4.12	4.12	0.0%	4.10	0.5%	4.10	4.12	0.5%
Public solar	996	1,952	96.1%	2,092	(6.7%)	3,085	5,706	84.9%
Feed in Tariff (THB-kWh)	3.03	2.90	(4.2%)	2.90	0.0%	2.99	2.92	-2.3%
Production - Thailand (Wind)	2,678	3,953	47.6%	2,444	61.7%	8,255	10,085	22.2%
Tariff (Incl. adder) (THB-kWh)	6.21	6.31	1.6%	6.15	2.6%	6.32	6.25	-1.1%
Production - Japan (Solar)	5,063	5,024	(0.8%)	4,546	10.5%	12,979	13,588	4.7%
Feed in Tariff (JPY-kWh)	37.75	36.75	(2.6%)	37.08	(0.9%)	37.67	37.28	-1.0%
Production - Laos (Hydro)	188,824	210,240	11.3%	102,020	106.1%	296,192	380,381	28.4%
Feed in Tariff (US cents-kWh)	6.71	6.65	(0.9%)	6.66	(0.2%)	6.71	6.65	NA

Revenue structure of each power plants

Unit: THB million	3Q20	3Q21	Δ (%)	2Q21	Δ (%)	9M20	9M21	Δ (%)
1. Revenue - Thailand (Solar)	759.0	748.6	(1.4%)	803.0	(6.8%)	2,245.7	2,384.8	6.2%
2. Revenue - Thailand (Wind)	16.6	25.0	49.9%	15.0	66.0%	52.2	63.1	20.9%
3. Revenue - Japan (Solar)	56.4	56.6	0.3%	48.3	17.2%	143.7	148.8	3.5%
4. Revenue - Laos PDR (Hydro)	396.9	460.3	15.9%	213.1	116.0%	626.2	810.8	29.5%
5. Other operating income	8.2	11.8	44.1%	8.8	33.8%	25.4	29.7	17.0%
Total revenue	1,237.2	1,302.3	5.3%	1,088.2	19.7%	3,093.2	3,437.1	11.1%

Net share profits from investment in associates

<i>Unit: THB million</i>	3Q20	3Q21	Δ YoY (%)	2Q21	Δ QoQ (%)	9M20	9M21	Δ YoY (%)
Share profits from operation	203.4	258.7	27.2%	260.2	(0.6%)	671.2	757.9	12.9%
(-) Amortization	(102.7)	(108.4)	5.6%	(103.1)	5.1%	(309.9)	(310.1)	0.0%
Share profits from operation (after amortization)	100.7	150.3	49.3%	157.0	(4.3%)	361.3	447.8	23.9%
(+/-) One-time item								
<i>Amortization of deferred issuance cost from refinancing</i>	-	-	NA	-	NA	-	-	NA
<i>Tax provision</i>	-	-	NA	-	NA	(23.9)	-	NA
<i>Allowance for account receivable</i>	-	-	NA	-	NA	(42.8)	-	NA
Net share profits	100.7	150.3	49.3%	157.0	(4.3%)	294.6	447.8	52.0%

Disclaimer

The information contained in this document is intended to provide and explain the Group of Companies' operation for shareholders and investors to follow and understand operations, financial position and operating factors that will affect the group of companies' operations better. The information and analysis contained herein have been done by the information as at the date of Financial Statement submission to the Stock Exchange of Thailand as well as relevant sources of information have been believed to be trustworthy. However, the analysis of such information may change in the future if certain factors which are subject to business economic and competitiveness are changed. The information contained herein does not take into consideration the investment objectives. The group of companies would ask shareholders and investors to use the information with best judgement with regards to the use of information from this presentation.