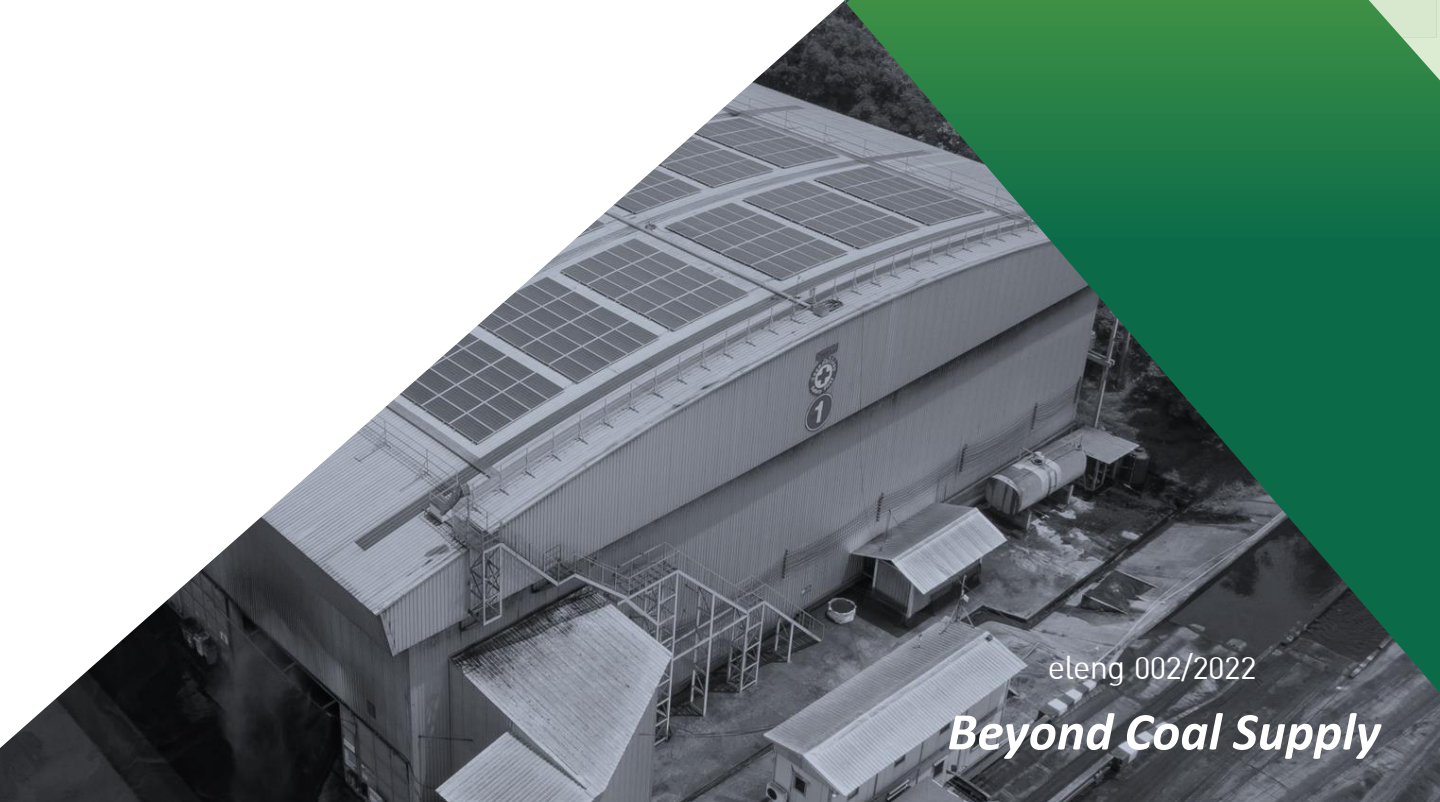


**ASIA GREEN ENERGY**  
Public Company Limited

**MANAGEMENT  
DISCUSSION  
AND ANALYSIS  
Q4/2021**



eteng 002/2022

*Beyond Coal Supply*

Operating Highlights	Q4/20	Q3/21	Q4/21	Change +/-		2020	2021	Change +/-
Unit: Million THB				%YoY	%QoQ			%YoY
<b>Operating Revenue</b>	<b>2,409.9</b>	<b>3,549.4</b>	<b>3,526.7</b>	46.3%	(0.6%)	<b>7,897.5</b>	<b>12,883.6</b>	63.1%
Gross Profit	281.4	402.1	631.5	124.4%	57.1%	897.0	1,572.4	75.3%
EBITDA	185.1	275.0	512.3	176.8%	86.3%	476.6	1,043.9	119.0%
<b>Net Profit (Loss)</b>	<b>105.2</b>	<b>167.6</b>	<b>349.9</b>	232.6%	108.8%	<b>251.4</b>	<b>640.3</b>	154.7%
Gross Profit Margin (%)	11.7%	11.3%	17.9%	6.2%	6.6%	11.4%	12.2%	0.8%
EBITDA Margin (%)	7.7%	7.7%	14.5%	6.8%	6.8%	6.0%	8.1%	2.1%
Net Profit Margin (%)	4.4%	4.7%	9.9%	5.5%	5.2%	3.2%	5.0%	1.8%

## Executive Summary

### YoY : Q4/2021 vs Q4/2020

- In Q4/2021, Asia Green Energy Public Company Limited and its subsidiaries (“the Group”) reported consolidated operating revenue of Baht 3,526.7 million, increased by Baht 1,116.8 million or 46.3% from Q4/2020, mainly due to the increase in average coal selling price in accordance with world coal price index and increase in revenue from domestic coal sales.
- Gross Profit** was Baht 631.5 million, increased by Baht 350.1 million or 124.4% from Q4/2020 corresponding to the higher in operating revenue.
- Gross Profit Margin** was 17.9%, increased from 11.7% in Q4/2020, mainly due to higher coal selling price as coal index rises. As the Group’s coal trading business model is to import coals in advance, reserving for domestic demand, by developing short-term forecast of the coal price
- Net Profit** was Baht 349.9 million, increased by Baht 244.7 million or 232.6% from Q4/2020, as a result of adjustment of coal selling prices to reflect the Group’s higher cost of coal, which increased corresponding to the global coal price index, allowing the Group to maintain margins between the cost and the selling price more effectively.
- Net Profit Margin** was 9.9%, increased from 4.4% in Q4/2020, mainly as a result of the Group’s ability to adjust the selling price to reflect the higher cost of coals as well as efficient cost and expense management during COVID-19 pandemic.

### QoQ : Q4/2021 vs Q3/2021

- In Q4/2021, the Group reported consolidated operating revenue of Baht 3,526.7 million, slightly decreased by Baht 22.7 million or 0.6% from Q3/2021, mainly due to the decrease in revenues from overseas coal sales.
- Gross Profit** was Baht 631.5 million, increased by Baht 229.4 million or 57.1% from Q3/2021, mainly due to increase in sales of coal and selling price adjustment to reflect the increase in Group’s costs of coal, corresponding to the global coal price index.
- Gross Profit Margin** was 17.9%, increased from 11.3% in Q3/2021, as the Group was able to adjust coal selling prices to reflect the increase in cost of coals corresponding to the increasing global coal price index. In addition, the increase was also from higher proportion of Logistic service business sales, which have relatively higher gross profit margin than coal business.
- Net Profit** was Baht 349.9 million, increased by Baht 182.3 million or 108.8% from Q3/2021, as a result of the adjustment in selling price to reflect the increase in cost of coal, corresponding to the global coal price index.
- Net Profit Margin** was 9.9%, increased from 4.7% in Q3/2021, mainly as a result of the Group’s ability to adjust the selling prices to reflect the higher cost of coals as well as the efficient cost and selling and administrative expense control policies.

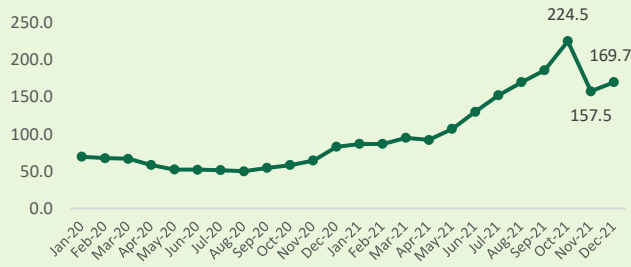
### YoY : 2021 vs 2020

- In 2021, the Group reported consolidated operating revenue of Baht 12,883.6 million, increased by Baht 4,986.1 million or 63.1% from 2020, as a result of new high growth from both domestic coal trading business, and the expansion of logistics service business
- Gross Profit** was Baht 1,572.4 million, increased by Baht 675.4 million or 75.3% from 2020, corresponding to the significant increase in sales volume and the adjustment of average selling price for coal trading business to reflect the Group’s higher cost of coal in accordance with global coal price index as well as efficient cost and expense control.
- Gross Profit Margin** was 12.2%, increased from 11.4% in 2020, due to increase in average selling price to reflect the Group’s higher cost of coal and efficient cost and expense control.
- Net Profit** was Baht 640.3 million, increased by Baht 388.9 million or 154.7% from 2020, mainly due to the adjustment of selling prices to reflect the Group’s higher cost of coal, as well as the growth in logistics service business and the efficient cost management.
- Net Profit Margin** was 5.0%, increased from 3.2% in 2020, mainly due to significant increase in sales volume and the adjustment of domestic coal selling prices to reflect the higher cost of coal, the revenue growth in logistics service business which generated high gross profit margin, as well as the effective cost and selling and administrative expense management.

### Industry Updates

#### Coal Price - Newcastle Index

Unit: USD / ton



- Coal prices rose to record highs last year due to the change in China's coal import policy and lower-than-expected production volumes due to climate variability in major coal-producing countries.
- However, China has implemented a policy to increase domestic coal production capacity; as a result, coal prices dropped during October 2021.
- At the beginning of January 2022, Indonesia announced a ban on domestic coal exports in order to meet domestic demand.

### Q4/2021 Key Highlights

#### Coal sales soared, breaking an all-time high record

In 2021, The Group achieved new high record coal sales with more than 5.1 million tons of total net volume, increased by 16% compared to 4.4 million tons in 2020, driven by increasing demand from cement industry customers, as coal is an important source for the production and smelting of cement. In addition, coal sales are also expected from rising in orders from textile industry customers to serve the demand for textile bleaching processes, dyeing and washing textile products.



#### AGE group emphasizing its commitment on prioritizing social responsibility as core principle of business operation

AGE group has received an award and certificate in the project to promote industrial factories for sustainable, social and community responsibility (CSR-DIW) and CSR-DIW Continuous for the 10th year in a row from the Department of Industrial Works, Ministry of Industry. Moreover, the Group has been selected as Thailand Sustainability Investment (THIS) by Stock Exchange of Thailand for 4 consecutive years, emphasizing its commitment on prioritizing environment, community and society as core principle of business operation for sustainable growth.

#### Enhance competitive advantage in coal business

The Group has established a joint venture company with Suwan Klewthong Co., Ltd. to enter into lease agreements for 3 ports and 5 warehouses in Ayutthaya, Nakhon Luang district to increase the capability in coal trading business and support growing domestic demand. Group companies expect the demand for coal from the industrial sector will continue to grow continuously especially after the economy recovered from Covid-19, as coal is a low-cost and efficient energy with large quantity supply to meet the needs of the whole industrial sector.

### 2022 Outlook



#### Continues to provide full logistics services

The Group continue to provide full logistics services driven mostly by customers who use transportation services for cement, sand, glass and industrial waste products. The Group has prepared an investment plan to build additional warehouses for rent, from the original number of 5 houses and the opening of the storage yard for customers who do not have space to store goods to use the space rental service. It is expected to see investment in 2022 to support the long-term expansion of logistics services.

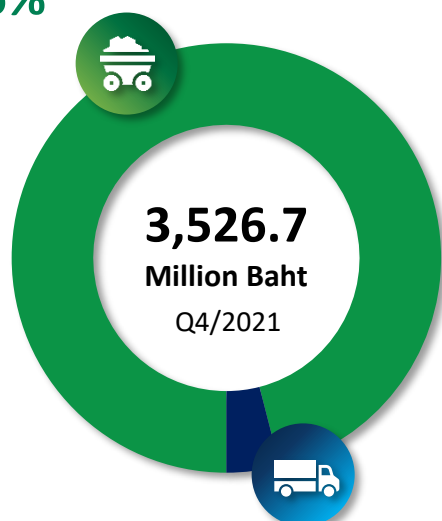
Operating Results	Q4/20	Q3/21	Q4/21	Change +/-		2020	2021	Change +/-
Unit: Million THB				%YoY	%QoQ			%YoY
<b>Operating Revenue</b>	<b>2,409.9</b>	<b>3,549.4</b>	<b>3,526.7</b>	46.3%	(0.6%)	<b>7,897.5</b>	<b>12,883.6</b>	63.1%
Cost of Sales and Service	(2,128.5)	(3,147.3)	(2,895.2)	36.0%	(8.0%)	(7,000.5)	(11,311.2)	61.6%
<b>Gross profit</b>	<b>281.4</b>	<b>402.1</b>	<b>631.5</b>	124.4%	57.1%	<b>897.0</b>	<b>1,572.4</b>	75.3%
Other income	20.7	2.0	61.7	198.1%	2,985%	33.8	76.0	124.9%
Selling and distribution expenses	(129.3)	(129.5)	(130.7)	1.1%	0.9%	(437.2)	(530.8)	21.4%
Administrative expenses	(61.3)	(55.5)	(112.2)	83.0%	102.2%	(205.4)	(275.7)	34.2%
Gain (losses) on exchange	3.3	6.9	5.7	72.7%	(17.4%)	20.4	14.4	(29.4%)
Share of profit (loss) from investment in joint venture	(0.5)	(0.6)	5.3	(1,180.0%)	(983.3%)	(2.0)	5.2	(360.0%)
Gain from fair value adjustment of investment properties	28.1	-	-	(100.0%)	-	28.1	-	(100.0%)
<b>EBIT</b>	<b>142.4</b>	<b>225.4</b>	<b>461.3</b>	224.2%	104.7%	<b>334.7</b>	<b>861.5</b>	157.4%
Finance costs	(12.3)	(18.3)	(25.2)	104.9%	37.7%	(46.3)	(70.9)	53.1%
Income tax benefits (expenses)	(24.9)	(39.5)	(86.2)	246.2%	118.2%	(37.0)	(150.3)	306.2%
<b>Net profit (loss)</b>	<b>105.2</b>	<b>167.6</b>	<b>349.9</b>	232.6%	108.8%	<b>251.4</b>	<b>640.3</b>	154.7%

Notes: Values may differ by one decimal point due to rounding

## Q4/2021 Operating Revenue Structure

The Group operating revenue can be divided into 2 business units as follows:

### Coal Trading 96%



### Logistics Chain Service 4%

### Revenue from Coal Trading Business

**Domestic Coal Trading Business (99.86%)** classified by sales type:

1. Direct Shipment (13% of domestic revenue)
2. Mixed Size (43% of domestic revenue)
3. Screened Size (44% of domestic revenue)

**Overseas Coal Trading Business (0.14%)** in Vietnam

### Revenue from Logistics Chain Service Provider

1. Land Logistics
2. Marine Logistics
3. Coal Screening
4. Terminal & Warehouse
5. Gas Station (Retail and Wholesale of oil)

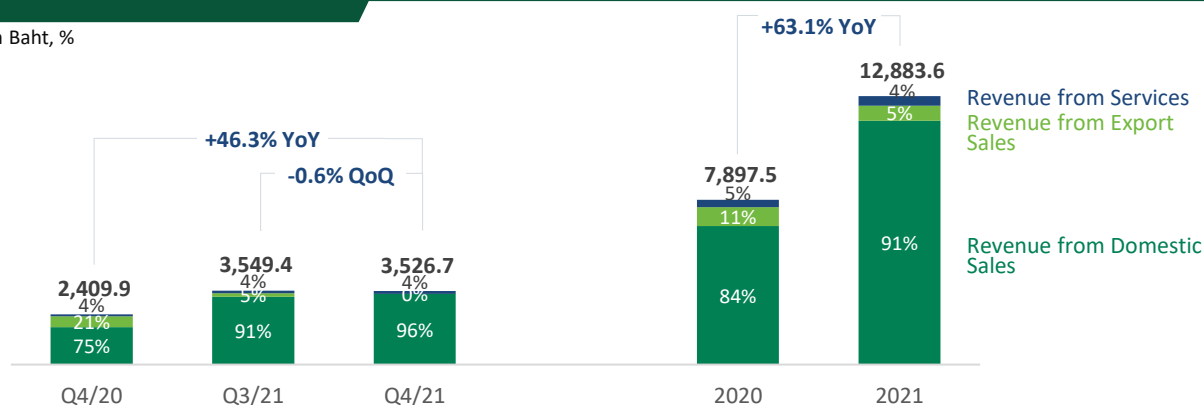


Revenue Structure	Q4/20	Q3/21	Q4/21	Change +/-		2020	2021	Change +/-
Unit: Million THB				%YoY	%QoQ			%YoY
<b>Revenue from Coal Trading</b>								
Revenue from Domestic Sales	1,796.8	3,245.8	3,388.1	88.6%	4.4%	6,651.8	11,699.2	75.9%
Revenue from Export Sales	513.4	177.5	4.7	(99.1%)	(97.4%)	897.3	714.5	(20.4%)
<b>Total Revenue from Coal Trading</b>	<b>2,310.2</b>	<b>3,423.3</b>	<b>3,392.8</b>	46.9%	(0.9%)	<b>7,549.1</b>	<b>12,413.7</b>	64.4%
<b>Total Revenue from Logistics Service</b>	<b>99.7</b>	<b>126.1</b>	<b>133.9</b>	34.3%	6.2%	<b>348.4</b>	<b>469.9</b>	34.8%
<b>Total Operating Revenue</b>	<b>2,409.9</b>	<b>3,549.4</b>	<b>3,526.7</b>	46.3%	(0.6%)	<b>7,897.5</b>	<b>12,883.6</b>	63.1%
Other Income	20.7	2.0	61.7	198.1%	2,985.0%	33.8	76.0	124.9%
<b>Total Revenue</b>	<b>2,430.6</b>	<b>3,551.4</b>	<b>3,588.4</b>	47.6%	1.0%	<b>7,931.3</b>	<b>12,959.6</b>	63.4%

Notes: Values may differ by one decimal point due to rounding

## 1. Operating Revenue

Unit: Million Baht, %



### YoY : Q4/2021 vs Q4/2020

In Q4/2021, the Group reported consolidated operating revenue of Baht 3,526.7 million, increased by Baht 1,116.8 million or 46.3% from Q4/2020, mainly due to:

- **Revenue from Domestic Sales:** increased by 88.6% as a result of the increase in average coal selling price as well as the increase in coal sales volumes, in which mainly from Direct Shipment
- **Revenue from Export Sales:** decreased by 99.1% mainly from the decline in order volumes from overseas as a result of price fluctuation, which prompted some customers to delay purchasing in order to observe the price trends
- **Revenue from Logistics Services:** increased by 34.3% as a result of higher revenue from all logistics services, in which warehouse and sorting factory business grew significantly as well as service income from the new port. Moreover, there was also growth in revenue of Land and Marine Logistics Services along with the expansion of Retail and Wholesale of Oil business.

### QoQ : Q4/2021 vs Q3/2021

In Q4/2021, the Group reported consolidated operating revenue of Baht 3,526.7 million, decreased by Baht 22.7 million or 0.6% from Q3/2021, mainly due to:

- **Revenue from Domestic Sales:** increased by 4.4% due to higher average coal selling price corresponding to the increasing global coal price index.
- **Revenue from Export Sales:** decreased by 97.4% due to the significantly lower in export sales.
- **Revenue from Logistics Services:** increased by 6.2% from higher revenue in all logistic services, especially warehouse business in which grew significantly. In addition, there was also growth in revenue of Land logistic, Marine logistic, Retail and Wholesale of Oil Business.

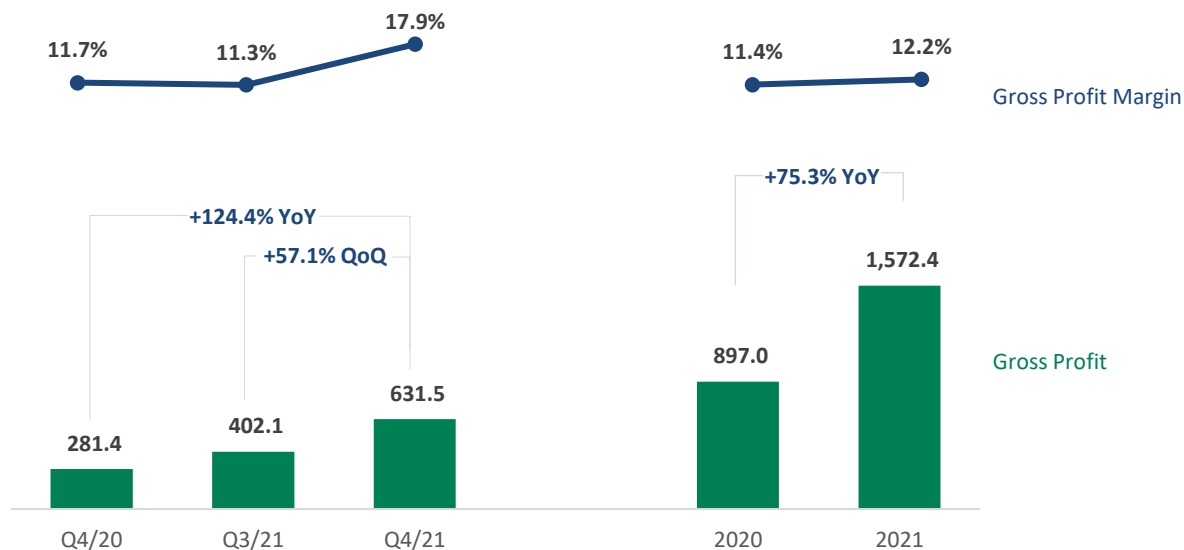
### YoY : 2021 vs 2020

During 2021, the Group reported consolidated operating revenue of Baht 12,883.6 million, increased by Baht 4,986.1 million or 63.1% from 2020, mainly due to:

- **Revenue from Domestic Sales:** increased by 75.9% as a result of the increase in average price of coal and overall higher sales volumes. The major increase in sales was from Direct Shipment.
- **Revenue from Export Sales:** decreased by 20.4% mainly from significantly decline in Q4 2021 sales.
- **Revenue from Logistics Services:** increased by 34.8% as a result of growth in Land logistic, Marine logistic, Retail and Wholesale of Oil Business and Terminal & Warehouse Services.

### 2. Gross Profit and Gross Profit Margin

Unit: Million Baht, %



#### YoY : Q4/2021 vs Q4/2020

In Q4/2021, the Group recorded Gross Profit of Baht 631.5 million, increased by Baht 350.1 million or 124.4% compared to Q4/2020, as a result of adjustment of coal selling prices which increased corresponding to the global coal price index, in-line with the Group's strategy to focus on managing coal costs effectively. In addition, the Group recognized revenue growth from logistics business.

Gross Profit Margin was 17.9% in Q4/2021, increased from 11.7% in Q4/2020 mainly due to higher coal selling price as coal index rises. As the Group's coal trading business model is to import coals in advance, reserving for domestic demand, by developing short-term forecast of the coal price index. In addition, Group recognized revenue growth from logistics business which have relatively higher gross profit margin than coal business.

#### QoQ : Q4/2021 vs Q3/2021

In Q4/2021, the Group recorded Gross Profit of Baht 631.5 million, increased by Baht 229.4 million or 57.1% compared to Q3/2021, mainly due to increase in coal sales and adjustment in selling price for domestic coal sales in order to reflect the Group's higher costs of coal, which increased corresponding to the global coal price index .

Gross Profit Margin was 17.9% in Q4/2021, increased from 11.3% in Q3/2021, as a result of adjustment of coal selling prices to reflect the Group's higher cost of coal, which increased corresponding to the global coal price index. In addition, the increase was due to higher proportion of sales from Logistic business which have relatively higher gross profit margin than sales from coal business.

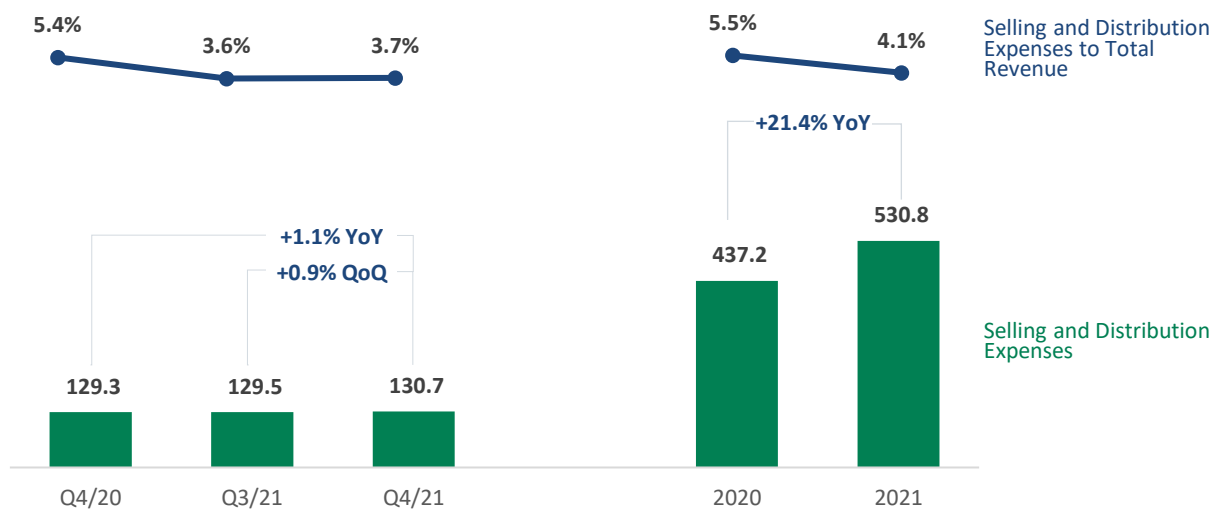
#### YoY : 2021 vs 2020

During 2021, the Group recorded Gross Profit of Baht 1,572.4 million, increased by Baht 675.4 million or 75.3% compared to 2020, mainly due to the significant increase in sales volume and the adjustment of average selling price for coal trading business to reflect the Group's higher cost of coal, corresponding to the increasing global coal price index. In addition, The Group has effective of cost and expense management.

Gross Profit Margin was 12.2% in 2021, decreased from 11.4% in 2020 due to the adjustment of average selling price for coal trading business which increases corresponding to the global coal price index, as well as the efficient cost control of the coal business.

### 3. Selling and Distribution Expenses

Unit: Million Baht, %



Selling and Distribution Expenses consist of Outbound Transportation Costs, Products Analysis Fee, Costs to Support Customers and Marketing Fee such as ash removing services

#### YoY : Q4/2021 vs Q4/2020

In Q4/2021, the Group recorded selling and distribution expenses of Baht 130.7 million, increased by Baht 1.4 million or 1.1% compared to Q4/2020, mainly due to the increase in expenses related to in-land transportation, as a result of the higher number of trips corresponding to the increase in sales of coal.

Selling and distribution expenses to total revenue was 3.7% in Q4/2021, decreased from 5.4% in Q4/2020, as a result of effective selling and distribution expense management while generating significantly higher operating revenue.

#### QoQ : Q4/2021 vs Q3/2021

In Q4/2021, the Group recorded selling and distribution expenses of Baht 130.7 million, increased by Baht 1.2 million or 0.9% compared to Q3/2021, mainly due to expenses such as customer support and travel expenses increased due to the impact of the COVID-19 epidemic situation, which started to resume.

Selling and distribution expenses to total revenue was 3.7% in Q4/2021, increased from 3.6% in Q3/2021 as result of the increase in operating expense such as customer support and travel expenses.

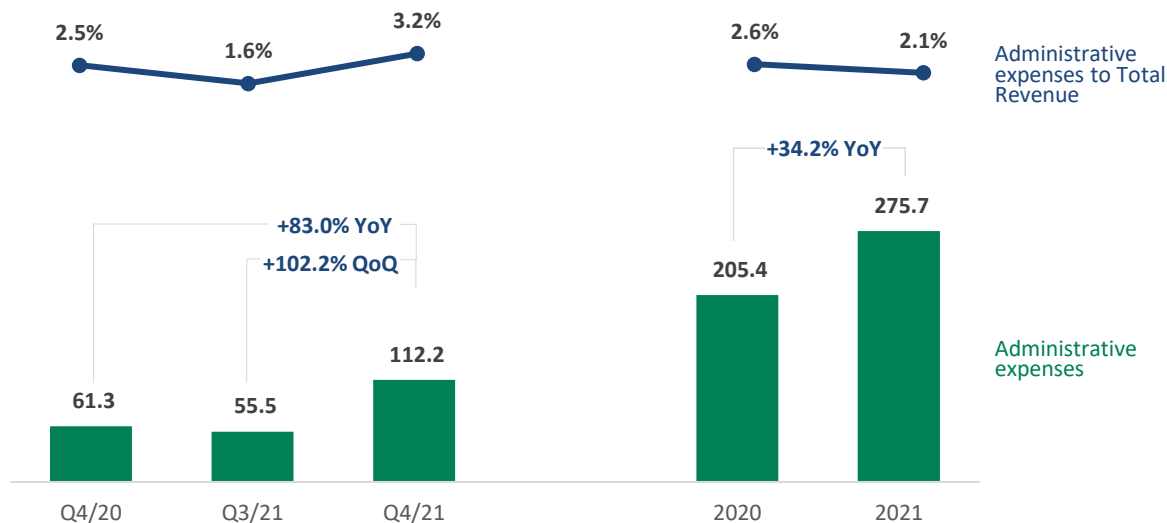
#### YoY : 2021 vs 2020

During 2021, the Group recorded selling and distribution expenses of Baht 530.8 million, increased by Baht 93.6 million or 21.4% compared to 2020, mainly due to the increase in expenses related to in-land transportation mainly from Q1 and Q2/2021, corresponding to the increase in domestic sales of coal.

Selling and distribution expenses to total revenue was 4.1% in the 2021, decreased from 5.5% in 2020 as the Group generated significantly higher operating revenue and an increased proportion of Direct shipment coal sale, which have lower selling and distribution expenses than others.

### 4. Administrative Expenses

Unit: Million Baht, %



Administrative expenses consist of Employee-related expenses, Consulting Fee, Utilities Expenses, Costs related to travelling, Other fees, etc.

#### YoY : Q4/2021 vs Q4/2020

In Q4/2021, the Group recorded administrative expenses of Baht 112.2 million, increased by Baht 50.9 million or 83.0% compared to Q4/2020, mainly due to the rise in employee-related expenses as number of employees increased to support the Group's growth plan as well as the Group recognized legal fee.

Administrative expenses to total revenue was 3.2% in Q4/2021, increased from 2.5% in Q4/2020 mainly due to the increase in employee-related expense and legal fee.

#### QoQ : Q4/2021 vs Q3/2021

In Q4/2021, the Group recorded administrative expenses of Baht 112.2 million, increased by Baht 56.7 million or 102.2% compared to Q3/2021, mainly as a result of the increase in employee-related expense and legal fee.

Administrative expenses to total revenue was 3.2% in Q4/2021, increased from 1.6% in Q3/2021 as result of the increase in employee-related and legal expense, as well as reserve for annual employee benefit.

#### YoY : 2021 vs 2020

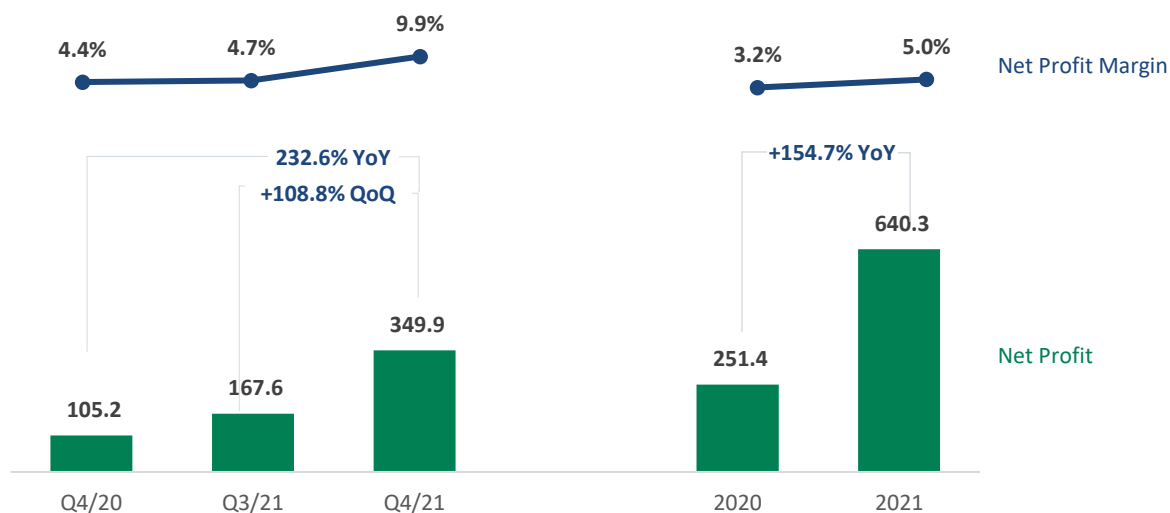
During 2021, the Group recorded administrative expenses of Baht 275.7 million, increased by Baht 70.3 million or 34.2% compared to the 2020, mainly due to the increase in legal consulting fee and the increase in employee-related expenses, both from the increase in annual employee benefit for existing employees and from new recruits to support the Group's growth plan.

Administrative expenses to total revenue was 2.1% in 2021, slightly decreased from 2.6% in 2020, mainly due to the significantly increase in operating revenue.



### 5. Net Profit and Net Profit Margin

Unit: Million Baht, %



#### YoY : Q4/2021 vs Q4/2020

In Q4/2021, the Group recorded net profit of Baht 349.9 million, increased by Baht 244.7 million or 232.6% compared to Q4/2020, as a result of adjustment of coal selling prices to reflect the Group's higher cost of coal, which increased corresponding to the global coal price index, allowing the Group to maintain margins between the cost and the selling price more effectively. In addition, the increase was also due to the higher sale volumes from logistic business which have lower cost than coal business.

Net profit margin was 9.9% in Q4/2021, increased from 4.4% in Q4/2020 as a result of the Group's ability to adjust selling price to reflect higher cost of coals, as well as higher sales from logistic business which generates higher gross profit margin. In addition, net profit margin was improved by the Group's ability to control cost and expenses.

#### QoQ : Q4/2021 vs Q3/2021

In Q4/2021, the Group recorded net profit of Baht 349.9 million, increased by Baht 182.3 million or 108.8% compared to Q3/2021, mainly due to the selling price adjustment to reflect the cost of coal, corresponding to the increase in global coal price index, as well as efficient coal cost control.

Net profit margin was 9.9% in Q4/2021, increased from 4.7% in Q3/2021 as a result of the Group's ability to adjust the selling price to reflect the higher cost of coals, as well as the efficient cost control, allowing the Group to maintain margins between the cost and the selling price more effectively.

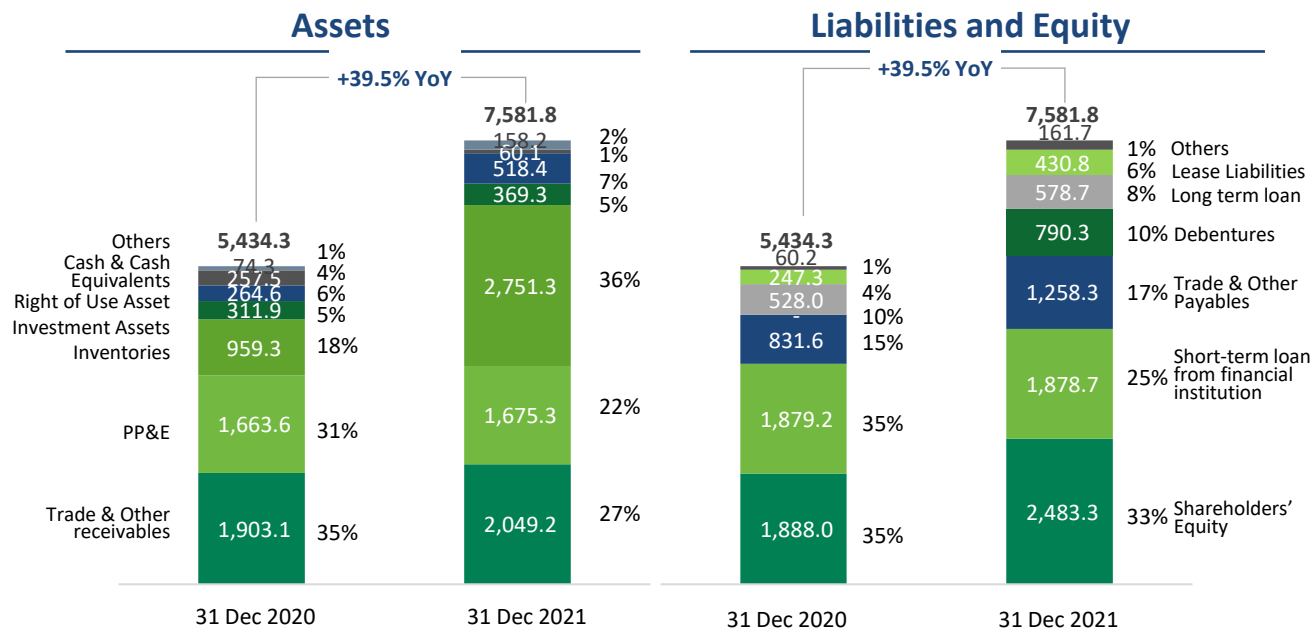
#### YoY : 2021 vs 2020

During 2021, the Group recorded net profit of Baht 640.3 million, increased by Baht 388.9 million or 154.7% compared to the 2020, mainly due to the adjustment of selling prices to reflect the higher cost of coals significantly increase in coal trading sales volume, as well as the growth in logistics service business along with the effective cost and selling and administrative expense control.

Net profit margin was 5.0% in 2021, increased from 3.2% in 2020, as the Group was able to adjust the selling price for domestic sales to reflect the higher cost of coal, as well as the revenue growth in logistics service business which generated high gross profit margin. In addition, net profit margin was improved by the Group's ability to control cost and expenses.

### Statement of Financial Position

Unit: Million Baht, %



### Total Assets

As of 31 December 2021, the total assets of the Group were Baht 7,581.8 million, increased by Baht 2,147.5 million or 39.5% from 31 December 2020 mainly due to:

- **Trade & Other Receivables:** increased by Baht 146.1 million due to the increase in operating revenue
- **Inventories:** increased by Baht 1,792.0 million due to the increase average cost of coal and the increase in coal reserves to support demand in the future
- **Right of Use Assets:** increased by Baht 253.8 million mainly from lease contract for additional trucks, as well as the recognition of the right-of-use of the new port, in order to support the Group's growth plan

### Total Liabilities

As of 31 December 2021, the total liabilities of the Group were Baht 5,098.5 million, increased by Baht 1,552.2 million or 43.8% from 31 December 2020 mainly due to:

- **Short-term loan from financial institution:** decreased by Baht 0.5 million due to the ability to repay short-term loan as the Group's working capital is sufficient to support the Group's growth plan
- **Trade and Other Payables:** increased by Baht 426.7 million due to the higher volume of coal import
- **Lease Liabilities:** increased by Baht 183.5 million from truck lease contract as well as the recognition of the right-of-use of the new port following the TFRS 16
- **Debtentures:** increased by Baht 790.3 million due to the Group's fundraising through the issuance of debtentures to repay short-term loans from financial institutions

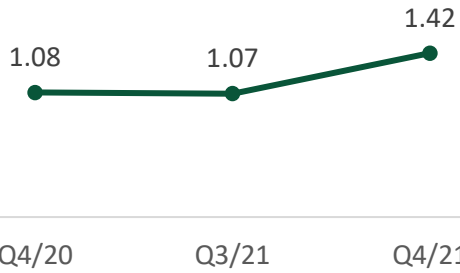
### Total Shareholders' Equity

As of 31 December 2021, the total equity of the Group was Baht 2,483.3 million, increased by Baht 595.3 million or 31.5% from 31 December 2020, mainly due to the recognition of net profit from Q1, Q2, Q3, and Q4/2021. However, the Group has also paid dividend for the year 2020 in Q2/2021 totaling Baht 96.7 million and has additional investments in subsidiaries.

### Key Financial Ratios

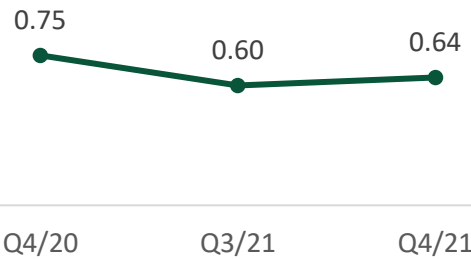
#### Current Ratio

Unit: Times



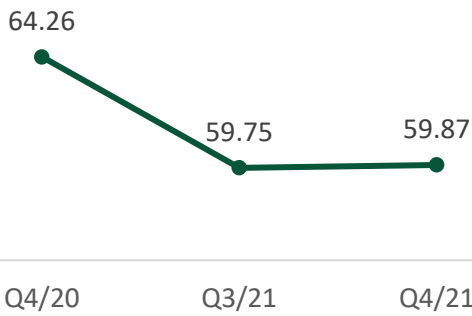
#### Quick Ratio

Unit: Times



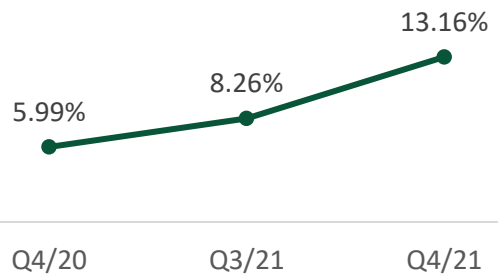
#### Inventory Turnover

Unit: Days



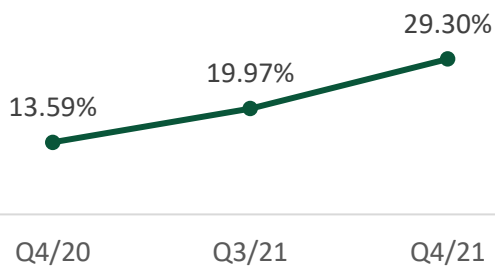
#### ROA

Unit: %



#### ROE

Unit: %



#### D/E Ratio

Unit: Times

