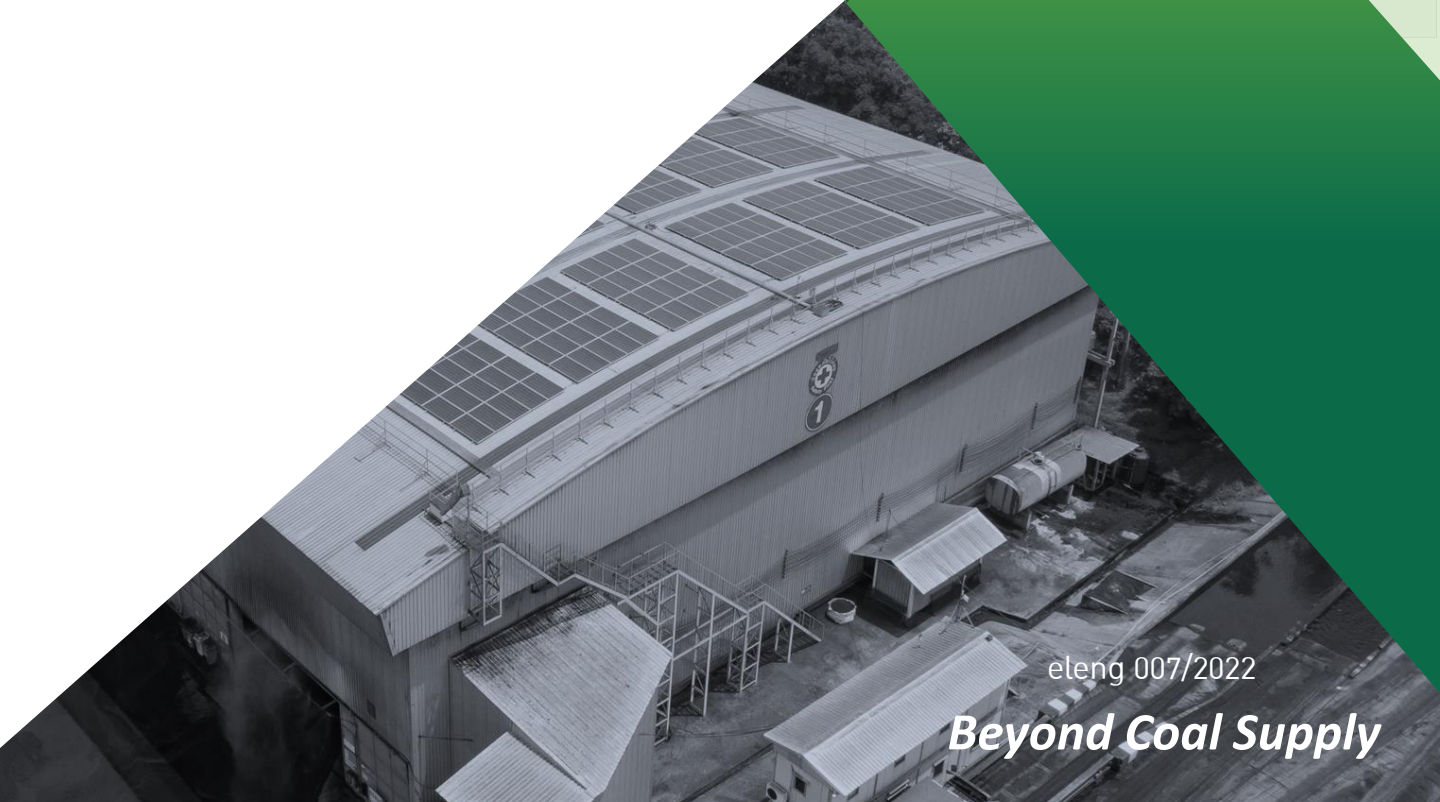


ASIA GREEN ENERGY
Public Company Limited

**MANAGEMENT
DISCUSSION
AND ANALYSIS
Q1/2022**



eleng 007/2022

Beyond Coal Supply

Operating Highlights	Q1/21	Q4/21	Q1/22	Change +/-	
				%YoY	%QoQ
Unit: Million THB					
Operating Revenue	2,846.7	3,526.7	3,714.0	30.5%	5.3%
Gross Profit	344.4	631.5	611.4	77.5%	(3.2%)
EBITDA	195.0	512.3	481.0	146.7%	(6.1%)
Net Profit (Loss)	121.6	349.9	314.7	158.8%	(10.1%)
Gross Profit Margin (%)	12.1%	17.9%	16.5%	4.4%	(1.4%)
EBITDA Margin (%)	6.9%	14.5%	12.9%	6.0%	(1.6%)
Net Profit Margin (%)	4.3%	9.9%	8.5%	4.2%	(1.4%)

Executive Summary

YoY : Q1/2022 vs Q1/2021

- In **Q1/2022**, Asia Green Energy Public Company Limited and its subsidiaries (“the Group”) reported consolidated operating revenue of Baht 3,714.0 million, increased by Baht 867.3 million or 30.5% from Q1/2021, mainly due to the adjustment in average coal selling price in accordance with world coal price index and the increase in revenue from Logistics Service business, especially from Land Logistics Services.
- **Gross Profit** was Baht 611.4 million, increased by Baht 267.0 million or 77.5% from Q1/2021 corresponding to the higher total revenue.
- **Gross Profit Margin** was 16.5%, increased from 12.1% in Q1/2021, mainly due to adjustment in average coal selling price in accordance with world coal price index, as well as the increase in proportion of Logistic Service business sales, which have higher gross profit margin.
- **Net Profit** was Baht 314.7 million, increased by Baht 193.1 million or 158.8% from Q1/2021, as a result of the adjustment in coal selling price corresponding to the global coal price index, allowing the Group to maintain margins between the selling price and cost and more effectively, as well as the higher proportion of Logistic Service business sales.
- **Net Profit Margin** was 8.5%, increased from 4.3% in Q1/2021, mainly due to the Group’s ability to adjust the selling price in accordance with world coal price index, as well as the Group’s ability to control the selling and distribution expenses efficiently under COVID-19 pandemic.

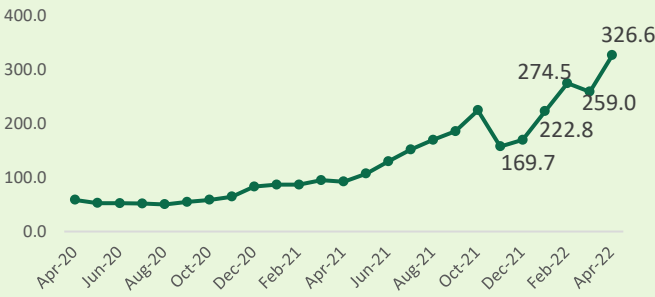
QoQ : Q1/2022 vs Q4/2021

- In **Q1/2022**, the Group reported consolidated operating revenue of Baht 3,714.0 million, increased by Baht 187.3 million or 5.3% from Q4/2021, mainly due to the increase in revenue from Overseas coal sales and Logistics Service business, especially from Land Logistics Service.
- **Gross Profit** was Baht 611.4 million, decreased by Baht 20.1 million or 3.2% from Q4/2021, mainly due to the slightly decrease in sales volume, as well as the higher average cost of coal compared to the average cost in Q4/2021.
- **Gross Profit Margin** was 16.5%, decreased from 17.9% in Q4/2021, mainly due to the higher average cost of coal compared to Q4/2021.
- **Net Profit** was Baht 314.7 million, decreased by Baht 35.2 million or 10.1% from Q4/2021, as a result of the decrease in sales volume, as well as the higher average cost of coal in accordance with world coal price index.
- **Net Profit Margin** was 8.5%, decreased from 9.9% in Q4/2021, as a result of the higher average cost of coal compared to the average cost in Q4/2021.

Industry Updates

Coal Price - Newcastle Index

Unit: USD / ton



- Coal prices remains high as a result of Russia-Ukraine conflict.
- At the beginning of January 2022, Indonesia announced a ban on domestic coal exports to ensure domestic demand is supported.
- Coal demand will continue to rise in 2022 as a result of the economic recovery. While China imposes policies to reduce coal imports and to control coal price to be within the regulated span.

Q1/2022 Key Highlights

Company Displays Continuous Growth in both Sales and Services

In Q1/2022, the Company's operating revenue increased by 30.5% from Q1/2021 and increased by 5.3% from Q4/2021. The increase was mainly from the rise in revenue from sales of coal and the increase in revenue from logistics services, mainly supported by the higher coal prices which have continued to rise from the previous year, as well as the increase in Logistics Business Services.



Enhancing concerns to all stakeholders throughout the COVID-19 Pandemic

From the COVID-19 pandemic, the Group has continuously taken proactive and strict measures towards the community, in which in Q1/2022, the Group, together with the community has established a COVID-19 coordinating center in Mae La sub-district and Bang Phra Kru sub-district under the project of AGE Care for the Community, against COVID-19 Project. The Group have donated survival bags (household products) and basic equipment to help and support the less severe COVID-19 patients (Green Level) who undergoes home isolation, as well as the high-risk individuals around the Group's warehouse and port in Nakhon Luang district, Ayutthaya.

Increase Investment for Business Growth

The Group has approved from the 2022 Annual General Meeting to increase a credit line of debentures valuing Baht 1,000 million, aggregating to a total amount of Baht 3,000 million to support the Group's business expansion. The fund raised will also be used to support business operations, debt repayment and for working capital in the business.

2022 Outlook



Continues to Provide Full Logistics Services

The Group continues to provide full logistics services by providing services in land, water, transshipment through ports, and warehouse rental services. The mentioned service is used to support the transportation of cement, sand, glass and industrial waste products. Currently, The Group has 3 ports, 5 screening plants, 101 trucks, 36 barge and contacts to lease an additional of 3 ports and 5 warehouses. The port and warehouses are located close to the Group's main warehouse, in Nakhon Luang district in Ayutthaya. This is mainly to support the long-term logistics service growth and to enhance the growth of the Group's overall performance.



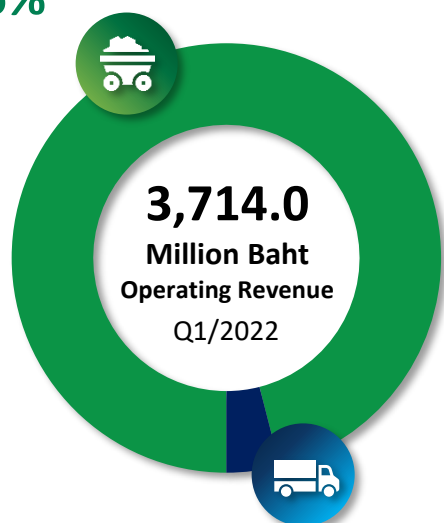
Operating Results	Q1/21	Q4/21	Q1/22	Change +/-	
Unit: Million THB				%YoY	%QoQ
Operating Revenue	2,846.7	3,526.7	3,714.0	30.5%	5.3%
Cost of Sales and Service	(2,502.3)	(2,895.2)	(3,102.6)	24.0%	7.2%
Gross profit	344.4	631.5	611.4	77.5%	(3.2%)
Other income	9.5	61.7	3.0	(68.4%)	(95.1%)
Selling and distribution expenses	(121.9)	(130.7)	(121.7)	(0.2%)	(6.9%)
Administrative expenses	(52.6)	(112.2)	(66.0)	25.5%	(41.2%)
Gain (losses) on exchange	(19.3)	5.7	11.1	(157.5%)	94.7%
Share of profit (loss) from investment in joint venture	0.3	5.3	(5.9)	(2,066.7)	(209.3%)
EBIT	160.4	461.3	431.9	169.3%	(6.4%)
Finance costs	(11.3)	(25.2)	(29.4)	160.2%	16.7%
Income tax expenses	(27.5)	(86.2)	(87.8)	219.3%	1.9%
Net profit	121.6	349.9	314.7	158.8%	(10.1%)

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

Q1/2022 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 (91%) classified by sales type:

1. Mixed Size (48% of domestic revenue)
2. Screened Size (52% of domestic revenue)

Overseas Coal Trading Business (9%) in Cambodia and Taiwan

Revenue from Logistics Chain Service Provider

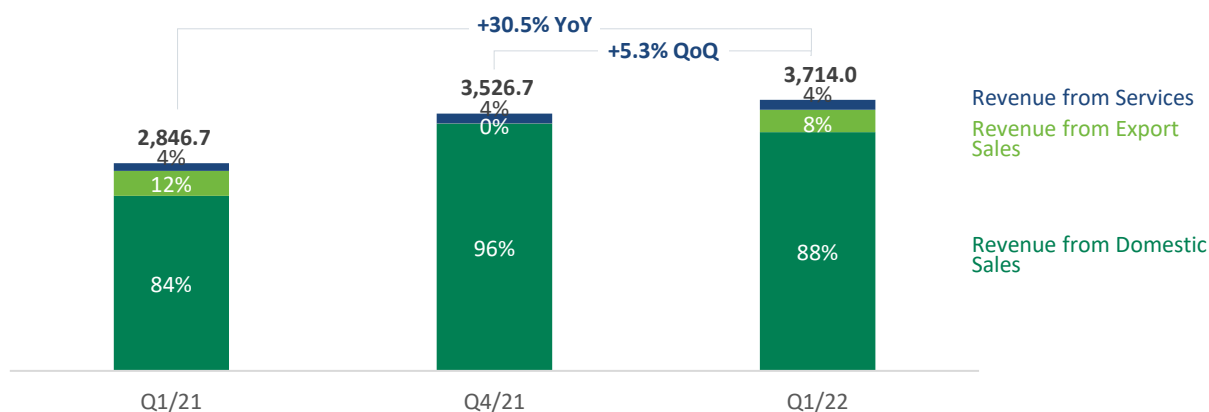
1. Land Logistics
2. Marine Logistics
3. Coal Screening
4. Terminal & Warehouse
5. Gas Station (Retail and Wholesale of oil)

Revenue Structure	Q1/21	Q4/21	Q1/22	Change +/-	
				%YoY	%QoQ
Unit: Million THB					
Revenue from Coal Trading					
Revenue from Domestic Sales	2,398.9	3,388.1	3,270.7	36.3%	(3.5%)
Revenue from Export Sales	344.9	4.7	306.8	(11.0%)	6,427.7%
Total Revenue from Coal Trading	2,743.8	3,392.8	3,577.5	30.4%	5.4%
Total Revenue from Logistics Service	102.9	133.9	136.5	32.7%	1.9%
Total Operating Revenue	2,846.7	3,526.7	3,714.0	30.5%	5.3%
Other Income	9.5	61.7	3.0	(68.4%)	(95.1%)
Total Revenue	2,856.2	3,588.4	3,717.0	30.1%	3.6%

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

1. Operating Revenue

Unit: Million Baht, %



YoY : Q1/2022 vs Q1/2021

In Q1/2022, the Group reported consolidated operating revenue of Baht 3,714.0 million, increased by Baht 867.3 million or 30.5% from Q1/2021, mainly due to:

- **Revenue from Domestic Sales:** increased by 36.3% as a result of the increase in average coal selling price in accordance with world coal price index.
- **Revenue from Export Sales:** decreased by 11.0% mainly from the decline in exports to overseas as a result of coal price fluctuations, which prompted some customers to delay orders to observe the price trends.
- **Revenue from Logistics Services:** increased by 32.7% as a result of higher revenue from all logistics services. The largest increase came from the Land Logistics Services which was able to complete higher number of trips from the increase in trucks. In addition, the Company was able to increase the transporting volume from the new port which started to operate of last year.

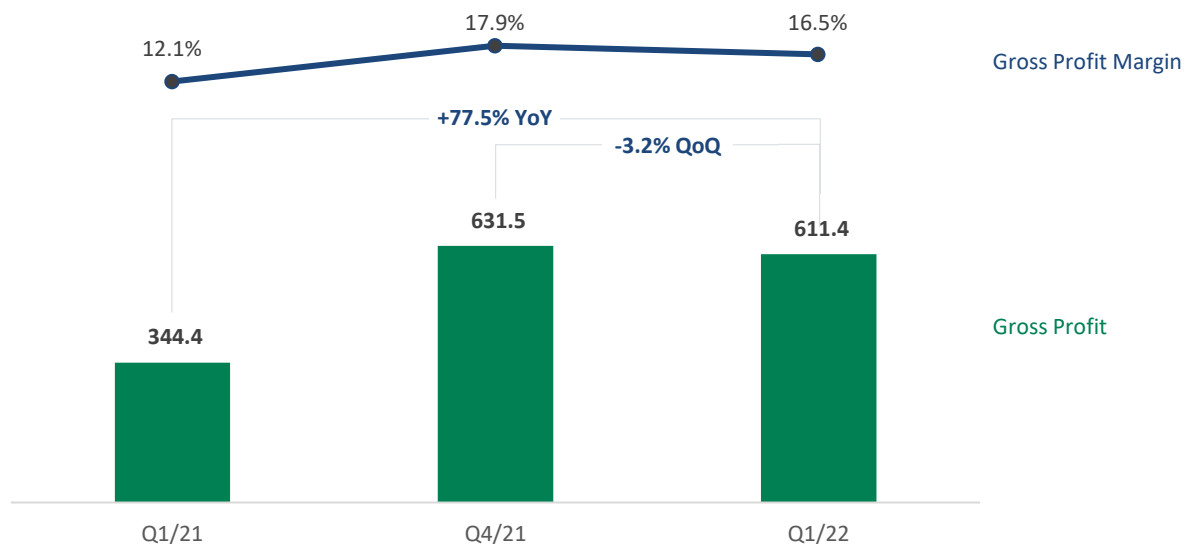
QoQ : Q1/2022 vs Q4/2021

In Q1/2022, the Group reported consolidated operating revenue of Baht 3,714.0 million, increased by Baht 187.3 million or 5.3% from Q4/2021, mainly due to:

- **Revenue from Domestic Sales:** decreased by 3.5% as a result of the decrease in domestic coal sales volumes.
- **Revenue from Export Sales:** increased by 6,427.7% mainly from the significantly increase in sales volumes to overseas, from the recovery of orders mainly from Cambodia and Taiwan.
- **Revenue from Logistics Services:** increased by 1.9% from higher revenue in all Logistic Services, especially from the significant growth in Land Logistics Services.

2. Gross Profit and Gross Profit Margin

Unit: Million Baht, %



YoY : Q1/2022 vs Q1/2021

In Q1/2022, the Group recorded Gross Profit of Baht 611.4 million, increased by Baht 267.0 million or 77.5% compared to Q1/2021, as a result of the adjustment of coal selling price corresponding to the global coal price index, which is in-line with the Group's strategy to focus on managing coal costs efficiently. In addition, the Group recognized revenue growth from Logistics Service business.

Gross Profit Margin was 16.5% in Q1/2022, increased from 12.1% in Q1/2021 mainly due to the adjustment of coal selling price corresponding to the global coal price index 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, the Group recognized revenue growth from Logistics Service business which have relatively higher gross profit margin than coal business.

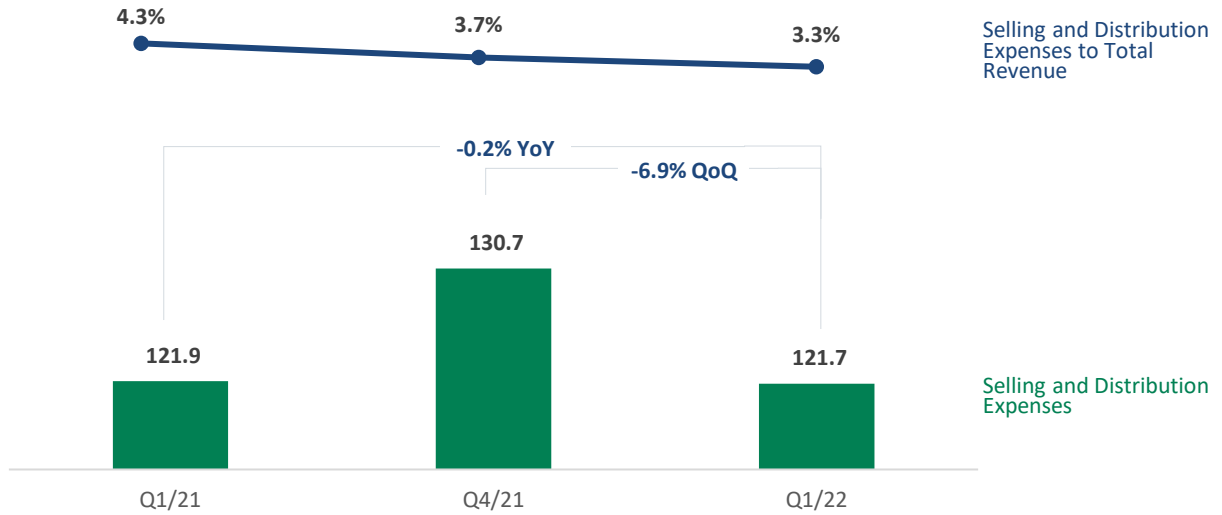
QoQ : Q1/2022 vs Q4/2021

In Q1/2022, the Group recorded Gross Profit of Baht 611.4 million, decreased by Baht 20.1 million or 3.2% compared to Q4/2021, mainly due to the decrease in coal sales volume.

Gross Profit Margin was 16.5% in Q1/2022, decreased from 17.9% in Q4/2021, as a result of the higher average cost of coal compared to the average cost in Q4/2021.

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 : Q1/2022 vs Q1/2021

In Q1/2022, the Group recorded selling and distribution expenses of Baht 121.7 million, decreased by Baht 0.2 million or 0.2% compared to Q1/2021, corresponding to the slight decrease in coal sales volume.

Selling and distribution expenses to total revenue was 3.3% in Q1/2022, improved from 4.3% in Q1/2021, mainly due to the higher operating revenue, as well as the Group's ability to control the selling and distribution expenses efficiently.

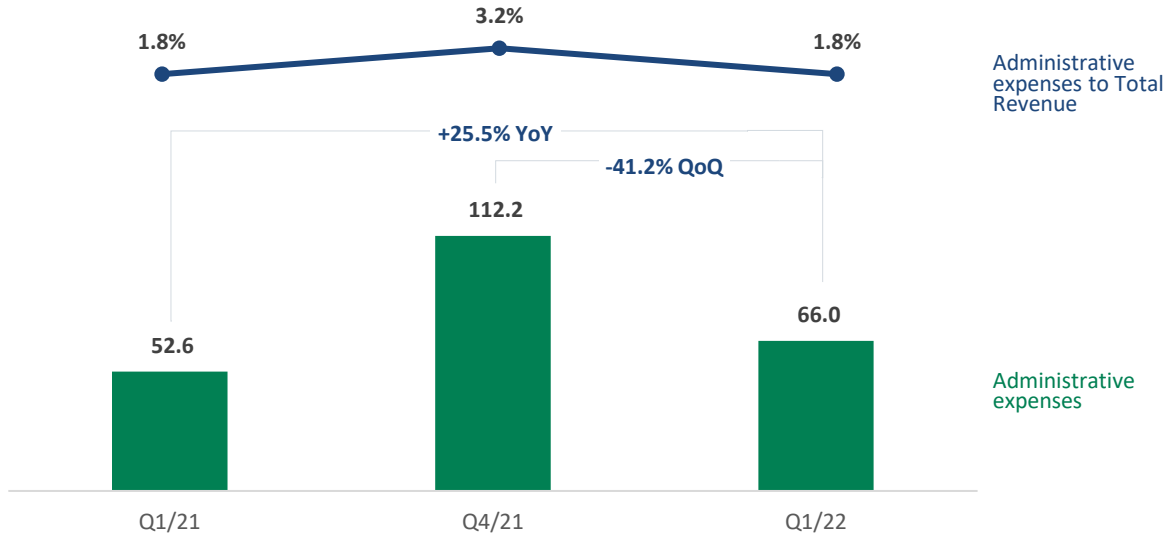
QoQ : Q1/2022 vs Q4/2021

In Q1/2022, the Group recorded selling and distribution expenses of Baht 121.7 million, decreased by Baht 9.0 million or 6.9% compared to Q4/2021, mainly due to the decrease in coal sales volume.

Selling and distribution expenses to total revenue was 3.3% in Q1/2022, slightly decreased from 3.7% in Q4/2021 as a result of the increase in coal selling price in accordance with world coal price index, while the decrease in coal sales volume. In addition, there was a higher proportion of Overseas coal sales, which have lower selling and distribution expenses.

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 : Q1/2022 vs Q1/2021

In Q1/2022, the Group recorded administrative expenses of Baht 66.0 million, increased by Baht 13.4 million or 25.5% compared to Q1/2021, mainly due to the rise in employee-related expenses.

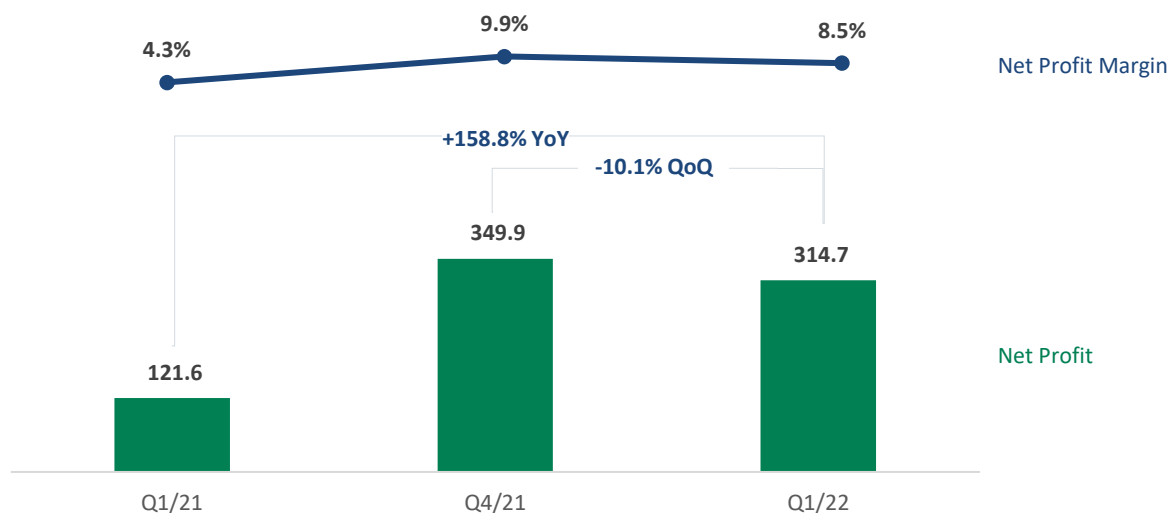
Administrative expenses to total revenue was 1.8% in Q1/2022, the same level as 1.8% in Q1/2021 mainly due to the higher operating revenue, as well as the Group’s ability to control the expenses efficiently.

QoQ : Q1/2022 vs Q4/2021

In Q1/2022, the Group recorded administrative expenses of Baht 66.0 million, decreased by Baht 46.2 million or 41.2% compared to Q4/2021, mainly as a result of the decrease in legal expenses.

Administrative expenses to total revenue was 1.8% in Q1/2022, decreased from 3.2% in Q4/2021 as result of the higher operating revenue, as well as the decrease in legal expenses.

5. Net Profit and Net Profit Margin



YoY : Q1/2022 vs Q1/2021

In Q1/2022, the Group recorded net profit of Baht 314.7 million, increased by Baht 193.1 million or 158.8% compared to Q1/2021, as a result of the adjustment of coal selling price corresponding to the global coal price index, allowing the Group to maintain margins between the cost and the selling price more effectively, as well as the growth in revenue from Logistics Service business, which have lower cost than coal business.

Net profit margin was 8.5% in Q1/2022, increased from 4.3% in Q1/2021 as a result of the adjustment of coal selling price corresponding to the global coal price index. In addition, the increase was also due to the growth in revenue from Logistics Service business, which have lower cost than coal business.

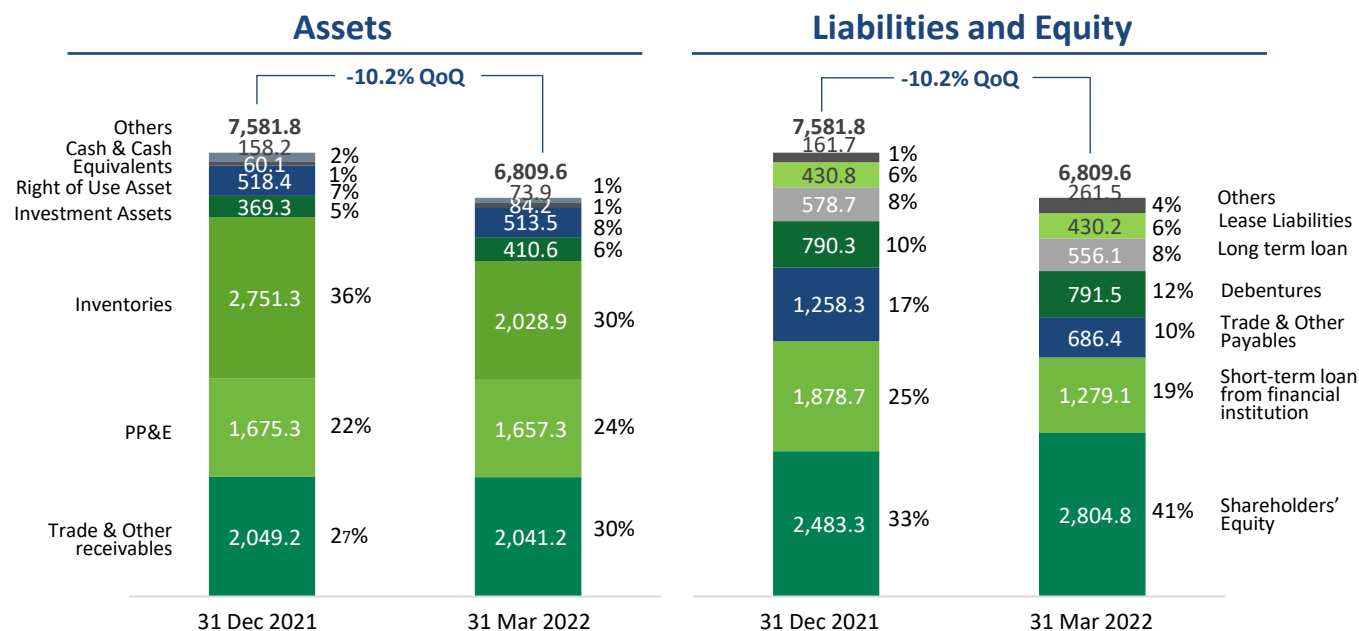
QoQ : Q1/2022 vs Q4/2021

In Q1/2022, the Group recorded net profit of Baht 314.7 million, decreased by Baht 35.2 million or 10.1% compared to Q4/2021, mainly due to the decrease in sales volume, as well as the higher average cost of coal compared to the average cost in Q4/2021.

Net profit margin was 8.5% in Q1/2022, decreased from 9.9% in Q4/2021 as a result of the decrease in sales volume, as well as the higher average cost of coal compared to the average cost in Q4/2021.

Statement of Financial Position

Unit: Million Baht, %



Total Assets

As of 31 March 2022, the total assets of the Group were Baht 6,809.6 million, decreased by Baht 772.2 million or 10.2% from 31 December 2021 mainly due to:

- **Trade & Other Receivables:** decreased by Baht 8.0 million due to the increase in debt collection.
- **Inventories:** decreased by Baht 722.4 million due to the decrease in raw materials in transits.
- **Right of Use Assets:** decreased by Baht 4.9 million mainly from the depreciation from normal operation.

Total Liabilities

As of 31 March 2022, the total liabilities of the Group were Baht 4,004.9 million, decreased by Baht 1,093.7 million or 21.5% from 31 December 2021 mainly due to:

- **Short-term loan from financial institution:** decreased by Baht 599.6 million due to the short-term loan repayment.
- **Trade and Other Payables:** decreased by Baht 571.9 million in accordance with the decrease in raw materials in transits.
- **Lease Liabilities:** decreased by Baht 0.6 million from repayment under lease contract from normal operation.

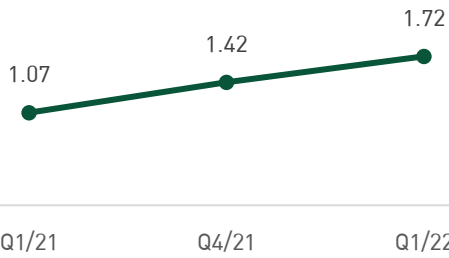
Total Shareholders' Equity

As of 31 March 2022, the total equity of the Group was Baht 2,804.8 million, increased by Baht 321.5 million or 12.9% from 31 December 2021, mainly due to the recognition of net profit from Q1/2022.

Key Financial Ratios

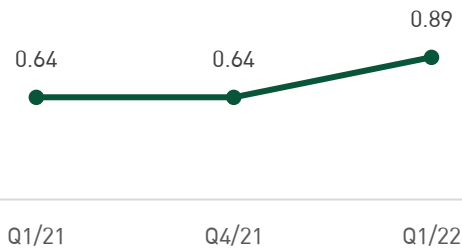
Current Ratio

Unit: Times



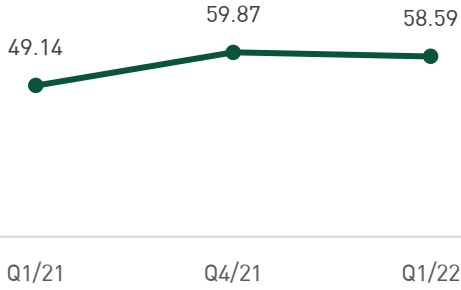
Quick Ratio

Unit: Times



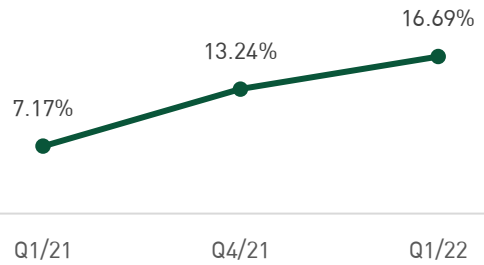
Inventory Turnover

Unit: Days



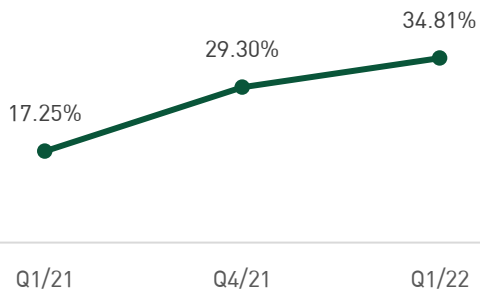
ROA

Unit: %



ROE

Unit: %



D/E Ratio

Unit: Times

