

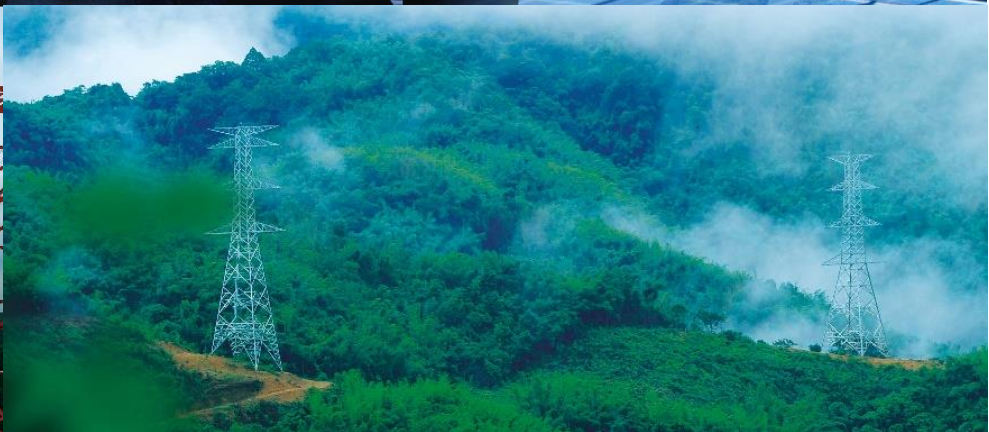


RENEWABLE ENERGY

FOR A SUSTAINABLE FUTURE



CKPower
ENDLESS ENERGY

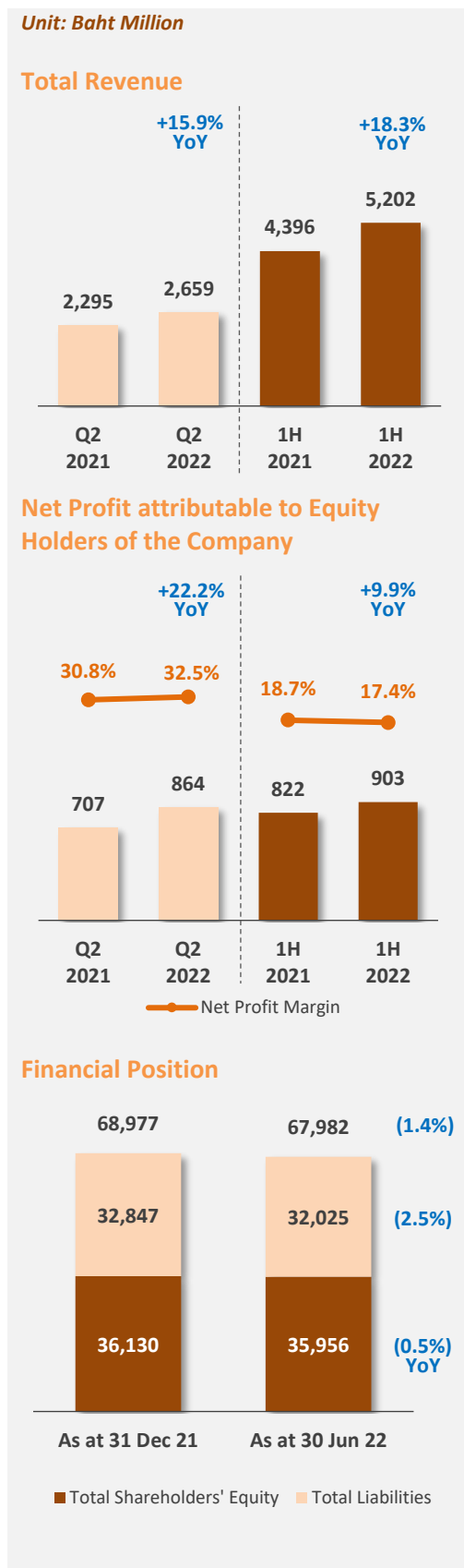


Management Discussion and Analysis

For the Three-month and Six-month Periods
Ended 30 June 2022

Investor Relations Department
Tel: +66-2691-9720
Email: ir@ckpower.co.th

Executive Summary



Total Revenue

Total Revenues in Q2 2022 and 1H 2022 increased by 15.9% and 18.3% YoY, primarily driven by increases in BIC's Revenues from Sales of Electricity and Steam in Q2 2022 and 1H 2022 by 48.4% and 49.0% YoY, respectively, driven by higher natural gas price compared to the same periods last year following the global market price situation.

Net Profit attributable to Equity Holders of the Company

Net Profit attributable to Equity Holders of the Company in Q2 2022 and 1H 2022 increased by 22.2% and 9.9% YoY, respectively, mainly driven by an increase in share of profit from investment in XPCL following higher average water flow YoY, partially offset by BIC's higher fuel costs compared to the same periods last year.

Financial Position as at 30 June 2022

Total Assets decreased by 1.4% from the end of 2021 primarily from the decline in cash after the redemption of maturing NN2's debentures, the Company's dividend payment, the repayments of long-term loan from financial institutions by BIC and BKC and the recognition of depreciation and amortization of fixed assets of the Company and its subsidiaries.

Total Liabilities decreased by 2.5% from the end of 2021, mainly due to the redemption of NN2's debentures and the repayments of long-term loan from financial institutions by BIC and BKC.

Total Shareholders' Equity decreased by 0.5% from the end of 2021, mainly because of the share of unrealized loss from cash flow hedges of XPCL following the depreciation of Thai Baht against US Dollar from the beginning of the period.

Significant Events during Q2 2022 to Date

Debentures Issuance No. 1/2022 by Xayaburi Power Company Limited

On 27 July 2022, Xayaburi Power Company Limited (“XPCL”) issued Baht 8,395 million unsecured, unsubordinated Green Debentures No. 1/2022 with a debentureholders’ representative. The debentures consisted of:

- Baht 4,031 million debentures with a tenor of 3 years at the interest rate of 4.50% per annum;
- Baht 1,258 million debentures with a tenor of 4 years at the interest rate of 4.75% per annum; and
- Baht 3,106 million debentures with a tenor of 5 years at the interest rate of 5.00% per annum.

TRIS Rating Company Limited assigned the company rating of “A-” (with Stable Outlook) to XPCL and the issue rating of “BBB+” (with Stable Outlook) to XPCL’s debentures No. 1/2022. XPCL used all the proceeds from the debentures to repay the long-term loan to reduce its finance cost on 1 August 2022.

Analysis of Consolidated Financial Results for the Three-month and Six-month Periods Ended 30 June 2022

Description	Second Quarter (Baht Million)		Changes		First Half (Baht Million)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Revenue from Sales of Electricity and Steam	2,105.6	2,453.5	347.9	16.5	4,020.0	4,792.8	772.8	19.2
Project Management Income	74.0	77.2	3.2	4.3	145.1	154.0	8.9	6.1
Interest Income	114.6	126.0	11.4	9.9	228.6	251.7	23.1	10.1
Other Income	1.0	2.4	1.4	140.0	2.5	3.6	1.1	44.0
Total Revenues	2,295.2	2,659.1	363.9	15.9	4,396.2	5,202.1	805.9	18.3
Operating Expenses	(1,670.8)	(2,202.3)	531.5	31.8	(3,245.5)	(4,404.6)	1,159.1	35.7
Share of Profit from Investments in Jointly Controlled Entities and Associated Companies	531.7	772.0	240.3	45.2	499.5	769.0	269.5	54.0
Foreign Exchange Gain	7.0	15.0	8.0	114.3	17.9	15.9	(2.0)	(11.2)
Earnings Before Interest and Tax	1,163.1	1,243.8	80.7	6.9	1,668.1	1,582.4	(85.7)	(5.1)
Finance Cost	(267.3)	(265.4)	(1.9)	(0.7)	(529.3)	(532.4)	3.1	0.6
Income Tax Expenses	(15.9)	(17.6)	1.7	10.7	(23.9)	(26.6)	2.7	11.3
Net Profit attributable to Non-controlling Interests of the Subsidiaries	(172.9)	(96.8)	(76.1)	(44.0)	(293.3)	(120.6)	(172.7)	(58.9)
Net Profit attributable to Equity Holders of the Company	707.0	864.0	157.0	22.2	821.6	902.8	81.2	9.9

Revenue from Sales of Electricity and Steam

Second Quarter

	Sales Volume of Electricity / Steam (GWh) / (Tons)		Changes		Revenue (Baht Million)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	Q2 2021	Q2 2022	Inc/(Dec)	%
Revenue from Sales of Electricity								
NN2	509.1	390.9	(118.2)	(23.2)	956.1	767.0	(189.1)	(19.8)
BIC	371.8	383.6	11.8	3.2	1,092.6	1,618.5	525.9	48.1
BKC	5.9	5.9	-	-	45.9	49.1	3.2	7.0
Subtotal	886.8	780.4	(106.4)	(12.0)	2,094.6	2,434.6	340.0	16.2
Revenue from Sales of Steam								
BIC	17,650	17,286	(364)	(2.1)	11.0	18.9	7.9	71.8
Total					2,105.6	2,453.5	347.9	16.5

First Half

	Sales Volume of Electricity / Steam (GWh) / (Tons)		Changes		Revenue (Baht Million)		Changes	
	1H 2021	1H 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Revenue from Sales of Electricity								
NN2	919.5	722.4	(197.1)	(21.4)	1,715.0	1,404.0	(311.0)	(18.1)
BIC	754.7	760.0	5.3	0.7	2,184.4	3,248.1	1,063.7	48.7
BKC	12.1	12.0	(0.1)	(0.8)	97.8	100.1	2.3	2.4
Subtotal	1,686.3	1,494.4	(191.9)	(11.4)	3,997.2	4,752.2	755.0	18.9
Revenue from Sales of Steam								
BIC	38,057	36,020	(2,037)	(5.4)	22.8	40.6	17.8	78.1
Total					4,020.0	4,792.8	772.8	19.2

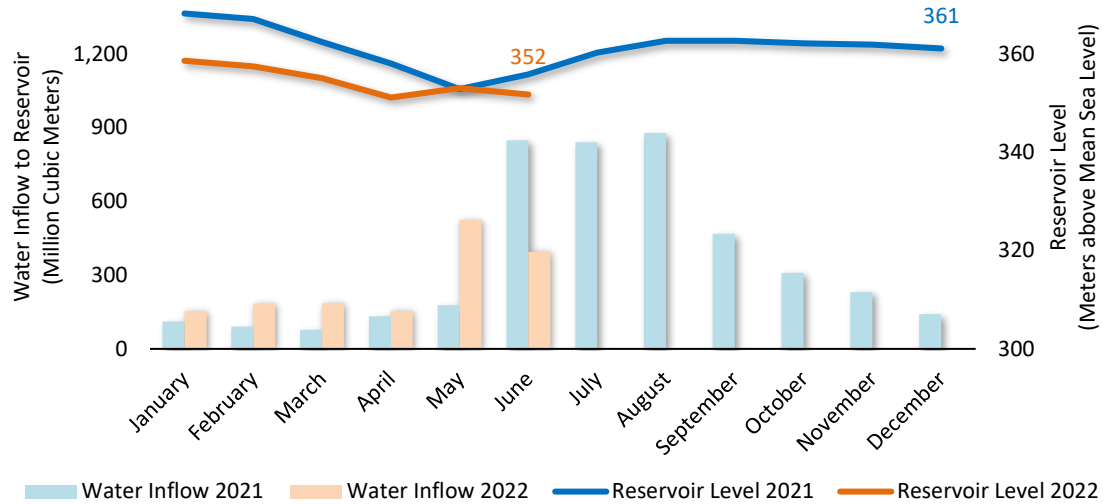
In Q2 2022 and 1H 2022, Revenue from Sales of Electricity and Steam increased by 16.5% and 19.2% YoY, respectively, mainly due to the following reasons:

NN2: NN2's Q2 2022 and 1H 2022 Revenues from Sales of Electricity decreased by 19.8% and 18.1% YoY, respectively, mainly because water level in the reservoir at the beginning of 2022 was lower than that of the same period last year, prompting NN2 to adopt a conservative water management approach to ensure that the remaining water in the reservoir would be sufficient to produce electricity as planned for the dry season during the first half of the year.

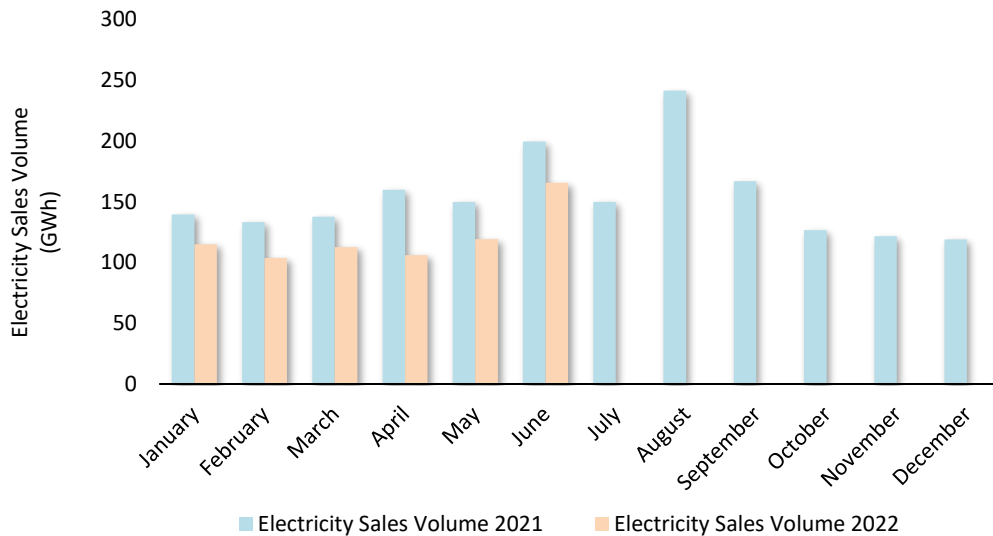
Water Inflow and Reservoir Level of Nam Ngum 2 Hydroelectric Power Plant

Water Inflow

Q2 2021: 1,156.7 Million Cubic Meters 1H 2021: 1,435.8 Million Cubic Meters
 Q2 2022: 1,073.4 Million Cubic Meters 1H 2022: 1,595.2 Million Cubic Meters



Electricity Sales Volume of Nam Ngum 2 Hydroelectric Power Plant



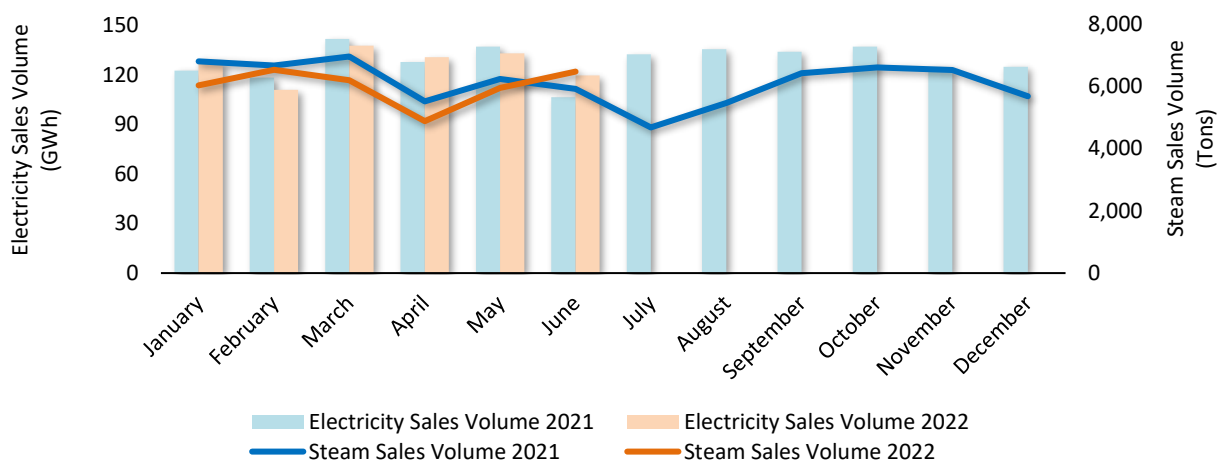
Description	Second Quarter (GWh)		Changes		First Half (GWh)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Primary Energy (PE)	509.1	390.9	(118.2)	(23.2)	919.5	722.4	(197.1)	(21.4)
Secondary Energy (SE)	-	-	-	-	-	-	-	-
Excess Energy (EE)	-	-	-	-	-	-	-	-
Test Energy (TE)	-	-	-	-	-	-	-	-
Total Electricity Sales	509.1	390.9	(118.2)	(23.2)	919.5	722.4	(197.1)	(21.4)

BIC: BIC's Q2 2022 and 1H 2022 Revenues from Sales of Electricity and Steam increased by 48.4% and 49.0% YoY, respectively, driven by (i) the significantly higher natural gas price during Q2 2022 and 1H 2022 compared to the same periods last year following the global market price situation, which resulted in increases in Energy Payment revenues and steam unit prices, and (ii) the higher retail Ft rate during Q2 2022 and 1H 2022 compared to the same periods last year, resulted in an increase in industrial customers' electricity tariff.

Electricity and Steam Sales Volume of Bangpa-in Cogeneration Power Plant

Average Natural Gas Price

Q2 2021:	238.6 Baht / MMBTU	1H 2021:	229.4 Baht / MMBTU
Q2 2022:	422.7 Baht / MMBTU	1H 2022:	432.1 Baht / MMBTU



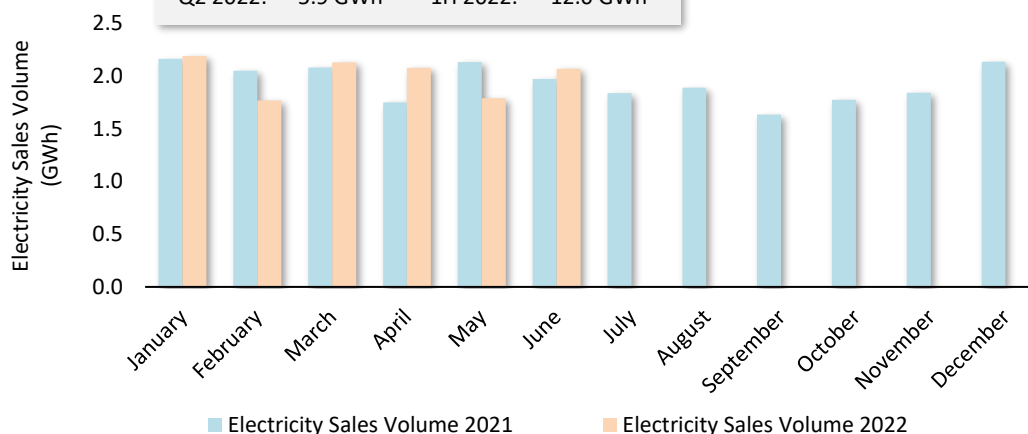
Off-takers	Second Quarter (GWh)		Changes		First Half (GWh)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
EGAT	294.9	305.6	10.7	3.6	603.4	606.7	3.3	0.5
Industrial Customers	76.9	78.0	1.1	1.4	151.3	153.3	2.0	1.3
Total Electricity Sales	371.8	383.6	11.8	3.2	754.7	760.0	5.3	0.7

BKC: BKC's Q2 2022 and 1H 2022 Revenues from Sales of Electricity increased by 7.0% and 2.4% YoY, respectively, primarily because of (i) higher irradiation during Q2 2022 compared to the same period last year, especially in April and June, resulted in higher electricity volume, and (ii) higher wholesale Ft rate during Q2 2022 and 1H 2022 compared to the same periods last year, resulted in higher electricity tariff.

Electricity Sales Volume of Solar Power Plants under BKC

Electricity Sales Volume

Q2 2021:	5.9 GWh	1H 2021:	12.1 GWh
Q2 2022:	5.9 GWh	1H 2022:	12.0 GWh



Project Management Income

Project Management Income in Q2 2022 and 1H 2022 increased by 4.3% and 6.1% YoY, respectively, mainly from additional scope of services provided to XPCL starting from Q1 2022.

Interest Income

Description	Second Quarter (GWh)		Changes		First Half (GWh)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Interest income under Finance								
Lease Agreement	84.3	82.1	(2.2)	(2.6)	168.2	164.0	(4.2)	(2.5)
Other Interest Income	30.3	43.9	13.6	44.9	60.4	87.7	27.3	45.2
Total	114.6	126.0	11.4	9.9	228.6	251.7	23.1	10.1

In Q2 2022 and 1H 2022, Interest Income increased by 9.9% and 10.1% YoY, respectively, mainly due to the full recognition of interest income from long-term loan to XPCL.

Operating Expenses

Description	Second Quarter (Baht Million)		Changes		First Half (Baht Million)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Cost of Sales of Electricity and Steam	1,390.6	1,920.6	530.0	38.1	2,698.8	3,852.9	1,154.1	42.8
<i>Fuel Costs</i>	<i>686.8</i>	<i>1,282.1</i>	<i>595.3</i>	<i>86.7</i>	<i>1,348.2</i>	<i>2,591.0</i>	<i>1,242.8</i>	<i>92.2</i>
<i>Depreciation Expenses</i>	<i>375.4</i>	<i>376.2</i>	<i>0.8</i>	<i>0.2</i>	<i>746.5</i>	<i>748.3</i>	<i>1.8</i>	<i>0.2</i>
<i>Operation and Maintenance Costs</i>	<i>184.8</i>	<i>168.2</i>	<i>(16.6)</i>	<i>(9.0)</i>	<i>358.3</i>	<i>328.4</i>	<i>(29.9)</i>	<i>(8.3)</i>
<i>Wheeling Charge</i>	<i>76.5</i>	<i>38.9</i>	<i>(37.6)</i>	<i>(49.2)</i>	<i>118.0</i>	<i>68.5</i>	<i>(49.5)</i>	<i>(41.9)</i>
<i>Royalty Fee</i>	<i>33.9</i>	<i>27.0</i>	<i>(6.9)</i>	<i>(20.4)</i>	<i>60.1</i>	<i>48.6</i>	<i>(11.5)</i>	<i>(19.1)</i>
<i>Others</i>	<i>33.2</i>	<i>28.2</i>	<i>(5.0)</i>	<i>(15.1)</i>	<i>67.7</i>	<i>68.1</i>	<i>0.4</i>	<i>0.6</i>
Amortization of Right to Produce and Sell Electricity	130.3	130.3	-	-	260.6	260.6	-	-
Cost of Project Management	22.5	22.7	0.2	0.9	44.1	47.7	3.6	8.2
Administrative Expenses	127.4	128.7	1.3	1.0	242.0	243.4	1.4	0.6
Total Operating Expenses	1,670.8	2,202.3	531.5	31.8	3,245.5	4,404.6	1,159.1	35.7

The Operating Expenses for Q2 2022 and 1H 2022 increased by 31.8% and 35.7% YoY, respectively, with key changes as follows:

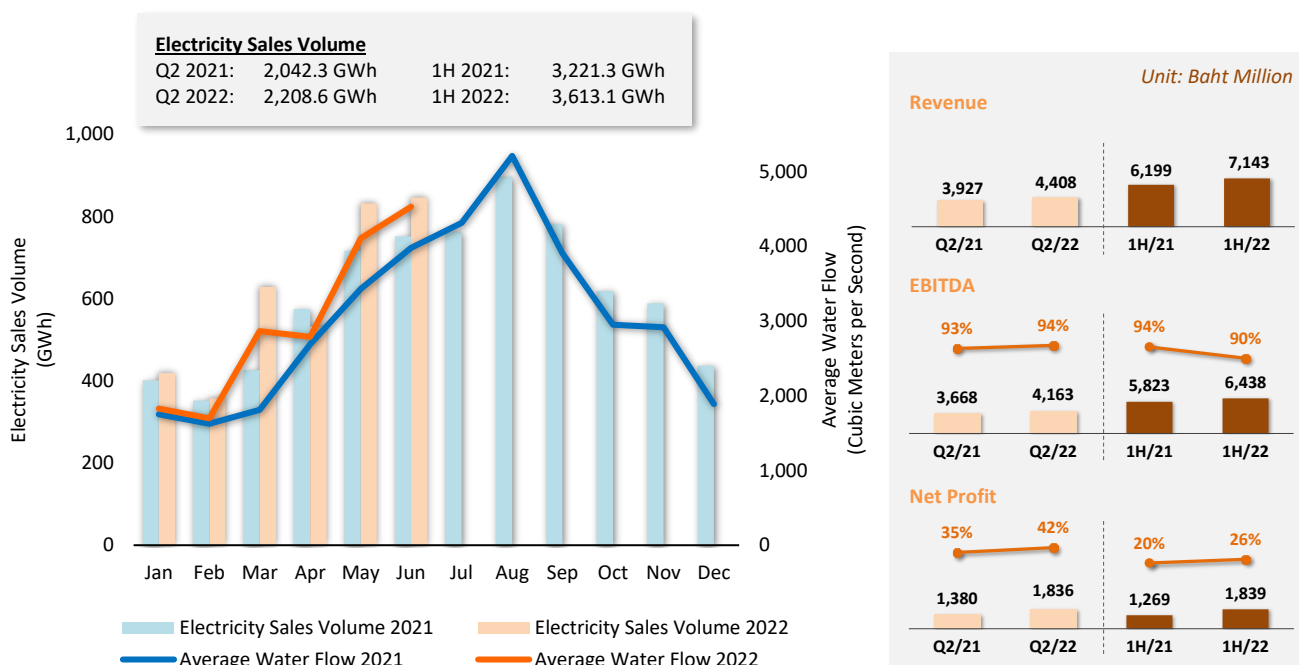
- BIC's Fuel Costs in Q2 2022 and 1H 2022 increased by 86.7% and 92.2% YoY, respectively, following the YoY increase in natural gas price.
- Operation and Maintenance Costs in Q2 2022 and 1H 2022 decreased by 9.0% and 8.3% YoY, respectively, mainly because in 2021, BIC1 had a gas turbine maintenance during the 1Q 2021 and BIC2 had a Partial Overhaul activity during Q2 2021, while there were no such maintenances during 2022.
- Wheeling Charges in Q2 2022 and 1H 2022 decreased by 49.2% and 41.9% YoY, respectively, following a YoY decline in the dispatched electricity of NN2.
- Royalty Fee in Q2 2022 and 1H 2022 decreased by 20.4% and 19.1% YoY, respectively, consistent with the decline in NN2's revenue from sales of electricity.
- Other Costs in Q2 2022 decreased by 15.1% YoY, mainly from a decrease in NN2's insurance premium, while Other Costs in 1H 2022 increased by 0.6% YoY, mainly due to an increase in BIC's insurance premium.
- Cost of Project Management in Q2 2022 and 1H 2022 increased by 0.9% and 8.2% YoY, respectively, mainly driven by YoY higher employee-related expenses to support the business expansion.
- Administrative Expenses in Q2 2022 and 1H 2022 increased by 1.0% and 0.6% YoY, respectively, primarily from advertising and public relations expenses.

Share of Profit from Investments in Jointly Controlled Entities and Associated Companies

Description	Second Quarter (Baht Million)		Changes		First Half (Baht Million)		Changes	
	Q2 2021	Q2 2022	Inc/(Dec)	%	1H 2021	1H 2022	Inc/(Dec)	%
Share of Profit from Investments in Jointly Controlled Entities	13.3	5.3	(8.0)	(60.2)	23.1	15.1	(8.0)	(34.6)
Share of Profit from Investments in Associated Companies	518.4	766.7	248.3	47.9	476.4	753.9	277.5	58.2
Share of Profit from Investments in Jointly Controlled Entities and Associated Companies	531.7	772.0	240.3	45.2	499.5	769.0	269.5	54.0

In Q2 2022 and 1H 2022, the Company's Share of Profits from Investments in Jointly Controlled Entities and Associated Companies increased by 45.2% and 54.0% YoY, respectively. The improvements came mainly from Xayaburi Hydroelectric Power Plant's higher average water flow compared to the same periods last year, which resulted in higher electricity sales volume. Share of Profits from Investments in Jointly Controlled Entities declined from the same periods last year, mainly due to the expiration of Adder of NRS in March 2022 after 10 years of commercial operation since its COD in March 2012.

Monthly Average Water Flow and Electricity Sales Volume of Xayaburi Hydroelectric Power Plant



Finance Cost

Finance Costs in Q2 2022 declined by 0.7% YoY mainly from the repayments of long-term loans from financial institutions of subsidiaries. On the other hand, Finance Costs in 1H 2022 increased by 0.6% YoY, mainly due to higher interest-bearing debt from Baht 2,000 million debentures issuance in October 2021.

Net Profit attributable to Equity Holders of the Company

Overall, Net Profit attributable to Equity Holders of the Company in Q2 2022 was Baht 864.0 million, an increase of 22.2% YoY, while Net Profit attributable to Equity Holders of the Company for 1H 2022 was Baht 902.8 million, an increase of 9.9% YoY. The YoY improvements were mainly driven by the increase in the share of profit from investment in XPCL following higher average water flow compared to the same periods last year, which was partially offset by BIC's higher fuel costs compared to the same periods last year.

Analysis of Financial Position

Description	As at 31 Dec 2021 (Baht Million)	As at 30 Jun 2022 (Baht Million)	Changes	
			Inc/(Dec)	%
Total Assets	68,977.3	67,981.7	(995.6)	(1.4)
Total Liabilities	32,847.3	32,025.4	(821.9)	(2.5)
Total Shareholders' Equity	36,130.0	35,956.3	(173.7)	(0.5)

Total Assets

As at 30 June 2022, Total Assets decreased by 1.4% from the end of 2021 primarily from the decline in cash after the redemption of maturing Debenture No. 1/2019 of NN2 in March, the Company's dividend payment in May, the repayments of long-term loans from financial institutions by BIC and BKC, and the recognition of depreciation and amortization of fixed assets of the Company and its subsidiaries.

Total Liabilities

As at 30 June 2022, Total Liabilities decreased by 2.5% from the end of 2021, mainly due to the redemption of NN2's Debenture No. 1/2019 in March and the repayments of long-term loans from financial institutions by BIC and BKC.

Total Shareholders' Equity

As at 30 June 2022, Total Shareholders' Equity decreased by 0.5% from the end of 2021, mainly because of the share of unrealized loss from cash flow hedges of XPCL following the depreciation of Thai Baht against US Dollar from the beginning of the period.

Cash Flows Analysis

As at 30 June 2022, the Company reported Cash and Cash Equivalent of Baht 4,502.5 million, decreased by Baht 2,579.8 million or 36.4% from the end of 2021.

Cash Flow Statement for the Six-month Period ended 30 June 2022	Baht Million
Net cash flows from operating activities	1,422.9
Net cash flows used in investing activities	(1,850.5)
Net cash flows used in financing activities	(2,156.2)
Effect of exchange rate changes on cash and cash equivalents	4.0
Net Decrease in Cash and Cash Equivalents	(2,579.8)

- Net cash inflows from operating activities came mainly from the Company and its subsidiaries' operating cash flows.
- Net cash outflows from investing activities were mainly from investments in mutual funds for cash management purpose and from additional investments in LPCL, an associated company.
- Net cash outflows from financing activities were mainly from dividend payment by the Company, interest payments by the Company and its subsidiaries, redemption of debentures, repayments of long-term loans from financial institutions, and dividend payment by a subsidiary.

Significant Financial Ratios

Profitability Ratios	1H 2021	1H 2022	Changes
Gross Profit Margin (%)	31.7	20.0	(11.7)
EBITDA Margin (%)	50.2	35.6	(14.6)
EBITDA Margin including Share of Profits (%)	61.6	50.4	(11.2)
Net Profit Margin (%)	18.7	17.4	(1.3)
<i>Earnings per share (Baht)</i>	<i>0.101</i>	<i>0.111</i>	<i>0.010</i>
Leverage Ratios	As at 31 Dec 2021	As at 30 Jun 2022	Changes
Total Liabilities to Total Shareholders' Equity Ratio (Times)	0.91	0.89	(0.02)
Net Interest-bearing Debt to Total Shareholders' Equity Ratio (Times) ⁽¹⁾	0.65	0.66	0.01
Liquidity Ratio	As at 31 Dec 2021	As at 30 Jun 2022	Changes
Current Ratio (Times)	2.86	2.43	(0.43)

(1) Calculated from (Interest-bearing Debt excluding Lease Liabilities – Cash and Cash Equivalents and long-term restricted bank deposits) / Total Shareholders' Equity, according to the Company's debentures covenant. The Company must maintain the ratio to not exceed 3:1 (Three to One) as at the end of the Second Quarter and the end of the year of each year.

In 1H 2022, Profitability Ratios declined YoY mainly due to higher fuel costs of BIC.

As at 30 June 2022, Total Liabilities to Total Shareholders' Equity Ratio slightly declined from the end of 2021 mainly from the redemption of NN2's debenture in March and the repayments of long-term loans from financial institutions by BIC and BKC. Net Interest-bearing Debt to Total Shareholders' Equity Ratio increased slightly from the end of 2021 primarily from the decline in cash after the redemption of NN2's debenture and the repayments of long-term loans from financial institutions by BIC and BKC. Current Ratio declined from the end of 2021, caused mainly by the decline in cash.

Overall, the Company's key financial ratios remain at a healthy level.

About CKPower: The Company engages in production and sales of electricity generated from three types of energy under its 13 power plants with the total installed capacity of 2,167 MW, consisting of two hydroelectric power plants, the Nam Ngum 2 Hydroelectric Power Plant with 615 MW installed capacity, operated by Nam Ngum 2 Power Company Limited (46% owned by CKPower through its shareholding in SouthEast Asia Energy Limited) and the Xayaburi Hydroelectric Power Plant with 1,285 MW installed capacity, operated by Xayaburi Power Company Limited (42.5% owned); two cogeneration power plants with 238 MW installed capacity, operated by Bangpa-in Cogeneration Limited (65% owned); and nine solar power plants, comprising seven under Bangkhenchai Company Limited (100% owned) with total installed capacity of 15 MW, one under Nakhon Ratchasima Solar Company Limited (30% owned) with 6 MW installed capacity and one under Chiangrai Solar Company Limited (30% owned) with 8 MW installed capacity.