

**BCPG Public Company Limited
Management Discussion and Analysis
For 3Q/2022 Operating Results**

9th November 2022

A photograph of four wind turbines on a grassy hill under a cloudy sky. The turbines are white with three blades each. The foreground is a lush green field, and the background is a dense forest of green trees. The sky is filled with soft, white and grey clouds, suggesting a bright but slightly overcast day.

Empowering
Green Lifestyle

Executive Summary

Financial Highlight

Unit: THB million	3Q21	3Q22	Δ %	2Q22	Δ %	9M21	9M22	Δ %
Revenue from sales and rendering of service	1,302.3	1,543.5	18.5%	1,436.5	7.5%	3,437.1	4,138.5	20.4%
Share of profit of investment in associates*	150.3	(17.1)	(111.4%)	(8.7)	97.4%	447.8	115.9	(74.1%)
EBITDA*	1,213.5	1,272.5	4.9%	1,169.7	8.8%	3,153.4	3,499.3	11.0%
Net profit	684.7	640.9	(6.4%)	330.2	94.1%	1,773.1	2,334.1	31.6%
Recurring profit*	708.8	626.3	(11.6%)	549.0	14.1%	1,701.6	1,692.0	(0.6%)

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

Q3/2022: BCPG or the Group of Companies recorded recurring net profit of THB 626.3 million, dropped by 11.6% YoY but grew 14.1% QoQ. These were resulted from the following factors.

-11.6% YoY

- (-) Lower revenue contribution from solar projects in Thailand due to the expiration of adder power plants (8 MW in August 2021 and 30 MW in July 2022). Yet, the impact of adder expiry was lessened by the higher Ft rate.
- (-) Lower revenue contribution from wind power plants in Thailand from the lower wind speed.
- (-) Lower share of profit from associates as due to the absence of contribution from geothermal power plants in Indonesia and the increased losses at the wind power plant in the Philippines.

+14.1% QoQ

- (+) Higher revenue contribution from hydropower projects in Lao PDR, "Nam San 3A" and "Nam San 3B" thanks to the high season hydro power plant, which is normally peak in the third quarter.
- (+) Higher revenue contribution from wind power plants in Thailand as a result of better wind speed and the impact of Noru Typhoon.

For 9M/2022, the Group of Companies recorded recurring net profit of THB 1,692.0 million, decreased by 0.6% YoY. This was resulted from the following factors.

- (-) Lower revenue contribution from solar projects in Thailand due to the expiration of adder power plants (8 MW in August 2021 and 30 MW in July 2022). Yet, the impact of adder expiry was lessened by the higher Ft rate.
- (-) Lower revenue contribution from wind power plants in Thailand from the lower wind speed.
- (-) Lower share of profit from associates as due to the absence of contribution from geothermal power plants in Indonesia in 3Q/2022 and the lower share of profits from the wind power plant in the Philippines.

In addition, the Group of Companies reported net profit for 9-month period at THB 2,334.1 million, grew by 31.6% YoY. The growth was driven by the record of gain from divestment of SEGHPL in Q1/2022.

Key developments during Q3/2022 until now

Achieved in the settlement of EDL account receivables (EDL A/R) with Nam Tai Hydropower Investment

On 10 August 2022, the Group of Companies successfully settled the EDL A/R, an amount of USD 32 million, with 25% of the investment of Nam Tai Hydropower (Nam Tai) from Phongsubthavy Group Sole Co., Ltd.. Through the investment in Nam Tai, the Company will obtain the 50% of Economic Right to develop and operate the 220kV transmission line system and substation from "Nam San 3A" and "Nam San 3B" project in Lao PDR to connect to Vietnam Electricity ("EVN"). The transmission line is expected to be completed within 2022.

Dividend payment from the operating results for the first half of the year 2022

On 16 August 2022, the Board of Directors meeting approved the interim dividend payment to shareholders from the operating results for the first half of the year 2022 at THB 0.20 per share, which is equal to approximately THB 579 million.

TRIS Rating increased credit rating from "A-" to "A" with a stable outlook

In October 2022, TRIS Rating has increased the company rating and the ratings on the company's outstanding senior unsecured debentures from "A-" to "A" with a "stable" outlook. The rating reflects BCPG's role to play in achieving Bangchak Group's strategy regarding the business expansion and Net Zero target, as well as the revenue reliability from power-generating assets, BCPG's well-diversified power portfolio, and the sufficient cashflow for investment to compensate the decrease in adder revenue in the future. This credit will also provide the opportunity to access new sources of funding for supporting the investment readiness in further.

Successfully issued project bond for Yabuki Project in Japan







On 18 October 2022, Solar power plant project, named Yabuki entered into a secured long-term loan using for shareholder loan repayment to the Group of the Companies in the amount of JYP 10,900 million, fixed interest rates and the installment period for repayment within September 2039.

Yabuki project located in Fukushima province, Japan and has Power Purchase Agreement (PPA) of 20.0 MW at Feed-in-Tariff (FIT) 36 yen per kWh with Tohoku Electric Power Company for 20 years. Also, the investment is under TK investment with 100% proportion.

The Group of Companies' Contracted Capacity

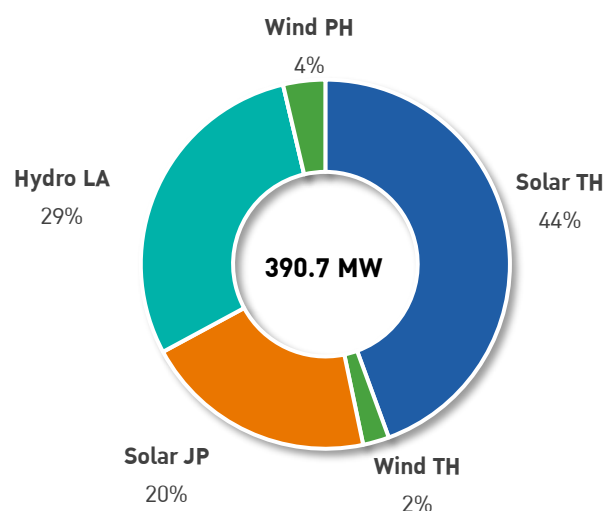
Contracted capacity breakdown by countries and types of energy at the end of Q3/2022.

Unit: Equity MW

Country	3Q21	3Q22	Δ %	2Q22	Δ %
Thai					
	166.9	173.7	4.1	173.5	0.1
	9.0	9.0	0.0	9.0	0.0
Japan					
	14.7	79.7	442.2	79.7	0.0
Laos					
	114.0	114.0	0.0	114.0	0.0
Indonesia*					
	157.5	0.0	-100.0	0.0	NA
The Philippines					
	14.4	14.4	0.0	14.4	0.0
Total	476.4	390.7	-18.0	390.5	0.1

*Remark: In 1Q/2022 the Group of Companies disposed 33.3% shares of Star Energy Group Holdings Pte Ltd. (SEGHPL) to Springhead Holdings Pte Ltd. and the transaction has been completed on 3 March 2022

Contracted capacity breakdown by power types



At the end of Q3/2022, total contracted capacity was 390.7 MW, decreased by 18.0% YoY, mainly from the disposal of 33.3% Star Energy Group Holdings Pte Ltd. shares to Springhead Holdings Pte Ltd. in March 2022. However, in Q3/2022, the Group of Companies' contracted capacity increased from the following factors:

- (1) The commercial operation of 3 new solar power plants in Japan with the total capacity of 65.0 MW. The 3 new projects include Chiba 1 project (COD in November 2021), Komagane project (COD in March 2022), and Yabuki project (COD in April 2022).
- (2) The commercial operation of new solar rooftop under the CMU Smart City project since November 2021 to April 2022
- (3) The commercial operation of new solar rooftop

While compared to Q2/2022, total contracted capacity increased by 0.1% QoQ from the commercial operation of new solar rooftop.

Financial Performance

Financial Performance for Q3/2022

Unit: THB million	3Q21	3Q22	Δ (%)	2Q22	Δ (%)	9M21	9M22	Δ (%)
Revenue from sales and rendering of service	1,302.3	1,543.5	18.5%	1,436.5	7.5%	3,437.1	4,138.5	20.4%
Cost of sales and rendering of services	(394.0)	(521.3)	32.3%	(503.5)	3.5%	(1,183.7)	(1,445.4)	22.1%
Gross profit	908.3	1,022.2	12.5%	933.0	9.6%	2,253.4	2,693.0	19.5%
Administrative expenses*	(131.6)	(130.3)	(1.0%)	(144.5)	(9.8%)	(417.9)	(422.0)	1.0%
Operating profit	776.7	891.9	14.8%	788.5	13.1%	1,835.5	2,271.1	23.7%
Share of profit of investment in associates (excluding one-time item)	150.3	(17.1)	(111.4%)	(8.7)	(97.4%)	447.8	115.9	(74.1%)
EBITDA*	1,213.5	1,272.5	4.9%	1,169.7	8.8%	3,153.4	3,499.3	11.0%
Other income/(expense)	14.7	35.0	137.7%	31.0	12.9%	54.8	83.1	51.5%
FX gain/(loss)	177.2	167.4	NA	(113.5)	NA	280.2	(99.6)	NA
Other one-time item	(201.3)	(152.8)	NA	(105.3)	NA	(208.7)	741.7	NA
EBIT	917.6	924.4	0.7%	592.1	56.1%	2,409.6	3,112.2	29.2%
Finance costs*	(198.4)	(223.9)	12.9%	(212.5)	5.4%	(576.6)	(642.4)	11.4%
EBT	719.2	700.5	(2.6%)	379.5	84.6%	1,833.0	2,469.7	34.7%
Income tax (expense) benefit*	(34.7)	(59.2)	NA	(48.7)	NA	(60.3)	(134.2)	NA
Minority interest	0.1	(0.4)	NA	(0.5)	NA	0.5	(1.4)	NA
Net profit	684.7	640.9	(6.4%)	330.2	94.1%	1,773.1	2,334.1	31.6%
Recurring profit*	708.8	626.3	(11.6%)	549.0	14.1%	1,701.6	1,692.0	(0.6%)
Basic Earnings per Share (THB)	0.25	0.22	(12.0%)	0.11	100.0%	0.67	0.81	20.9%

	3Q21	3Q22	2Q22	9M21	9M22
Total one-time items:	(24.1)	14.6	(218.8)	71.5	642.2
FX gain/(loss)	177.2	167.4	(113.5)	280.2	(99.6)
Tax related to FX gain/(loss)	(35.5)	(43.1)	(9.2)	(35.3)	(39.0)
Other one-time item	(165.9)	(109.7)	(96.2)	(173.4)	780.7
Expenses related to refinancing	(107.8)	-	-	(107.8)	0.0
Net gain from sales of investment in associates	-	-	-	-	1,644.6
Loss from disposal and impairment of assets	(48.3)	-	-	(50.5)	(368.1)
Net withholding tax and special business tax	0.0	(78.5)	(70.6)	0.0	(149.1)
Other one-time item	(9.9)	(31.2)	(25.6)	(15.1)	(346.7)

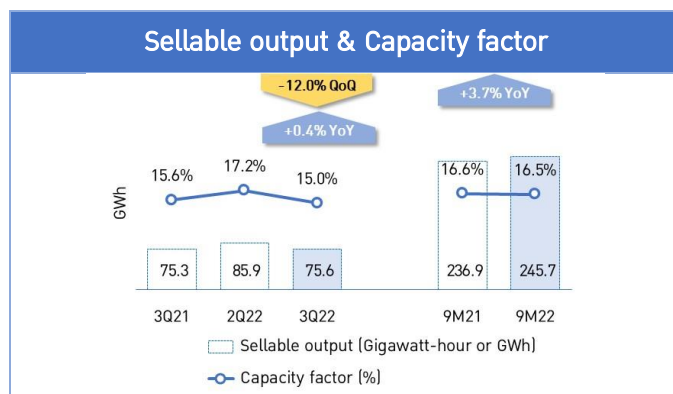
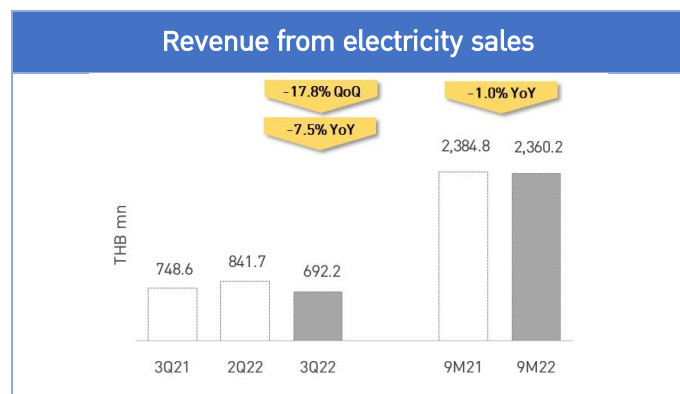
Revenue from sales and rendering of services

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

Unit: THB mn	3Q21	3Q22	Δ %	2Q22	Δ %	9M21	9M22	Δ %
Thai	773.6	715.2	(7.6)	854.0	(16.3)	2,447.9	2,416.1	(1.3)
Laos	460.3	499.5	8.5	229.2	118.0	810.8	896.3	10.5
Japan	56.6	316.5	458.9	342.9	(7.7)	148.8	793.8	433.4
Other operating income	11.8	12.4	5.4	10.4	19.4	29.7	32.3	8.8
Total	1,302.3	1,543.5	18.5	1,436.5	7.5	3,437.1	4,138.5	20.4

The company and subsidiaries: Thailand

Solar



In Q3/2022, the Group of Companies recorded operating revenue from solar power plants in Thailand of THB 692.2 million, decreased by 7.5% YoY and 17.8% QoQ. These were resulted from the following factors.

YoY

(+) Electricity generation grew by 0.4% YoY, thanks to the commercial operation of the solar rooftop (CMU project) during the past 12-month.

(-) Revenue from solar power plants in Q3/2022 fell YoY as a result of the expiration of adder power plants (8 MW in August 2021 and 30 MW in July 2022). However, the impact was lessened by the higher Ft rate.

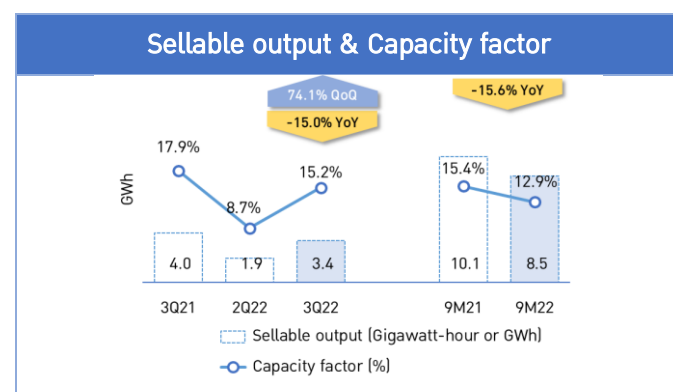
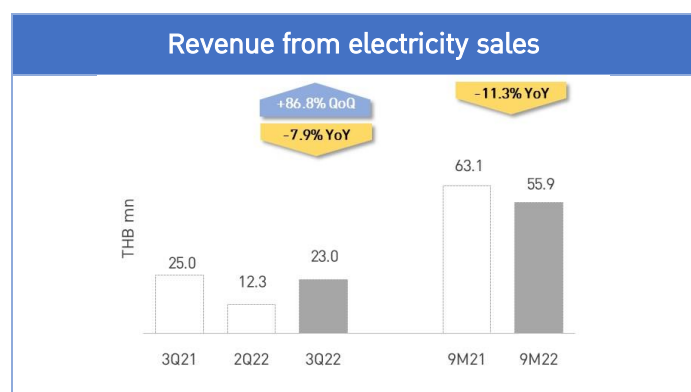
QoQ

(+) Electricity generation decreased by 12.0% QoQ, owing to the lower irradiation as the third quarter is normally the low season.

(-) Revenue from solar power plants in Q2/2022 dropped QoQ from the expiration of 30 MW power plant in July 2022 even though the increasing of Ft rate alleviated the impact.

For 9M/2022, the Group of Companies recorded operating revenue from solar power plants in Thailand of THB 2,360.2 million, fell by 1.0% YoY owing to the expiration of adder power plants (8 MW in August 2021 and 30 MW in July 2022). However, the impact was lessened by the higher Ft rate.

Wind

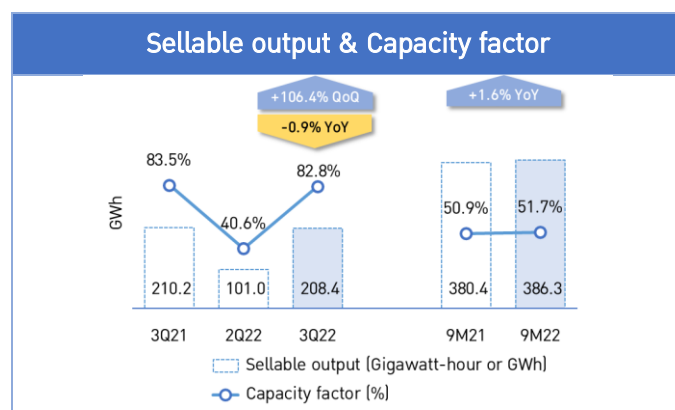
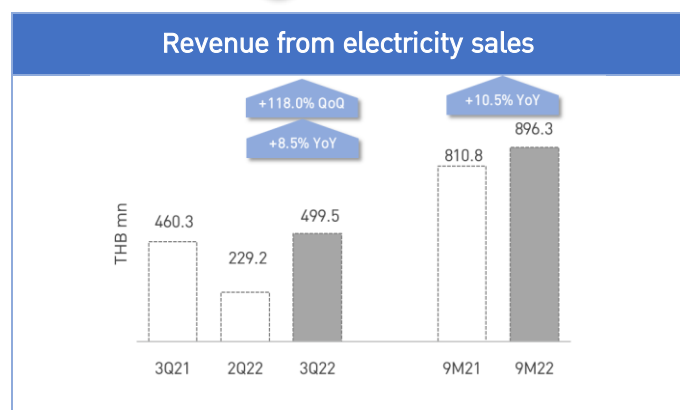


In Q3/2022, the Group of Companies recorded operating revenue from a wind power plant in Thailand of THB 23.0 million, decreased by 7.9% YoY but improved by 86.8% QoQ. These were resulted from the following factors.

YoY	QoQ
<p>(-) Electricity generation dropped by 15.0% YoY to 3.4 GWh. Capacity factor fell to 15.2% from 17.9% in Q3/2021, mainly resulted from the lower wind speed at the project.</p>	<p>(+) Electricity generation grew by 74.1% QoQ, which mainly due to the better wind speed and the impact of Noru Typhoon.</p>

For 9M/2022, the Group of Companies recorded operating revenue from a wind power plant in Thailand of THB 55.9 million, fell by 11.3% YoY. This mainly came from the lower wind speed at the project, which led to the drop in capacity factor to 12.9% from 15.4% in 9M2021.


Subsidiaries: Laos

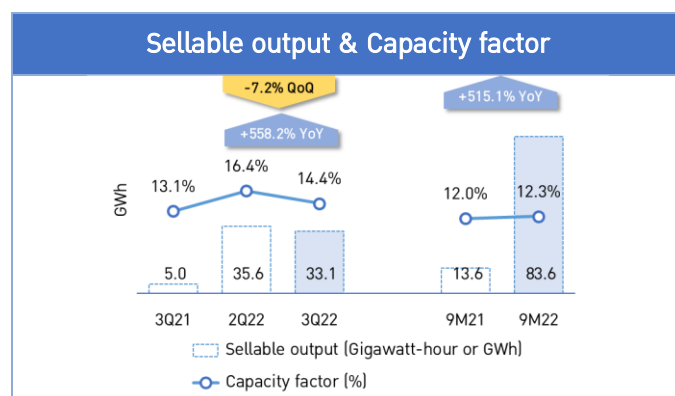
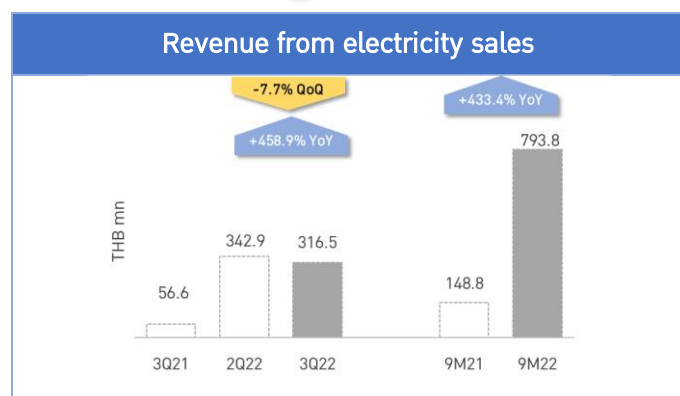


In Q3/2022, the Group of Companies recorded operating revenue from hydropower plants in Laos of THB 499.5 million, grew by 8.5% YoY and 118.0% QoQ. These were resulted from the following factors.

YoY	QoQ
<p>(+) Higher revenue from the appreciation of USD currency against THB currency, even though the electricity generation slightly decreased by 0.9% YoY to 208.4 GWh. The capacity factor of “Nam San 3A” and “Nam San 3B” dropped to 82.8% from 83.5% in Q3/2021 due to lower rainfall.</p>	<p>(+) Electricity generation rose by 106.4%, owing to seasonal factor of hydropower plants, which is normally peak in the third quarter.</p>

For 9M/2022, the Group of Companies recorded operating revenue from hydropower plants in Laos of THB 896.3 million, increased by 10.5% YoY. This mainly resulted by the higher capacity factor of “Nam San 3A” and “Nam San 3B” at 51.7% from the higher rainfall and the appreciation of USD currency against THB currency.

Subsidiaries: Japan 



In Q3/2022, the operating revenue from solar power plants in Japan was reported at THB 316.5 million, which grew by 458.9% YoY but fell by 7.7% QoQ. These were resulted from the following factors.

YoY

(+) Electricity generation grew significantly by 588.2% YoY, due to the commercial operations of 3 new solar power plants, including Chiba 1 Project (Nov 21), Komagane Project (Mar 22), and Yabuki Project (Apr 22).

QoQ

(-) Electricity generation weakened by 7.2% QoQ, owing to lower irradiation.

For 9M/2022, the operating revenue from solar power plants in Japan was reported at THB 793.8 million, significantly rose by 433.4% YoY from the commercial operations of 3 new projects as mentioned.

Total Revenue from sales and rendering of services

In Q3/2022, total revenue was at THB 1,543.5 million, increased by 18.5% YoY and 7.5% QoQ. These were resulted from the following factors.

YoY

(+) Higher revenue from an increase in electricity generation of solar power projects in Japan and hydropower projects in Lao PDR as a result of the appreciation of USD currency against THB currency as mentioned.

QoQ

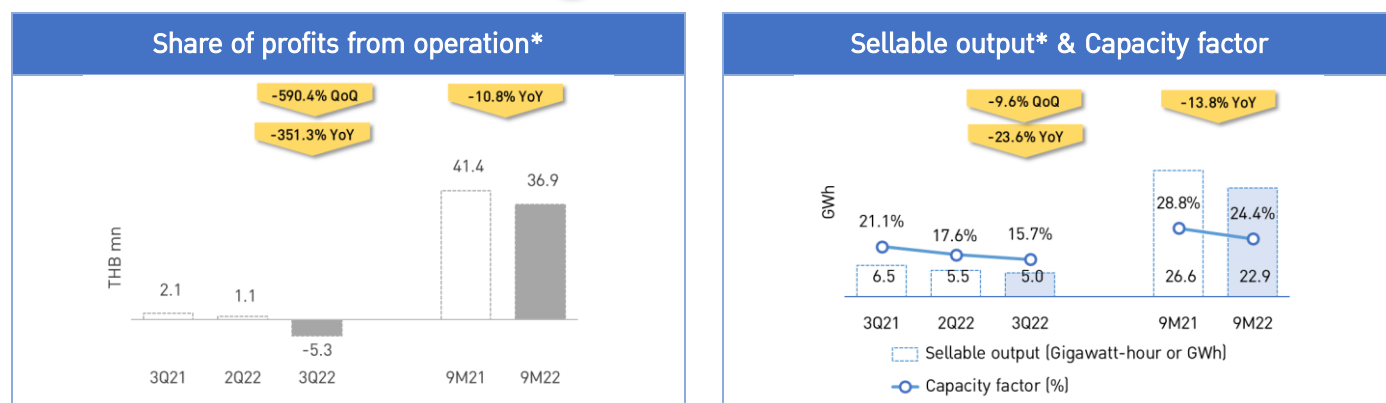
(+) Higher revenue from an increase in electricity generation of hydropower projects in Lao PDR and wind projects in Thailand as mentioned.

For 9M/2022, total revenue was at THB 4,138.5 million, grew by 20.4% YoY thanks to higher electricity generation from solar power projects in Japan and hydropower projects, "Nam San 3A" and "Nam San 3B", in Lao PDR 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



Unit: THB million	3Q21	3Q22	Δ YoY [%]	2Q22	Δ QoQ [%]	9M21	9M22	Δ YoY [%]
Share profits from operation	2.1	(5.2)	(350.2%)	1.1	(588.3%)	41.4	36.9	(10.7%)
(-) Amortization	(7.5)	(7.8)	(4.9%)	(7.9)	0.5%	(23.3)	(23.3)	(0.3%)
Share profits from operation (after amortization)	(5.4)	(13.1)	(143.4%)	(6.8)	(92.3%)	18.1	13.6	(24.8%)

In Q3/2022, the Group of Companies recorded share of losses from operation (after amortization) of THB 13.1 million, decreased by 143.4% YoY and 92.3% QoQ. These were resulted from the following factors.

YoY

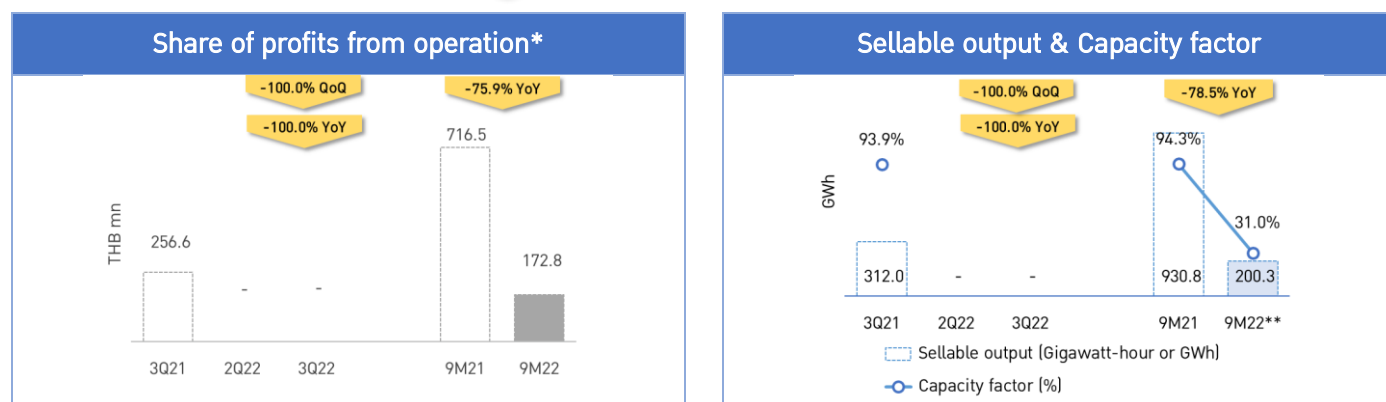
(-) Electricity generation fell by 23.6% YoY from the drop in capacity factor in Q3/2022 to 15.7% from 21.1% in Q3/2021. This was resulted from lower wind speed at the project compared to the same period last year.

QoQ

(-) Electricity generation dropped by 9.6% QoQ following a lower capacity factor compared to the previous quarter, which was due to an unusually low monsoon in the Philippines.

For 9M/2022, the Group of Companies recorded share of profits from operation (after amortization) of THB 13.6 million, dropped by 24.8% YoY. This mainly resulted by the lower wind speed.

Investment in associates: Indonesia



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

*Sellable output calculation according to holding stake

**9M22 Capacity factor was calculated from an average of 1Q/2022 capacity factor at 93.1% and 2Q/2022, 3Q/2022 that has no operations after the divestment completion in March 2022.

Unit: THB million	3Q21	3Q22	Δ YoY (%)	2Q22	Δ QoQ (%)	9M21	9M22	Δ YoY (%)
Share profits from operation	256.6	-	(100.0%)	-	NA	716.5	172.8	(75.9%)
(-) Amortization	(100.9)	-	(100.0%)	-	NA	(286.8)	(64.7)	(77.5%)
Share profits from operation (after amortization)	155.7	-	(100.0%)	-	NA	429.7	108.2	(74.8%)

In Q3/2022, the Group of Companies did not record share of profits from operation (after amortization) of geothermal power plants in Indonesia as the Group of Companies completed the share disposal of Star Energy Group Holdings Pte Ltd. (SEGHPL) on 3 March 2022. As a result, the share of profits from the operation (after amortization) of geothermal power plants decreased by 100% YoY.

For 9M/2022, the Group of Companies reported share of profits from operation (after amortization) of geothermal power plants in Indonesia at THB 108.2 million, fell by 74.8% YoY from the divestment of geothermal power plants in March 2022.

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

Unit: THB million	3Q21	3Q22	Δ YoY (%)	2Q22	Δ QoQ (%)	9M21	9M22	Δ YoY (%)
Share profits from operation	258.7	(5.2)	(102.0%)	1.1	(588.3%)	757.9	209.8	(72.3%)
Others	-	(4.1)	NA	(1.9)	NA	-	(5.9)	NA
(-) Amortization	(108.4)	(7.8)	(92.8%)	(7.9)	(0.5%)	(310.1)	(88.0)	(71.6%)
Share profits from operation (after amortization)	150.3	(17.1)	(111.4%)	(8.7)	(97.4%)	447.8	115.9	(74.1%)

In Q3/2022, the Group of Companies recorded share of losses of investment in associates (after amortization and before one-time items) of THB 17.1 million, dropped by 111.4% YoY and 97.4% QoQ. These were resulted from the following factors.

YoY	QoQ
(-) there was no share of profit contributed from geothermal power plants in Indonesia as well as the record of losses from wind power projects in the Philippines and other business.	(-) Higher losses from wind power projects in the Philippines and other business.

For 9M/2022, the Group of Companies recorded a share of profit of investment in associates (after amortization and before one-time items) of THB 115.9 million, down by 74.1% YoY. This mainly came from the sales of geothermal power plants in Indonesia in March 2022, together with the record of losses from wind power projects in the Philippines and other business.

EBITDA from operation

In Q3/2022, EBITDA from the operation was at THB 1,272.5 million, increased by 4.9% YoY and 8.8% QoQ. These were resulted from the following factors.

YoY	QoQ
(+) Higher revenue from solar power projects in Japan and hydropower projects in Lao PDR as mentioned.	(+) Higher revenue from hydropower plants in Lao PDR, and solar power projects in Thailand as mentioned.

For 9M/2022, EBITDA from the operation was at THB 3,499.3 million, rose by 11.0% YoY from higher total revenue from solar power projects in Japan and hydropower projects in Lao PDR as mentioned.

Administrative expense

In Q3/2022, administrative expense (excluding one-time items) was at THB 130.3 million, remained close to Q3/2021 level, but decreased by 9.8% QoQ due to the lower in consulting expenses.

For 9M/2022, administrative expense (excluding one-time items) was at THB 422.0 million, remained close 9M/2021.

SG&A to sales ratio in Q3/2022 was lower than Q3/2021 and Q2/2022. Also, SG&A to sale ratio in 9M/2022 was lower from 9M/2021.

Unit: %	3Q21	2Q22	3Q22	9M21	9M22
SG&A / Sales*	10.1	10.1	8.4	12.2	10.2

**Remark: administrative expenses are excluded from one-time items*

One-time items

In Q3/2022, the Group of Companies has one-time items as followed.

	3Q21	3Q22	2Q22	9M21	9M22
Total one-time items:	(24.1)	14.6	(218.8)	71.5	642.2
FX gain/(loss)	177.2	167.4	(113.5)	280.2	(99.6)
Tax related to FX gain/(loss)	(35.5)	(43.1)	(9.2)	(35.3)	(39.0)
Other one-time item	(165.9)	(109.7)	(96.2)	(173.4)	780.7
Expenses related to refinancing	(107.8)	-	-	(107.8)	0.0
Net gain from sales of investment in associates	-	-	-	-	1,644.6
Loss from disposal and impairment of assets	(48.3)	-	-	(50.5)	(368.1)
Net withholding tax and special business tax	0.0	(78.5)	(70.6)	0.0	(149.1)
Other one-time item	(9.9)	(31.2)	(25.6)	(15.1)	(346.7)

Gain/(loss) from foreign exchange

In Q3/2022, the Group of Companies booked FX gain of THB 167.4 million. This came from the Group of the Company's assets, which use foreign currency as a functional currency have increased in value following the appreciation of foreign currency against THB in Q3/2022. As a result, the gain from translation occurred.

YoY	QoQ
(-) FX gain of THB 177.2 million in Q3/2021 from the appreciation of foreign currency against THB.	(+) FX loss of THB 113.5 million in Q2/2022 from depreciation of foreign currency against THB.

For 9M/2022, the Group of Companies booked an FX loss of THB 99.6 million, decreased from the FX gain recorded in 9M/2021 of THB 280.2 million. The loss recorded in 9M/2022 came from the Group of the Company's assets, which use foreign currency as a functional currency, decreased in value following the depreciation of foreign currency against THB.

One-time expenses related to withholding tax and special business tax

In Q3/2022 the Group of Companies recorded expenses related to non-refundable withholding tax and special business tax (net tax) at THB 78.5 million. This one-time expense occurred from the settlement of shareholder loan's interest during the quarter.

For 9M/2022, the Group of Companies recorded expenses related to non-refundable withholding tax and special business tax (net tax) at THB 149.1 million.

Finance cost

In Q3/2022, the Group of Companies recorded finance cost (excluding one-time items) of THB 223.9 million, grew by 12.9% YoY and 5.4% QoQ. These were resulted from the increased market interest rate.

For 9M/2022, the Group of Companies recorded finance cost (excluding one-time items) of THB 642.4 million, rose by 11.4% YoY. This came from the increasing of market interest rate resulted in floating rate loan portion had higher finance cost as well as the higher amount of interest-bearing debt.

The average finance cost in Q3/2022 grew from Q3/2021 and Q2/2022. Meanwhile the average finance cost in 9M/2022 remained at the similar level to 9M/2021.

Unit: %	3Q21	2Q22	3Q22	9M21	9M22
Average finance cost*	2.9	3.1	3.4	3.0	3.1

**Remark: administrative expenses are excluded from one-time items*

Recurring net profit

In Q3/2022, the Group of Companies recorded recurring net profit (excluding gain (loss) from FX and one-time items) of THB 626.3 million, dropped by 11.6% YoY but grew by 14.1% QoQ. These were resulted from the following factors.

YoY	QoQ
<p>(-) Lower revenue from solar power projects in Thailand together with the absence of share of profit contributed from geothermal power plants in Indonesia, and share of losses from the wind power plant in the Philippines as mentioned.</p>	<p>(+) Higher total revenue from hydropower plants in Lao PDR and solar power projects in Thailand as mentioned.</p>

For 9M/2022, the Group of Companies recorded recurring net profit (excluding gain (loss) from FX and one-time items) of THB 1,692.0 million, fell by 0.6% YoY. This came from the lower of revenue contribution from solar power projects and wind project in Thailand as well as the absence of share of profit contributed from geothermal power plants in Indonesia as mentioned.

Net profit

In Q3/2022, the Group of Companies recorded net profit of THB 640.9 million, fell by 6.4% YoY but improved by 94.1% QoQ. This was resulted by one-time items as followed.

YoY	QoQ
<p>(+) In Q3/2022, the total one-time gain of THB 14.6 million was recorded, compared to Q3/2021 that recorded the total one-time loss of THB 24.1 million, as a result the net profit posted negative growth lower than the recurring net profit's.</p>	<p>(+) In Q3/2022, the total one-time gain of THB 14.6 million was recorded, compared to Q2/2022 that recorded the total one-time loss of THB 218.8 million, as a result the net profit growth was higher than the recurring net profit growth.</p>

For 9M/2022, the Group of Companies recorded net profit of THB 2,334.1 million, up by 31.6% YoY, where the total one-time gain of THB 642.2 million was included. When compared to 9M/2021, there was one-time gain of THB 71.5 million. As a result, net profit grew YoY.

Financial Position

Financial position analysis as of 30 September 2022

Unit: THB million	2021	% of total assets	3Q22	% of total assets	Δ (%)
Cash and cash equivalents	11,227.7	19.1%	14,936.1	26.2%	33.0%
Current investments	0.0	0.0%	5,000.0	8.8%	n.a.
Trade accounts receivables	2,316.7	3.9%	1,596.4	2.8%	(31.1%)
Other current assets	388.6	0.7%	1,145.7	2.0%	194.9%
Total current assets	13,932.9	23.7%	22,678.2	39.8%	62.8%
Investments in associate & subsidiaries	13,485.8	23.0%	1,388.5	2.4%	(89.7%)
Property, plant and equipment	17,371.8	29.6%	17,055.8	29.9%	(1.8%)
Goodwill and Intangible assets	11,809.6	20.1%	12,304.9	21.6%	4.2%
Other non-current assets	2,121.1	3.6%	3,622.7	6.3%	70.8%
Total non-current assets	44,788.3	76.3%	34,371.8	60.2%	(23.3%)
Total Assets	58,721.2	100.0%	57,050.0	100.0%	(2.8%)
Short-term borrowings	0.0	0.0%	0.0	0.0%	n.a.
Current portions of long-term borrowings	3,575.4	6.1%	2,424.4	4.2%	(32.2%)
Long-term borrowings	13,995.5	23.8%	11,014.4	19.3%	(21.3%)
Debentures	11,984.6	20.4%	11,929.9	20.9%	(0.5%)
Other liabilities	1,937.6	3.3%	2,167.6	3.8%	11.9%
Total liabilities	31,493.1	53.6%	27,536.3	48.3%	(12.6%)
Equity attributable to owners of the Company	27,159.7	46.3%	29,443.8	51.6%	8.4%
Non-controlling interests	68.5	0.1%	69.9	0.1%	2.0%
Total liabilities and Equity	58,721.2	100.0%	57,050.0	100.0%	(2.8%)

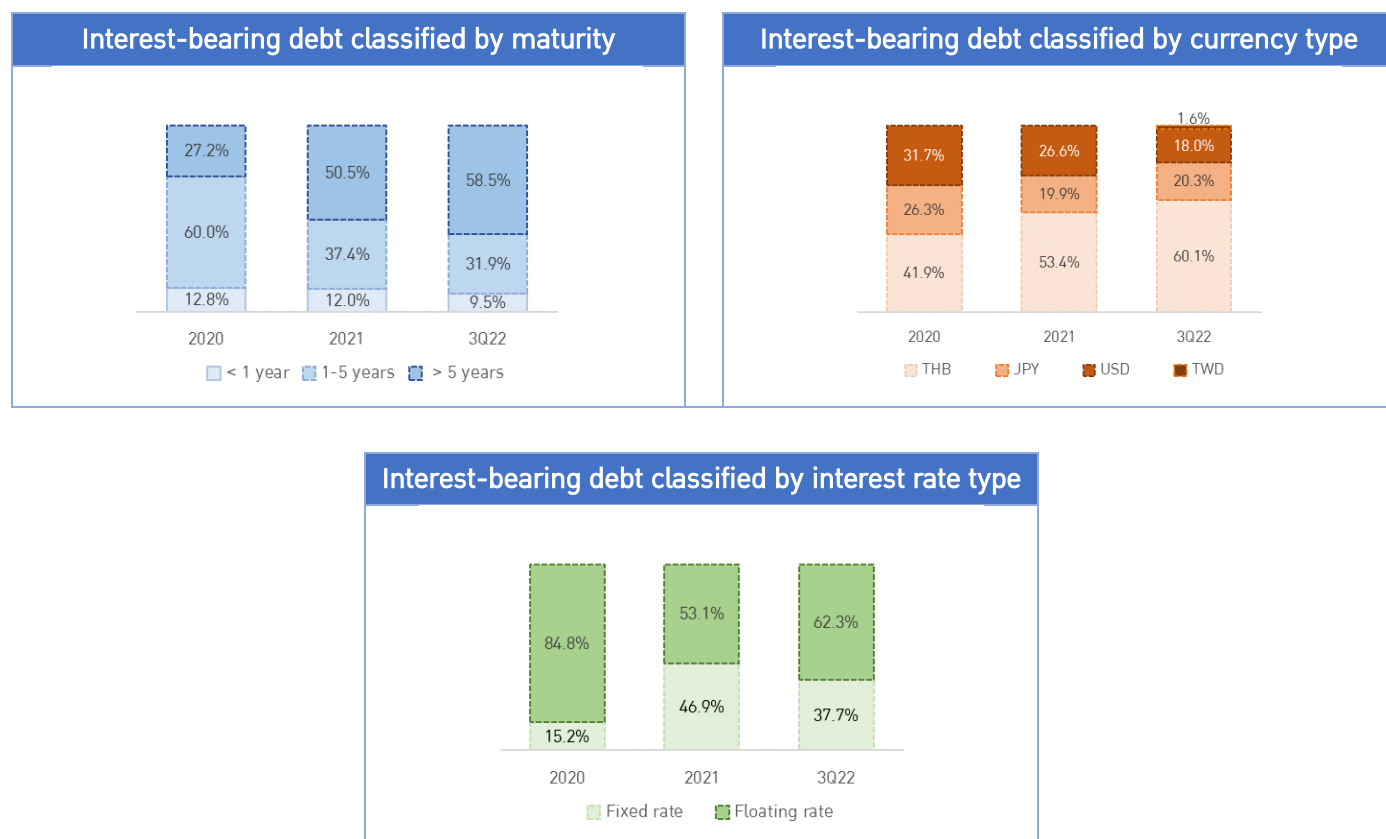
Asset

Total assets were at THB 57,050.1 million, declined by 2.8% from ending of 2021. This was resulted from the decrease in investments in associate & subsidiaries that the Group of Companies had sold the investment in Star Energy Group Holdings Pte. Ltd. (“SEGHPL”) in March 2022.

Liability

Total liabilities were at THB 27,536.3 million, dropped by 12.6% from ending of 2021. This was mainly due to the partial loan repayments.

Interest-bearing debt classified by maturity, currency type and interest rates type are as follow.



In Q3/2022, the proportion of interest-bearing debts with a maturity of less than 1 year and the proportion of interest-bearing debts with a maturity of between 1-5 years decreased to 9.5% and 31.9% respectively, while the proportion of interest-bearing debts with a maturity of over 5 years increased and has the largest majority at 58.5%.

Also, when considering interest-bearing debts classified by currency, the proportion of debts in THB currency increased due to the repayment of debts in USD currency in Q2/2022. The proportion of fixed-rate loan decreased to 37.7%, while the proportion of floating rate interest-bearing debts increased to 62.3%.

Equity

Equity attributable to owners of the group of companies worth THB 29,443.8 million, grew by 8.4% from ending 2021 following the growth of operating performance.

Cash Flow Statement

Cash flow statement analysis as of 30 September 2022

Unit: THB million	9M21	9M22	Δ
Net cash from (used in) operating activities	1,179.1	2,152.4	973.2
Net cash from (used in) investing activities	(2,641.3)	7,915.1	10,556.4
Net cash from (repay to) financing activities	(639.0)	(6,408.6)	(5,769.5)
Net increase in cash and cash equivalents	(2,101.2)	3,658.9	5,760.1
Cash and cash equivalents at 1 January	11,138.3	11,227.7	89.5
Effect of exchange rate changes on balances held in foreign currencies	235.2	49.5	(185.6)
Cash and cash equivalents at end period	9,272.2	14,936.1	5,663.9
Cash paid for investment activities	(1,915.6)	(6,525.5)	(4,609.9)

For 9-month period of 2022, net cash flow from operating activities was at THB 2,152.4 million. Meanwhile, net cash flow from investing activities was at THB 7,915.1 million, mainly came from the sales of investment in Star Energy Group Holdings Pte Ltd. [SEGHPL]. Net cash flow repaid to financing activities was at THB 6,408.6 million, mainly came from the repayment of loan from financial institutions. As a result, cash and cash equivalents at end of Q3/2022 was at THB 14,936.1 million.

Key Financial Ratio

Key financial ratio analysis as of 30 June 2022

	3Q21	3Q22	Δ	2Q22	Δ
Profitability ratio					
Gross profit margin (%)	69.7	66.2	(3.4)	65.0	1.3
EBITDA margin (%)*	83.5	83.4	(0.1)	81.9	1.5
Net profit margin (%)	52.6	41.5	(10.9)	23.0	18.7
ROE (%) (Annualized)	11.4	9.0	(2.3)	4.7	4.4
ROA (%) (Annualized)	5.1	4.4	(0.6)	2.3	2.2
Liquidity ratio					
Current ratio (x)	3.8	6.1	2.3	5.4	0.7
Account receivable turnover (x)	3.2	2.9	(0.3)	2.4	0.5
Average collection period (days)	113.8	127.4	13.6	149.0	(21.6)
Leverage ratio					
Interest-bearing debt/equity (x)	1.1	0.9	(0.2)	0.9	0.0
Net interest-bearing debt/equity (x)	0.8	0.4	(0.4)	0.3	0.1
Total liability/equity (x)	1.2	0.9	(0.3)	1.0	(0.1)

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

Profitability ratio

Gross profit margin in Q3/2022 was at 66.2%, decreased from Q3/2021 due to expiration of adder power plants (8 MW in August 2021 and 30 MW in July 2022), but improved from the previous quarter from the high season of hydropower plants in Lao PDR. While EBITDA margin in Q3/2022 was at 83.4%, remained at the similar level to Q3/2021 but grew from Q2/2022. Net profit margin in Q3/2022 was reported at 41.5%, dropped YoY due to the absence of profit contributed from the geothermal power plants in Indonesia, yet improving from the previous quarter due to the gain from foreign exchange that was recorded in Q3/2022.

Liquidity ratio

The Group of Companies specifies credit term for trade receivables of no more than 60 days. As of ending Q3/2022, 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. Average collection period as of Q3/2022 increased YoY since the electricity payment of 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 was different from the past. On the other hand, the average collection period decreased QoQ thanks to the partial conversion of EDL account receivables to the investment in transmission line project. However, the Group of Companies closely monitored EDL debt collection and continued to receive payment. In addition, the hydropower plants have Power Purchase Agreement (PPA) with EVN, which will begin to sell electricity within 2022. This would lessen average collection period by getting faster payment.

Leverage ratio

Interest-bearing debt to equity ratio in Q3/2022 was at 0.9 times, slightly reduced from Q3/2021 and Q2/2022.

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 62% of the group of companies's 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. The Group of the Companies is in the process of offering debentures in THB for repayment of debts, most of which are floating interest rate, and some are in foreign currency. Therefore, this could reduce the risk of interest rate and the exchange rate.

(+/-) 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	3Q21	3Q22	Δ (%)	2Q22	Δ (%)	9M21	9M22	Δ (%)
Total production	294,521	320,450	8.8%	224,430	42.8%	640,990	724,143	13.0%
Production - Thailand (Solar)	75,304	75,579	0.4%	85,904	(12.0%)	236,935	245,717	3.7%
Production - Adder	63,826	61,338	(3.9%)	69,662	(11.9%)	201,417	199,790	-0.8%
Tariff (Incl. adder) (THB-kWh)	10.89	10.26	(5.8%)	11.08	(7.4%)	11.00	11.06	0.5%
Production - FIT 5.66	6,349	6,042	(4.8%)	6,883	(12.2%)	19,622	19,845	1.1%
Feed in Tariff (THB-kWh)	5.66	5.66	0.0%	5.66	0.0%	5.66	5.66	0.0%
Production - FIT 4.12	3,177	3,073	(3.3%)	3,492	(12.0%)	10,190	10,054	(1.3%)
Feed in Tariff (THB-kWh)	4.12	4.12	0.0%	4.12	0.0%	4.12	4.12	0.0%
Public solar	1,952	5,126	162.5%	5,867	(12.6%)	5,706	16,029	180.9%
Feed in Tariff (THB-kWh)	2.90	3.12	7.6%	2.87	8.7%	2.92	2.86	(2.1%)
Production - Thailand (Wind)	3,953	3,359	(15.0%)	1,929	74.1%	10,085	8,510	(15.6%)
Tariff (Incl. adder) (THB-kWh)	6.31	6.84	8.4%	6.38	7.2%	6.25	6.39	2.2%
Production - Japan (Solar)	5,024	33,072	558.2%	35,619	(7.2%)	13,588	83,587	515.1%
Feed in Tariff (JPY-kWh)	36.75	36.36	(1.1%)	36.66	(0.8%)	37.28	36.68	(1.6%)
Production - Laos (Hydro)	210,240	208,440	(0.9%)	100,977	106.4%	380,381	386,329	1.6%
Feed in Tariff (US cents-kWh)	6.65	6.58	(1.1%)	6.59	(0.2%)	6.65	6.59	(0.9%)

Revenue structure of each power plants

Unit: THB million	3Q21	3Q22	Δ (%)	2Q22	Δ (%)	9M21	9M22	Δ (%)
1. Revenue - Thailand (Solar)	748.6	692.2	(7.5%)	841.7	(17.8%)	2,384.8	2,360.2	(1.0%)
2. Revenue - Thailand (Wind)	25.0	23.0	(7.9%)	12.3	86.8%	63.1	55.9	(11.3%)
3. Revenue - Japan (Solar)	56.6	316.5	458.9%	342.9	(7.7%)	148.8	793.8	433.4%
4. Revenue - Laos PDR (Hydro)	460.3	499.5	8.5%	229.2	118.0%	810.8	896.3	10.5%
5. Other operating income	11.8	12.4	5.4%	10.4	19.4%	29.7	32.3	8.8%
Total revenue	1,302.3	1,543.5	18.5%	1,436.5	7.5%	3,437.1	4,138.5	20.4%

Net share profits from investment in associates

<i>Unit: THB million</i>	3Q21	3Q22	Δ YoY (%)	2Q22	Δ QoQ (%)	9M21	9M22	Δ YoY (%)
Share profits from operation	258.7	[5.2]	[102.0%]	1.1	[588.3%]	757.9	209.8	[72.3%]
Others	-	[4.1]	NA	[1.9]	NA	-	[5.9]	NA
(-) Amortization	[108.4]	[7.8]	[92.8%]	[7.9]	[0.5%]	[310.1]	[88.0]	[71.6%]
Share profits from operation (after amortization)	150.3	[17.1]	[111.4%]	[8.7]	[97.4%]	447.8	115.9	[74.1%]
(+/-) One-time item								
<i>Amortization of deferred issuance cost from refinar.</i>	-	-	NA	-	NA	-	-	NA
<i>Tax provision</i>	-	-	NA	-	NA	-	-	NA
<i>Allowance for account receivable</i>	-	-	NA	-	NA	-	-	NA
Net share profits	150.3	[17.1]	[111.4%]	[8.7]	[97.4%]	447.8	115.9	[74.1%]

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.