

# Management's Discussion and Analysis (MD&A)

For the Financial Result of Third Quarter Ended  
30 September 2023



# EXECUTIVE SUMMARY



## Solid performance in Q3'2023

In Q3'2023, B.Grimm Power reported a normalised net profit (NNP) of THB 632 million for the owner of the parent, marking a significant recovery from the previous year's gas-price crisis impact, which had led to an NNP of only THB 25 million. Additionally, the net profit for the owner of the parent reached THB 344 million, comparing to the net loss of THB 529 million reported during the same period last year. These positive results were primarily driven by the performance recovery of the SPP business, a partial resumption of Ft-Gas margin, a 3.5% year-on-year increase in industrial user (IU) volume from new clients, and a 4.3% reduction in gas consumption per unit, thanks to ongoing efficiency improvements.

### Key Events

There has been a synchronisation of 51.7 MW of industrial users year to date. Of this, 39.5 MW of synchronisation occurred in Q3'2023. This puts us on track to achieve the full-year synchronisation target of 50-60 MW.

In Aug 2023, **commercial operation of 23.5 MW solar project** under the operation of KOPOS Co., Ltd in South Korea, which supply electricity to Korea Electric Power Corporation (KEPCO) under the relevant grid connection agreements and renewable energy certificate agreements (RECs) with a term of 20 years.

In Oct 2023, **successful commercial operation of BGPAT2**, 140 MW new combined-cycle cogeneration power plant with advanced technology, located in S Industrial Estate Anghong. It has entered into 25-year PPA with EGAT with contracted capacity of 90 MW featuring a fuel pass-through mechanism.

In Oct 2023, RES Company Sicilia S.r.l. (a subsidiary of B.Grimm Power) **acquired 100% shares of LT06 S.r.l., to develop 80.9 MWp solar power projects** equipped with solar tracking systems, located in the southern part of Italy. We are currently progressing with several renewable projects totaling 250-300 MW under development, most of which have secured grid connection permits in Italy.

In Oct 2023, signed the MOU agreements with the Industrial Estate Authority of Thailand, Global Power Synergy, Earth Electric Supply, and Triple P Technology **to explore the feasibility of jointly investing and establishing Intelligent Utility Systems in the Smart Park Industrial Estate**. This collaboration aims to boost the Smart Park Industrial Estate, supporting the New S-Curve and promoting "Eco Industrial Town" in the EEC area.

In Oct 2023, **delivered a Renewable Energy Certificate (REC) to Bangkok Komatsu**, aiming to encourage the adoption of renewable energy within the Thai industrial sector, fostering a collaborative effort to achieve our shared green economy.

## 2024 Outlook

- **Full year contribution from BGPAT2&3** after the scheduled CODs in Q4'2023, these 2 SPP power plants have combined capacity of **280 MW** and a total electricity purchase contract of 180 MW with EGAT for a 25-year.
- Scheduled COD projects with additional **58 MW** operating capacity in 2024 from the first phase of U-Tapao hybrid power plant, the 20 MW GIFU solar project in Japan, and the 20 MW KOPOS onshore wind project in South Korea.
- **Pursuing both Greenfield and Brownfield Projects to our portfolio in 2024** by expanding our low-greenhouse gas portfolio both domestically and internationally including South Korea, Japan, Vietnam, the Philippines, Cambodia, Greece, Italy, the United States, Australia, the United Arab Emirates and Saudi Arabia.
- Targeting the synchronisation of new IUs with total PPA of 50-60 MW in 2024.
- Anticipating increased revenue streams from service incomes and Renewable Energy Certificates (RECs).
- SPP gas cost guideline of THB350-380/MMBTU in 2024, comparing to THB 400-450/MMBTU in 2023

## Rewards and Recognitions

**The Most Outstanding Company in Thailand - Utilities Sector**, from "Asia's Outstanding Companies Poll 2023", organised by Asiamoney magazine. This award recognizes B.Grimm Power's outstanding business management and financial performance, acknowledged by experts and analysts across Asia.

Short listed as a finalist for the **Best Investor Relations officer (mid-cap)** category at the IR Magazine Awards – South East Asia.

B.Grimm Power has attained **the highest rating of "AAA" from SET ESG Ratings** (formally Thailand Sustainability Investment or THSI), demonstrating a steadfast commitment on sustainable business practices.

## Progress of projects under construction

The new SPP, BGPAT3, with a 140 MW capacity, has reached 94% completion in construction. It is set to commence commercial operations in Dec 2023 and has secured a 25-year, 90 MW PPA with EGAT, featuring a fuel pass-through mechanism.

The 18 MW first phase of U-Tapao hybrid power plant had 92% construction progress with scheduled COD in 1H'2024.

The 20 MW GIFU solar project in Japan had 67% construction progress with scheduled COD in 2024.

The 20 MW KOPOS onshore wind farm in South Korea had 44% construction progress with scheduled COD in 2024.

# EXECUTIVE SUMMARY



## KEY FINANCIAL HIGHLIGHT

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Sales and service income	47,817	43,861	(8.3%)	18,383	14,891	13,219	(28.1%)	(11.2%)
EBITDA*	7,214	10,889	50.9%	2,525	3,714	3,902	54.5%	5.1%
Net profit	(709)	2,633	n/a	(651)	995	830	n/a	(16.6%)
<b>Net profit - Owner of the parent</b>	<b>(699)</b>	<b>1,421</b>	<b>n/a</b>	<b>(529)</b>	<b>678</b>	<b>344</b>	<b>n/a</b>	<b>(49.3%)</b>
Unrealised (gain) / loss on FX	1,363	493	(63.8%)	830	138	422	(49.2%)	205.8%
Non-recurring expenses	(17)	0	n/a	(17)	0	0	n/a	n/a
Normalized net profit (NNP)**	637	3,126	390.7%	162	1,133	1,252	672.8%	10.5%
<b>NNP - Owner of the parent</b>	<b>206</b>	<b>1,697</b>	<b>723.8%</b>	<b>25</b>	<b>686</b>	<b>632</b>	<b>2,428.0%</b>	<b>(7.9%)</b>
EBITDA margin (%)***	15.1%	24.8%		13.7%	24.9%	29.5%		
NNP margin (%)	1.3%	7.1%		0.9%	7.6%	9.5%		
% NNP - Owner of the parent	32.3%	54.3%		15.4%	60.5%	50.5%		

\* 1) EBITDA = Earnings before interest, taxes, depreciation and amortisation - non-operating transaction, 2) If we exclude 2.1) THB 255 million insurance claim from ABP4 incident in Q4'21 and 2.2) THB 83 million gain from selling assets, Q3'23 and 9M'23 EBITDA would be THB 3,564 million and THB 10,551 million respectively.

\*\* Normalised net profit = Net profit – unrealised gain / (loss) from FX – non-operating transaction

\*\*\* If we exclude 1) THB 255 million insurance claim from ABP4 incident in Q4'21 and 2) THB 83 million gain from selling assets, Q3' 23 and 9M'23 EBITDA margin would be 27.0% and 24.1% respectively.

### Sales and Service Income

- **Total revenue decreased 28.1% y-on-y to THB 13,219 million in Q3'2023 and 8.3% y-on-y to THB 43,861 million in 9M'2023 with total sales volume of 10,483 GWh** from 1) declining EGAT tariff from lower gas price and 2) declining steam tariff, which is also related to gas price.

### EBITDA

- **EBITDA recovered 54.5% y-on-y in Q3'2023** to THB 3,902 million **and 50.9% y-on-y in 9M'2023** to THB 10,889 million. These came from several key factors: 1) margin recovery from Ft adjustment to the average of 88.86 satang/kWh in 2023, up from 39.86 satang/kWh average in the previous year, 2) successful y-on-y reduction of gas consumption per unit by 4.3% in Q3'2023 and 4.2% in 9M'2023 from the SPP replacement scheme and continued improvement in plant efficiency, and 3) THB 247 million net impact from gas cost refund derived from the difference between actual and fixed gas price collected in Jan-Apr 2023, 4) A THB 255 million insurance claim from ABP4 overhaul in Q4'2021, and 5) a gain of THB 83 million from asset sales, primarily stemming from the retirement of 5 SPP assets.

- **EBITDA margin recovered to 29.5% in Q3'2023 and 24.8% in 9M'2023**, compared to 13.7% in Q3'2022 and 15.1% in 9M'2022.

### Normalised net profit (NNP)

- **NNP - owner of the parent strongly recovered 2,428% y-on-y to THB 632 million in Q3'2023**, and **723.8% y-on-y to THB 1,697 million in 9M'2023**. This can be attributed to SPP's substantial recovery from the significant impact of the gas-price crisis experienced in last year.

### Net profit/loss

- **Net profit - owner of the parent recovered strongly to THB 344 million in Q3'2023** from loss of THB 529 million in Q3'2022 **and THB 1,421 million in 9M'2023** from loss of THB 699 million in 9M'2022. The difference from NNP was mainly from unrealised FX loss (from net position of the outstanding of US dollar debts and other US dollar transactions).

# FINANCIAL PERFORMANCE



## REVENUE STRUCTURE

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
<u>Electricity sales</u>								
EGAT	33,004	27,521	(16.6%)	13,073	9,451	8,049	(38.4%)	(14.8%)
IUs - Thailand	9,368	11,535	23.1%	3,314	3,765	3,563	7.5%	(5.4%)
IUs - Vietnam	1,151	1,083	(5.9%)	405	377	388	(4.2%)	2.9%
PEA / MEA / Rooftop	746	840	12.6%	215	275	252	17.2%	(8.4%)
EDL	330	211	(36.1%)	178	49	135	(24.2%)	175.5%
EVN	1,697	1,717	1.2%	584	615	593	1.5%	(3.6%)
EDC	120	119	(0.8%)	39	39	39	0.0%	0.0%
<b>Electricity sales</b>	<b>46,417</b>	<b>43,027</b>	<b>(7.3%)</b>	<b>17,808</b>	<b>14,571</b>	<b>13,019</b>	<b>(26.9%)</b>	<b>(10.7%)</b>
Steam sales	768	813	5.9%	257	316	195	(24.1%)	(38.3%)
Demineralised Water	38	2	(94.7%)	13	1	0	n/a	n/a
Others*	594	19	(96.8%)	306	4	5	(98.4%)	25.0%
<b>Sales and services income</b>	<b>47,817</b>	<b>43,861</b>	<b>(8.3%)</b>	<b>18,383</b>	<b>14,891</b>	<b>13,219</b>	<b>(28.1%)</b>	<b>(11.2%)</b>

\* Including revenue recognition from the EPC service for EGAT's solar floating project, installment revenue from solar rooftop in the Philippines, other service incomes and revenue from REC

### Electricity Sales to EGAT

- **Electricity sales to EGAT decreased 38.4% y-on-y in Q3'2023 to THB 8,049 million and 16.6% y-on-y in 9M'2023 to THB 27,521 million.**
  - **Sales volume to EGAT decreased 5.0% y-on-y in Q3'2023 to 2,277 GWh and 3.4% y-on-y in 9M'2023 to 6,667 GWh from 5 SPP replacement projects with EGAT PPA of 30 MW each comparing to 55-90 MW per project previously. However, EGAT volume will increase after the commercial operations of BGPAT2 in Oct 2023 and BGPAT3 by end of this year (with EGAT PPA totaling 180 MW).**
  - **Tariff of electricity sold to EGAT decreased 35.3% y-on-y in Q3'2023 to 3.53 THB/kWh and 13.6% y-on-y in 9M'2023 to 4.13 THB/kWh from decrease in natural gas price.**

### Electricity sales to Industrial Users (IUs) – Thailand

- **Electricity sales to IUs in Thailand increased 7.5% y-on-y in Q3'2023 to THB 3,563 million and 23.1% y-on-y in 9M'2023 to THB 11,535 million.**
  - **IU volume increased 3.5% y-on-y in Q3'2023 to 882 GWh from the synchronisation of 51.7 MW new IUs in 9M'2023, aligning with our full-year target of 50.0-60.0 MW based on new clients' PPA. IU volume slightly dropped 0.7% y-on-y in 9M'2023 to 2,564 GWh from auto part, home appliance, packaging and industrial gas.**
  - **Tariff of electricity sold to IUs in Thailand increased 3.9% y-on-y in Q3'2023 to 4.04 THB/kWh and 24.0% y-on-y in 9M'2023 to 4.50 THB/kWh, in line with the change in Ft charge to 154.92 satang/kWh during Jan-Apr, 91.19 satang/kWh during May-Aug and 20.48 satang/kWh during Sep-Dec from 39.86 satang/kWh average previous year.**

# FINANCIAL PERFORMANCE



## REVENUE STRUCTURE

### Electricity Sales to Industrial Users (IUs) – Vietnam

- **Electricity sales to IUs in Vietnam declined 4.2% y-on-y in Q3'2023 to THB 388 million and 5.9% y-on-y in 9M'2023 to THB 1,083 million.**
  - **Sales volume to IUs in Vietnam decreased 1.8% y-on-y in Q3'2023 to 142 GWh and 5.3% y-on-y in 9M'2023 to 404 GWh.**
  - **The tariff decreased 2.5% y-on-y in Q3'2023 to 2.73 THB/kWh and 0.7% y-on-y in 9M'2023 to 2.68 THB/kWh. The tariff is calculated using the cost-plus-margin method.**

### Electricity Sales to PEA / MEA / Rooftop

- **Electricity sales to PEA / MEA / Rooftop increased 17.2% y-on-y in Q3'2023 to THB 252 million and 12.6% y-on-y in 9M'2023 to THB 840 million, primarily due to the strong performance of wind and solar projects together with the commercial operations of new solar rooftops.**

### Electricity Sales to EDL

- **Electricity sales to EDL fell 24.2% y-on-y in Q3'2023 to THB 135 and 36.1% y-on-y in 9M'2023 to THB 211 million due to the hydro power plant's lower water inflow.**

### Electricity Sales to EVN

- **Electricity sales to EVN increased 1.5% y-on-y in Q3'2023 to THB 593 million and 1.2% y-on-y in 9M'2023 to THB 1,717 million due to good irradiation and currency exchange.**

### Electricity Sales to EDC

- **Electricity sales to EDC remained stable in Q3'2023 and 9M'2023 at THB 39 million and THB 119 million, respectively.**

### Steam Sales to Industrial Users (IUs)

- **Steam sales declined 24.1% y-on-y in Q3'2023 to THB 195 million and increased 5.9% y-on-y in 9M'2023 to THB 813 million.**
  - **Steam volume increased 4.9% y-on-y in Q3'2023 to 192,082 tons, driven by new clients added since Jan 2023. However, volume declined 12.2% q-on-q from a major client overhaul. For 9M'2023, volume decreased 1.1% y-on-y to 606,791 tons, as existing tire clients partially moved volume back to Europe.**
  - **Steam selling price decreased 27.6% y-on-y in Q3'2023 to 1,016 THB/ton and increased 7.0% y-on-y in 9M'2023 to 1,339 THB/ton. The changes were due to changes in gas prices and client mix.**

# FINANCIAL PERFORMANCE



## REVENUE STRUCTURE

Table 1) Revenue Drivers: Sales volume

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	GWh	GWh	y-on-y	GWh	GWh	GWh	y-on-y	q-on-q
<b>Electricity sales to EGAT</b>	<b>6,904</b>	<b>6,667</b>	<b>(3.4%)</b>	<b>2,396</b>	<b>2,270</b>	<b>2,277</b>	<b>(5.0%)</b>	<b>0.3%</b>
<b><u>Electricity sales to IU – Thailand</u></b>								
Amata City Chonburi Industrial Estate	1,172	1,132	(3.4%)	398	370	380	(4.6%)	2.5%
Amata City Rayong Industrial Estate	572	607	6.2%	184	197	209	13.8%	6.3%
Laemchabang Industrial Estate	533	508	(4.8%)	175	158	187	7.0%	18.4%
WHA Chonburi 1 Industrial Estate	146	113	(22.3%)	45	38	39	(13.5%)	3.6%
Bangkadi Industrial Park	146	135	(7.3%)	46	44	45	(2.6%)	1.0%
Asia Industrial Estate Map Ta Phut	12	69	468.8%	4	26	22	423.8%	(15.3%)
<b>Electricity sales to IU – Thailand</b>	<b>2,581</b>	<b>2,565</b>	<b>(0.6%)</b>	<b>853</b>	<b>833</b>	<b>882</b>	<b>3.5%</b>	<b>5.9%</b>
<b>Electricity sales to IU – Vietnam</b>	<b>427</b>	<b>404</b>	<b>(5.3%)</b>	<b>145</b>	<b>140</b>	<b>142</b>	<b>(1.8%)</b>	<b>1.9%</b>

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	ton	ton	y-on-y	ton	ton	ton	y-on-y	q-on-q
<b><u>Steam sales to IU – Thailand</u></b>								
Amata City Chonburi Industrial Estate	116,080	103,839	(10.5%)	39,116	34,371	33,104	(15.4%)	(3.7%)
Amata City Rayong Industrial Estate	78,673	81,613	3.7%	23,317	27,665	27,039	16.0%	(2.3%)
Laemchabang Industrial Estate	186,991	170,532	(8.8%)	59,518	54,609	56,279	(5.4%)	3.1%
Asia Industrial Estate Map Ta Phut	231,815	250,806	8.2%	61,181	102,099	75,661	23.7%	(25.9%)
<b>Steam sales to IU – Thailand</b>	<b>613,559</b>	<b>606,791</b>	<b>(1.1%)</b>	<b>183,133</b>	<b>218,743</b>	<b>192,082</b>	<b>4.9%</b>	<b>(12.2%)</b>

Table 2) Revenue Drivers: Price per Unit

Price per unit	Units	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
				y-on-y				y-on-y	q-on-q
Electricity to EGAT	THB/kWh	4.78	4.13	(13.6%)	5.46	4.16	3.53	(35.3%)	(15.1%)
Electricity to IU -Thailand	THB/kWh	3.63	4.50	24.0%	3.89	4.52	4.04	3.9%	(10.6%)
Electricity to IU - Vietnam	THB/kWh	2.70	2.68	(0.7%)	2.80	2.70	2.73	(2.5%)	1.1%
Steam to IU - Thailand	THB/ton	1,251.42	1,339.41	7.0%	1,402.59	1,443.83	1,015.95	(27.6%)	(29.6%)
Gas cost per unit	THB/MMBTU	474.70	400.11	(15.7%)	557.73	403.56	320.95	(42.5%)	(20.5%)

# FINANCIAL PERFORMANCE



## COST STRUCTURE

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
<b>Cost of sales and services</b>								
Natural gas	35,619	28,423	(20.2%)	14,211	9,620	7,856	(44.7%)	(18.3%)
Cost of electricity – Vietnam	1,050	983	(6.4%)	367	342	352	(4.1%)	2.9%
O&M	2,196	2,357	7.3%	679	802	819	20.6%	2.1%
Depreciation – COGS	3,627	3,830	5.6%	1,263	1,284	1,301	3.0%	1.3%
Others*	672	560	(16.7%)	202	181	196	(3.0%)	8.3%
<b>Cost of sales and services</b>	<b>43,164</b>	<b>36,153</b>	<b>(16.2%)</b>	<b>16,722</b>	<b>12,229</b>	<b>10,524</b>	<b>(37.1%)</b>	<b>(13.9%)</b>
Impairment loss on asset**	213	0	n/a	213	0	0	n/a	n/a
SG&A	1,190	1,473	23.8%	429	435	535	24.7%	23.0%
Depreciation – SG&A	106	105	(0.9%)	33	36	36	9.1%	0.0%
<b>Total expenses</b>	<b>44,673</b>	<b>37,731</b>	<b>(15.5%)</b>	<b>17,397</b>	<b>12,700</b>	<b>11,095</b>	<b>(36.2%)</b>	<b>(12.6%)</b>

\* Including construction cost from the EPC service for EGAT's solar floating project and cost of installment sales of solar rooftop in the Philippines

\*\* Impairment loss on assets is a non-operating transaction

### Natural Gas

- **Natural gas cost decreased 44.7% y-on-y in Q3'2023** to THB 7,856 million **and 20.2% y-on-y in 9M'2023** to THB 28,423 million due to the significant 42.5% y-on-y declining natural gas price to 321 THB/MMBTU in Q3'2023. This decline was influenced by 1) lower gas price compared to the energy crisis price from the previous year, 2) the refund from PTT for the price difference between actual and fixed gas price collected in Jan-Apr 2023, and 3) A reduction in overall gas consumption per unit of 4.3% y-o-y in Q3'2023 and 4.2% y-o-y in 9M'2023, leading to a reduction in heat rate, thanks to 5 SPP replacement projects with advanced technology together with B.Grimm Power's continued efficiency improvement programs. This heat rate reduction implies a carbon reduction of approximately 200,000 tons annually.

### O&M

- **Operation and maintenance costs increased 20.6% y-on-y in Q3'2023** to THB 819 million **and 7.3% y-on-y in 9M'2023** to THB 2,357 million, primarily due to the scheduled maintenance in Q3'2023 and the portfolio expansion through the project COD.

### Selling, General & Administrative Expense

- **SG&A, excluding depreciation expense, increased 24.7% y-on-y in Q3'2023** to THB 535 million **and 23.8% y-on-y in 9M'2023** to THB 1,473 million. This growth is attributed to the resumption of business activities following the COVID-19 situation and business expansions in multiple countries

### Cost of Electricity - Vietnam

- **Cost of electricity purchased from subsidiaries of EVN decreased 4.1% y-on-y in Q3'2023** to THB 352 million **and 6.4% y-on-y in 9M'2023** to THB 983 million, mainly from declining sales volume and an alignment with tariff sales .

# FINANCIAL PERFORMANCE



## OTHER ITEMS

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
Other revenues	741	802	8.2%	624	208	476	(23.7%)	128.8%
Share of profit (loss) of associates	(273)	22	n/a	(250)	(6)	(36)	n/a	n/a
Gain (Loss) on exchange rate	534	490	(8.2%)	283	304	247	(12.7%)	(18.8%)
Realised FX gain/(loss)	119	24	(79.8%)	39	9	17	(56.4%)	88.9%
Unrealised FX gain/(loss)	415	466	12.3%	244	295	230	(5.7%)	(22.0%)

### Other Revenues

- **Other revenues decreased 23.7% y-on-y in Q3'2023** to THB 476 million due to record gain on reversal loan from ABPIF in Q3'2022 **however, other revenues increased 8.2% y-on-y in 9M'2023** to THB 802 million due primarily to increasing interest income from rising interest rate for investment and loans to related parties.
- Furthermore, there was a THB 255 million insurance claim from ABP4 in Q3'2023 from the overhaul in Q4'2021. Earnings impact to B.Grimm Power based on percentage shareholding was THB 142 million.
- In addition, we booked a THB 83 million gain from selling assets in Q3'2023, primarily attributed to the retirement of certain assets, including 5 SPP projects. The earnings impact on B.Grimm Power, based on its percentage shareholding, totaled THB 48 million, with additional gains expected to be booked later in Q4'2023.

### Gain (Loss) on Exchange Rate

- The gain (loss) on exchange rate under "other items" category was mainly from our US dollar loans to relating parties and changes in local currencies against US dollar. The Realised gain (loss) was from loan repayment received in the period while Unrealised gain (loss) was from the balance of US dollar loans to related parties and changes in local currencies against US dollar during that period.
- There was **gain on exchange rate (FX) of THB 247 million in Q3'2023 and THB 490 million in 9M'2023**, due to the depreciation of THB against the US dollar.

### Share of Profit (Loss) of Associates and Joint Ventures

- **There was a THB 36 million share of loss from associates in Q3'2023** due mainly to UVBGP's major maintenance, the unrealised FX loss (from outstanding US dollar debts and THB depreciation against US dollar), **however there was a share of profit THB 22 million in 9M'2023** due to UVBGP's strong recovery SPP portfolio following Ft adjustment in 1H'2023 and improving performance of BGSENA solar projects.

# FINANCIAL PERFORMANCE



## FINANCE COST AND TAX

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
<b>Finance cost</b>								
Interest expense from borrowing	2,775	3,388	22.1%	1,042	1,128	1,129	8.3%	0.1%
Realised FX loss/(gain)	23	55	139.1%	18	47	8	(55.6%)	(83.0%)
Unrealised FX loss/(gain)	1,779	959	(46.1%)	1,074	433	652	(39.3%)	50.6%
Other financing costs	132	173	31.1%	45	53	61	35.6%	15.1%
<b>Finance cost</b>	<b>4,709</b>	<b>4,575</b>	<b>(2.8%)</b>	<b>2,179</b>	<b>1,661</b>	<b>1,850</b>	<b>(15.1%)</b>	<b>11.4%</b>
<b>Tax expense (income)</b>								
Tax on profits for the period	186	370	98.9%	123	(30)	187	52.0%	n/a
Deferred tax	(39)	(132)	n/a	(7)	(57)	(55)	n/a	n/a
<b>Tax expense (income)</b>	<b>146</b>	<b>237</b>	<b>62.3%</b>	<b>116</b>	<b>43</b>	<b>132</b>	<b>13.8%</b>	<b>207.0%</b>

### Finance Cost

- **Finance costs decreased 15.1% y-on-y in Q3'2023** to THB 1,850 million **and 2.8% y-on-y in 9M'2023** to THB 4,575 million, due mainly to the unrealised FX loss. Details of all components are as follows:
  - Interest expenses from borrowing increased 8.3% y-on-y in Q3'2023 to THB 1,129 million and 22.1% y-on-y in 9M'2023 to THB 3,388 million, primarily due to the commercial operation of 5 SPP replacement projects and corporate bond issuing in May 2022;
  - Unrealised FX loss from financing activities were reported with a THB 652 million in Q3'2023 and THB 959 million in 9M'2023. These were non-cash items derived from the outstanding of US dollar debts using the exchange rate at the end of the period which the THB and VND depreciation against the US dollar.

### Tax Expense (Income)

- **Tax expense increased 13.8% y-on-y to THB 132 million** in Q3'2023 **and 62.3% y-on-y to THB 237 million** in 9M'2023, due to the higher taxable profit, the expired tax privileges of BIP1 since Apr 2023 and a reduction of tax exemption from Vietnam solar projects in 2023.

# FINANCIAL PERFORMANCE



## NORMALISED NET PROFIT (NNP)

	9M'22	9M'23	change	Q3'22	Q2'23	Q3'23	change	change
	Btmn	Btmn	y-on-y	Btmn	Btmn	Btmn	y-on-y	q-on-q
<b>Net profit – Owner of the parent</b>	<b>(699)</b>	<b>1,421</b>	<b>n/a</b>	<b>(529)</b>	<b>678</b>	<b>344</b>	<b>n/a</b>	<b>(49.3%)</b>
Net profit	(709)	2,633	n/a	(651)	995	830	n/a	(16.6%)
<u>Less/Add Unrealised (gain)/loss on FX</u>	1,363	493	(63.8%)	830	138	422	(49.2%)	205.8%
<u>Less Non-recurring expenses</u>	(17)	0	n/a	(17)	0	0	n/a	n/a
Normalised net profit (NNP)	637	3,126	390.7%	162	1,133	1,252	672.8%	10.5%
<u>Less Minority interest</u>	431	1,429	231.6%	137	447	620	352.6%	38.7%
<b>NNP - Owner of the parent</b>	<b>206</b>	<b>1,697</b>	<b>723.8%</b>	<b>25</b>	<b>686</b>	<b>632</b>	<b>2,428.0%</b>	<b>(7.9%)</b>
<i>NNP per share (THB per share)</i>	<i>0.08</i>	<i>0.65</i>	<i>723.8%</i>	<i>0.01</i>	<i>0.26</i>	<i>0.24</i>	<i>2,428.0%</i>	<i>(7.9%)</i>
<i>No. of shares in calculation (million shares)</i>	<i>2,607</i>	<i>2,607</i>		<i>2,607</i>	<i>2,607</i>	<i>2,607</i>		

### Normalised Net Profit (NNP)

- **NNP - owner of the parent recovered strongly** to THB 632 million in Q3'2023 and THB 1,697 million in 9M'2023, from Ft adjustment and a decrease in gas price compared to the energy-price crisis during the same period of last year.

The adjustments on NNP in Q3'2023 and 9M'2023 were:

- **A non-cash unrealised loss on exchange rate** of THB 422 million and THB 493 million respectively, from the translation of outstanding US dollar debts and the THB depreciation against the US dollar.

### Net profit

- **Net profit – owner of the parent** was THB 344 million in Q3'2023 and THB 1,421 million in 9M'2023 from the reasons described previously.

# FINANCIAL POSITION



## STATEMENT OF FINANCIAL POSITION

	31-Dec-2022	30-Sep-2023	% change
	Btmn	Btmn	
Cash, cash equivalent and short-term investments	30,759	34,304	11.5%
Total assets	170,651	182,156	6.7%
Total interest-bearing debts	114,453	115,085	0.6%
Total liabilities	128,483	129,032	0.4%
Total equities	42,168	53,125	26.0%
Total equities attributable to Owner	29,728	39,233	32.0%
<b>Net-interest debt to equity (times)</b>	<b>1.98</b>	<b>1.52</b>	

### Change in Capital Structure

- **Total assets increased by 6.7%** from the end of 2022 to THB 182,156 million as of 30 Sep 2023, primarily due to the continual expansion of project portfolio and cash and cash equivalent.
- **Total interest-bearing debts slightly increased by 0.6%** from the end of 2022 to THB 115,085 million as of 30 Sep 2023, primarily due to the long-term borrowing for development our projects under construction.
- **Total equities increased by 26.0%** from the end of 2022 to THB 53,125 million as of 30 Sep 2023, primarily from increase in retained earnings and perpetual bond issuance.
- **As a result of the foregoing, net interest-bearing debt to equity ratio decreased** to 1.52 times as of 30 Sep 2023.

# PROGRESS OF PROJECTS UNDER CONSTRUCTION



## Current Construction Progress

### 1. U-Tapao (Hybrid Power Plant)



	Phase 1
Type of Fuel	Solar + ESS
Installed Capacity	18 MW + 50 MWh
Economic Ownership	100.0%
SCOD	1H'2024
PPA	15 MW / 25 years

% Progress



### 2. BGPAT2 & BGPAT3

	BGPAT2	BGPAT3
Installed Capacity (MW)	140	140
Steam Capacity (ton/hr)	30	30
Economic Ownership	70.0%	70.0%
SCOD	Oct 2023	Dec 2023
EGAT PPA	90 MW / 25 years	90 MW / 25 years



% Progress



### 3. GIFU Solar



	GIFU
Installed Capacity (MW)	20
Economic Ownership	49.0%
SCOD	2024
Off-takers	Kansai TD

% Progress



### 4. KOPOS Onshore Wind Farm

	KOPOS
Installed Capacity (MW)	20
Economic Ownership	49.9%
SCOD	2024
Off-takers	KOMIPO



% Progress



Progress as of September 2023

# ABBREVIATION & OUR PROJECTS



## ABBREVIATION

<b>COD</b>	Commercial Operation Date	<b>Kansai TD</b>	Kansai Transmission and Distribution, Inc.
<b>EBITDA</b>	Earnings before Interest, Taxes, Depreciation and Amortisation	<b>KOMIPO</b>	Korea Midland Power Co., Ltd.
<b>EDC</b>	Electricite Du Cambodge	<b>kWh / GWh</b>	Kilo / Gigawatt-hour
<b>EDL</b>	Electricite Du Laos	<b>MEA</b>	Metropolitan Electricity Authority
<b>EGAT</b>	Electricity Generating Authority of Thailand	<b>MMBTU</b>	Million Btu (unit of gas consumption)
<b>ERC</b>	Energy Regulatory Commission	<b>NNP</b>	Normalised net profit
<b>EPC</b>	Engineering, Procurement and Construction	<b>O&amp;M</b>	Operations and maintenance
<b>EVN</b>	Electricity of Vietnam	<b>P.A.</b>	Per annum
<b>Ft</b>	Fuel adjustment	<b>PEA</b>	Provincial Electricity Authority (Thailand)
<b>FX</b>	Foreign exchange	<b>PPA</b>	Power purchase agreement
<b>IPO</b>	Initial public offering	<b>PTT</b>	PTT public Company Limited
<b>IUs</b>	Industrial users	<b>q-on-q</b>	Quarter-on-quarter
<b>JV</b>	Joint venture	<b>SG&amp;A</b>	Selling, general & administrative expense
		<b>WVO</b>	War Veteran Organisation

## OUR PROJECTS

<b>ABPIF</b>	Amata B.Grimm Power Plant Infrastructure Fund	<b>BTW</b>	Bo Thong 1&2 Wind Projects
<b>ABP1</b>	Amata B.Grimm Power 1	<b>BGPM</b>	B.Grimm Power (AIE-MTP)
<b>ABP2</b>	Amata B.Grimm Power 2	<b>BPLC1R</b>	B.Grimm Power (Laem Chabang) 1
<b>ABP3</b>	Amata B.Grimm Power 3	<b>BPLC2</b>	B.Grimm Power (Laem Chabang) 2
<b>ABP4</b>	Amata B.Grimm Power 4	<b>BPWHA1</b>	B.Grimm Power (WHA) 1
<b>ABP5</b>	Amata B.Grimm Power 5	<b>DTE</b>	Dau Tieng Tay Ninh Energy Joint Stock Company
<b>ABPR1</b>	Amata B.Grimm Power (Rayong) 1	<b>Nam Che 1</b>	Nam Che 1 Hydro Power Project
<b>ABPR2</b>	Amata B.Grimm Power (Rayong) 2	<b>Phu Yen TTP</b>	Phu Yen TTP Solar Project (Phu Yen)
<b>ABPR3</b>	Amata B.Grimm Power (Rayong) 3	<b>PIC</b>	Progress Interchem
<b>ABPR4</b>	Amata B.Grimm Power (Rayong) 4	<b>reNIKOLA</b>	reNIKOLA Holdings Sdn.
<b>ABPR5</b>	Amata B.Grimm Power (Rayong) 5	<b>RE Gebeng</b>	RE Gebeng Sdn. Bhd.
<b>BGPAT1</b>	B Grimm Power Angthong 1	<b>Ray Power</b>	Ray Power Project
<b>BGPAT2</b>	B Grimm Power Angthong 2	<b>SBU Power</b>	SBU Power Sdn. Bhd.
<b>BGPAT3</b>	B Grimm Power Angthong 3	<b>SEBIT</b>	Saemangeum Sebit Power Co., Ltd.
<b>BGPSK</b>	B.Grimm Solar Power (Sakaeo) 1	<b>Solar WVO &amp; CO-OP</b>	Solar WVO-Cooperatives Projects
<b>BGSENA</b>	B.Grimm Sena Solar Power Limited	<b>XXHP</b>	Xenamnoy 2 and Xekatom 1 Hydro Power Project
<b>BGYSP</b>	B.Grimm Yanhee Solar Power		
<b>BIP1</b>	B.Grimm BIP Power 1		
<b>BIP2</b>	B.Grimm BIP Power 2		

## CONTACT US:

### Investor Relations

Email: [IR@BGrimmPower.com](mailto:IR@BGrimmPower.com)

Tel: +66 (0) 2710 3528

### Solaya Na Songkhla

Email: [Solaya.N@BGrimmPower.com](mailto:Solaya.N@BGrimmPower.com)

### Gunnlapat Wichutarat

Email: [Gunnlapat.W@BGrimmPower.com](mailto:Gunnlapat.W@BGrimmPower.com)

### Nattchanon Chawinsittangkul

Email: [Nattchanon.C@Bgrimmpower.com](mailto:Nattchanon.C@Bgrimmpower.com)

### Thunruethai Makaraphan

Email: [Thunruethai.M@BGrimmPower.com](mailto:Thunruethai.M@BGrimmPower.com)

Dr. Gerhard Link Building,  
5 Krungthepkreetha Road, Huamark,  
Bangkapi, Bangkok 10240, Thailand  
Tel. +66 (0) 2710 3400  
Fax. +66 (0) 2379 4245

#### Disclaimer

None of the Company makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this document or otherwise made available nor as to the reasonableness of any assumption contained herein or therein, and any liability therein (including in respect of any direct, indirect or consequential loss or damage) is expressly disclaimed. Nothing contained herein or therein is, or shall be relied upon as, a promise or representation, whether as to the past or the future and no reliance, in whole or in part, should be placed on the fairness, accuracy, completeness or correctness of the information contained herein. Further, nothing in this document should be construed as constituting legal, business, tax or financial advice.

This material contains “forward-looking” statements that relate to future events, which are, by their nature, subject to significant risks and uncertainties. These forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual results may differ materially from information contained in these forward-looking statements as a result of a number of factors. We do not undertake to update our forward-looking statements to reflect future events or circumstances.

The information in these materials is provided as at the date of this document and is subject to change without notice.