



# Management Discussion and Analysis

**For the Financial Result of Quarter 1 Year 2020**

**Ended March 31, 2020**

**Note:** This Management Discussion and Analysis (MD&A) was made to disclose information and the vision of the management in order to assist investors to better understand the company's financial status and operation. It also supports the "Good Corporate Governance Project" of the Securities and Exchange Commission (SEC).

An English version of the MD&A has been prepared from the Thai version. In the event of a conflict or a difference in interpretation between the two languages, the Thai version shall prevail.

The objective of this MD&A is to present the information and the explanation of financial status and operating results as of the date hereof. However, the information provided in this MD&A may vary if any factors or situation are changed in the future; the investors are, therefore, required to have their own discretion regarding the usage of this information for any purpose. For further detail, please contact Investor Relations Division of the Electricity Generating Public Company Limited (EGCO) at Tel: 662-998-5150-3 or Email: [ir@egco.com](mailto:ir@egco.com)

## Management Discussion and Analysis

### **1. Significant events in the first Quarter of 2020**

#### **1.1. The progress in construction projects**

- **Gangdong Fuel Cell Project (Gangdong)**, a project of **Paju Energy Services Co.,Ltd. (Paju ES)** (EGCO holds a 49.00% ownership interest), located in Gangdong-gu, Seoul, South Korea with a capacity of 19.80 MW. Gangdong will sell electricity to Korea Electric Power Corporation (KEPCO), the sole off-taker of wholesale power generation in South Korea, through the Korea Power Exchange (KPX). Gangdong also sells thermal energy, and receive renewable credits in the form of Renewable Energy Certificates (REC) concerning its electricity generation output. The construction of the project has progressed 91.55% (The construction plan was 91.52%). The commercial operation date is scheduled in the fourth quarter of 2020.
- **The extension of the petroleum pipeline system to the northeastern region project (The project)** is a project of **Thai Pipeline Network Company Limited (TPN)** (EGCO holds a 44.60% ownership interest). The project connects the Thai Petroleum Pipeline Co., Ltd (Thappline) Terminal in Saraburi to TPN's owned terminal with storage capacity of 142 million liters in Khon Kaen, through a newly constructed 342.80 kilometers undergrounded pipeline which has an annual transport capacity of approximately 5,443 million liters. The capacity of the project shall potentially increase to 7,330 million liters in the future. The construction of the project has progressed 31.32% (The construction plan was 33.65%). The commercial operation date is scheduled in the fourth quarter of 2021.
- **NT1PC Project**, a project of **Nam Theun 1 Power Company Limited** (EGCO holds a 25% ownership interest.), is a hydro power plant project. The project is located on the Nam Kading River in Bolikhamxay Province of Lao PDR. The project has entered into the PPA with EGAT with the contracted capacity of 514 MW and Electricite Du Laos (EDL) with the contracted capacity of 130 MW for 27 years. The construction of the project has progressed 69.23% (The construction plan was 76.63%). The commercial operation date is scheduled in the second quarter of 2022.

## **1.2. Additional Investments in Joint Ventures**

- On December 19, 2019, Greenwing Energy B.V., a wholly owned subsidiary of EGCO, entered into the share purchase agreement to acquire a 25% ownership interest in **Yunlin Holding GmbH (Yunlin)** owned by Taiwan Offshore Holding GmbH. Yunlin is a holding company that owns 100% of Yunneng Wind Power Co., Ltd. of Taiwan (Yunneng). Yunneng is constructing a 640 MW offshore wind farm project which will be located in the Taiwan Strait approximately 8 km west of the coast of Yunlin Country in Taiwan. Yunneng has entered into a power purchase agreement with Taiwan Power Company (Taipower) pursuant to a fixed 20-year feed-in tariff PPA, for the sale of electricity by the project. Commissioning of Yunneng will occur in phase, with phase 1 comprising 352 MW scheduled for the completion in the fourth quarter of 2020 and phase 2 comprising 288 MW scheduled for the completion in the third quarter of 2021. The acquisition was completed on April 17, 2020.

## **2. Business overview**

EGCO Group have invested in the Power Producer (PP), Independent Power Producer (IPP), Small Power Producer (SPP), Very Small Power Producer (VSPP), Coal Mining, Oil Transportation Service with pipeline transportation system (Oil Transportation Service), Operating and Maintenance (O&M), Management and Administrative Services (Management Services). Details of each plant are as follows:

### **(1) Subsidiaries which can be categorized into 2 businesses:**

#### **1. Power Generation**

##### **1.1 Local power generation**

Khanom Electricity Generating Co., Ltd. (KEGCO)	IPP
EGCO Cogeneration Co., Ltd. (EGCO Cogen)	SPP
Roi-Et Green Co., Ltd. (RG)	SPP
Banpong Utilities Co., Ltd. (BPU)	SPP
Klongluang Utilities Co., Ltd. (KLU)	SPP
Chaiyaphum Wind Farm Co., Ltd. (CWF)	SPP
SPP Two Co., Ltd. (SPP 2)	VSPP
SPP Three Co., Ltd. (SPP 3)	VSPP
SPP Four Co., Ltd. (SPP 4)	VSPP
SPP Five Co., Ltd. (SPP 5)	VSPP
Yanhee EGCO Holding Co., Ltd. (Yanhee EGCO)	Holding Co.
● Solarco Company Limited (Solarco)	VSPP

Theppana Wind Farm Co., Ltd. (TWF)	VSPP
EGCO Plus Co., Ltd. (EGCO Plus)	Holding Co.
<b>1.2 Overseas Power Generation</b>	
Quezon Power (Philippines) Limited Co. (Quezon)	PP
Boco Rock Wind Farm Pty Ltd. (BRWF)	PP
<b>2. Other businesses</b>	
<b>2.1 Local Other Businesses</b>	
EGCO Engineering and Service Co., Ltd. (ESCO)	O&M
<b>2.2 Overseas Other Businesses</b>	
Pearl Energy Philippines Operating Inc. (PEPOI)	O&M
Quezon Management Service Inc. (QMS)	Management Services
<b>(2) Associated in overseas power generation business</b>	
Star Energy Geothermal Pte. Ltd. (SEG)	PP
Star Energy Geothermal (Salak – Darajat) B.V. (SEGSD)	PP
Xayaburi Power Company Limited (XPCL)	PP
<b>(3) Joint Ventures which can be categorized into 2 businesses:</b>	
<b>1. Power Generation</b>	
<b>1.1 Local power generation</b>	
Gulf Electric Public Company Limited (GEC)	Holding Co.
● Gulf Cogeneration Co., Ltd. (GCC)	SPP
● Nong Khae Cogeneration Co., Ltd. (NKCC)	SPP
● Samutprakarn Cogeneration Co., Ltd. (SCC)	SPP
● Gulf Yala Green Co., Ltd. (GYG)	SPP
● Gulf Power Generation Co., Ltd (GPG)	IPP
BLCP Power Limited (BLCP)	IPP
Natural Energy Development Co., Ltd. (NED)	SPP & VSPP
G-Power Source Co., Ltd. (GPS)	VSPP

## 1.2 Overseas power generation

Nam Theun 2 Power Co., Ltd. (NTPC)	PP
San Buenaventura Power Ltd. Co. (SBPL)	PP
Nam Theun 1 Power Co., Ltd. (NT1PC)	PP
Paju Energy Services Co.,Ltd. (Paju ES)	PP

## 2. Other businesses

### 2.1 Local Other Businesses

Thai Pipeline Network Company Limited (TPN)	Oil Transportation Service
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### 2.2 Overseas Other Businesses

PT Manambang Muara Enim Co., Ltd. (MME)	Coal Mining
E&E Engineering and Service Company Limited (E&E)	O&M

As of March 31, 2020, EGCO Group's portfolio consists of 28 operating power plants, with a total contracted capacity of 5,475 MW equity and 2 construction projects, with a total contracted capacity of 171 MW equity.

### 3. Report and Analysis of the Operating Results

EGCO would like to present analysis of the operation result as follows:

#### Summary of operating results for Q1/2020, Ended of March 31, 2020

Unit : Million Baht

	<i>Power Generation</i>		<i>Others</i>		<i>Total</i>		<i>Change Increase (Decrease)</i>	
	<i>Quarter 1</i>		<i>Quarter 1</i>		<i>Quarter 1</i>		<i>Quarter 1</i>	
	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>2020</i>	<i>2019</i>	<i>Amount</i>	<i>%</i>
Total Revenues	10,142	10,259	170	175	10,312	10,434	(122)	(1%)
Total Expenses	(9,798)	(9,505)	(169)	(173)	(9,967)	(9,678)	289	3%
Share of Profit (Loss)	2,003	2,155	9	4	2,012	2,159	(147)	(7%)
<b>Operating profit (loss)*</b>	<b>2,347</b>	<b>2,909</b>	<b>10</b>	<b>6</b>	<b>2,357</b>	<b>2,915</b>	<b>(558)</b>	<b>(19%)</b>
Impact of financial instruments	357	-	-	-	357	-	357	100%
<b>Profit (Loss) before the effects of foreign exchange, deferred income tax and lease income</b>	<b>2,704</b>	<b>2,909</b>	<b>10</b>	<b>6</b>	<b>2,714</b>	<b>2,915</b>	<b>(201)</b>	<b>(7%)</b>
Deferred income (expense) tax	(306)	46	(1)	-	(307)	46	(353)	(767%)
<b>Profit (Loss) before the effects of foreign exchange and lease income</b>	<b>2,398</b>	<b>2,955</b>	<b>9</b>	<b>6</b>	<b>2,407</b>	<b>2,961</b>	<b>(554)</b>	<b>(19%)</b>
Profit (Loss) from foreign exchange	(3,104)	713	6	(1)	(3,098)	712	(3,810)	(535%)
<b>Net Profit (Loss) before the impact of lease income</b>	<b>(706)</b>	<b>3,668</b>	<b>15</b>	<b>5</b>	<b>(691)</b>	<b>3,673</b>	<b>(4,364)</b>	<b>(119%)</b>
Impact of lease income	278	76	-	-	278	76	202	266%
<b>Net Profit (Loss)</b>	<b>(428)</b>	<b>3,744</b>	<b>15</b>	<b>5</b>	<b>(413)</b>	<b>3,749</b>	<b>(4,162)</b>	<b>(111%)</b>

\*Operating profit (loss) : Profit (Loss) before the effects of foreign exchange, deferred income tax, impairment, financial instruments and lease income.

For focusing on the operating performance, the impact of lease income and the impact of financial instruments (TFRS 9) were excluded from the analysis of the company's operating results.

The operating profit of EGCO Group for Q1/2020 was Baht 2,357 million, decreasing by Baht 558 million compared to Q1/2019, which came from a decrease in power generation business of Baht 562 million and an increase in other business of Baht 4 million. See more details in 3.1 and 3.2 as follows;

### 3.1 The Analysis of the Operating Results in Power Generation business

The operating profit (loss) for Q1/2020 of power generation business decreased by Baht 562 million, comparing to Q1/2019, mainly due to a decrease in the operating results of EGCO Plus, BLCP, Quezon, XPCL and KEGCO. On the other hand, those of EGCO, SBPL, NTPC, GPG and Paju ES were increased as follows:

#### **EGCO Plus (Include North Pole):**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
<i>Other income</i>	68	123	(55)	(45%)
<b>Total revenues</b>	<b>68</b>	<b>123</b>	<b>(55)</b>	<b>(45%)</b>
<i>Cost of sale</i>	-	-	-	-
<i>Other expenses</i>	(857)	(140)	717	512%
<b>Total expenses</b>	<b>(857)</b>	<b>(140)</b>	<b>717</b>	<b>512%</b>
<b>Operating profit (loss)</b>	<b>(789)</b>	<b>(17)</b>	<b>(772)</b>	<b>(4,541)</b>

- **EGCO Plus** : The operating result was decreased by Baht 772 million mainly due to interest expenses on loan from EGCO and withholding tax expenses on dividend payments from Paju ES were increased. Additionally, interest incomes were decreased. Meanwhile, interest expenses on loans for investment in Paju ES were decreased.

#### **BLCP:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- <i>Availability Payment (AP)</i>	471	676	(205)	(30%)
- <i>Energy Payment (EP)</i>	1,394	1,421	(27)	(2%)
<i>Other income</i>	77	92	(15)	(16%)
<b>Total revenues</b>	<b>1,942</b>	<b>2,189</b>	<b>(247)</b>	<b>(11%)</b>
<i>Cost of sale</i>	(1,642)	(1,659)	(17)	(1%)
<i>Other expenses</i>	(113)	(131)	(18)	(14%)
<b>Total expenses</b>	<b>(1,755)</b>	<b>(1,790)</b>	<b>(35)</b>	<b>(2%)</b>
<b>Operating profit (loss)</b>	<b>187</b>	<b>399</b>	<b>(212)</b>	<b>(53%)</b>

- **BLCP** : The operating result was decreased by Baht 212 million mainly due to a decrease in Availability Payment (AP) according to the PPA.

**Quezon (Include PEPOI and QMS):**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	2,231	2,660	(429)	(16%)
Other income	1	1	-	-
<b>Total revenues</b>	<b>2,232</b>	<b>2,661</b>	<b>(429)</b>	<b>(16%)</b>
Cost of sale	(1,372)	(1,629)	(257)	(16%)
Other expenses	(295)	(330)	(35)	(11%)
<b>Total expenses</b>	<b>(1,667)</b>	<b>(1,959)</b>	<b>(292)</b>	<b>(15%)</b>
<b>Operating profit (loss)</b>	<b>565</b>	<b>702</b>	<b>(137)</b>	<b>(20%)</b>

- **Quezon** : The operating result was decreased by Baht 137 million mainly due to a decrease in electricity profit, caused by a longer maintenance period, comparing to the same previous year.

**XPCL:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	241	-	241	100%
Other income	1	-	1	100%
<b>Total revenues</b>	<b>242</b>	<b>-</b>	<b>242</b>	<b>100%</b>
Cost of sale	(158)	-	158	100%
Other expenses	(205)	-	205	100%
<b>Total expenses</b>	<b>(363)</b>	<b>-</b>	<b>363</b>	<b>100%</b>
<b>Operating profit (loss)</b>	<b>(121)</b>	<b>-</b>	<b>(121)</b>	<b>(100%)</b>

- **XPCL** : The operating result was loss by Baht 121 million due to low electricity revenue, caused by the low amount of water. The commencement of XPCL on October 29, 2019.



**KEGCO:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	996	1,029	(33)	(3%)
- Energy Payment (EP)	3,068	3,009	59	2%
Other income	11	17	(6)	(35%)
<b>Total revenues</b>	<b>4,075</b>	<b>4,055</b>	<b>20</b>	<b>1%</b>
<i>Cost of sale</i>	(3,452)	(3,396)	56	2%
<i>Other expenses</i>	(247)	(278)	(31)	(11%)
<b>Total expenses</b>	<b>(3,699)</b>	<b>(3,674)</b>	<b>25</b>	<b>1%</b>
<b>Operating profit (loss)</b>	<b>376</b>	<b>381</b>	<b>(5)</b>	<b>(1%)</b>

- **KEGCO** : The operating result was decreased by Baht 5 million mainly due to a decrease in Availability Payment (AP) according to the PPA and other income was decreased because the recognition of the revenue from disposal of scrap material in 2019. Meanwhile, tax and interest expenses also were decreased.

**EGCO:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	-	-	-	-
<i>Other income</i>	701	138	563	408%
<b>Total revenues</b>	<b>701</b>	<b>138</b>	<b>563</b>	<b>408%</b>
<i>Cost of sale</i>	-	-	-	-
<i>Other expenses</i>	(924)	(938)	(14)	(2%)
<b>Total expenses</b>	<b>(924)</b>	<b>(938)</b>	<b>(14)</b>	<b>(2%)</b>
<b>Operating profit (loss)</b>	<b>(223)</b>	<b>(800)</b>	<b>577</b>	<b>72%</b>

- **EGCO** : The operating result was increased by Baht 577 million mainly due to interest income from loan to EGCO Plus.

**SBPL:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	868	-	868	100%
Other income	-	-	-	-
<b>Total revenues</b>	<b>868</b>	<b>-</b>	<b>868</b>	<b>100%</b>
Cost of sale	(526)	-	526	100%
Other expenses	(208)	(4)	204	5,100%
<b>Total expenses</b>	<b>(734)</b>	<b>(4)</b>	<b>730</b>	<b>18,250%</b>
<b>Operating profit (loss)</b>	<b>134</b>	<b>(4)</b>	<b>138</b>	<b>3,450%</b>

- **SBPL** : The operating result was increased by Baht 138 million. This was resulted from the commencement of SBPL on September 26, 2019.

**NTPC:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
Electricity revenue	607	614	(7)	(1%)
Other income	3	3	-	-
<b>Total revenues</b>	<b>610</b>	<b>617</b>	<b>(7)</b>	<b>(1%)</b>
Cost of sale	(219)	(225)	(6)	(3%)
Other expenses	(80)	(107)	(27)	(25%)
<b>Total expenses</b>	<b>(299)</b>	<b>(332)</b>	<b>(33)</b>	<b>(10%)</b>
<b>Operating profit (loss)</b>	<b>311</b>	<b>285</b>	<b>26</b>	<b>9%</b>

- **NTPC** : The operating result was increased by Baht 26 million mainly due to decrease in interest and corporate income tax expenses.

**GPG:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>				
- Availability Payment (AP)	568	539	29	5%
- Energy Payment (EP)	293	291	2	1%
Other income	3	9	(6)	(67%)
<b>Total revenues</b>	<b>864</b>	<b>839</b>	<b>25</b>	<b>3%</b>
<i>Cost of sale</i>	(448)	(457)	(9)	(2%)
<i>Other expenses</i>	(111)	(101)	10	10%
<b>Total expenses</b>	<b>(559)</b>	<b>(558)</b>	<b>1</b>	<b>1%</b>
<b>Operating profit (loss)</b>	<b>305</b>	<b>281</b>	<b>24</b>	<b>9%</b>

- **GPG** : The operating result was increased by Baht 24 million mainly due to an increase in Availability Payment (AP) resulting from higher electricity sales unit price according to the PPA, comparing to the same period of the previous year.

**Paju ES:**

Unit : Million Baht

	<u>Quarter 1</u>		<u>Change Increase (Decrease)</u>	
	<u>2020</u>	<u>2019</u>	<u>Amount</u>	<u>%</u>
<i>Electricity revenue</i>	4,187	4,486	(299)	(7%)
<i>Other income</i>	130	182	(52)	(29%)
<b>Total revenues</b>	<b>4,317</b>	<b>4,668</b>	<b>(351)</b>	<b>(8%)</b>
<i>Cost of sale</i>	(3,249)	(3,544)	(295)	(8%)
<i>Other expenses</i>	(355)	(424)	(69)	(16%)
<b>Total expenses</b>	<b>(3,604)</b>	<b>(3,968)</b>	<b>(364)</b>	<b>(9%)</b>
<b>Operating profit (loss)</b>	<b>713</b>	<b>700</b>	<b>13</b>	<b>2%</b>

- **Paju ES** : The operating result was increased by Baht 13 million mainly due to a decrease in corporate income tax expenses. Meanwhile, electricity revenue and cost of sales were decreased because lower electricity sales and fuel costs unit price, comparing to the same period of the previous year.

**Other Subsidiaries in Power Generation business:**

Unit : Million Baht

	BPU		KLU		EGCO COGEN		RG	
	<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Electricity revenue	1,191	1,267	598	635	362	442	54	43
Other income	2	2	2	1	1	1	-	-
<b>Total revenues</b>	<b>1,193</b>	<b>1,269</b>	<b>600</b>	<b>636</b>	<b>363</b>	<b>443</b>	<b>54</b>	<b>43</b>
Cost of sale	(1,016)	(1,066)	(502)	(530)	(360)	(404)	(43)	(40)
Other expenses	(101)	(105)	(61)	(62)	(14)	(17)	(4)	(3)
<b>Total expenses</b>	<b>(1,117)</b>	<b>(1,171)</b>	<b>(563)</b>	<b>(592)</b>	<b>(374)</b>	<b>(421)</b>	<b>(47)</b>	<b>(43)</b>
<b>Operating profit (loss)</b>	<b>76</b>	<b>98</b>	<b>37</b>	<b>44</b>	<b>(11)</b>	<b>22</b>	<b>7</b>	<b>-</b>

**Other Subsidiaries in Power Generation business (continue):**

Unit : Million Baht

	SPP 2		SPP 3		SPP 4		SPP 5	
	<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Electricity revenue	45	44	49	46	34	33	46	45
Other income	-	-	-	-	-	-	-	-
<b>Total revenues</b>	<b>45</b>	<b>44</b>	<b>49</b>	<b>46</b>	<b>34</b>	<b>33</b>	<b>46</b>	<b>45</b>
Cost of sale	(13)	(13)	(12)	(13)	(10)	(9)	(12)	(12)
Other expenses	(9)	(10)	(9)	(8)	(6)	(7)	(8)	(9)
<b>Total expenses</b>	<b>(22)</b>	<b>(23)</b>	<b>(21)</b>	<b>(21)</b>	<b>(16)</b>	<b>(16)</b>	<b>(20)</b>	<b>(21)</b>
<b>Operating profit (loss)</b>	<b>23</b>	<b>21</b>	<b>28</b>	<b>25</b>	<b>18</b>	<b>17</b>	<b>26</b>	<b>24</b>

**Other Subsidiaries in Power Generation business (continue):**

Unit : Million Baht

	YEH EGCO		BRWF		CWF		TWF		Total		Change Increase (Decrease)	
	<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>		<u>Quarter 1</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	Amount	%
Electricity revenue	332	328	169	197	156	172	18	18	3,054	3,270	(216)	(7%)
Other income	2	3	3	4	2	1	-	-	12	12	-	-
<b>Total revenues</b>	<b>334</b>	<b>331</b>	<b>172</b>	<b>201</b>	<b>158</b>	<b>173</b>	<b>18</b>	<b>18</b>	<b>3,066</b>	<b>3,282</b>	<b>(216)</b>	<b>(7%)</b>
Cost of sale	(77)	(76)	(115)	(104)	(81)	(81)	(7)	(7)	(2,248)	(2,355)	(107)	(5%)
Other expenses	(71)	(85)	(67)	(79)	(49)	(49)	(4)	(5)	(403)	(439)	(36)	(8%)
<b>Total expenses</b>	<b>(148)</b>	<b>(161)</b>	<b>(182)</b>	<b>(183)</b>	<b>(130)</b>	<b>(130)</b>	<b>(11)</b>	<b>(12)</b>	<b>(2,651)</b>	<b>(2,794)</b>	<b>(143)</b>	<b>(5%)</b>
<b>Operating profit (loss)</b>	<b>186</b>	<b>170</b>	<b>(10)</b>	<b>18</b>	<b>28</b>	<b>43</b>	<b>7</b>	<b>6</b>	<b>415</b>	<b>488</b>	<b>(73)</b>	<b>(15%)</b>

**Other Joint Ventures and Associated in Power Generation business**

Unit : Million Baht

	SEG (ASSO)		SEGSD (ASSO)		NED (JV)		GEC* (JV)	
	Quarter 1		Quarter 1		Quarter 1		Quarter 1	
	2020	2019	2020	2019	2020	2019	2020	2019
Electricity revenue	505	513	321	317	240	231	686	1,047
Other income	-	-	-	-	1	4	6	5
<b>Total revenues</b>	<b>505</b>	<b>513</b>	<b>321</b>	<b>317</b>	<b>241</b>	<b>235</b>	<b>692</b>	<b>1,052</b>
Cost of sale	(92)	(97)	(56)	(60)	(58)	(58)	(606)	(923)
Other expenses	(271)	(267)	(157)	(165)	(35)	(26)	(46)	(55)
<b>Total expenses</b>	<b>(363)</b>	<b>(364)</b>	<b>(213)</b>	<b>(225)</b>	<b>(93)</b>	<b>(84)</b>	<b>(652)</b>	<b>(978)</b>
<b>Operating profit (loss)</b>	<b>142</b>	<b>149</b>	<b>108</b>	<b>92</b>	<b>148</b>	<b>151</b>	<b>40</b>	<b>74</b>

\* GEC : GCC of the GEC group stopped its operation and electricity sales to EGAT on September 3, 2019.

**Other Joint Ventures and Associated in Power Generation business (continue):**

Unit : Million Baht

	GPS (JV)		NT1PC* (JV)		Total		Change <u>Increase (Decrease)</u>	
	Quarter 1		Quarter 1		Quarter 1		Quarter 1	
	2020	2019	2020	2019	2020	2019	Amount	%
Electricity revenue	71	64	-	-	1,823	2,172	(349)	(16%)
Other income	-	-	-	-	7	9	(2)	(22%)
<b>Total revenues</b>	<b>71</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>1,830</b>	<b>2,181</b>	<b>(351)</b>	<b>(16%)</b>
Cost of sale	(23)	(23)	-	-	(835)	(1,161)	(326)	(28%)
Other expenses	(8)	(8)	(4)	(5)	(521)	(526)	(5)	(1%)
<b>Total expenses</b>	<b>(31)</b>	<b>(31)</b>	<b>(4)</b>	<b>(5)</b>	<b>(1,356)</b>	<b>(1,687)</b>	<b>(331)</b>	<b>(20%)</b>
<b>Operating profit (loss)</b>	<b>40</b>	<b>33</b>	<b>(4)</b>	<b>(5)</b>	<b>474</b>	<b>494</b>	<b>(20)</b>	<b>(4%)</b>

\* NT1PC is under construction.

### 3.2 The Analysis of the Operating Results in Other businesses

Operating profit (loss) for Q1/2020 in other businesses increasing by Baht 4 million compared to Q1/2019 as follows:

#### **Subsidiaries and Joint Ventures in Other business:**

Unit : Million Baht

	ESCO (Sub)		MME (JV)		Total*		Change Increase (Decrease)	
	Quarter 1		Quarter 1		Quarter 1		Quarter 1	
	2020	2019	2020	2019	2020	2019	Amount	%
Revenue	-	-	225	105	225	105	120	114%
Service income	167	172	-	-	167	172	(5)	(3%)
Other income	3	3	2	1	5	4	1	25%
<b>Total revenues</b>	<b>170</b>	<b>175</b>	<b>227</b>	<b>106</b>	<b>397</b>	<b>281</b>	<b>116</b>	<b>41%</b>
Cost of sale	(149)	(154)	(202)	(93)	(351)	(247)	104	42%
Other expenses	(20)	(19)	(16)	(9)	(36)	(28)	8	29%
<b>Total expenses</b>	<b>(169)</b>	<b>(173)</b>	<b>(218)</b>	<b>(102)</b>	<b>(387)</b>	<b>(275)</b>	<b>112</b>	<b>41%</b>
<b>Operating profit (loss)</b>	<b>1</b>	<b>2</b>	<b>9</b>	<b>4</b>	<b>10</b>	<b>6</b>	<b>4</b>	<b>67%</b>

\* Including the operating result of TPN and E&E.

### 4. Cash Flow Analysis

As of March 31, 2020 cash and cash equivalents were Baht 22,650 million, increasing by Baht 2,163 million comparing to December 31, 2019. The details are as follows:

	Unit: Million Baht
Net cash <u>received from</u> operating activities	577
Net cash <u>received from</u> investing activities	2,447
Net cash <u>payment for</u> financing activities	(2,192)
Gain from the effect of foreign exchange rate	1,331
Net increase in cash	<u>2,163</u>

- **Net cash received from operating activities** was Baht 577 million from operating of EGCO and its subsidiaries.

- **Net cash received from investing activities** was Baht 2,447 million. The dividend receives from the joint venture and other companies were Baht 2,838 million and cash receipts from interest income was Baht 88 million. On the other hand, cash payments in short-term and long-term investments and investments used as collateral were Baht 467 million and cash payments in purchases of equipment and construction in progress were Baht 12 million.

- **Net cash payment for financing activities** was Baht 2,192 million, resulted from the principal repayment of short-term and long-term loans totalling Baht 3,616 million, interest payment of loans and financing fees totalling Baht 1,001 million and payments on lease liabilities was Baht 16 million. Meanwhile, the drawn down short-term loans was Baht 2,441 million.

## 5. Financial Ratios

### **Profitability Ratios**

	<u>Quarter 1</u>		<u>Change</u>
	<u>2020</u>	<u>2019</u>	<u>Increase/(Decrease)</u>
Gross Profit Ratio (%)	27.93	28.29	(0.36)
Operating Profit Ratio before FX (%)	27.27	26.09	1.18
Profit Ratio before FX (%)	11.35	14.07	(2.72)
Profit before FX per share (Baht)	4.57	5.62	(1.05)

### **Leverage Ratio and Liquidity Ratio**

	<u>Quarter 1</u>	<u>Quarter 4</u>	<u>Change</u>
	<u>2020</u>	<u>2019</u>	<u>Increase/(Decrease)</u>
<i>Debt to equity ratio (Time)</i>			
- Consolidated	1.16	0.98	0.18
- Company	0.71	0.65	0.06
<i>Book value per share (Baht)</i>			
- Consolidated	185.09	198.48	(13.39)
- Company	121.56	122.86	(1.30)
<i>Current ratio (Time)</i>			
- Consolidated	3.08	2.87	0.21
- Company	4.22	2.51	1.71
<i>Interest Coverage Ratio (Time)</i>			
- Company	3.43	5.44	(2.01)