

No. WHAUP-CFR-A-20004

August 11, 2020

Attention: Managing Director – Stock Exchange of Thailand
Subject: Report of Financial Results for the Second Quarter of 2020

1. EXECUTIVE SUMMARY

WHAUP finished our Second Quarter of 2020 with a Normalized Net Income of Baht 177.7 million, a 74.4% decrease from 2Q2019 while Net Profit of Baht 317.4 million, a 63.0% decrease from 2Q2019.

For 6M2020, Normalized Net Income of Baht 396.8 million, a 58.9% decreased from 6M2019 with Net Profit of Baht 360.9 million, a 71.8% decreased from 6M2019.

(Unit: Million Baht)

Consolidated Financial Statements	2Q'20	2Q'19	%	YTD 2020	YTD 2019	%
Total Revenue	403.9	475.1	-15.0%	834.2	934.5	-10.7%
Gross Profit	118.9	191.7	-38.0%	255.4	375.1	-31.9%
Normalized Share of Profit from Investments in Associates	203.1	590.4	-65.6%	424.5	775.3	-45.2%
Net Profit attributable to Owners of the Parent	317.4	857.5	-63.0%	360.9	1,281.8	-71.8%
Normalized Net Income attributable to Owners of the Parent	177.7	695.3	-74.4%	396.8	965.1	-58.9%

The key factor of the decrease of Normalized Net Income in 2Q2020 is the decrease of Normalized Share of Profit of Baht 347.9 million from GHECO-One coal-fired power plant, which account for 67% of the total Normalized Net Income decrease. In 2Q2020, GHECO-One continued solid operating performance with zero unplanned outage in 2Q2020. However, the decrease of Availability Payment profile as specified in the PPA is the key reason of the decrease in Normalized Share of Profit from GHECO-One. Nevertheless, GHECO-One still provide a strong cash flow position because debt services declined follow with Availability Payment. For SPP business, total sale volume of 8 SPPs continue to grow but the negative impact from a planned maintenance shutdown of one of 8 SPPs resulted in the decrease of Normalized Share of Profit by Baht 11.4 million when comparing to 2Q2019.

For Utilities business in Thailand, it was impacted mainly by drought situation and COVID-19, resulting into decrease of Gross Profit by Baht 72.3 million when comparing to 2Q2019. In addition, SDWTP still affected by COVID-19 situation resulting into the lower ramp-up than planned and the record of normalized share of loss of Baht 37.6 million for the quarter.

As a result, Normalized Share of Profit from Investments in Associates was Baht 203.1 million, a 65.6% decrease from 2Q2019. While Normalized Net Income attributable to Owners of the Parent was Baht 177.7 million, a 74.4% decrease from 2Q2019.

Significant Events in 2Q2020:

- Solar Rooftop had signed new contract of 7.2 MW in 2Q2020, total accumulated signed contract as of 2Q2020 were 44.1 MW and had started new COD of 1.4 MW in 2Q2020, total operating of 17.5 MW as of 2Q2020
- Premium Clarified Water sold to Gulf SPPs from Reclaimed Water projects with capacity of 5,200 cubic meter per day at WHA ESIE achieved COD in June 2020
- Reclaimed Water projects with capacity of 5,000 cubic meter per day at WHA EIE achieved COD in June 2020
- Nghe An Wastewater Treatment with capacity of 3,200 cubic meter per day completed in 2Q2020. The full commissioning will be carried out in 3Q2020.

2. RESULTS OF OPERATION

(Unit : Million Baht)

Consolidated Financial Statements	2Q'20	2Q'19	% Change	YTD 2020	YTD 2019	% Change
Total Revenue	403.9	475.1	-15.0%	834.2	934.5	-10.7%
- Utilities Business	390.2	473.6	-17.6%	813.6	931.6	-12.7%
- Operating Revenue ¹	387.9	421.2	-7.9%	802.9	852.4	-5.8%
- Other Revenue from Utilities Business ²	2.3	52.4	-95.7%	10.7	79.2	-86.5%
- Power Business	13.7	1.5	821.9%	20.6	2.9	616.3%
Costs of Sales and Services	(285.0)	(283.4)	0.6%	(578.8)	(559.4)	3.5%
Gross Profit	118.9	191.7	-38.0%	255.4	375.1	-31.9%
Gross Profit from Operation³	116.6	139.3	-16.3%	244.7	295.9	-17.3%
Other Income	12.5	49.9	-74.8%	23.0	67.0	-65.7%
Net Impairment on Financial Assets	0.2	0.0	N/A	(1.0)	0.0	N/A
Administrative Expenses	(40.0)	(39.4)	1.6%	(81.4)	(75.8)	7.3%
Gain (Loss) from Exchange Rate	(155.9)	(2.2)	6,858.0%	60.1	1.9	3,081.9%
Share of Profit from Investments in Associates and Joint Ventures	465.6	752.7	-38.1%	326.9	1,091.9	-70.1%
Finance Costs	(113.5)	(84.1)	35.0%	(218.6)	(161.0)	35.8%
Income Tax (Expense)	29.9	(11.0)	-371.6%	(4.5)	(17.3)	-74.3%
Net Profit attributable to Owners of the Parent	317.4	857.5	-63.0%	360.9	1,281.8	-71.8%
Foreign Exchange Loss / (Gain) ⁴	(102.2)	(162.3)	-37.0%	41.0	(256.9)	-115.9%
Income Tax Related to FX Gain ⁵	(31.4)	0.0	N/A	3.8	0.0	N/A
One-time Accounting Adjustment ⁶	0.0	0.0	N/A	0.0	(59.8)	-100.0%
Impact of Accounting Standard (TFRS 9 and TFRS 16)	(6.1)	0.0	N/A	(8.9)	0.0	N/A
Normalized Net Income attributable to Owners of the Parent⁷	177.7	695.3	-74.4%	396.8	965.1	-58.9%
Key Profitability Ratio:						
Gross Profit Margin	29.4%	40.4%		30.6%	40.1%	
Net Profit Margin ⁸	36.0%	67.1%		25.8%	61.2%	

¹ Operating Revenue consists of Raw Water Sales, Industrial Water Sales, and Wastewater Treatment Services.

² Other Utilities Revenue consists of Excessive Charge and Service Fees for Wastewater Management

³ Gross Profit from Operation excludes Other Revenue from Utilities Business.

⁴ Foreign Exchange Loss / (Gain) consists of unrealized and realized Loss (Gain) on exchange rate from USD Loan

⁵ Income Tax Related to FX Gain is derived from Gain on exchange rate from USD Loan to related parties at WUPIN

⁶ One-time Accounting Adjustment is the revision of recognition of maintenance cost of Gulf SPPs (GVTP, GTS1, GTS2, GTS3 and GTS4) but this revision had impact to WHAUP Profit and Loss Statement in 1Q2019.

⁷ Definition of Normalized Net Income attributable to Owners of the Parent is changed to Net Profit attributable to Owners of the Parent excluding Foreign Exchange Gain/Loss and related tax, impact from TFRS 9 and TFRS 16 Accounting Standard and one-time accounting adjustment.

⁸ Net profit margin is calculated by dividing the Net Profit attributable to Owners of the Parent by Total Revenue and Share of Profit and other income

Total Revenue

In 2Q2020, Total Revenue was Baht 403.9 million, a 15.0% decrease from Baht 475.1 million in 2Q2019 due to a decrease of Other Utilities Revenue by 95.7% YoY and Operating Revenue of Utilities business by 7.9% YoY despite an increase of Solar rooftop project revenue by Baht 12.2 million. The decrease of Other Utilities Revenue was attributable to lower excessive charge due to COVID-19. While the decrease of Operating Revenue was attributable to lower industrial water's sales volume mainly due to lower demand according to the drought mitigation plan by the government despite new contribution from Demineralized Water. While the revenue from Solar rooftop project increased as the MW COD increase.

For 6M2020, Total Revenue was Baht 834.1 million, a 10.7% decrease from Baht 934.5 million in 6M2019 due to a decrease of Other Utilities Revenue by 86.5% YoY and of Operating Revenue of Utilities business by 5.8% YoY despite an increase of Baht 17.7 million from Solar rooftop projects.

Gross Profit and Gross Profit from Operation

In 2Q2020, Gross Profit was Baht 118.9 million, a 38.0% decrease from Baht 191.7 million in 2Q2019, and Gross Profit from Operation was Baht 116.6 million, a 16.3% decrease from Baht 139.3 million in 2Q2019.

For 6M2020, Gross Profit was Baht 255.4 million, a 31.9% decrease from Baht 375.1 million in 6M2019, and Gross Profit from Operation was Baht 244.7 million, a 17.3% decrease from Baht 295.9 million in 6M2019.

The lower of Gross Profit from Operation in 2Q2020 and 6M2020 was from the decrease of Operating Revenue and excessive charge from Utilities business, despite an increase in Revenue from Solar rooftop projects.

Share of Profit from Investments in Associates and Joint Ventures (“Share of Profit from Investments”)

(Unit : Million Baht)

Share of Profit from Investments	2Q'20	2Q'19	%	YTD 2020	YTD 2019	%
Share of Profit from Investments	465.6	752.7	-38.1%	326.9	1,091.9	-70.1%
- Utilities Business	(37.0)	-	N/A	(66.2)	-	N/A
- Power Business	502.5	752.7	-33.2%	393.1	1,091.9	-64.0%
Adjustment Items:						
- Foreign Exchange Loss / (Gain) related to Share of Profit	(258.2)	(162.3)	59.1%	101.0	(256.9)	-139.3%
- One-time Accounting Adjustment	-	-	N/A	-	(59.8)	-100.0%
- Impact of Accounting Standard (TFRS 9 and TFRS 16) from Associates and Joint Ventures	(4.3)	-	N/A	(3.4)	-	N/A
Normalized Share of Profit from Investments	203.1	590.4	-65.6%	424.5	775.3	-45.2%
- Utilities Business	(37.0)	-	N/A	(66.2)	-	N/A
- Power Business	240.1	590.4	-59.3%	490.7	775.3	-36.7%

Normalized Share of Profit from Investments is adjusted from Share of Profit by excluding (i) Foreign Exchange Loss / (Gain), (ii) One-time Accounting Adjustment which is the revision of recognition of maintenance cost of Gulf SPPs (GVTP, GTS1, GTS2, GTS3 and GTS4) this revision had impact to WHAUP Profit and Loss Statement in 2Q2019 and (iii) the impact from new accounting implement (TFRS 9 and TFRS 16)

Total Normalized Share of Profit was Baht 203.1 million, a 65.6% decrease from Baht 590.4 million of 2Q2019. The decrease was driven by Power business which was mainly from i) lower contribution from GHECO-One of Baht 347.9 million driven by the step down of contractual Availability Payment Rate, lower Energy margin and Tax rate 10% since November 2019 ii) lower contribution from SPP business mainly from Gulf TS1 due to performing planned maintenance, despite higher contribution CCE due to started COD in November 2019.

In addition, there was a Normalized Share of Loss of Baht 37.6 million from Investments of Utilities Business mainly due to the recognition from Share of Loss from SDWTP resulting from the delay of planned volume ramp-up in Vietnam during COVID-19 pandemic.

For 6M2020, Normalized Share of Profit from Investments was Baht 424.5 million, a 45.2% decrease from Baht 775.3 million in 6M2019 mainly due to a lower contribution from GHECO-One, SPPs (3 of 8 SPPs performed planned maintenance) and SDWTP as aforementioned.

Net Profit attributable to Owners of the Parent

In 2Q2020, Profit attributable to Owners of the Parent was Baht 317.4 million, a 63.0% or equivalent to Baht 540.1 million decrease from Baht 857.5 million in 2Q2019. The decrease was mainly from

- i) Baht 72.8 million decrease of Gross Profit mainly due to lower water sale volume, lower excessive charge, and higher Depreciation Costs of new projects despite higher Gross Profit from Solar rooftop projects
- ii) Baht 37.0 million decrease of Other Income mainly due to GIPP dividend income of Baht 30.0 million booked in 2Q2019 but no any dividend income booked in 2Q2020
- iii) Baht 153.7 million of Loss from Exchange Rate mostly due to the loss of USD loan of subsidiary company of Baht 155.9 million
- iv) Baht 287.1 million decrease of Share of Profit from Investments in Associates and Joint Ventures mainly due to GHECO-One of Baht 304.1 million and SDWTP of Baht 37.6 million despite 8 SPPs of Baht 43.7 million and CCE of Baht 15.1 million. However, Normalized Share of Profit which has no impact of FX, TFRS 9 & 16, and one-time accounting adjustment decreased by 65.6% or equivalent to Baht 387.3 million compared to 2Q2019; and
- v) Baht 31.4 million increase of Finance Costs from Baht 84.1 million to Baht 113.5 million mainly due to financing for SDWTP and Interest Expense from the new adoption of TFRS 16;

despite lower Income Tax of Baht 40.9 million mainly due to lower Earnings Before Tax

For 6M2020, Profit attributable to Owners of the Parent was Baht 360.9 million, a 71.8% or equivalent to Baht 920.8 million decrease from Baht 1,281.8 million in 6M2019. The decrease was mainly from

- i) Baht 119.7 million decrease of Gross Profit mainly due to lower water sale volume, lower excessive charge, and higher Depreciation Costs of new projects despite higher revenue from Solar rooftop projects
- ii) Baht 44.1 million decrease of Other Income mainly due to no recording of dividend income from GIPP in 6M2020
- iii) Baht 765.0 million decrease of Share of Profit from Investments in Associates and Joint Ventures mainly due to GHECO-One of Baht 453.4 million, 8 SPPs of Baht 211.7 million and SDWTP of Baht 66.7 million despite new contribution from CCE of Baht 31.0 million. However, Normalized Share of Profit which has no impact of FX, TFRS 9 & 16, and one-time accounting adjustment decrease by 45.2% or equivalent to Baht 350.7 million compared to 6M2019; and
- iv) Baht 57.6 million increase of Finance Costs from Baht 161.0 million to Baht 218.6 million mainly due to financing for SDWTP and Interest Expense from the new adoption of TFRS 16;

despite Baht 58.2 million Gain from Exchange Rate due to unrealized gain on USD loan subsidiary company.

Normalized Net Income attributable to Owners of the Parent

The Normalized Net Income attributable to Owners of the Parent is Net Profit attributable to Owners of the Parent adjusted by i) Foreign Exchange Gain or Loss ii) Income Tax related to FX Gain on USD Loan iii) One-time Accounting Adjustment and iv) Impact of Accounting Standard (TFRS 9 and TFRS 16)

In 2Q2020, there were Foreign Exchange Gain of Baht 133.6 million due to USD loan of Associate companies resulting from Thai Baht appreciation and Impact of Accounting Standard (TFRS 9 and TFRS 16) of Baht 6.1 million were adjusted to calculate Normalized Net Income in 2Q2020. Therefore, the 2Q2020 Normalized Net Income attributable to Owners of the Parent was Baht 177.7 million, a 74.4% decrease from 2Q2019.

For 6M2020, there were Foreign Exchange Loss of Baht 44.8 million due to USD loan of Associate companies resulting from Thai Baht depreciation and Impact of Accounting Standard (TFRS 9 and TFRS 16) of Baht 8.9 million were adjusted to calculate Normalized Net Income in 1Q2020 while One-time Accounting Adjustment of Baht 59.8 million was additional adjustment item of 1Q2019 Normalized Net Income. Therefore, the 6M2020 Normalized Net Income attributable to Owners of the Parent was Baht 396.8 million, a 58.9% decrease from 6M2019.

3. PERFORMANCE BY BUSINESS

Utilities Business

Total Revenue and Share of Profit/(Loss) of Utilities Business was Baht 353.2 million, a 25.4% decrease from 2Q2019. Revenue from Utilities Business decreased by 17.6% to Baht 390.2 million mainly due to lower Industrial Water sales and Other Utilities Incomes. Moreover, Share of Loss of Baht 37.6 million from SDWTP was recorded in 2Q2020 because the planned volume ramp-up was affected by COVID-19.

For 6M2020, Total Revenue and Share of Profit/(Loss) of Utilities Business was Baht 747.4 million, a 19.8% decrease from 6M2019. Revenue from Utilities Business decreased by 12.7% to Baht 813.6 million mainly due to lower Industrial Water sales and Other Utilities Incomes. Moreover, Share of Loss of Baht 66.2 million from SDWTP due to the delay of planned volume ramp-up was recorded in 6M2020. The details are shown in the table below.

(Unit: Million Baht)

Utilities Business	2Q'20	2Q'19	% Change	YTD 2020	YTD 2019	% Change
Revenue from Utilities Business	390.2	473.6	-17.6%	813.6	931.6	-12.7%
- Industrial Water Sales	291.0	314.8	-7.5%	601.4	642.4	-6.4%
- Raw Water Sales	63.3	66.6	-5.1%	130.5	131.5	-0.8%
- Wastewater Treatment Services	33.6	39.8	-15.5%	71.0	78.5	-9.6%
- Other Incomes from Utilities Business ¹	2.3	52.4	-95.7%	10.7	79.2	-86.5%
Share of Profit from Utilities Business	(37.0)	0.0	N/A	(66.2)	0.0	N/A
Total Revenue & Share of Profit from Utilities Business	353.2	473.6	-25.4%	747.4	931.6	-19.8%

¹ Other Utilities Revenue consists of Excessive Charge, Service Fees for Wastewater Management

In 2Q2020,

i) The Utilities sales volume;

- Industrial Water sales volume decreased from 13.6 million cubic meters in 2Q2019 to 11.9 million cubic meters in 2Q2020, or decreased by 12.8% mainly due to lower demand according to drought mitigation plan by the government despite the new contribution from Demineralized Water of 0.4 million cubic meters
- Raw Water sales volume decreased from 4.2 million cubic meters in 2Q2019 to 3.8 million cubic meters in 2Q2020, or decreased by 10.1%.
- Wastewater treatment volume and management decreased from 8.8 million cubic meters in 2Q2019 to 7.4 million cubic meters in 2Q2020, or decreased by 16.3%.

ii) Other Utilities Revenue, which mainly represented one-time Excessive Charge was Baht 0.4 million in 2Q2020, or decreased by Baht 50.7 million.

For 6M2020,

i) The Utilities sales volume;

- Industrial Water sales volume decreased from 27.5 million cubic meters in 6M2019 to 25.1 million cubic meters in 6M2020, or decreased by 8.6% mainly due to lower demand according to drought mitigation plan by the government as aforementioned despite the new contribution from Demineralized Water of 0.8 million cubic meters
- Raw Water sales volume decreased from 8.5 million cubic meters in 6M2019 to 8.1 million cubic meters in 6M2020, or decreased by 4.5%.

- Wastewater treatment volume and management decreased from 17.7 million cubic meters in 6M2019 to 15.6 million cubic meters in 6M2020, or decreased by 11.6%.
- ii) Other Utilities Revenue, which mainly represented one-time Excessive Charge was Baht 6.9 million in 6M2020, or decreased by Baht 69.9 million.

Power Business

In 2Q2020, Total Revenue from Power Business and Share of Profit from Investment and Dividend Income totalled at Baht 516.2 million, a 34.2% decrease from Baht 784.2 million in 2Q2019. However, Normalized Total Revenue from Power Business and Share of Profit from Investments and Dividend was Baht 253.7 million, a 59.2% decrease from 2Q2019.

For 6M2020, Total Revenue from Power Business and Share of Profit from Investment and Dividend Income totalled at Baht 413.7 million, a 63.2% decrease from Baht 1,124.8 million in 6M2019. However, Normalized Total Revenue from Power Business and Share of Profit from Investments and Dividend was Baht 511.3 million, a 36.7% decrease from 6M2019.

The breakdown of the Company's Revenue and Share of Profit from Investment and Dividend Income by category of power plant are following

(Unit: Million Baht)

Power Business	2Q'20	2Q'19	% Change	YTD 2020	YTD 2019	% Change
Revenue from Power Business	13.7	1.5	821.9%	20.6	2.9	616.3%
Share of Profit from Power Business	502.5	752.7	-33.2%	393.1	1,091.9	-64.0%
Dividend Income	-	30.0	-100%	-	30.0	-100.0%
Total Revenue from Power Business and Share of Profit from Investments and Dividend	516.2	784.2	-34.2%	413.7	1,124.8	-63.2%
Normalized Total Revenue from Power Business and Share of Profit from Investments and Dividend	253.7	621.9	-59.2%	511.3	808.1	-36.7%
- IPP	85.4	469.3	-81.8%	182.0	488.7	-62.8%
- SPP	140.8	152.1	-7.5%	280.2	320.7	-12.6%
- Renewable Energy	28.8	1.2	2,265.1%	50.2	0.7	6,699.0%
- Power Plants under Construction and Development	(1.2)	(0.7)	76.5%	(1.1)	(2.1)	-47.2%

¹ Normalized Share of Profit for 2Q2020 is adjusted with Foreign Exchange Loss / (Gain) and Impact Accounting Standard (TFRS 9 and TFRS 16) that related with Share of Profit from Associates and Joint Ventures

² Normalized Share of Profit for 2Q2019 is adjusted with Foreign Exchange Loss / (Gain) and One-time Accounting Adjustment as aforementioned.

IPP

- In 2Q2020, 3 IPPs generated Baht 85.4 million of Normalized Share of Profit and Dividend, a 81.8% decrease from 2Q2019 mostly derived from lower contribution from GHECO-One due to the lower contractual Availability Payment, negative Energy margin, and 10% tax applied since November 2019. Furthermore, there was dividend income from GIPP of Baht 30 million in 2Q2019.
- For 6M2020, 3 IPPs generated Baht 182.0 million of Normalized Share of Profit and Dividend, a 62.8% decrease from 6M2019. The lower in Normalized Share of Profit and Dividend are also the same explanation for 2Q2020.

SPP

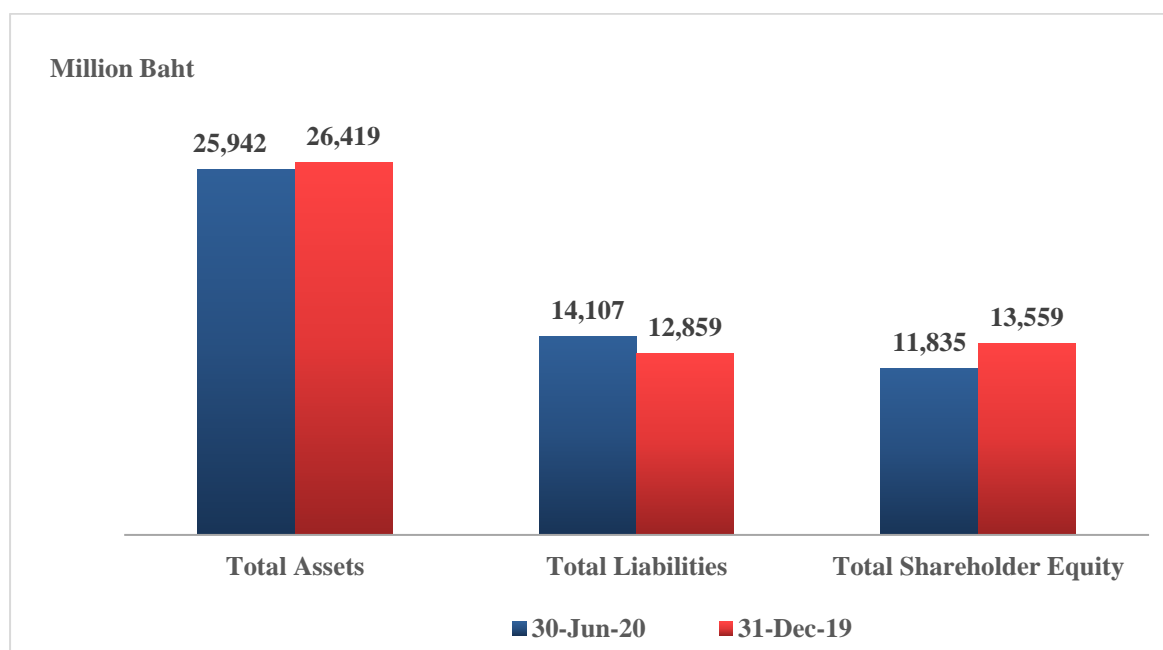
- In 2Q2020, 8 SPPs generated Baht 140.8 million of Normalized Share of Profit, a 7.5% decrease from 2Q2019 mainly due to lower demand from Industrial Users (IU) and higher maintenance cost from Gulf TS1 despite higher EGAT dispatch as a result of EGAT's transmission line maintenance in 2Q2019
- For 6M2020, 8 SPPs generated Baht 280.2 million of Normalized Share of Profit and Dividend, a 12.6% decrease from 6M2019 mainly due to lower dispatch from EGAT and Industrial Users (IU) and planned maintenance from 3 of 8 SPPs in 6M2020.

Renewable Energy

- In 2Q2020, Solar Rooftop Projects generated Baht 15.9 million of Revenue and Share of Profit to WHAUP, a Baht 12.5 million increase from 2Q2019, as a result of an additional contribution from solar projects in pipeline started COD. In addition, CCE contributed Baht 12.9 million of Share of Profit to WHAUP while it was a negative contribution of Baht 2.2 million in 2Q2019.
- For 6M2020, Solar Rooftop Projects generated Baht 24.4 million of Revenue and Share of Profit to WHAUP, a Baht 18.4 million increase from 6M2019 due to higher MW COD. In addition, CCE contributed Baht 25.8 million of Share of Profit to WHAUP while it was a negative contribution of Baht 5.2 million in 6M2019.

4. FINANCIAL POSITION

The Consolidated Balance Sheet as of 30 June 2020 is summarized as follows.



Assets

As of 30 June 2020, the Company's total Assets was Baht 25,942.1 million, decreased by Baht 476.6 million from Baht 26,418.7 million at year-end 2019. The decrease was mainly because of a decrease of Investment in Associates of Baht 1,791.6 million mainly due to TFRS9 adjustment and Net Trade and Other Receivables of Baht 590.6 million despite an increase in Cash and Cash Equivalents of Baht 1,018.7 million, Net Property Plant and Equipment of Baht 523.8 million and Right of Use (TFRS 16) of Baht 235.7 million.

The key elements of Assets in the Company's Consolidated Financial Statements consisted of: (i) Investments in Associates of Baht 12,796.0 million, (ii) Net Property Plant and Equipment of Baht 4,474.0 million (iii) Goodwill of Baht 2,772.9 million, (iv) Intangible assets of Baht 1,899.3 million and (v) Cash and Cash Equivalents of Baht 1,773.2 million.

Liabilities

As of 30 June 2020, Total Liabilities was Baht 14,107.4 million, increased by Baht 1,248.0 million from Baht 12,859.5 million at year-end 2019 mainly due to an increase of Current portion of Long-term Debentures Baht of 1,982.9 million despite a decrease of Short-term from Financial Institutions of Baht 1,765.0 million. Interest-bearing Debt as of 30 June 2020 was Baht 12,583.8 million, increased by Baht 827.1 million from Baht 11,756.7 million at year-end 2019.

Total Liabilities mainly consisted of Current portion of Long-term Borrowings Debentures amounted Baht 5,981.3 million, Long-term Borrowings Debentures amounted Baht 5,603.3 million and Long-term Borrowings from Financial Institutions amounted Baht 749.5 million.

Shareholders' Equity

As of 30 June 2020, Total Shareholders' Equity was Baht 11,834.7 million, decreased by Baht 1,724.6 million from Baht 13,559.3 million at year-end 2019, mainly due to a decrease of Other Components of Equity of Baht 1,532.6 million from unrealized loss from financial instrument of Associates and Joint Ventures according to TFRS 9 accounting standard and a decrease in Retained Earnings of Baht 192.0 million which derived from dividend paid of Baht 612.0 million in May 2020 partly offset by Net Income of Baht 317.4 million.

5. KEY FINANCIAL RATIOS

	2Q'20	2019
Return on Equity	9.58%	15.5%
Debt/Equity Ratio	1.19x	0.95x
Net Interest-bearing Debt/Equity Ratio	0.91x	0.81x

As of 30 June 2020, the Company's Debt-to-Equity ratio was 1.19x, increased from 0.95x at year-end 2019. The Net Interest-bearing Debt-to-Equity ratio was 0.91x at the end of second quarter 2020, increased from 0.81x at year-end 2019. The increase was mainly from an increase of Long-term Borrowings Debentures Baht of 2,996.8 million and a decrease of Total Shareholder Equity of Baht 1,724.6 million, despite an increase in Cash and Cash Equivalents of Baht 1,018.7 million.

6. PROJECTS UNDER CONSTRUCTION

Utilities

- Reclaimed Water project under construction at WHA EIE with capacity of 10,000 cubic meter per day expects to reach full capacity by 4Q2020.
- Demineralized Water project phase 2 at WHA EIE is scheduled to achieve COD in 4Q2020 with contractual capacity of 4,400 cubic meter per day.

Power

- In 2Q2020, Solar Rooftop had signed new 7.2 MW, total accumulated capacity in pipeline are 26.7 MW which are under construction and scheduled to achieve COD in 3Q2020-1Q2021.

Power plant	Type of power	Category of producer	Equity holding (%)	Installed Capacity (MW)	Equity Capacity (MW)	Commercial Operation Date
Solar Rooftop	Solar	Private PPA	100%	26.7	26.7	3Q2020- 1Q2021
Total				26.7	26.7	

Please be informed accordingly.

Sincerely,

.....
Mr. Natthapatt Tanboon-ek
Chief Financial Officer