

August 14, 2020

Subjects : Clarification of operating results for the Q2/2020

Attention : The Director and Manager of the Stock Exchange of Thailand

The Consolidated net profit of Eastern Power Group Public Co., Ltd. (EP) for Q2/2020 is Baht 116.57 million in comparison with net profit of Baht 125.01 million for the same period previous year, an decrease of Baht 8.44 million or 6.75% and for the six-month ended of June 30, 2020 is Baht 132.45 million in comparison with net profit of Baht 171.79 million for the same period previous year, an increase of Baht 39.34 million or 22.90%.

Summary of the company's operating result and subsidiaries as follows:

Unit : Million Baht

Operating Performance of the Company and subsidiaries	For the Q2/2020 ended June 30,				For six-month Ended June 30,			
	2020	2019 Reclassified	Changes	%	2563	2562 Reclassified	Changes	%
Revenues from sales and services	363.71	412.28	(44.66)	(12.61)	707.30	715.26	(3.01)	(0.50)
- Publishing business	106.04	174.50	(68.45)	(39.23)	258.61	331.35	(72.74)	(21.95)
- Electricity business	257.67	237.78	23.79	13.25	448.69	383.91	69.73	25.53
Other income	2.97	15.47	(12.50)	(80.82)	49.89	23.38	26.51	113.41
Total revenues	366.68	427.74	(61.06)	(14.28)	757.19	738.63	18.55	2.51
Cost of sales and services	183.14	216.10	(32.95)	(15.25)	387.52	411.46	(23.94)	(5.82)
- Publishing business	88.37	139.49	(51.12)	(36.65)	205.73	272.38	(66.65)	(24.47)
- Electricity business	94.77	76.61	18.16	23.71	181.79	139.08	42.71	30.71
Administrative and selling expenses	91.82	80.22	11.60	14.46	142.29	136.37	5.92	4.34
- Publishing business	26.05	33.50	(7.45)	(22.23)	51.18	49.34	1.84	3.72
- Electricity business	65.76	46.72	19.04	40.75	91.11	87.03	4.08	4.69
Total expenses	274.96	296.32	(21.36)	(7.21)	529.81	547.83	(18.02)	(3.29)

Operating Performance of the Company and subsidiaries	For the Q2/2020 ended June 30,				For six-month Ended June 30,			
	2020	2019 Reclassified	Changes	%	2563	2562 Reclassified	Changes	%
Share of profit (loss) on investment of associated companies	157.22	122.74	34.48	28.09	124.14	196.47	(72.33)	(36.81)
- Operating	71.72	66.92	4.79	7.16	160.79	104.68	56.11	53.60
- Profits (losses) from foreign exchange	85.51	55.82	29.69	53.18	(36.65)	91.79	(128.44)	(232.94)
Financial cost	63.61	81.94	(13.33)	(16.26)	142.51	151.86	(9.35)	(6.16)
- Publishing business	26.89	29.25	(2.36)	(8.06)	55.04	49.79	5.25	10.53
- Electricity business	41.73	52.69	(10.97)	(20.82)	87.47	102.07	(14.59)	(14.30)
Profit before income tax	180.33	172.23	8.10	4.70	209.00	235.41	(26.41)	(11.22)
Income tax expenses	21.21	1.07	20.14	1,880.76	31.15	4.67	26.48	567.08
Net profit attributed to Parent Company	116.57	125.01	(8.44)	(6.75)	132.45	171.79	(39.34)	(22.90)

The main reasons for the significant changes are as follows: -

Revenue from sales and services

For the six-month of 2020, it was Baht 7707.30 million, decreased by Baht 3.04 million or 0.50% from the decreasing of printing business income Baht 72.74 million or 21.95% compared to the same period of last year. Revenue from electricity sales increased by Baht 69.73 million or 25.53% from the Japan power plant of Baht 107.87 million of the Kurihara 2 project that started COD on Nov 25, 2019 and decreased from the Vietnam power plant project that sold at the end of 2019 in the amount of Baht 29.58 million.

For the second quarter of 2020, it was Baht 363.71 million, decreased by Baht 44.66 million or 12.61%. The main reason was from the decrease of printing business income Baht 68.45 million or 39.23% compared to the same period of last year. Revenue from electricity sales increased by Baht 23.79 million or 13.25% from the Japan power plant.

Cost of sales

For the six-month of 2020, it was Baht 387.52 million, decreased by Baht 23.94 million or 5.82%. The main reason was from the cost of printing business decreased by Baht 66.65 million or 24.47% compared to the same period of last year. The power plant cost increase by Baht 42.71 million from Japan Project by Baht 51.48 million baht and decreased from the Vietnam power plant amount Baht 9.78 million.

For the second quarter of 2020, it was Baht 183.14 million, increased by Baht 32.95 million or 15.25%. The main reason was from the cost of printing business decreased by Baht 51.12 million compared to the same period of last year and the power plant cost increased by Baht 18.16 million that increased from Japan Project by Baht 27.48 million and decreased from the Vietnam Project by Baht 9.78 million.

Selling and administrative expenses

For the six-month of 2020, it was Baht 136.37 million, increased by Baht 5.92 million or 4.34% from the printing business increased by Baht 1.84 million compared to the same period of last year. And the selling and administrative expenses from power plant business increased by Baht 4.08 million.

For the second quarter of 2020, it was Baht 91.82 million increased by Baht 11.60 million or 14.46%. This is a decrease of Baht 7.45 million. From the power plant business in the amount Baht 19.04 million. The main reason is that the solar business has adjusted the unrealized exchange rate loss of foreign currency.

Financial cost

For the six-month of 2020, it was Baht 142.51 million, decreased by Baht 9.35 million or 6.16% compared to the same period of last year from the printing business increased by Baht 5.25 million and decreased Baht 14.59 million from the power plant business due to the power plant project in Vietnam amounted to Baht 8.61 million and decreased from the power plant project in Thailand amounted to Baht 4.34 million.

For the second quarter of 2020, it was Baht 63.61 million decreased by Baht 13.33 million or 16.26%. The printing business decreased by Baht 2.36 million and decreased Baht 10.97 million.

Share of profits (losses) from investments of associates companies using the equity method

Share of profits from investments in associated companies, the Co-Generation Combined Power Plants. In the six-month ended June 30, 2020, the company recognized profit from investment in the associated companies in the amount of Baht 124.14 million from operating performance increased amount Baht 56.11 million and from recognizing foreign exchange gains amount to Baht 68.03 million.

In the second quarter of 2020, the company recognized profit from investment in the associated companies in the amount of Baht 157.22 million in comparison to profit of Baht 122.74 million in Q2/2019, increased by Baht 34.48 million or 28.09%, from operating performance increased amount Baht 4.79 million and from recognizing foreign exchange gains amount to Baht 29.69 million.

Please be informed accordingly,

Respectfully yours,

-Weera Louwitawas-

(Mr. Weera Louwitawas)

Chief Executive Officer