Management's Discussion and Analysis

The Group Performance For The Year 2024

Banpu Public Company Limited and Subsidiaries

DRIVING FORWARD SUSTAINABLE GROWTH AND BETTER LIVING FOR ALL

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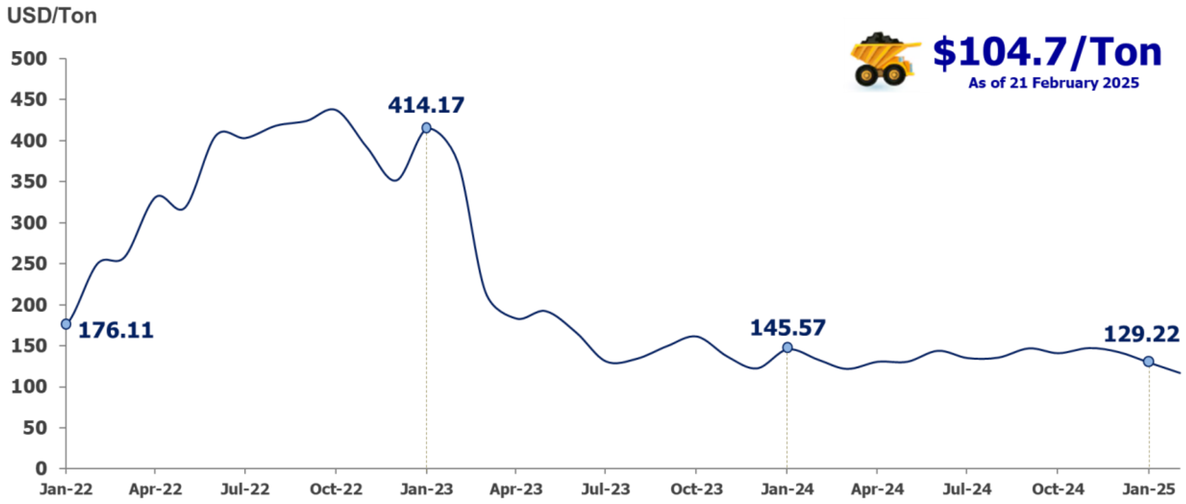
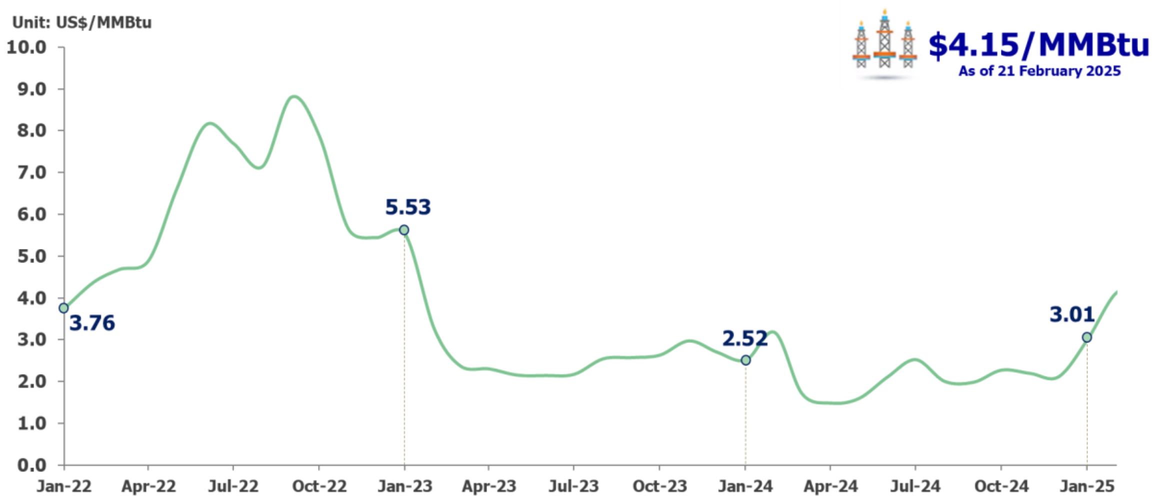
1. Energy Commodities Price Index

The market thermal coal and natural gas price since January 2022 as per below graphs that illustrate the coal and gas price indexes in the past periods.

Coal Price Index: The Newcastle Export Index (NEX) for January 2022 – February 2025



Average Henry Hub Natural Gas Price for January 2022 – February 2025



2. Management Discussion and Analysis

In 2024, the global energy landscape was shaped by economic slowdowns, high interest rates, and geopolitical uncertainties, leading to shifts in energy demand patterns. With supply remaining strong while demand softened, energy prices gradually stabilized after years of high volatility. However, the outlook for future energy remains promising due to growing demand for electricity for Data Centers and the rapid expansion of Artificial Intelligence (AI) technology, are expected to be the new driver of the energy industry. Additionally, shifts in energy policies across various countries are influencing the investment climate and the future direction of energy use. To achieve continuous and sustainable growth from long-term opportunities, the company has introduced a new strategy, “Energy Symphonics”, as its roadmap for steering the business toward 2030. This approach focuses on integrating diverse energy sources to develop sustainable energy solutions, guided by 4 key missions.

1) Net Zero emissions by 2050, and reduce greenhouse gas emissions by at least 20%, and reduce coal-related earnings to less than 50% of consolidated EBITDA by 2030.

2) Gas-Power-CCUS, focuses on growth in its “winning formula” of integrating gas upstream, gas-fired power, and CCUS to deliver low carbon gas solutions in the US reflected through the successful listing of BKV Corporation (BKV) on the New York Stock Exchange (NYSE), highlighting the company's growth potential across the entire natural gas value chain in the US.

3) Renewables+, by accelerating its renewables business across Asia-pacific region and beyond, with synergistic investments in BESS, downstream businesses, and utilizing carbon credits. This aims to solve intermittency of renewable, while enhancing value.

4) Next-Gen Mining: Banpu is pursuing an approach of Intelligent Mining, implementing an integration of smart solutions and AI to its mining operations to increase efficiency, reduce costs, and minimize environmental impact.

These 4 missions address the world’s surging energy demand while simultaneously looking after the planet, reshaping the standards for reliable, affordable, and sustainable energy.

Throughout 2024, the company implemented various measures, including operational efficiency improvements, cost reductions, and strategic portfolio management, that enabled the company to generate profit from operation of USD 83.3 million and gain from financial derivatives totaling USD 64.6 million. However, the divestment of the Nakoso power plant in Japan as part of the group’s asset management strategy, resulted in an impairment loss of USD 48.03 million, and an unrealized foreign exchange translation loss of USD 87.99 million was incurred due to the appreciation of the THB against USD, therefore the company reported net loss of USD 23.66 million.

The company reported an EBITDA[1] of USD 1,330 million, comprised of coal business of USD 863 million (down by 8% from previous year), Natural gas business of USD 232 million (up 74% from previous year), Power business of USD 233 million (down 44% from the previous year), and Energy Technology business of USD 2 million.

For Energy Resources Business

Indonesia coal business reported a sales volume of 24.04 million tons, up by 15% from previous year, driven by the commercial operations of the TIS and GPK mines, along with improved production efficiency across all sites. The average selling price was 95 USD/ton, down by 17% from previous year, in line with the downward trend in global coal market prices. However, continuous cost reduction measures including optimization of overburden removal distance and reduction of stripping ratio resulted in a decrease in average cost of sales to 55.74 USD/ton, a 10% decrease from previous year, resulting in a healthy gross profit margin of 42%.

Australia coal business, Australia coal business, reported a sales volume of 7.92 million tons, reflecting a 14% increase from previous year. The average selling price was 170.98 AUD/ton, down by 1% from previous year. While export prices declined in line with market trends, the domestic selling prices reported a significant increase, driven by the successful negotiation of new domestic coal supply contracts. This resulted in a domestic selling price (exclude traded coal) of 170.52 AUD/ton, a 38% increase compared to 123.39 AUD/ton in the previous year. The average cost of sales was 168.16 AUD/ton, down by 1% from previous year. The company continues to implement measures to control production costs.

China coal business reported a share of profit of USD 80.32 million, reflecting a decline by 48% from previous year. This decrease was primarily driven by lower production and a decline in domestic selling prices, in line with the slowdown in China's economy.

Gas business in the US reported total sales volume at 288.40 billion cubic feet (Bcf), representing an 8% decline from previous year. The average local selling price was 2.08 USD/Mcf, down by 14% from previous year, primarily due to domestic natural gas inventories exceeding the five-year average. However, as domestic natural gas producers gradually reduced production levels and delayed new well developments, coupled with the anticipated increasing demand from Data Centers and projected growth in LNG exports, natural gas prices showed signs of recovery as current Henry Hub futures rebound to around $3.0–$4.0/MMBtu.

For the Carbon Capture, Utilization, and Storage (CCUS) business, growth expansion continued to make significant progress. In December 2024, the company received Final Investment Decision (FID) approval to develop a new CCUS facility in partnership with a leading midstream energy company at

[1] Note: EBITDA included realized profit (loss) on realized commodity hedging.

an existing natural gas processing plant in the Eagle Ford Shale, Texas. The facility is expected to capture CO_2 up to 90,000 tons per year and is projected to achieve commercial operations in 1Q 2026.

For Energy Generation Business

Thermal power business including the HPC power plant reported a profit share of USD 84.53 million, with an equivalent availability factor (EAF) of 86%. BLCP power plant reported a profit share of USD 28.64 million, with an EAF of 95%. The combined heat and power (CHP) plants in China reported a profit of RMB 132 million, reflecting a significant increase driven by enhanced operation efficiency, effective cost reduction measures, and additional revenue from the sale of Carbon Emission Allowances (CEA) resulting from reduced carbon emissions. Shanxi Lu Guang (SLG) power plant reported a profit sharing of RMB 31 million. Temple I and II natural gas power plants in the U.S. reported a total electricity sales volume of 7,360 GWh, marking a 36% increase from previous year. However, due to milder and less volatile weather conditions, average electricity prices remained relatively low, coupled with a decline in spark-spread, resulting in a profit of USD 3.5 million, including USD 58 million from derivative hedging gains. Also, in December 2024, the company completed the divestment of its stake in the Nakoso power plant in Japan.

The renewable business overall continued to generate steady cash flow. Solar farms in China reported a profit of RMB 43 million. Solar farms in Japan reported TK dividend distributions totaling JPY 1,428 million. Solar farms in Australia reported a net loss of AUD 1 million. Solar farms and wind farm in Vietnam reported a loss of USD 0.6 million.

For Energy Technology business

Operated by Banpu NEXT, the company has continued to expand across all business segments, particularly in Energy storage solutions. This includes the launch of the lithium-ion battery production line at the SVOLT Thailand factory in Si Racha, Chonburi, which expected to deliver 850 batter units to customers in Thailand in 2025. Additionally, Banpu NEXT announced the opening of the DP NEXT battery assembly plant in Amata City Industrial Estate, Chonburi, to supply batteries tailored for electric buses, electric trucks, and large commercial vehicles. The first phase of the plant has a total production capacity of 200 MWh.

For Battery farm project, the Iwate Tono Battery Farm Project in Japan with capacity of 58 MWh has reported 99% completion and is expected to begin commercial operations as planned in 2Q 2025. Furthermore, in December 2024, the company secured development rights and METI subsidies for 2 additional battery farm projects in Japan, with a total capacity of 208 MWh. For the renewable energy sector, the company has invested USD 35 million for a 33.33% stake in AMP Co.,Ltd. (AMP Japan), a leading developer of renewable energy projects in Japan, managing projects from the early development stage to commercialization.

Banpu NEXT remains committed to continuous growth and expansion, supporting the group's carbon reduction strategy toward achieving Net Zero by 2030.

3. Group Performance Analysis

The analysis and explanation of Banpu Group performance for the year ended 31 December 2024 and 2023 were as follows:

Consolidated Statement of Income for the year ended 31 December 2024 and 2023

Consolidated financial performance (Unit: Million USD)	2024	2023	Change	
			Amount	%
Sales and service income	5,148	5,083	65	1%
Cost of sales and services	(3,900)	(3,665)	(235)	-6%
Gross profit	**1,248**	**1,418**	**(170)**	**-12%**
Selling expenses	(236)	(168)	(68)	-40%
Administrative expenses	(379)	(388)	9	2%
Royalty fee	(329)	(379)	50	13%
Share of profit from joint ventures and associates	196	268	(72)	-27%
Losses from remeasurement of previously held equity interest	-	(6)	6	100%
Bargain purchase from business combination	-	89	(89)	-100%
Impairment of investment in a joint venture	(48)	-	(48)	-100%
Net gains (losses) from changes in fair value of financial instruments	117	(89)	206	231%
Net gains (losses) on exchange rate	(88)	2	(90)	-4500%
Other income (expenses)	128	128	-	0%
Finance cost	(401)	(384)	(17)	-4%
Profit before income taxes	**208**	**491**	**(283)**	**-58%**
Income taxes	(97)	(119)	22	18%
Profit for the year	**111**	**372**	**(261)**	**-70%**
Owners of the parent	**(24)**	**160**	**(184)**	**-115%**
Non-controlling interests	**135**	**212**	**(77)**	**-36%**
Basic earnings (losses) per share (Unit : USD)	(0.002)	0.018	(0.020)	-111%

Banpu group performance for 2024 reported net loss at $24 million, decreased by $184 million or 115% compared to 2023. This was due to the declining market prices of coal and natural gas, despite an increase in coal sales volume and a decrease in average cost per tonn, and a decrease in operating performance from gas-fired power plant in USA due to milder and less volatile weather conditions resulting in average electricity prices remained relatively low. Furthermore, the group recognized unrealized loss on exchange rate resulting from an appreciation of THB currency against USD currency compared to the previous year and from impairment of investment resulting from divestment in Nakoso power plant to align with the portfolio management strategy. The group has strategically managed its costs and expenses, allowing the group to navigate the uncertainties of the energy market and maintain a consistent cash flow stream.

In addition, since 2Q2024 the Group has changed an accounting policy for the presentation of realized gains (losses) on derivatives for the forecasted transactions that are hedged, from separately present the realized gains (losses) on derivatives to include them in the forecasted transactions that are hedged, which are sales and cost of sales. The details were disclosed under note to financial statements no.9. Segment information.

The Group performance for 2024 were describe as details follows:

Sales and cost of sales

	Revenue			Cost of Sales		
(Unit: Million USD)	**2024**	**2023**	**Inc.(Dec.)**	**2024**	**2023**	**Inc.(Dec.)**
Coal Business	3,290	3,321	-1%	2,278	2,189	4%
Natural Gas Business	726	706	3%	604	715	-16%
Power & Steam Business	777	860	-10%	700	588	19%
Others	355	196	81%	318	173	84%
Total	**5,148**	**5,083**	**1%**	**3,900**	**3,665**	**6%**

Sales

Sales reported at $5,148 million (equivalent to THB 181,549 million), increased by $65 million compared to 2024. That an increase derived from natural gas business $20 million and others $159 million, while a decrease was from power and steam sales business $83 million and coal business $31 million. Details were described as follows:

1. Sales from coal business of $3,290 million or 64% of total revenue separated by source of coal as below:
   - Indonesia coal mines of $2,294 million
   - Australia coal mines of $914 million
   - Coal trading business of $82 million
2. Sales from natural gas business in USA of $726 million or 14% of total revenue.
3. Sales from power and steam of $777 million or 15% of total revenue derived from CHP power plants and solar power plants in China, solar power plants in Australia, wind and solar power plants in Vietnam and gas-fired power plants in USA.
4. Others of $355 million or 7% of total revenue. This was mainly from energy trading business in Japan and battery business in Singapore.

1. Coal Business

Coal Business		2024	2023	Inc.(Dec.)
Sales Volume	Million Tonnes	32.81	29.90	10%
Average selling price	$/Tonne	100.25	111.07	-10%
Average Cost of sales	$/Tonne	69.43	73.20	-5%

Coal sales of $3,290 million, decreased by $31 million or 1%, was a result of an increase in coal sales volume of 2.91 million tonnes or 10%. Average selling price decreased by $10.82 per tonne or 10% compared to 2023 whereas average cost of sales decreased by $3.77 per tonne or 5% compared to 2023 as following details:

Indonesia Mines		2024	2023	Inc.(Dec.)
Sales Volume	Million Tonnes	24.04	20.95	15%
Average selling price	$/Tonne	95.00	113.92	-17%
Average Cost of sales	$/Tonne	55.74	61.97	-10%

Coal Business in Indonesia

- **Sales volume**

  Coal sales volume was 24.04 million tonnes, increased by 3.09 million tonnes or 15% compared to 2023 from the commercial operations of the TIS and GPK mines, along with improved production efficiency across sites.

- **Average selling price**

  Average selling price per tonne was $95.00, decreased by $18.92 or 17%, resulting from coal market price decreased compared to 2023.

- **Average cost of sales**

  Average cost of sales per tonne was $55.74, decreased by $6.23 or 10% compared to 2023. This was due to mine production plan management, an increase in coal production volume, and focusing on managing production cost and expenditure in order to cope with volatility of coal market prices.

Australia Mines		2024	2023	Inc.(Dec.)
Sales Volume	Million Tonnes	7.92	6.98	13%
Average selling price	A$/Tonne	170.98	173.56	-1%
Average Cost of sales	A$/Tonne	168.16	172.47	-2%

Coal Business in Australia

- **Sales volume**

  Coal sales volume was 7.92 million tonnes, increased by 0.94 million tonnes or 13% compared to 2023, derived from an increase in domestic sales resulting from higher production and sales volume from Springvale mine

  Average selling price

  Average selling price per tonne was A$170.98, decreased by A$2.58 or 1% compared to 2023 as the following details:

Australia Mines	Sales Volume (Unit: Million Tonnes)			Avg. Price/Tonne (A$/Tonne)		
	2024	2023	Inc.(Dec.)	2024	2023	Inc.(Dec.)
Domestic	5.91	4.95	19%	166.49	123.39	35%
Export	1.70	2.02	-16%	203.12	296.38	-31%
Total	**7.61**	**6.97**	**9%**			

- **Average selling price of domestic and export sales**

  Average domestic selling price per tonne was A$166.49, increased by A$43.10 or 35%. This was due to higher domestic selling prices according to sales contracts. The average export selling price per tonne was A$203.12, decreased by A$93.26 per tonne, or 31% driven by coal market price decreased compared to 2023, even though a depreciation of AUD currency against USD currency impacted to higher export sales from currency conversion. The average exchange rate of AUD/USD in 2024 was 0.6596 (2023: 0.6645).

- **Average cost of sales**

  Average cost of sales per tonne was A$168.16, decreased by A$4.31 or 2% was from an increase in coal production volume from Springvale, Airly and Mandalong mine and a decrease in amortization of Longwall deferred mining cost.

2. Natural Gas Business

Natural Gas Business		2024	2023	Inc.(Dec.)
Sales Volume	Bcf ***	288.40	313.73	-8%
Average Local Price*	$/Mcf	2.08	2.41	-14%
Average Cost of Gathering, processing & transportation	$/Mcf	0.92	0.95	-3%
Average Cost**	$/Mcf	1.30	1.48	-12%

* Average local price is an average of all products
** Average cost excluded Cost of Gathering, processing & transportation
*** Bcf - Billion Cubic Feet

Natural Gas Business in USA

Sales from natural gas business in 2024 reported at $725 million which included gain on natural gas swap and option contracts of $125 million, increased by $20 million or 3% compared to 2023. Details were as follows:

- **Sales Volume**

  Natural gas sale volume was 288.40 billion cubic feet, decreased by 25.33 billion cubic feet or 8% compared to 2023 from postponing investment in new gas wells and efficiency improvement of current operation, aiming to retain gas reserves for future sales at favorable price.

- **Average Local Price**

  Refer to lower Henry Hub index price compared to the previous year, the average local price per Mcf. in this year was $2.08, decreased by $0.33 per Mcf or 14% from 2023, resulting from warmer climate and a decrease in demand from LNG plants impacted from storm during 2024. However, Henry hub price was likely to gradually increase following the announcement of production cuts by several producers, and from new LNG producer that started since 4Q2024 and first half of 2025.

- **Average cost of Gathering, processing & transportation**

  Average cost of Gathering, processing & transportation per Mcf was $0.92, decreased by $0.03 or 3% compared to 2023, resulting from a continuous focus on cost management measures.

- **Average Cost of Sale**

  Average cost of sales (excluding gathering, processing & transportation cost) per Mcf was $1.30, decreased by $0.18 or 12% compared to 2023 from depreciation and amortization, and from a decrease in production tax per unit aligned with downward trend of Henry Hub prices, also from cost management measures as previously mentioned.

3. Power Business

Sales from Power of $777 million or 15% of total revenue was from sales from CHP plants $174 million, solar power plants in China of $24 million, solar power plants in Australia of $10 million, wind power plant and solar power plant in Vietnam of $12 million and gas-fired power plants in USA of $557million.

Details of sales from CHP plants, solar power plants in China and gas -fired power plants in USA were described as follows:

Power Business		Combined Heat & Power Plants (CHP)			Solar Power Plants			Gas-fired power plant		
		2024	**2023**	**Inc.(Dec.)**	**2024**	**2023**	**Inc.(Dec.)**	**2024**	**2023**	**Inc.(Dec.)**
Power Sale Volume	GWh	932.56	989.95	-6%	214.19	229.54	-7%	7,360.24	5,415.74	36%
Steam Sale Volume	Million Tonnes	6.33	6.43	-2%	-	-	-	-	-	-
Average PowerTariff	Unit/kWh	0.41	0.40	2%	0.80	0.81	-1%	39.79	76.73	-48%
Average Steam Price	RMB/Tonne	136.83	140.72	-3%	-	-	-	-	-	-

Combined Heat and Power (CHP) Plants in China

Sales from power and steam from 3 CHP plants in China of $174 million, decreased by $12 million or 7% compared to 2023 mainly from a decrease in both power and steam sales.

- **Sales Volume**

  Power sales volume of 932.56 GWh, decreased by 57.39 GWh or 6% was from a decrease in industrial customer demand.

  Steam sales volume of 6.33 million tonnes, decreased by 0.10 million tonnes or 2%, was primarily due to a decrease in industrial customer demand as well.

- **Average Selling Price**

  Average power tariff was RMB 0.41 per kWh, increased by RMB 0.01 per kWh compared to 2023 from adjusted price.

  Average steam price per tonne was RMB 136.83, decreased by 3.89 or 3% from 2023. This was because a part of steam price was adjusted to align with a decrease in coal cost.

- **Cost of Sale**

  Cost of sale was $148 million, decreased by $27 million or 15% mainly from a decrease in average coal cost per ton. The average coal cost per ton for 2024 was 895 RMB (2023: 1,035 RMB), decreased by 140 RMB or 13% compared to 2023.

Solar Power Plants in China

Sales from solar power plants in China reported at $24 million, decreased by $2 million or 9% compared to 2023. Details of sales volume, average power tariff and cost of sales were as follows:

- **Sales Volume**

  Sales volume of 214.19 GWh, decreased by 15.35 GWh or 7% compared to 2023, resulting from weather conditions and curtailment.

- **Average Power Tariff**

  Average power tariff was RMB 0.80, close to 2023.

- **Cost of Sale**

  Cost of sales was $9.14 million, close to 2023.

Gas-fired power plants (Temple I & II) in USA

Sales from gas-fired power plants reported at $557 million which included realized gain on electricity forward contracts of $44 million, total decreased by $64 million or 10% compared to 2023. This was mainly from a decrease in average sales price. The details were as follows:

- **Sales Volume**

  Sales volume was 7,360.24 GWh, increased by 1,944.50 GWh or 36% compared to 2023, resulting from acquisition of Temple II gas fired power plant since 3Q2023.

- **Average Power Tariff**

  Average power tariff was $39.79 per kWh, decreased by $36.94 per kWh, or 49% from milder temperatures than expected.

- **Cost of Sale**

  Cost of sale was $527 million, which included realized loss on natural gas and natural gas liquid swap contracts of $30 million, increased by $129 or 32% compared to 2023 was mainly from an increase in natural gas consumption due to an acquisition of Temple II gas-fired power plant.

Administrative expense

Administrative expenses reported at $379 million decreased by $9 million or 2% from a decrease in expense relates to business expansion and business acquisition during the previous year. However, the group focuses on the effective cost reduction program and carefully managed expenses e.g., consulting fee and administration expense.

Royalty fees

Royalty fees reported at $329 million, decreased by $50 million or 13%. The fee comprised of royalty fees from Indonesia mines $260 million, decreased by $72 million due to a decrease in coal sales price compared to 2023. Whereas royalty fees from Australia mines that was $69 million, increased by $22 million resulting from an increase in coal sales volume compared to 2023.

Profit sharing (Unit : Million USD)	**2024**	**2023**	Inc.(Dec.) Amount	%
BLCP	29	30	(1)	-3%
Hongsa & Phufai Mining	85	88	(3)	-3%
Shanxi Luguang	4	4.00	-	0%
Coal business in China	80	154	(74)	-48%
Holding Company of Solar Power in Japan and others	(2)	(8)	6	75%
Total	**196**	**268**	**(72)**	**-27%**

Share of profit from joint ventures and associates

Profit sharing from joint ventures and associates reported at $196 million, decreased by $72 million or 27% compared to 2023 mainly due to details described as below:

1) Recognition of profit sharing from BLCP of $29 million, decreased by $1 million from exchange rate translation and operating performance.
2) Recognition of profit sharing from HPC power plant and PhuFai mining in Laos of $85 million, decreased by $3 million. This was from an increase in operating performance of $1 million despite there was an increase in profit sharing in THB currency. This was a result of a depreciation of THB against USD, impacting to a decrease in profit sharing when convert from THB currency to USD currency. Average exchange rate of THB/USD as of 31 Dec 2024 was THB 35.2935 (2023: 34.8022 THB) while there was a recognition loss on foreign exchange rate of $2 million.
3) Recognition of profit sharing from SLG power plant of $4 million, which similar to 2023.
4) Recognition of shares of profit from coal business in China of $80 million, decreased by $74 million, driven by a decrease in coal market price compared to 2023.

Gain (loss) from financial derivatives	Net gain from financial derivatives of $117 million comprised of: 1) Realized gain from financial derivatives of $23 million derived from electricity call options of $19 million, electricity forward contract $1 million, electricity swaption of $3 million. 2) Unrealized gain on fair value remeasurement of financial derivatives at the end of the year of $42 million comprised of gain on electricity call option $38 million, foreign exchange rate forward contracts $4 million, electricity forward contract $1 million, electricity swaption $2 million, interest rate swap contract of $2 million, whereas loss on natural gas and natural gas liquid options of $3 million, electricity forward contract of $2 million. 3) Gain on fair value remeasurement of investment in equity instruments and debt instruments measured fair value through profit and loss of $52 million.
Gain (loss) on foreign exchange rate	Net loss on foreign exchange rate of $88 million was mainly from unrealized loss on foreign exchange rate translation of THB loan due to an appreciation of THB currency against USD currency. Average exchange rate of THB/USD as of 31 Dec 2024 was THB 33.9879(31 Dec 2023: THB 34.2233).
Impairment of investment in joint venture	Impairment of investment in joint venture of $48 million was a result from divestment of investment in a joint venture, Nakoso power plant in Japan to align with the group's investment portfolio management in transition to a low-carbon energy producer.
Other income	Other income of $128 million comprised of management fee income and others, detailed as follows: 1) Interest income of $57 million. 2) Management fee income charged to related parties and joint ventures of $1 million. 3) Dividend income of $10 million, was mainly from profit sharing from solar power business in Japan under TK (TOKUMEI KUMIAI) agreement. 4) Gain on sales of investment in USA of $7 million 5) Others of $53 million. Those were steaming connection fee income from new residential steam customers from CHP power plants in China, sales of ashes, slag and scraps from mines and power plants, warehouse management fee income and breach of contract penalty and others.

Income tax	Income tax of \$97 million, decreased by \$22 million or 18% compared to 2023 was mainly from: 1) A decrease in corporate income tax of \$47 million, aligned with operating profits during the year. 2) An increase in deferred tax expense of \$25 million, resulting from an increase in deferred tax liabilities from the difference between tax and accounting basis on financial statement translation.

4. Statements of Consolidated Financial Position

Statements of Consolidated Financial Position as of 31 December 2024 in comparison with the Statements of Consolidated Financial Position as of 31 December 2023.

Financial Position (Unit: Million USD)	**31-Dec-24**	**31-Dec-23**	**Inc.(Dec.)**	
			Amount	**%**
Assets	12,399	13,000	(601)	-5%
Liabilities	7,698	8,172	(474)	-6%
Equity	4,701	4,828	(127)	-3%

4.1 Total assets of $12,399 million, decreased by $601 million compared to total assets as of 31 December 2023 with details described as below:

Financial Position (Unit: Million USD)	**Assets**		**Inc.(Dec.)**	
	31-Dec-24	**31-Dec-23**	**Amount**	**%**
Cash and Cash equivalent	1,596	1,575	21	1%
Investment in debt instruments measured at amortised cost	95	-	95	100%
Investment in debt instruments measured at fair value through profit or loss	5	23	(18)	-78%
Trade accounts receivable and note receivables, net	492	529	(37)	-7%
Inventories and Spare parts and machinery supplies, net	210	244	(34)	-14%
Current portion of deferred exploration & development expenditure and deferred overburden expenditures/stripping costs, net	52	119	(67)	-56%
Derivative assets due in one year	22	114	(92)	-81%
Other current assets	278	471	(193)	-41%
Total Current Assets	2,750	3,075	(325)	-11%
Investment in associates and joint ventures accounted for using the equity method	2,032	1,972	60	3%
Investment in debt instruments measured at FVPL	305	209	96	46%
Investment in debt instrument measured at amortised cost	-	60	(60)	-100%
Investment in equity instrument measured at FVPL	30	16	14	88%
Investment in equity instruments measured at FVOCI	156	167	(11)	-7%
Property, plant and equipment, net	4,281	4,602	(321)	-7%
Deferred exploration and overburden expenditures/stripping, net	819	789	30	4%
Mining property rights, net	765	863	(98)	-11%
Goodwill, net	453	485	(32)	-7%
Right-of-use assets, net	56	56	-	0%
Derivative assets	38	50	(12)	-24%
Other non-current assets	714	656	58	9%
Total Non-Current Assets	9,649	9,925	(276)	-3%
Total Assets	12,399	13,000	(601)	-5%

- Cash and cash equivalents of $1,596 million, increased by $21 million. (As explanation in no.5 Consolidated Statement of Cash Flows)
- Investment in debt instrument measured at amortized cost of 95 million, increased from a reclassification from non-current portion.
- Investment in debt instrument measured at fair value through profit or loss of $5 million, decreased by $18 million was from additions of $83 million net with redemptions of $96 million, and loss from impairment of $5 million.
- Accounts receivable and note receivable of $492 million decreased by $37 million. This was from coal business in Australia of $60 million, coal business in Indonesia of $7 million, and others of $11 million, whereas an increase from solar business in China of $12 million, gas business in USA of $6 million, and energy trading business in Japan of $23 million.

- Other current assets of $278 million decreased by $193 million. A decrease was mainly from restricted deposit of $139 million, prepaid royalty of $66 million, others of $12 million, was primary from business in Indonesia, Australia and China.
- Investment in joint ventures and associates at equity method of $2,032 million, increased by $60 million or 3% was from:
  1) An increase from addition of investment in associates in Thailand and Vietnam of $33 million.
  2) An increase from recognition of profit sharing from joint ventures and associates by $196 million.
  3) A decrease from recognition of other comprehensive income from cash flows hedge from investment in joint ventures and associate of $5 million.
  4) A decrease from disposal of investment in joint venture and associate of $ 37 million.
  5) A decrease from dividend recognition during the year of $118 million.
  6) A decrease from the effects of foreign exchange rate translation at end of the year of $9 million.
- Investment in debt instrument measured at fair value through profit or loss of $305 million, increased by $95 million or 46% was from additions of $52 million, a decrease from reclassification to equity instrument measured at fair value through profit of loss of $4 million, and an increase from fair value remeasurement at end of the year of $50 million net with redemption during the year of $3 million.
- Investment in equity instrument measured at fair value through profit or loss of $30 million, increased by $14 million or 87 % was from additions of $9 million, an increase from reclassification to debt instrument measured at fair value through profit or loss of $4 million, and an increase from fair value remeasurement at end of the year of $2 million net with redemption during the year of $1 million.
- Investment in equity instruments measured at fair value through other comprehensive income of $156 million, decreased by $11 million or 7% was from:
  1) A decrease from fair value remeasurement of investment at the end of the year of $ 2 million.
  2) A decrease from effects of foreign exchange rate translation at the end of the year and others of $20 million.
  3) An increase from additions of investment in solar power plant business in Japan of $2 million.
  4) An increase from reclassification from investment in joint venture to investment in equity instrument of $9 million.

- Property plant and equipment of $4,281 million, decreased by $321 million or 7% derived from:
    1) An increase from additions of machine and equipment of coal business, natural gas business and power business total of $296 million.
    2) A decrease from reclassification to asset held for sales of $ 10 million.
    3) A decrease from sales and write-off of $140 million.
    4) A decrease from depreciation of $378 million.
    5) A decrease from the effects of foreign exchange rate translation at the end of the year $89 million.
- Current portion and non-current portion of deferred exploration and development expenditure of $52 million and $819 million, respectively, totaling of $872 million, decreased by $36 million from additions of $734 million, net with amortization of $717 million and the effects of foreign exchange rate translation at end of the year of $53 million.
- Mining property rights, net of $765 million, decreased by $98 million or 11%, resulting from amortization during the period of $28 million and the effects of foreign exchange rate translation at the end of the year of $70 million.
- Goodwill of $453 million, decreased by $32 million or 7% from the effects of foreign exchange rate translation at the end of the year.
- Current portion and non-current portion of financial derivative assets of $22 million and $38 million, respectively, totaling $60 million. This was a result from fair value remeasurement of financial derivative at the end of the year, which comprised of
    1) Interest rate swaps of $10 million.
    2) Electricity swaptions of $32 million.
    3) Electricity forward contracts of $4 million.
    4) Natural gas swaps and options of $6 million.
    5) Coal swaps of $5 million.
    6) Cross currency swaps and interest rate swaps and others of $3 million
- Other non-current assets of $714million increased by $58 million or 9%. This was mainly from an increase in prepaid income tax in Indonesia of $28 million, prepaid royalty expense partly reclassified from current portion of $66 million, deferred tax asset of $43 million, whereas a decrease in vat receivable of $43 million, customer contracts and right in patents and right to operate power plant of $12 million, restricted deposit of $10 million, and others of $14 million.

4.2 Total liabilities of $7,698 million, decreased by $474 million compared to total liabilities as of 31 December 2023 with movement details as described below:

Financial Position (Unit: Million USD)	**Liabilities**		**Inc.(Dec.)**	
	31-Dec-24	**31-Dec-23**	**Amount**	**%**
Short-term loans from financial institutions	880	727	153	21%
Trade payables	140	140	0	0%
Current portion of long-term loans from financial institutions, net	748	885	(137)	-15%
Current portion of debentures, net	172	204	(32)	-16%
Accrued overburden and coal transportation costs	117	89	28	31%
Financial derivative liabilities due in one year	51	78	(27)	-35%
Other current liabilities	588	636	(48)	-8%
Total current liabilities	2,696	2,759	(63)	-2%
Long-term loans from financial institutions, net	1,813	2,252	(439)	-20%
Debentures, net	2,560	2,431	129	5%
Derivative liabilities	52	5	47	947%
Provision for decommissioning, restoration, and mine and natural gas rehabilitation	298	278	20	7%
Other non-current liabilities	279	447	(168)	-38%
Total non-current liabilities	5,002	5,413	(411)	-8%
Total liabilities	7,698	8,172	(474)	-6%

- Short-term loans from financial institutions of $880 million, increased by $153 million or 21%, was from additions of $1,735 million, repayment of $1,589 million and the effects of foreign exchange rate translation at the end of the year of $7 million.
- Current portions of long- term loans from financial institutions of $748 million, decreased by $137 million or 15%. This was a net result from a reclassification from non-current portion of $534 million, repayment of $685 million, an increase from addition of deferred finance charge net with its amortization of $1 million, and an increase from the net of realized and unrealized effects on exchange rate translation during the year and at end of the year total of $13 million.
- Current portion of debenture of $172 million, decreased by $32 or 16% was from reclassification from non-current portion of $171 million, redemption of $191 million and decreased the net of realized and unrealized effects on exchange rate translation during the year and at end of the year total of $12 million.
- Accrued overburden and coal transportation expenses of $117 million, increased by $28 million or 31% was mainly from mining operations of subsidiaries in Indonesia.
- Other current liabilities of $588 million decreased by 48 million. This was primary from a decrease in fixed asset purchase payable of $30 million, accrued interest expense $15 million, and others of $3 million.
- Long- term loans of $1,813 million, decreased by $439 million or 20%, was a net result of:
    1) An increase from additional loan during the year of $936 million.
    2) A decrease from reclassification to the current portion of $534 million.

3) A decrease from repayment of $819 million.
4) An increase from deferred charge net with amortization of $6 million.
5) A decrease from effects of foreign exchange translation of $28 million.

- Debenture of $2,560 million, increased by $129 million or 5%. This was from reclassification to current portion of $171 million, additions of $267 million, and increase from the effects of foreign exchange rate translation at end of the year of $33 million.

- Current portion and non-current portion of derivative liabilities reported at $51 million and $52 million, respectively, totaling $103 million. This was a result of changes in fair value of financial derivatives at the end of the year, that consisted of:
    1) Cross currency swap and interest rate swap of $5 million.
    2) Natural gas and natural gas liquid swap and options contracts of $68 million.
    3) Electricity forward contracts of $16 million.
    4) Foreign exchange rate forward contracts of $10 million.
    5) Electricity call option of $4 million.

4.3 Shareholders' equity of $4,701 million decreased by $127 million compared to shareholders' equity as of 31 December 2023, with movement details as described below:

Financial Position (Unit: Million USD)	**Equity**		**Inc.(Dec.)**	
	31-Dec-24	**31-Dec-23**	**Amount**	**%**
Equity attributable to owners of the parent	3,322	3,823	(501)	-13%
Non-controlling interests	1,379	1,005	374	37%
Total equity	4,701	4,828	(127)	-3%

- A decrease from 2024 net loss of $24 million.
- A decrease from fair value reserves for financial assets measured at fair value to other comprehensive income, cash flows hedge and net investment hedge of $116 million.
- An increase from changes in ownership interests of subsidiaries of $254 million.
- An increase from maturity of put option and fair value over non-controlling interest of $22 million.
- An increase from issuance of new ordinary shares for share-based payment $5 million.
- A decrease from dividend payment declaration of $193 million.
- A decrease from the effects of foreign exchange rate translation of subsidiaries' financial statements and others of $194 million.
- An increase from non-controlling interest of $119 million.

4.4 Net debt-to-equity ratio as of 31 December 2024 reported at 0.79 times (31 December 2023: 0.90 times).

5. Statement of Consolidated Cash Flows

Statement of consolidated cash flows for the year ended 31 December 2024 presented a decrease of net cash flow by $56 million (including the effect from unrealized loss on exchange rate translation at the end of the year of $51 million). The details were as follows:

Statement of Consolidated Cash Flows (Unit: Million USD)	**Amount**
Net Cash flows generated from operating activities	535
Net Cash flows used in investing activities	(118)
Net Cash flows used in finaning activities	(345)
Net increase (decrease) in cash and cash equivalents	**72**
Exchange differences on cash and cash equivalents	(51)
Cash and cash equivalents at the beginning of the year	1,575
Cash and cash equivalents at end of the year	**1,596**

5.1 Net cash generated from operating activities of $535 million; with major items as follows:

- Collections from sales of $4,252 million.
- Payments to contractors and suppliers of $2,556 million.
- Interest payments of $407 million.
- Payments of income tax of $163 million.
- Royalty fee payments of $330 million.
- Other payments of $261 million.

5.2 Net cash used in investing activities of $118 million; with major items as follows:

- Payments for machines and equipment of $345 million.
- Receipts from sales of fixed assets and intangible assets of $28 million.
- Receipts from financial assets measured at fair value through profit and loss of $100 million.
- Payment for financial assets measured at amortized cost of $35 million.
- Payment for financial assets measured at fair value through profit and loss of $145 million.
- Receipts from sale of a subsidiary of $103 million
- Payments for additions of investment in an associate and joint ventures of $33 million.
- Payments for deferred exploration and development expenditure of $112million.
- Receipts from placement of restricted deposits at banks of $143 million.
- Receipts from dividends of $124 million.
- Receipts from interest income and others of $54 million.

5.3 Net cash used in financing activities of $345 million; comprised of

- Receipts from short-term and long-term loans from financial institutions and from debentures of $2,937 million.
- Repayments of short-term and long-term loans from financial institutions, redemption of debentures and lease payment of $3,302 million.
- Dividend paid to shareholders of $193 million.
- Receipts from increase in share capital of a subsidiary from non-controlling interests of $3 million.
- Net proceeds from the initial public offering of a subsidiary of $265 million.
- Payments for net share settlements related to share-based payment of a subsidiary of $53 million.
- Cash payments for treasury stocks of a subsidiary of $2 million.

6. Coal Reserves

The quantity of sales and remaining of coal reserves for the year ended 31 December 2024:

Coal Mine	**Quantity of Coal Sales and Reserves**			
(Unit: Million Tons)	Coal reserves as of 31 Dec 2023	Reserves movement during 2024	Sales volume Jan - Dec 2024	Coal reserves as of 31 Dec 2024
1. Indonesia				
1.1 Jorong	6.70	(4.30)	0.23	2.17
1.2 Indominco	16.98	25.42	7.51	34.89
1.3 Kitadin	-	-	-	-
1.4 Trubaindo	29.72	27.78	2.79	54.71
1.5 Bharinto	128.86	(22.26)	8.05	98.55
1.6 Graha Panca Karsa	21.50	42.80	0.91	63.39
1.7 NPR Project	77.40	-	-	77.40
1.8 TIS	-	3.03	0.15	2.88
2. Australia	246.16	(17.24)	7.23	221.69
	-			-
3. China				
3.1 Gaohe	90.79	-	8.83	81.95
3.2 Hebi Zhongtai	12.04	-	1.12	10.92
Total	**630.15**	**55.23**	**36.83**	**648.54**

7. Natural Gas Reserves

The quantity of sales and remaining of natural gas reserves for the year ended 31 December 2024:

Quantity of Natural Gas Sales and Reserves	Natural Gas
	(Unit: Million Cubic Feet)
Natural Gas reserves as at 31 December 2023	5,149,724
1) Adjustment on reserve estimation	415,611
2) Production and Sales 2024	(288,405)
Natural Gas reserves as at 31 December 2024	**5,276,930**

(Natural Gas Reserves from Marcellus and Barnett shales refer to Reserve Report 's Ryder Scott