# Management's Discussion and Analysis

The Group Performance for the 2nd Quarter 2024

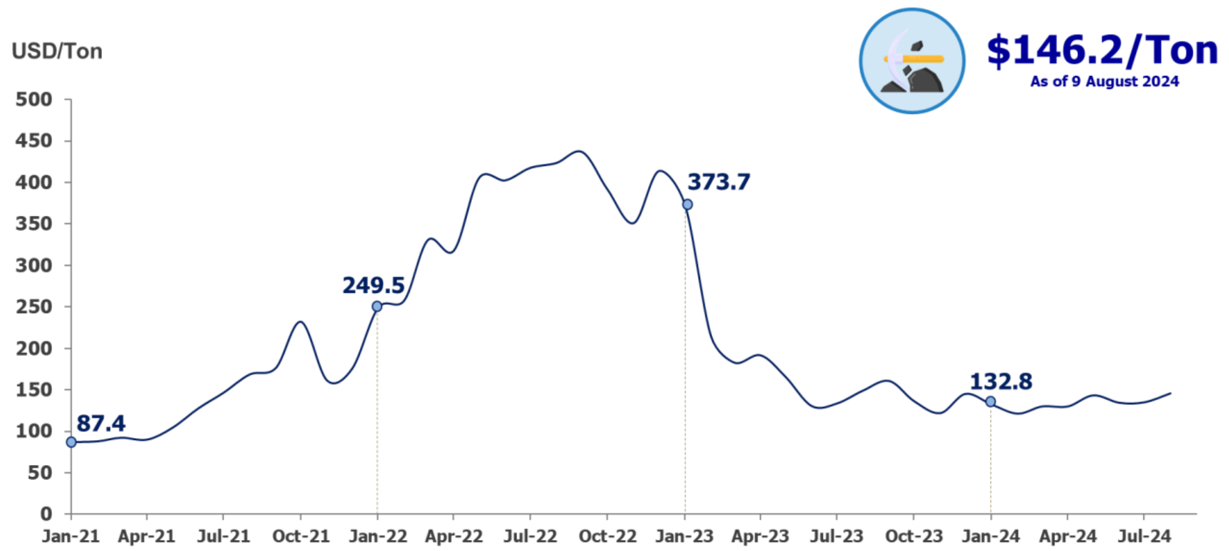
Banpu Public Company Limited and Subsidiaries

DRIVING FORWARD
SUSTAINABLE GROWTH
AND BETTER LIVING FOR ALL

# 1. Energy Commodities Price Index

The market thermal coal and natural gas price since January 2021 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 2021 – August 2024**




**Average Henry Hub Natural Gas Price for January 2021 – August 2024**

# 2. Management Discussion and Analysis

For the 2nd quarter of 2024, the company achieved a net profit of USD 25.5 million, driven by our strategic emphasis on operational optimization and cost-effectiveness. These efforts have resulted in sustained financial performance and cash flow. Our ongoing commitment to driving value creation within the company ecosystem continues, with a focused approach on sustainable growth through digitalization and decarbonization. Prudent investment and capital allocation remain crucial along with our strategy, reinforcing our commitment to long-term stability.

In this quarter, the company reported EBITDA[1] of USD 363 million, Coal business reported EBITDA of USD 223 million (+17% QoQ), Gas business reported EBITDA of USD 60 million (+22% QoQ), Power business reported EBITDA of USD 80 million, (46% QoQ), and Energy Technology business reported EBITDA of USD (-0.3) million.

### For Energy Resources business

**Indonesia coal business** reported sales volume of 5.83 million tons, improved by 16% QoQ, partly attributed to the commencement of production at our organic Graha Panca Karsa (GPK) mine. The selling price (ASP) was reported at 93.96 USD/ton, slight decline of 3% QoQ. Despite this, the coal market remains stable, with positive trends emerging due to sustained strong demand and favorable spot price outlook. The average cost of sales was 58.57 USD/ton, a decrease of 7% QoQ, resulting from ongoing cost improvement initiatives. This led to an improved Gross Profit Margin (GPM) to 38%.

**Australia coal business** reported sales volume of 2.39 million tons significantly improved by 44% QoQ, The ASP was reported at 180.51 AUD/ton, stable QoQ. This quarter, the resumption of operations at the Springvale mine, following the completion of a longwall changeover, significantly improved productivity. As a result, the average cost of sales decreased substantially to 156.35 AUD per ton. The company continues its effort in pursuing operation optimization and cost effectiveness ensuring sustained cash flow generation from our operations.

**China coal business** reported share of profit of USD 18.5 million, up by 10% QoQ. The improvement was primarily due to enhanced productivity, while domestic coal prices in China remained strong.

**Gas business in the US** reported total sales volume of 72.27 billion Cubic Feet (Bcf), slightly down by 3% QoQ. The average local price was 1.9 USD/Mcf, down by 8% QoQ, as domestic natural gas inventories still exceeded the 5-year average, however improving supply-demand dynamics from slower production injection to the market while domestic demand remains strong coupled with a rise in LNG

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

export demand is expected to drive price recovery later this year. This quarter, our Barnett Zero CCUS significantly ramped up its carbon injection, with reported injection volumes reaching 43,000 tons of carbon, up from 27,000 tons in the previous quarter. The company focused on operational efficiency and cost management, leveraging a robust hedging strategy to secure consistent cash flow.

### For Energy generation business

**Thermal power business** includes the HPC power plant, which reported an equity income of USD 30.28 million with an Equivalent availability factor (EAF) of 94%. BLCP reported an equity income of USD 8.22 million, with EAF of 98%. Meanwhile, China CHPs reported profit of RMB 5 million, driven by softening seasonal demand. Similarly, SLG power plant in China reported share of profit of RMB 1 million. In the US, Temple I and II Gas-fired plants reported higher net generation compared to previous quarter due to strong summer demand. However, after accounting for an unrealized derivative loss of USD (-13.9) million, it reported loss sharing of USD (-13.6) million. The Nakoso IGCC plant in Japan reported profit sharing of 1.23 USD million as operations resume back to normal.

**The renewable business** overall improved significantly due to favorable irradiation. The solar business in China reported a net profit of RMB 18 million, Solar business in Japan reported TK dividend distribution of JPY 201 million. The solar business in Australia reported a total profit of AUD 1 million. The solar farm in Vietnam reported a net profit of USD 0.5 million, however Wind farm in Vietnam reported a net loss of USD 1.5 million due to a lower seasonal average capacity factor.

### For Energy Technology business

Continuing its business expansion, in this quarter, its solar rooftop committed 258 MW. The energy storage business has continued its progress, as Svolt Energy (Thailand)'s batter pack factory produced 2,269 battery units in, with a strategic focus on the E-mobility segment. The Iwate Tono battery farm in Japan also progressing well with 97% construction completion and remain its target to COD by 2Q of next year. For Energy Management, following the successful district cooling system at the new Thai government center Zone C in Bangkok which is also continuing expand its 2nd phase, also being awarded 25 contracts at the SB design square in Phuket. For E-mobility business, the ride sharing service Muvmi's e-tuktuk had joined the Government's electric public vehicle support program and continued expand its service routing. While Energy trading business in Japan has reached 830 GWh of accumulated sales for 1H24 and secured up to 1,286 clients. The Corporate Venture Capital or CVC has invested 4% stake in Enspired, a trading-as-a-service business that provides real time information on energy assets through its automated platform. These accomplishments highlight the company's commitment to accelerating growth in the energy technology sector aiming to become an integrated clean energy ecosystem.

# 3. Group Performance Analysis

The analysis and explanation of Banpu Group performance for the 2nd quarter ended 30 June 2024 and 2023 were as follows:

**Consolidated Statement of Income for the 2nd quarter ended 30 June 2024 and 2023**

| Consolidated financial performance (Unit: Million USD) | 2Q2024 | 2Q2023 | Change Amount | Change % |
|---|---|---|---|---|
| Sales and service income | 1,308 | 1,158 | 150 | 13% |
| Cost of sales and services | (981) | (863) | (118) | -14% |
| **Gross profit** | **327** | **295** | **32** | **11%** |
| Selling expenses | (58) | (46) | (12) | -26% |
| Administrative expenses | (82) | (87) | 5 | 6% |
| Royalty fee | (82) | (91) | 9 | 10% |
| Share of profit from associates and joint ventures | 58 | 83 | (25) | -30% |
| Other income | 45 | 69 | (24) | -35% |
| Interest expenses and Other finance costs | (111) | (89) | (22) | -25% |
| **Profit before income taxes** | **97** | **134** | **(37)** | **-28%** |
| Income taxes | (45) | (97) | 52 | 54% |
| **Profit for the period** | **52** | **37** | **15** | **41%** |
| **Owners of the parent** | **26** | **(13)** | **39** | **300%** |
| **Non-controlling interests** | **26** | **50** | **(24)** | **-48%** |
| Earnings (losses) per share (Unit : USD) | 0.003 | (0.001) | 0.004 | 400% |
| Diluted earnings (losses) per share (Unit : USD) | 0.003 | (0.001) | 0.004 | 400% |

Banpu group performance for 2Q2024 reported net profit at $26 million, increased by $39 million or 300% compared to 2Q2023 even though there were factors from the declining market prices of coal and natural gas. This was due to the effective cost management during volatility of energy price situation. In addition, the performance from Temple II gas-fired power plant acquired since 3Q2023 was included. However, the group had higher finance costs compared to 2Q2023, this was to support business expansion in the USA as previously mentioned. 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.

Furthermore, 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 under other income (expense) 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.6. Segment information. The Group performance for 2Q2024 were describe as details follows:

## Sales and cost of sales

| (Unit: Million USD) | Revenue | | | Cost of Sales | | |
|---|---|---|---|---|---|---|
| | **2Q2024** | **2Q2023** | **Inc.(Dec.)** | **2Q2024** | **2Q2023** | **Inc.(Dec.)** |
| Coal Business | 856 | 826 | 4% | (603) | (568) | 6% |
| Natural Gas Business | 178 | 186 | -4% | (147) | (178) | -17% |
| Power & Steam Business | 204 | 97 | 110% | (175) | (76) | 131% |
| Others | 70 | 49 | 43% | (56) | (41) | 38% |
| **Total** | **1,308** | **1,158** | **13%** | **(981)** | **(863)** | **14%** |

### *Sales*

Sales reported at $1,308 million (equivalent to THB 48,003 million), increased by $150 million compared to 2Q2023, that derived from an increase from coal business $ 30 million, power and steam business $107 million and other businesses $21 million, while a decrease in natural gas business $8 million. Details were described as follows:

1. Sales from coal business of $856 million or 65% of total revenue separated by source of coal as below:
   - Indonesia coal mines of $550 million
   - Australia coal mines of $285 million
   - Coal trading business of $21 million
2. Sales from natural gas business in USA of $178 million or 14% of total revenue.
3. Sales from power and steam of $204 million or 16% 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 $70 million or 5% of total revenue. This was mainly from energy trading business in Japan and battery business in Singapore.

## 1. Coal Business

| Coal Business | | 2Q2024 | 2Q2023 | Inc.(Dec.) |
|---|---|---|---|---|
| Sales Volume | Million Tonnes | 8.39 | 7.52 | 12% |
| Average selling price | $/Tonne | 102.12 | 109.87 | -7% |
| Average Cost of sales | $/Tonne | 71.85 | 75.53 | -5% |

Coal sales of $856 million, which included realized gain on coal swap of $3 million, increased by $30 million or 4%, was a result of an increase in sales volume of 0.87 million tonnes or 12%. Average cost of sales decreased by $3.68 per tonne or 5%, whereas average selling price decreased by $7.75 per tonne or 7% compared to 2Q2023 as following details:

| Indonesia Mines | | 2Q2024 | 2Q2023 | Inc.(Dec.) |
|---|---|---|---|---|
| Sales Volume | Million Tonnes | 5.83 | 5.39 | 8% |
| Average selling price | $/Tonne | 93.96 | 114.23 | -18% |
| Average Cost of sales | $/Tonne | 58.57 | 63.24 | -7% |

***Coal Business in Indonesia***

- **Sales volume**

  Coal sales volume was 5.83 million tonnes increased by 0.44 million tonnes or 8% compared to 2Q2023.

- **Average selling price**

  Average selling price per tonne was $93.96, decreased by $20.27 or 18%, resulting from coal price decreased compared to 2Q2023.

- **Average cost of sales**

  Average cost of sales per tonne was $58.57, decreased by $4.67 or 7% compared to 2Q2023, resulting from an increase in coal production volume and focusing on cost and expenditures management in order to cope with volatility of coal market price.

| Australia Mines | | 2Q2024 | 2Q2023 | Inc.(Dec.) |
|---|---|---|---|---|
| Sales Volume | Million Tonnes | 2.39 | 1.62 | 48% |
| Average selling price | A$/Tonne | 180.51 | 157.49 | 15% |
| Average Cost of sales | A$/Tonne | 156.35 | 185.16 | -16% |

## *Coal business in Australia*

- **Sales volume**

  Coal sales volume was 2.39 million tonnes, increased by 0.77 million tonnes or 48% compared to 2Q2023, derived from an increase in domestic sales resulting from higher production volume from Springvale mine and Clarence mine.

- **Average selling price**

  Average selling price per tonne was A$180.51, increased by A$23.02 or 15% compared to 2Q2023 as the following details:

| Australia Mines | Sales Volume (Unit: Million Tonnes) | | | Avg. Price/Tonne (A$/Tonne) | | |
|---|---|---|---|---|---|---|
| | 2Q2024 | 2Q2023 | Inc.(Dec.) | 2Q2024 | 2Q2023 | Inc.(Dec.) |
| Domestic | 1.91 | 1.13 | 69% | 177.02 | 106.94 | 66% |
| Export | 0.38 | 0.48 | -21% | 198.98 | 274.78 | -28% |
| **Total** | **2.29** | **1.61** | **42%** | | | |

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

  Average domestic selling price per tonne was A$177.02, increased by A$ 70.08 or 66%. This was due to higher domestic selling prices according to sales contracts. The average export selling price per ton was A$198.98, decreased by A$75.80 per tonne, or 28% driven by coal price decreased compared to 2Q2023 despite of a depreciation of AUD currency against USD currency that impacted to higher export sales from currency conversion. The average exchange rate of AUD/USD in 2Q2024 was $0.6590 (2Q2023: $0.6677).

- **Average cost of sales**

  Average cost of sales per tonne was A$156.35, decreased by A$28.81 or 16%, due to an increase in coal production volume.

## 2. Natural Gas Business

| Natural Gas Business | | 2Q2024 | 2Q2023 | Inc.(Dec.) |
|---|---|---|---|---|
| Sales Volume | Bcf ** | 72.27 | 79.99 | -10% |
| Average Local Price | $/Mcf | 1.89 | 1.92 | -2% |
| Average Cost of Gathering, processing & transportation | $/Mcf | 0.88 | 0.93 | -5% |
| Average Cost* | $/Mcf | 1.28 | 1.45 | -12% |

* Average cost excluded Cost of Gathering, processing & transportation

** Bcf - Billion Cubic Feet

### *Natural Gas business in USA*

Sales from natural gas business in 2Q2024 reported at $178 million which included a gain on natural gas swap and option contracts of $42 million, decreased by $8 million or 4% compared to 2Q2023. Details were as follows:

- **Sales Volume**

  Natural gas sale volume was 72.27 billion cubic feet, decreased by 7.72 billion cubic feet or 10% compared to 2Q2023 from postponing investment in new gas wells and efficiency improvement of current operation to align with the gas price situation.

- **Average Local Price**

  Refer to lower Henry Hub index price compared to the previous year, the average local price per Mcf. in this quarter was $1.89, decreased by $0.03 per Mcf or 2% from 2Q2023, resulting from warmer climate than average, also a decrease in demand from LNG plants impacted from storm during 2Q2024. However, Henry hub price was likely to gradually increase following the announcement of production cuts by several producers.

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

  Average cost of Gathering, processing & transportation per Mcf was $0.88, decreased by $0.05 or 5% compared to 2Q2023, 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 $1.28, decreased by $0.17 or 12% compared to 2Q2023 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 previous mentioned.

## 3. Power Business

Sales from Power and Steam of $204 million or 16% of total revenue was from sales from CHP plants $31 million, solar power plants in China of $7 million, solar power plants in Australia of $3 million, wind power plant and solar power plant in Vietnam of $2 million and gas-fired power plants in USA of $161 million.

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 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | 2Q2024 | 2Q2023 | Inc.(Dec.) | 2Q2024 | 2Q2023 | Inc.(Dec.) | 2Q2024 | 2Q2023 | Inc.(Dec.) |
| Power sold Volume | GWh | 136.97 | 141.70 | -3% | 64.40 | 61.44 | 5% | 2,107.08 | 952.46 | 121% |
| Steam Volume | Million Tonnes | 1.08 | 1.11 | -3% | - | - | - | - | - | - |
| Average PowerTariff | Unit/kWh | 0.43 | 0.41 | 5% | 0.79 | 0.79 | 0% | 36.46 | 46.56 | -22% |
| Average Steam Price | RMB/Tonne | 149.80 | 158.59 | -6% | - | - | - | - | - | - |

### *Combined Heat and Power (CHP) plants in China*

Sales from power and steam from 3 CHP plants in China of $31 million, decreased by $3 million or 9% compared to 2Q2023 mainly from a decrease in both power and steam sales.

- **Sales Volume**

  Power sales volume of 136.97 GWh, decreased by 4.73 GWh or 3%was primary from a decrease in industrial customer demand.

  Steam sales volume of 1.08 million tonnes, decreased by 0.03 million tonnes or 3%, was from a decrease in industrial customer demand.

- **Average Selling Price**

  Average power tariff was RMB 0.43 per kWh, increased by RMB 0.02 per kWh compared to 2Q2023 from adjusted price.

  Average steam price per tonne was RMB 149.80, decreased by 8.79 or 6% from 2Q2023. 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 $27.86 million, decreased by $5.22 million or 16% mainly from a decrease of average coal cost per ton. The average coal cost per ton for 2Q2024 was 894 RMB (2Q2023: 1,035.26 RMB), decreased by 141 RMB or 3% compared to 2Q2023.

| | |
|---|---|
| ***Solar power plants in China*** | Sales from solar power plants in China reported at $7.11million, increased by $0.13 million or 2% compared to 2Q2023. Details of sales volume, average power tariff and cos of sales were as follows:<br>• **Sales Volume**<br>Sales volume of 64.40 GWh, increased by 2.96 GWh or 5% compared to 2Q2023, resulting from favorable weather conditions.<br>• **Average Power Tariff**<br>Average power tariff was RMB 0.79, same as 2Q2023.<br>• **Cost of Sale**<br>Cost of sales was $2.21 million, decreased by 0.03 million or 1% compared to 2Q2023. |
| ***Gas-fired power plants (Temple I & II) in USA*** | Sales from gas-fired power plants reported at $161 million which included realized gain on electricity swaption of $8 million, increased by $110 million or 216% compared to 2Q2023. This was mainly from the acquisition of Temple II gas-fired power plant during 3Q2023. The details were as follows:<br>• **Sales Volume**<br>Sales volume was 2,107.08 GWh, increased by 1,154.62 GWh or 121% compared to 2Q2023, resulting from the acquisition of Temple II gas-fired power plant during 2023.<br>• **Average Power Tariff**<br>Average power tariff was $36.46 per kWh, decreased by $10.10 or 22%. This was due to a decrease in electricity demand resulting from storm and the lower temperatures compared to the previous year.<br>• **Cost of Sale**<br>Cost of sale was $141million, which included realized loss on natural gas and natural gas liquid swap contracts of $9 million, increased by $105 or 284% compared to 2Q2023 was mainly from the acquisition of Temple II gas-fired power plant during 2023. |
| ***Administrative expense*** | Administrative expenses reported at $82 million decreased by $5 million or 6%. This was a result from effective cost reduction program that the group carefully managed expenses i.e.,consulting fee and administration expense. Whereas an increase in expense related to business expansion in USA and from business acquisition from prior year. |

***Royalty fees***

Royalty fees reported at $82 million, decreased by $9 million or 10%. The fee comprised of royalty fees from Indonesia mines $64 million, decreased by $17 million due to a decrease in coal sales price compared to 2Q2023. Whereas royalty fees from Australia mines that was $18 million, increased by $8 million resulting from an increase in coal sales volume compared to 2Q2023.

| Profit sharing (Unit : Million USD) | 2Q2024 | 2Q2023 | Inc.(Dec.) Amount | % |
|---|---|---|---|---|
| BLCP | 8 | 5.00 | 3 | 60% |
| Hongsa & Phufai Mining | 30 | 30 | - | 0% |
| Shanxi Luguang | 0 | 0 | - | 0% |
| Coal business in China | 19 | 44 | (25) | -57% |
| Holding companies in renewable and energy technology businesses | 1 | 4 | (3) | 75% |
| **Total** | **58** | **83** | **(25)** | **-30%** |

***Share of profit from joint ventures and associates***

Profit sharing from joint ventures and associates reported at $58 million, decreased by $25 million or 30% compared to 2Q2023 mainly due to details described as below:

1) Recognition of profit sharing from BLCP of $8 million, increased by $3 million from a decrease in deferred tax expense recognition and loss on exchange rate translation.
2) Recognition of profit sharing from HPC power plant and PhuFai mining in Laos of $30 million, closed to 2Q2023. The operation performance of all 3 units of power plants was higher, whereas a slight decrease in recognition of gain on foreign exchange rate compared to the same quarter of previous year.
3) Recognition of profit sharing from SLG power plant of $ 0.14 million, which was same as 2Q2023.
4) Recognition of shares of profit from coal business in China of $19 million, decreased by $25 million, driven by a decrease in coal market price compared to 2Q2023.

***Other income***

Other income of $45 million comprised of:

1) Net gain on foreign exchange rate of $18 million was mainly from unrealized gain on foreign exchange rate translation of THB loan due to a depreciation of THB currency against USD currency. Average exchange rate of THB/USD as of 30 June 2024 was THB 36.8497 (31 Mar 2024: THB 36.4651).

2) Net loss from financial derivatives of $3 million comprised of:
   - Realized gain from financial derivatives of $1 million derived from electricity call options of $6 million and interest rate swap contracts of $1 million, whereas loss on foreign exchange rate forward contracts $1 million, and electricity forward contracts of $5 million.
   - Unrealized loss on fair value remeasurement of financial derivatives at the end of period of $12 million comprised of loss on electricity call option $17 million, natural gas swap contract $3 million, foreign exchange rate forward contract $3 million, whereas gain on electricity swaption and electricity forward contracts of $11 million.
   - Gain from fair value remeasurement of investment in equity instruments and debt instruments measured fair value through profit and loss of $8 million.
3) Management fee income and others of $30 million was from:
   - Interest income of $15 million.
   - Management fee income charged to related parties and joint ventures of $0.28 million.
   - Dividend income of $2 million, was mainly from profit sharing from solar power business in Japan under TK (TOKUMEI KUMIAI) agreement.
   - Gain from sales of investment in USA of $7 million.
   - Others of $6 million. Those were steaming connection fee income from new residential steam customers from CHP plants in China, sales of ashes, slag and scraps from mines and power plants, warehouse management fee income and others.

***Income tax***

Income tax of $45 million, decreased by $52 million or 54% compared to 2Q2023 was mainly from:

1) A decrease in corporate income tax of $15 million, aligned with operating profits.
2) A decrease in withholding tax of $22 million from dividends.
3) A decrease in deferred tax expense of $15 million, resulting from a decrease in deferred tax liabilities from the different between tax and accounting basis on financial statement translation.

# 4. Statements of Consolidated Financial Position

Statements of Consolidated Financial Position as of 30 June 2024 in comparison with the Statements of Consolidated Financial Position as of 31 December 2023.

| Financial Position (Unit: Million USD) | 30-Jun-24 | 31-Dec-23 | Inc.(Dec.) Amount | % |
|---|---|---|---|---|
| Assets | 12,344 | 13,000 | (656) | -5% |
| Liabilities | 7,711 | 8,172 | (461) | -6% |
| Equity | 4,633 | 4,828 | (195) | -4% |

4.1 Total assets of $12,344 million, decreased by $656 million compared to total assets as of 31 December 2023 with details described as below:

| Financial Position (Unit: Million USD) | Assets | | Inc.(Dec.) | |
|---|---|---|---|---|
| | 30-Jun-24 | 31-Dec-23 | Amount | % |
| Cash and Cash equivalent | 1,469 | 1,575 | (106) | -7% |
| Investment in debt instruments measured at amortised cost | 60 | - | 60 | 100% |
| Investment in debt instruments measured at fair value through profit or loss | 41 | 23 | 18 | 78% |
| Trade accounts receivable and note receivables, net | 528 | 529 | (1) | 0% |
| Inventories, net | 214 | 244 | (30) | -12% |
| Current portion of dividend receivables from related parties | 38 | - | 38 | 100% |
| Current portion of deferred exploration and overburden expenditures/stripping, net | 110 | 119 | (9) | -8% |
| Derivative assets due in one year | 49 | 114 | (65) | -57% |
| Other current assets | 270 | 471 | (201) | -43% |
| Total Current Assets | 2,779 | 3,075 | (296) | -10% |
| Investment in associates and joint ventures accounted for using the equity method | 1,902 | 1,972 | (70) | -4% |
| Investment in debt instruments measured at FVPL | 280 | 209 | 71 | 34% |
| Investment in debt instrument measured at amortised cost | - | 60 | (60) | -100% |
| Investment in equity instrument measured at FVPL | 23 | 16 | 7 | - |
| Investment in equity instruments measured at FVOCI | 151 | 167 | (16) | -10% |
| Property, plant and equipment, net | 4,343 | 4,602 | (259) | -6% |
| Deferred exploration and overburden expenditures/stripping, net | 789 | 789 | - | |
| Mining property rights, net | 823 | 863 | (40) | -5% |
| Goodwill, net | 473 | 485 | (12) | -2% |
| Right-of-use assets, net | 58 | 56 | 2 | 4% |
| Derivative assets | 42 | 50 | (8) | -16% |
| Other non-current assets | 681 | 656 | 25 | 4% |
| Total Non-Current Assets | 9,565 | 9,925 | (360) | -4% |
| Total Assets | 12,344 | 13,000 | (656) | -5% |

- Cash and cash equivalents of $1,469 million decreased by $106 million. (As explanation in no.5 Consolidated Statement of Cash Flows)

- Investment in debt instrument measured at amortized cost of 60 million, increased from a reclassification from non- current part.
- Investment in debt instrument measured at fair value through profit or loss of $41 million, increased by $18 million was from additions of $50million, net with redemptions of $36 million and reclassified from non- current part of $4 million.
- Accounts receivable and note receivable of $528 million, decreased by $1 million. This was from coal business in Indonesia of $26 million and battery business in Singapore of $4 million, whereas an increase from coal business in Australia of $18 million, gas business in USA of $10 million, and other businesses of $1 million.
- Other current assets of $270 million decreased by $201 million. A decrease was mainly from cash advance of $6 million, restricted deposit of $141 million, prepaid expense, i.e., insurance and office rental of $10 million and prepaid royalty of $59 million, whereas an increase resulting from advance to account payable & suppliers, revenue department receivable, and others of $15 million that was primary from business in Indonesia, Australia and China.
- Investment in joint ventures and associates at equity method of $1,902 million, decreased by $70 million or 4% was from:
    1) An increase from addition of investment in associates in Thailand and Vietnam of $4 million.
    2) An increase from recognition of profit sharing from joint ventures and associates by $89 million.
    3) An increase from recognition of other comprehensive income from investment in joint ventures and associates of $13 million.
    4) A decrease from dividend recognition during the period of $59 million.
    5) A decrease from the effects of foreign exchange rate translation at the end of period of $117 million.
- Investment in debt instrument measured at fair value through profit or loss of $280 million, increased by $71 million or 34 % was from additions of $24 million, an increase from fair value remeasurement at the end of the period of $51 million and a decrease from reclassification to current portion of $ 4 million.
- Investment in debt instrument measured at amortized cost of $60 million, decreased from reclassification to current portion.
- Investment in debt instrument measured at fair value through profit or loss of $151million, decreased by $16 million or 10% was from:
    1) An increase from fair value remeasurement at the end of the period of $3 million.
    2) An increase from addition of investment in solar business in Japan of $2 million.
    3) A decrease from effects of foreign exchange rate translation at the end of period and others of $21 million.

- Property plant and equipment of $4,343 million, decreased by $259 million or 6% derived from:
    1) An increase from additions of machine and equipment of coal business, natural gas business and power business total of $109 million.
    2) A decrease from fair value remeasurement of contingent liability from asset acquisition of $4 million.
    3) A decrease from sales and write-off of $130 million.
    4) A decrease from depreciation of $187 million.
    5) A decrease from the effects of foreign exchange rate translation at the end of period and others of $47 million.
- Current portion and non-current portion of deferred exploration and development expenditure of $110 million and $789 million, respectively, totaling of $899 million, decreased by $9 million from additions of $363 million, net with amortization of $352 million and the effects of foreign exchange rate translation at end of period of $20 million.
- Mining property rights, net of $823 million, decreased by $40 million or 5%, resulting from amortization during the period of $13 million and the effects of foreign exchange rate translation at the end of period of $27 million.
- Goodwill of $473 million, decreased by $12 million or 2% from the effects of foreign exchange rate translation at the end of period.
- Current portion and non-current portion of financial derivative assets of $49 million and $42 million, respectively, totaling $91 million. This was a result from fair value remeasurement of financial derivative at the end of period, which comprised of interest rate swap of $12 million, electricity swaption of $38 million, coal swap of $2 million, electricity forward contracts of $ 5 million, oil swap of $1 million, and natural gas swap and option of $33 million.
- Other non-current assets of $681 million increased by $25 million or 4%. This was mainly from an increase in prepaid income tax in Indonesia of $25 million, prepaid royalty partly reclassified from current portion of $63 million, deposits of $3 million, others of $15 million, whereas a decrease in vat receivable of $68 million, and right to operate power plant of $3 million, restricted deposits in Indonesia and Australia total of $2 million, and deferred tax asset of $8 million.

4.2 Total liabilities of $7,711 million, decreased by $461 million compared to total liabilities as of 31 December 2023 with movement details as described below:

| Financial Position (Unit: Million USD) | Liabilities | | Inc.(Dec.) | |
|---|---|---|---|---|
| | 30-Jun-24 | 31-Dec-23 | Amount | % |
| Short-term loans from financial institutions | 556 | 727 | (171) | -24% |
| Trade payables | 124 | 140 | (16) | -11% |
| Current portion of long-term loans from financial institutions, net | 529 | 885 | (356) | -40% |
| Current portion of debentures, net | 244 | 204 | 40 | 20% |
| Accrued overburden and coal transportation costs | 121 | 89 | 32 | 36% |
| Financial derivative liabilities due in one year | 93 | 78 | 15 | 19% |
| Other current liabilities | 550 | 636 | (86) | -14% |
| Total current liabilities | 2,217 | 2,759 | (542) | -20% |
| Long-term loans from financial institutions, net | 2,281 | 2,252 | 29 | 1% |
| Debentures, net | 2,407 | 2,431 | (24) | -1% |
| Derivative liabilities | 71 | 5 | 66 | 1320% |
| Provision for decommissioning, restoration, and mine and natural gas rehabilitation | 294 | 278 | 16 | 6% |
| Other non-current liabilities | 441 | 447 | (6) | -1% |
| Total non-current liabilities | 5,494 | 5,413 | 81 | 1% |
| Total liabilities | 7,711 | 8,172 | (461) | -6% |

- Short-term loans from financial institutions of $556 million, decreased by $171 million or 24%, was from additions of $691 million, repayment of $828 million and the effects of foreign exchange rate translation at the end of period of $34 million.
- Current portions of long- term loans from financial institutions of $529 million, decreased by $356 million or 40%. This was a net result from a reclassification from non-current portion of $136 million, repayment of $493 million, an increase from amortization of deferred finance charge of $2 million, and a decrease from the effects of foreign exchange rate translation at the end of the period of $1 million.
- Current portion of debenture of $244 million, increased by $40 or 20% was from reclassification from non-current portion of $58 million and decreased from the effects of foreign exchange rate translation at the end of period of $18 million.
- Accrued overburden and coal transportation expenses of $121 million, increased by $32 million or 36% was mainly from mining operations of subsidiaries in Indonesia.
- Other current liabilities of $550 million decreased by 86 million. This was primary from a decrease withholding tax payable of $7 million, fixed asset purchase payable of $8 million, accrued interest expense $11 million, lease liability of $4 million, other accrued expense i.e., small supplier services, spare parts & supplies expense and warehouse rental total of $31 million , tax payable from gas business in USA of $34 million, whereas an increase in contingent liabilities from acquired natural gas shale of $4 million, vat payable of $4 million, and accrued expense from derivative contracts settlement of $1 million.

- Long- term loans of $2,281 million, increased by $29 million or 1%, was a net result of:
    1) An increase from additional loan during the period of $605 million.
    2) A decrease from reclassification to the current portion of $136 million.
    3) A decrease from repayment of $415 million.
    4) An increase from deferred charge net with amortization of $4 million
    5) A decrease from effects of foreign exchange translation at the end of the period of $29 million as result of a depreciation of THB currency against USD currency at the end of the period that impacted on THB currency loan. Average exchange rate of USD/THB as of 30 June 2024 was THB 36.8497 (31 Dec 2023: THB 34.2233).
- Debenture of $2,407 million, decreased by $24 million or 1%. This was from reclassification to current portion of $58 million, additions of $201 million, and decrease from the effects of foreign exchange rate translation at the end of the period of $167 million due to a depreciation of THB currency against USD currency that impacted to THB currency debenture.
- Current portion and non-current portion of derivative liabilities reported at $93 million and $71 million, respectively, totaling $164 million. This was a result of changes in fair value of financial derivatives at the end of period, that consisted of cross currency swap and interest rate swap of $15 million, natural gas swap contracts of $14 million, natural gas call options contracts of $33 million, electricity call options and electricity forward contracts of $98 million, and foreign exchange rate forward contracts of $4 million.

4.3 Shareholders' equity of $4,633 million decreased by $195 million compared to shareholders' equity as of 31 December 2023, with movement details as described below:

| Financial Position (Unit: Million USD) | Equity | | Inc.(Dec.) | |
|---|---|---|---|---|
| | 30-Jun-24 | 31-Dec-23 | Amount | % |
| Equity attributable to owners of the parent | 3,660 | 3,823 | (163) | -4% |
| Non-controlling interests | 973 | 1,005 | (32) | -3% |
| Total equity | 4,633 | 4,828 | (195) | -4% |

- An increase from the six-month period net profits of $69 million
- An increase from fair value reserves for financial assets measured at fair value to other comprehensive income, cash flows hedge reserves and net investment hedge of $3 million
- An increase from non-controlling interest of $16 million
- A decrease from the effects of foreign exchange rate translation of subsidiaries' financial statements and others of $176 million.
- A decrease from dividend payment declaration of $107 million.

4.4 Net debt-to-equity ratio as of 30 June 2024 reported at 0.82 times (31 December 2023: 0.90 times).

# 5. Statement of Consolidated Cash Flows

Statement of consolidated cash flows for the six-month period ended 30 June 2024 presented a decrease of net cash flow by $106 million (including the effect from unrealized loss on exchange rate translation at the end of period of $68 million). The details of consolidated cash flows activities were as follows:

| **Statement of Consolidated Cash Flows** (Unit: Million USD) | **Amount** |
|---|---|
| Net cash generated from (used in) operating activities | 237 |
| Net cash generated from (used in) investing activities | 79 |
| Net cash generated from (used in) financing activities | (354) |
| **Net increase (decrease) in cash and cash equivalents** | **(38)** |
| Exchange differences on cash and cash equivalents | (68) |
| Cash and cash equivalents at the beginning of the period | 1,575 |
| **Cash and cash equivalents at end of the period** | **1,469** |

5.1Net cash generated from operating activities of $237 million; with major items as follows:

- Collections from sales of $2,066 million.
- Payments to contractors and suppliers of $1,277 million.
- Interest payments of $220 million.
- Payments of income tax of $80 million.
- Royalty fee payments of $149 million.
- Other payments of $103 million.

5.2 Net cash generated from investing activities of $79 million; with major items as follows:

- Payments for machines and equipment of $117 million.
- Receipts from sales of fixed assets and intangible assets of $25 million.
- Payments for financial assets measured at fair value through profit and loss of $46 million.
- Receipts from sale of a subsidiary of $103 million
- Payments for acquisition of investment in an associate and joint ventures of $4 million.
- Payments for deferred exploration and development expenditure of $66 million.
- Receipts from placement of restricted deposits at banks of $139 million.
- Receipts from dividends from joint ventures of $18 million.
- Receipts from interest income and others of $27 million.

5.3 Net cash used in financing activities of $354 million; comprised of

- Receipts from short-term and long-term loans from financial institutions of $1,497 million.
- Repayments of short-term and long-term loans from financial institutions of $1,747 million.
- Receipts from increase in share capital of a subsidiary from non-controlling interests $3 million.
- Dividend paid to shareholders of $107 million.