BANPU

Banpu Public Company Limited and Subsidiaries

Management's Discussion and Analysis

For the 1st Quarter 2022

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THSI THAILAND SUSTAINABILITY INVESTMENT 2021

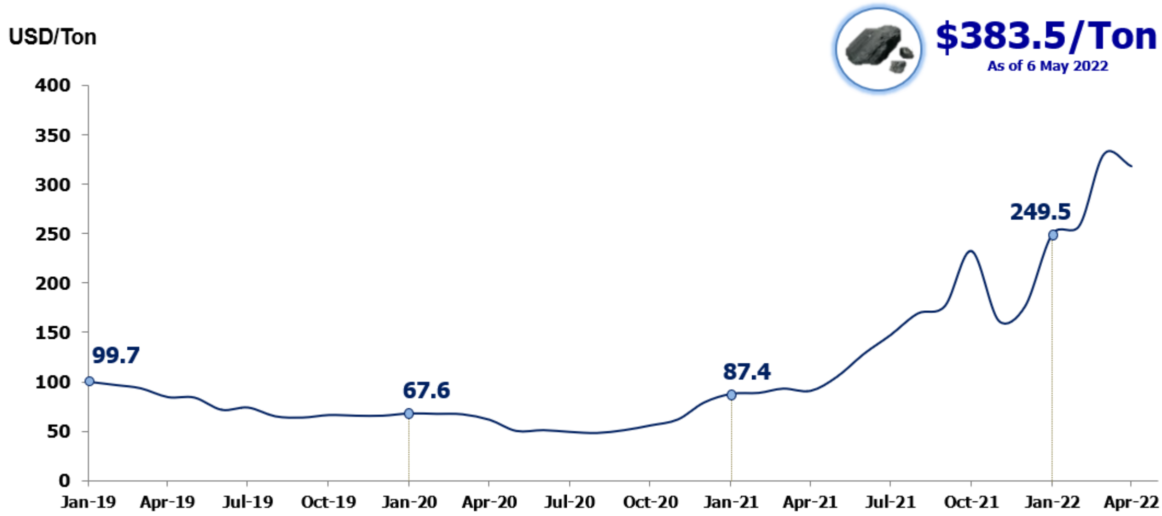
"A leading international versatile energy provider"

Energy resources **Energy generation** **Energy technology**

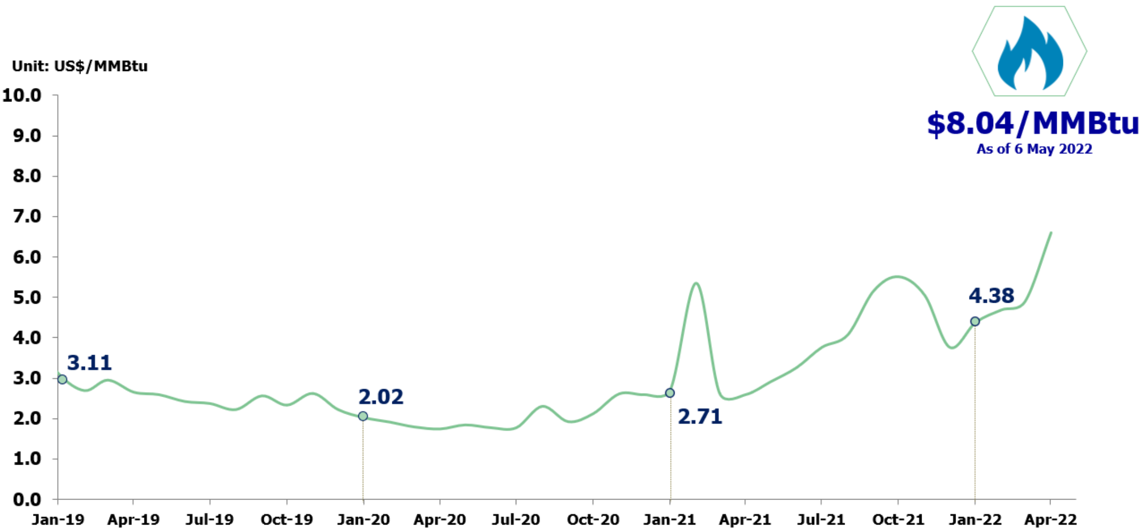
1. Energy Commodities Price Index

The market thermal coal and natural gas price since January 2019 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 2019 - May 2022



Average Henry Hub Natural Gas Price for January 2019 - May 2022



2. Management Discussion and Analysis

Banpu reported an outstanding performance of 1Q2022 with net profit of USD 311 million. The improvement was mainly driven by the continue rising global commodity prices especially coal and natural gas in response to growing demand, led by the reopening of economic activities as the coronavirus pandemic appeared to be less severe. While the supply of both coal and gas from major exporting countries still cannot pace up with the growing demand due to several constraints i.e., unfavorable weather conditions, changing regulations and uncertainty from Ukraine and Russia crisis. Banpu will remain cautious and mindful to ensure operational consistency to serve the ongoing demand of our customers and ability to effectively utilize investment budget to continue accelerate the sustainable greener & smarter portfolio transformation as planned.

In 1Q2022, our 3 core businesses report strong operational results with EBITDA of USD 596 million, Coal business reported EBITDA of USD 400 million (down by 9% QoQ), Gas business reported EBITDA of USD 167 million (down by 19% QoQ), Power business reported EBITDA of USD 37 million (up by 36% QoQ), and Energy Technology business reported EBITDA of USD (-7) million. This quarter, Banpu also recognized the gain from divestment of 47.5% shareholding in Sunseap for USD 179 million.

The Energy resources business has reported significant improvement in its performance, benefiting from the rising commodity price, reflected in an increase of ASP to USD 130.49/ ton, up by 7% compared to previous quarter which reported ASP of USD 122.20/ton. This result in a strong average gross margin from coal business of 52%.

Indonesia coal business reported sales volume of 4.26 million tons, decreased by 19%, compared to previous quarter, mainly due to the operational impact from the heavy rainfall during the quarter and temporarily interruption from the Indonesian export ban that happened in January, while the average selling price (ASP) was reported at 151.14 USD/ton, increased by 5% from ASP of 144.07 USD/ton in previous quarter. The cost of sale was at 53.27 USD/ton, Gross Profit Margin (GPM) was reported at 65%.

Australia coal business reported total production of 1.72 million tons, down by 17% QoQ, due to longwall changeover of Mandalong and Springvale mines. The sales volume was reported at 1.49 million tons, due to the temporarily export rail bottleneck caused by major flooding in New South Wales and will gradually fulfill customers demand by the 2nd quarter of the year. The ASP was reported at AUD 135.82/ton, the cost of sale was AUD 126.18/ton, result in GPM of 7%.

China coal reported outstanding performance with share of profit of USD 47.75 million, up by 35% compared to previous quarter. This is due to the strong domestic Chinese coal price driven by rising demand while supply remains tight.

Gas business reported total production volume of 59.67 billion Cubic Feet (Bcf), slightly down by 4% compared to previous quarter. The average local price was 4.80 USD/Mcf, down by 7% QoQ compared to 5.19 USD/Mcf in the previous quarter, mainly from the warmer weather than expected, therefore the US natural gas consumption was softening in 1Q of the year compared to stronger demand from colder winter in the 4Q of last year. However, with the recovery demand after economic activities resume within the country, but with the slower pace in injecting new funds into developing new gas wells, US natural gas inventory level therefore remains low, resulting in rising of the domestic natural gas price.

The Energy generation business remains resilient, deliver consistent operational cash flow, despite facing several challenges mainly from the rising fuel cost. HPC power plant reported an equity income of USD 19.3 million, down by -33% compared to previous quarter, with reported Equivalent availability factor (EAF) of 77% as unit 2 underwent planned maintenance for 44 days. BLCP reported loss sharing of USD 2.5 million as an impact from 41 days outage as unit 1 underwent major inspection for power plant improvement. CHPs plants in China reported net profit of USD 2.8 million, due to high demand during winter and partly reflects the successful implementation of several measures to mitigate the impact from high Chinese domestic coal cost that reported an average of RMB 1,096/ton. Shanxi Lu Guang (SLG) power plant in China, also experiences high domestic Chinese coal cost, so it reported loss sharing of USD 7.7 million. While, our 2 major High Efficiency, Low Emission "HELE" power plants, consists of Nakoso power plant in Japan reported strong profit sharing of USD 7.2 million, as a result of plant improvement program at the end of last year and Temple I Gas-fired in US reported net loss of USD 27 million due to the non-peak seasonal demand and include the impact from unrealized derivative loss of USD 23 million.

For Renewable business portfolio which currently located in 4 strategic countries which are Australia, China, Japan, and Vietnam. All operations reported consistent operational performance and will gradually contribute higher profit generation as the plants achieve its full capacity. The 2 Solar farm in Australia reported revenue of USD 3.07 million, Solar business in China reported net profit of USD 12 million, Solar business in Japan reported TK dividend distribution of JPY 121 million. Moreover, the Shirakawa Solar Power project with capacity of 10 MW already achieved Commercial Operation Date (COD) as plan on 16th January 2022. El Wind Mui Dinh wind farm reported net profit of USD 0.5 million while 30 MW Vin Chau wind project is under pre-commissioning process to be ready for commercial dispatch as requested by Offtaker.

For Energy Technology business, through Banpu NEXT, continues to penetrate its customer base, by signing new 5.9 MWp solar rooftop PPA in Indonesia, new contract with summer Lasalle phase-3 project of 982 kWp in Bangkok and also expand the smart city solution platforms by singing JV agreement with SP group, a leading utilities group in Singapore and Asia pacific. Moreover, to accelerate its solar floating business portfolio after the 95% construction completion of 16 MW floating solar at Tribeca Enterprise, Banpu NEXT also handled a new major solar floating project for Apex Green Industrial Estate with a total production of 32 MW, which is considered the largest private solar project in Thailand. This demonstrates the commitment to continue scale up Energy Technology business portfolio and the development of Banpu ecosystem to provide the absolute integrated energy solutions to serve the demand of new energy trends.

3. Group Performance Analysis

The analysis and explanation of Banpu Group performance for the 1st quarter ended 31 March 2022 and 2021 as follows:

Consolidated Statement of Income for the 1st quarter ended 31 March 2022 and 2021

Consolidated financial performance (Unit: Million USD)	1Q2022	1Q2021	Change Amount	Change %
Sales and service income	1,256	736	520	71%
Cost of sales and services	(666)	(508)	(158)	31%
Gross profit	590	228	**362**	**159%**
Selling expenses	(42)	(31)	(11)	35%
Administrative expenses	(79)	(64)	(15)	23%
Royalty fee	(86)	(44)	(42)	95%
Share of profit from joint ventures and associates	62	43	19	44%
Other income (expenses)	73	35	38	109%
Finance cost	(52)	(45)	(7)	16%
Profit before income taxes	466	122	**344**	**282%**
Income taxes	(76)	(46)	(30)	65%
Profit for the period	390	76	**314**	**413%**
Owners of the parent	**311**	**51**	**260**	**510%**
Non-controlling interests	**79**	**26**	**53**	**204%**
Earnings per share (Unit : USD)	0.046	0.008	0.186	0.009
Diluted earnings per share (Unit : USD)	0.038	0.008	0.153	0.009

Banpu group performance for 1Q22 reported net profit at $311 million, increased by $260 million or 510% compared to 1Q21.This was mainly due to an increase in coal and natural gas price that support overall group performance; moreover, in 1Q22 the group consolidated performance from new power plants which invested during 2021, those are Temple I gas-fired power plant in USA, solar power plant in Australia, wind power plant in Vietnam and Nakoso power plant in Japan. The group also recognized gain on sales of investment in a joint venture which was completed in this quarter.

A rebound the world's economies became stronger so far from the better situation of Covid-19 pandemic that led to a higher demand on energy while supply is still constrained and also tensions over Russia- Ukraine crisis during 1Q22, resulting in an increase in commodities price. However, the group has also continuously focused on cost management and production efficiency to cope with the uncertainty of the global economic and volatility of energy commodities price in the future.

Sales and cost of sales

(Unit: Million USD)	Revenue 1Q2022	Revenue 1Q2021	Revenue Inc.(Dec.)	Cost of Sales 1Q2022	Cost of Sales 1Q2021	Cost of Sales Inc.(Dec.)
Coal Business	828	461	80%	401	340	18%
Natural Gas Business	279	186	50%	125	81	55%
Power & Steam Business	126	67	89%	116	51	128%
Others	23	22	4%	24	36	-35%
Total	**1,256**	**736**	**71%**	**666**	**508**	**31%**

Sales

Sales reported at $1,256 million (equivalent to THB 41,509 million), increased by $520 million compared to 1Q21. An increase of sales $367 million derived from coal businesses, $93 million from natural gas business, and $60 from power and steam business and others. Details were described as follows:

1. Sales from coal business of $828 million or 66% of total revenue separated by source of coal as below:
   - Indonesia coal mines of $634 million
   - Australia coal mines of $147 million
   - Coal trading business of $38 million
2. Sales from natural gas business in USA of $286 million or 23% of total revenue.
3. Sales from power and steam of $126 million or 10% of total revenue derived from Combined Heat and Power (CHP) plants and solar power plants in China, solar power plant in Australia, and gas-fired power plant in USA.
4. Others of $23 million was mainly from energy trading business in Japan.

1.Coal Business

Coal Business		1Q2022	1Q2021	Inc.(Dec.)
Sales Volume	Million Tonnes	6.35	7.22	-12%
Average selling price	$/Tonne	130.49	63.86	104%
Average Cost of sales	$/Tonne	63.16	47.12	34%

Coal sales of $828 million, increased by $367 million or 80%, was a result of an increase in average selling price by $66.63 per tonne or 104%, while a decrease in sales volume by 0.88 million tonnes, and an increase in cost of sales by 34% compared to 1Q21 as following details:

Indonesia Mines		1Q2022	1Q2021	Inc.(Dec.)
Sales Volume	Million Tonnes	4.26	4.10	4%
Average selling price	$/Tonne	151.14	68.43	121%
Average Cost of sales	$/Tonne	53.27	39.36	35%

Coal Business in Indonesia

- **Sales volume**

  Coal sales volume was 4.26 million tonnes, decreased by 0.15 million tonnes or 4% compared to 1Q21.

- **Average selling price**

  Average selling price per tonne was $151.14, increased by $82.70 or 121% compared to 1Q21, in accordance with an increase of global coal market price.

- **Average cost of sales**

  Average cost of sales per tonne was $53.27, increased by $13.91 or 35% compared to 1Q21, due to an impact from sharply increase in global fuel market price, higher overburden expenditure, less coal production resulting from a heavy rain along this quarter and higher coal cost purchased from other sources. However, the group has focused on cost management to cope with a volatility in global coal market price, while still maintain coal quality, including quality development to meet customer demand and retain in the long run. Moreover, the group emphasized on more efficiency in fuel used for production that led to a decrease in fuel consumption rate for production. This included a favor outcome from cost reduction program that implemented across the group.

Australia Mines		1Q2022	1Q2021	Inc.(Dec.)
Sales Volume	Million Tonnes	1.49	2.63	-43%
Average selling price	A$/Tonne	135.82	80.02	70%
Average Cost of sales	A$/Tonne	126.18	81.23	55%

Coal business in Australia

- **Sales volume**

  Coal sales volume was 1.49 million tonnes, decreased by 1.13 million tonnes or 43% compared to 1Q21. This was an impact from longwall changeover in Mandalong and Springvale mines and also still encountering the difficulty in geology mining conditions, resulting in a decrease in sales volume versus 1Q21.

- **Average selling price**

  Average selling price per tonne was A$135.82, increased by A$ 55.80 or 70% compared to 1Q21 as the following details:

	Sales Volume (Unit: Million Tonnes)			Avg. Price/Tonne (A$/Tonne)		
Australia Mines	1Q2022	1Q2021	Inc.(Dec.)	1Q2022	1Q2021	Inc.(Dec.)
Domestic	1.01	1.85	-45%	78.26	76.45	2%
Export	0.48	0.78	-38%	258.56	88.52	192%
Total	**1.49**	**2.63**	**-43%**	**135.82**	**80.02**	**70%**

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

  Average domestic selling price per tonne was A$78.26, increased by A$1.81. This caused by an increase in sales volume under high price contracts compared to 1Q21, whereas coal market price was higher with the average export selling price per ton A$258.56, increased by A$170.04 per tonne compared to 1Q21. This included a depreciation of AUD currency against USD currency, that impacted to export sales conversion. The average AUD/USD in this quarter was 0.7232 (1Q21: 0.7727)

- **Average cost of sales**

  Average cost of sales per tonne was A$126.18, increased by A$44.96. This was due to a decrease of coal production volume impacted from longwall changeover in Mandalong and Springvale mines and also from encountering geological challenges. Moreover, there was an increase in coal purchase price from other sources that resulted to a higher average cost of sales.

2. Natural Gas Business

Natural Gas Business		1Q2022	1Q2021	Inc.(Dec.)
Sales Volume	Bcf **	59.67	61.69	-3%
Average Local Price	$/Mcf	4.80	2.64	82%
Average selling price	$/Mcf	4.60	2.22	108%
Average Cost of Gathering, processing & transportation	$/Mcf	0.99	0.85	16%
Average Cost*	$/Mcf	1.31	0.91	44%

* Avg Cost excluded Cost of Gathering, processing & transportation ** Bcf = Billion Cubic Feet.

Natural Gas business in USA

Sales from natural gas business in 1Q22 reported at $279 million, increased by $93 million compared to 1Q21.Details were as follows:

- **Sales Volume**

  Natural gas sale volume was 59.67 billion cubic feet, decreased by 3% compared to 1Q21. This was due to a natural decline in production from gas wells, also an impact from severe winter condition in Texas in February that caused gas pipeline frozen and disrupted normal gas delivery system during a time in this quarter.

- **Average Local Price**

  Refer to higher Henry Hub index price compared to prior year, the average local selling price per Mcf. in this period was $4.60, increased by $2.16 per Mcf or 82% compared to 1Q21. Henry Hub natural gas price and West Texas Intermediate (WTI) price was become higher from an increase in domestic demand of oil and natural gas while the supply became constrained as gas producers carefully monitored on investment budget. This also included highest LNGs export sales volume as a consequent from Russia- Ukraine situation that caused countries in Europe reduced gas imported from Russia, while imported more from others.

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

  Average cost of Gathering, processing & transportation per Mcf was $0.99, increased by $0.14 or 16% compared to 1Q21. This was an impact from higher inflation that caused service providers increased their service charges for gathering processing & transportation. However, the group has also continuously focused on manage this cost to cope with the volatility of market price.

- **Average Cost of Sale**

  Average cost of sales (excluding gathering, processing & transportation cost) per Mcf was $1.31, increased by $0.40 or 44% compared to 1Q21. This was an increase in production tax that directly correlated to revenue, and a higher inflation that affected to an increase in cost of services and materials.

3. Power Business

Sales from Power and Steam of $126 million or 10% of total revenue was from sales from CHP plant $78 million, solar power plant in China of $6 million, solar power plant in Australia of $3 million, wind power plant in Vietnam of $3 million and gas-fired power plant in USA of $36 million. The power plants in Australia, Vietnam, and USA were acquired by the group in 2021.

Details of sales from CHP plant and solar power plant in China were described as follows:

Power Business		Combined Heat & Power Plants (CHP)			Solar Power Plants		
		1Q2022	1Q2021	Inc.(Dec.)	1Q2022	1Q2021	Inc.(Dec.)
Power sold Volume	GWh	455.55	427.07	7%	49.69	54.02	-8%
Steam Volume	Million Tonnes	2.53	2.32	9%	-	-	-
Average PowerTariff	RMB/kWh	0.41	0.36	16%	0.81	0.83	-3%
Average Steam Price	RMB/Tonne	120.23	101.55	18%	-	-	-

Combined Heat and Power (CHP) plants in China

Sales from power, steam, and others from 3 CHP plants in China of $78 million, increased by $18 million compared to 1Q21, was mainly from increasing in sales volume of electricity and steam as detail below:

- **Sales Volume**

  Sales volume of 455.55 GWh, increased by 28.48 GWh compared to 1Q21.

  Steam sales of 2.53 million tonnes, increased by 0.21 million tonnes, mainly from higher demand from Zouping CHP plant from industrial customers, and Luannan CHP plant from residential customers.

- **Average Selling Price**

  Average power tariff was RMB 0.41 per kWh, increased by 16% compared to 1Q21. This was because Luannan CHP plant and Zhengding CHP plant were entered into Power Trading Market resulting in higher average tariff that aligned with the market price.

Average steam price per tonne was RMB 120.23, increased by 18.68% from 1Q21. This was because a part of steam price was adjusted aligned with an increase in coal price and some was adjusted due to new purchase and sales agreements.

- **Cost of Sale**

  Cost of sale was $72 million, increased by $24 million. This was primarily from the higher coal cost, main fuel for power plants. The average coal cost per tonne in 1Q22 was RMB 1,096 (1Q21: RMB 721), increased by RMB 374 per tonne or 52% compared to 1Q21.

Solar power plants in China

Sales from solar power plants in China reported at $6 million, decreased by $0.5 million compared to 1Q21.Details of sales volume, average power tariff and cos of sales were as follows:

- **Sales Volume**

  Sales volume of 49.69 GWh., decreased by 4.33 GWh compared to 1Q21 from a decrease in production volume caused by unfavorable weather conditions.

- **Average Power Tariff**

  Average power tariff was RMB 0.81 or decreased when compared to 1Q21. This was because 10% of power production were traded in Power Trading Market under government regulation, that the tariff was lower than former contract tariff.

- **Cost of Sales**

  Cost of sales for 1Q22 was remain unchanged.

Administrative expense

Administrative expenses reported $79 million, increased by $15 million or 23% was mainly from professional & consulting fee related to business expansion and administrative expense from the power plants that were acquired by the group in 2021.

Royalty fees

Royalty fees reported at $86 million, increased by $42 million or 95%. The fee comprised of royalty fees from Indonesia mines $77 million, increased by $43 million due to an increase in coal price versus 1Q21, while royalty fees from Australia mines that was $8 million, or decreased by $2 million compared to 1Q21.

Profit sharing (Unit : Million USD)	1Q2022	1Q2021	Inc.(Dec.) Amount	%
BLCP	(2)	2	(4)	-251%
Hongsa & Phufai Mining	19	27	(8)	-28%
Shanxi Luguang	(8)	0	(8)	n/a
Coal business in China	48	17	31	185%
Holding Company of Solar Power in Japan and others	5	(2)	8	-343%
Total	**62**	**43**	**19**	**45%**

Share of profit from joint ventures and associates

Profit sharing from joint ventures and associates reported at $62 million, increased by $19 million or 45% compared to 1Q21 due to details described as below:

1) Recognition of profit sharing from Hongsa power plant and PhuFai mining in Laos of $19 million, decreased by $8 million from 1Q21. This was a decrease in operating performance of $3 million due to underwent plant maintenance in the unit no.2 as planned and from a decrease in gain on foreign exchange rate translation of $5 million.
2) Recognition of loss sharing from BLCP of $2 million, or profit decreased by $4 million. This was mainly due to a decrease in operating performance of $10 million from maintenance as planned, net with a decrease of deferred tax asset recognition and unrealized loss on exchange rate translation of $6 million.
3) Recognition of loss sharing from SLG power plant of $8 million. This was due to an impact from high domestic coal cost situation.
4) Recognition of shares of profit from coal business in China of $48 million, increased by $31 million. This was a result of higher sales price aligned with coal market price.

Other income

Other income of $73 million comprised of:

1) Net gain on foreign exchange rate of $10 million was mainly from realized gain on foreign exchange rate of $22 million from cash received from THB loan receivable during the period, whereas unrealized loss on foreign exchange rate translation at the end of period of $12 million. This was due to an appreciation of THB currency against USD currency compared to the prior year. Average exchange rate of USD/THB for 1Q22 was THB 33.0529 (1Q21: THB 31.9771) and average exchange rate of THB/USD as of 31 Mar 2022 was THB 33.2973 (31 Dec 2021: THB 33.4199)
2) Net loss from financial derivatives of $148 million comprised of:
    - Realized loss from financial derivatives of $79 million derived from coal swap contracts of $20 million, natural gas swap

contracts of $56 million, interest rate swap contracts of $3 million, electricity price contract of $1 million, whereas, realized gain on foreign exchange rate forward contracts was $1 million.

- Unrealized gain on fair value of financial derivatives at the end of the period of $69 million was from natural gas swap contract of $45 million, electricity price contract of $11 million and electricity call option of $22 million, whereas unrealized gain on interest rate swap was $9 million.

3) Management fee income and others of $211 million was from:
   - Interest income of $2 million.
   - Management fee charged to related parties and joint ventures of $1 million.
   - Dividend income of $1 million, was mainly from profit sharing from solar power business in Japan under TK (TOKUMEI KUMIAI) agreement.
   - Gain on sales of investment in joint venture of the group of $179 million.
   - Others of $ 28 million. Those are steam connection fee income from new residential steam customers from CHP plants in China, sales of ashes, slag and scraps from mines and power plants, insurance claims, compensation awarded from winning a court case, warehouse management fee income, tax redemption and others.

Corporate income tax

Corporate income tax of $76 million, increased by $30 million was mainly from:

1) An increase in corporate income tax of $41 million, aligned with higher operating profits compared to prior year.
2) A decrease in deferred tax expense of $11 million. This was due to an increase of deferred tax assets primary from a different in foreign exchange rate conversion in accounting basis versus tax basis, which impacted from an appreciation of THB currency.

4. Statements of Consolidated Financial Position

Statements of Consolidated Financial Position as of 31 March 2022 in comparison with the Statements of Consolidated Financial Position as of 31 December 2021.

Financial Position (Unit: Million USD)	31-Mar-22	31-Dec-21	Inc.(Dec.) Amount	%
Assets	11,483	10,946	537	5%
Liabilities	8,163	7,843	320	4%
Equity	3,320	3,103	217	7%

4.1 Total assets of $11,483 million, increased by $537 million compared to total assets as of 31 December 2021 with details described as below:

Financial Position (Unit: Million USD)	Assets		Inc.(Dec.)	
	31-Mar-22	31-Dec-21	Amount	%
Cash and Cash equivalent	1,614	1,184	430	36%
Financial assets measured at fair value through profit or loss	17	16	1	6%
Trade accounts receivable and note receivables, net	493	473	20	4%
Inventory net	157	158	(1)	-1%
Current portion of dividend receivables from related parties	22	24	(2)	-8%
Non-current assets held-for-sale	-	172	(172)	-100%
Other current assets	581	529	52	10%
Total Current Assets	2,884	2,556	328	13%
Dividend receivables from related parties	5	7	(2)	-29%
Investments in associates and joint ventures	1,710	1,645	65	4%
Financial assets measured at fair value through other comprehensive income	173	164	9	5%
Financial assets measured at fair value through profit & loss	7	8	(1)	-13%
Property, plant and equipment, net	3,429	3,416	13	0%
Deferred exploration/stripping costs, net	900	889	11	1%
Mining property rights, net	1,298	1,276	22	2%
Goodwill	443	432	11	3%
Right of use assets	86	66	20	30%
Other non- current assets	548	487	61	13%
Total Non-Current Assets	8,599	8,390	209	2%
Total Assets	11,483	10,946	537	5%

- Cash and cash equivalents of $1,164 million, increased by $430 million. (As explanation in no.5 Consolidated Statement of Cash Flows).
- Financial assets measured at fair value through profit or loss of $17 million, increased by $1 million was from additions of $20 million and redemptions of $19 million.

- Current portion and non-current portion of dividend receivable from related parties of $22 million and $5 million, respectively, were dividend receivable from joint ventures who operates power business in Thailand and joint ventures who operates CHP plant business in China, which total decreased by $4 million. This was a net result of:
    1. A decrease from received dividend of $24 million.
    2. An increase from additional declared dividend of $20 million.
- No balance of non-current assets held for sales $172 million in this quarter because the sales of investment in a joint venture of the group was completed during this quarter.
- Investment in joint ventures and associates of $1,710 million, increased by $65 million or 4% was from:
    1. An increase from recognition of profit sharing from joint ventures and associates by $62 million.
    2. A decrease from dividend recognition during the period of $20 million.
    3. An increase from the effects of foreign exchange rate translation at end of the period and others by $23 million.
- Financial assets measured at fair value through other comprehensive income (FVOCI) $173 million, increased by $9 million. This was due to:
    1. An additional investment in solar power business in Japan of $12 million.
    2. An increase from the impact of fair value adjustment of $4 million.
    3. A decrease from the effects of foreign exchange rate translation at the end of the period and others of $7 million.
- Property plant and equipment of $3,429 million, increased by $13 million derived from:
    1. An increase from additions of machine and equipment of coal business, natural gas business and power business total of $40 million.
    2. An increase from fair value adjustment of contingent liability from asset acquisition of $31 million.
    3. A decrease from sales and write-off of $2 million
    4. A decrease from depreciation charges for the period of $83 million.
    5. An increase from the effects of foreign exchange rate translation at end of the period and others of $27 million.
- Right of use assets of $86 million increased by $20 million, or 30%, was from additions of $31 million, offset with write-off of $1 million and depreciation of $10 million.
- Other non-current assets of $548 million, increased by $61 million. This was a result of an increase in purchase vat receivable of $14 million, an increase in deferred income tax assets from business in USA of $52 million, an increased in prepaid income tax of $6 million, and others of $1 million, whereas a decrease in deposit of $7 million and financial derivative assets of $5 million

4.2 Total liabilities of $8,163 million, increased by $320 million compared to total liabilities as of 31 December 2021 with movement details as described below:

Financial Position (Unit: Million USD)	Liabilities		Inc.(Dec.)	
	31-Mar-22	31-Dec-21	Amount	%
Short-term loans from financial institutions	810	1,174	(364)	-31%
Trade accounts payable	99	99	-	
Current portion of long-term borrowings, net	441	517	(76)	-15%
Current portion of debenture, net	120	120	-	
Accrued overburden and coal transportation costs	84	77	7	9%
Financial derivative liabilities due in one year	424	128	296	231%
Other current liabilities	805	793	12	2%
Total current liabilities	2,783	2,908	(125)	-4%
Long-term loans from other company	2,351	2,270	81	4%
Debentures, net	2,278	1,911	367	19%
Financial derivative liabilities, net	67	53	14	26%
Provision for decommisioning and reserve for environment reclamation	330	340	(10)	-3%
Other liabilities	354	361	(7)	-2%
Total non-current liabilities	5,380	4,935	445	9%
Total liabilities	8,163	7,843	320	4%

- Short-term loans from financial institutions of $810 million, decreased by $364 million or 31%, was from addition of $233 million, repayment of $602 million, and an increase from the effects of foreign exchange rate translation at the end of the period of $5 million.

- Current portions of long- term loans of $441 million, decreased by $76 million was from an increase from reclassification from non-current portion of $35 million, offset with repayment of $104 million, deferred finance charge of $1 million, and the effects of foreign exchange rate translation at the end of period of $6 million.

- Current portions of debenture of $120 million was stable as last year.

- Accrued overburden and coal transportation expenses of $84 million, increased by $7 million or 9% was mainly from mining operations of subsidiaries in Indonesia.

- Long- term loans of $2,351 million, increased by $81 million or 4 %, was a net result of:

  1. An increase from additional loan during the period of $104 million.
  2. A decrease from reclassification to current portion of $35 million.
  3. A decrease from deferred finance charge of $2 million
  4. An increase from the effects of foreign exchange translation at the end of the period of $14 million, was mainly from an appreciation of THB currency against USD currency that affected to THB currency loan. Average exchange rate of THB/USD as of 31 Mar 2022 was THB 33.2973 (31 Dec 2021: THB 33.4199). Also, a decrease was from an appreciation of AUD currency against USD currency at the end of period. Average exchange rate of AUD/USD was 0.7493 (31 Dec 2021: 0.7260).

- Debenture of $2,278 million, increased by $367 million or 19%. There were new additions of $358 million and an increase from the effects of foreign exchange rate translation at the end of the period of $9 million from an appreciate of THB currency against USD currency, impacted to THB currency debenture.

- Current portion and non-current portion of derivative liabilities reported at $424 million and $67 million, respectively, total of $491 million. This was changes in fair value of financial derivatives at the end of period, that consisted of cross currency swap contracts of $15 million, interest rate swap contracts of $16 million, natural gas swap contracts of $398 million, and coal swap contracts of $37 million, and electricity contracts of $25 million.

4.3 Shareholders' equity of $3,320 million increased by $217 million, was mainly due to:

Financial Position (Unit: Million USD)	**Equity**		**Inc.(Dec.)**	
	31-Mar-22	**31-Dec-21**	**Amount**	**%**
Equity attributable to owners of the parent	2,572	2,372	200	8%
Non-controlling interests	748	731	17	2%
Total equity	3,320	3,103	217	7%

- An increase of $311 million from net profits for 1Q22.
- An increase of $8 million from reserve for share-based compensation to employees.
- A decrease of $195 million from fair value reserves for financial assets measured at fair value to other comprehensive income, cash flows hedge reserves and net investment hedge.
- A decrease of $15 million from fair value of put options over non-controlling interests.
- An increase of $54 million from the effects of foreign exchange rate translation of subsidiaries' financial statements and others.
- An increase of $77 million from non-controlling interest.
- An increase of $60 million from a resale of a subsidiary' treasury stocks.
- A decrease of $83 million from dividend payment.

4.4 Net debt-to-equity ratio as of 31 March 2022 reported at 1.10 times (31 December 2021: 1.31 times).

5. Statement of Consolidated Cash Flows

Statement of consolidated cash flows for the period ended 31 March 2022 presented an increase of net cash flow by $429 million (included the effect from unrealized gain on exchange rate translation at the end of period of $1 million). The details of consolidated cash flows activities were as follows:

Statement of Consolidated Cash Flows (Unit: Million USD)	**Amount**
Net Cash flows from operating activities	144
Net Cash flows used in investing activities	242
Net Cash flows from finaning activities	43
Net increase in cash and cash equivalents	**429**
Exchange gain on cash and cash equivalents	1
Cash and cash equivalents at the beginning of the period	1,184
Cash and cash equivalents at end of the period	**1,614**

5.1 Net cash inflow from operating activities of $144 million; with major operating items as follows:

- Collections from coal sales of $1,134 million.
- Payments to contractors and suppliers of $590 million.
- Interest payments of $48 million.
- Payments of corporate income tax of $41 million.
- Royalty fee payments of $99 million.
- Other payments of $212 million.

5.2 Net cash inflow from investing activities of $242 million; with major items as follows:

- Payments for machines, equipment, project in progress and asset acquisition of $55 million.
- Payments for financial assets measured at fair value through profit and loss of $20 million.
- Payments for financial assets measured at fair value through other comprehensive income of $11 million.
- Payments for deferred exploration and development expenditure of $66 million.
- Payment for restricted cash of $2 million.
- Receipts from dividend from joint ventures and other investments of $26 million.
- Receipts from sales of investment in joint venture of $348 million.
- Receipts from interest income and others of $22 million.

5.3 Net cash inflow from financing activities of $43 million; comprised of

- Receipts from short term and long - term loans from financial institutions and debentures of $694 million.
- Repayments of short term and long - term loans from financial institutions, debentures, and lease liabilities of $711 million.
- Receipts from a resale of a subsidiary' treasury stocks of $60 million.