Banpu Public Company Limited

and Subsidiaries

Management's Discussion and Analysis

For the 3rd Quarter 2021

Member of
Dow Jones
Sustainability Indices
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Sustainability Award
Gold Class 2021
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Banpu has been recognized as a member of Dow Jones Sustainability Indices (DJSI) since 2014.

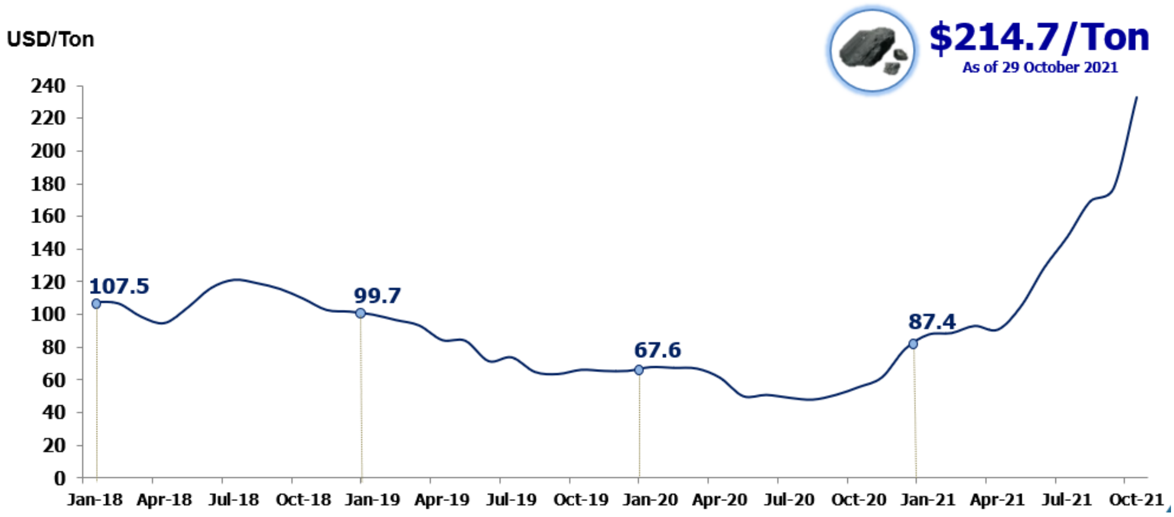
MSCI
ESG RATINGS
A

In 2020, Banpu Public Company Limited received a rating of A (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment.

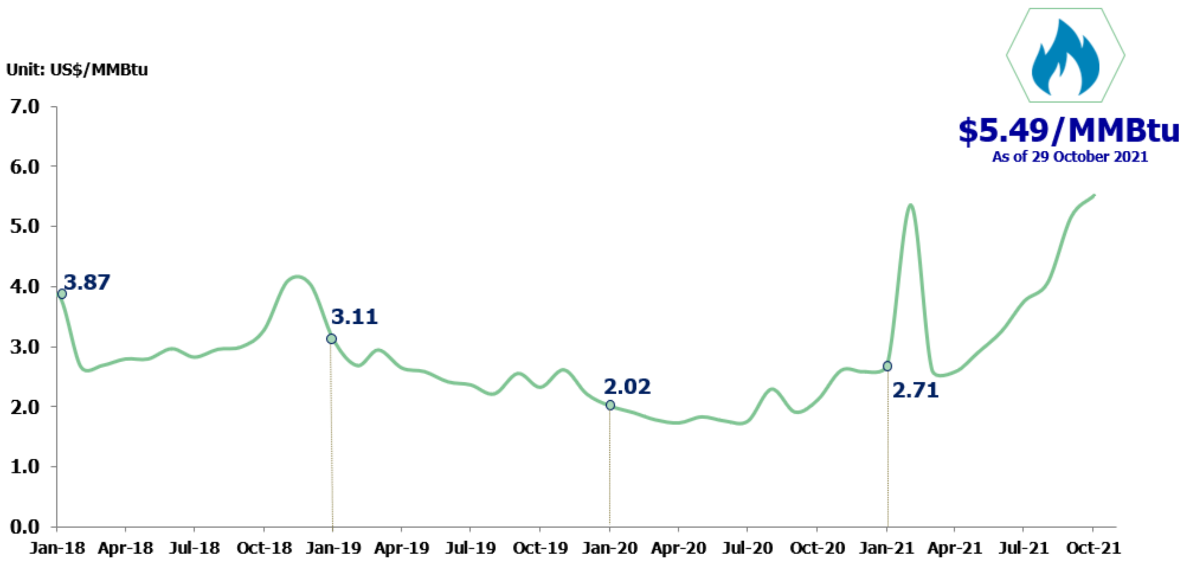
1. Energy Commodities Price Index

The market thermal coal and natural gas price since January 2018 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 2018 – October 2021



Average Henry Hub Natural Gas Price for January 2018 – October 2021



2. Management Discussion and Analysis

The Global Energy consumption in 3Q2021 significantly rebound as governments of all countries accelerate its vaccination rate to reduce the chance of infection and mitigate disease severity from COVID-19. Several measures have been relaxed to allow economic activities to be reopened while there were many challenges facing energy supply side due to the unfavorable weather condition and logistics disruption results in an energy supply shortage that result in significantly increase in energy prices.

In 3Q21 Banpu reported net profit of USD 106 million, the 3 core businesses continue delivering strong cash flow as the group reported its 3Q21 EBITDA generation of USD 530 million, significantly improve by 72% QoQ. The total EBITDA consists of EBITDA from coal of USD 399 million (+105% QoQ), EBITDA from gas of USD 122.4 million (+74% QoQ), Energy generation contributed EBITDA of USD 2.6 million (-93% QoQ) including one-time transaction cost from acquisition of Solar in Australia and Energy Technology for USD 5.4 million (-18%QoQ)

The Energy Resources business starting from mining business in China, Indonesia and Australia reported strong operational result mainly from the improvement in average selling price while cost of production remain quite stable. Indonesia coal business reported sales volume of 5.8 million tons, the average selling price (ASP) was 112.7 USD/ton, significantly improved by 39% QoQ. The cost of sale was 45.9 USD/ton, resulted in an improvement of Gross Profit Margin (GPM) at 59%, higher 10% QoQ. Australia coal business reported sales volume of 2.5 million tons, quite stable compared to previous quarter as it experienced complex geology of Springvale mine, reflected in the cost of sale at 88.1 AUD/ton, However, the ASP was improved to 102.8 AUD/ton, 15% higher QoQ. China coal reported an outstanding performance with profit sharing of USD 49.8 million, significantly increase by 81% compared to previous quarter because of strong domestic price driven by imbalance of supply compared to higher demand domestically.

Gas business for 3Q21 reported an average local price of 3.86 USD/Mcf, delivered the total production volume of 61.96 billion Cubic Feet (Bcf), slightly increase 3% compared to previous quarter with average selling price of 3.68 USD/Mcf, 43% increase QoQ driven by strong demand resulted from a reopening of economic activities while the gas production increased in a slower pace due to the delayed in investing and developing new gas wells.

The Energy generation business in 3Q21, HPC power plant reported an equity income of USD 21.7 million, decreased by 38% QoQ due to the planned maintenance of unit 1 and unit 3 resulted in an Equivalent availability factor (EAF) of 75%. Nakoso power plant in Japan that achieved Commercial Operation Date (COD) since April, also reports share of profit of USD 3.1 million. BLCP reported loss sharing of USD 1.7 million due to the impact from deferred tax expenses and unrealized loss from exchange rate translation. CHPs operation in China experienced challenges from high Chinese domestic coal cost that impacted to CHPs operation, however with the heat subsidy received at Zhending plant, helps lessen the impact from higher coal cost, so it reported net loss of USD 1.0 million. While Shanxi Lu Guang (SLG) power plant in China started its commercial dispatch to the national transmission system and will continue to gradually improve its efficiency. However, it also experiences high domestic Chinese coal cost, so it reported loss sharing of USD 7.1 million.

For Renewable business including solar power plants in China and Japan reported lower performance due to its seasonal impact resulted in lower irradiation. Solar business in China reported revenue of USD 7.4 million, decrease by 10% QoQ, with an average capacity factor of 15%. Solar business in Japan reported significant increase in TK dividend distribution of JPY 470 million. While projects under construction which consists of Vin Chau wind project in Vietnam and 2 Solar farms in Japan including Shirakawa project and Kessennuma project for total of 30 MW are actively progressing to complete its construction despite some challenges due to COVID-19 measures in the areas that might caused slightly shift in its COD schedule.

For Energy Technology business, it continues strengthening E mobility platform and expand the Energy Management solutions by acquired Engie Services company (Thailand) covering wide ranges of services including procuring, installing, operating, maintaining, and enhancing energy systems for commercial and industrial clients in Thailand with contracts on hand and future contracts in pipeline.

3. Group Performance Analysis

The analysis and explanation of Banpu Group performance for the 3rd quarter ended 30 September 2021 and 2020 as follows:

Consolidated Statement of Income for the 3rd quarter ended 30 September 2021 and 2020

Consolidated financial performance (Unit: Million USD)	3Q21	3Q20	Change	
			Amount	%
Sales and service income	1,161	470	691	147%
Cost of sales and services	(619)	(373)	(246)	66%
Gross profit	542	97	**445**	**459%**
Selling expenses	(52)	(38)	(14)	37%
Administrative expenses	(86)	(32)	(54)	169%
Royalty fee	(87)	(37)	(50)	135%
Share of profit from joint ventures and associates	64	32	32	100%
Other income (expenses)	(121)	25	(146)	584%
Finance cost	(46)	(43)	(3)	7%
Profit (Loss) before income taxes	214	4	**210**	**5250%**
Income taxes	(61)	(11)	(50)	455%
Profit (Loss) for the year	153	(7)	**160**	**2286%**
Owners of the parent	**106**	**(16)**	122	763%
Non-controlling interests	**47**	**9**	38	422%
Earnings (Loss) per share (Unit : USD)	0.021	(0.003)	0.024	800%

Banpu group performance for 3Q21 reported net profit at $106 million. This was mainly due to an increase in coal and natural gas price that support overall group performance, also the recognition of gain on foreign exchange rate from a depreciation of THB currency against USD currency.

A rebound in the world's economies has been stronger than expected so far as the vaccination ratio are underway, more demand on energy while supplies are still constrained. These trends have supported commodity prices. 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			Cost of Sales		
	3Q21	3Q20	Inc.(Dec.)	3Q21	3Q20	Inc.(Dec.)
Coal Business	870	404	115%	446	309	44%
Natural Gas Business	231	11	2088%	109	17	541%
Power & Steam Business	39	38	3%	39	31	26%
Others	21	17	24%	25	16	56%
Total	**1,161**	**470**	**147%**	**619**	**373**	**66%**

Sales

Sales reported at $1,161 million (equivalent to THB 38,234 million), increased by $691 million compared to 3Q20. An increase of sales $466 million derived from coal businesses, $ 220 million from natural gas business, while a decrease in sales from power and steam business and others totals of $5 million. Details were described as follows:

1. Sales from coal business of $870 million or 75% of total revenue separated by source of coal as below:
   - Indonesia coal mines of $656 million
   - Australia coal mines of $188 million
   - Others of $26 million
2. Sales from natural gas business in USA of $231 million or 20% of total revenue.
3. Sales from power and steam of $39 million or 3% of total revenue derived from Combined Heat and Power (CHP) plants and solar power plants in China.
4. Others of $21 million. This was mainly from energy trading business in Japan.

1.Coal Business

Coal Business		3Q21	3Q20	Inc.(Dec.)
Sales Volume	Million Tonnes	8.74	7.95	10%
Average selling price	$/Tonne	99.57	50.80	96%
Average Cost of sales	$/Tonne	51.89	38.84	34%

Coal sales of $870 million, increased by $466 million or 115% was a result of an increase in average selling price by $48.77 per tonne or 96% and an increase in sales volume by 0.78 million tonnes, whereas an increase in cost of sales by 34% compared to 3Q20 as following:

Indonesia Mines		3Q21	3Q20	Inc.(Dec.)
Sales Volume	Million Tonnes	5.82	4.31	35%
Average selling price	$/Tonne	112.66	49.10	129%
Average Cost of sales	$/Tonne	45.94	32.28	42%

Coal Business in Indonesia

- **Sales volume**

  Coal sales volume was 5.82 million tonnes, increased by 1.51 million tonnes or 35% compared to 3Q20. This was from an increase in coal consumption demand as a result from the recovery from the COVID 19 pandemic in many countries that caused higher power consumption demand for both manufacturing and residential sector.

  Average selling price

  Average selling price per tonne was $112.66, increased by $63.56 or 129% compared to 3Q20, in accordance with an increase of global coal market price from higher demand.

- **Average cost of sales**

  Average cost of sales per tonne was $45.94, increased by $13.66 or 42% compared to 3Q20, mainly due to higher global fuel market price. However, the group focus 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		3Q21	3Q20	Inc.(Dec.)
Sales Volume	Million Tonnes	2.49	3.23	-23%
Average selling price	A$/Tonne	102.83	78.97	30%
Average Cost of sales	A$/Tonne	88.07	70.95	24%

Coal business in Australia

- **Sales volume**

  Coal sales volume was 2.49 million tonnes, decreased by 0.74 million tonnes or 23% compared to 3Q20. This was an impact from encountering the difficulty in geology mining condition in Springvale, Mandalong and Myuna mines.

- **Average selling price**

  Average selling price per tonne was A$102.83, increased by A$ 23.86 or 30% compared to 3Q20 as the following:

Australia Mines	Sales Volume (Unit: Million Tonnes)			Avg. Price/Tonne (A$/Tonne)		
	3Q21	3Q20	Inc.(Dec.)	3Q21	3Q20	Inc.(Dec.)
Domestic	1.72	2.23	-23%	75.45	80.83	-7%
Export	0.69	0.86	-20%	156.96	73.27	114%
Total	**2.41**	**3.09**	**-22%**	**102.83**	**78.97**	**30%**

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

  Average domestic selling price per tonne was A$75.45, decreased by A$5.37. This caused by a decrease in sales volume from lesser sales portion under high price contracts compared to 3Q20, whereas coal market price was higher with the average export selling price per ton A$156.96, increased by A$ 83.69 per tonne compared to 3Q20.

- **Average cost of sales**

  Average cost of sales per tonne was A$88.07, increased by A$17.12. This was due to a decrease of coal production volume from Mandalong, Springvale and Myuna mines that encountered geological challenges resulted to a higher average cost of sales.

2. Natural Gas Business

Natural Gas Business		3Q21	3Q20	Inc.(Dec.)
Sales Volume	Bcf **	61.96	15.15	309%
Average Local Price	$/Mcf	3.86	1.32	192%
Average selling price	$/Mcf	3.68	0.55	567%
Average Cost of Gathering, processing & transporta	$/Mcf	0.96	0.78	23%
Average Cost*	$/Mcf	0.98	1.11	-12%

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

Natural Gas business in USA

Sales from natural gas business in 3Q21 reported at $231 million, increased by $220 million compared to 3Q20. This was mainly from sales recognition from Barnett shale that group acquired this asset since 4Q20. Details were as follows:

- **Sales Volume**

  Natural gas sale volume was 61.96 billion cubic feet, increased by 309% versus 3Q20. This was because the group started consolidating sales from Barnett shale since 4Q20. In 3Q21, sales volume from Barnett shale was 48.00 Bcf.

- **Average Local Price**

  Refer to higher Henry Hub index price compared to prior year, the average local selling price per Mcf. in this quarter was $3.86, increased by $2.54 per Mcf or 192% compared to 3Q20. Henry Hub natural gas price was consistently high, together with the basis differential that was substantially reduced in both Marcellus shale and Barnett shale during 3Q21. This was a result of an increase in demand of natural gas after states reopening, the continuing growth of Natural Gas Liquids (NGLs), export sales which results in higher NGLs price, also the slower of supply compared to demand because gas production companies delayed investing in new wells.

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

  Average cost of Gathering, processing & transportation per Mcf was $0.96, increased by $0.18 or 23% compared to 3Q20, was mainly from the cost from Barnett shale that was higher compared to Marcellus shale. This was due to Barnett shale typically produced both Natural Gas and Natural Gas Liquids (NGLs), led to an incremental cost related to natural gas and NGLs extraction process. However, the group 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 $0.98, decreased by $0.13 or 12% compared to 3Q20 due to a decrease in average depletion rate from Barnett shale.

3. Power Business

Power Business		Combined Heat & Power Plants (CHP)			Solar Power Plants		
		3Q21	3Q20	Inc.(Dec.)	3Q21	3Q20	Inc.(Dec.)
Power sold Volume	GWh	176.78	326.50	-46%	57.40	59.88	-4%
Steam Volume	Million Tonnes	1.09	0.94	16%	-	-	-
Average PowerTariff	RMB/kWh	0.37	0.37	0%	0.83	0.83	0%
Average Steam Price	RMB/Tonne	128.82	99.23	30%	-	-	-

Sales from Power and Steam of $39 million or 3% of total revenue was from sales from CHP plant and solar power plant in China. Details were described as follows:

Combined Heat and Power (CHP) plants in China

Sales from power, steam, and others from 3 CHP plants in China of $32 million, decreased by $0.80 million compared to 3Q20, was mainly from decreasing in sales volume of electricity and steam as detail below:

- **Sales Volume**

  Sales volume of 176.78 GWh, decreased by 149.72 GWh compared to 3Q20.This was a result of optimizing operational mode to manage performance during high coal cost period.

  Steam sales of 1.09 million tonnes, increased by 0.15 million tonnes, mainly from Luannan CHP plant from new manufacturing customers.

- **Average Selling Price**

  Average power tariff was RMB 0.37 per kWh, quite stable compared to 3Q20.

  Average steam price per tonne was RMB 128.82, increased by 30% from 3Q20. This was because a part of steam price was adjusted aligned with an increase in coal price.

- **Cost of Sale**

  Cost of sale was $36 million, increased by $8 million. This was primarily from the higher coal cost, main fuel for power plants. The average coal cost per tonne in 3Q21 was RMB 920 (3Q20: RMB 543), increased by RMB 377 per tonne or 70% compared to 3Q20.

Solar power plants in China

Sales from solar power plants in China reported at $7.40 million. An increase of $0.33 million compared to 3Q20 was mainly from the effects of foreign exchange rate translation due to an appreciation of RMB currency against USD currency compared to 3Q20. This affected to higher revenue in USD currency when converting from revenue in RMB currency. Details of sales volume, average power tariff and cos of sales were as follows:

- **Sales Volume**

  Sales volume of 57.40 GWh., decreased by 2.48 GWh from less production volume compared to 3Q20 due to unfavored weather conditions.

- **Average Power Tariff**

  Average power tariff was RMB 0.83, same as 3Q20.

- **Cost of Sales**

  Cost of sales for 3Q21 was quite similar to 3Q20.

Administrative expense

Administrative expenses reported $86 million, increased by $54 million or 169% was mainly from a result of a reversal of cost of asset acquisition in Barnett shale that was initially recorded as an expense, to be capitalized as assets during 3Q20 total of $9 million, and an increase in administration from Barnett shales, long-term employee benefits expense, and professional & consulting fee related to business expansion in USA of $21 million. Additionally, an increase was from business acquisition costs and administrative expense related to solar power business expansion in Australia of $15 million, expense for supportive and donations during covid-19 pandemic of $3 million, also professional & consulting fee and others of $6 million mainly related to business expansion in many countries.

However, the group also focused on cost reduction program to cope with a slowdown of global economic, that led to a decrease in consulting & professional fees and other admins, including domestic and overseas traveling expense.

Royalty fees

Royalty fees reported at $87 million, increased by $50 million or 135%. The royalty fees comprised of royalty fees from Indonesia mines $75 million, increased by $50 million due to a result of an increase in coal price and royalty fees from Australia mines that was $12 million that similar to 3Q20.

Profit sharing (Unit : Million USD)	3Q21	3Q20	Inc.(Dec.)
BLCP	(2)	2	-188%
Hongsa & Phufai Mining	22	20	9%
Shanxi Luguang	(7)	2	-450%
Coal business in China	50	10	385%
Holding Company of Solar Power in Japan and others	1	(2)	-150%
Total	**64**	**32**	**100%**

Share of profit from joint ventures and associates

Profit sharing from joint ventures and associates reported at $64 million, increased by $32 million or 100% compared to 3Q20 due to details described as below:

1) Recognition of profit sharing from Hongsa power plant and PhuFai mining in Laos of $22 million, increased by $2 million from 3Q20. This was mainly from gain on foreign exchange rate translation of $4 million, whereas a decrease in operating performance of $2 million as unit 1 and 3 underwent yearly plant maintenance.

2) Recognition of loss sharing from BLCP of $2 million, or profit decreased by $4 million. This was mainly **due to a depreciation of THB currency against USD currency** which includes a recognition of deferred tax expense of $3 million, and a decrease in operating performance of $1 million according to revenue structures under long term power purchase agreements.

3) Recognition of loss sharing from SLG power plant of $7 million, increased in loss by $9 million. The plant still in early stage of commercial operation to improve its reliability for dispatch to the national grid in China, the operating performance also impacted by the high domestic coal cost.

4) Recognition of shares of profit from coal business in China of $50 million, increased by $40 million. This was from higher sales price aligned with coal market price.

Other expense

Other expense of $121 million comprised of:

1) Net gain on foreign exchange rate of $42 million was mainly from unrealized gain on foreign exchange rate translation of THB loan at the end of period. This was due to a depreciation of THB currency against USD currency compared to the 2Q21, then resulted to a decrease of loan in THB currency. Average exchange rate of USD/THB for 3Q21 was THB 32.9179 (2Q21: THB 31.3552).

2) Net loss from financial derivatives of $177 million comprised of:
   - Realized loss from financial derivatives of $178 million derived from coal swap contracts of $102 million, natural gas swap contracts of $61 million, interest rate swap contracts of $5 million, foreign exchange rate forward contracts of $10 million and cross currency and interest rate swap contracts of $ 1 million. Whereas, realized gain on fuel swap contracts of $ 1 million.
   - Unrealized loss on fair value of financial derivatives at the end of period of $1 million was mainly from foreign exchange rate forward contracts.

3) Management fee income and others of $14 million was from:
   - Interest income of $2 million.
   - Dividend income of $4 million, was mainly from profit sharing from solar power business in Japan under TK (TOKUMEI KUMIAI) agreement.
   - Government subsidy and steam connection fee income of $4 million from residential steam production.
   - Sales of ashes, slag and scraps from mines, power plants and others of $4 million.

Corporate income tax

Corporate income tax of $61 million, increased by $50 million mainly from:

1) An increase in corporate income tax of $46 million, aligned with higher operating profits compared to 3Q20.

2) An increase in withholding tax from dividend receipts during the period of $1 million.

3) An increase in defer tax expense of $14 million. This was due to a decrease of deferred tax assets mainly from different in foreign exchange rate conversion in accounting basis versus tax basis.

4. Statements of Consolidated Financial Position

Statements of Consolidated Financial Position as of 30 September 2021 in comparison with the Statements of Consolidated Financial Position as of 31 December 2020.

Financial Position (Unit: Million USD)			Inc.(Dec.)	
	30-Sep-21	31-Dec-20	Amount	%
Assets	10,468	9,377	1,091	12%
Liabilities	7,675	6,562	1,113	17%
Equity	2,793	2,815	(22)	-1%

4.1 Total assets of $10,468 million, increased by $1,091 million compared to total assets as of 31 December 2020 with main details described as below:

Financial Position (Unit: Million USD)	Assets		Inc.(Dec.)	
	30-Sep-21	31-Dec-20	Amount	%
Cash and Cash equivalent	1,209	730	479	66%
Financial assets measured at fair value through profit or loss	13	11	2	100%
Trade accounts receivable and note receivables, net	474	249	225	90%
Current portion of dividend receivables from related parties	22	26	(4)	100%
Non-current assets held-for-sale	172	-	172	200%
Other current assets	670	559	111	20%
Total Current Assets	2,560	1,575	985	63%
Dividend receivables from related parties	9	10	(1)	-10%
Investments in associates and joint ventures	1,602	1,690	(88)	-5%
Financial assets measured at fair value through other comprehensive income	178	153	25	100%
Financial assets measured at fair value through profit & loss	8	-	8	100%
Property, plant and equipment, net	2,937	2,581	356	14%
Deferred exploration/stripping costs, net	895	1,016	(121)	-12%
Mining property rights, net	1,276	1,359	(83)	-6%
Goodwill	426	447	(21)	-5%
Right of use assets	63	72	(9)	100%
Other non- current assets	514	474	40	8%
Total Non-Current Assets	7,908	7,802	106	1%
Total Assets	10,468	9,377	1,091	12%

- Cash and cash equivalents of $1,209 million, increased by $479 million. (As explanation in no.5 Consolidated Statement of Cash Flows).
- Financial assets measured at fair value through profit or loss of $13 million, increased by $2 million was from redemptions of $35 million and additions of $37 million.
- Current portion and non-current portion of dividend receivable from related parties of $22 million and $9 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 $5 million. This was a net result of:

1. A decrease from received dividend of $35 million.
2. An increase from additional declared dividend of $53 million.
3. A decrease from unrealized loss on foreign exchange rate translation at the end of period of $23 million.

- Non-current assets held for sales of $172 million was reclassification from investment in joint ventures and associates since the held-for-sale criteria has been met and expect to sales within 1 year from the end of accounting period.

- Investment in joint ventures and associates of $1,602 million, decreased by $88 million or 5% was from:

1. An increase from addition of investment in associates of $90 million, was from an investment in Integrated Gasification Combined Cycle (IGCC) power plant business in Japan, and investment in electronic vehicle (EV) business and EV charging station business in Thailand.
2. A decrease from reclassification to non-current assets available for sales of $172 million.
3. An increase from recognition of profit sharing from joint ventures and associates by $170 million.
4. A decrease from dividend recognition during the period of $53 million.
5. A decrease from the effects of foreign exchange rate translation at end of period and others by $125 million.

- Financial assets measured at fair value through other comprehensive income (FVOCI) $178 million, increased by $25 million. This was due to:

1. An additional investment in car sharing services via application business and solar power business in Japan of $41 million.
2. A decrease from the impact of fair value adjustment of $3 million.
3. A decrease from the effects of foreign exchange rate translation at the end of period and others of $13 million.

- Property plant and equipment of $2,937 million, increased by $356 million derived from:

1. An increase from additions of machine and equipment of coal business, natural gas business and power business total of $169 million.
2. An increase from contingent liability from asset acquisition of $193 million.
3. An increase from acquisition of wind power plant business in Vietnam and solar power business in Australia total of $207 million.
4. An increase from reclassification of $47 million.
5. A decrease from write-off and disposal of $11 million.
6. A decrease from depreciation charges for the period of $201 million.
7. A decrease from the effects of foreign exchange rate translation at end of period and others of $48 million.

- Right of use assets of $63 million decreased by $9 million, or 13%. The decrease was from additions of $18 million, solar power business acquisition in Australia of $4 million offset with write-off of $5 million and depreciation of $26 million.
- Other non-current assets of $514 million, increased by $40 million. This was a result of solar power plant acquisition in Australia of $ 37 million, an increase in purchase vat receivable of $44 million, an increase in right to operate power plant from acquisition of wind power plant business in Vietnam of $7 million, an increase in restricted deposit at bank of $2 million, and from an increase in deposits of power plant business in USA of $43 million and others of $12 million. Whereas there was a reclassification of accrued subsidy income for solar power plant in China to be subsidy income receivable that the credit term become due within one year of $71 million, also a decrease in deferred income tax assets from business in Indonesia of $34 million.

4.2 Total liabilities of $7,675 million, increased by $1,113 million compared to total liabilities as of 31 December 2020 with movement details as described below:

Financial Position (Unit: Million USD)	**Liabilities**		**Inc.(Dec.)**	
	30-Sep-21	**31-Dec-20**	**Amount**	**%**
Short-term loans from financial institutions	1,005	828	177	21%
Trade accounts payable	86	67	19	28%
Current portion of long-term borrowings, net	549	675	(126)	-19%
Current portion of debenture, net	88	133	(45)	-34%
Accrued overburden and coal transportation costs	72	60	12	20%
Financial derivative liabilities due in one year	324	21	303	1443%
Other current liabilities	699	427	272	64%
Total current liabilities	2,823	2,211	612	28%
Long-term loans from other company	2,090	2,230	(140)	-6%
Debentures, net	1,915	1,517	398	26%
Financial derivative liabilities, net	190	26	164	631%
Provision for decommisioning and reserve for environment reclamation	301	301	-	0%
Other liabilities	356	277	79	29%
Total non-current liabilities	4,852	4,351	501	12%
Total liabilities	7,675	6,562	1,113	17%

- Short-term loans from financial institutions of $1,005 million, increased by $177 million or 21%. This was from addition of $1,303 million, repayment of $1,065 million, and a decrease from the effects of foreign exchange rate translation at the end of period of $61 million.

- Current portions of long- term loans of $549 million, decreased by $126 million was from an increase from reclassification from non-current portion of $192 million, solar power business acquisition in Australia of $49 million, offset with repayment of $365 million, deferred finance charge of $3 million, and the effects of foreign exchange rate translation at the end of period of $5 million.

- Current portions of debenture of $88 million, decreased by $45 million from reclassification from non-current portion of $100 million, redemption of $130 million and a decrease from the effects of foreign exchange rate translation at the end of period of $15 million

- Accrued overburden and coal transportation expenses of $72 million, increased by $12 million or 20% was mainly from mining operations of subsidiaries in Indonesia.

- Long- term loans of $2,090 million, decreased by $140 million or 6 % was a net result of:

    1. An increase from additional loan during the period of $387 million.
    2. An increase in solar power business in Australia of $82 million.
    3. A decrease from reclassification to current portion of $192 million.
    4. A decrease from early repayment of $371 million
    5. A decrease from deferred finance charge of $5 million
    6. A decrease from the effects of foreign exchange translation at the end of period of $41 million. Mainly was from the impact to THB currency loan due to a depreciation of THB currency against USD currency. Average exchange rate of THB/USD as of 30 Sep 2021 was $33.9223 (31 Dec 2020: $30.0371). Moreover, a decrease was from a depreciation of AUD currency against USD currency as of 30 Sep 2021. Average exchange rate of AUD/USD was $0.7198 (31 Dec 2020: $0.7630)

- Debenture of $1,915 million, increased by $398 million or 26%. There were new additions of $680 million, reclassification to current portion of $100 million, and a decrease from the effects of foreign exchange rate translation at the end of period of $182 million from a depreciation of THB currency against USD currency, impacted to THB currency debenture.
- Current portion and non-current portion of derivative liabilities reported at $324 million and $190 million, respectively, total of $513 million. This was changes in fair value of financial derivatives at the end of period, that consisted of cross currency swap contracts of $26 million, interest rate swap contracts of $26 million, natural gas swap contracts of $368 million, and coal swap contracts of $94 million.

4.3 Shareholders' equity of $2,793 million, a decrease of $22 million was mainly due to:

Financial Position (Unit: Million USD)	Equity		Inc.(Dec.)	
	30-Sep-21	31-Dec-20	Amount	%
Equity attributable to owners of the parent	2,041	2,076	(35)	-2%
Non-controlling interests	752	739	13	2%
Total equity	2,793	2,815	(22)	-1%

- An increase of $199 million from net profits for nine- month period.
- An increase of $255 million from issued and paid-up share capital.
- An increase of $17 million from reserve for share-based compensation to employees.
- A decrease of $228 million from fair value reserves for financial assets measured at fair value to other comprehensive income and cash flows hedge reserves.
- A decrease of $223 million from the effects of foreign exchange rate translation of subsidiaries' financial statements and others.
- An increase of $45 million from non-controlling interest.
- A decrease of $87 million from dividend paid.

4.4 Net debt-to-equity ratio as of 30 September 2021 reported at 1.23 times (31 December 2020: 1.47 times).

5. Statement of Consolidated Cash Flows

Statement of consolidated cash flows for nine- month period ended 30 September 2021 presented an increase of net cash flow by $479 million (included the effect from unrealized loss on exchange rate translation at the end of period of $48 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	524
Net Cash flows used in investing activities	(578)
Net Cash flows from finaning activities	581
Net increase in cash and cash equivalents	**527**
Exchange loss on cash and cash equivalents	(48)
Cash and cash equivalents at the beginning of the period	730
Cash and cash equivalents at end of the period	**1,209**

5.1 Net cash inflow from operating activities of $524 million; with major operating items as follows:

- Collections from coal sales of $2,451 million.
- Payments to contractors and suppliers of $1,468 million.
- Interest payments of $137 million.
- Payments of corporate income tax of $59 million.
- Receives from income tax refunds of $38 million.
- Royalty fee payments of $210 million.
- Other payments of $91 million.

5.2 Net cash outflow from investing activities of $578 million; with major items as follows:

- Payments for machines, equipment, project in progress and asset acquisition of $161 million.
- Payments for addition of investment in power plant business in Japan, investment in wind power plant business in Vietnam and investment in electronic vehicle (EV) business and EV charging station business in Thailand total of $165 million.
- Payment for deposit for investment of $43 million.
- Payments for deferred exploration and development expenditure of $121 million.
- Payments for financial assets measured at fair value through other comprehensive income of $3 million.
- Payment for restricted cash of $153 million.
- Receipts from dividend from joint ventures and other investment of $42 million.
- Interest income and others of $26 million.

5.3 Net cash inflow from financing activities of $581 million; comprised of

- Receipts from short term and long - term loans from financial institutions and debentures of $2,339 million.
- Repayments of short term and long - term loans from financial institutions, debentures, and lease liabilities of $1,924 million.
- Payments for treasury shares of a subsidiary of $2 million.
- Payment for dividend of $87 million.
- Receipts from issued share capital of $255 million.