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May 13th, 2021

The President

The Stock Exchange of Thailand

Re: Management Discussion and Analysis for the three-month period ended March 31, 2021

The explanation to the consolidated financial performance for the three-month period ended March 31, 2021 of Asia Green Energy Public Company Limited and its subsidiaries (“the Group”) is as follows:

1. Financial performance of Asia Green Energy Public Company Limited for Q1/2021

Statements of income Unit: Million Baht	For 3 month ended 31 Mar				Change	
	2021	Percent	2020	Percent	Amount	Percent
Revenues						
Sales and services income	2,846.73	99.67	2,045.96	99.85	800.77	39.14
Other income	9.49	0.33	3.05	0.15	6.44	211.15
Total revenues	2,856.22	100.00	2,049.01	100.00	807.21	39.40
Expenses						
Cost of sales and services	(2,502.32)	(87.61)	(1,842.79)	(89.94)	659.53	35.79
Selling and distribution expenses	(121.90)	(4.27)	(105.47)	(5.15)	16.43	15.58
Administrative expenses	(52.64)	(1.84)	(59.67)	(2.91)	(7.03)	(11.78)
Gains (losses) on exchange	(19.31)	(0.68)	20.61	1.01	(39.92)	(193.69)
Total expenses	(2,696.17)	(94.40)	(1,987.32)	(96.99)	708.85	35.67
Operating profit	160.05	5.60	61.69	3.01	98.36	159.44
Share of gain (loss) from investment in joint venture	0.34	0.01	(0.84)	(0.04)	1.18	140.48
Profit before finance cost and income tax expenses	160.39	5.61	60.85	2.97	99.54	163.58
Finance cost	(11.26)	(0.39)	(11.11)	(0.54)	0.15	1.35
Profit before income tax expenses	149.13	5.22	49.74	2.43	99.39	199.82
Income tax expenses	(27.50)	(0.96)	(7.59)	(0.37)	19.91	262.32
Profit for the year	121.63	4.26	42.15	2.06	79.48	188.56
Profit attributable to equity holders of the Company	120.97	4.24	41.17	2.01	79.80	193.83

Sales and services income

	For 3 month ended 31 Mar				Volume change		Sale change	
	2021		2020		Million tonnes	Percent	Million Baht	Percent
	Million tonnes	Million Baht	Million tonnes	Million Baht				
Domestic sales	1.28	2,398.88	1.00	1,888.72	0.28	27.39	510.16	27.01
Export sales	0.15	344.92	0.05	62.00	0.10	226.39	282.92	456.32
Total sales revenue	1.43	2,743.80	1.05	1,950.72	0.38	36.20	793.08	40.66
Services income		102.93		95.24			7.69	8.08
Sales and services income		2,846.73		2,045.96			800.77	39.14

Performance in Q1/2021, the Group had total sales revenue of Baht 2,743.80 million, increased by Baht 793.08 million or equivalent to 40.66% from Q1/2020, in line with the higher volume of sales, most of which were domestic sales. Anyway, the Group's export sales had significantly growth of 456.32% from exporting to Vietnam and Philippines.

In Q1/2021, the Group recorded total services income of Baht 102.93 million, up by Baht 7.69 million or an increase of 8.08% in comparison with the corresponding period last year, due to logistic business expansion and greater revenue growth from transportations of third-party's products.

Cost of sales and services and gross profit

Unit: Million Baht	Coal business		Logistic business		Total segments		Eliminations		Consolidated		Change	
For 3 month ended 31 Mar	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	Amount	Percent
Revenue from external customers	2,743.80	1,950.72	102.93	95.24	2,846.73	2,045.96	-	-	2,846.73	2,045.96	800.77	39.14
Inter-segment revenue	293.72	197.93	360.17	207.53	653.89	405.46	(653.89)	(405.46)	-	-		
Cost of sales and services	(2,821.90)	(1,985.67)	(337.24)	(262.96)	(3,159.14)	(2,248.63)	656.82	405.84	(2,502.32)	(1,842.79)	659.53	35.79
Segment gross profit	215.62	162.98	125.86	39.81	341.48	202.79			344.41	203.17	141.24	69.52
Gross Profit margin (Percent)	7.10	7.59	27.18	13.15	9.76	8.27			12.10	9.93		2.17

Cost of sales and services in Q1/2021 was Baht 2,502.32 million, increased by Baht 659.53 million or equivalent to 35.79% in comparison with the corresponding period last year, which was consistent with the increasing of sales and services income. However, the gross profit margin was 12.10%, increased from 9.93%, led by consecutively performance expanding of logistic business.

Selling and distribution expenses

Selling and distribution expenses amounted to Baht 121.90 million, increased by Baht 16.43 million or equivalent to 15.58% from the previous year, in line with an increase in sales revenue.

Administrative expenses

Administrative expenses amounted to Baht 52.64 million, decreased by Baht 7.03 million or equivalent to 11.78% from the previous period, due to the fact that, in comparison with the corresponding period last year, the Group recorded the expected credit loss led by the first adoption of TFRS 9.

As result from the above reasons, the Group's profit attributable to equity holders of the Company in Q1/2021 was Baht 120.97 million, increased by Baht 79.80 million or equivalent to 193.83% in comparison with the corresponding period last year.

2. Statements of Consolidated Financial Position

Statements of financial position Unit: Million Baht	31-Mar-21		31-Dec-20		Change	
	Amount	Percent	Amount	Percent	Amount	Percent
Current assets						
Cash and cash equivalents	191.50	2.82	257.50	4.76	(66.00)	(25.63)
Trade and other receivables	2,430.94	35.86	1,903.09	35.17	527.85	27.74
Inventories	1,795.36	26.49	959.30	17.73	836.06	87.15
Derivative assets	0.61	0.01	0.53	0.01	0.08	15.09
Other current assets	91.27	1.35	36.12	0.67	55.15	152.69
Total current assets	4,509.68	66.53	3,156.54	58.34	1,353.14	42.87
Non-current assets						
Restricted bank deposits	133.07	1.96	118.07	2.18	15.00	12.70
Investment in joint venture	97.73	1.44	97.32	1.80	0.41	0.42
Investment properties	67.70	1.00	67.85	1.25	(0.15)	(0.22)
Property, plant and equipment	1,673.39	24.69	1,663.59	30.75	9.80	0.59
Right-of-use assets	257.60	3.80	264.57	4.89	(6.97)	(2.63)
Deferred tax assets	13.17	0.20	14.17	0.26	(1.00)	(7.06)
Other non-current assets	25.72	0.38	28.51	0.53	(2.79)	(9.79)
Total non-current assets	2,268.38	33.47	2,254.08	41.66	14.30	0.63
Total assets	6,778.06	100.00	5,410.62	100.00	1,367.44	25.27
Current liabilities						
Short-term loans from financial institutions	2,888.12	42.61	1,879.22	34.73	1,008.90	53.69
Trade and other payables	1,094.20	16.14	831.59	15.37	262.61	31.58
Current portion of lease liabilities	60.01	0.88	58.46	1.08	1.55	2.65
Current portion of long-term loans from financial institutions	124.54	1.84	125.58	2.32	(1.04)	(0.83)
Income tax payable	29.83	0.44	8.78	0.16	21.05	239.75
Derivative liabilities	0.33	0.01	0.23	0.01	0.10	43.48
Other current liabilities	15.83	0.23	28.90	0.53	(13.07)	(45.22)
Total current liabilities	4,212.86	62.15	2,932.76	54.20	1,280.10	43.65
Non-current liabilities						
Lease liabilities - net of current portion	187.47	2.77	188.80	3.49	(1.33)	(0.70)
Long-term loans from financial institutions - net of current portion	371.24	5.48	402.38	7.44	(31.14)	(7.74)
Provision for long-term employee benefits	22.75	0.33	21.56	0.40	1.19	5.52
Total non-current liabilities	581.46	8.58	612.74	11.33	(31.28)	(5.10)
Total liabilities	4,794.32	70.73	3,545.50	65.53	1,248.82	35.22
Shareholders' equity						
Equity attributable to owners of the Company	1,982.26	29.25	1,864.29	34.45	117.97	6.33
Non-controlling interests of the subsidiaries	1.48	0.02	0.83	0.02	0.65	78.31
Total shareholders' equity	1,983.74	29.27	1,865.12	34.47	118.62	6.36
Total liabilities and shareholders' equity	6,778.06	100.00	5,410.62	100.00	1,367.44	25.27



The Group had total assets as of March 31, 2021 and December 31, 2020 of Baht 6,778.06 million and Baht 5,410.62 million, respectively, increased by Baht 1,367.44 million. Total current assets increased by Baht 1,353.14 million mainly due to increasing of trade and other receivables of Baht 527.85 million led by higher sales revenue than the corresponding period last year, increasing of inventories of Baht 836.06 million mainly due to higher orders, whilst cash and cash equivalent, derivative assets, and other current assets decreased in the net amount of Baht 10.77 million. However, the Group had higher non-current assets by Baht 14.30 million which mainly derived from increasing in restricted bank deposits of Baht 15.00 million, whilst other non-current assets decreased by Baht 0.70 million.

The Group had total liabilities as of March 31, 2021 and December 31, 2020 of Baht 4,794.32 million and Baht 3,545.50 million, respectively, increased by Baht 1,248.82 million. Total current liabilities increased by Baht 1,280.10 million mainly due to increasing in short-term loans from financial institutions of Baht 1,008.90 million, which borrowings from financial institutions for working capital of business operations and business expansion of the Group, increasing in trade and other payables of Baht 262.61 million mainly came from the increasing of imported material. Whilst other current liabilities increased in the total amount of Baht 8.59 million. However, the Group had lower non-current liabilities by Baht 31.28 million which mainly derived from decreasing in long-term loans from financial institutions - net of current portion of Baht 31.14 million due to the repayment of loans, whilst other non-current assets decreased by Baht 0.14 million.

Shareholders' equity as of March 31, 2021 and December 31, 2020 amounted to Baht 1,983.74 million and Baht 1,865.12 million, an increase of Baht 118.62 million or 6.36%. The details of significant changes were as follows:

- An increase from net profit in Q1/2021 amounted to Baht 121.63 million.
- A decrease from other comprehensive income amounted to Baht 3.01 million.

3. Consolidated statements of Cash flow

Cash Flow Analysis

Cash flow statement Unit: Million Baht	For 3 month ended 31 Mar	
	2021	2020
Net cash flow from (used in) operating activities	(989.64)	163.11
Net cash used in investing activities	(37.81)	(147.76)
Net cash flow from (used in) financing activities	964.54	(68.10)
Net cash and cash equivalent (before exchange rate effect)	(62.91)	(52.75)
Effect of exchange rate to cash and cash equivalent	(3.09)	(1.17)
Net decrease in cash and cash equivalents (after taken into account exchange rate)	(66.00)	(53.92)
Cash and cash equivalents at the beginning of the period	257.50	263.75
Cash and cash equivalents at the end of the period	191.50	209.83

Consolidated statement of cash flows for the three-month period ended March 31, 2021, the Group had a net decrease from December 31, 2021 in cash and cash equivalent of Baht 66.00 million which was primarily as a result of the following:

Cash Flow from Operating Activities

The net cash used in operating activities of the Group for Q1/2021 amounted to Baht 989.64 million, with details as follows;

- Profit before tax of Baht 149.13 million
- Items that did not affect the cash such as depreciation and amortization of assets of Baht 42.70 million
- An increase in operating assets of Baht 1,390.50 million resulting from the increasing in trade and other receivables of Baht 505.73 million and the increasing in inventories of Baht 832.33 million
- An increase in operating liabilities of Baht 225.79 million resulting from the increasing in trade and other payables of Baht 238.86 million
- Paid interest expense and taxes in the total amount of Baht 16.76 million

Cash Flow from Investing Activities

The net cash used in investing activities of the Group for Q1/2021 amounted to Baht 37.81 million, with details as follows;

- An increase in restricted bank deposits of Baht 15.00 million
- Property, plant and equipment increased by Baht 26.37 million
- Other items decreased by Baht 3.56 million



Cash Flow from Financing Activities

The net cash from financing activities of the Group for Q1/2021 amounted to Baht 964.54 million, mainly resulting from the increasing of short-term loans from financial institutions of Baht 1,008.90 million. Whilst the Group had made repayment of long-term loans from financial institutions and lease liabilities in the total amount of Baht 32.17 million and Baht 12.19 million, respectively.

Asia Green Energy Public Company Limited and its subsidiaries (“the Group”) persists in dedication and determination in order to build strong growth and sustainable returns by practicing good governance along with developing the society and environment. The Group intends to make profit continuously, with regular dividend payments to shareholders according to the established policy.

Please be informed accordingly,

Yours sincerely,

(Mr.Panom Kuansataporn)
Managing Director