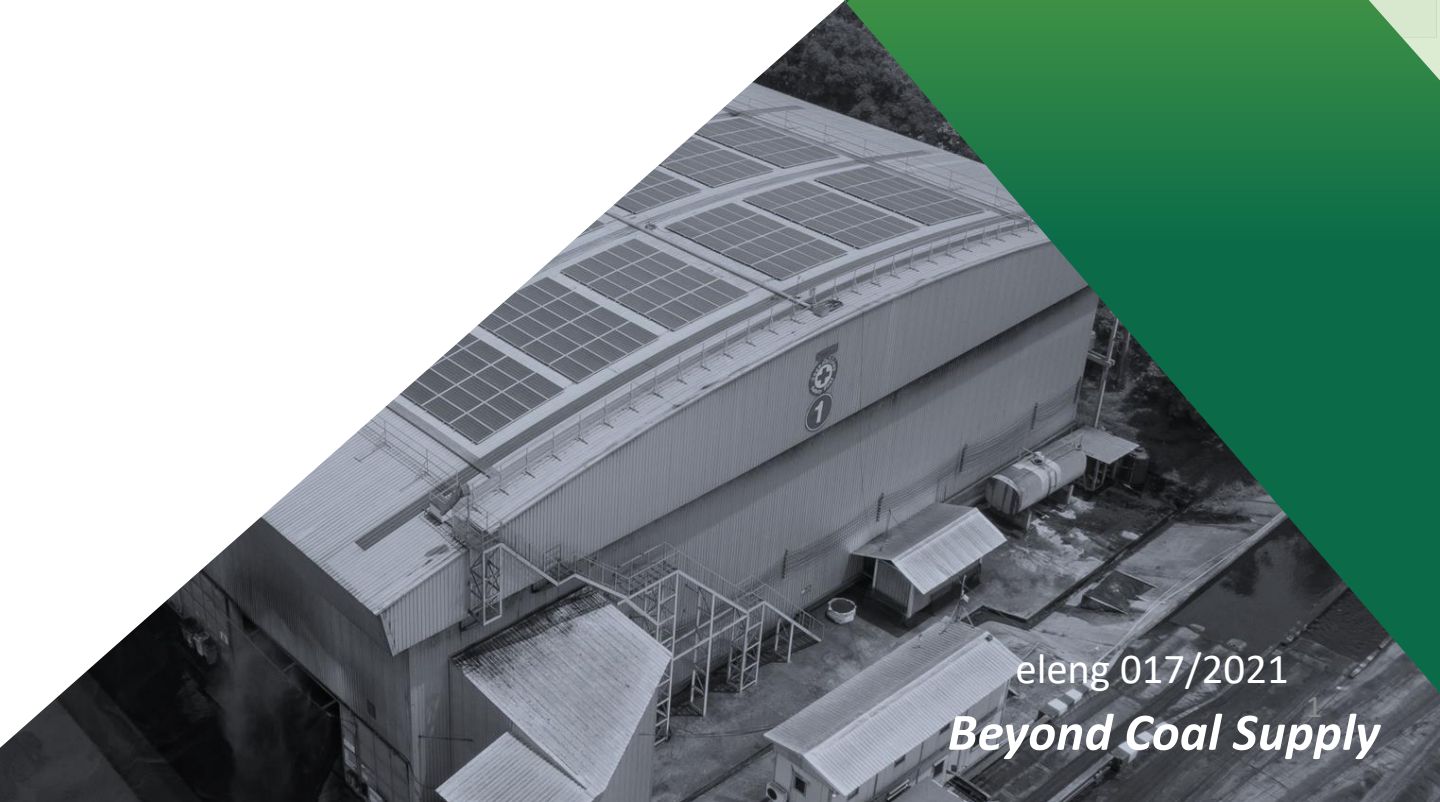


ASIA GREEN ENERGY
Public Company Limited

**MANAGEMENT
DISCUSSION
AND ANALYSIS
Q3/2021**



eleng 017/2021

Beyond Coal Supply

Operating Highlights	Q3/20	Q2/21	Q3/21	Change +/-		9M/20	9M/21	Change +/-
				%YoY	%QoQ			%YoY
Unit: Million THB								
Operating Revenue	2,099.0	2,960.8	3,549.4	69.1%	19.9%	5,487.7	9,356.9	70.5%
Gross Profit	267.5	194.4	402.1	50.3%	106.8%	615.6	940.9	52.8%
EBITDA	152.0	61.6	275.0	80.9%	346.4%	291.6	531.7	82.3%
Net Profit (Loss)	93.1	1.1	167.6	80.0%	15,136.4%	146.3	290.4	98.5%
Gross Profit Margin (%)	12.7%	6.6%	11.3%	(1.4%)	4.7%	11.2%	10.1%	(1.1%)
EBITDA Margin (%)	7.2%	2.1%	7.7%	0.5%	5.6%	5.3%	5.7%	0.4%
Net Profit Margin (%)	4.4%	0.0%	4.7%	0.3%	4.7%	2.7%	3.1%	0.4%

Executive Summary

YoY : Q3/2021 vs Q3/2020

- In Q3/2021, Asia Green Energy Public Company Limited and its subsidiaries (“the Group”) reported consolidated operating revenue of Baht 3,549.4 million, increased by Baht 1,450.4 million or 69.1% from Q3/2020, mainly due to the increase in revenues from domestic coal sales
- Gross Profit** was Baht 402.1 million, increased by Baht 134.6 million or 50.3% from Q3/2020 corresponding to the higher operating revenue
- Gross Profit Margin** was 11.3%, slightly decreased from 12.7% in Q3/2020, mainly due to significantly higher proportion of Direct Shipment sales, which have relatively lower margin than Screened Size and Mixed Size coal types
- Net Profit** was Baht 167.6 million, increased by Baht 74.5 million or 80.0% from Q3/2020, as a result of adjustment of coal selling prices to reflect the Group’s higher cost of coal, which increases corresponding to the global coal price index, allowing the Group to maintain margins between the cost and the selling price more effectively. In addition, the increase was also due to the higher coal sale volumes from increasing demand of business partners
- Net Profit Margin** was 4.7%, increased from 4.4% in Q3/2020, mainly as a result of the Group’s ability to adjust the selling price to reflect the higher cost of coals as well as efficient cost and expense management during COVID-19 pandemic

QoQ : Q3/2021 vs Q2/2021

- In Q3/2021, the Group reported consolidated operating revenue of Baht 3,549.4 million, increased by Baht 588.6 million or 19.9% from Q2/2021, mainly due to the increase in revenues from domestic coal sales
- Gross Profit** was Baht 402.1 million, increased by Baht 207.7 million or 106.8% from Q2/2021, mainly due to increase in sales of coal and selling price adjustment for domestic coal sales to reflect the increase in Group’s costs of coal
- Gross Profit Margin** was 11.3%, improved from 6.6% in Q2/2021, as the Group was able to adjust coal selling prices to reflect the increase in cost of coals corresponding to the increasing global coal price index, as the Group’s coal trading business model is to import coals in advance by developing short-term forecast of the coal price index before selling through forward contracts with business partners. In addition, the increase was also from higher proportion of Screened Size Coal sales, which have relatively higher gross profit margin than others
- Net Profit** was Baht 167.6 million, increased by Baht 166.5 million or 15,136.4% from Q2/2021, as a result of the adjustment in selling price to reflect the increase in cost of coal, corresponding to the global coal price index, as well as the higher coal sales volumes corresponding to the increase in operating revenue
- Net Profit Margin** was 4.7%, increased from 0.04% in Q2/2021, mainly as a result of the Group’s ability to adjust the selling prices to reflect the higher cost of coals as well as the more efficient cost and selling and administrative expense control policies

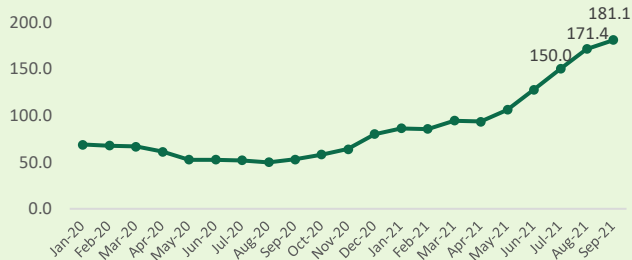
YoY : 9M/2021 vs 9M/2020

- During 9M/2021, the Group reported consolidated operating revenue of Baht 9,356.9 million, increased by Baht 3,869.2 million or 70.5% from 9M/2020, as a result of growth from both domestic and oversea coal trading business, and the expansion of logistics service business
- Gross Profit** was Baht 940.9 million, increased by Baht 325.3 million or 52.8% from 9M/2020, corresponding to the significant increase in sales and the adjustment of average selling price for coal trading business to reflect the Group’s higher cost of coal corresponding to the increasing global coal price index
- Gross Profit Margin** was 10.1%, decreased from 11.2% in 9M/2020, due to continuous increase in proportion of Direct Shipment Sales which has a relatively lower gross margin than the sales of Mixed Size or Screened Size Coal
- Net Profit** was Baht 290.4 million, increased by Baht 144.1 million or 98.5% from 9M/2020, mainly due to the adjustment of selling prices to reflect the Group’s higher cost of coal, as well as the growth in logistics service business which increased continuously
- Net Profit Margin** was 3.1%, increase from 2.7% in 9M/2020, mainly due to the adjustment of domestic coal selling prices to reflect the higher cost of coal, the revenue growth in logistics service business which generated high gross profit margin, as well as the effective cost and selling and administrative expense management

Industry Updates

Coal Price - Newcastle Index

Unit: USD / ton



- Coal prices reached new high and are continuously surging which were impacted largely from growth of Asia economies
- China's policy on banning coal imports from Australia, which is the world's major coal exporter, as well as the government orders to shut down small coal mines in China have resulted in the shortage of coal supply and insufficient volume for domestic consumption as the economy started to recover from COVID-19 pandemic
- Due to such impact, business owners in China chose to import significantly more coals from Indonesia and Russia
- However, with the climate variability across coal producing countries, coal production has been lower than normal

Q3/2021 Key Highlights

Successfully Expanded Truck Fleet As Planned

During Q3/2021, the Group has purchased an additional of 29 trucks from Q2/2021, which currently accumulated to 97 trucks in total with daily capacity of over 3,200 tons. In addition, the Group also has over 400-500 trucks from sub-contractors. In Q4/2021, the Group expects to reach truck fleet expansion target of 100 trucks within this year in order to support integrated logistics services across all areas in Thailand as well as expanding customer base to neighboring countries such as Laos, Myanmar and Cambodia in the future



Becoming Leader in Environment with Continuous Awards

The Group has received Excellence Awards in Alternative and Conservative Energy from Thailand Energy Awards in 2020 and 2021, which was organized by Department of Alternative Energy Development and Efficiency (DEDE) Ministry of Energy, through project proposals regarding solar cell power generation for sustainable energy conservation and efficiency maximization by enhancing backhaul management for trucks. Moreover, the Group has been selected as Thailand Sustainability Investment (THIS) by Stock Exchange of Thailand for four consecutive years, emphasizing its commitment on prioritizing environment, community and society as core principle of business operation for sustainable growth



Compassion Towards COVID-19 Patients Around Warehouse Areas

Mr. Panom Kuansataporn, AGE's Chairman of Executive Committee and Managing Director, has led the employee team, together with Bang Phrakhu Tambon Health Promoting Hospital and community leader in order to provide survival bags consisting of rice, dried food and beverages to support COVID-19 patients with green risk level as well as high-risk groups that were in close contact with the patients and were required for Home Isolation in Mae La, Bang Phrakhu District under the operation of the Coordination Center for COVID-19 in Mae La, Bang Phrakhu District. "AGE We Care" Project for supporting those who were impacted by COVID-19 pandemic aimed to be a part for helping and supporting the communities living in the surrounding of the warehouse area in Nakhon Luang, Ayutthaya



Q4/2021 Outlook



Successfully Diversified to Renewable Energy Business

The Group has successfully expanded its services into steam business by investing in the installation of industrial boilers, with total capacity of 16 tons. Not only will the investment generate additional revenue stream for the Group, but it's also in line with the Group's direction for conducting business according to ESG Principles and Good Corporate Governance. The Steam Business will start to recognize revenue within Q4/2021

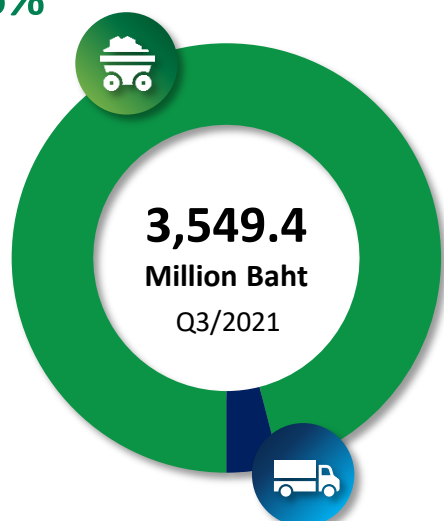
Operating Results	Q3/20	Q2/21	Q3/21	Change +/-		9M/20	9M/21	Change +/-
Unit: Million THB				%YoY	%QoQ			%YoY
Operating Revenue	2,099.0	2,960.8	3,549.4	69.1%	19.9%	5,487.6	9,356.9	70.5%
Cost of Sales and Service	(1,831.5)	(2,766.4)	(3,147.3)	71.8%	13.8%	(4,872.0)	(8,416.0)	72.7%
Gross profit	267.5	194.4	402.1	50.3%	106.8%	615.6	940.9	52.8%
Other income	1.8	2.8	2.0	11.1%	(28.6%)	13.1	14.3	9.2%
Selling and distribution expenses	(127.4)	(148.7)	(129.5)	1.6%	(12.9%)	(307.9)	(400.1)	29.9%
Administrative expenses	(38.1)	(55.4)	(55.5)	45.7%	0.2%	(144.0)	(163.5)	13.5%
Gain (losses) on exchange	13.4	21.1	6.9	(48.5%)	(67.3%)	17.1	8.8	(48.5%)
Share of profit (loss) from investment in joint venture	0.3	0.2	(0.6)	(300.0%)	(400.0%)	(1.5)	(0.2)	(86.7%)
EBIT	117.5	14.4	225.4	91.8%	1,465.3%	192.4	400.2	108.0%
Finance costs	(11.7)	(16.1)	(18.3)	56.4%	13.7%	(34.0)	(45.7)	34.4%
Income tax benefits (expenses)	(12.7)	2.8	(39.5)	211.0%	(1,510.7%)	(12.1)	(64.1)	429.8%
Net profit (loss)	93.1	1.1	167.6	80.0%	15,136.4%	146.3	290.4	98.5%

Notes: Values may differ by one decimal point due to rounding

Q3/2021 Operating Revenue Structure

the Group operating revenue can be divided into 2 business units as follows:

Coal Trading 96%



Logistics Chain Service 4%

Revenue from Coal Trading Business

- Domestic Coal Trading Business (95%)** classified by sales type:
 - Direct Shipment (30% of domestic revenue)
 - Mixed Size (34% of domestic revenue)
 - Screened Size (36% of domestic revenue)
- Overseas Coal Trading Business (5%)** to countries such as Vietnam, China and Taiwan

Revenue from Logistics Chain Service Provider

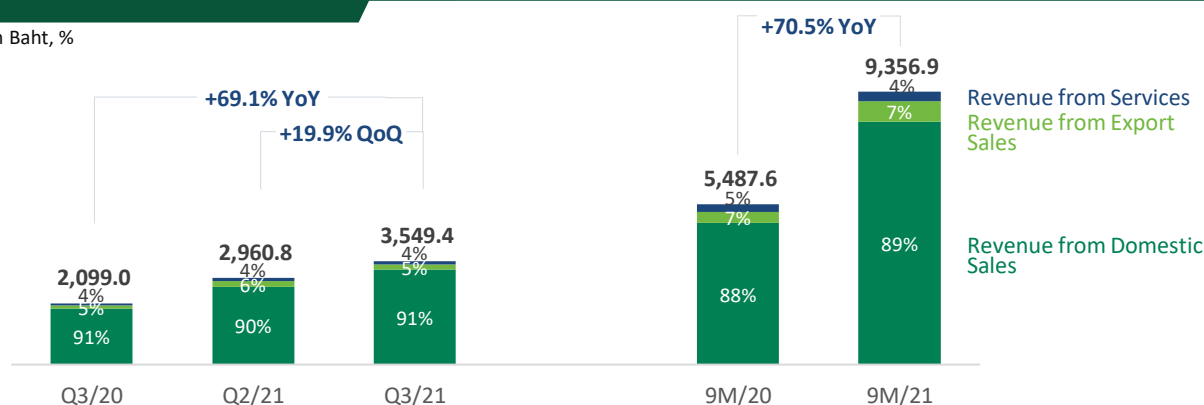
- Land Logistics
- Marine Logistics
- Coal Screening
- Terminal & Warehouse
- Gas Station (Retail and Wholesale of oil)

Revenue Structure	Q3/20	Q2/21	Q3/21	Change +/-		9M/20	9M/21	Change +/-
Unit: Million THB				%YoY	%QoQ			%YoY
Revenue from Coal Trading								
Revenue from Domestic Sales	1,914.7	2,666.5	3,245.8	69.5%	21.7%	4,855.1	8,311.1	71.2%
Revenue from Export Sales	104.4	187.4	177.5	70.0%	(5.3%)	383.9	709.9	84.9%
Total Revenue from Coal Trading	2,019.1	2,853.9	3,423.3	69.5%	20.0%	5,239.0	9,021.0	72.2%
Total Revenue from Logistics Service	79.9	106.9	126.1	57.8%	18.0%	248.6	335.9	35.1%
Total Operating Revenue	2,099.0	2,960.8	3,549.4	69.1%	19.9%	5,487.6	9,356.9	70.5%
Other Income	1.8	2.8	2.0	11.1%	(28.6%)	13.1	14.3	9.2%
Total Revenue	2,100.8	2,963.6	3,551.4	69.0%	19.8%	5,500.7	9,371.2	70.4%

Notes: Values may differ by one decimal point due to rounding

1. Operating Revenue

Unit: Million Baht, %



YoY : Q3/2021 vs Q3/2020

In Q3/2021, the Group reported consolidated operating revenue of Baht 3,549.4 million, increased by Baht 1,450.4 million or 69.1% from Q3/2020, mainly due to:

- **Revenue from Domestic Sales:** increased by 69.5% as a result of the increase in average price of coal as well as the increase in coal sales volumes, in which sales from Direct Shipment and Screened Size Coal grew significantly
- **Revenue from Export Sales:** increased by 70.0% mainly from higher order volumes from China and Philippines
- **Revenue from Logistics Services:** increased by 57.8% as a result of higher revenue from all logistics services, in which In-land Logistics grew significantly as a result of increased number of trucks and higher demand from external customers, as well as growth in Retail and Wholesale of Oil Business and Marine Logistics Services

QoQ : Q3/2021 vs Q2/2021

In Q3/2021, the Group reported consolidated operating revenue of Baht 3,549.4 million, increased by Baht 588.6 million or 19.9% from Q2/2021, mainly due to:

- **Revenue from Domestic Sales:** increased by 21.7% due to both the higher average price of coal and higher sales volumes, in which sales from Direct Shipment and Screened Size Coal grew continuously from higher domestic demand
- **Revenue from Export Sales:** decreased by 5.3% due to the lower export sales to Philippines
- **Revenue from Logistics Services:** increased by 18.0% from higher revenue in all services, especially In-land Logistics as a result of increased number of trucks and higher demand from external customers, as well as growth in Retail and Wholesale of Oil Business and Marine Logistics Services

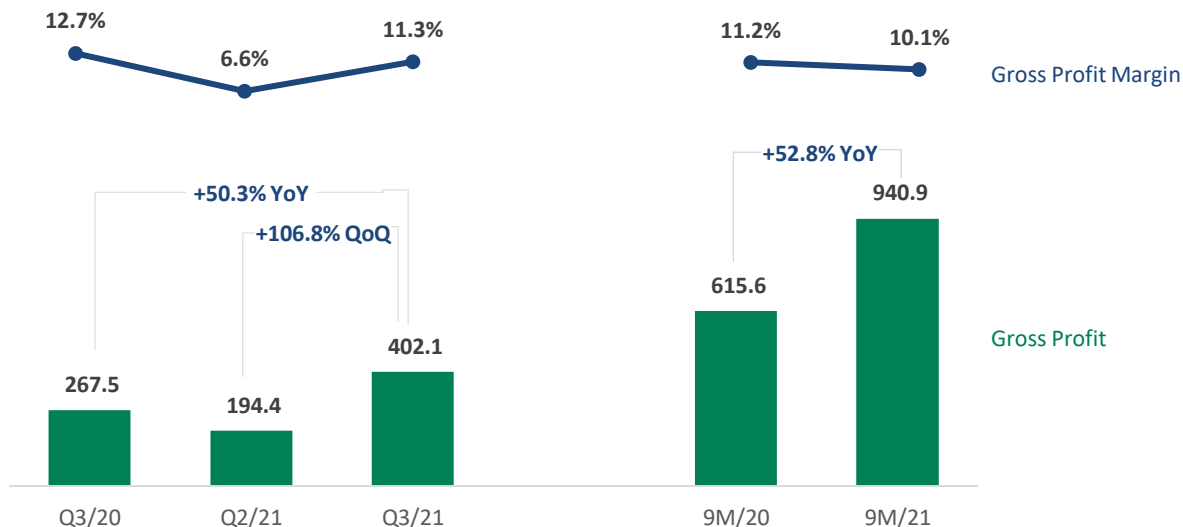
YoY : 9M/2021 vs 9M/2020

During 9M/2021, the Group reported consolidated operating revenue of Baht 9,356.9 million, increased by Baht 3,869.2 million or 70.5% from 9M/2020, mainly due to:

- **Revenue from Domestic Sales:** increased by 71.2% as a result of the increase in average price of coal and overall higher sales volumes. The major increase in sales was from Direct Shipment and Screened Size Coals
- **Revenue from Export Sales:** increased by 84.9% mainly from higher order volumes from China and Philippines
- **Revenue from Logistics Services:** increased by 35.1% as a result of growth in Retail and Wholesale of Oil Business and Terminal & Warehouse Services

2. Gross Profit and Gross Profit Margin

Unit: Million Baht, %



YoY : Q3/2021 vs Q3/2020

In Q3/2021, the Group recorded Gross Profit of Baht 402.1 million, increased by Baht 134.6 million or 50.3% compared to Q3/2020, corresponding to the significant increase in coal sales

Gross Profit Margin was 11.3% in Q3/2021, decreased from 12.7% in Q3/2020 mainly due to the significantly higher proportion of Direct Shipment sales, which have relatively lower margin than the sales of Screened Size Coal and Mixed Size Coal

QoQ : Q3/2021 vs Q2/2021

In Q3/2021, the Group recorded Gross Profit of Baht 402.1 million, increased by Baht 207.7 million or 106.8% compared to Q2/2021, mainly due to coal sales growth and selling price adjustment for domestic coal sales to reflect the Group's higher costs of coal

Gross Profit Margin was 11.3% in Q3/2021, improved from 6.6% in Q2/2021, as a result of adjustment of coal selling prices to reflect the Group's higher cost of coal, which increases corresponding to the global coal price index, as the Group's business model is to import coals in advance, reserving for domestic demand, by developing short-term forecast of the coal price index before selling through forward contracts with business partners. In addition, the increase was due to higher proportion of sales from Screened Size Coal, which have relatively higher gross profit margin than sales from Direct Shipment and Mixed Size Coal

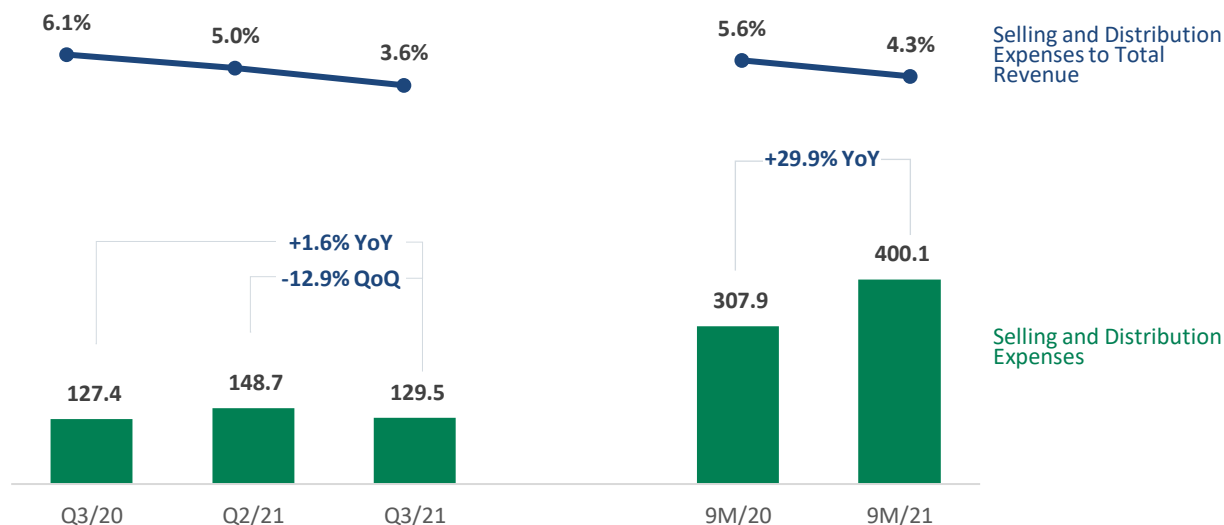
YoY : 9M/2021 vs 9M/2020

During 9M/2021, the Group recorded Gross Profit of Baht 940.9 million, increased by Baht 325.3 million or 52.8% compared to 9M/2020, mainly due to the significant increase in sales and the adjustment of average selling price for coal trading business to reflect the Group's higher cost of coal, corresponding to the increasing global coal price index

Gross Profit Margin was 10.1% in 9M/2021, decreased from 11.2% in 9M/2020 due to continuous increase in proportion of Direct Shipment Sales which has a relatively lower margin than the sales of Screened Size Coal and Mixed Size Coal

3. Selling and Distribution Expenses

Unit: Million Baht, %



Selling and Distribution Expenses consist of Outbound Transportation Costs, Products Analysis Fee, Costs to Support Customers and Marketing Fee such as ash removing services

YoY : Q3/2021 vs Q3/2020

In Q3/2021, the Group recorded selling and distribution expenses of Baht 129.5 million, increased by Baht 2.1 million or 1.6% compared to Q3/2020, mainly due to the increase in expenses related to in-land transportation as a result of the higher number of trips corresponding to the increase in sales of coal

Selling and distribution expenses to total revenue was 3.6% in Q3/2021, improved from 6.1% in Q3/2020 as a result of effective selling and distribution expense management while generating significantly higher operating revenue. In addition, some of the expenses such as customer support and travelling expenses decreased as the Group has adjusted its business operation corresponding to the spread of COVID-19 pandemic, for example, switching to video conferences instead of in-person meeting with the customers

QoQ : Q3/2021 vs Q2/2021

In Q3/2021, the Group recorded selling and distribution expenses of Baht 129.5 million, decreased by Baht 19.2 million or 12.9% compared to Q2/2021, mainly due to the decrease in expenses related to in-land and marine transportation corresponding to the higher proportion of Domestic Direct Shipment sales, which have relatively lower transportation costs than other types of domestic coal trading businesses

Selling and distribution expenses to total revenue was 3.6% in Q3/2021, improved from 5.0% in Q2/2021 as result of the increase in operating revenue while incurring lower selling and distribution expenses

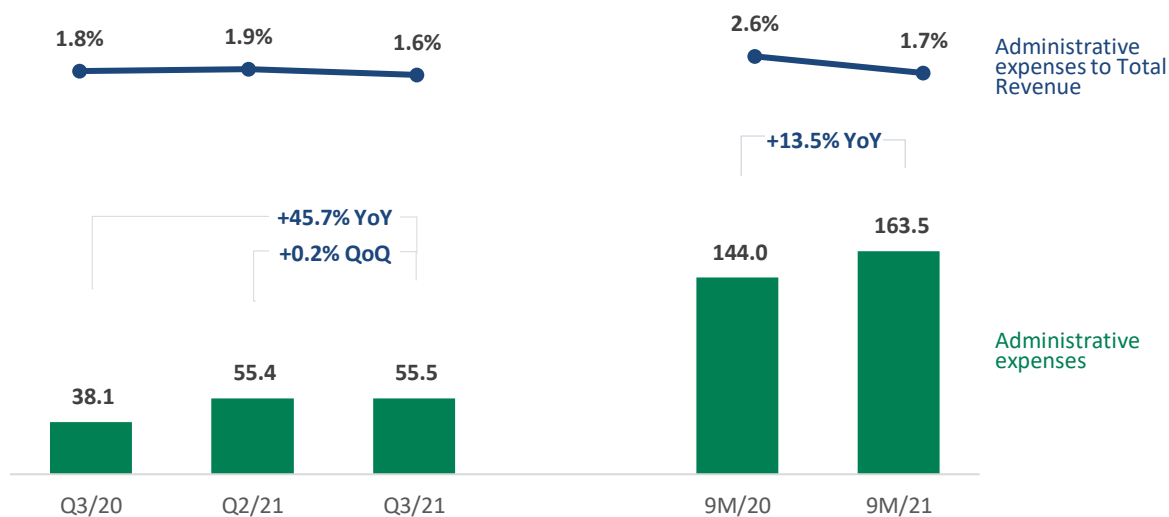
YoY : 9M/2021 vs 9M/2020

During 9M/2021, the Group recorded selling and distribution expenses of Baht 400.1 million, increased by Baht 92.2 million or 29.9% compared to 9M/2020, mainly due to the increase in expenses related to in-land transportation as a result of the increase in truck usage, corresponding to the increase in domestic sales of coal

Selling and distribution expenses to total revenue was 4.3% in the 9M/2021, improved from 5.6% in 9M/2020 as the Group effectively managed selling and distribution expenses while also generating significantly higher operating revenue

4. Administrative Expenses

Unit: Million Baht, %



Administrative expenses consist of Employee-related expenses, Consulting Fee, Utilities Expenses, Costs related to travelling, Other fees, etc.

YoY : Q3/2021 vs Q3/2020

In Q3/2021, the Group recorded administrative expenses of Baht 55.5 million, increased by Baht 17.4 million or 45.7% compared to Q3/2020, mainly due to the increase in legal consulting fee and the increase in employee-related expenses, both from annual pay raise for the existing employees and from new recruits to support the growth plan of the 2 subsidiaries, Multi Energy Trading (2020) Co., Ltd. and Grand Power (2019) Co., Ltd.

Administrative expenses to total revenue was 1.6% in Q3/2021, improved from 1.8% in Q3/2020 mainly due to the more efficient administrative cost management, and at the same time, generating a significant increase in operating revenue

QoQ : Q3/2021 vs Q2/2021

In Q3/2021, the Group recorded administrative expenses of Baht 55.5 million, increased slightly by Baht 0.1 million or 0.2% compared to Q2/2021, mainly as a result of the Group's cost control and management policies implemented such as maintaining fixed expenses at an appropriate level

Administrative expenses to total revenue was 1.6% in Q3/2021, slightly increased from 1.9% in Q2/2021 as result of the Group's ability to manage and maintain fixed expense levels effectively while also generating higher operating revenue

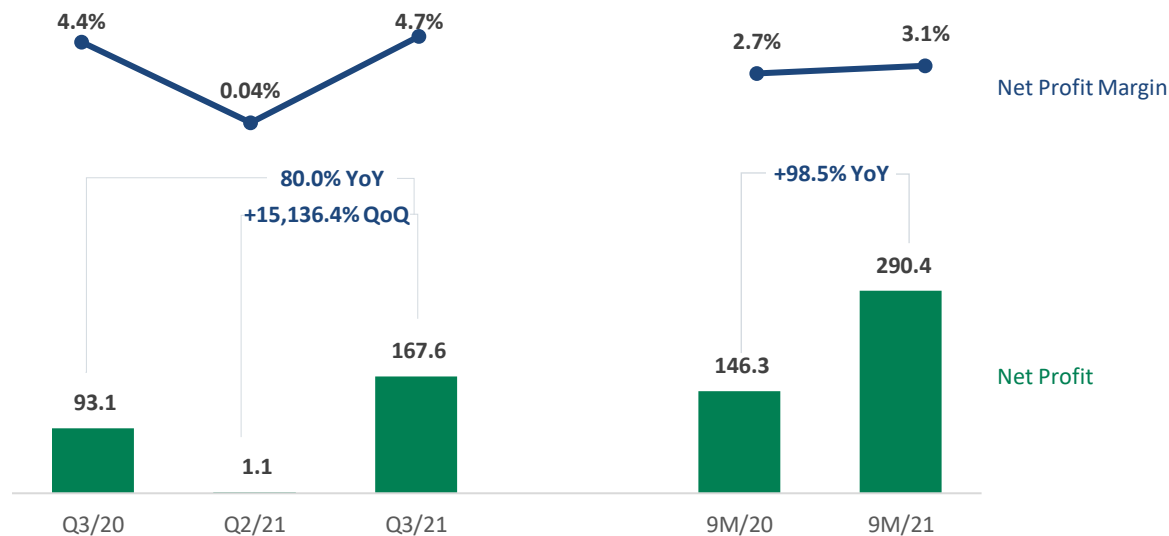
YoY : 9M/2021 vs 9M/2020

During 9M/2021, the Group recorded administrative expenses of Baht 163.5 million, increased by Baht 19.5 million or 13.5% compared to the 9M/2020, mainly due to the increase in legal consulting fee and the increase in employee-related expenses, both from annual salary increase for existing employees and from new recruits to support the growth plan of the 2 subsidiaries

Administrative expenses to total revenue was 1.7% in 9M/2021, improved from 2.6% in 9M/2020 mainly due to the efficient cost management and the increase in operating revenue

5. Net Profit and Net Profit Margin

Unit: Million Baht, %



YoY : Q3/2021 vs Q3/2020

In Q3/2021, the Group recorded net profit of Baht 167.6 million, increased by Baht 74.5 million or 80.0% compared to Q3/2020, as a result of adjustment of coal selling prices to reflect the Group's higher cost of coal, which increases corresponding to the global coal price index, allowing the Group to maintain margins between the cost and the selling price more effectively. In addition, the increase was also due to the higher coal sale volumes from higher demand of business partners

Net profit margin was 4.7% in Q3/2021, increased from 4.4% in Q3/2020 as a result of the Group's ability to adjust selling price to reflect higher cost of coals, as well as efficient cost and expense control during the spread of COVID-19 pandemic

QoQ : Q3/2021 vs Q2/2021

In Q3/2021, the Group recorded net profit of Baht 167.6 million, increased by Baht 166.5 million or 15,136.4% compared to Q2/2021, mainly due to the selling price adjustment to reflect the cost of coal, corresponding to the increase in global coal price index, as well as the higher coal sales volumes which were in line with the increase in operating revenue

Net profit margin was 4.7% in Q3/2021, improved from 0.04% in Q2/2021 as a result of the Group's ability to adjust the selling price to reflect the higher cost of coals, as well as the efficient cost and selling and administrative expense control policies that were successfully implemented and started to demonstrate favorable results during Q3/2021

YoY : 9M/2021 vs 9M/2020

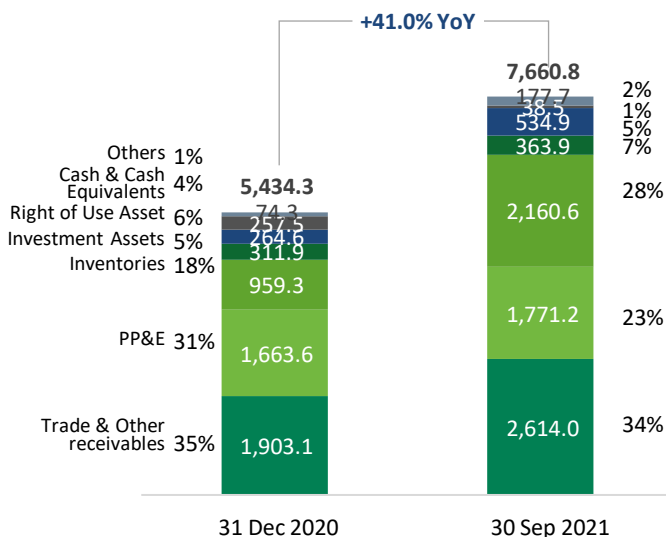
During 9M/2021, the Group recorded net profit of Baht 290.4 million, increased by Baht 144.1 million or 98.4% compared to the 9M/2020 mainly due to the adjustment of selling prices to reflect the higher cost of coals as well as the continuous growth in logistics service business

Net profit margin was 3.1% in 9M/2021, increased from 2.7% in 9M/2020 as the Group was able to adjust the selling prices for domestic sales to reflect the higher cost of coal and the revenue growth in logistics service business which generated high gross profit margin, as well as the effective cost and selling and administrative expense control during the spread in COVID-19 pandemic

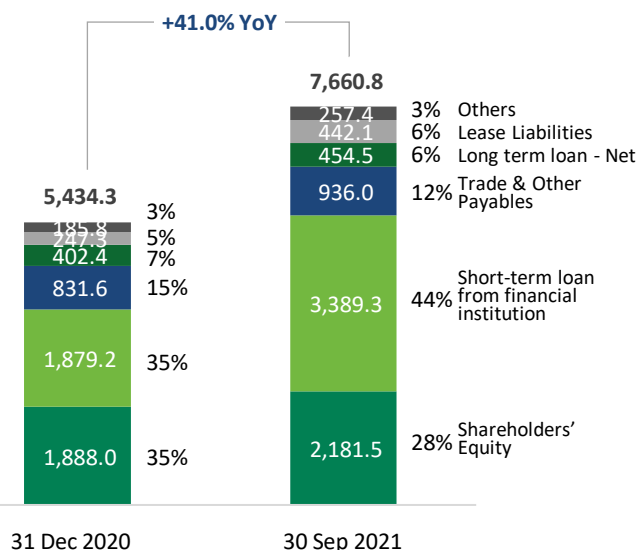
Statement of Financial Position

Unit: Million Baht, %

Assets



Liabilities and Equity



Total Assets

As of 30 September 2021, the total assets of the Group were Baht 7,660.8 million, increased by Baht 2,226.5 million or 41.0% from 31 December 2020 mainly due to:

- **Trade & Other Receivables:** increased by Baht 710.9 million due to the increase in operating revenue
- **Inventories:** increased by Baht 1,201.3 million due to the increase average cost of coal and the increase in coal reserves to support demand in the future
- **Right of Use Assets:** increased by Baht 270.3 million due to contract to lease additional trucks, as well as the recognition of the right-of-use of the new port, in order to support the Group's growth plan

Total Liabilities

As of 30 September 2021, the total liabilities of the Group were Baht 5,479.3 million, increased by Baht 1,933.0 million or 54.5% from 31 December 2020 mainly due to:

- **Short-term loan from financial institution:** increased by Baht 1,510.1 million due to the additional short-term loan to enhance the Group's working capital liquidity to support the Group's growth plan
- **Trade and Other Payables:** increased by Baht 104.4 million due higher coal imports
- **Lease Liabilities:** increased by Baht 194.8 million due to lease contract from the truck purchase as well as the recognition of the right-of-use of the new port following the TFRS 16

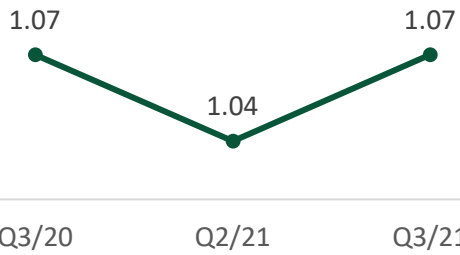
Total Shareholders' Equity

As of 30 September 2021, the total equity of the Group was Baht 2,181.5 million, increased by Baht 293.5 million or 15.5% from 31 December 2020, mainly due to the recognition of net profit from Q1, Q2, and Q3/2021. However, the Group has also paid dividend for the year 2020 in Q2/2021 totaling Baht 96.7 million, and has additional investments in subsidiaries

Key Financial Ratios

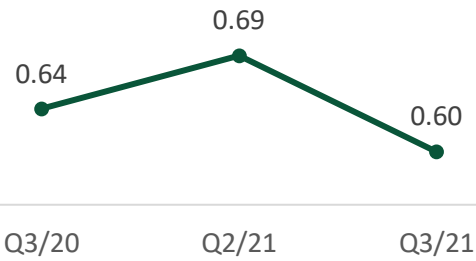
Current Ratio

Unit: Times



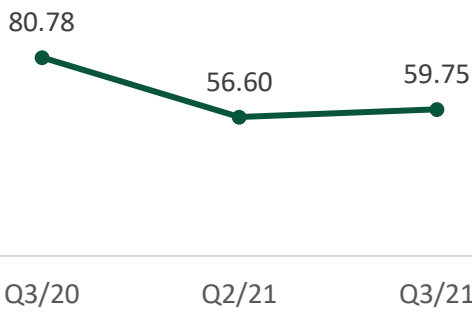
Quick Ratio

Unit: Times



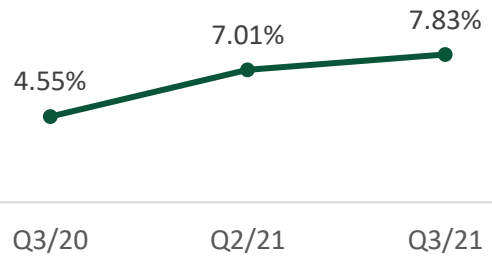
Inventory Turnover

Unit: Days



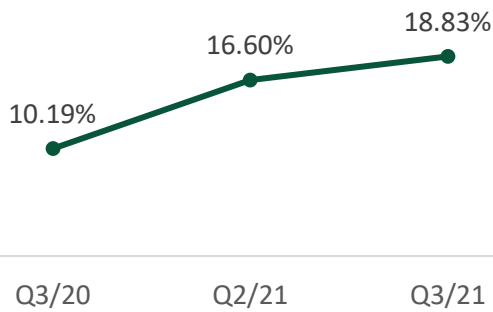
ROA

Unit: %



ROE

Unit: %



D/E Ratio

Unit: Times

