

RATCH Group Public Company Limited

Management Discussion and Analysis

For the Year Ended 31 December, 2020



Abbreviation	
The Company	RATCH Group Public Company Limited
EGAT	Electricity Generating Authority of Thailand
COD	Commercial Operation Date
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
FX	Foreign Exchange Rate
IPP	Independent Power Producer
PPA	Power Purchase Agreement
SPP	Small Power Producer

Projects/Companies	
ABEIF	An Binh Energy and Infrastructure Fund
BPC	Berkprai Cogeneration Company Limited, an indirect joint venture in proportion of 35 percent
EBM	Eastern Bangkok Monorail Company Limited, an associate in proportion of 10 percent
HKH	Hin Kong Power Holding Company Limited, a joint venture in proportion of 51 percent
HKP	Hin Kong Power Company Limited, an indirect joint venture wholly-owned by HKH
HPC	Hongsa Power Company Limited, an indirect joint venture in proportion of 40 percent
NBM	Northern Bangkok Monorail Company Limited, an associate in proportion of 10 percent
NNEG	Nava Nakorn Electricity Generating Company Limited, an indirect joint venture in proportion of 40 percent
NRER	Nexif Ratch Energy Rayong Company Limited, an indirect joint venture wholly-owned by NERS
NRES	NEXIF RATCH ENERGY SINGAPORE PTE LTD, an indirect joint venture in proportion of 49 percent
RAC	RATCH-Australia Corporation Pty Ltd, a wholly-owned indirect subsidiary
RCO	RATCH Cogeneration Company Limited, a subsidiary in proportion of 99.97 percent
RG	Ratchaburi Electricity Generating Company Limited, a wholly-owned subsidiary
RHIS	RH International (Singapore) Corporation Pte Ltd, a wholly-owned indirect subsidiary
RIAU	PT Medco Ratch Power RIAU, an indirect joint venture in proportion of 49 percent
RL	RATCH-Lao Services Company Limited, a wholly-owned subsidiary

Executive Summary

Unit : Million baht

	2020	2019	Increase (Decrease)	%
Total revenues *	16,155.92	15,668.94	486.98	3.1
Total cost and expenses *	10,173.66	9,573.18	600.48	6.3
EBITDA	9,664.80	9,996.24	(331.44)	(3.3)
Gain (Loss) on FX	304.45	(132.48)	436.93	329.8
Profit to owner of the Company	6,286.68	5,963.28	323.40	5.4
Profit before FX	5,982.23	6,095.76	(113.53)	(1.9)

* excluding fuel cost

The operating result for the year 2020 showed the profit (attributable to owners of the Company) of THB 6,286.68 million, increasing from the previous year by THB 323.40 million. The increase is owing to the increase in the share of profit of associates and joint ventures. In addition, the Company recognized gain of FX. Without the effect of FX of the Company and subsidiaries, the operating result for the year 2020 showed the profit of THB 5,982.23 million.



1. Significant Events of the Year 2020

1.1 Hin Kong Combined-Cycle Power Plant Project, Ratchaburi Province

On January 3, 2020, the Company sold 196,000 ordinary shares of HKH or 49 percent of the total shares at THB 10 per share, which is at par price, totaling THB 1.96 million to Gulf Energy Development Public Company Limited.

HKH fully owns HKP, a company that is established in preparation for development of Hin Kong Power Plant. The project is a combined-cycle power plant using natural gas as the main fuel, with total contracted capacity of 1,400 megawatts (700 megawatts per unit). It is located in Hin Kong Subdistrict, Muang District, Ratchaburi Province. HKP has signed a 25-year Power Purchase Agreement with EGAT, with the scheduled COD in 2024 and 2025, respectively.

On September 29, 2020, HKP has signed the Engineering, Procurement and Construction Contract (“EPC Contract”) and Long-term Service Agreement (“LTSA”). The project has already received approval for the Environment Impact Assessment from Office of Natural Resources and Environmental Policy and Planning.

1.2 Signing of Memorandum of Understanding – “District 9 Project: Digital Industrial Zones and Intelligent Communities”

On January 8, 2020, the Company, Thammasat University, Nava Nakorn Public Company Limited, and ALT Telecom Public Company Limited have entered into a Memorandum of Understanding (“MOU”) – “District 9 Project: Digital Industrial Zones and Intelligent Communities”, which is a project to study the guidelines for smart city development to satisfy the demand of production, commerce, energy, and telecommunications in the digital age. Based on the potential of physical, location, and readiness of basic infrastructure of Thammasat University, Rangsit Center, and Nava Nakorn Industrial Zone in Pathumthani Province, all of which are suitable for studying and developing the smart city in the future. The Company will contribute information and knowledge regarding energy technology.

The results of the feasibility of the project will be used as a guideline for smart city development to create the new standards of production, commerce, and residence in all aspects in accordance with the demand and growth of population in Bangkok and northern metropolitan zone.

1.3 Signing of Power Purchase Agreements for Collector Wind Farm in the Commonwealth of Australia

On March 9, 2020, RAC has signed a long-term PPA with Infigen Energy, a company listed on the Australian Securities Exchange, with its leading role on Australia's transition to a clean energy future, for 60 percent of energy output from the 226.80 MW capacity Collector Wind Farm. The sales of power under the PPA starts from the project's first energy generation within 2020 and the PPA will expire on December 31, 2030.

On March 24, 2020, RAC achieved a long-term PPA with a retailer named ALDI Foods Pty Ltd in the Commonwealth of Australia for 19.40 percent of energy output for the period of 10 years.

Collector Wind Farm is located in New South Wales in the Commonwealth of Australia. The project is under construction and expected to achieve full COD in early 2021. The remaining 20.60 percent of uncontracted output from the project will be sold in the Australian energy market.

1.4 Signing of Share Purchase Agreement to Invest in SPP Power Plant Project, Rayong Province

On March 12, 2020, the Company has entered into Share Purchase Agreement to purchase 49 percent of ordinary shares of NER Singapore Pte Ltd, totaling approximately USD 21 million from Nexif Energy Thailand B.V., the existing shareholder. The purpose of such investment is to develop Nexif Energy Rayong SPP Power Project. The project is a firm-cogeneration SPP power plant project with the capacity of 92 megawatts, using natural gas as fuel. It is operated by Nexif Energy Rayong Company Limited (a wholly-owned subsidiary of NER Singapore Pte Ltd), located in SPP Industrial Park, Bankhai District, Rayong Province. It has a 25-year PPA with EGAT. The COD is expected to be approximately in April 2022.

On April 21, 2020, Nexif Energy Rayong Company Limited was successful in making the first drawdown with financial institutions under its project financial agreement.

On April 27, 2020, NER Singapore Pte Ltd registered the name changed to NEXIF RATCH ENERGY SINGAPORE PTE LTD (NRES). On May 5, 2020, Nexif Energy Rayong Company Limited registered the name changed to Nexif Ratch Energy Rayong Company Limited (NRER).

1.5 Power Plant Project in Nakhon Ratchasima Province by R E N Korat Energy Company Limited (R E N)

On March 27, 2020, the Company has entered into a Shareholder Agreement with Nava Nakorn Public Company Limited and PEA ENCOM International Company Limited in which the shareholding proportion is 40, 35, and 25 percent, respectively to jointly develop a power project in Nakhon Ratchasima Province.

The project is a cogeneration independent power supply project with the generation capacity of 40 megawatts. It is located in Nava Nakorn Industrial Promotion Zone, Nakhon Ratchasima province. The project cost is approximately THB 2,176 million. The generated power and steam will be sold to industrial customers and the COD is scheduled in July 2023.

On April 21, 2020, the three shareholders have already registered the establishment of the joint venture company named R E N Korat Energy Company Limited which has registered capital of THB 1 million, divided into 100,000 shares valuing at THB 10 each. The capital is paid at 25 percent of the registered capital.

1.6 Thanh Phong Wind Power Plant Project

On May 22, 2020, RHIS invested in Thanh Phong Wind Power Project in the Socialist Republic of Vietnam in the proportion of 51 percent. The project is an onshore wind farm project with generation capacity of 29.70 megawatts. It is located in Ben Tre Province in the south of the Socialist Republic of Vietnam. The project has 20-year PPA with Vietnam Electricity. The project cost is approximately USD 45 million. Currently, it is in preparation for construction. The COD is scheduled in September 2021.

1.7 Tri Energy Power Plant

On June 30, 2020, the 720-megawatt Tri Energy Power Plant in Ratchaburi Province, operated by RG has reached the expiration of PPA with EGAT and ceased to operate and distribute electricity to the system since 30 June 2020.

1.8 An Binh Energy and Infrastructure Fund's ("ABEIF") investment in Socialist Public of Vietnam

On July 15, 2020, RHIS has signed of transaction documents with respect to its partnership with Geleximco Group Joint Stock Company ("Geleximco"). RHIS and Geleximco will hold ownership interest of 49 percent and 51 percent of the charter capital of ABEIF, respectively. The ABEIF is a Vietnam focused power sector fund which has potential investment consideration in various power and infrastructure projects in the Socialist Republic of Vietnam.

On August 18, 2020, ABEIF has made its first investment in the power generation sector. ABEIF has acquired 45 percent indirect ownership of Thang Long Power Plant, one of the largest COD achieved coal-fired power plants under the Build-Own-Operate (“BOO”) framework, located in the North of Vietnam with a gross capacity of 620 megawatts. The plant has a 25-year PPA with the state-owned Vietnam Electricity.

1.9 The Expansion of Power and Steam Generating Capacity of RATCH Cogeneration Company Limited (“RCO”)

On August 4, 2020, RCO had received EGAT’s consent for its expansion of power generating capacity by approximately 30 megawatts and steam generating capacity by approximately 5.46 tons per hour in order to sell the additional power and steam to users in Navanakorn Industrial Promotion Zone in Pathum Thani Province and neighboring areas. The construction is scheduled to begin in February 2021 and the project is expected to commence the COD in July 2022.

1.10 Quang Tri 1 Thermal Power Plant Project

On September 16, 2020, the Company entered into a Joint Development Agreement of Quang Tri 1 Thermal Power Plant Project in the Socialist Public of Vietnam with EGAT International Company Limited (“EGATi”) and Electricity Generating Public Company Limited (“EGCO”) with the shareholding proportion of 30, 40 and 30 percent respectively.

Quang Tri 1 Thermal Power Plant Project is a coal-fired power plant project with the installed capacity of 1,320 megawatts (2 units with the capacity of 660 megawatts each), located in Quang Tri Economic Zones, Central Vietnam. The project’s generated electricity will be sold to Vietnam Electricity (“EVN”) under the long-term PPA. Currently, the Project is under green-field development and under negotiation process with the expected COD in 2025.

1.11 Wood Pellet Production and Sale Project in Lao PDR

On September 21, 2020, RL together with BURIRAM GREEN ENERGY CO., LTD. (“BGE”) in Thailand and SIPHANDONE BOLAVEN DEVELOPMENT COMPANY LIMITED (“SPD”) in Lao PDR had registered the establishment of SIPHANDONE-RATCH LAO CO., LTD. at the proportion of 25, 65 and 10 percent respectively, to develop a wood pellet production and sale project with the production capacity of approximately 60,000 tons per year in Lao PDR. The project is negotiating relating contracts and requesting relating licenses. It is expected that the construction of wood pellet production plant will begin approximately in March 2021 and that the wood pellets can be sold according to the contract approximately in Quarter 1 of 2022.

1.12 Signing of a Memorandum of Understanding to Conduct a Feasibility Study of a Wood Pellet Project in Lao PDR

On October 26, 2020, RL has signed a Memorandum of Understanding (“MOU”) with Sacksith Consulting & Trading Sole Co., LTD. and the Government of Lao PDR in order to conduct a land survey and a feasibility study of industrial timber planting of wattle trees and fast-growing trees for the construction of a wood pellet factory in Ta Oy District, Sa Mouay District, Salavan Province, Lao PDR. The result of the land survey and feasibility study of the Project will be used for the benefit of applying for a concession for the aforementioned industrial timber planting project in the future.

1.13 Commercial Operation of Nava Nakorn SPP Power Plant (Expansion)

On October 31, 2020, Nava Nakorn SPP Power Plant (Expansion) of Nava Nakorn Electricity Generating Company Limited, which is the a joint-venture company of RG, Nava Nakorn Public Company Limited and Global Synergy Public Company Limited in the proportion of 40, 30 and 30 percent, respectively, located in Nava Nakorn Industrial zone with the electricity generating capacity of 60 megawatts and steam generating capacity of 10 tons per hour, has commenced the COD and recognized its income under the PPA. As a result, the total electricity generating capacity of Nava Nakorn Electricity Generating Company Limited is approximately 185 megawatts and total steam generating capacity is approximately 40 tons per hour.

1.14 Issuance and Offering of Debentures

On November 4, 2020, the Company issued and offered the first Green Debentures No.1/2563 in the total amount of Baht 8,000 million. The debentures are under Baht 15,000 million in accordance with the Company’s Debenture Project of 2020. The green debentures are the Registered, Senior and Unsecured Debentures with Debenture Holders’ Representative type with Private Placement to II and/or HNW target group. The purpose of the debentures is for investment and/or repayment of existing loans and/or internal fund repayment (in whole or in part) of the new or existing green eligible projects of the Company and the group companies, in alignment with RATCH’s Green Financial Framework, including renewable energy projects, wind power projects, and clean transportation projects, including Pink and Yellow Line Monorails. The interest rate is 1.32-2.94 percent per annum and the maturity dates are in between 2023-2035. The principal repayment is bullet repayment. Rating of AAA/Stable has been assigned to the Green Debentures by TRIS Rating Company Limited.

1.15 Signing of Joint Development Agreement of Nexif Ben Tre Wind Power Project in the Socialist Republic of Vietnam

On December 4, 2020, RHIS has entered into a Joint Development Agreement of Nexif Ben Tre Wind Power Project in the Socialist Republic of Vietnam with Nexif Energy Pte. Ltd. with the project participation proportion of 50:50 percent respectively, after further development and any required approvals.

The Project is a near-shore wind power generation plant with the installed capacity of 80 MW, located in Thanh Hai Commune, Thanh Phu District, Ben Tre Province, Vietnam. Currently, the Project is under development and under negotiation process with expected in COD in 2022. The Project's generated electricity will be sold to Vietnam Electricity ("EVN") under long-term PPA.

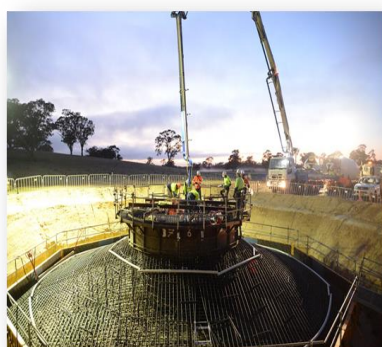
1.16 Shareholding in Bangkok Aviation Fuel Services Public Company Limited

On December 19, 2020, the Company attended the auction and offered the highest price of shares of Bangkok Aviation Fuel Services Public Company Limited ("BAFS") for 98,983,125 shares (or equivalent to 15.53 percent of total issued and paid-up shares in BAFS) from Thai Airways International Public Company Limited ("THAI"). The purchase price is THB 27.40 per share at the total amount of THB 2,712.14 million. On December 29, 2020, the Company had entered into a share purchase agreement with THAI and on January 19, 2021, THAI completely transferred the shares to the Company and the Company paid a total share purchase price to THAI.

Progress of Projects under Construction (as of December 31, 2020)



Yandin Wind-Turbine Power Plant	
Install Capacity (MW)	214.2
Location	Western Australia, Australia
Ownership	70%
PPA	15 years with Alinta
COD	1 st Quarter, 2021
Progress	96%



Collector Wind-Turbine Power Plant	
Install Capacity (MW)	226.8
Location	New South Wales, Australia
Ownership	100%
PPA	PPA/ Merchant
COD	1 st Quarter, 2021
Progress	94.5%



Riau Power Plant	
Type of Fuel	Natural Gas
Install Capacity (MW)	296.23
Location	Republic of Indonesia
Ownership	49%
PPA	20 years with PT PLN
COD	May 2021
Progress	94.03%



MRT Pink Line Project	
Technology	Monorail
Route	Khae Rai-Min Buri
Ownership	10%
Contract Term	30 years
COD	2022
Progress	Civil Works = 70.32% Railway System = 64.34%



MRT Yellow Line Project	
Technology	Monorail
Route	Lad Prao-Sam Rong
Ownership	10%
Contract Term	30 years
COD	2022
Progress	Civil Works = 73.26% Railway System = 67.00%



Nexif Ratch Energy Rayong Power Plant (NRER)	
Type of Power Plant	Firm-Cogeneration SPP Power Plant
Type of Fuel	Natural Gas
Install Capacity (MW)	92
Location	Rayong Province
Ownership	49%
PPA	25 Years with EGAT
COD	April 2022
Progress	25.1%

2. Operation performance according to consolidated financial statement

Unit : Million baht

	2020	2019	Increase (Decrease)	%
Total revenues (excluding fuel costs)	16,155.92	15,668.94	486.98	3.1
Total cost and expenses (excluding fuel costs)	10,173.66	9,573.18	600.48	6.3
	5,982.26	6,095.76	(113.50)	(1.9)
Non-controlling Interests	(0.03)	-	(0.03)	-
Profit before FX - the Company and subsidiaries	5,982.23	6,095.76	(113.53)	(1.9)
Gain (loss) on FX - the Company and subsidiaries	304.45	(132.48)	436.93	329.8
Profit to owner of the Company	6,286.68	5,963.28	323.40	5.4

Fuel Cost **23,366.07** **27,551.13**

The operating result according to the consolidated financial statement showed the profit (attributable to owners of the Company) of THB 6,286.68 million or THB 4.34 per share, increasing by THB 323.40 million. The main reasons were due to the increase in the share of profit of associates and joint ventures such as HPC, NNEG, BPC, EBM, and NBM. In addition, the Company recognized gain of FX due to the appreciation of AUD. However, the operating result without the effect of FX gain (loss) of the Company and subsidiaries showed the profit of THB 5,982.23 million.

2.1 Analysis of Revenues

Unit : Million baht

	2020	2019	Increase (Decrease)	%
Revenue from sales and rendering of services (excluding fuel costs)	8,286.47	7,889.98	396.49	5.0
<i>RG</i>	3,473.73	4,350.63	(876.90)	(20.2)
<i>RAC</i>	2,684.83	2,990.26	(305.43)	(10.2)
<i>RCO</i>	2,065.88	495.38	1,570.50	317.0
<i>RL</i>	62.03	53.71	8.32	15.5
Revenue from finance leases contracts	2,553.21	2,923.23	(370.02)	(12.7)
Share of profit of associates and joint ventures	4,600.34	3,968.38	631.96	15.9
<i>IPPs</i>	3,288.76	2,904.25	384.51	13.2
<i>SPPs</i>	426.26	338.65	87.61	25.9
<i>Hydro Power Plants</i>	69.02	66.75	2.27	3.4
<i>Renewable Power Plants</i>	403.13	356.00	47.13	13.2
<i>Others</i>	413.17	302.73	110.44	36.5
Management service income	276.31	244.24	32.07	13.1
interest income	159.41	205.52	(46.11)	(22.4)
Dividend income	61.18	100.88	(39.70)	(39.4)
Gain on bargain purchase - RCO	-	269.92	(269.92)	(100.0)
Other income	219.00	66.79	152.21	227.9
Total revenues	16,155.92	15,668.94	486.98	3.1
<i>Fuel Cost</i>	<i>23,366.07</i>	<i>27,551.13</i>		

2.1.1 Revenue from sales and rendering of services (excluding fuel costs)

(1) Revenue from sales of RG decreased due to the decrease in Base Availability Credit in 2020 compared to that of 2019, as specified in the Power Purchase Agreement.

(2) Revenue from sales of RAC decreased as Mount Emerald Wind Farm Project generated less electricity than the previous year.

(3) Revenue from sales of RCO increased due to the acquisition on October 1, 2019. In addition, the power plant generated and sold electricity to industrial users more than that of last year.

2.1.2 Share of profit of associates and joint ventures

IPPs

The share profit of HPC increased. The main reasons are as follows;

- (1) The power plants have availability more than that of last year.
- (2) The recognition of insurance claims for earthquake incident in 2019.
- (3) Finance cost decreased due to loan restructure and repayment during the year.

SPPs

The share profit of NNEG increased mainly due to the power plants generated electricity more than that of last year.

The share profit of BPC increased mainly due to commencing COD on June 1, 2019. In addition, the power plant generated electricity more than that of last year.

Others

The Company recognized the share profit of EBM and NBM.

2.2 Analysis of Cost and Expenses

Unit : Million baht				
	2020	2019	Increase (Decrease)	%
Cost and expenses (excluding fuel costs)	6,862.62	5,676.90	1,185.72	20.9
<i>RG</i>	<i>3,210.40</i>	<i>3,408.15</i>	<i>(197.75)</i>	<i>(5.8)</i>
<i>RAC</i>	<i>1,795.69</i>	<i>1,795.58</i>	<i>0.11</i>	<i>0.0</i>
<i>RCO</i>	<i>1,813.52</i>	<i>435.32</i>	<i>1,378.20</i>	<i>316.6</i>
<i>RL</i>	<i>43.01</i>	<i>37.85</i>	<i>5.16</i>	<i>13.6</i>
Administrative expenses	1,601.09	1,595.99	5.10	0.3
(Gain) Loss on fair value adjustment of derivatives	130.24	(0.35)	130.59	n.a.
Finance costs	1,551.35	1,430.57	120.78	8.4
Tax expense	28.36	870.07	(841.71)	(96.7)
Total Cost and expenses	10,173.66	9,573.18	600.48	6.3
<i>Fuel Cost</i>	<i>23,366.07</i>	<i>27,551.13</i>		

2.2.1 Cost of sales and rendering of services (excluding fuel costs)

(1) Cost of sales of RG decreased as the planned maintenance during the year 2020 was less than that of the previous year.

(2) Cost of sales of RCO increased as the Company's acquisition on October 1, 2019.

2.2.2 The effect of fair value adjustment of derivatives

The Company recorded the effect on fair value adjustment of derivatives according to the adopted accounting policies for derivatives and hedge accounting. The main reason was the change in fair value adjustment of cross currency swap contract between JPY and AUD currencies to manage exposure of fluctuations in foreign exchange risk on borrowings.

2.2.3 Income Tax

Income tax decreased since RG received tax benefit from the sale of Tri Energy Power Plant which its PPA was expired in June 2020.

2.3 The effect of exchange rate of the Company and its subsidiaries

In 2020, the Company recorded gain on FX. The main reason was from loan to related parties in AUD currency. As AUD currency appreciated in relative to USD currency, the asset value in AUD currency increased. In contrast, the Company recorded loss on FX of in 2019 due to the depreciation of AUD currency in relative to USD currency, resulting in the decrease of asset value in AUD currency.

3. Analysis of statement of financial position

3.1 Analysis of assets

As at December 31, 2020, the total assets were THB 112,132.25 million, increasing by THB 11,902.82 million or 11.9 percent from THB 100,229.43 million as at December 31, 2019. The details were as follows:

(Million Baht)

	Dec 31, 2020	Dec 31, 2019	Increase (Decrease)	%
Current assets	18,484.69	20,479.77	(1,995.08)	(9.7)
Non-current assets	93,647.56	79,749.66	13,897.90	17.4
Total Assets	112,132.25	100,229.43	11,902.82	11.9

3.1.1 Investments in joint ventures and associates increased in the amount of THB 9,684.65 million. The main reasons were from additional investments in the amount of THB 5,995.68 million, and the share of profit contributed during the period in the total amount of THB 4,600.34 million. On the other hand, the Company recorded dividend income in the amount of THB 1,987.29 million.

3.1.2 Property, plant and equipment increased in the amount of THB 5,371.41 million. The main reason was assets under construction of RAC increased in the amount of AUD 205.72 million mainly due to the construction of Collector Wind Farm Project.

3.1.3 Long-term loan to other company in the amount of USD 80 million.

3.1.4 Financial lease receivables from related party decreased in the amount of THB 3,270.21 million.

3.2 Analysis of liabilities and equity

As at December 31, 2020, the total liabilities and equity were THB 112,132.25 million, increasing by THB 11,902.82 million or 11.9 percent from THB 100,229.43 million as at December 31, 2019. The details were as follows:

	(Million Baht)			
	Dec 31, 2020	Dec 31, 2019	Increase (Decrease)	%
Liabilities	51,610.68	40,815.50	10,795.18	26.4
Equity	60,521.57	59,413.93	1,107.64	1.9
Total Liabilities and Equity	112,132.25	100,229.43	11,902.82	11.9

3.2.1 Liabilities increased in the amount of THB 10,795.18 million, the main reasons were as follows:

(1) On November 4, 2020, the Company issued and offered the first Green Debentures No.1/2563 in the total amount of Baht 8,000 million. (The details are described in no. 1.14)

(2) Long-term loan from financial institutions increased in the amount of THB 1,889.86 million. The main reason was RAC received long-term loans from financial institutions during the period in the amount of AUD 33.15 million. In addition, AUD currency appreciated in relative to USD currency.

3.2.2 Equity increased in the amount of THB 1,107.64 million. The main reasons were as follows:

(1) The profit of the year 2020 in the amount of THB 6,286.68 million

(2) The dividend payment during the year 2020 decreased retained earnings in the amount of THB 3,480 million.

(3) Other components of equity decreased in the amount of THB 1,675.77 million. The main reasons were, change in fair value of the investment in EDL-Generation Public Company decreased equity in the amount of THB 665.54 million and share of other comprehensive income expense of associates and joint ventures decreased equity in the amount of THB 1,163.95 million.

4. Analysis of cash flows

Cash and cash equivalents of the Company and its subsidiaries as at December 31, 2020 were THB 4,856.59 million, decreasing by THB 60.57 million from THB 4,917.16 million on December 31, 2019. The details were summarized below:

	(Million Baht)
	2020
Net cash from operating activities	7,291.35
Net cash used in investing activities	(10,913.20)
Net cash from in financing activities	3,425.12
Effect of exchange rate changes on cash and cash equivalents	136.16
Net cash decrease during the year	(60.57)

4.1 Net cash from operating activities increased cash flow in the amount of THB 7,291.35 million. The reason was the operating result of the year 2020 improved cash position by THB 4,856.08 million, adjusted by the change in operating assets and liabilities in the amount of THB 2,435.27 million.

4.2 Net cash used in investing activities decreased cash flow in the amount of THB 10,913.20 million. The main reasons were as follows:

4.2.1 RAC paid for the construction of Collector Wind Farm Project in Australia in the amount of AUD 205.72 million.

4.2.2 The Company paid for additional investment in joint ventures and associates in the amount of THB 5,995.68 million.

4.2.3 Long-term loan to other company in the amount of USD 80 million.

4.2.4 The Company received dividends from joint ventures and associates in the total amount of THB 2,047.01 million.

4.3 Net cash from financing activities increased cash flow in the amount of THB 3,425.12 million. The main reasons were as follows:

4.3.1 On November 4, 2020, the Company issued and offered the Green Debentures No.1/2563 in the total amount of Baht 8,000 million. (The details are described in no. 1.14)

4.3.2 RAC received long-term loans from financial institutions during the period in the amount of AUD 33.15 million.

4.3.3 The Company paid dividend to owners in the amount of THB 3,480.05 million.

4.3.4 The Company paid for interest expenses in the amount of THB 1,408.57 million.

4.3.5 RHIS paid for short-term loans from financial institutions during the period in the amount of USD 18 million.

5. Significant financial ratios (excluded the effect of foreign exchange rate of the Company and its subsidiaries)

Ratios		2020	2019
Current Ratio	(Times)	2.69	2.70
Profit to Total Revenue (excluded fuel costs)	(%)	37.03	38.90
Return on Equity	(%)	9.98	10.21
Return on Assets	(%)	7.24	8.33
EBITDA *	(Million THB)	9,665	9,996
EBITDA to Total Assets	(%)	9.10	9.92
Debt to Equity Ratio	(Times)	0.85	0.69
Debt Service Coverage Ratio	(Times)	4.53	1.90
Book Value per Share	(THB)	41.74	40.97
Average Collection Period	(Days)	56.33	52.29

* Not included the change in lease receivable (Million THB) 3,346.05 1,359.51