

A photograph of the RATCH building, a large, modern, curved structure with a glass facade and a prominent 'RATCH' sign. The building is set against a blue sky with some clouds. The image is framed by green and red diagonal graphic elements.

RATCH



RATCH Group Public Company Limited

Management Discussion and Analysis

For the 1st Quarter Ended March 31, 2025



Abbreviation

The Company	RATCH Group Public Company Limited
The Group	RATCH Group Public Company Limited and its subsidiaries
PEA	Provincial Electricity Authority
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

HKP	Hin Kong Combined-Cycle Power Plants, operated by Hin Kong Power Company Limited, a direct joint venture in proportion of 51 %
HPC	Hongsa Thermal Power Plants, operated by Hongsa Power Company Limited, an indirect joint venture in proportion of 40 %
NN2	Nam Ngum 2 Hydroelectric Power Plant, operated by SouthEast Asia Energy Limited, a direct joint venture in proportion of 33.33 %
NNEG	Nava Nakorn Small Power Plant, operated by Nava Nakorn Electricity Generating Company Limited, an indirect joint venture in proportion of 40 %
PE	Paiton coal-fired thermal power plants, operated by PT Paiton Energy, an indirect joint venture in proportion of 36.26 %
PNPC	Xe-Pian Xe-Namnoy Hydroelectric Power Plant, operated by Xe-Pian Xe-Namnoy Power Company Limited, a direct joint venture in proportion of 25 %
RAC	RATCH-Australia Corporation Pty Ltd, a wholly-owned indirect subsidiary
RCO	RATCH Cogeneration Power Plant, operated by RATCH Cogeneration Company Limited, a wholly-owned subsidiary
RER	RATCH Energy Rayong Power Plant, operated by RATCH Energy Rayong Company Limited
RG	Ratchaburi Power Plants, operated by Ratchaburi Electricity Generating Company Limited, a wholly-owned subsidiary
RPE	Ratch Pathana Energy Public Company Limited (previous name : “Sahacogen (Chonburi) Public Company Limited”), a subsidiary in proportion of 51.67 %
RHIS	RH International (Singapore) Corporation Pte Ltd, a wholly-owned indirect subsidiary

Executive Summary

Industry and Economic Situation

On April 30, 2025, the Bank of Thailand (BOT) reported that the Thai economic activity in March softened compared to the previous month, due to a decline in tourism-related activities, following a drop in foreign tourist arrivals. Both private consumption and private investment slowed down. Meanwhile, overall exports remained high, driven by accelerated exports to the U.S. Manufacturing production increased, and government spending continued to expand in both current and capital expenditures. However, the Thai economy in the first quarter expanded from the previous quarter, supported by accelerated exports and increased manufacturing production. Private consumption also improved, although the tourism sector and private investment declined. Government spending continued to grow across current and capital expenditures.

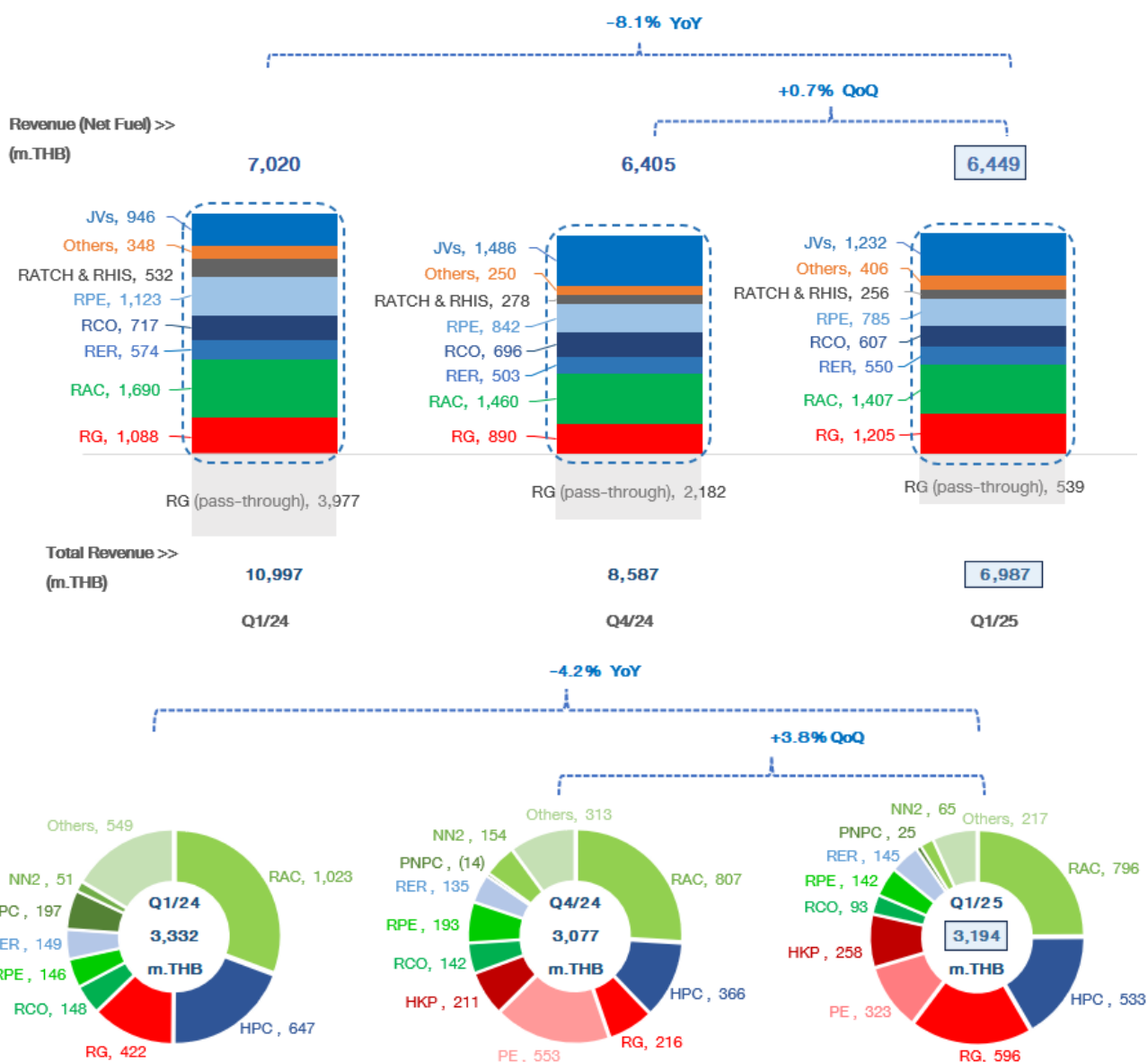
The Ministry of Finance forecasts that the Thai economy will grow by 2.1% in 2025, primarily pressured by global trade headwinds. Key factors include the impact of U.S. import tariff policies and a slowdown in the economies of major trading partners. In U.S. dollar terms, the value of exports is projected to expand by 2.3% year-on-year. Although trade performance faces some negative effects from tariff measures, the delayed implementation of the Reciprocal Tariff Policy and exemptions for certain product categories have helped mitigate the impact. On the domestic front, economic stability remains sound, with the general inflation rate projected to be around 0.8% annually.

On April 30, 2025, the Monetary Policy Committee (MPC) voted 5 to 2 to reduce the policy interest rate by 25 basis points to 1.75% per year. Two members voted to maintain the current rate. The decision reflects a weakening outlook for economic growth and heightened downside risks arising from global trade policy uncertainties and a decline in foreign tourist arrivals. Moreover, the trade policies of major economies remain unpredictable, complicating the assessment of future economic and inflation trends. Headline inflation is projected to remain below the target range, primarily due to declining energy prices and government measures. Overall financial conditions remain tight, and close attention must be paid to the potential rise in risks stemming from macro-financial feedback loops.

The U.S. Energy Information Administration (EIA) forecasts that global oil inventories will begin to increase from the middle of 2025 onwards, as a result of the unwinding of production cuts by OPEC+ countries, increased oil production from non-OPEC countries, and slower growth in global oil demand. Based on these assumptions, the EIA expects the average Brent crude oil price to be \$68 per barrel in 2025, declining to \$61 per barrel in 2026. These prices are approximately \$6 and \$7 per barrel lower, respectively, than the projections in the previous Short-Term Energy Outlook (STEO) report. This reflects rising uncertainty surrounding the outlook for global oil demand growth and the potential for additional supply from OPEC+ in the coming months. However, factors including existing sanctions on Russia, Iran, and Venezuela create additional uncertainty for crude oil prices.

On April 30, 2025, the Energy Regulatory Commission (ERC) resolved to reduce the Fuel Adjustment (Ft) charge for the May to August 2025 billing cycle from 36.72 satang per unit to 19.72 satang per unit. This adjustment results in an average electricity price of 3.98 THB per unit, down from the previous 4.15 THB per unit—a decrease of approximately 17 satang per unit. The reduction aligns with the Cabinet's resolution to cap the electricity rate at no more than 3.99 THB per unit.

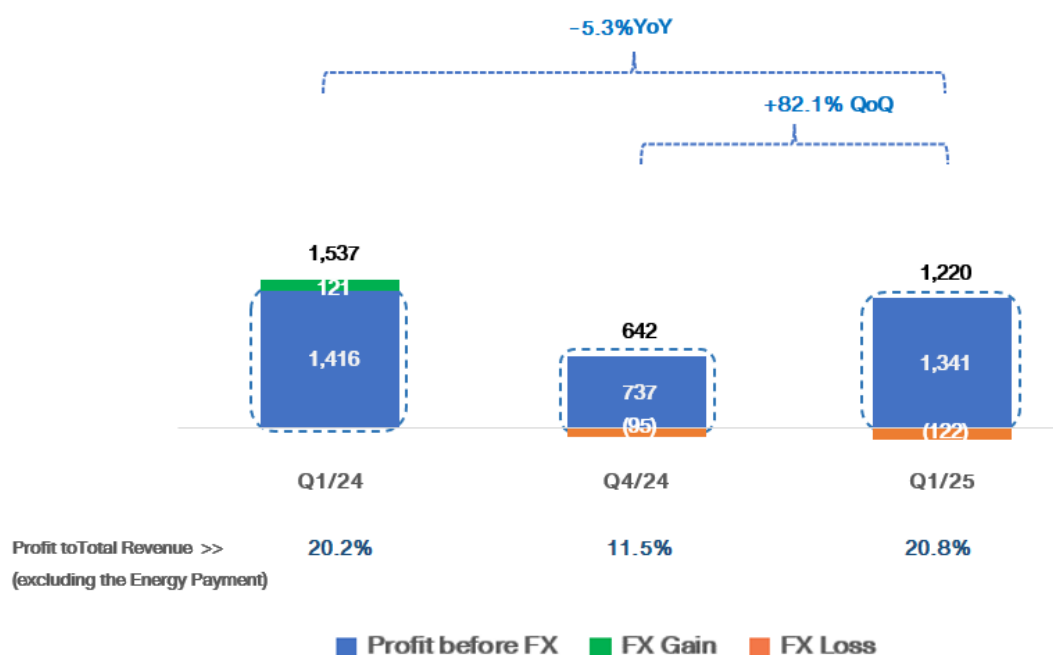
Total Revenue and EBITDA



In the 1st quarter 2025, the total revenues were THB 6,987 million. By excluding the Energy Payment (pass-through), the total revenue increased by 0.7% QoQ. The EBITDA were THB 3,194 million, representing a 3.8% QoQ increase, primarily driven by the increase in the Availability Payment of RG Power Plants and the increase in the share profit of HKP following the officially commenced commercial operation of the Power Plant Unit 2 on January 1, 2025.

However, the total revenue decreased by 8.1% YoY and EBITDA declined by 4.2% YoY, mainly due to THB appreciation in relative to both AUD and USD, which led to lower revenue and EBITDA contributions from Australia portfolio. In addition, the Company recognized a lower share profit from PNPC, along with a decrease in sales revenue from SPP Power Plants due to lower Ft rates and average gas prices.

Profit to Owner of the Company



In the 1st quarter of 2025, by excluding the effect of FX, the operating result was THB 1,341 million, representing 20.8% of total revenue excluding the Energy Payment increased QoQ and YoY from 11.5% and 20.2%, respectively. The main reasons were the increase in Availability Payment of RG Power Plants, coupled with the recognition of the share profit of PE, which was acquired on April 30, 2024, as well as the share profit of HKP Unit 2 which has been recognized since its commercial operation date on January 1, 2025. In addition, the Company recognized a gain from changes in the fair value of the Group's cash flow hedges totaling THB 611 million, primarily due to an increase in the fair value of power purchase agreements of power plants in Australia.

1. Significant Events of the 1st Quarter of 2025

Significant Events of the 1st Quarter of 2025 are as follows

1.1 Commercial Operation of Hin Kong Combined-Cycle Power Plant Unit 2, Ratchaburi Province

The Hin Kong Combined-Cycle Power Plant Unit 2 with a contracted capacity of 700 megawatts, has officially commenced commercial operation on January 1, 2025.

The Hin Kong Combined-Cycle Power Plant is located in Hin Kong Subdistrict, Mueang District, Ratchaburi Province. It has a contracted capacity of 1,400 megawatts and uses natural gas as its primary fuel. The Power Plant is operated by Hin Kong Power Company Limited, a joint venture between RATCH Group Public Company Limited (holding 51%) and Gulf Energy Development Public Company Limited (holding 49%). The Power Plant sold its generated electricity to EGAT under a 25-year PPA. It serves as a firm power plant essential to meeting the country's electricity demand, particularly in the western region, in alignment with the government's energy security policy. The Power Plant is designed and equipped with advanced power generation technology and high-efficiency environmental management systems. It also adheres to international safety management standards, demonstrating its commitment to product responsibility and fostering trust among local communities. The Hin Kong Combined-Cycle Power Plant Unit 1 has already commenced commercial operation on March 1, 2024.

Progress of Projects under Construction (as of March 31, 2025)



Progress

100%

(Undergoing Commissioning tests)

The Expansion of NNEG Phase 3	
Type of Power Plant	SPP Cogeneration
Type of Fuel	Natural Gas
Install Capacity (MW)	30
Location	Pathumthani Province
Ownership	40%
Customers	Industrial Users
COD	Year 2025



Progress

46%

Song Giang 1 Power Plant	
Type of Power Plant	Hydroelectric Power Plant
Install Capacity (MW)	12
Location	Khanh Hoa Province, Vietnam
Ownership	46.22%
COD	Year 2025



Progress

33%

NPSI Power Plant	
Type of Power Plant	Solar Power Plant
Install Capacity (MWp)	145
Location	Negros Occidental Province, Philippines
Ownership	49%
COD	Year 2025



Progress

96%

Wood Pellet Production and Sale Project

Type	Wood Pellet Production and Sale
Capacity	100,000 Tons per Year
Location	Champasak Province, Lao PDR
Ownership	25%
Contract Term	15 Years
COD	Year 2025



Progress

90%

MRT Pink Line Extension Project

Technology	Monorail
Route	Sirat – Muang Thong Thani
Ownership	10%
Contract Term	30 Years
COD	Year 2025



Progress

75%

Intercity Motorway Bang Pa-In – Nakhon Ratchasima (M6)

Type	Designing, Construction, Civil Works Maintenance and Installation of Toll- Collection System
Route	Bang Pa-In – Nakhon Ratchasima
Ownership	10%
Contract Term	Phase 1: Designing and Construction – 3 Years Phase 2: Maintenance – 30 Years
COD	Year 2025



Progress

83%

Intercity Motorway Bang Yai – Kanchanaburi (M81)

Type	Designing, Construction, Civil Works Maintenance and Installation of Toll- Collection System
Route	Bang Yai – Kanchanaburi
Ownership	10%
Contract Term	Phase 1: Designing and Construction – 3 Years Phase 2: Maintenance – 30 Years
COD	Year 2025

2. Operation Performance according to Consolidated Financial Statement

Analysis of Revenues

Unit : Million THB

	Q1/2024	Q4/2024	Q1/2025	Change	
				%QoQ	%YoY
Revenue from sales and rendering of services	8,888	6,087	4,883	-19.8%	-45.1%
RG	4,784	2,831	1,512	-46.6%	-68.4%
RAC	1,572	1,342	1,330	-0.9%	-15.4%
RCO	717	696	606	-12.9%	-15.5%
RPE	1,118	768	777	1.2%	-30.5%
RER	574	501	550	9.6%	-4.3%
Others	123	(51)	110	n.a.	-10.8%
Revenue from leases contracts	567	508	484	-4.9%	-14.7%
Share of profit of associates and joint ventures	946	1,486	1,232	-17.1%	30.2%
IPPs	602	1,202	970	-19.3%	61.0%
SPPs	106	85	86	1.8%	-18.6%
Hydro Power Plants	245	135	85	-37.1%	-65.4%
Renewable Power Plants	28	(82)	(3)	96.7%	n.a.
Infrastructure and Others	(35)	147	94	-35.8%	n.a.
Other incomes	596	506	388	-23.2%	-34.8%
Management service income	75	88	99	12.2%	32.0%
Interest income	434	236	220	-6.8%	-49.2%
Other income	87	181	69	-61.8%	-20.4%
Total revenues	10,997	8,587	6,987	-18.6%	-36.5%

- **RG Power Plant**

Key Revenue Drivers	Q1/2024	Q4/2024	Q1/2025	Change	
				%QoQ	%YoY
Availability Factor (%)					
Thermal Power Plant	100.00	100.00	100.00	-	-
Combine Power Plant	93.88	91.46	99.18	8.4%	5.6%
Electricity Sale Volume to EGAT (GWh)					
Natural Gas	1,461	761	31	-95.9%	-97.8%
Average Fuel Price					
Natural Gas (THB/mmBTU)	315	302	317	5.0%	0.9%

Planned Maintenance	Q1/2024	Q4/2024	Q1/2025
Thermal Power Plant Unit 1	-	-	-
Thermal Power Plant Unit 2	-	-	-
Combine Power Plant Unit 1	-	MO : Oct 1 - 15, 24 (15 days) (GT)	-
Combine Power Plant Unit 2	-	-	-
Combine Power Plant Unit 3	CI : Feb 4 - 18, 24 (15 days) (GT)	-	MI : Mar 26 - 31, 25 (6 days) (ST)

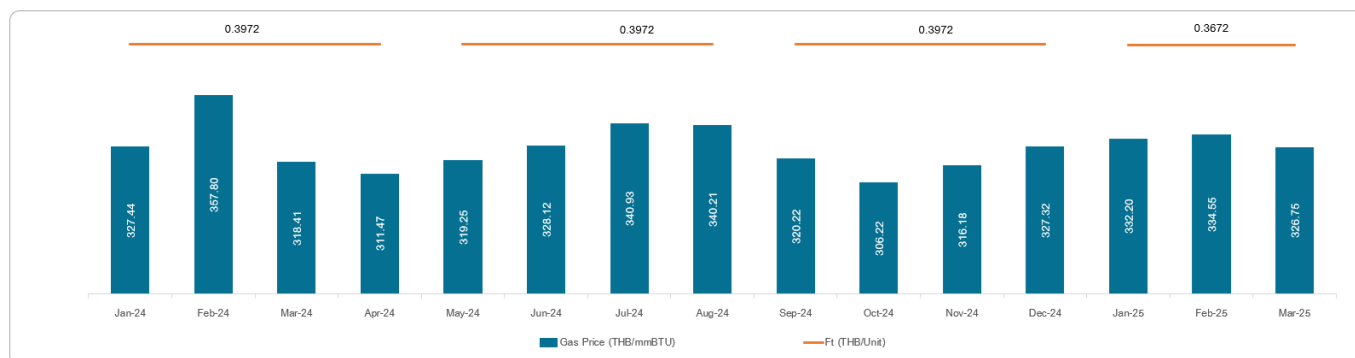
CI : Combustion Inspection , MI : Minor Inspection , GT : Gas Turbine , ST : Steam Turbine

In the 1st quarter of 2025, the power plants were able to maintain a consistently high level of availability. As a result, the availability factor rate of Thermal Power Plants and Combined-Cycle Power Plants stood at 100.00% and 99.18%, respectively. This was achieved through efficient power plants maintenance, following the maintenance plan outlined above. However, revenue from sales decreased mainly due to the lower electricity generation, corresponding to lower dispatch instruction by EGAT.

- **RAC Power Plants**

Revenue from sales decreased QoQ and YoY, primarily due to THB appreciated in relative to AUD. In addition, the revenue from the Mt. Emerald, Toora, and Windy Hill wind power plants declined, mainly due to a decrease in average wind speed.

- **SPP Power Plants**



- **RPE Power Plant** – The revenue from sales decreased QoQ and YoY mainly due to the new PPA with EGAT, together with Ft which was lower than that of the previous year. These factors contributed to the lower sales revenue, as shown in the above graph.

- **RCO Power Plant** – The revenue from sales decreased QoQ and YoY primarily due to the planned maintenance shutdown (Major Overhaul) from January 25 to February 11, 2025 in order to maintain the operation effectively and continue to generate profit.

- **RER Power Plant** – The revenue from sales increased QoQ mainly due to the increase in average gas price, resulting in higher Energy Payment. In contrast, the revenue from sales decreased YoY primarily due to the decrease in average gas price, resulting in lower Energy Payment.

Share of Profit of Associates and Joint Ventures

IPPs

- Paiton coal-fired Thermal Power Plants (PE)

The Company recognized the share profit of PE, which were acquired since April 30, 2024.

Key Revenue Drivers	Q4/2024	Q1/2025	Change %QoQ
Availability Factor (%)			
Power Plant - Unit 3	98.66	94.78	-3.9%
Power Plant - Unit 7/8	95.74	69.82	-27.1%
Dispatch Factor (%DF)			
Power Plant - Unit 3	84.60	68.91	-18.5%
Power Plant - Unit 7/8	70.69	51.11	-27.7%

Planned Maintenance	Q4/2024	Q1/2025
Power Plant - Unit 3	-	-
Power Plant - Unit 7	-	-
Power Plant - Unit 8	MO : Dec 22 - 31, 24 (10 days)	MO : Jan 1 - Feb 12, 25 (43 days)

The share profit of PE decreased QoQ mainly due to the Power Plant – Unit 8 was shut down for planned maintenance during the 1st quarter of 2025, as shown in the table above.

- Hin Kong Combined-Cycle Power Plants (HKP)

The Company recognized the share profit of HKP Unit 1 and Unit 2 following their commencement of commercial operation on March 1, 2024 and January 1, 2025, respectively.

Key Revenue Drivers	Q1/2024	Q4/2024	Q1/2025	Change %QoQ	%YoY
Availability Factor (%)	94.09	98.91	97.85	-1.1%	4.0%
Dispatch Factor (%DF)	99.34	97.33	95.86	-1.5%	-3.5%

- Hongsa Thermal Power Plants (HPC)

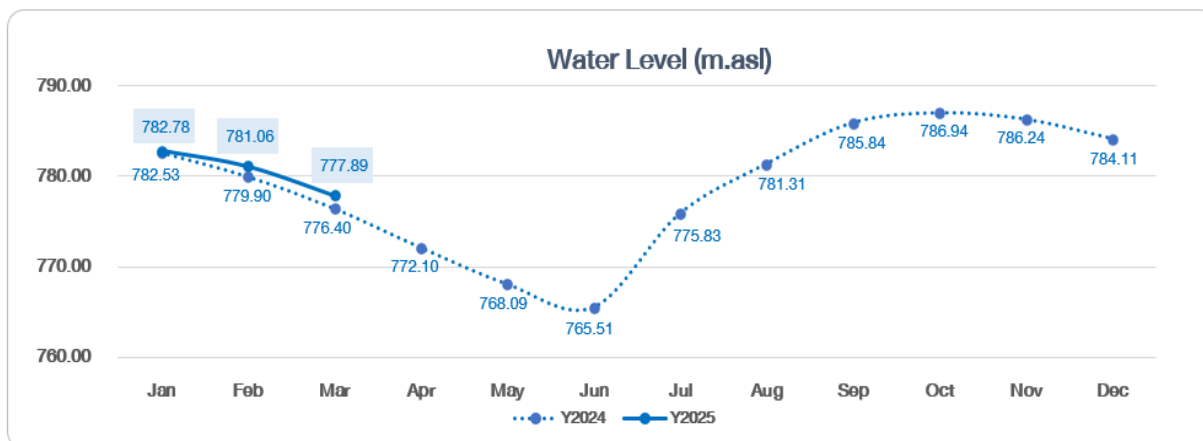
Key Revenue Drivers	Q1/2024	Q4/2024	Q1/2025	Change	
				%QoQ	%YoY
Commercial Equivalent Availability Factor (%)	74.54	84.25	80.68	-4.2%	8.2%
EGAT Dispatch Factor (% DF)	103.14	104.57	103.24	-1.3%	0.1%
EDL Dispatch Factor (% DF)	125.66	75.24	119.40	58.7%	-5.0%
Average FX (THB/USD)	35.94	34.01	33.88	-0.4%	-5.7%

Planned Maintenance	Q1/2024	Q4/2024	Q1/2025
Power Plant – Unit 1	-	Dec 21 – 31, 24 (11 days)	Jan 1 – 10, 25 (10 days)
Power Plant – Unit 2	-	Nov 3 – 25, 24 (23 days)	-
Power Plant – Unit 3	Jan 1 – Feb 21, 24 (52 days)	-	Feb 11 – Mar 2, 25 (20 days)

The share profit of HPC increased QoQ, primarily due to higher electricity generation, corresponding to higher dispatch instruction by EDL, along with lower coal costs and power plant equipment costs. However, the share of profit of HPC decreased YoY, mainly due to lower lease contract revenue, as a result of accounting for lease receivables using the effective interest rate method. Additionally, in the 1st quarter of 2024, HPC recognized FX gains resulting from THB depreciation in relative to USD, which led to an increase in the value of USD-denominated assets.

Hydro Power Plants

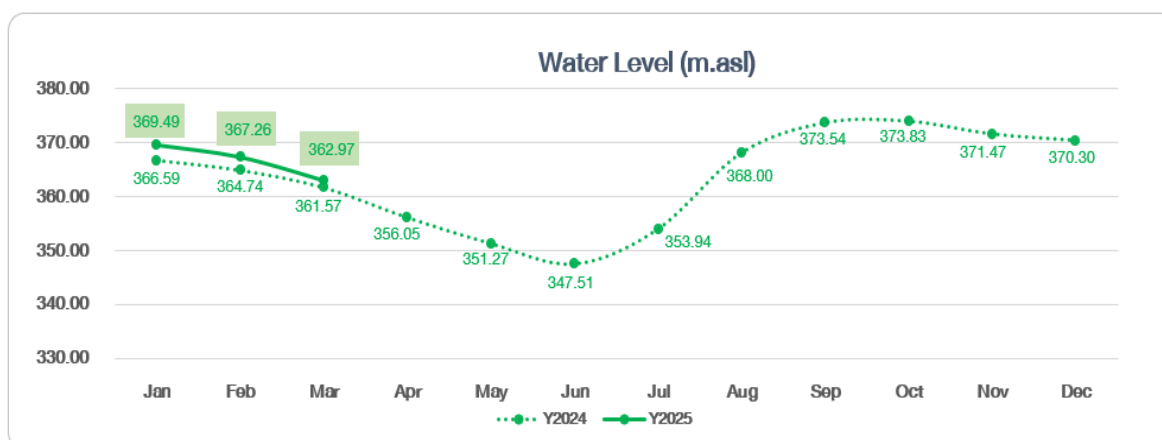
- Xe-Pian Xe-Namnoy Hydro Power Plant (PNPC)



Planned Maintenance	Q1/2024	Q4/2024	Q1/2025
Power Plant – Unit 1	-	-	-
Power Plant – Unit 2	-	Oct 19 – Nov 3, 24 (16 days)	-
Power Plant – Unit 3	-	-	-

The share profit of PNPC increased QoQ, mainly due to the Power Plant were shut down for planned maintenance during the 4th quarter of 2024 in order to maintain the operation effectively and continue to generate profit, as per the table above. However, the share profit of PNPC decreased YoY due to the lower electricity generation, corresponding to lower dispatch instruction by EGAT. In addition, PNPC recognized FX losses resulting from THB appreciation in relative to USD, which caused the value of liabilities in THB to increase.

- Nam Ngum 2 Hydro Power Plant (NN2)



The share profit of NN2 decreased QoQ mainly due to a decrease in the amount of water inflow into the reservoir caused by the La Niña phenomenon and the influence of Typhoon Yagi that occurred in the 4th quarter of 2024. However, the share profit of NN2 increased YoY, mainly due to the higher electricity generation than that of the previous year, resulting from an increased reservoir inflow.

Analysis of EBITDA and Profit to Owner of the Company

Unit : Million THB

	Q1/2024	Q4/2024	Q1/2025	Change	
				%QoQ	%YoY
Total Revenue	10,997	8,587	6,987	-18.6%	-36.5%
Cost of Sales	7,017	4,704	3,029	-35.6%	-56.8%
<i>RG</i>	4,611	2,826	1,110	-60.7%	-75.9%
<i>RAC</i>	486	355	416	17.3%	-14.4%
<i>RCO</i>	559	544	504	-7.3%	-9.7%
<i>RPE</i>	926	601	589	-2.0%	-36.5%
<i>RER</i>	409	358	390	8.9%	-4.6%
<i>Others</i>	26	20	20	-2.1%	-23.9%
Administrative expenses	648	807	765	-5.2%	18.0%
Total Expenses	7,665	5,511	3,794	-31.2%	-50.5%
EBITDA	3,332	3,077	3,194	3.8%	-4.2%
Less Depreciation and Amortization	1,035	1,138	937	-17.6%	-9.4%
(Gain) Loss on Fair Value Adjustment of Derivatives	(437)	17	(611)	n.a.	-39.9%
Finance Costs	1,025	1,123	1,017	-9.4%	-0.8%
Tax Expenses	211	149	472	n.a.	n.a.
Profit before FX	1,497	650	1,378	112.0%	-7.9%
Gain (Loss) on FX	121	(95)	(122)	-27.8%	n.a.
Profit for the Year	1,618	555	1,257	126.4%	-22.3%
Non-Controlling Interests	81	(87)	37	n.a.	-54.6%
Profit to Owner of the Company	1,537	642	1,220	90.1%	-20.6%
Effect of Gain (Loss) on FX	121	(95)	(122)	-27.8%	n.a.
Profit to Owner of the Company before FX	1,416	737	1,341	82.1%	-5.3%

In the 1st quarter of 2025, EBITDA was THB 3,194 million. The changes in total revenue were described above. The change in cost of sales were as follows:

Cost of Sales

- **RG Power Plant** – Cost of sales decreased QoQ and YoY as the power plants generated lower electricity, corresponding to lower dispatch instruction by EGAT and the decrease in fuel price.
- **RPE Power Plant** – The cost of sales decreased QoQ and YoY as the power plants generated lower electricity, in line with the new PPA with EGAT. Additionally, the YoY decrease in cost of sales caused by a decline in the average gas price.
- **RCO Power Plant** – The cost of sales decreased QoQ and YoY. The main reason was the planned maintenance shutdown (Major Overhaul) from January 25 to February 11, 2025.
- **RER Power Plant** – The cost of sales QoQ increased due to the rise in average gas price. In contrast, the cost of sale YoY decreased due to the decrease in average gas price.

From the EBITDA described above, the Company recognized a gain from changes in the fair value of the Group's cash flow hedges totaling THB 611 million, primarily due to an increase in the fair value of power purchase agreements of power plants in Australia. In addition, the Company also had depreciation and amortization, finance costs, and income tax expenses. As a result, in the 1st quarter of 2025, profit to owner of the Company were THB 1,220 million.

3. Analysis of Statement of Financial Position



Assets

Assets decreased in the amount of THB 195 million or 0.1%. The main reasons were as follows:

- Cash and cash equivalents decreased in the amount of THB 571 million, the details are described in no.4.
- Trade accounts receivable from related parties decreased in the amount of THB 382 million. The main reason was the electricity sales in February and March 2025 of RG Power Plants were less than those in November and December 2024.
- Property, Plant and Equipment decreased in the amount of THB 323 million. The main reason was the depreciation during the 1st quarter of 2025. Additionally, as USD depreciated in relative to THB, the value of property, plant and equipment decreased.
- Lease receivable-net decreased in the amount of THB 651 million.
- Investments in joint ventures and associates increased in the amount of THB 1,046 million. The main reasons were from the additional investments in the amount of THB 1,561 million and the share of profit contributed during the year in the total amount of THB 1,232 million. While dividend received from joint ventures and associates was in the amount of THB 1,165 million.
- Other current financial assets increased in the amount of THB 973 million.

Liabilities and Equity

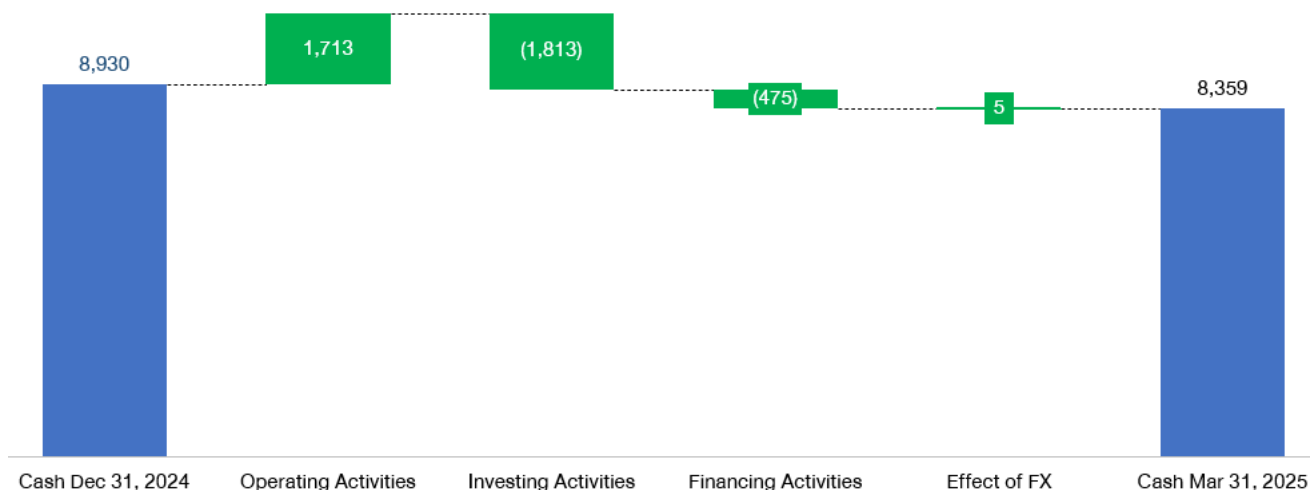
Liabilities decreased in the amount of THB 815 million or 0.8%. The main reasons were as follows:

- Loan from financial institutions increased by THB 780 million, mainly due to loans received from financial institutions in the amount of THB 713 million.
- Trade accounts payable decreased by THB 1,439 million since, as at March 31, 2025 the account payable consisted of fuel payable in March 2025; whereas, as at December 31, 2024, the account payable consisted of the fuel payable in November and December 2024.

Equity increased in the amount of THB 620 million or 0.6%.

- The Company had the profit of the 1st quarter 2025 in the amount of THB 1,220 million.
- Other components of equity decreased in the amount of THB 595 million. The main reasons were due to share of other comprehensive expense of joint ventures and associates in the amount of THB -364 million and fair value reserve in the amount of THB -229 million.

4. Analysis of Cash Flows



Cash and cash equivalents of the Company and its subsidiaries as at March 31, 2025 were THB 8,359 million, decreasing by THB 571 million from THB 8,930 million on December 31, 2024. The details were summarized below:

Net cash from operating activities increased cash flow in the amount of THB 1,713 million. The reason was the operating result of the 1st quarter 2025 improved cash position by THB 1,895 million, adjusted by the change in operating assets and liabilities in the amount of THB -182 million.

Net cash used in investing activities decreased cash flow in the amount of THB 1,813 million. The main reasons were as follows:

- The Company paid for additional investment in joint ventures and associates in the amount of THB 1,561 million.
- The Company had net cash outflow in other current financial assets in the amount of THB 989 million.
- The Company paid for plant and equipment in the amount of THB 330 million.
- The Company received dividends in the total amount of THB 1,059 million.

Net cash used in financing activities decreased cash flow in the amount of THB 475 million. The main reasons were as follows:

- Net cash received from financial institutions in the amount of THB 713 million.
- The Company paid for interest expenses during the period in the amount of THB 1,151 million.

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

