

Sernsang Power Corporation Public Company Limited

Results of The Year 2017

2 March 2018



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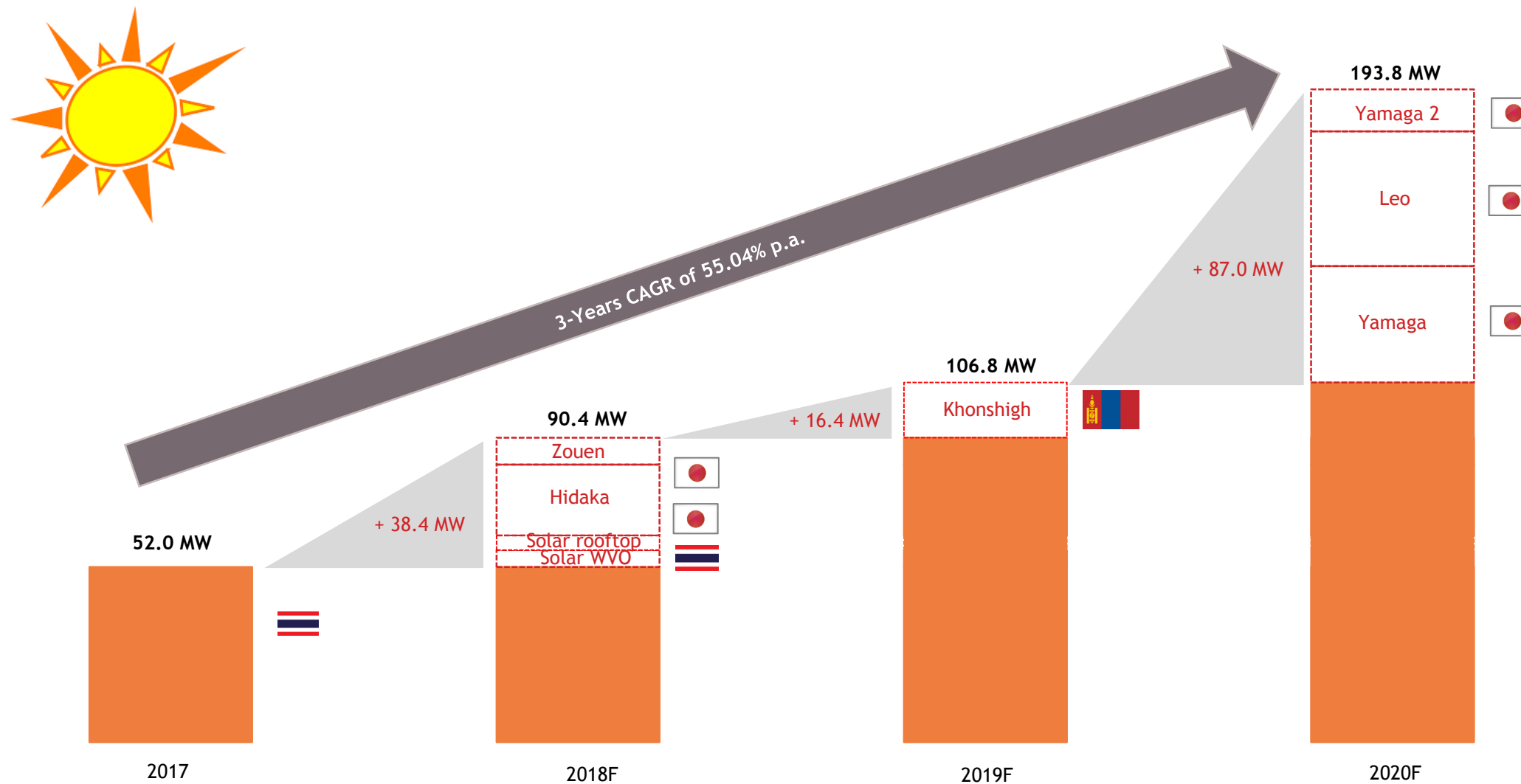
Projects under Construction/Development

Key Message: first delivery on-time & on-budget; more to come during next 12 months



- Hidaka project, 1st expansion projects in pipeline, reached COD on-time and on-budget.
- Target to reached 107 MW installed capacity, around 106% increase from 2017 capacity at 52 MW, within the next 10-12 months.
- Next 12-months delivery scheduled include Rooftop in TH (total 4.4 MW), WVO in TH (5 MW), Zouen in JP (8 MW), Khunsight Kundi in Mongolia (16.4 MW).
- New 3 MW solar rooftop secured. Focusing to capture high opportunity in this segment. Targeting substantial secured capacity within next few years.











Robust Portfolio Growth from High Quality Future Project Pipeline



Remark: Solar rooftop projects include SNNP1 (0.384 MW) ,SNNP2 (0.998 MW), and Do Home (3.00 MW).

Robust Portfolio Growth from High Quality Future Project Pipeline

Future Project Pipeline Details

Project	Location	Status	Installed Capacity (MW)	Expected COD
Hidaka		Start Commercial Operation (1 st March 2018)	21.0	Q1 2018
SNNP1		Complete	0.384	Q1 2018
SNNP2		Complete	0.998	Q1 2018
Do Home		Under Construction	3.0	Q3 2018
Solar WVO		Under Development	5.0	Q4 2018
Zouen		Under Construction	8.0	Q4 2018
Khonshigh Kundi		Under Construction	16.4	Q1 2019
Leo		Under Development	40.0	Q2 2020
Yamaga		Under Construction	34.5	Q2 2020
Yamaga 2		Under Development	12.5	Q2 2020

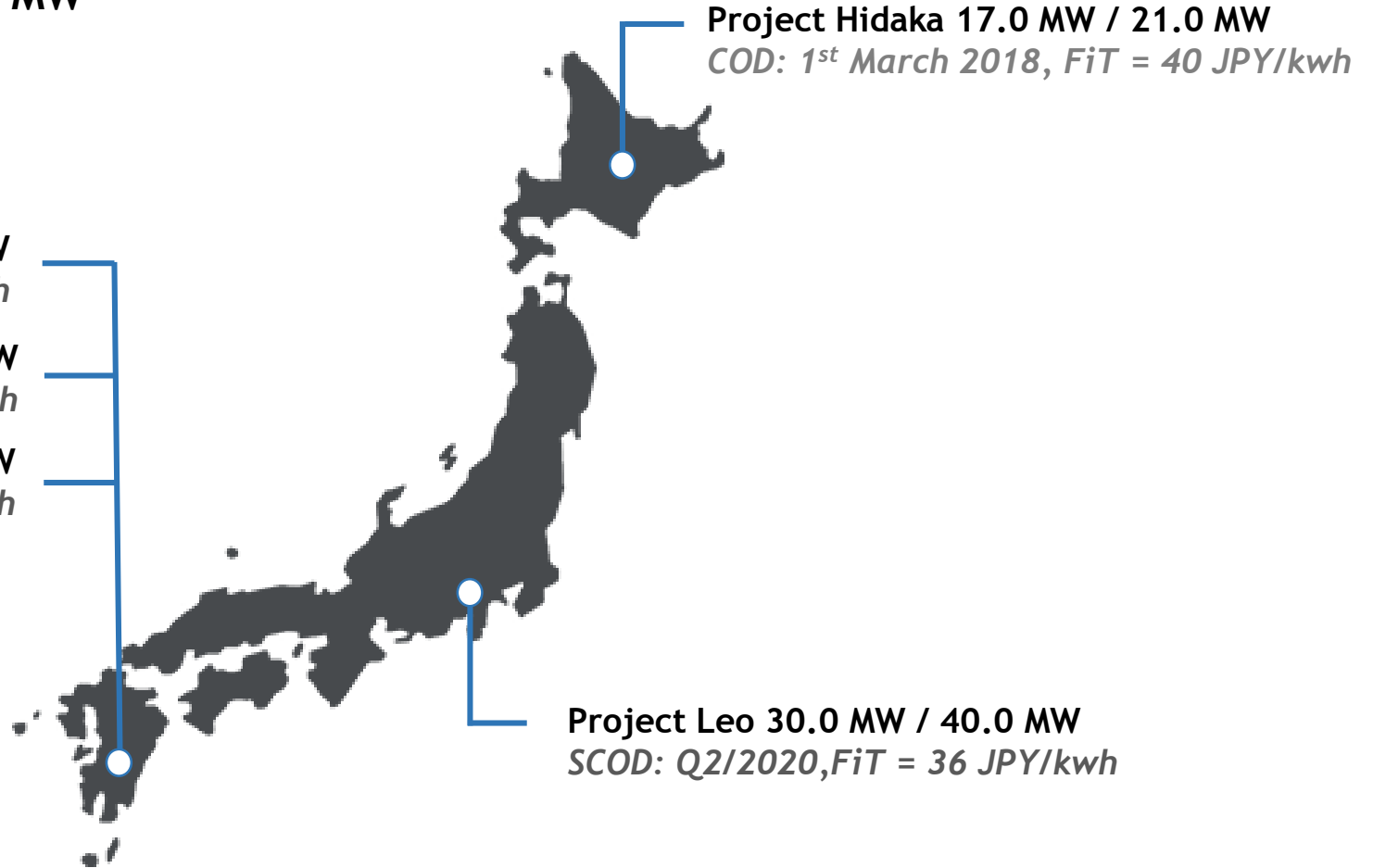
Location of JPN solar project

Total Installed Capacity of 116.0 MW

Project Yamaga 30.0 MW / 34.5 MW
SCOD: Q2/2020, FiT = 36 JPY/kwh

Project Yamaga2 10.0 MW / 12.5 MW
SCOD: Q2/2020, FiT = 36 JPY/kwh

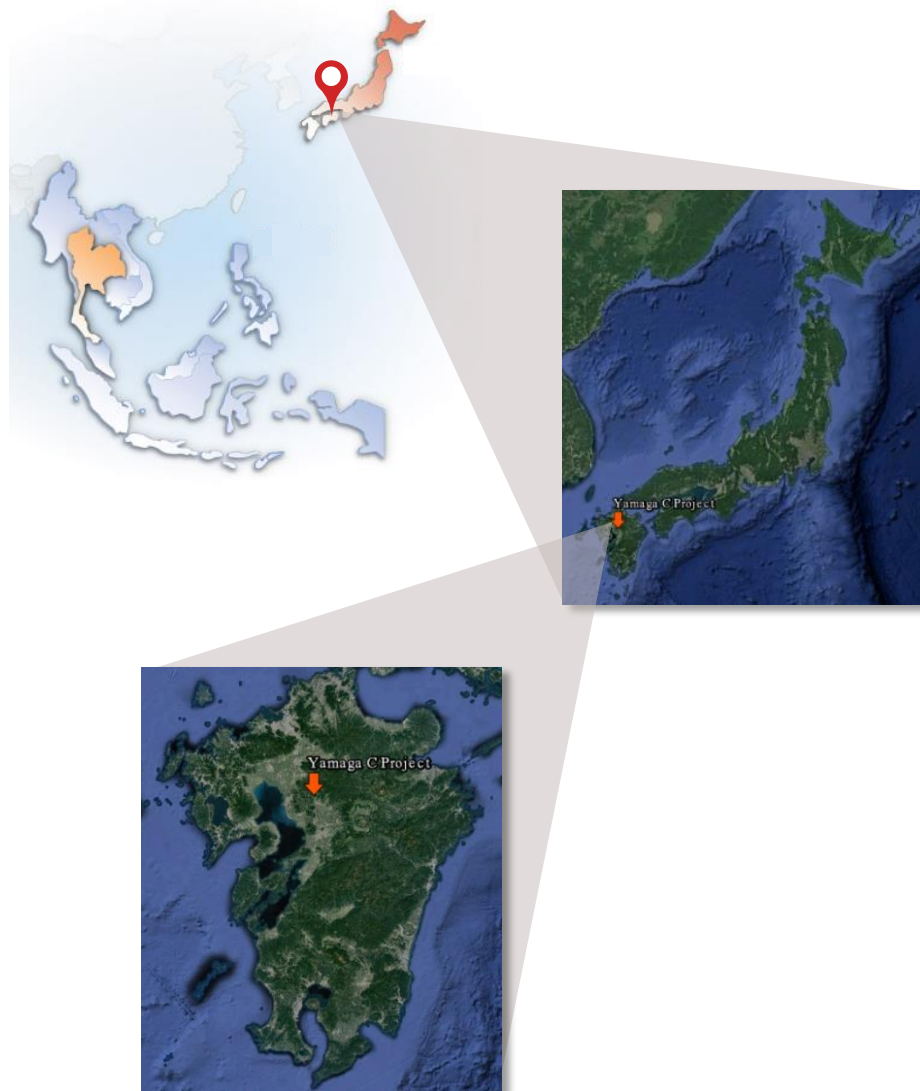
Project Zouen 6.0 MW / 8.0 MW
SCOD: Q4/2018, FiT = 36 JPY/kwh



Construction Progress: Hidaka



Project Details: Yamaga



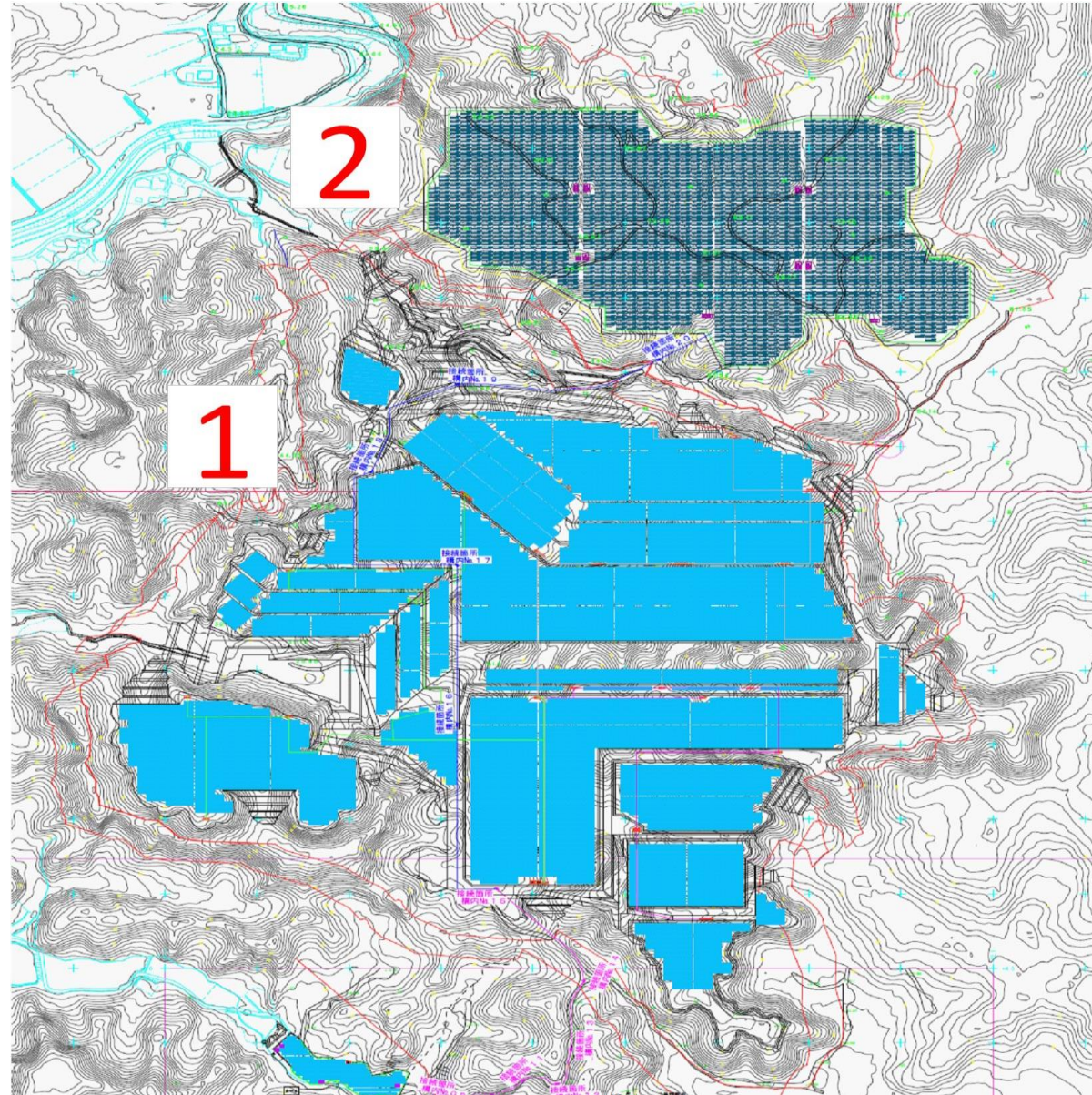
Project Yamaga Details



Business Type	: Solar power plant
Project Owner	: GSSE (GK Company)
Investment Type	: Through SEG, as TK Investor, under GK-TK Investment Structure
Investment Percentage	: 90.0%
Solar Irradiation*	: 1,413 - 1,460 kWh/sq.m./annum
Location	: Kumamoto, Japan
Installed/PPA MW	: 34.5/30 MW
Solar Cell Technology	: Polycrystalline Silicon
Land Details	: 404-0-46 rais (surface right)
Project Status	: Under construction (commencement in July 2017)
SCOD date	: Approximately quarter 4, 2019
Total Project Cost	: Approximately JPY 12,500.0 mm (THB 4,500.0 mm)
Power Purchaser	: Kyushu Electric Power Co., Inc
Purchase Price	: Under FiT Scheme of JPY 36/KWh
Purchase Term	: 20 years
Tax Incentive	GK-TK Structure <ul style="list-style-type: none"> TK distribution of GK Company to TK investor can be used as tax deductible expense at GK Company level

*Source: (i) New Energy and Industrial Technology Development Organization
(ii) Power Plant Analysis Report, Mitsui Chemicals Inc.

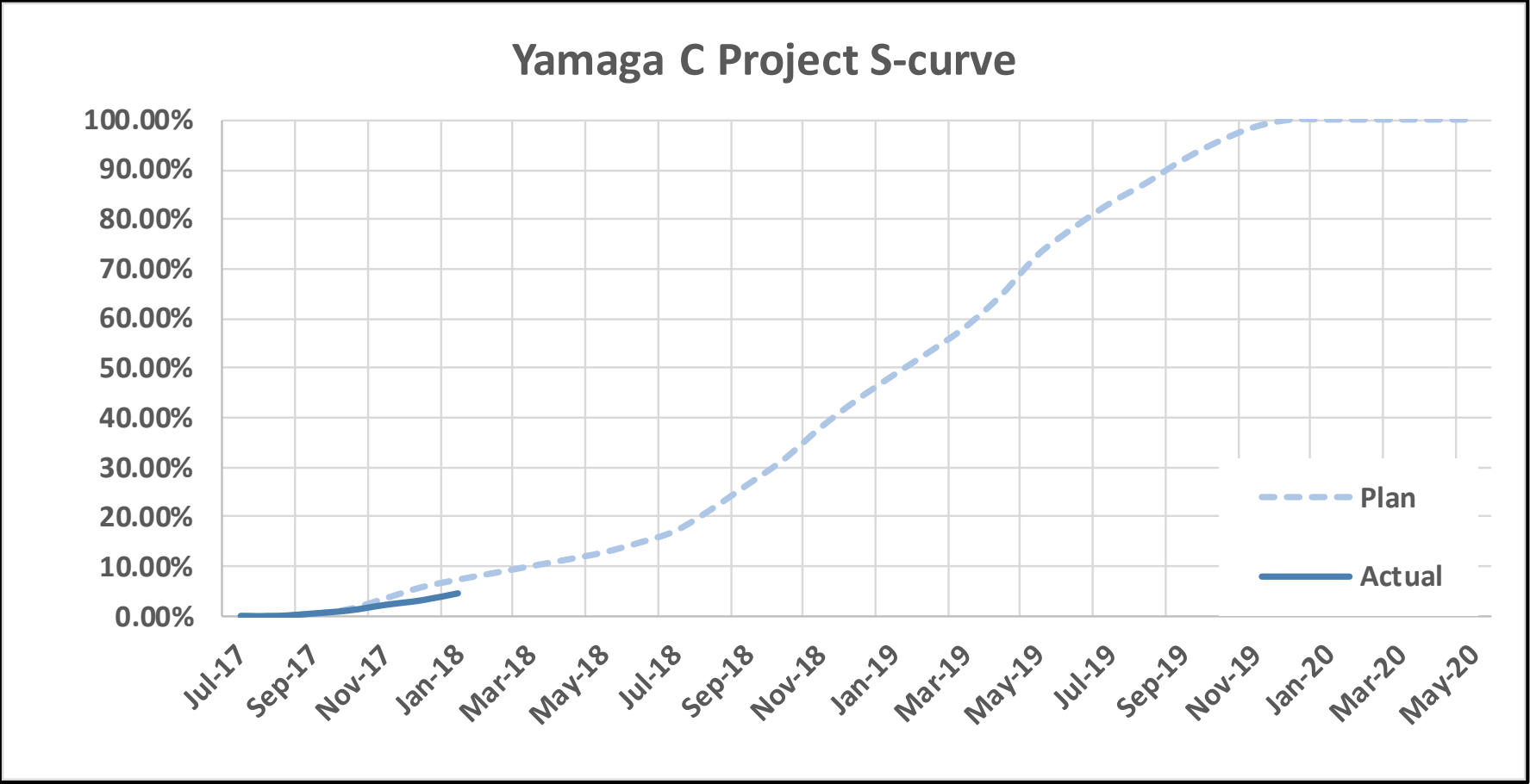
Yamaga 1&2: Overall Layout



Construction Progress: Yamaga




Construction Progress (Yamaga)



Project Details: Zouen

Project Zouen Details





Business Type	: Solar power plant
Project Owner	: ZOUEN (GK Company)
Investment Type	: Through SEG, as TK Investor, under GK-TK Investment Structure
Investment Percentage	: 100.0%
Solar Irradiation*	: 1,512 KWh/sq.m./annum
Location	: Kumamoto, Japan
Installed/PPA MW	: 8/6 MW
Solar Cell Technology	: Polycrystalline Silicon
Land Details	: Approximately 77-2-27 rais (surface right)
Project Status	: Under construction (commencement in Sep 2017)
SCOD date	: Approximately quarter 4, 2018
Total Project Cost	: Approximately JPY 3,000.0 mm
Power Purchaser	: Kyushu Electric Power Co., Inc
Purchase Price	: Under FiT Scheme of JPY 36/KWh
Purchase Term	: 20 years

*Source: (i) New Energy and Industrial Technology Development Organization
(ii) Power Plant Analysis Report, Mitsui Chemicals Inc.

Approval and Permit

Approval and Permit	Counterparty	Status
METI Approval	Ministry of Economy, Trade and Industry (METI) and ZOUEN	Secured <input checked="" type="checkbox"/>
Grid Connection Approval	Kyushu Electric Power Co., Inc and ZOUEN	Secured <input checked="" type="checkbox"/>
Construction and Land Development Permits	Ministry of Agriculture Forestry and Fisheries and ZOUEN	Secured <input checked="" type="checkbox"/>

Agreement

Agreement	Counterparty	Status
Power Purchase Agreement	Kyushu Electric Power Co., Inc and ZOUEN	On Process 
TK Agreement	SEG and ZOUEN	Engaged <input checked="" type="checkbox"/>
Asset Management Agreement	TBD	On Process <input checked="" type="checkbox"/>
Surface Right Reservation Agreement	KK Nippon Varie and ZOUEN	Engaged <input checked="" type="checkbox"/>
EPC Agreement	TBD	On Process <input checked="" type="checkbox"/>
O&M Agreement	TBD	On Process 
Credit Facilities Agreement	TBD	On Process <input checked="" type="checkbox"/>

Zouen: Overall Layout



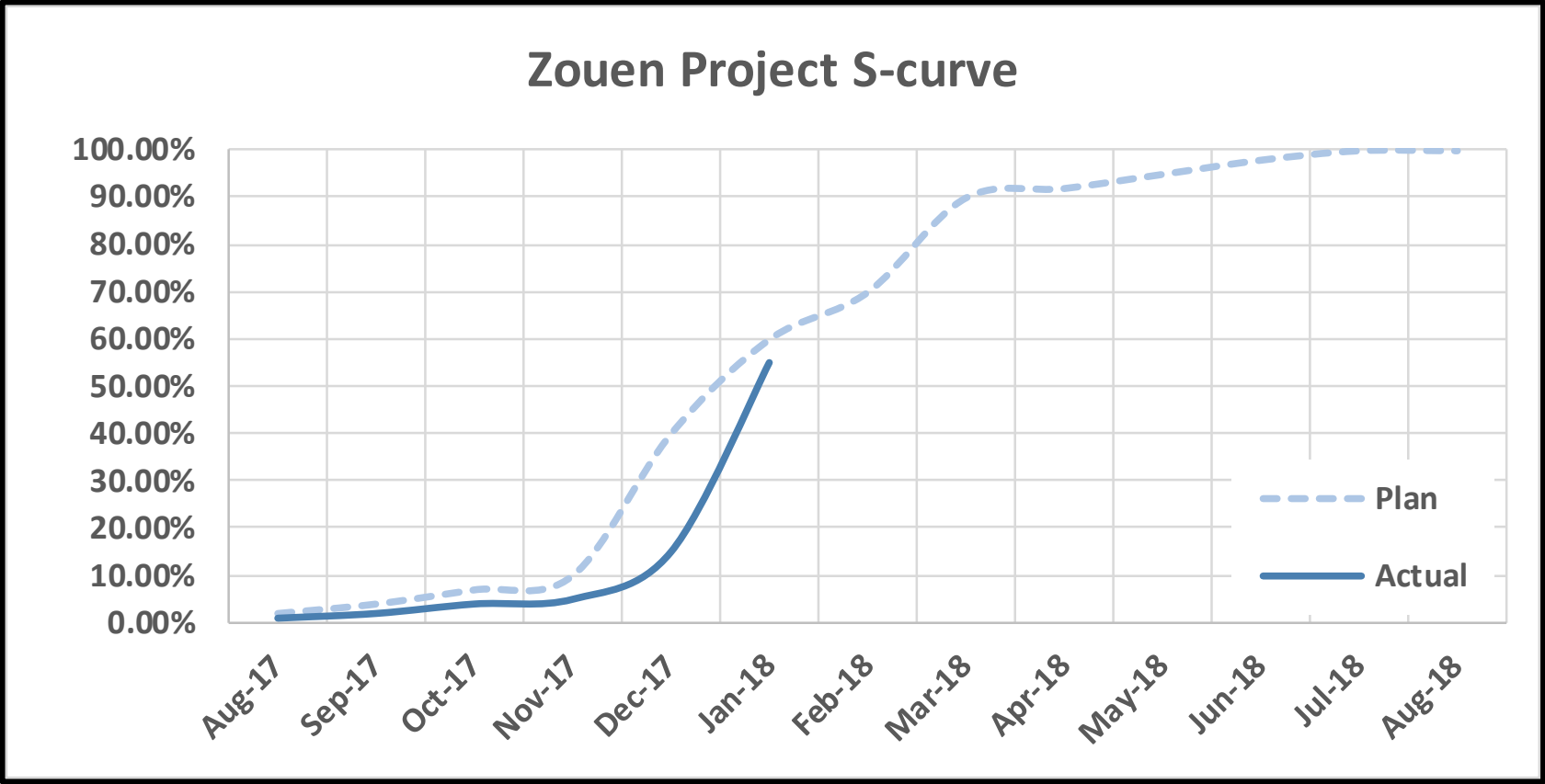
Red shading represents installed panels



Construction Progress: Zouen



Construction Progress (Zouen)



Other Projects under Development

- Leo:
 - Transfer of project documents is on-going and according to plan
 - Project has submitted application for full permit which expect to receive approval by Q2-2018
 - Sourcing EPC and Financing for the project
 - Target to close EPC/Financing by Q2-2018
- WVO solar:
 - Land transfer to WVO completed
 - Signed co-investment agreement with WVO in Sep-17
 - Submitted applications for BOI and license to related parties and awaiting for approval
 - Signing of PPA by Mar-2018
 - Target to start construction by Mar-18
- SNNP1 and 2
 - Construction completed
 - Applications for license to ERC awaiting for approval
 - Expected COD by Q2-2018
- Do Home
 - Installed capacity: total of 3.0 MW (600 kW in each branch, 5 branches (Bang Bua Thong, Rama II, Nakhon Ratchsrima, Khon Kaen, and Chiang Mai))

SNNP 1: Details and Progress

Photo: As of December 2017

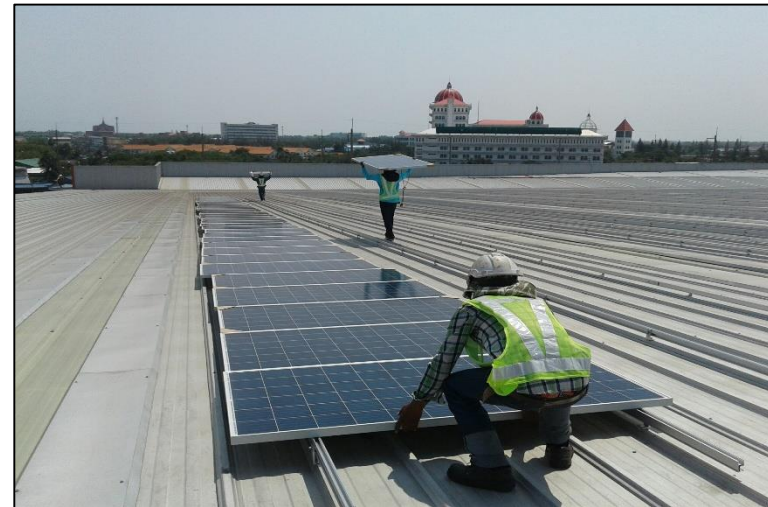


SNNP 2: Details and Progress

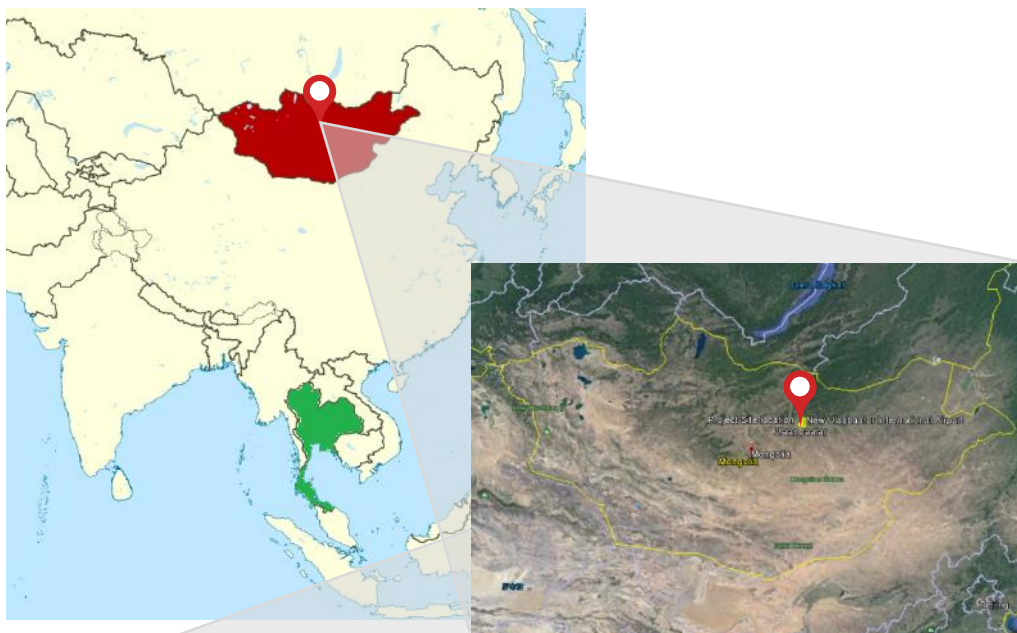
Photo: As of December 2017



Do Home: Details and Progress



Khunshight Kundi Project in Mongolia



Project Details

Business Type	: Solar power plant
Project Owner	: Tenuun Gerel Construction LLC
Shareholding Stake	: 75%
Solar Irradiation*	: 1,776.9 KWh/sq.m./annum
Location	: Khushigt, Tuv, Mongolia (South of Ulaanbaatar)
Installed/PPA MW	: 16.4/15 MW
SCOD date	: Within 1 st quarter 2019
Power Purchaser	: National Dispatching Center LLC
Purchase Price	: Under FiT Scheme of USD 0.162/KWh

**Source: (i) Meteonorm Software*

Khunshight Kundi Project in Mongolia



4Q17 and 2017 full-year Results

Key Message: solid core profit with dividend yield during growth delivery



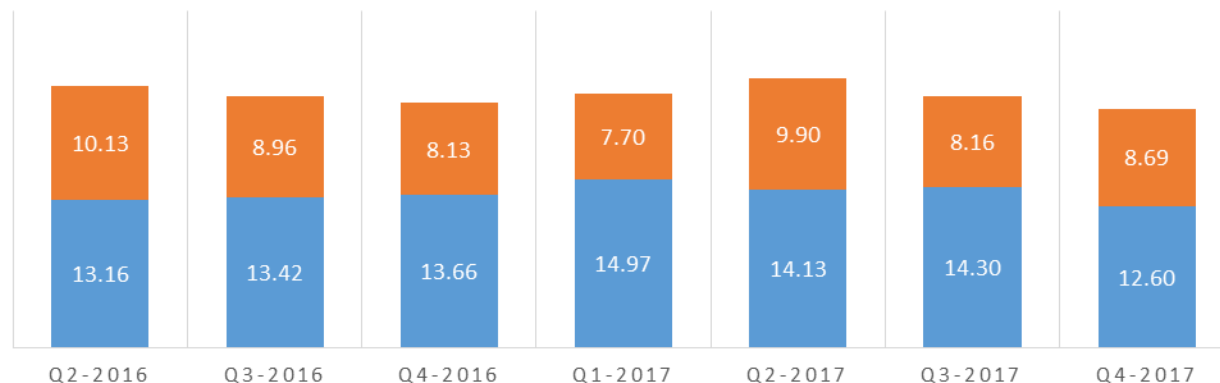
- Top line slightly increased (FY18 vs FY17), thanks to solid and stabilized performance of SPN project.
- We delivered solid 80% gross profit margin, with slightly higher gross profit.
- We have harvested approx. 46 MTHB in G&A of 2017 to cultivate our business growth in upcoming COD projects. (of which approx. 26 MTHB is land lease during construction)
- Our core profit (AOP) is posted at 472 MTHB as planned.
- We proposed (for AGM approval) dividend payment at 40% of our core profit, confirming our view to focus on core profit.
- 0.205 THB/share dividend is approx. 2.6% ¹ yield, and expected XD = 9 May 2018.
- Our Debt to Equity has significantly decreased to 1.4x, resulting in rooms to further leverage for additional projects beyond committed pipelines.

¹ Based on closing price @28/2/18

Full-year volume is slightly higher with relatively stabilized tariff environment

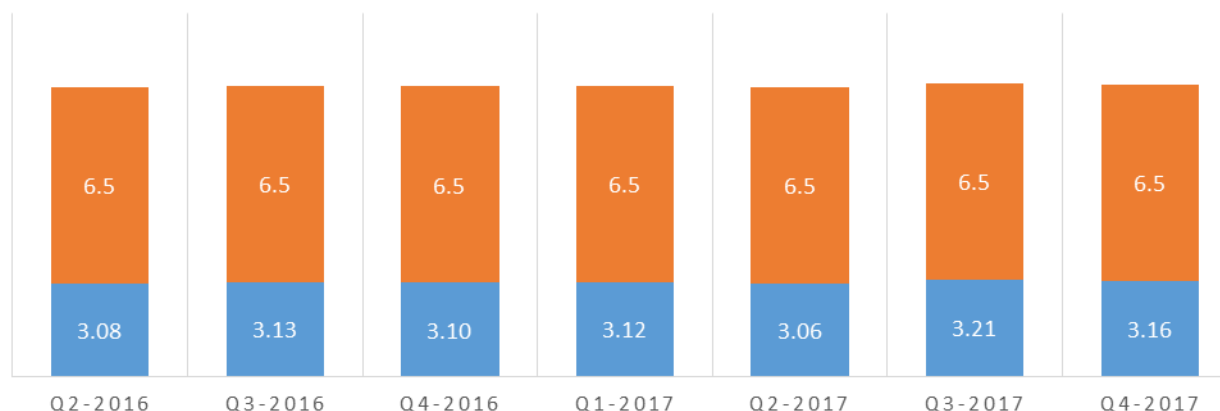
TOTAL PRODUCTION (GWH)

■ Peak ■ Off-Peak



AVERAGE TARIFF (THB/KWH)

■ Base Tariff ■ Adder



	YTD	QoQ	YoY
Production	0.74%	-5.22%	-2.30%
Average Tariff	-0.45%	-0.54%	0.64%

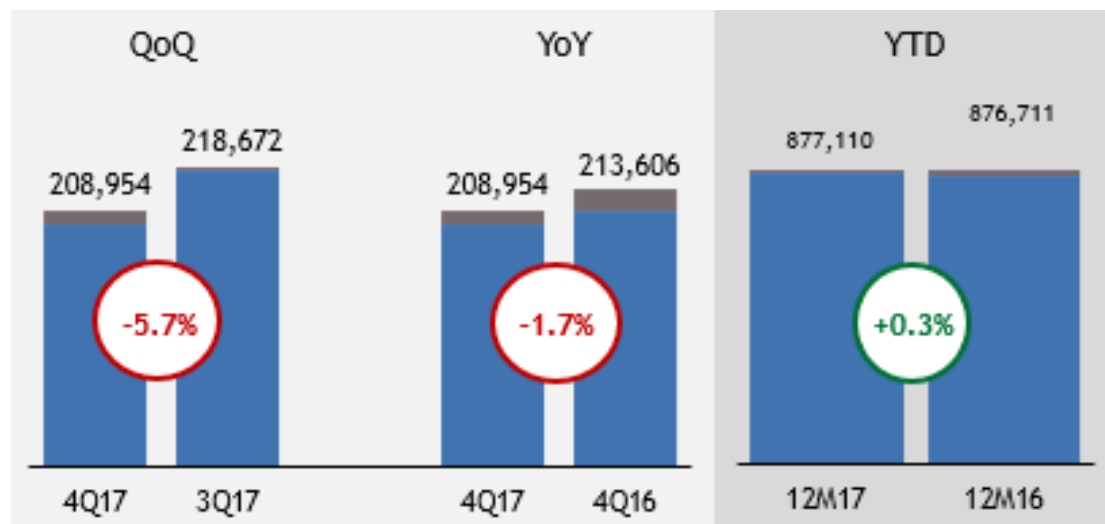
Ft rate adjustment (satang/kWh)

Jan'16 - Apr'16	(0.1590)	Change :	
May'16 - Aug'16	(0.3966)	Change :	(0.24)
Sep'16 - Dec'16	(0.4284)	Change :	(0.03)
Jan'17 - Apr'17	(0.4716)	Change :	(0.04)
May'17 - Aug'17	(0.3477)	Change :	0.12
Sep'17 - Dec'17	(0.3015)	Change :	0.05

Revenue and gross profit reflect solid performance of SPN

Revenue

(Unit: '000 THB)



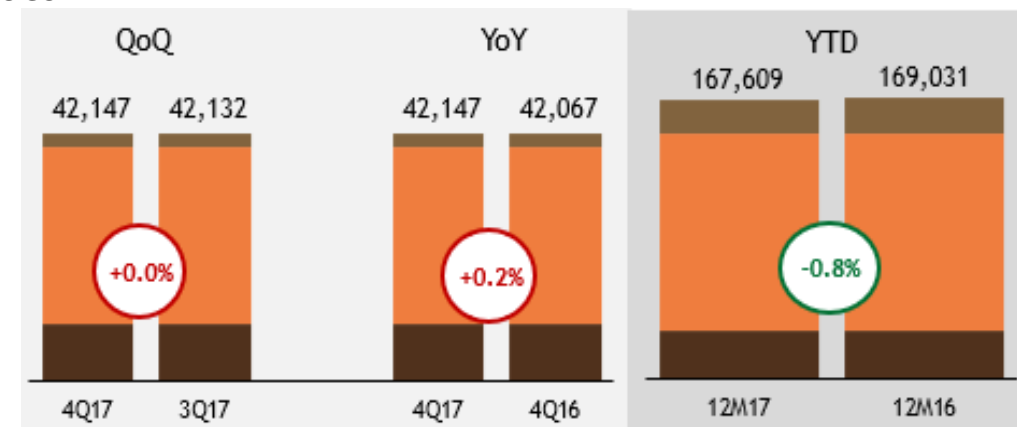
■ Sales Revenue ■ Other Revenue

- 12M17 sale revenue: Slightly higher YTD (12M17 vs 12M16) → mainly from higher volume despite lower tariff
- 4Q17 sale revenue:
 - Lower YoY (4Q17 vs 4Q16) → mainly from lower volume despite higher tariff
 - Lower QoQ (4Q17 vs 3Q17) → mainly from lower volume and average tariff.

Note 1) Percentage change of sale revenue

COGS

(Unit: '000 THB)

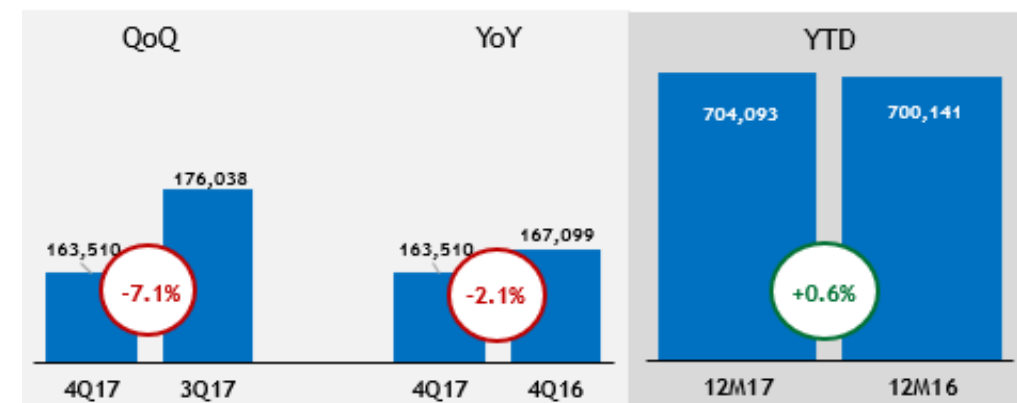


■ O&M Costs ■ Depreciation and Amortization ■ Others

- COGS for 12M17 is slightly lower than 12M16.

Gross Profit

(Unit: '000 THB)

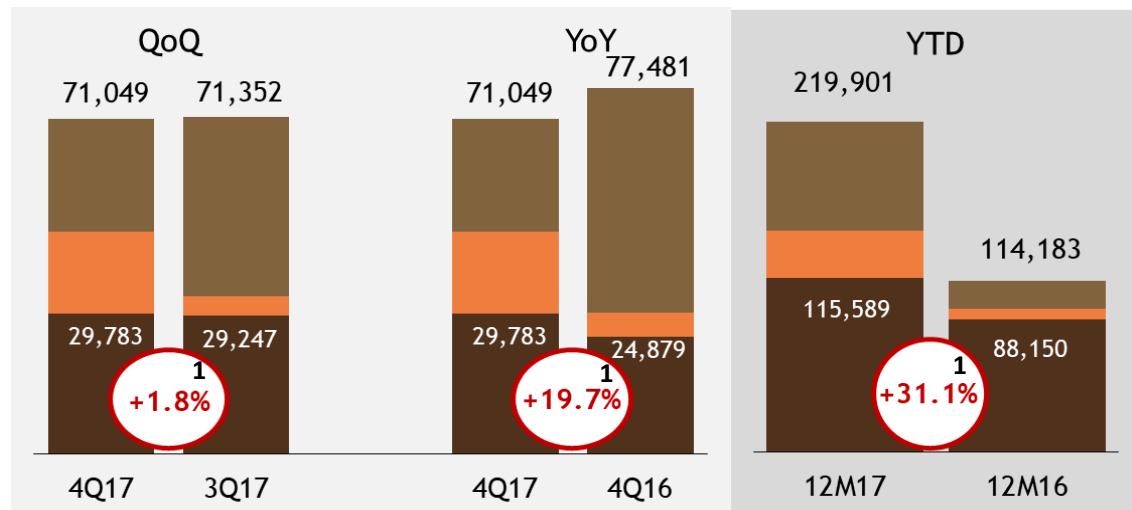


- Slightly higher gross profit for YTD → higher volume despite lower tariff
- Lower YoY → lower volume despite higher tariff
- Lower QoQ → lower volume and lower tariff
- Gross profit margin in the range of +/- 80%

SG&A reflects our expansion activities before contribution from investment pipelines

SG&A

(Unit: '000 THB)



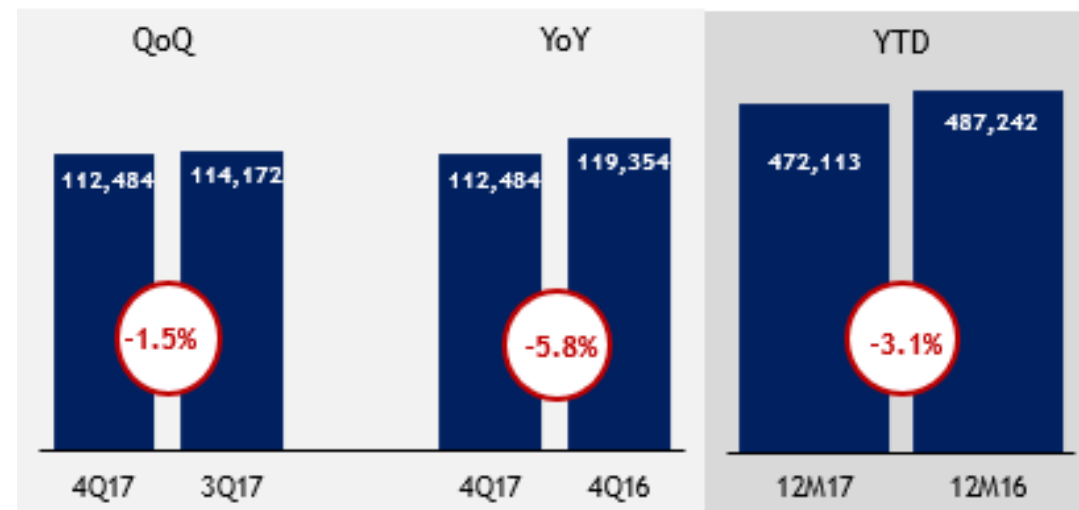
■ General Expenses ■ Land lease During Construction ■ Unrealized FX loss

- Unrealized FX loss for 4Q17 = 24.0; and for 12M17 = 72.8 MTHB loss (while unrealized FX loss for 4Q16 = 47.6; and for 12M16 = 19.0 MTHB)
- General G&A exp. of 4Q17 is slightly lower than 3Q17

Note 1) Percentage change of general expenses

Adjusted Operating Profit

(Unit: '000 THB)

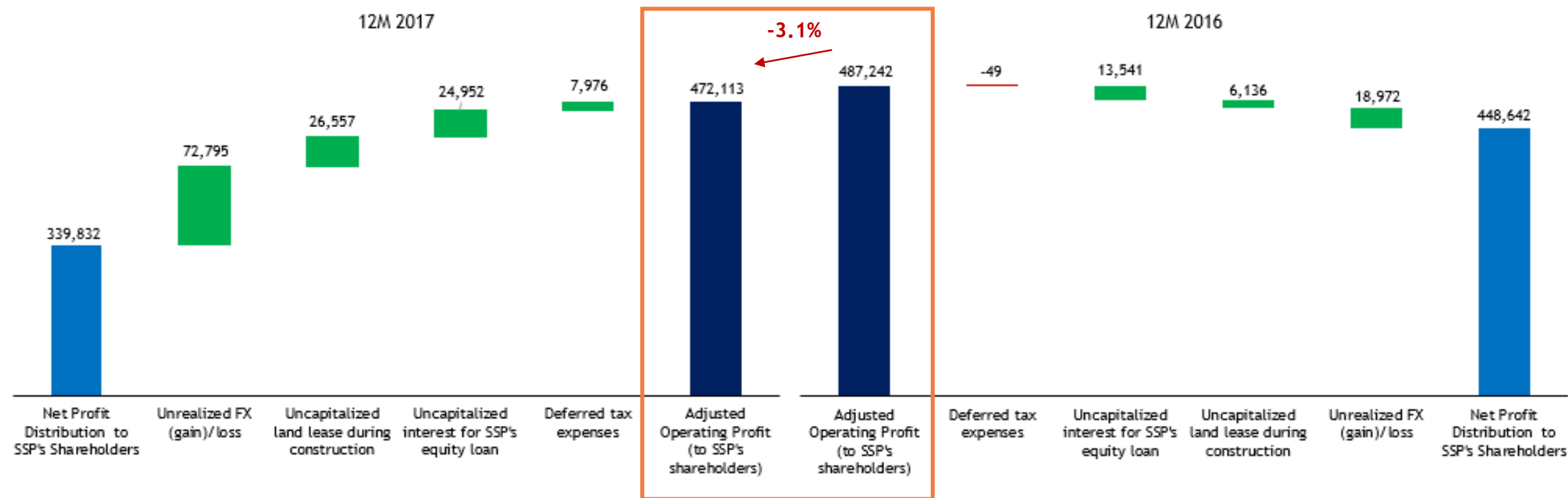


- Adjusted operating profit for 12M17 is slightly lower than 12M16. The decreasing is mainly as a result of higher SG&A, despite higher gross profit.

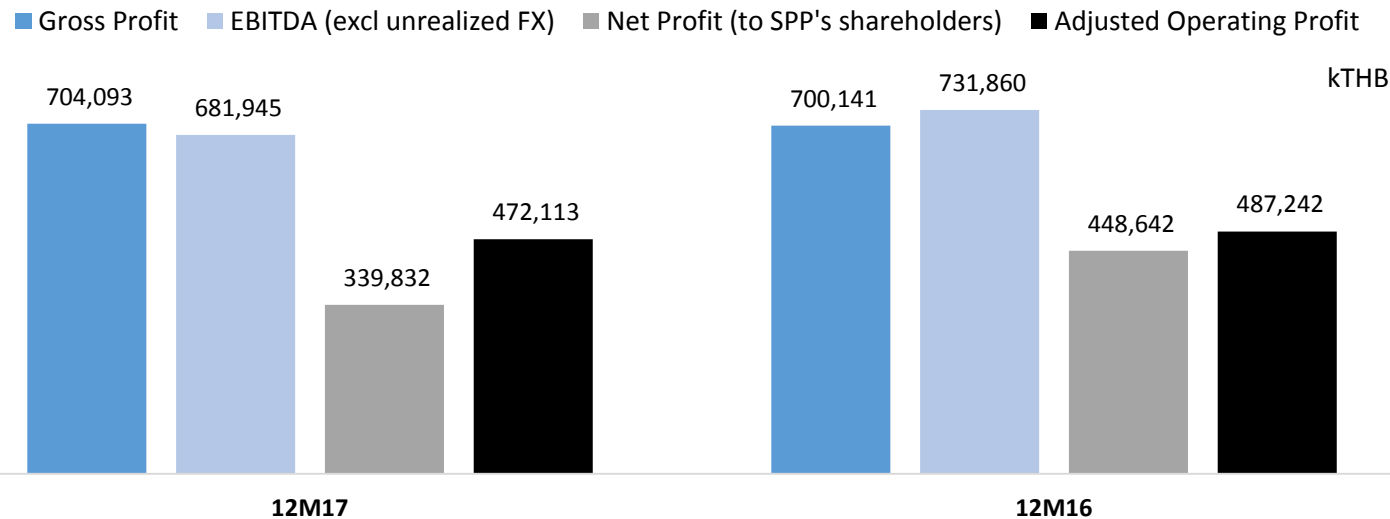
(Unit: '000 THB)

	4Q17	3Q17	4Q16	12M17	12M16
Net Profit Distribution to SSP's Shareholders	72,808	54,104	62,711	339,832	448,642
Adjustment Items (after minority interest)					
Unrealized FX (gain)/loss	23,996	37,998	47,618	72,795	18,972
Uncapitalized land lease during construction	15,658	3,569	4,332	26,557	6,136
Uncapitalized interest for SSP's equity loan	0	10,482	4,705	24,952	13,541
Deferred tax expenses	22	8,019	-12	7,976	-49
Adjusted Operating Profit (to SSP's shareholders)	112,484	114,172	119,354	472,113	487,242

AOP, as our core profit and basis for 2017 dividend, is within the expected range, before contribution of expansion pipeline.



Summary

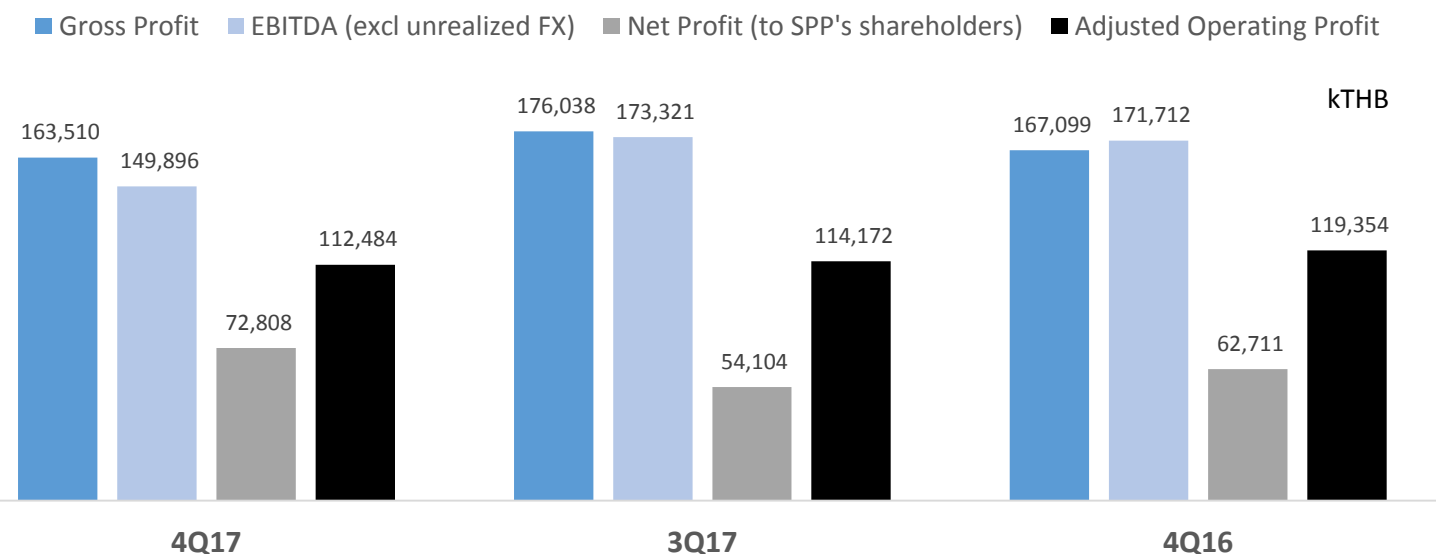


12M17 vs 12M16

- Gross profit was +0.6%
 - Higher volume, with lower average tariff.
- EBITDA (excluded unrealized FX gain/loss) is -6.8%, mainly driven by higher general SG&A expenses
- Adjusted Operating Profit is -3.1%, within ranged communicated earlier.

YoY (4Q17 vs 4Q16) and QoQ (4Q17 vs 3Q17)

- Gross profit was -2.1% mainly driven from lower volume. Tariff is higher YoY but lower QoQ.
- Net Profit is +16.1% YoY and +34.6% QoQ.



	QoQ	YoY	12M
Gross Profit	-7.1%	-2.1%	0.6%
EBITDA (excl unrealized FX)	-13.5%	-12.7%	-6.8%
Net Profit (to SPP's shareholders)	34.6%	16.1%	-24.3%
Adjusted Operating Profit	-1.5%	-5.8%	-3.1%

Consolidated P&L

P&L Statement ('000 THB)	4Q17	3Q17	4Q16	12M17	12M16
Sale Revenue	205,657	218,170	209,166	871,702	869,172
Unrealized FX gain	-	-	-	-	-
Other Revenue	3,297	502	4,439	5,408	7,539
Total Revenue	208,954	218,672	213,606	877,110	876,711
Cost of Goods Sold	42,147	42,132	42,067	167,609	169,031
Gross Profit (Sale rev. - COGS)	163,510	176,038	167,099	704,093	700,141
Gross Profit Margin	79.51%	80.69%	79.89%	80.8%	80.6%
SG&A	71,049	71,352	77,481	219,901	114,183
Land lease during construction	17,270	4,107	4,985	31,516	7,061
Unrealized FX loss	23,996	37,998	47,618	72,795	18,972
General G&A expenses	29,783	29,247	24,879	115,589	88,150
EBITDA (excluding unrealized FX gain/loss)	149,896	173,321	171,712	681,945	731,860
EBITDA margin	71.74%	79.26%	80.39%	77.75%	83.48%
Financial Expenses	25,680	43,846	34,385	146,880	146,114
Tax	130	8,018	(2,146)	8,115	(6)
Net Profit	69,948.85	53,324.00	61,817.23	334,606	447,388
Net Profit Distribution					
To SSP's Shareholders	72,808	54,104	62,711	339,832.16	448,642.23
Minority Shareholders of Subsidiaries	(2,859)	(780)	(894)	(5,226)	(1,254)
Adjustment Items (after minority interest)					
Unrealized FX (gain)/loss	23,996	37,998	47,618	72,795	18,972
Uncapitalized land lease during construction	15,658	3,569	4,332	26,557	6,136
Uncapitalized interest for SSP's equity loan	-	10,482	4,705	24,952	13,541
Deferred tax expenses	22	8,019	(12)	7,976	(49)
Adjusted Operating Profit (to SSP's shareholders)	112,484	114,172	119,354	472,113	487,242

- Sale revenue of 4Q17 is lower YoY (compared to 4Q16), which is mainly from lower volume, despite higher average tariff, and lower QoQ (compared to 3Q17), which is mainly from lower volume and average tariff.
- Other revenue for 12M17 is lower than 12M16, due to a higher an import tax in 12M16
- COGS for 12M17 is slightly lower than 12M16.
- Unrealized FX: 12M16 turned to be 19.0 MTHB loss (from 9M16 as gain) while 12M17 is 72.8 MTHB loss.
- General G&A exp. of 4Q17 is slightly lower than 3Q17, whereas 12M17 is +31% from 12M16.
- Tax expenses for 12M17 included deferred tax expenses related to IPO expenses (which is mostly deducted from amount of IPO proceeds and booked as equity)
- Adjusted Operating Profit is Net Profit (contributed to SSP's shareholders) adjusted by
 - (a) unrealized FX gain/loss
 - (b) uncapitalized land lease during construction and
 - (c) uncapitalized interest of SPP's equity loan for injection of equity into constructing projects
 - (d) deferred tax expenses/revenue

Consolidated Balance Sheet

Balance Sheet Statement ('000 THB)	30-Dec-17	30-Sep-17	31-Dec-16
Cash and Cash Equivalent	1,603,392	1,507,435	367,356
Account Receivables	151,364	159,099	152,289
Other Current Assets	45,730	176,870	65,974
Total Current Assets	1,800,486	1,843,404	585,619
Receivables from Revenue Department	246,378	228,127	155,781
PP&E	5,427,213	4,803,498	3,684,953
Intangible Assets	654,207	676,172	535,997
Other Fixed Assets	141,559	147,322	293
Total Fixed Assets	6,469,357	5,855,119	4,377,024
Total Assets	8,269,843	7,698,523	4,962,643
Account Payables	256,696	75,435	32,959
Current Portion of Long-Term loan	510,313	492,138	362,414
Other Current Liabilities	15,517	17,682	15,913
Total Current Liabilities	782,526	585,255	411,286
Long-Term Loan	4,061,676	3,797,588	3,250,790
Other Non-Current Liabilities	3,973	4,092	3,758
Total Non-Current Liabilities	4,065,649	3,801,680	3,254,548
Total Liabilities	4,848,175	4,386,935	3,665,834
Paid-up capital	922,000	922,000	690,875
Premium on ordinary shares	1,511,210	1,511,210	-
Legal Reserve	40,714	24,719	-
Unappropriated Retained Earnings	814,991	758,177	515,872
Others	18,916	28,807	34,872
Total Equity of Company	3,307,830	3,244,913	1,241,619
Minority interest	113,839	66,675	55,190
Total Equity	3,421,669	3,311,588	1,296,809

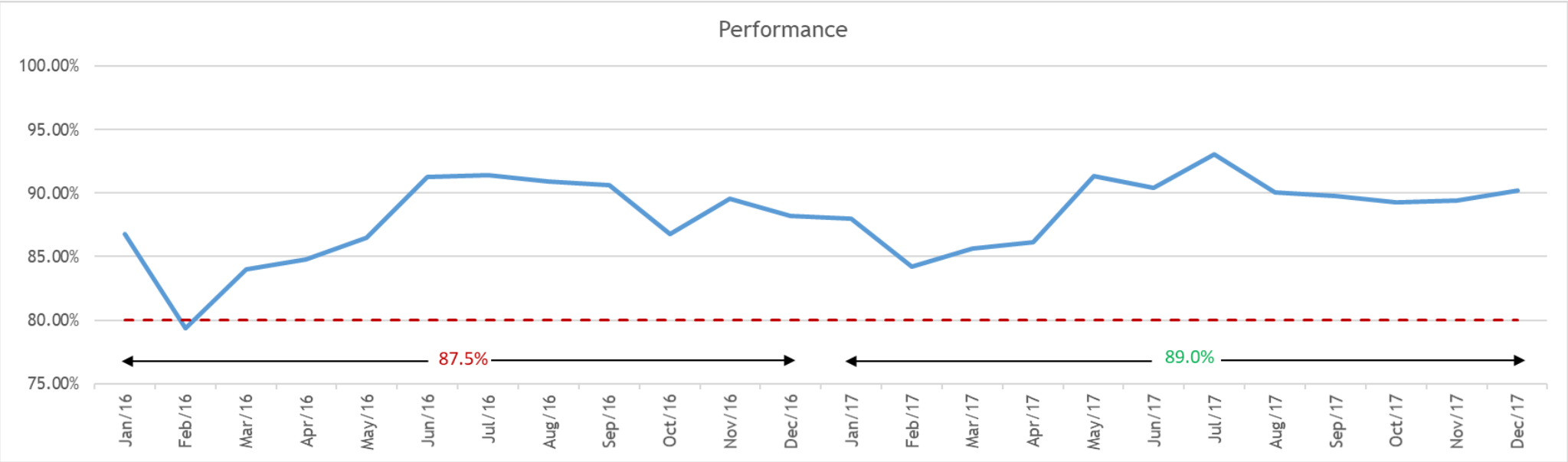
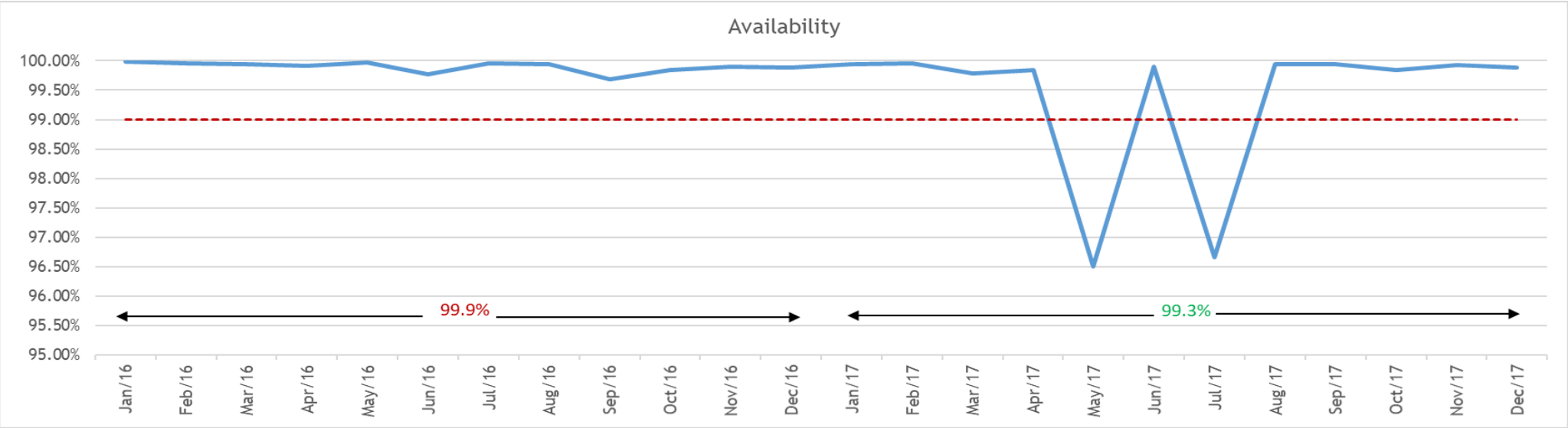
- Majority of the cash and cash equivalent is from IPO and at SPN.
- SPN has paid dividend to SSP for 120 MTHB during 6M17 (40 MTHB as yearend dividend of 2016 and 80 MTHB as interim dividend) and 125 MTHB (interim dividend) in Aug-17, and 115 MTHB (interim dividend) in Nov-17 and expected to pay approximately 105 MTHB in Mar-18 (under process with lenders). (Note: reference for subsequent agenda in acknowledging SPN dividend payment)
- PP&E gradually increased along with construction of projects under development.
- Even though SSP has repaid pre-ipo financing (with Kbank) with proceeds from IPO since the end of 3Q/17, more loan was drawn for Japanese solar farm under construction. Hence. total long-term loan increased.
- Legal reserve is set of 16.0 mTHB (5% of Company-Only Net profit) in 4Q17.
- Consolidated D/E ratio as of 31/12/17 = 1.47x increased from 1.35x as of 30/9/17 and decreased from 2.95x as of 31/12/16.
- SSP's company only D/E ratio as of 31/12/17 = 0.05x.

Q&A




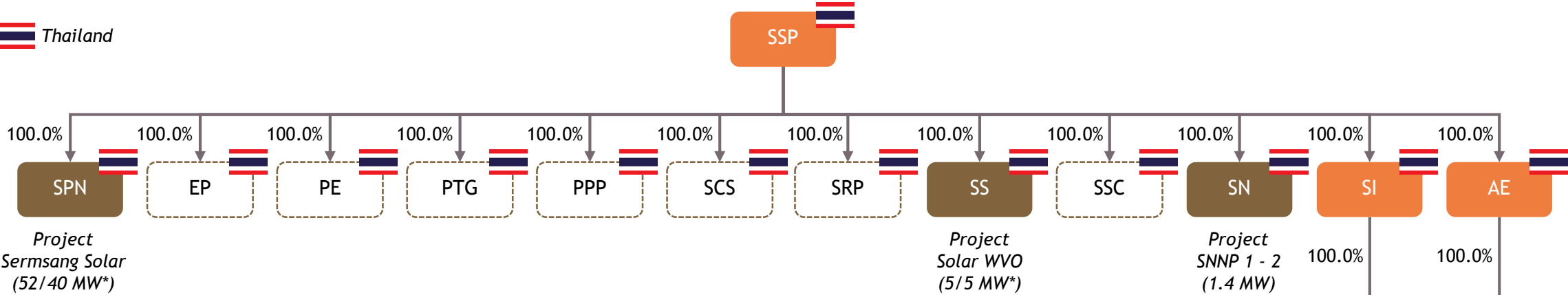
Appendix

Availability and Performance Ratio

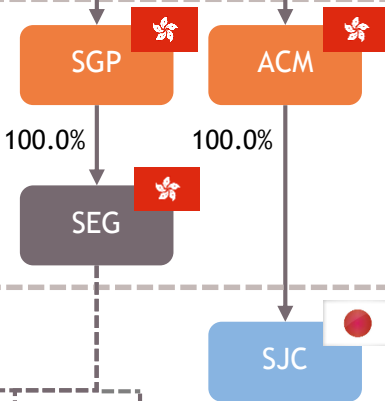


Group Structure

 Thailand



 Hong Kong

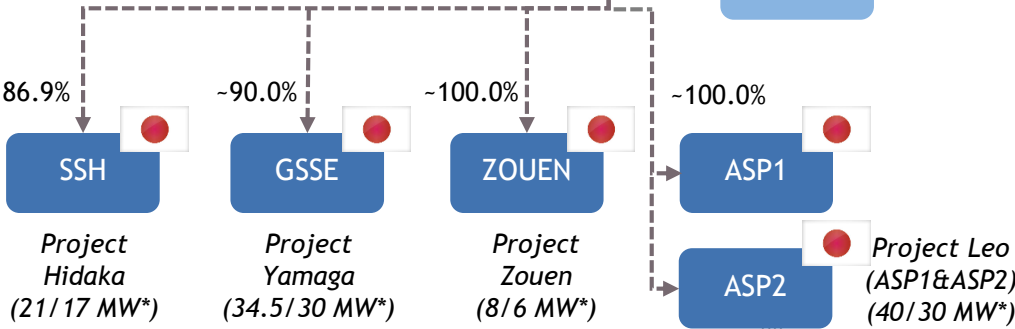


 Japan

Type of Business

-  Generation and Sales of Electricity
-  Shell Company for Future Project
-  Holding Company
-  TK Investor
-  Related Business
-  GK Company

Remark: * Installed/Contracted Capacity



Project Details: WVO Project









Construction Start Date:






Scheduled on March 2018

Project WVO Details

Business Type	:	Solar power plant
Project Owner	:	Sermsang Solar
Investment Percentage	:	100
Solar Irradiation*	:	Approximately 1854.4 KWh/sq.m./annum
Location	:	Ratchaburi province
Installed/PPA MW	:	5 MW
Solar Cell Technology	:	Polycrystalline Silicon
Land Details	:	Approximately 51 Rais (Power Plant Area)
Project Status	:	EPC is finalizing
SCOD date	:	December 31, 2018
Total Project Cost	:	Approximately 188.16 Million THB
Power Purchaser	:	Provincial Electricity Authority (PEA)
Purchase Price	:	Under FiT Scheme of THB 4.12/KWh
Purchase Term	:	25 years

*Source: Meteonorm Software

Approval and Permit	Counterparty	Status
Ror-ngor 4	Energy Regulatory Commission (ERC)	On Process 
Aor 1		On Process 
BOI	Office Of The Board Of Investment	On Process 
License of Power Generation Controlled (Por-Kor 2)	Energy Regulatory Commission (ERC)	On Process 
License of Power Generation		On Process 
Land Use Permit	WVO	Secured 

Agreement	Counterparty	Status
Contract Agreement	Sermsang Solar and WVO	Engaged 
Power Purchase Agreement	Provincial Electricity Authority (PEA)	On Process 
EPC Agreement	TBD	On Process 
Credit Facility Agreement	TBD	On Process 
O&M Agreement	TBD	On Process 

5 MW WVO Project

