

Sermsang Power Corporation Public Company Limited

**Opportunity day
Results of 1Q/23**

26 May 2023



Agenda

- **Company overview**

- **Financial Performance**

- **Operation Performance**

- **Projects Update**

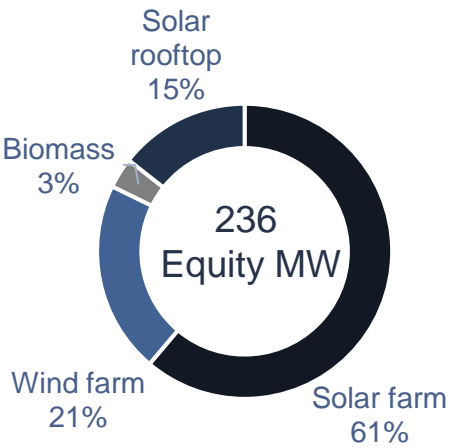
- **Future Opportunity**

1

Company overview



SSP Business Overview



Solar



Solar rooftop



Wind



Biomass



Operating Project

7

95

2

1

Country



PPA Equity MW

144.1

33.9

49.7

7.9

KEY HIGHLIGHTS

1Q

- **Solar farm Japan** underperformed and hidaka divestment caused revenue dropped 9%YoY
- But, EBITDA maintained due to strong performance of SPN and full period profit shared from **Winchai**
- However, **COP** dropped 9.5% YoY due to higher Financial cost and tax expenses
- **Leverage ratio gradually decreased**, D/E dropped to 1.52x strong balance sheet and cash position maintained.
- **Award** of renewable energy in Thailand total of 170.5 MW
- **Stock dividend 10:1 and cash dividend 0.0611 Baht/share** payment total of 201 mTHB

➤ 2023



2

Financial performance



Key Highlights

Consolidated Financial Statement (unit:mTHB)	Q1/22	Q4/22	Q1/23	QoQ	YoY
Total Revenue	860.7	724.8	797.7	10.1%	-7.3%
Revenue from sales and services	855.0	698.0	761.3	9.1%	-11.0%
EBITDA	687.2	582.0	669.5	15.0%	-2.6%
Core operating EBITDA	687.2	607.9	653.3	11.2%	-1.6%
Net Profit (to SSP's Shareholders)	256.8	140.1	256.2	82.9%	-0.2%
Core Operating Profit	294.6	180.1	266.5	47.9%	-9.5%
EBITDA margin (%)	79.8%	80.3%	83.9%		
Core operating EBITDA margin (%)	80.4%	87.1%	88.8%		
Net Profit Margin (%)	29.8%	19.3%	32.1%		
Core Operating Profit Margin (%)	34.5%	25.8%	35.0%		

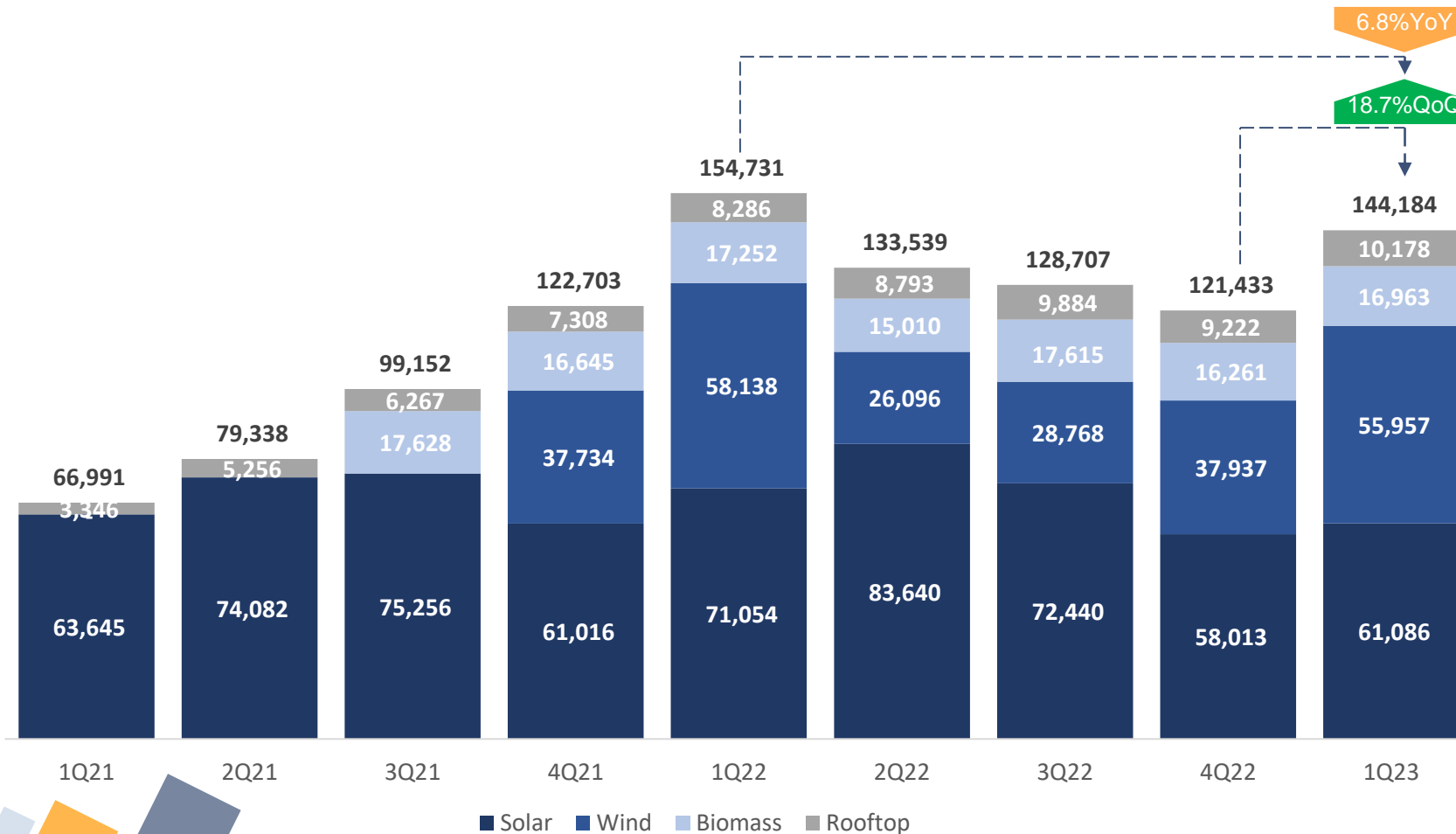
* Total revenue include finance income

1Q/23 Business Highlights

- No record of revenue from Hidaka after its divestment in Q2/22 and lower of electricity sales in Japan solar farm result of sales dropped YoY.
- However, EBITDA maintained due to strong performance of SPN and full period profit shared from Winchai.

Electricity sales (MWh)

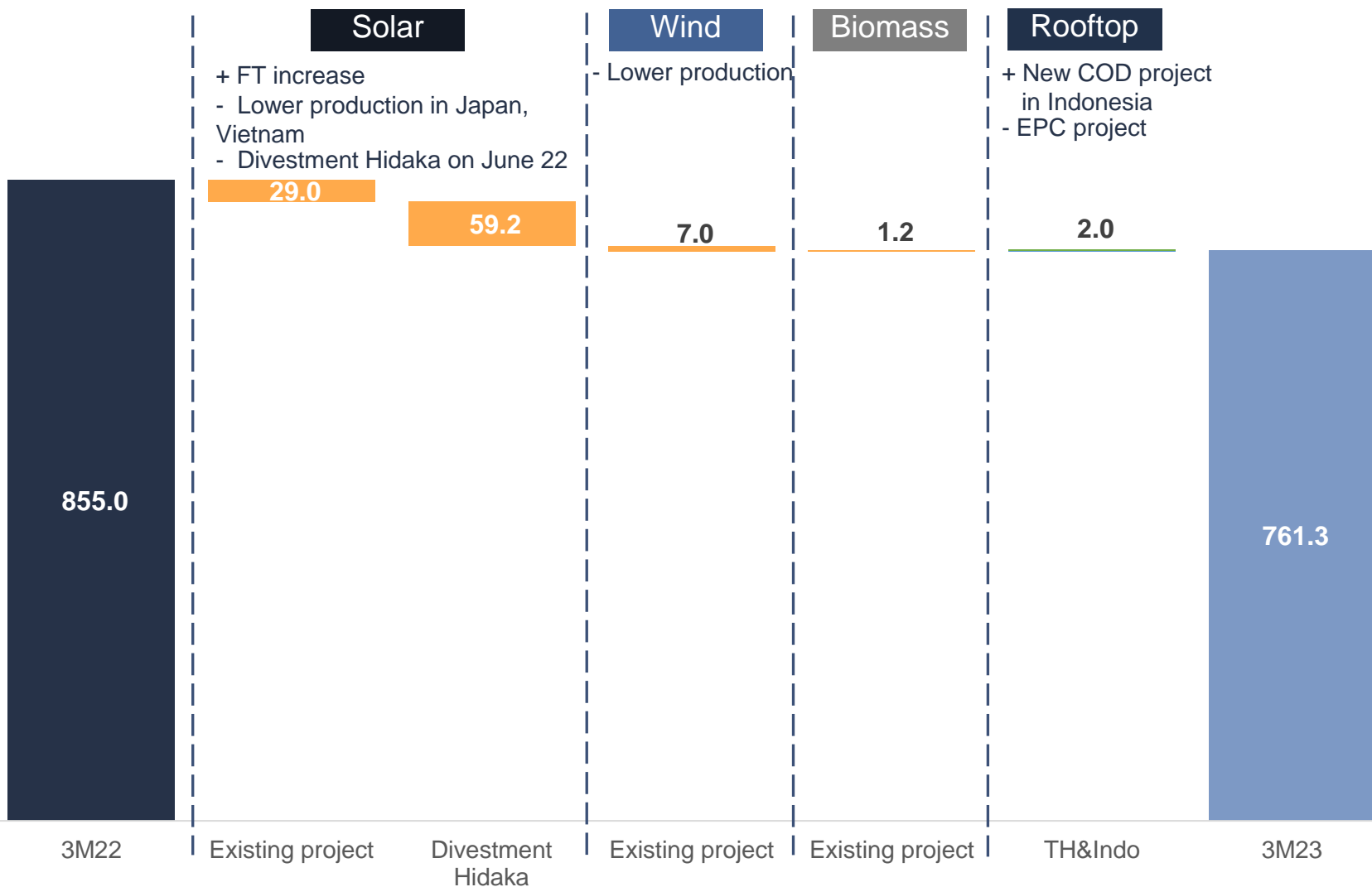
- Electricity sales dropped 6.8%YoY cause by weakening performance from solar farm in Japan and no record from Hidaka.
- Electricity sales increased 18.7%QoQ due to high season of solar and wind.



Change	QoQ	YoY
Solar	5.3%	(14.0)%
Wind	47.5%	(3.8)%
Biomass	4.3%	(1.7)%
Rooftop	10.4%	22.8%
Total	18.7%	(6.8)%

Revenue from sales and services (1Q22 vs 1Q23)

- Revenue from sales and services decreased 11.0%YoY cause by weakening performance from solar farm in Japan and no record from Hidaka.

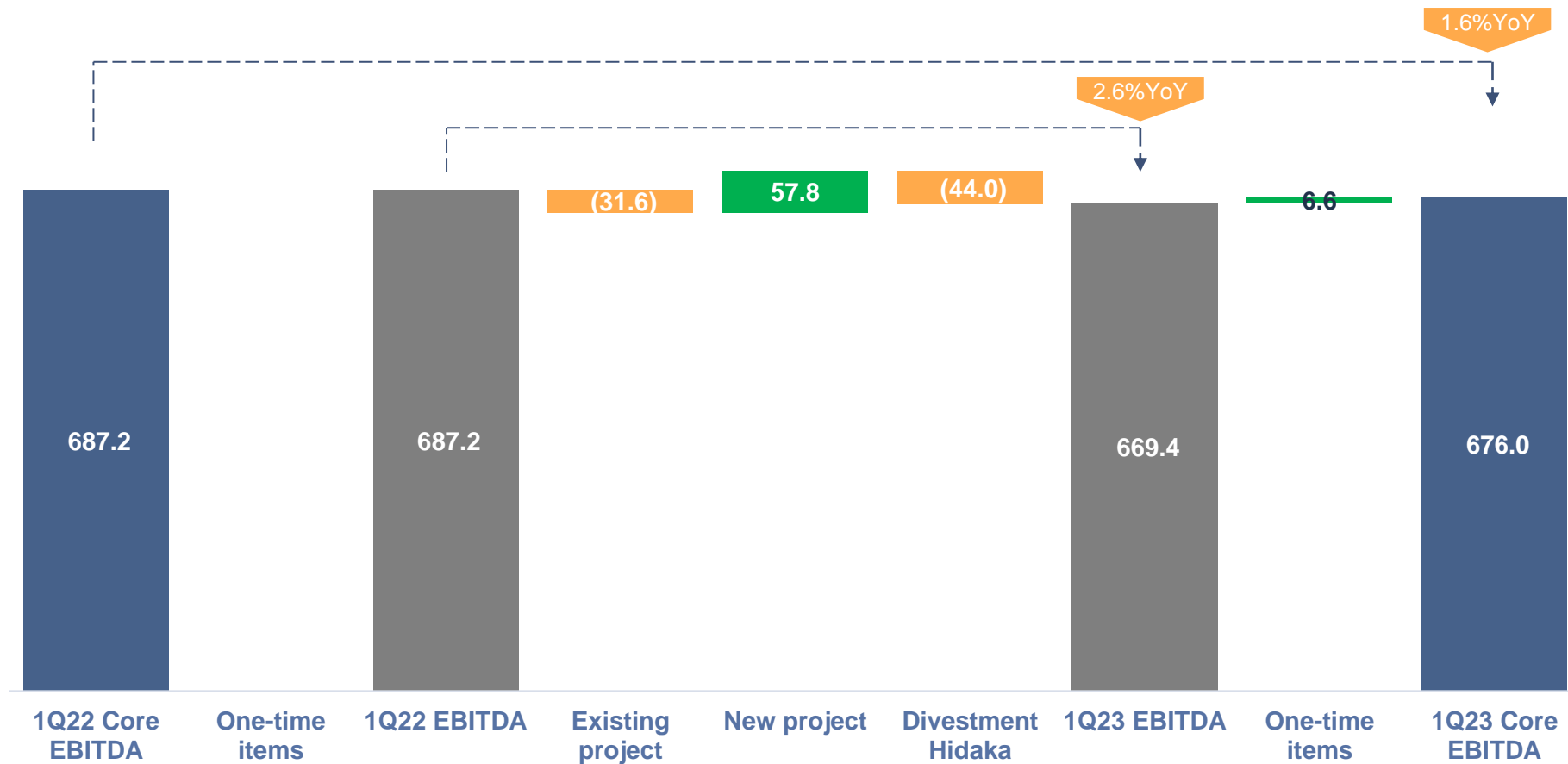


(Unit: mTHB)	1Q22	1Q23	YoY
Solar	561.6	473.4	(15.7)%
Wind	189.0	182.0	(3.7)%
Biomass	79.1	78.5	(0.7)%
Rooftop	18.0	24.2	7.8%
Revenue from sales	847.7	758.1	(10.6)%
Revenue from services	7.4	3.1	(57.5)%
Total	855.0	761.3	(11.0)%

EBITDA (1Q22 vs 1Q23)

- No record of revenue from Hidaka and lower of electricity sales in Japan,
- However full period recognition from share of profit from windchai and better performance of SPN project result to EBITDA increased 2.6%YoY

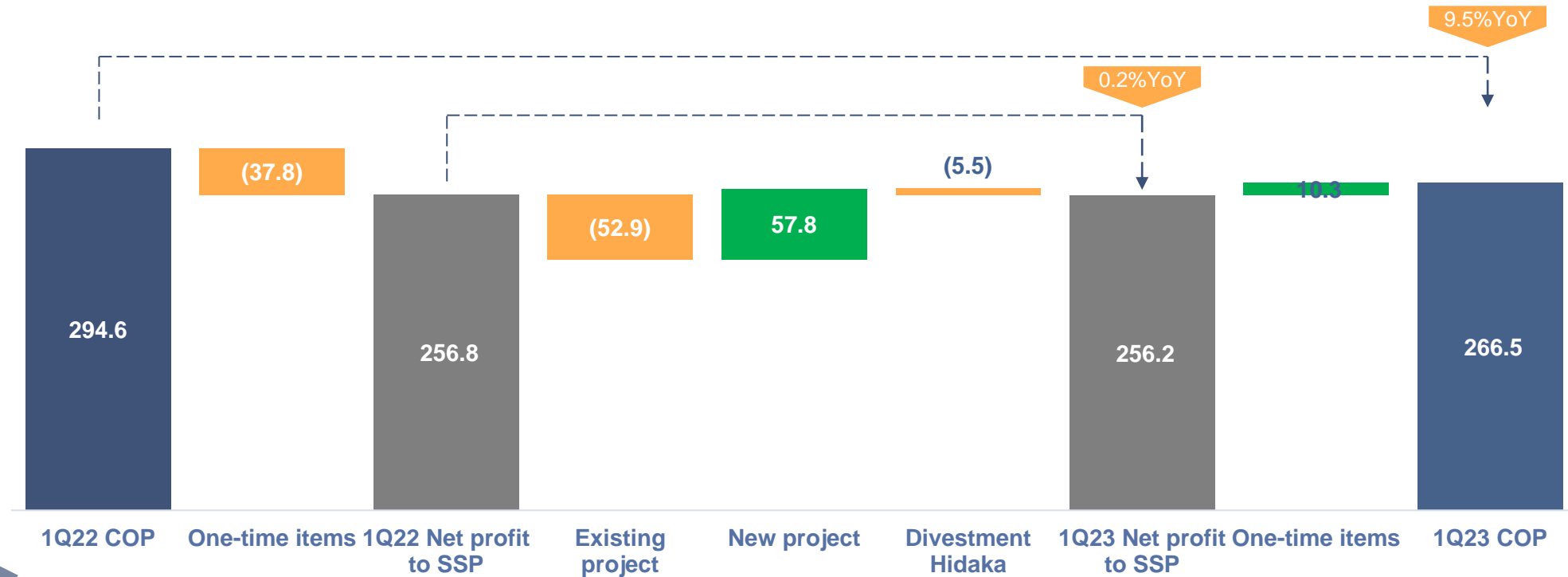
(Unit: mTHB)



Net profit (1Q22 vs 1Q23)

- No record of revenue from Hidaka, lower of electricity sales in Japan and finance cost increased,
- However full period recognition from share of profit from windchai and better performance of SPN project result to net profit similar to the same period last year

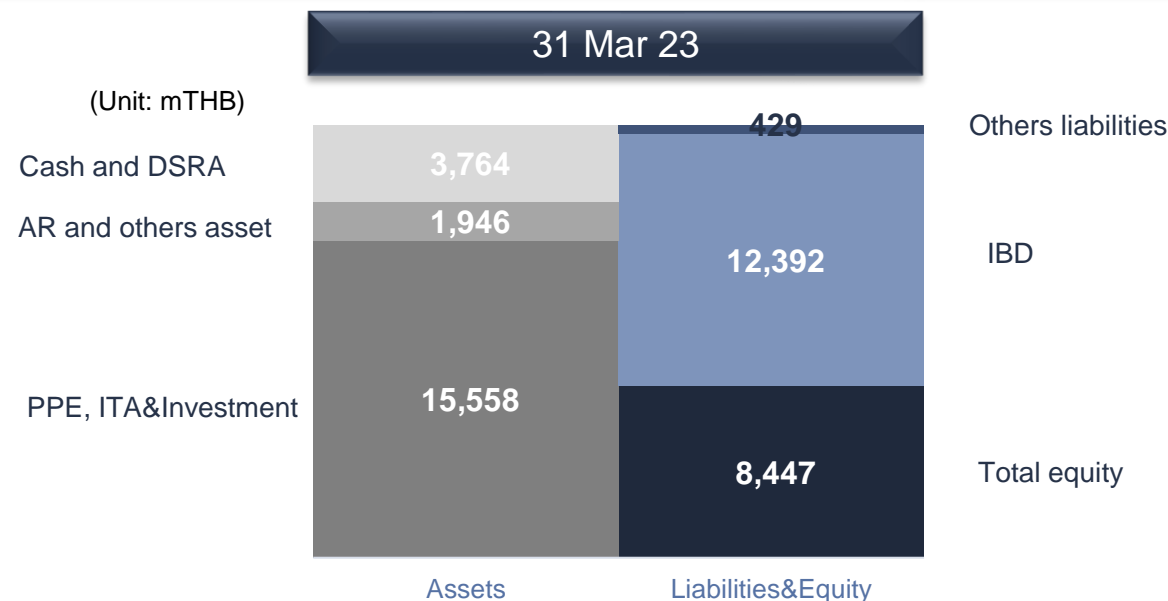
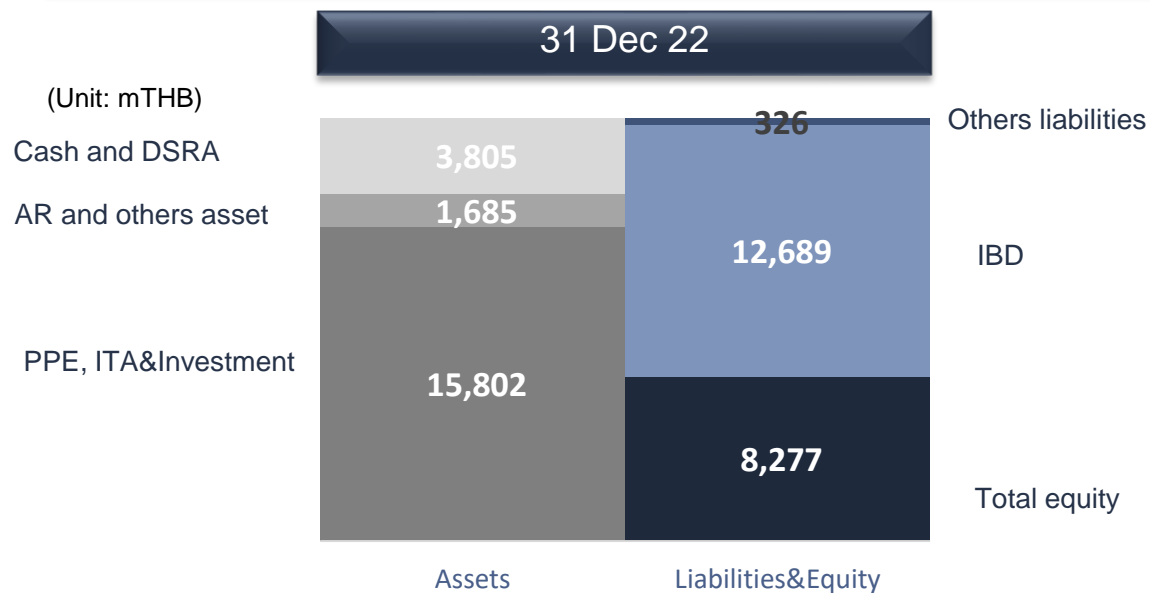
(Unit: mTHB)



Balance Sheet



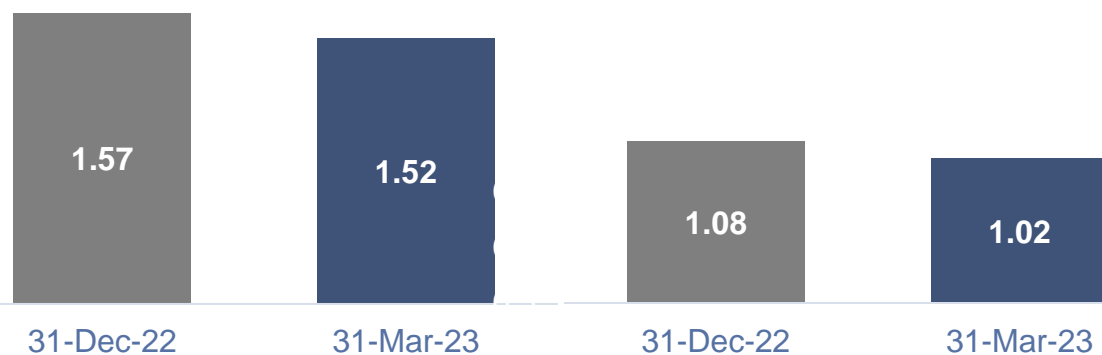
Balance sheet



Leverage ratio

DE ratio

Net IBD to equity



Number of share and SSP W-2 adjustment

- Authorized Capital as of 31 Dec 22 1,502,482,772 Baht
- Stock dividend 10:1 on 25 May 23 124,893,278 Share
- Authorized Capital as of 25 May 23 1,680,621,551 Baht
- Paid-up capital as of 25 May 23 1,373,826,050 Baht
- Right Adjustment of SSP-W2 (253,549,180 units)
 - 18.182 Baht/share and 1 : 1.10 unit/share to
 - 16.529 Baht/share and 1 : 1.21 unit/share

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Operation Performance



Average Solar Irradiance & Wind Speed



Average Solar Irradiance (KWh / Sqm / month)	1Q23	4Q22	3Q22	2Q22	1Q22	3M23	3M22	CHANGE(%)		
								QoQ	YoY	YTD
SPN	168	163	150	166	161	168	161	3%	4%	4%
WVO	167	145	141	153	169	167	169	15%	-1%	-1%
Hidaka	-	-	-	155	111	-	111	-	-100%	-100%
Zouen	104	106	129	140	107	104	107	15%	-4%	-4%
Yamaga	113	113	152	161	117	113	117	-2%	-3%	-3%
Leo	113	107	134	133	125	113	125	6%	-10%	-10%
Vietnam	121	102	165	174	131	121	131	19%	-8%	-8%
Mongolia	176	126	185	198	170	176	170	40%	4%	4%

Average Wind Speed (m / s / month)	1Q23	4Q22	3Q22	2Q22	1Q22	3M23	3M22	CHANGE(%)		
								QoQ	YoY	YTD
TTTV	7.9	6.1	5.4	8.5	8.1	7.9	8.1	30%	-2%	-2%

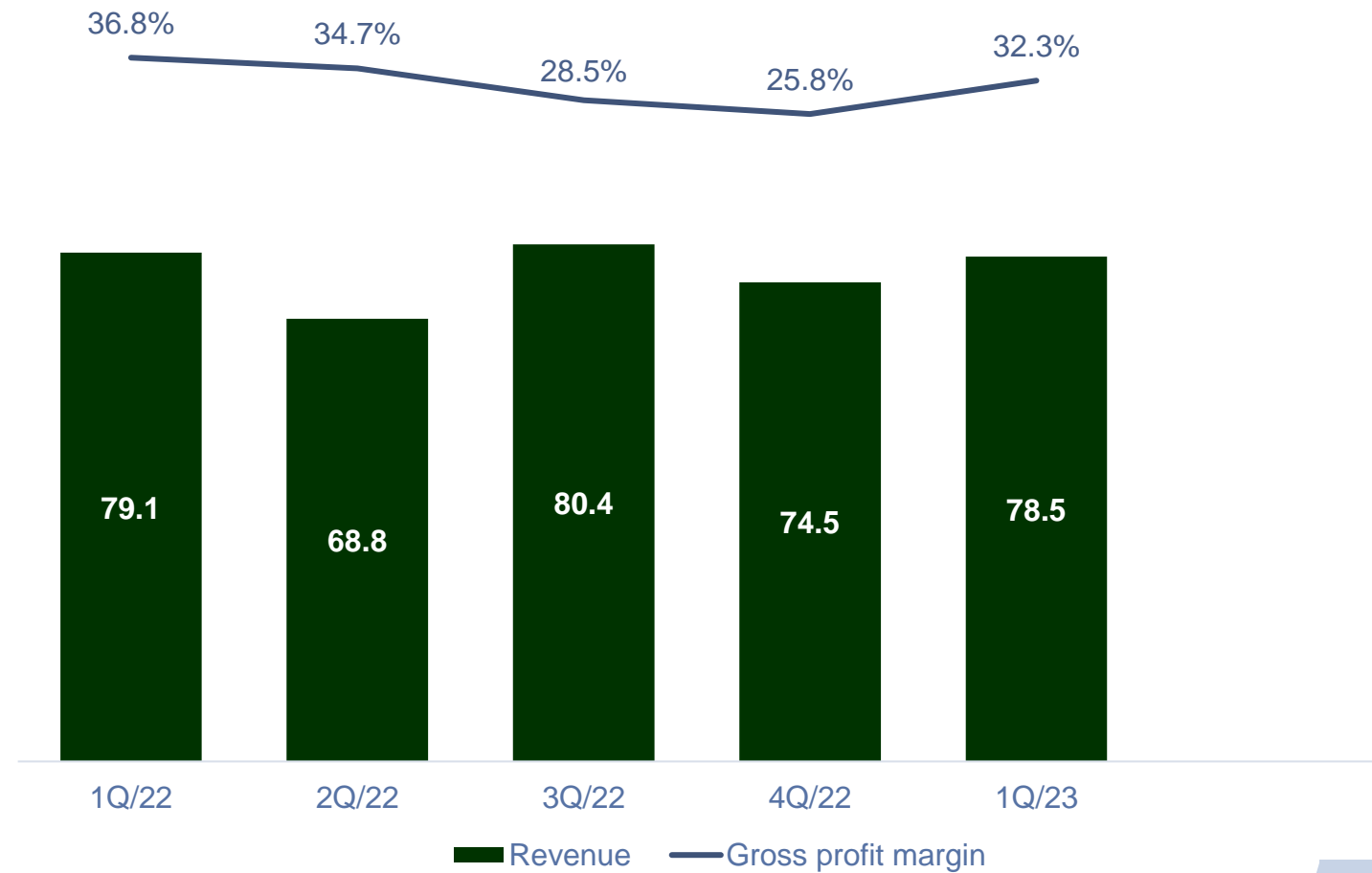
Production



Production (MWh)	1Q23	4Q22	3Q22	2Q22	1Q22	3M23	3M22	CHANGE(%)		
								QoQ	YoY	YTD
SPN	20,625	20,085	19,848	22,573	20,359	20,625	20,359	3%	1%	1%
WVO	1,969	1,698	1,713	1,774	1,988	1,969	1,988	16%	-1%	-1%
Hidaka	-	-	-	5,779	5,197	-	5,197	N/A	-100%	-100%
Zouen	1,680	2,101	2,669	2,782	2,183	1,680	2,183	-20%	-23%	-23%
Yamaga	7,457	9,348	12,291	12,737	9,994	7,457	9,994	-20%	-25%	-25%
Leo1	7,703	7,536	9,067	9,370	8,804	7,703	8,804	2%	-13%	-13%
Vietnam	13,759	11,181	19,449	20,511	14,984	13,759	14,984	23%	-8%	-8%
Mongolia	7,893	6,064	7,403	8,115	7,545	7,893	7,545	30%	5%	5%
Rooftop TH	2,183	2,054	2,227	2,630	2,263	2,183	2,263	6%	-4%	-4%
Rooftop ID	7,995	7,169	7,657	6,163	6,023	7,995	6,023	12%	33%	33%
UPT	16,963	16,261	17,614	15,010	17,252	16,963	17,252	4%	-2%	-2%
TTTV	55,957	37,936	28,768	26,096	58,138	55,957	58,138	48%	-4%	-4%
Total	144,184	121,433	128,760	133,539	154,731	144,184	154,731	19%	-7%	-7%

UPT revenue and gross profit margin

(Unit: mTHB)



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Project update



Project Details: Leo (phase#2) 17.0 MW



Project Leo Details

Business Type	: Solar power plant
Investment Type	: Through SEG, as TK Investor, under GK-TK Investment Structure
Investment Percentage	: 100.0%
Location	: Shizuoka, Japan
Installed/PPA MW	: 22/17.0 MW
Target SCOD date	: Q3-2025
Purchase Price	: Under FiT Scheme of JPY 36/KWh
Purchase Term	: 17 years
Tax Incentive	<u>GK-TK Structure</u> <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

Project progress

Approvals related	: done
EPC agreement	: In process
Financial close	: In process
Site preparation	: Q3-2023
Transmission Line Construction	: Q3-2023
Generating Facilities Construction	: Q1-2024
Commercial Operation	: Q3-2025

Project Details: Rooftop

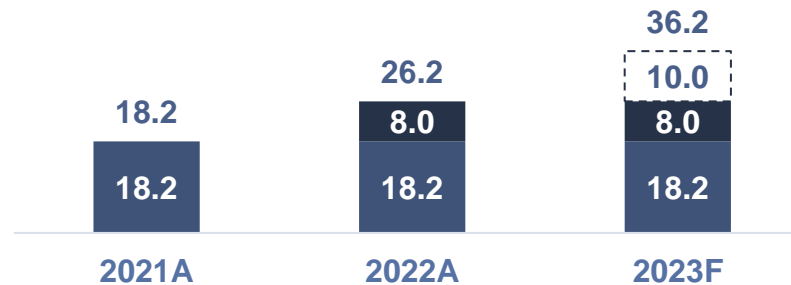


Private PPA (MW)

EPC (MW)



Private PPA (MW)



Private PPA	
Total Operation as of 31 Mar 2023	: 33.9 MW
Construction & Development 2023	: 15.0 MW

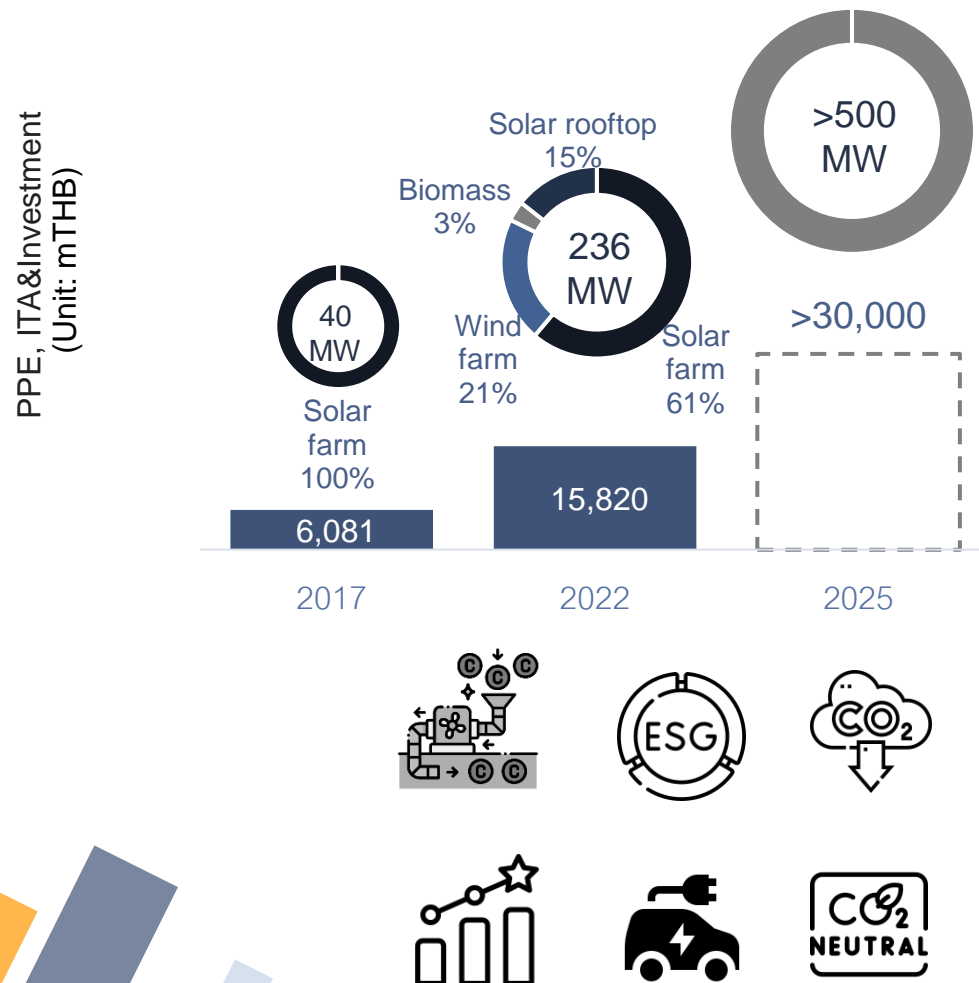
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Future Opportunity



“Driving by organic and inorganic growth”

for long term sustainability growth.



CAPEX 30,000 mTHB for next

3 years

1. Green field - organic growth

- Start construction Leo2 in 2Q23 : project cost 2,000 mTHB
- Solar rooftop in TH and ID 15 MW for 2023
- New opportunities in Thailand, Vietnam, Taiwan, Philippines

2. M&A - inorganic growth

- Renewable energy
 - Target equity IRR > 10%
- Budget = 3,000 – 4,000 mTHB

3. New business - Three criteria:

- Profitable & growth company
 - Experience & synergy with SSP group
 - ESG theme
- Budget = 500 – 1,000 mTHB

Thank you

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