

Sermsang Power Corporation PLC

SET Opportunity Day Quarter 2/2024

20 August 2024

POWERING
A BETTER FUTURE
WITH RENEWABLE ENERGY IN ASIA

Agenda

Business Overview



Operating Performance



Financial Performance



Project Update



Sustainability



Business Overview



KEY Highlights of 6M24



Solar Farm: SPN project lower availability factor.

Wind Farm: Recognition of 100% revenue from Winchai project since 11 Mar 2024.

Biomass: Annual plant shutdown shift from Jul to May to maintain efficiency.

Solar Rooftop: Growth from project increasing YoY.



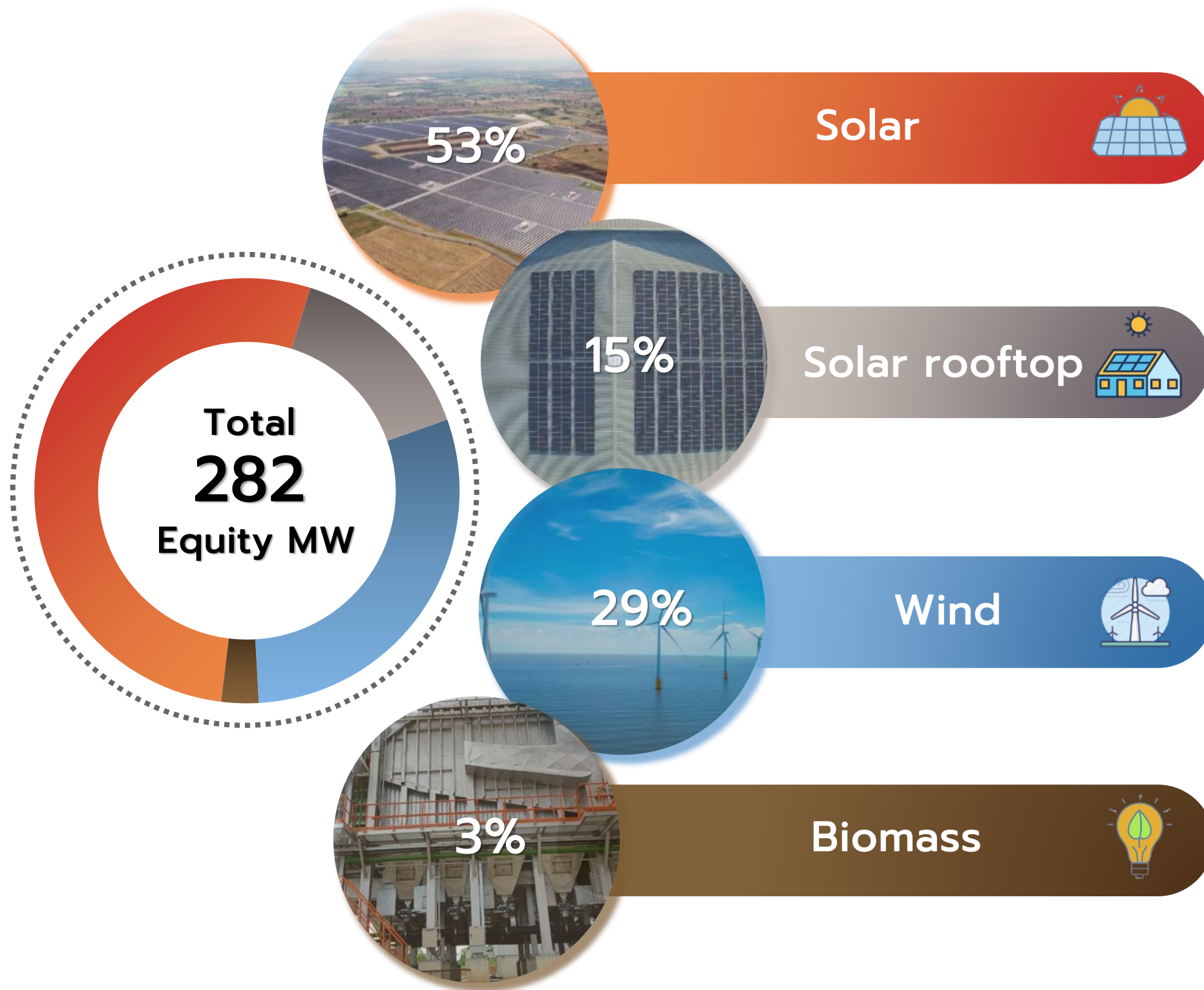
Revenue from sales and services was **1,639.2 MB**, growing 7.6% YoY, driven by Winchai project fully consolidated sales revenue. However, the sales revenue was pressured by SPN project availability factor, lower FT rate and JPY YoY.












Core operating EBITDA slightly decreased 0.5% YoY, **COP** decreased 19.8% YoY from Winchai fully consolidated depreciation and interest expenses.



SSP Business Overview



Operating Project	Country	PPA Equity MW
7	   	149.3
108	 	41.7
2	 	83.4
1		8.0

Remark: As of 30 June 2024

Operating Performance





Average Solar Irradiance & Wind Speed



Average Solar Irradiance (KWh / Sqm / month)	2Q23	3Q23	4Q23	1Q24	2Q24	CHANGE (%)	
						QoQ	YoY
SPN	176.6	154.2	163.6	164.9	171.0	3.7%	(3.2%)
WVO	158.6	142.4	150.0	168.0	159.8	(5.5%)	0.1%
Zouen	133.3	129.8	105.2	101.9	120.2	18.0%	(9.8%)
Yamaga	151.2	153.6	111.6	109.0	143.9	32.0%	(4.8%)
Leo	130.8	149.3	123.8	119.9	138.4	15.4%	5.8%
TTQN	177.7	173.6	103.2	135.1	177.0	31.0%	(0.2%)
Mongolia	193.6	175.2	150.3	175.0	193.4	10.5%	(0.1%)

Average Wind Speed (m / s / month)	2Q23	3Q23	4Q23	1Q24	2Q24	CHANGE (%)	
						QoQ	YoY
TTTV	5.5	6.4	7.3	9.0	4.8	(46.7%)	(12.7%)
Winchai	5.6*	5.1*	8.0*	6.5*	5.6	(13.8%)	0%

Remark: * Winchai presenting wind speed on normal operation, while consolidation since 11 Mar 2024

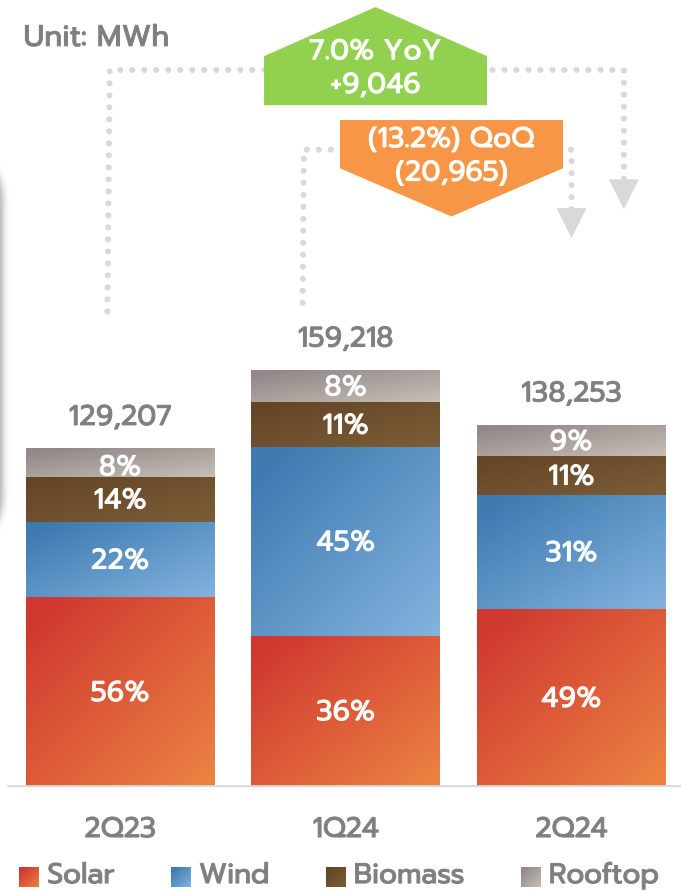
SSP Power Production (2Q24)

PPA eMW 16.8% from 2Q23 at 241.8 eMW

- Winchai from 113 to 450 eMW **+337 eMW**
- Solar Rooftop Thailand from 81 to 83 eMW **+02 eMW**
- Solar Rooftop Indonesia from 26.7 to 33.4 eMW **+6.7 eMW**

PPA eMW 0.03% from 1Q24 at 282.3 eMW

- Solar rooftop Indonesia from 32.6 to 33.3 eMW **+0.1 eMW**



Solar Irradiance and Wind Speed

	Project	A 2Q23	A 1Q24	A 2Q24	CHG (%) 2Q24 VS 1Q24	CHG (%) 2Q24 VS 2Q23
Solar Irradiance	SPN	176.6	164.9	171.0	3.7%	(3.2%)
	WVO	158.6	168.0	158.8	(5.5%)	0.1%
	Zouen	133.3	101.9	120.2	18.0%	(9.8%)
	Yamaga	151.2	109.0	143.9	32.0%	(4.8%)
	Leo1	130.8	119.9	138.4	15.4%	5.8%
	Vietnam	177.7	135.1	177.0	31.0%	(0.4%)
	Mongolia	193.6	175.0	193.4	10.5%	(0.1%)
Wind Speed	TTTV	5.5	8.9	4.8	(46.1%)	(12.7%)
	Winchai	5.6	6.5	5.6	(13.8%)	0.0%

Remark: Winchai consolidated since 11 Mar 24, fully recognition on 2Q24

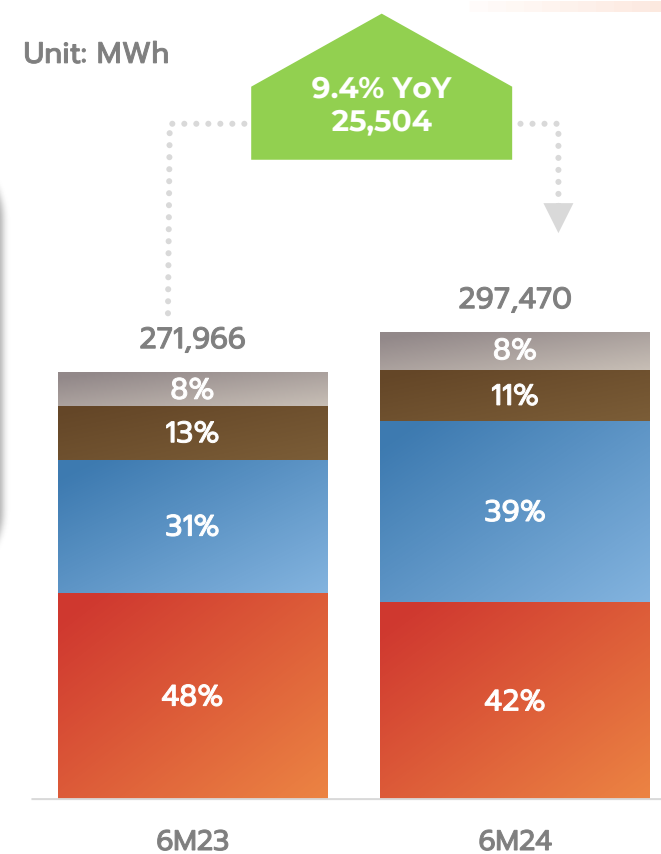
(MWh)	A 2Q23	A 1Q24	A 2Q24	Change (%)	
				2024 VS 1Q24	2024 VS 2Q23
SPN	23,135	18,817	18,408	(2.2%)	(20.4%)
WVO	1,897	1,991	1,881	(5.5)	(0.8%)
Zouen	2,000	1,564	1,949	24.6%	(2.6%)
Yamaga	9,064	6,956	9,561	37.5%	5.5%
Leo1	9,372	7,908	9,488	20.0%	1.2%
Vietnam	20,405	14,841	20,302	36.8%	(0.5%)
Mongolia	6,576	5,738	6,406	11.6%	(2.6%)
Total Solar	72,449	57,815	67,995	17.6%	(6.1%)
TTTV	28,861	67,306	21,212	(68.5%)	(26.5%)
Total Wind	28,861	67,306	21,212	(68.5%)	(26.5%)
UPT	17,373	17,382	14,927	(14.1%)	(14.1%)
Total Biomass	17,373	17,382	14,927	(14.1%)	(14.1%)
Rooftop TH	2,843	2,639	2,899	9.9%	2.0%
Rooftop ID	7,681	9,299	8,835	(5.0%)	15.0%
Total Rooftop	10,524	11,938	11,734	(1.7%)	11.5%
Sub Total	129,207	154,441	115,868	(25.0%)	(10.3%)
Winchai	-	4,777	22,385	368.6%	N/A
Total	129,207	159,218	138,253	(13.2%)	7.0%

Remark: Winchai output 2Q23 = 23,258 MWh, 1Q24 = 33,989 MWh

SSP Power Production (6M24)

PPA eMW 16.8% from 6M23 at 241.8 eMW

- Winchai from 113 to 450 eMW **+33.7 eMW**
- Solar Rooftop Thailand from 81 to 83 eMW **+0.2 eMW**
- Solar Rooftop Indonesia from 26.7 to 33.4 eMW **+6.7 eMW**



Solar Irradiance and Wind Speed

	Project	6M23	6M24	CHG (%) 6M24 VS 6M23
Solar Irradiance	SPN	172.2	167.9	(2.5%)
	WVO	162.9	163.4	0.3%
	Zouen	118.4	111.1	(6.2%)
	Yamaga	132.1	126.5	(4.2%)
	Leo1	121.8	129.1	6.0%
	Vietnam	149.2	156.0	4.6%
	Mongolia	184.7	184.2	(0.3%)
	Wind Speed	TTTV	6.7	6.9
Winchai		6.7	6.0	(9.3%)

Remark: Winchai consolidated since 11 Mar 24, fully recognition on 2Q24

(MWh)	6M23	6M24	Change (%)
			6M24 VS 6M23
SPN	43,760	37,225	(14.9%)
WVO	3,866	3,872	0.1%
Zouen	3,775	3,513	(6.9%)
Yamaga	16,989	16,516	(2.8%)
Leo1	17,075	17,396	1.9%
Vietnam	34,163	35,143	2.9%
Mongolia	12,235	12,144	(0.7%)
Total Solar	131,863	125,809	(4.6%)
TTTV	84,818	88,518	4.4%
Total Wind	84,818	88,518	4.4%
UPT	34,335	32,309	(5.9%)
Total Biomass	34,335	32,309	(5.9%)
Rooftop TH	5,416	5,538	2.2%
Rooftop ID	15,534	18,134	16.7%
Total Rooftop	20,950	23,672	13.0%
Sub Total	271,966	270,308	(0.6%)
Winchai	-	27,162	N/A
Total	271,966	297,470	9.4%

Remark: Winchai output 6M23 =67,564 MWh, 6M24 = 56,374 MWh

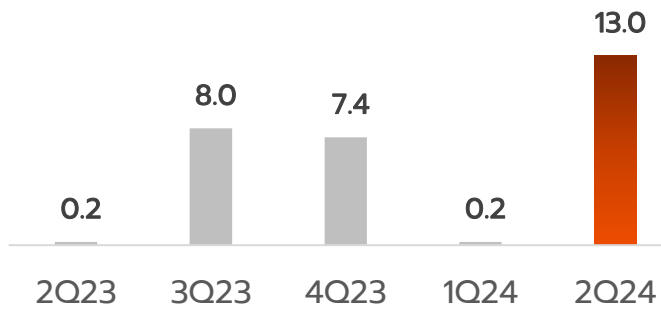
UPT Performance



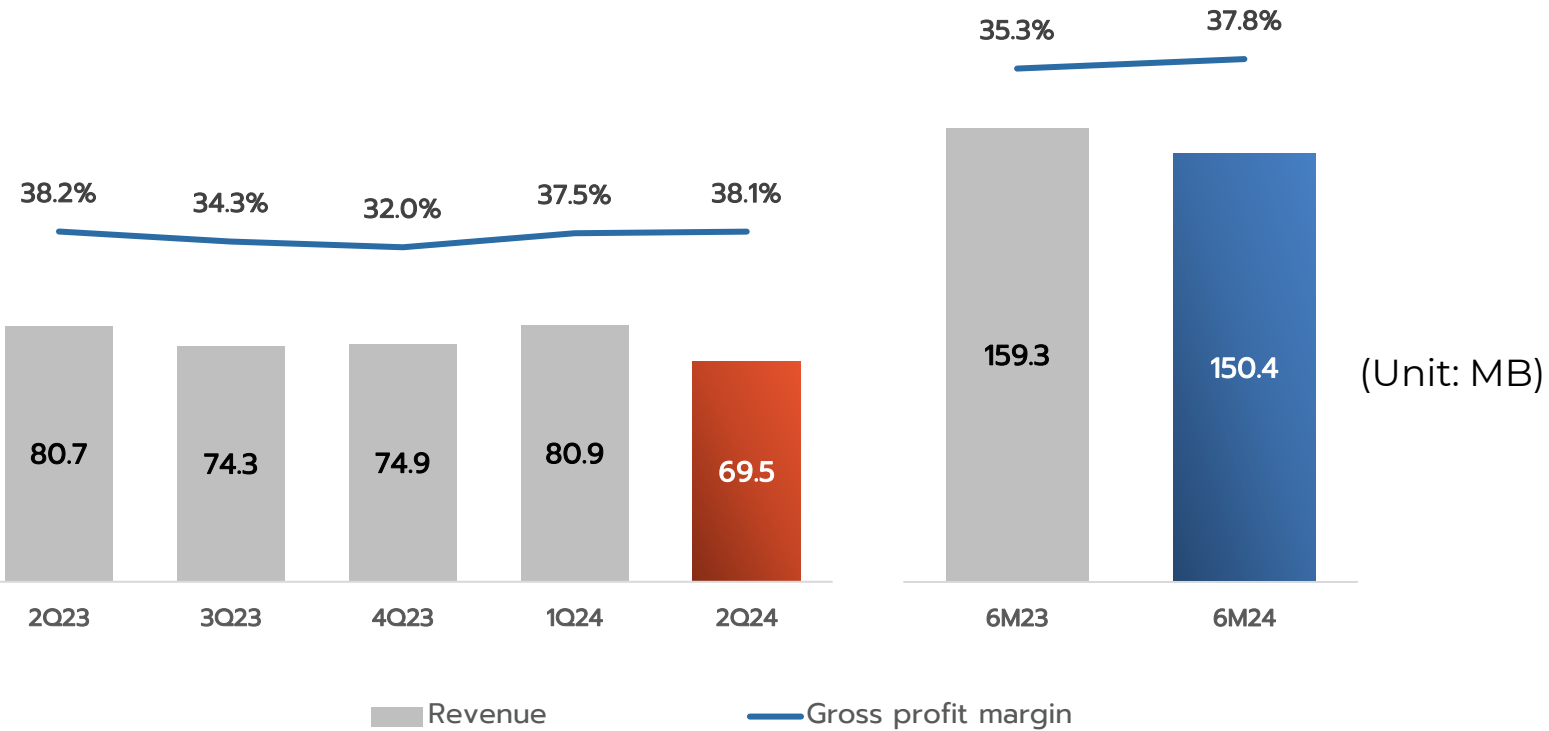
Electricity sales (MWh)



Outages (days)



Remark: UPT had shutdown maintenance between May – June 2024.



Financial Performance



Revenue from sales and services

2Q24

Revenue from sales and services increased 7.1% YoY.

- Revenue from sales increased 3.8% YoY, mainly from Winchai recognition of 100% revenue.
- Revenues from services increased 441.3% YoY, driven by growth of EPC and flexible packaging business.

6M24

Increased 7.6% YoY mainly from Winchai recognition of 100% revenue and growth of EPC and flexible packaging business.

(Unit: MB)	2Q23	1Q24	2Q24	QoQ	YoY	6M23	6M24	YoY
Solar	551.6	431.5	476.6	10.4%	(13.6%)	1,025.0	908.1	(11.4%)
Wind	99.4	255.8	214.3	(16.2%)	115.7%	281.4	470.1	67.1%
Biomass	80.7	80.9	69.5	(14.1%)	(13.9%)	159.3	150.4	(5.6%)
Rooftop	24.8	25.0	25.1	0.4%	1.4%	49.0	50.2	2.4%
Revenue from sales	756.5	793.2	785.5	(1.0%)	3.8%	1,514.6	1,578.7	4.2%
Revenue from services and other products	5.7	29.8	30.6	2.5%	441.3%	8.8	60.4	587.6%
Total	762.1	823.1	816.1	(0.8%)	7.1%	1,523.4	1,639.2	7.6%



Consolidated Financial Statement (unit: MB)	2Q23	1Q24	2Q24	QoQ	YoY	6M23	6M24	YoY
Total Revenues	783.3	874.6	835.3	(4.5%)	6.6%	1,560.4	1,709.9	9.6%
Revenue from sales and services	762.1	823.1	816.1	(0.8%)	7.1%	1,523.4	1,639.2	7.6%
Gross Profit	446.9	466.7	406.9	(12.8%)	(9.0%)	896.0	873.5	(2.5%)
SG&A	(65.5)	(130.5)	(84.9)	35.0%	(29.6%)	(162.1)	(215.4)	(32.9%)
Share of Profit (loss) from investment in associates	18.0	22.6	0.0	(100.0%)	(100.0%)	77.7	22.6	(70.9%)
Financial Cost	(161.2)	(167.3)	(214.6)	(28.3%)	(33.2%)	(320.9)	(381.9)	(19.0%)
Tax	(31.8)	(16.7)	(22.8)	(36.1%)	28.3%	(50.7)	(39.5)	22.0%
Net Profit (to SSP's Shareholders)	228.1	204.2	122.7	(39.9%)	(46.2%)	467.7	326.9	(30.1%)
Core Operating Profit	225.4	253.3	127.7	(49.6%)	(43.3%)	475.3	381.1	(19.8%)
EBITDA	603.5	587.7	615.9	4.8%	2.0%	1,257.9	1,203.6	(4.3%)
Core operating EBITDA	605.5	643.6	616.8	(4.2%)	1.9%	1,266.4	1,260.4	(0.5%)
Net Profit Margin (to SSP) (%)	29.1%	23.3%	14.7%			30.0%	19.1%	
Core Operating Profit Margin (%)	29.6%	30.8%	15.7%			31.2%	23.2%	
EBITDA margin (%)	77.0%	67.2%	73.7%			80.6%	70.4%	
Core operating EBITDA margin (%)	79.4%	78.2%	75.6%			83.1%	76.9%	

Key drivers

- Winchai consolidated 100% since 11 March 2024
- SPN repowering plan aims to increase efficiency
- Growth on Solar Rooftop and EPC services in 2H24
- Interest rate trend to be lower than previous year
- Benefits from multiple green financial tools to create lower costs of funding

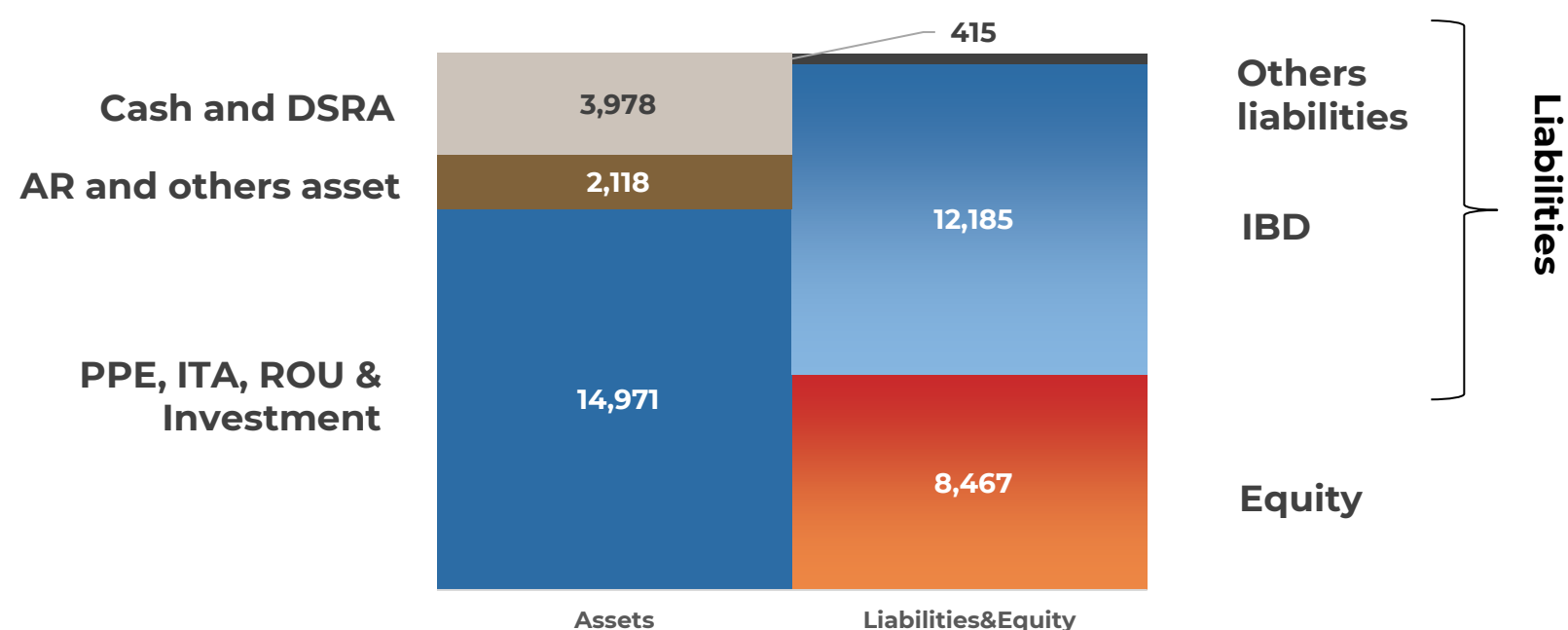
Challenges

- Unpredictable climate situations pressure renewable power production
- FT rate decrease YoY
- FX rate fluctuations due to uncertainty of the global financial situation
- High leverage levels from new investment to expand business portfolio

Balance Sheet

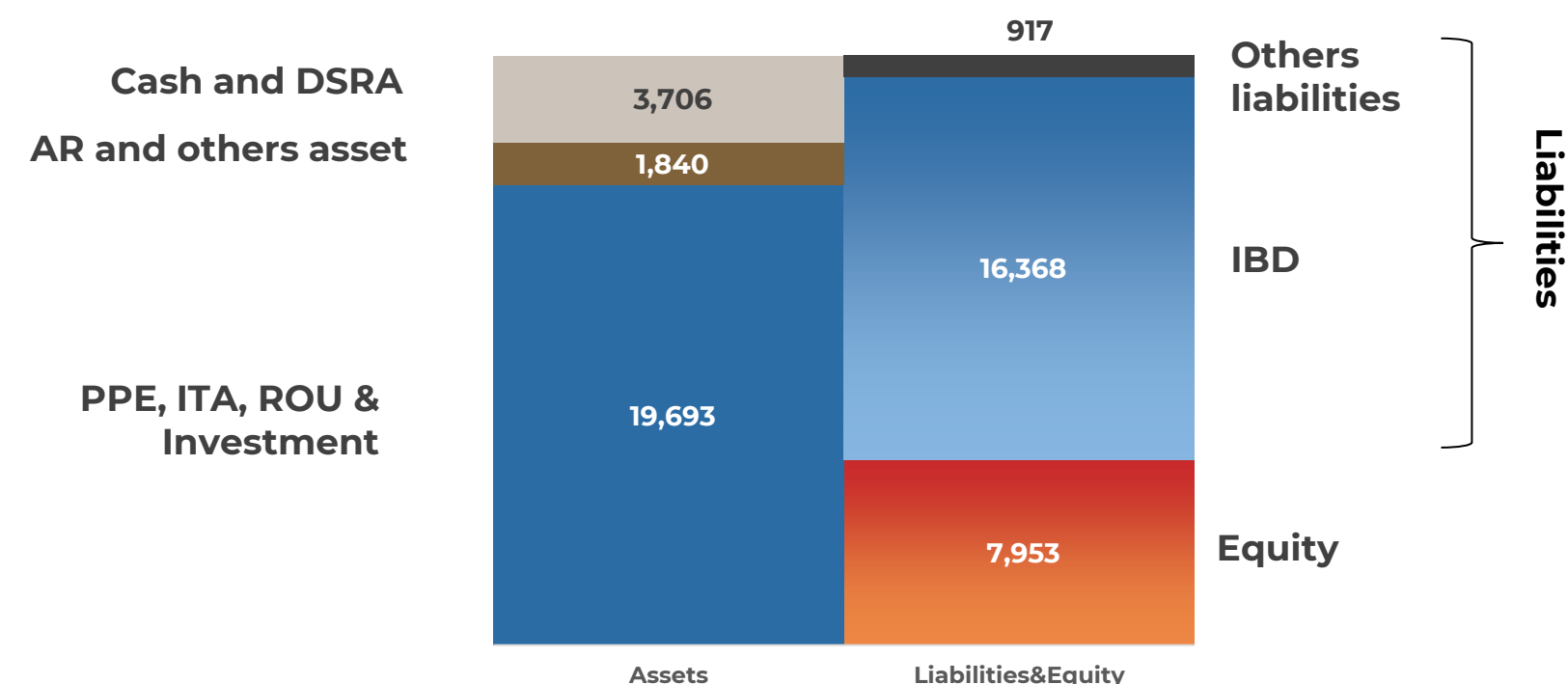
31 Dec 23

Total asset 21,067 MB

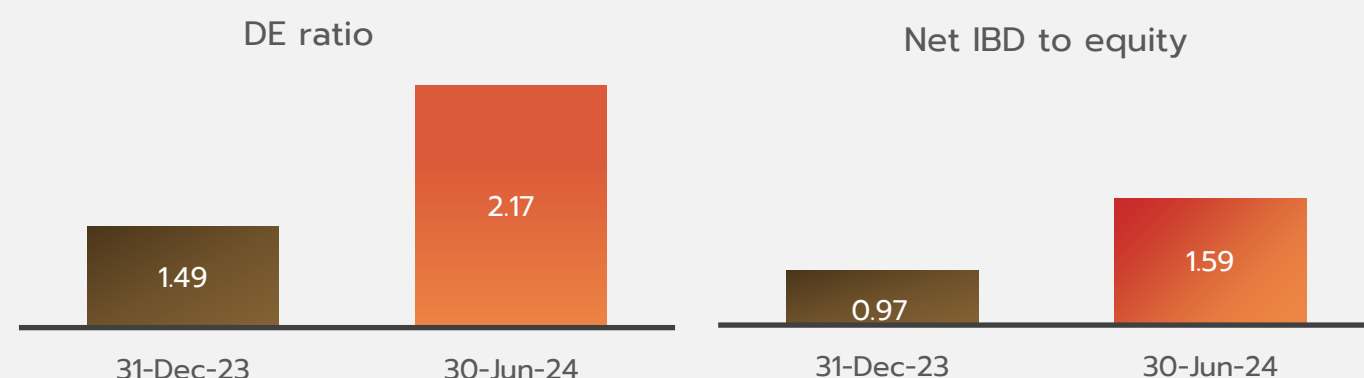


30 Jun 24

Total asset 25,238 MB



Leverage ratio



Impact of Balance Sheet ending 30 Jun 24

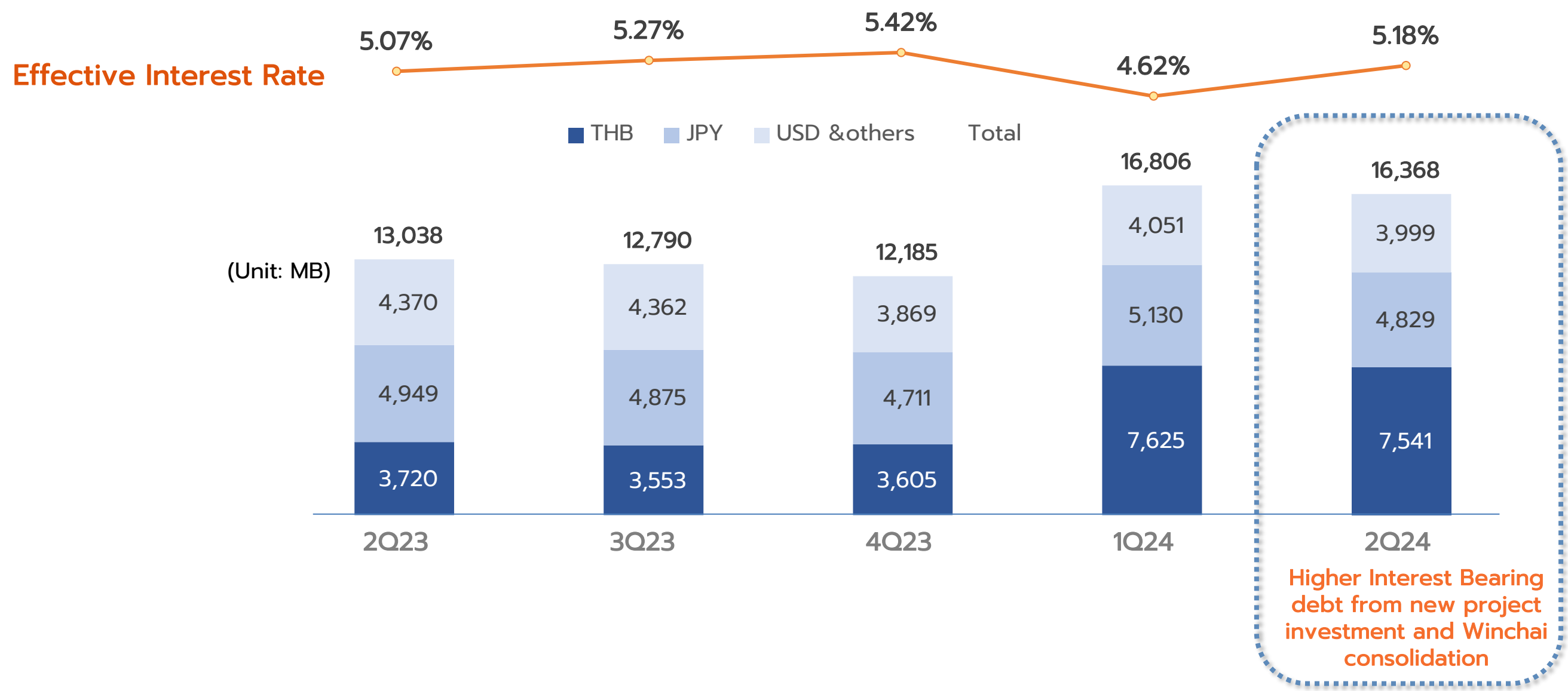
- I. Share Repurchase from Nov 2023 to May 2024 = 716.1 MB
- II. Winchai consolidation since 11 Mar 2024
 - Total Liabilities = 2,191 MB
 - Total Assets = 3,535 MB
 - Cash & DSRA = 637 MB
 - PPE, ITA, investment = 2,661 MB
- III. Dividend payment 128.6 MB on May 2024

SSP Financial Policy & Structure

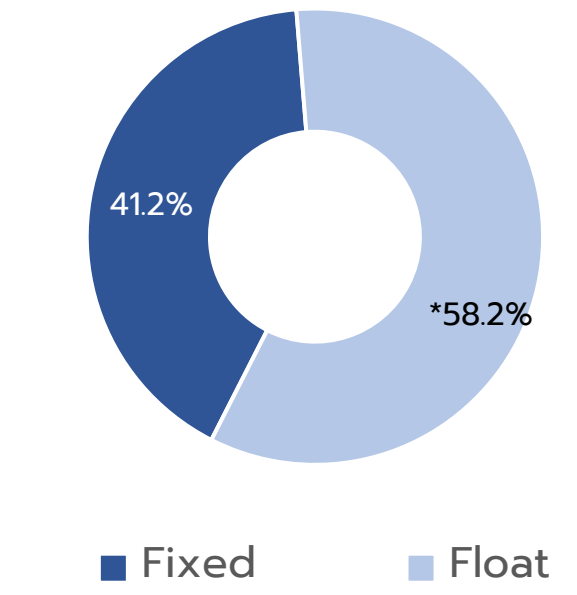
1 50% Fixed Rate : 50% Float Rate

2 Leverage Ratio < 2.75

3 Matching Asset & Liability to manage FX risk











Debt proportion 2Q24




*Winchai Loan 12% with floating rate with cap. Not exceed 2.75%



Country	Project	Capacity (MW)	MWh (Y2023)	Status	PPA remaining	I-REC
Thailand 	 SPN	52.0	82,400	Contract 1-year	15	In process
	 WVO	5.0	7,400	"	18	Registered
	 UPT	9.9	66,600	"	14	In process
	 Winchai	45.0	138,500	"	14	Registered
Vietnam 	 TTQN	49.6	63,900	N/A	14	In process
	 TTTV	48.0	176,400		16	In process



Country	Project	Capacity (MW)	MWh (2023)	Status	PPA remaining	T-VER
Thailand 	 SPN	52.0	82,400	N/A	15	In process
	 WVO	5.0	7,400	Issued	18	Registered
	 UPT	9.9	66,600	Issued	14	Registered
	 Winchai	45.0	138,500	N/A	14	Registered

Remark: As of 1 Aug 2024



Project Update



Leo2 : 16.4 MW

Project 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	:	22.0/16.4 MW
Target SCOD date	:	4Q25
Purchase Price	:	Under FiT Scheme of JPY 36/KWh
Purchase Term	:	16 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	:	PPA in progress
EPC agreement	:	Done
Financial close	:	Done
Site preparation (%)	:	40%
Transmission Line Construction	:	4Q24
Generating Facilities Construction	:	4Q25
Commercial Operation	:	4Q25

Xuejia 1 : 18.46 MW

Project Details

Business Type	:	Fishery solar power plant
Investment Type	:	N/A
Investment Percentage	:	100.0%
Location	:	Tainan, Taiwan
Installed/PPA MW	:	18.46 MW
Target SCOD date	:	1Q26
Purchase Price [TPC]	:	4.2266 TWD/kWh
Purchase Price [CPPA]	:	~4.8 - 6.0 TWD/kWh
Purchase Term	:	20 years
Tax Incentive	:	N/A

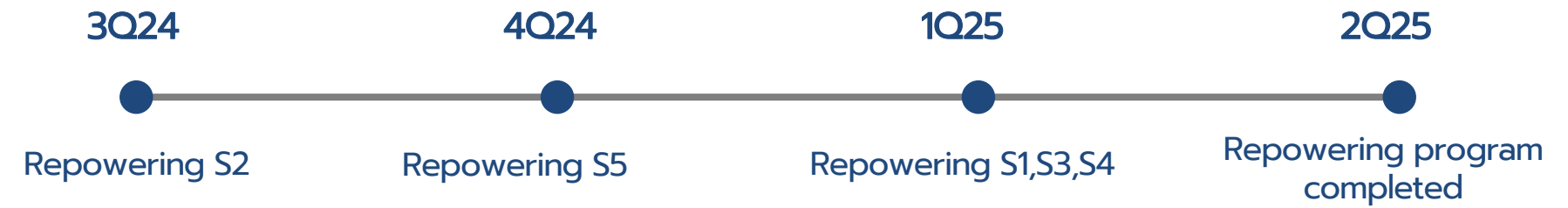
Project progress

Approvals related	:	PPA in progress
EPC agreement	:	3Q24
Financial close	:	1Q25
Site preparation (%)	:	4Q24
Transmission Line Construction	:	4Q25
Generating Facilities Construction	:	3Q25
Commercial Operation	:	1Q26

SPN Repowering to increase production efficiency

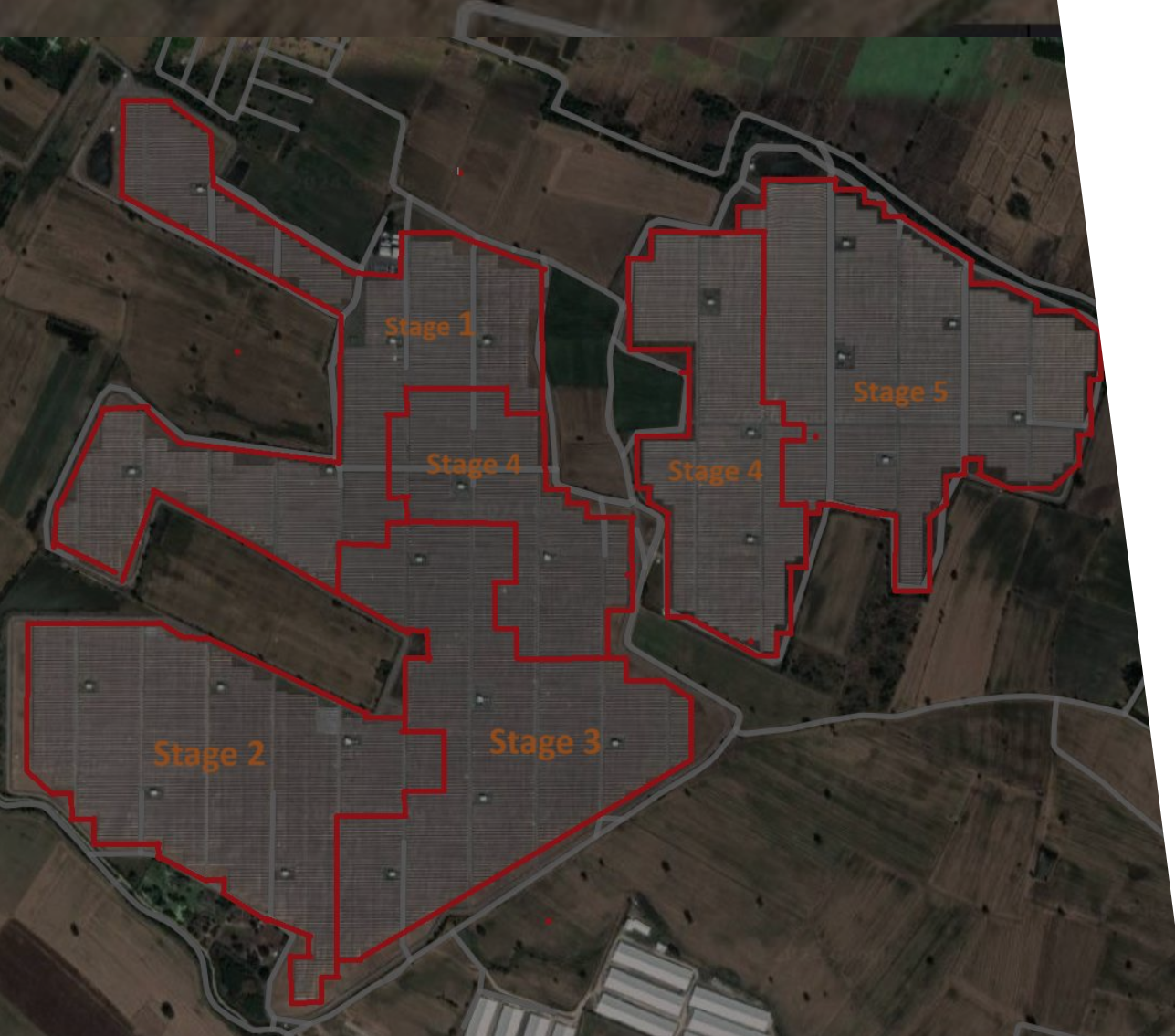


SPN Repowering timeline



Installed capacity 52 MW

Target to enhance production efficiency 15-20%



Municipal Waste to Energy : 19.8 MW



Project Details	
Business Type	: Municipal Waste to Energy
Investment Type	: Project Financing
Investment Percentage	: 51.0% - 80.0%
Location	: Nakhon Ratchasima, Surat Thani
Installed/PPA MW	: 9.9/8.0 MW 9.9/8.91 MW
Target SCOD date	: 4Q26
Purchase Price	: FIT structure for WTE projects to be announced in 2022 FiTF + FiTV + FiTPremium = 2.39 + 2.69 + 0.70 = 5.76 THB/kWh
Purchase Term	: 20 years
Tax Incentive	: <u>BOI (8 years corporate income tax exemption)</u>

Project progress	
Approvals related	: PPA signed
EPC agreement	: Within Sep 2024
Financial close	: Within Nov 2024
Site preparation (%)	: 3Q24
Transmission Line Construction	: 1Q26 (Only inside project Area)
Generating Facilities Construction	: 4Q26
Commercial Operation	: 4Q26



Thailand : 170.5 MW



Solar Farm 154.5 MW

Land secured 100%
PPA Signed



Wind Farm 16.0 MW

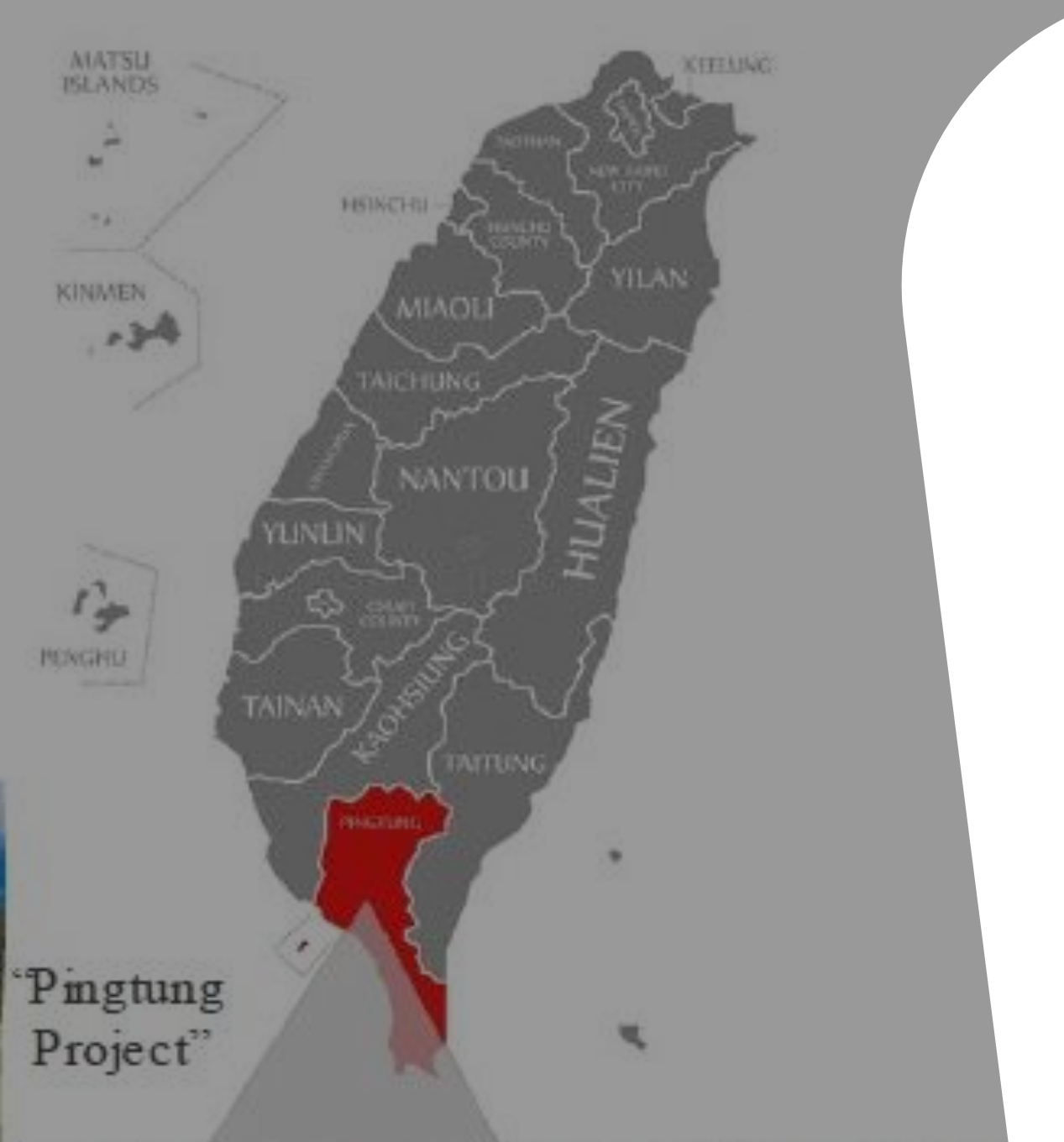
Land secured 100%
PPA in progress

Project	COD	MW	CAPEX (MB)
NKH	1Q27	28.0	900
SKN		64.0	2,000
RCB1	1Q28	42.5	1,400
BETTEN	1Q30	20.0	600
		154.5	4,900

Project	COD	MW	CAPEX (MB)
VLSK	1Q30	16.0	1,300
		16.0	1,300



Pintung : 38.0 MW



Project Details

Business Type	:	Onshore wind farm
Investment Type	:	N/A
Investment Percentage	:	100.0%
Location	:	Pingtung Taiwan
Installed/PPA MW	:	38.0 MW
Target SCOD date	:	4Q28
Purchase Price [TPC]	:	2.1 TWD/kWh
Purchase Price [CPPA]	:	~4.5 - 4.9 TWD/kWh
Purchase Term	:	20 years
Tax Incentive	:	N/A

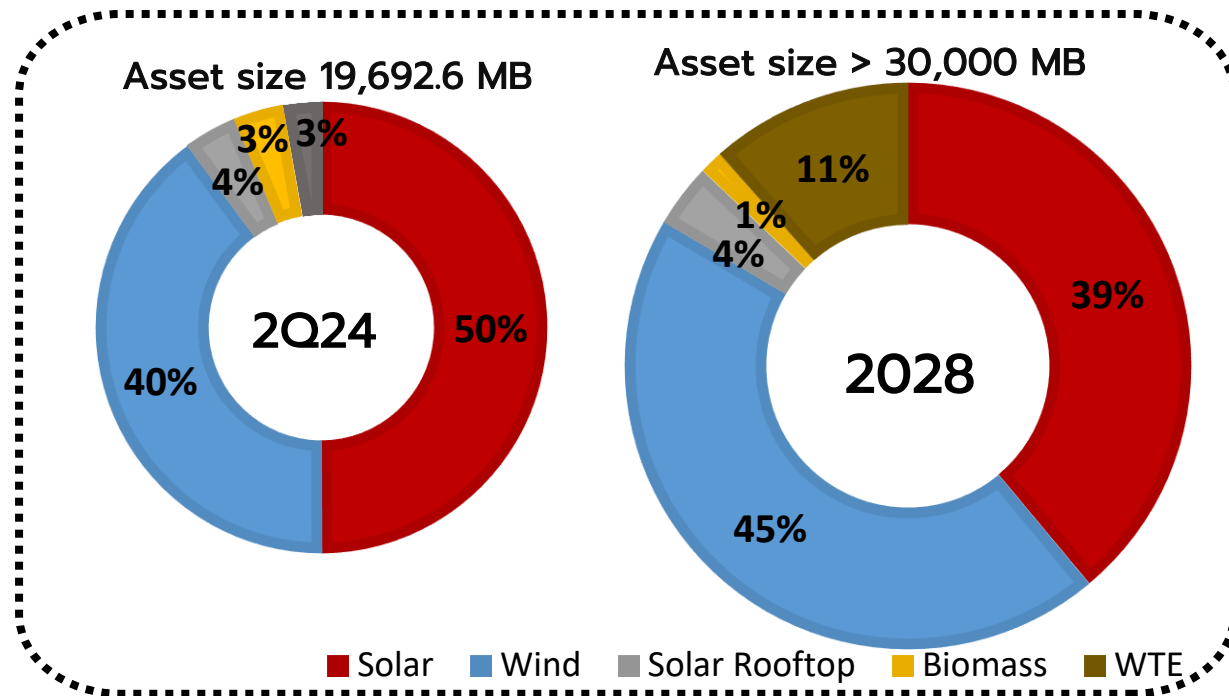
Project progress

Approvals related	:	PPA in progress
EPC agreement	:	3Q25
Financial close	:	4Q26
Site preparation (%)	:	1Q27
Transmission Line Construction	:	3Q27
Generating Facilities Construction	:	3Q27
Commercial Operation	:	4Q28

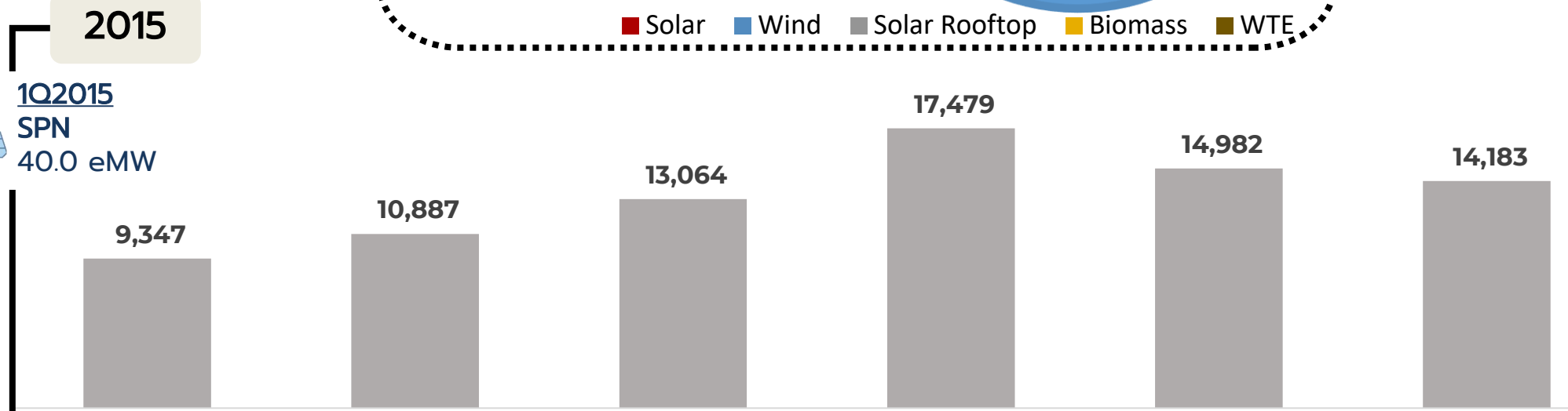
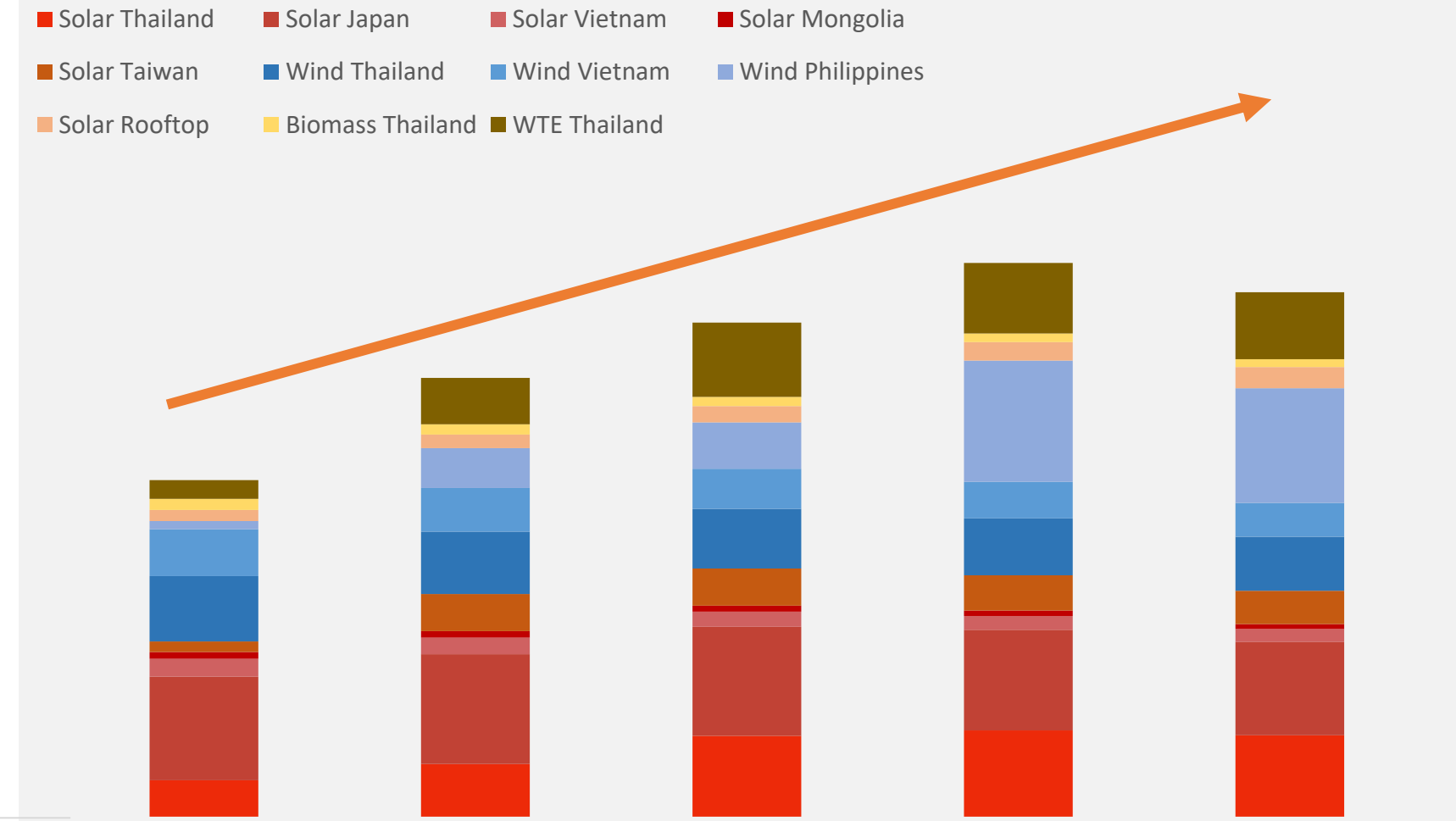
Well-diversified portfolio of Green energy assets



Asset proportion by sources



5 Years Target Asset size > 30,000 MB and eMW > 600



Year	Quarter	Project Name	eMW
2018	1Q2018	Hidaka	14.8
	1Q2018	Solar Rooftop	
	3Q2018	Zouen	6.0
	4Q2018	WVO	5.0
2019	2Q2019	TTQN	40.0
	3Q2019	Mongolia	11.3
2020	2Q2020	Yamaga	27.0
	4Q2019	Indonesia	
2021	3Q2021	Acquisition UPT	7.9
	3Q2021	Leo 1	20
2022	1Q2022	Winchai 25%	11.3
	Jun 2022	Divestment of Hidaka	
2021	4Q2021	TTTV	38.4

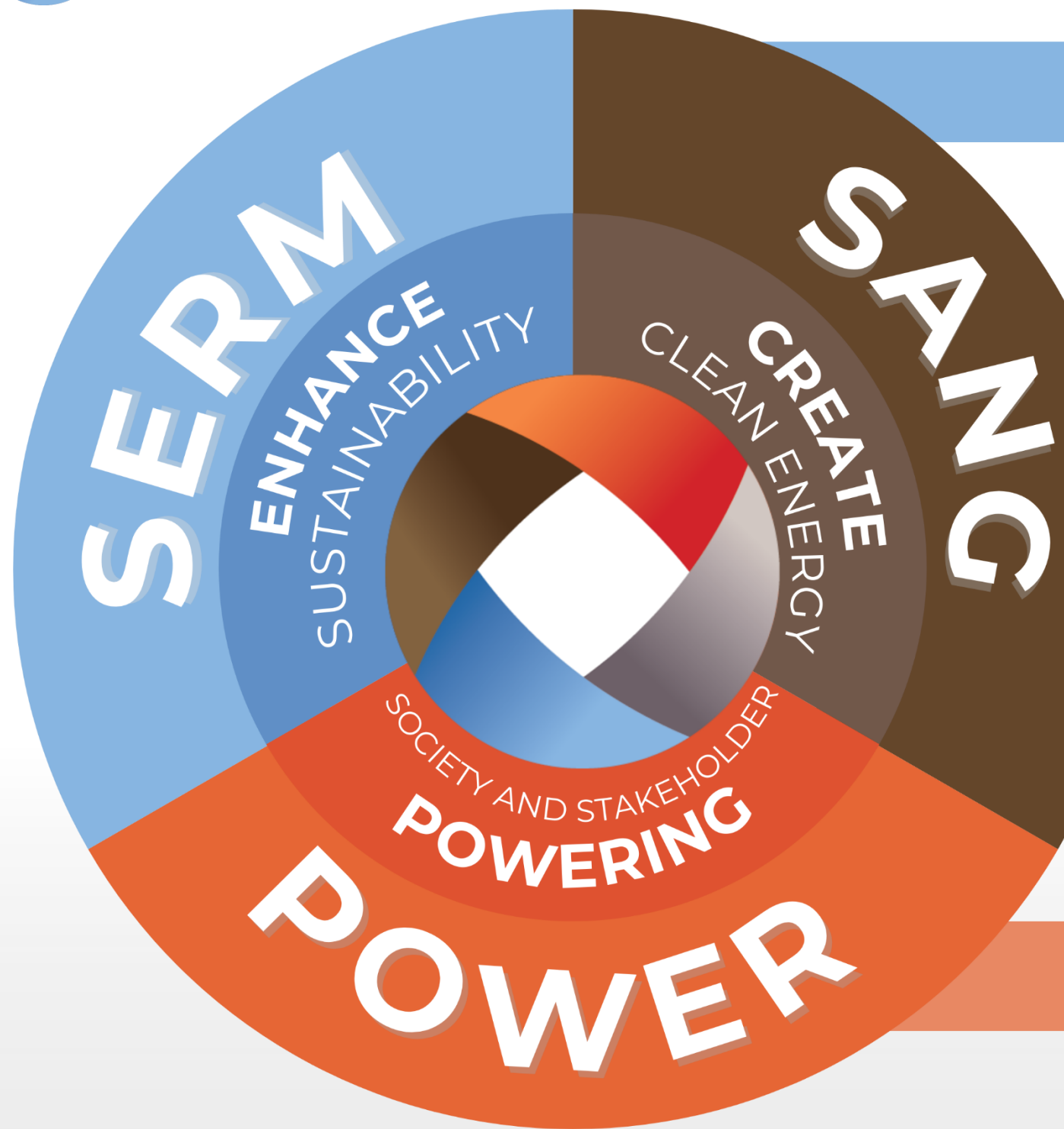
Remarks: Solar Farm, Solar Rooftop, Wind Farm, Biomass, West to Energy

Year	Quarter	Project Name	eMW
2024	1Q2024	Winchai 75%	33.8
	4Q2025	Japan	16.4
2026	1Q2026	Taiwan	18.5
	4Q2026	WTE 1 & 2 Thailand	8.9
2027	1Q2027	Thailand	92
	2Q2027	Taiwan 2	18.0
2028	1Q2028	Thailand	42.5
	3Q2028	Taiwan	38.0

Philippines 150 eMW
*BoD approved Feasibility Study

Sustainability





Enhance economic stability

Target

- Reduce the use of water and electricity resources by 10% by 2027
- Expand business in at least one new country by 2030
- Strive to achieve NET ZERO by 2050.



Guidelines

- Expand business both domestically and internationally
- Create innovation to improve work efficiency
- Increase the green area around the power plant every year

Enhance environmental sustainability

Create opportunity to access energy

Target

- Increase clean energy electricity production capacity over 30% by 2030



Guidelines

- Build a power plant that produces clean energy
- Comply with rules, regulations and operational standards in both social and environmental aspects
- Support and promote innovation in the organization

Promote operations in accordance with the principles of corporate governance

Target

- Complaints regarding human rights violations, violations of the code of ethics = 0 every year
- Fraud and corruption complaints = 0 every year
- Number of accidents occurring in the organization = 0 every year
- Evaluate 100% of Critical Tier 1 suppliers by 2024
- Employee satisfaction not less than 80%
- Customer satisfaction not less than 90% by 2027.



Guidelines

- Promote business ethics together with stakeholders
- Create a working system in compliance with safety standards
- Support human rights
- Strengthen communication to create perception, awareness, and understanding of the importance of clean energy

Join force with stakeholders to grow sustainably



Thank you

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POWERING
A BETTER FUTURE
WITH RENEWABLE ENERGY IN ASIA

