

# 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.



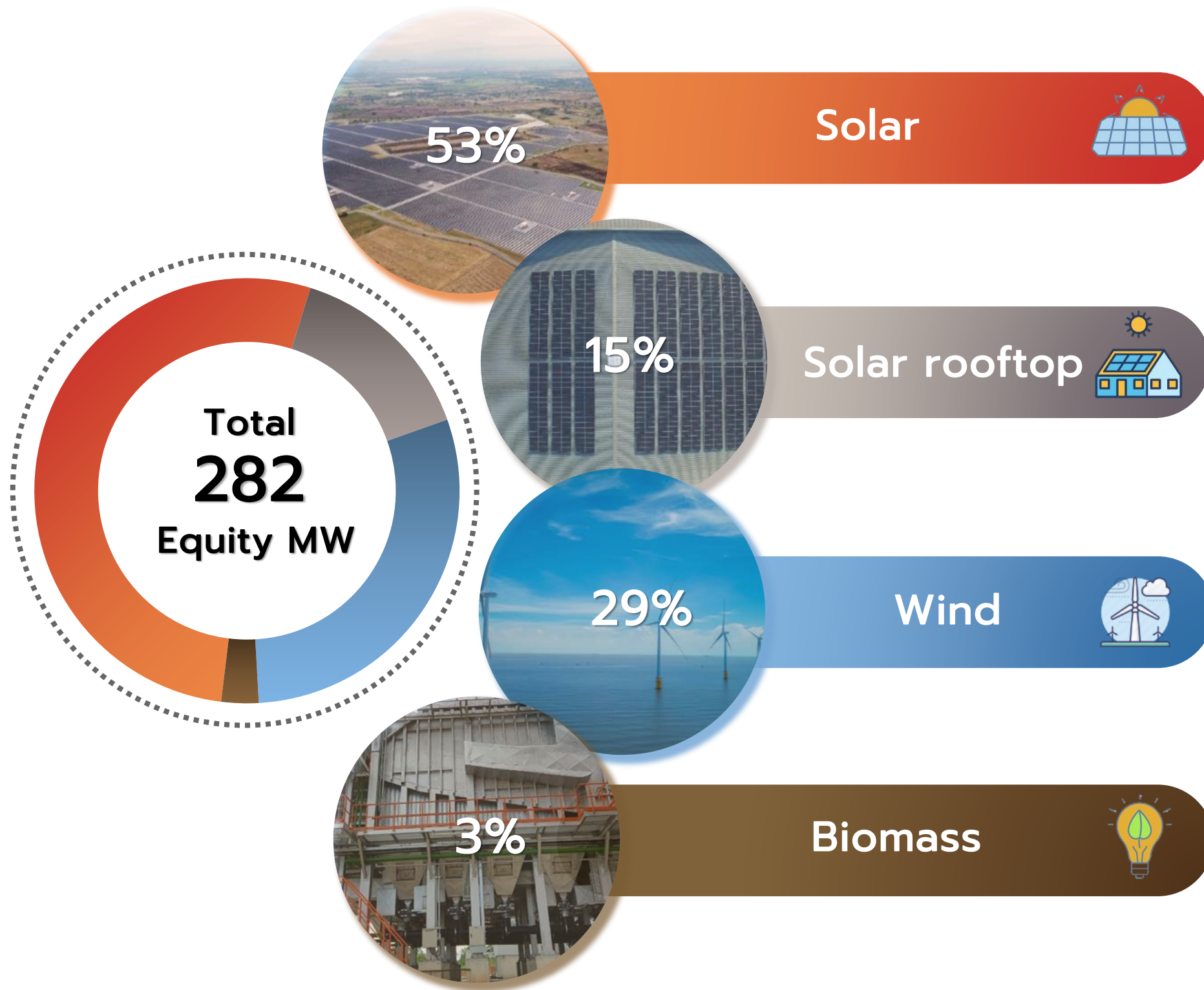
**Revenue from sales and services** was **1,639.2 MB**, growing 7.6% YoY, driven by Winchai project fully consolidated sales revenue. However, the sales revenue was pressured by SPN project availability factor, lower FT rate and JPY YoY.











**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

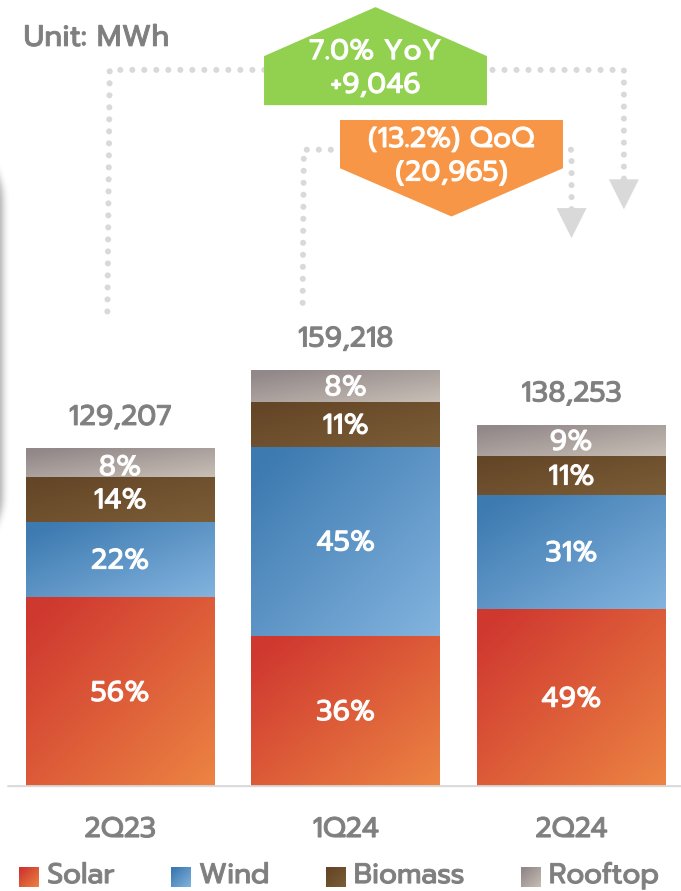
# SSP Power Production (2Q24)

**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%)
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%)
<b>Total Solar</b>	<b>72,449</b>	<b>57,815</b>	<b>67,995</b>	<b>17.6%</b>	<b>(6.1%)</b>
TTTV	28,861	67,306	21,212	(68.5%)	(26.5%)
<b>Total Wind</b>	<b>28,861</b>	<b>67,306</b>	<b>21,212</b>	<b>(68.5%)</b>	<b>(26.5%)</b>
UPT	17,373	17,382	14,927	(14.1%)	(14.1%)
<b>Total Biomass</b>	<b>17,373</b>	<b>17,382</b>	<b>14,927</b>	<b>(14.1%)</b>	<b>(14.1%)</b>
Rooftop TH	2,843	2,639	2,899	9.9%	2.0%
Rooftop ID	7,681	9,299	8,835	(5.0%)	15.0%
<b>Total Rooftop</b>	<b>10,524</b>	<b>11,938</b>	<b>11,734</b>	<b>(1.7%)</b>	<b>11.5%</b>
<b>Sub Total</b>	<b>129,207</b>	<b>154,441</b>	<b>115,868</b>	<b>(25.0%)</b>	<b>(10.3%)</b>
Winchai	-	4,777	22,385	368.6%	N/A
<b>Total</b>	<b>129,207</b>	<b>159,218</b>	<b>138,253</b>	<b>(13.2%)</b>	<b>7.0%</b>

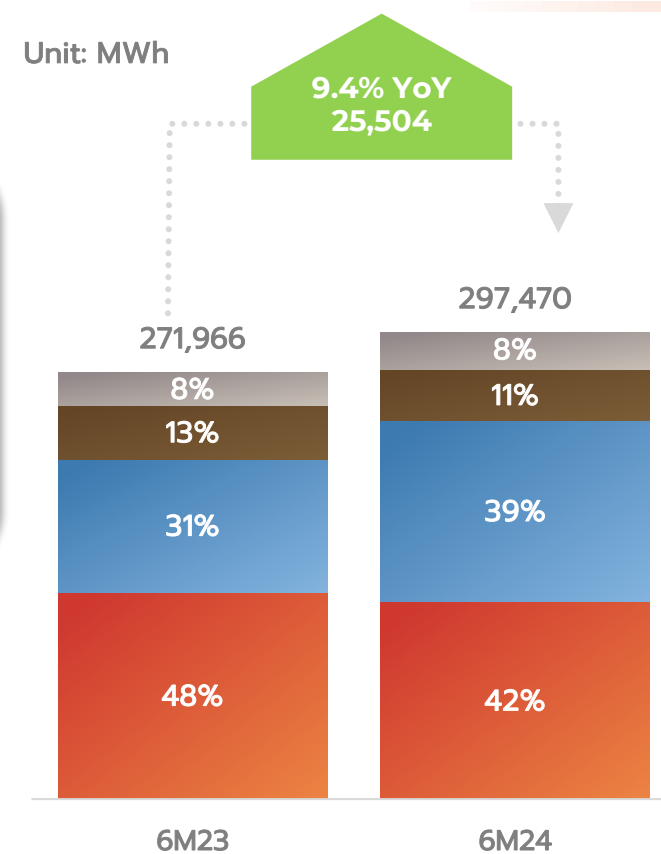
Remark: Winchai output 2Q23 = 23,258 MWh, 1Q24 = 33,989 MWh



# 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%)
<b>Total Solar</b>	<b>131,863</b>	<b>125,809</b>	<b>(4.6%)</b>
TTTV	84,818	88,518	4.4%
<b>Total Wind</b>	<b>84,818</b>	<b>88,518</b>	<b>4.4%</b>
UPT	34,335	32,309	(5.9%)
<b>Total Biomass</b>	<b>34,335</b>	<b>32,309</b>	<b>(5.9%)</b>
Rooftop TH	5,416	5,538	2.2%
Rooftop ID	15,534	18,134	16.7%
<b>Total Rooftop</b>	<b>20,950</b>	<b>23,672</b>	<b>13.0%</b>
<b>Sub Total</b>	<b>271,966</b>	<b>270,308</b>	<b>(0.6%)</b>
Winchai	-	27,162	N/A
<b>Total</b>	<b>271,966</b>	<b>297,470</b>	<b>9.4%</b>

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

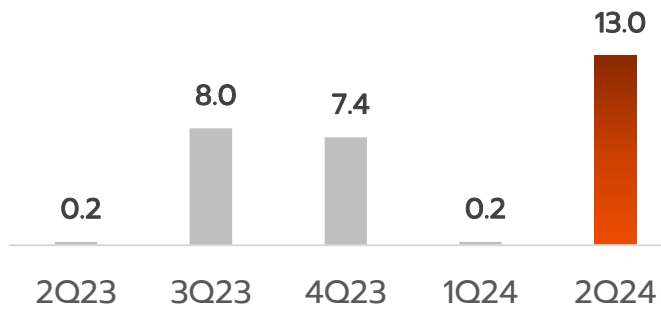
# UPT Performance



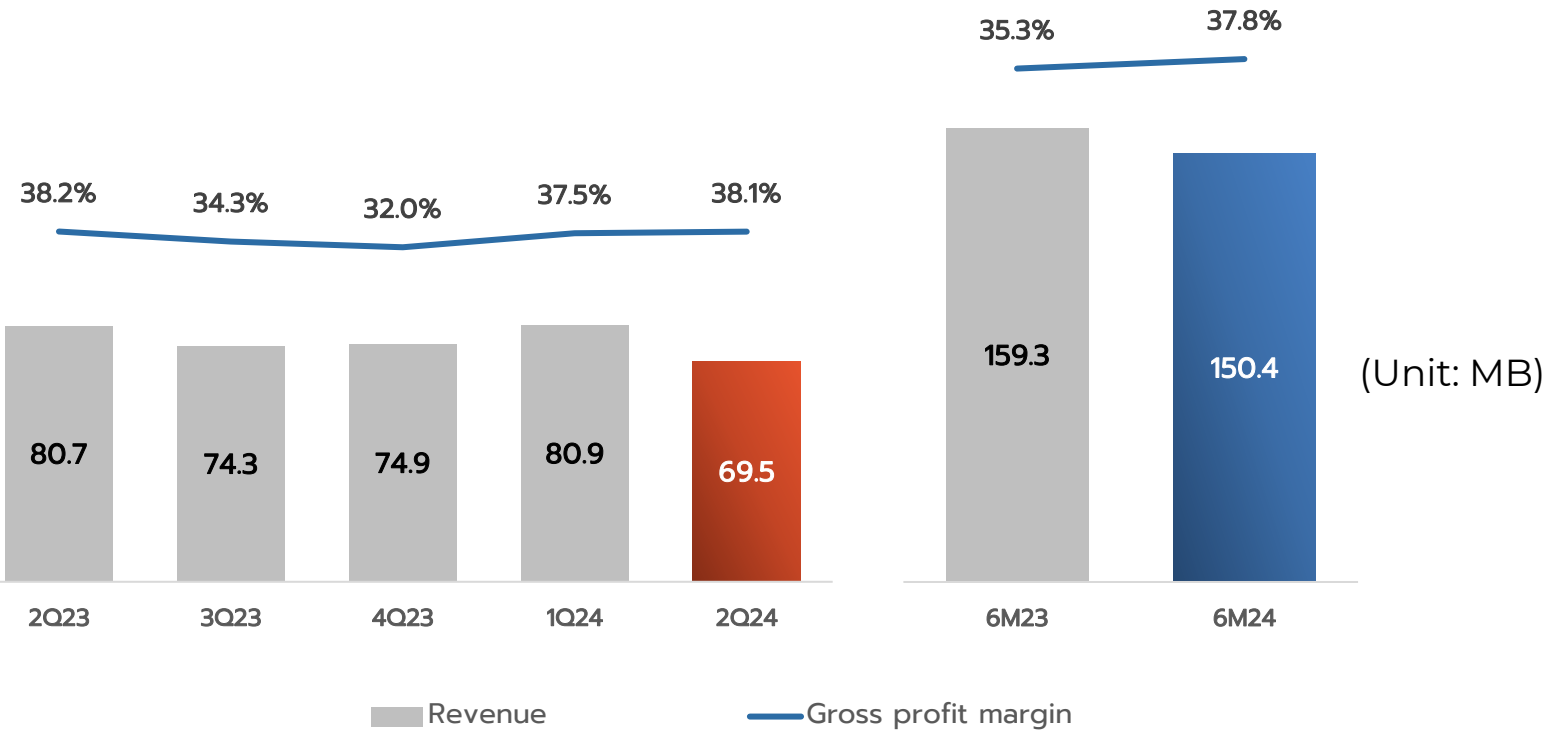
## Electricity sales (MWh)



## 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%)
<b>Core Operating Profit</b>	<b>225.4</b>	<b>253.3</b>	<b>127.7</b>	<b>(49.6%)</b>	<b>(43.3%)</b>	<b>475.3</b>	<b>381.1</b>	<b>(19.8%)</b>
EBITDA	603.5	587.7	615.9	4.8%	2.0%	1,257.9	1,203.6	(4.3%)
<b>Core operating EBITDA</b>	<b>605.5</b>	<b>643.6</b>	<b>616.8</b>	<b>(4.2%)</b>	<b>1.9%</b>	<b>1,266.4</b>	<b>1,260.4</b>	<b>(0.5%)</b>
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

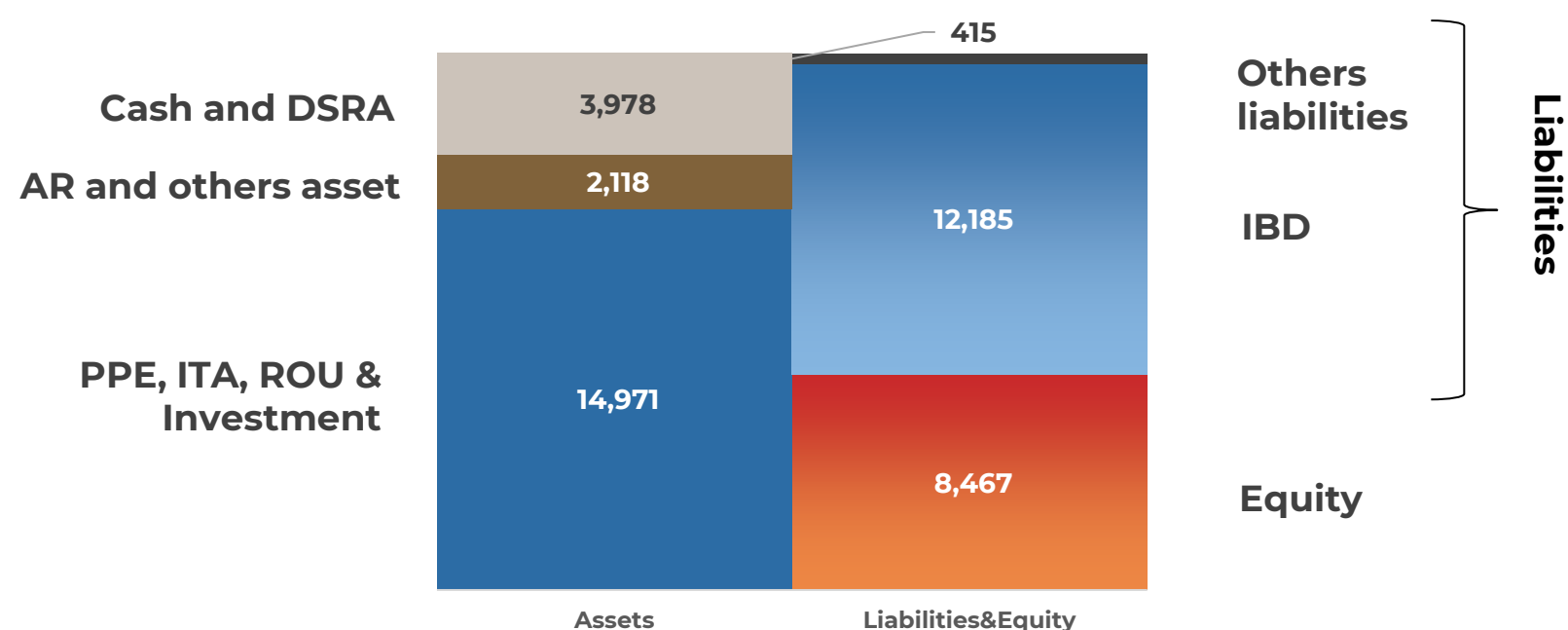
## Challenges

- 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

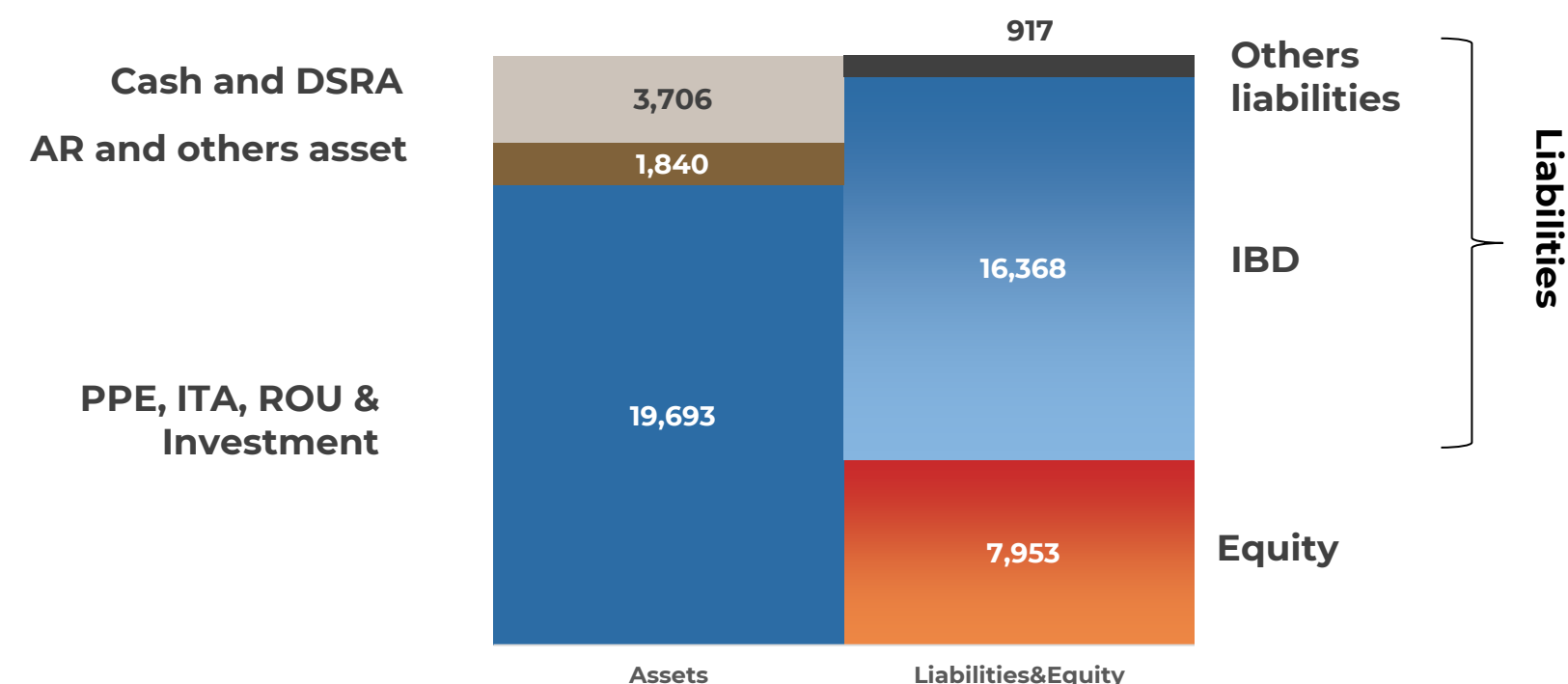
31 Dec 23

Total asset 21,067 MB

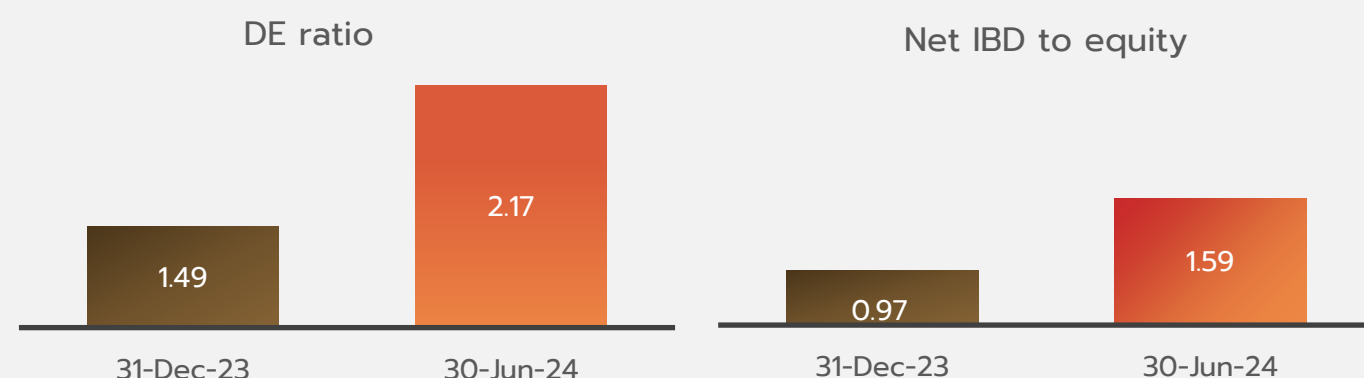


30 Jun 24

Total asset 25,238 MB



## Leverage ratio



## Impact of Balance Sheet ending 30 Jun 24

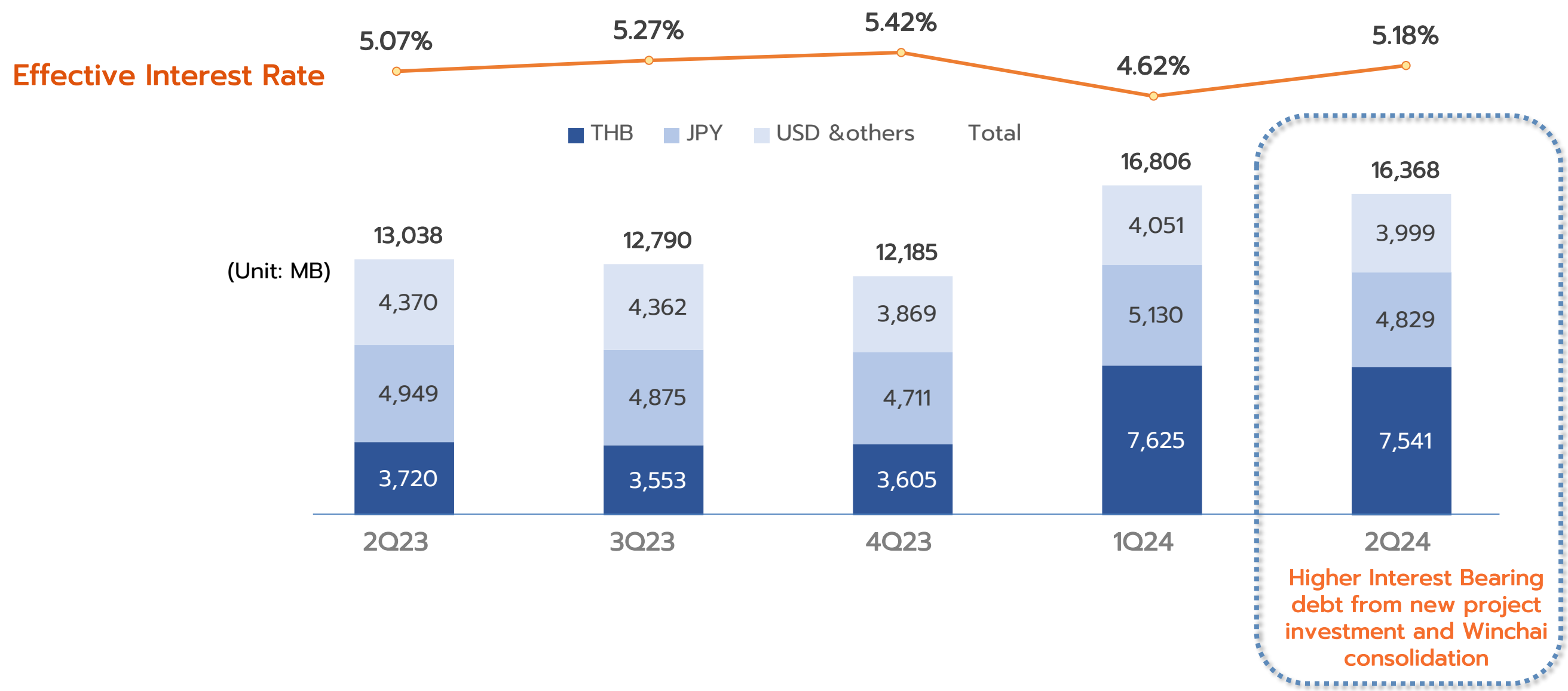
- I. Share Repurchase from Nov 2023 to May 2024 = 716.1 MB
- II. Winchai consolidation since 11 Mar 2024
  - Total Liabilities = 2,191 MB
  - Total Assets = 3,535 MB
    - Cash & DSRA = 637 MB
    - PPE, ITA, investment = 2,661 MB
- III. Dividend payment 128.6 MB on May 2024

# SSP Financial Policy & Structure

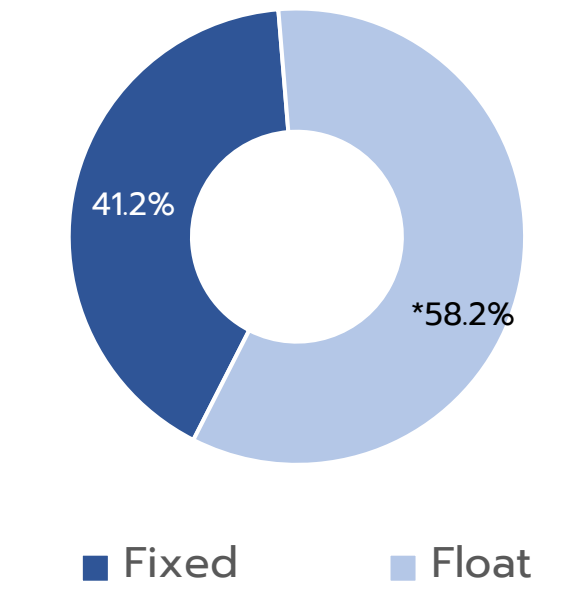
1 50% Fixed Rate : 50% Float Rate

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"><li>• TK distribution of GK Company to TK investor can be used as tax deductible expense at GK Company level</li></ul>

## 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

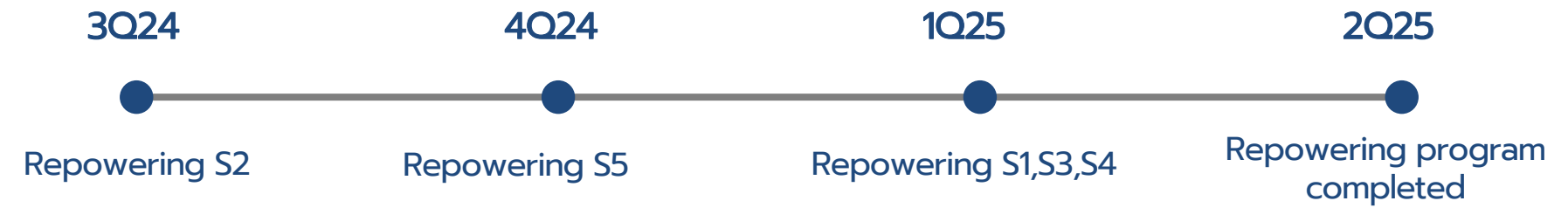
## Project progress

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

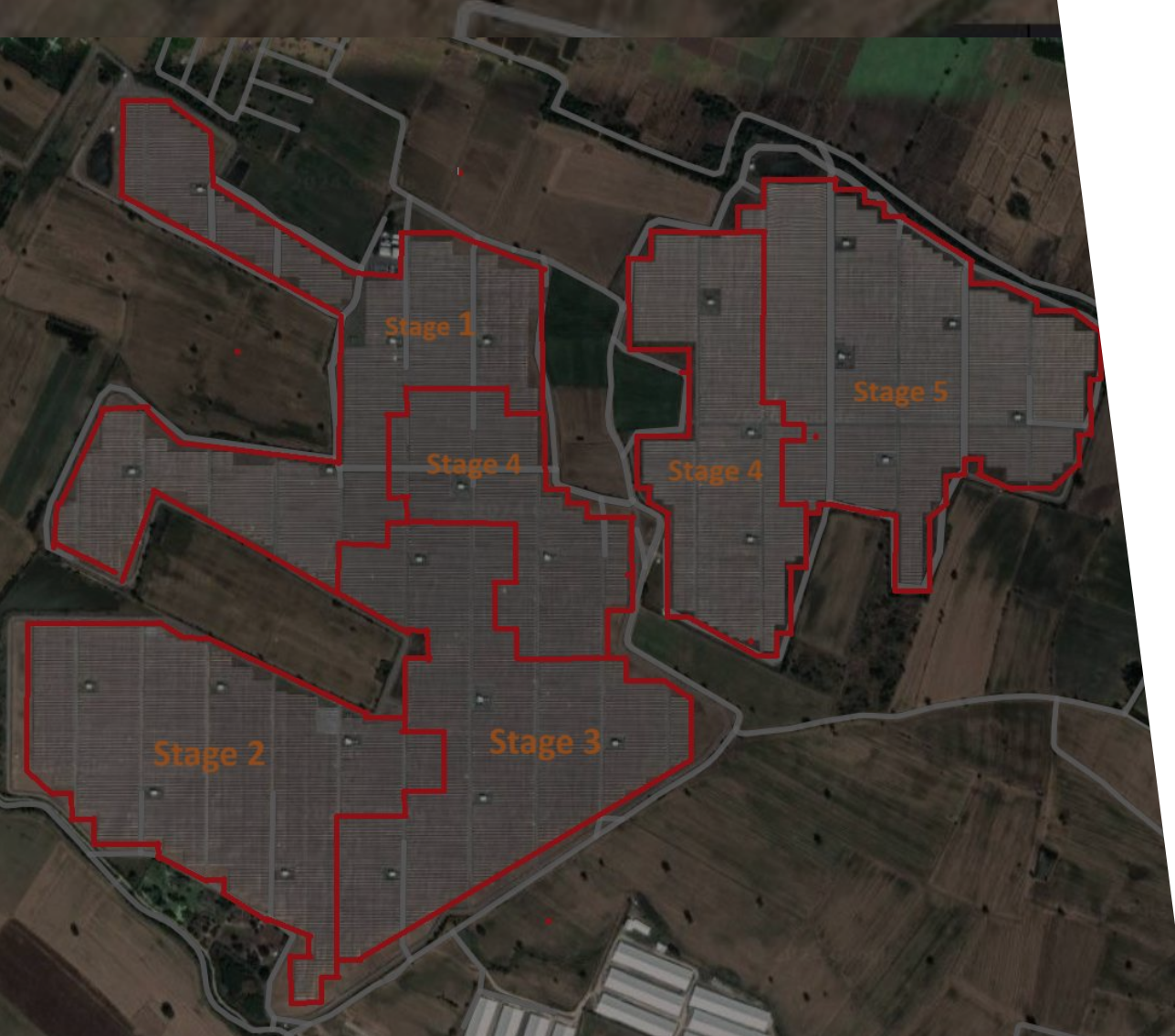


## SPN Repowering timeline



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
		<b>154.5</b>	<b>4,900</b>

Project	COD	MW	CAPEX (MB)
VLSK	1Q30	16.0	1,300
		<b>16.0</b>	<b>1,300</b>



# 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

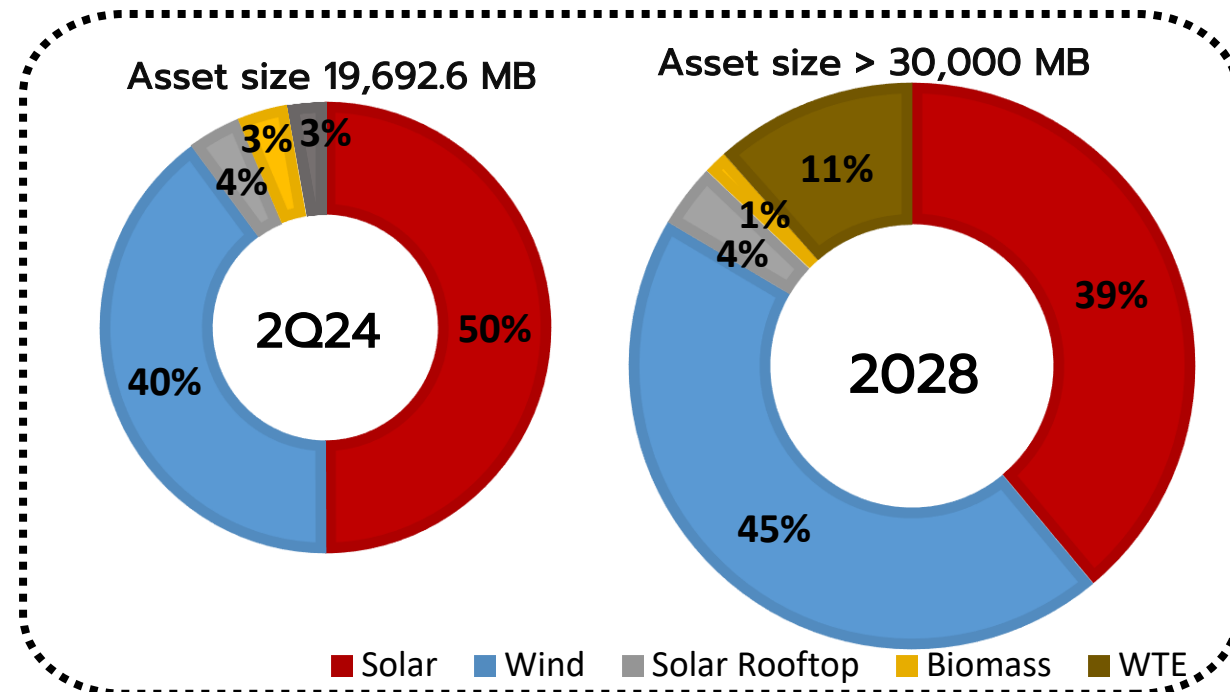
## Project progress

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

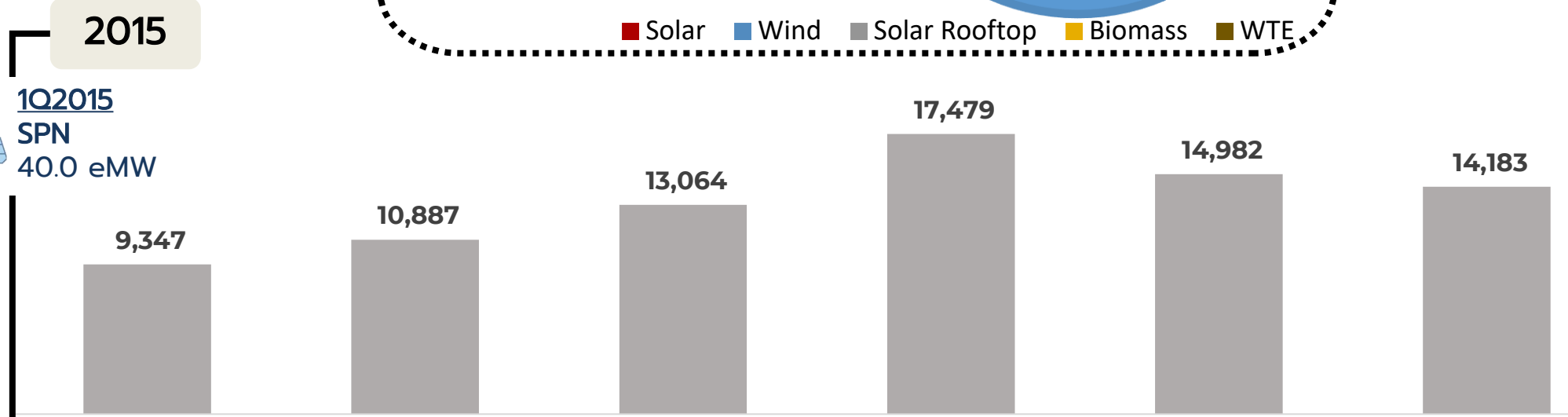
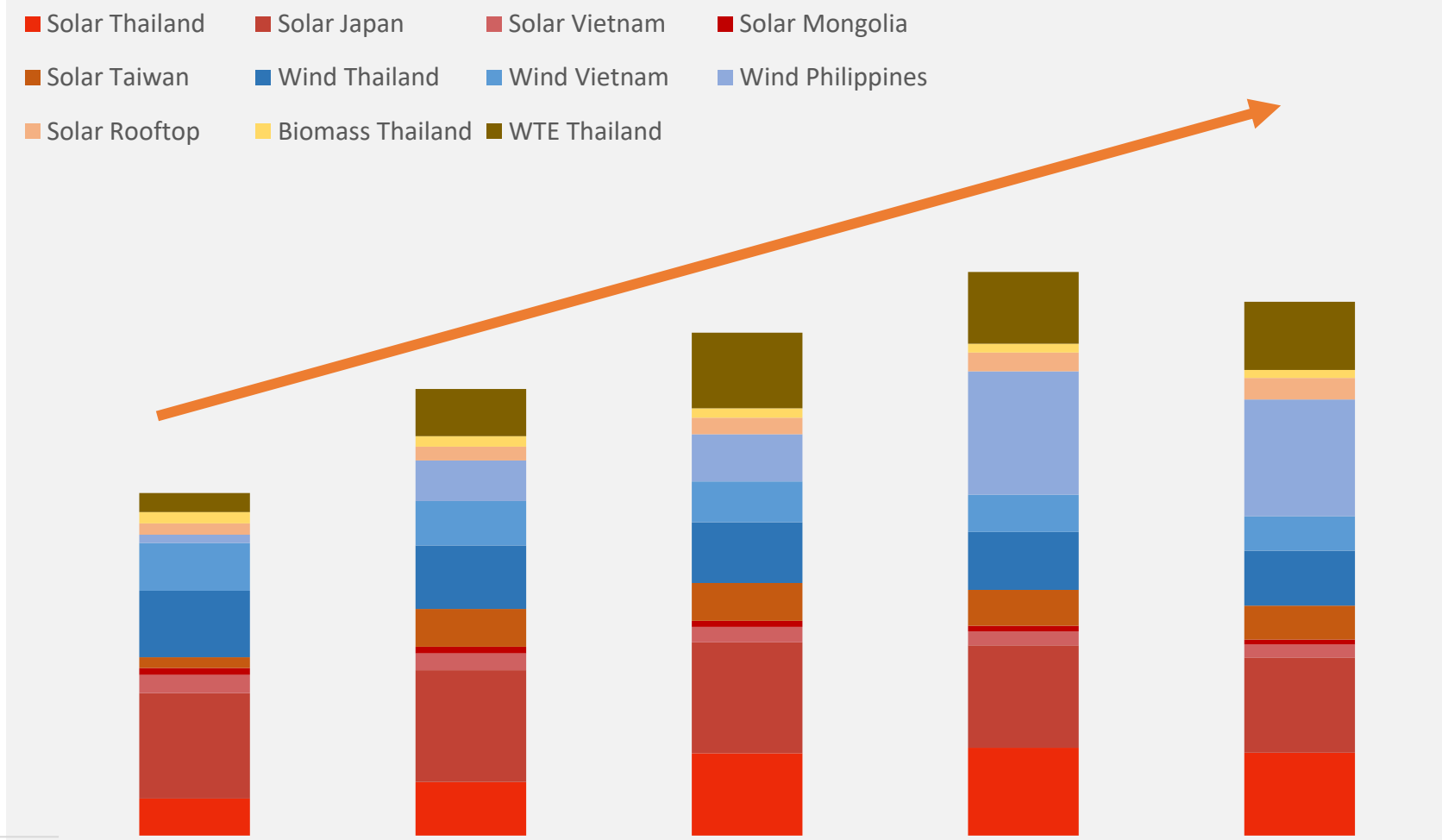
# Well-diversified portfolio of Green energy assets



## Asset proportion by sources



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



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

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

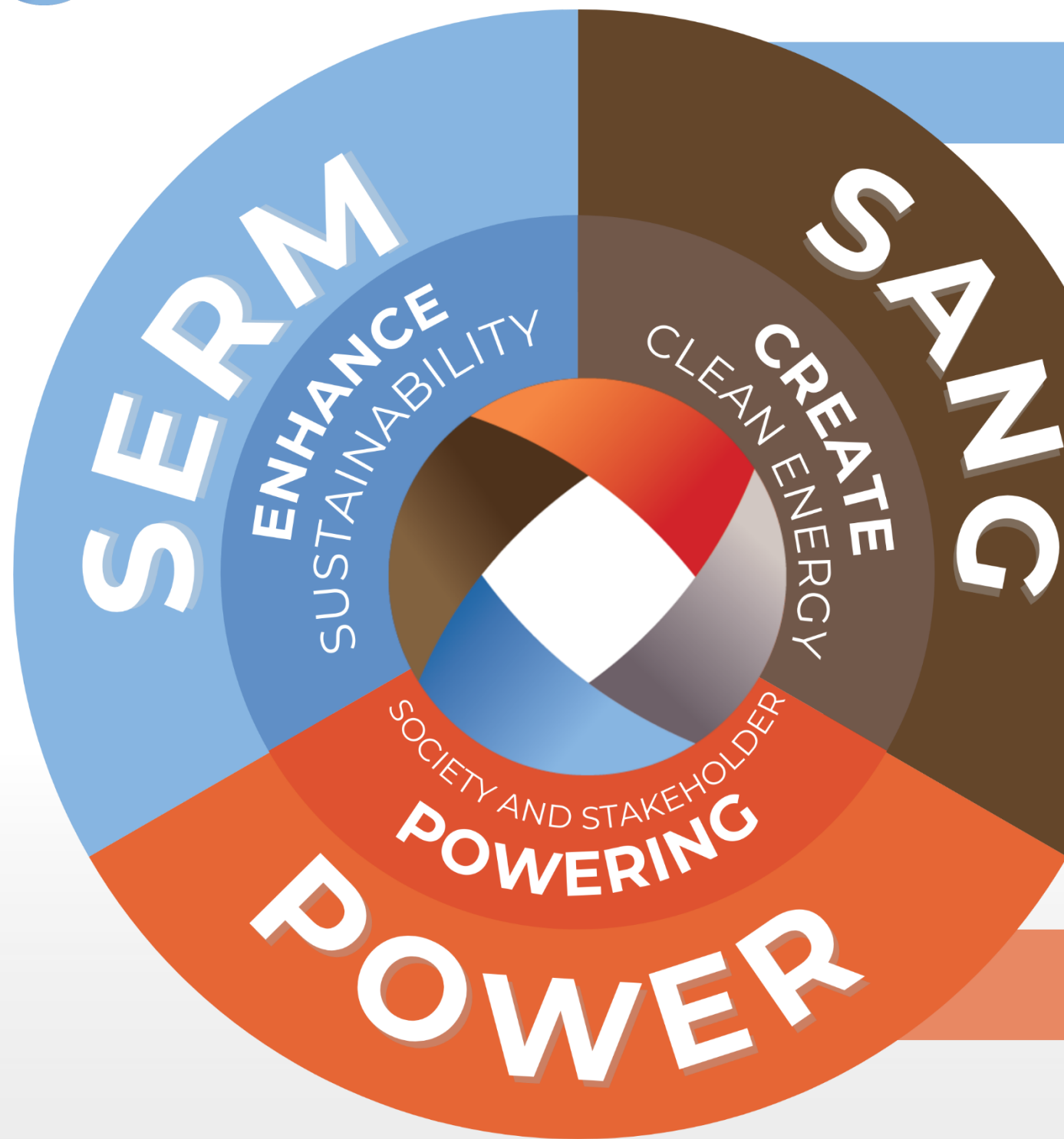
Year	Quarter	Asset Name	eMW
2024	1Q	Winchai 75%	33.8
	4Q	Japan	16.4
2026	1Q	Taiwan	18.5
	4Q	WTE 1 & 2 Thailand	8.9
2027	1Q	Thailand	92
	2Q	Taiwan 2	18.0
2028	1Q	Thailand	42.5
	3Q	Taiwan	38.0

\*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

