

Sermsang Power Corporation PLC

SET Opportunity Day Quarter 3/2024

28 November 2024

POWERING
A BETTER FUTURE
WITH RENEWABLE ENERGY IN ASIA

Agenda

Business Overview



Operating Performance



Financial Performance



Project Update



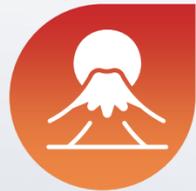
Sustainability



Business Overview



KEY Highlights of 9M24



Solar Farm: SPN lower availability factor. TTQN higher solar irradiance.

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

Biomass: Annual plant shutdown longer YoY. Gross profit margin increased due to lower operation cost YoY.

Solar Rooftop: Growth YoY from 9 new projects in Indonesia.



Revenue from sales and services was **2,484.9 MB**, growing 6.5% YoY, driven by Winchai project fully consolidated sales revenue. However, the sales revenue was pressured by SPN project availability factor, lower FT rate and depreciated on USD, JPY, VND and IDR YoY.



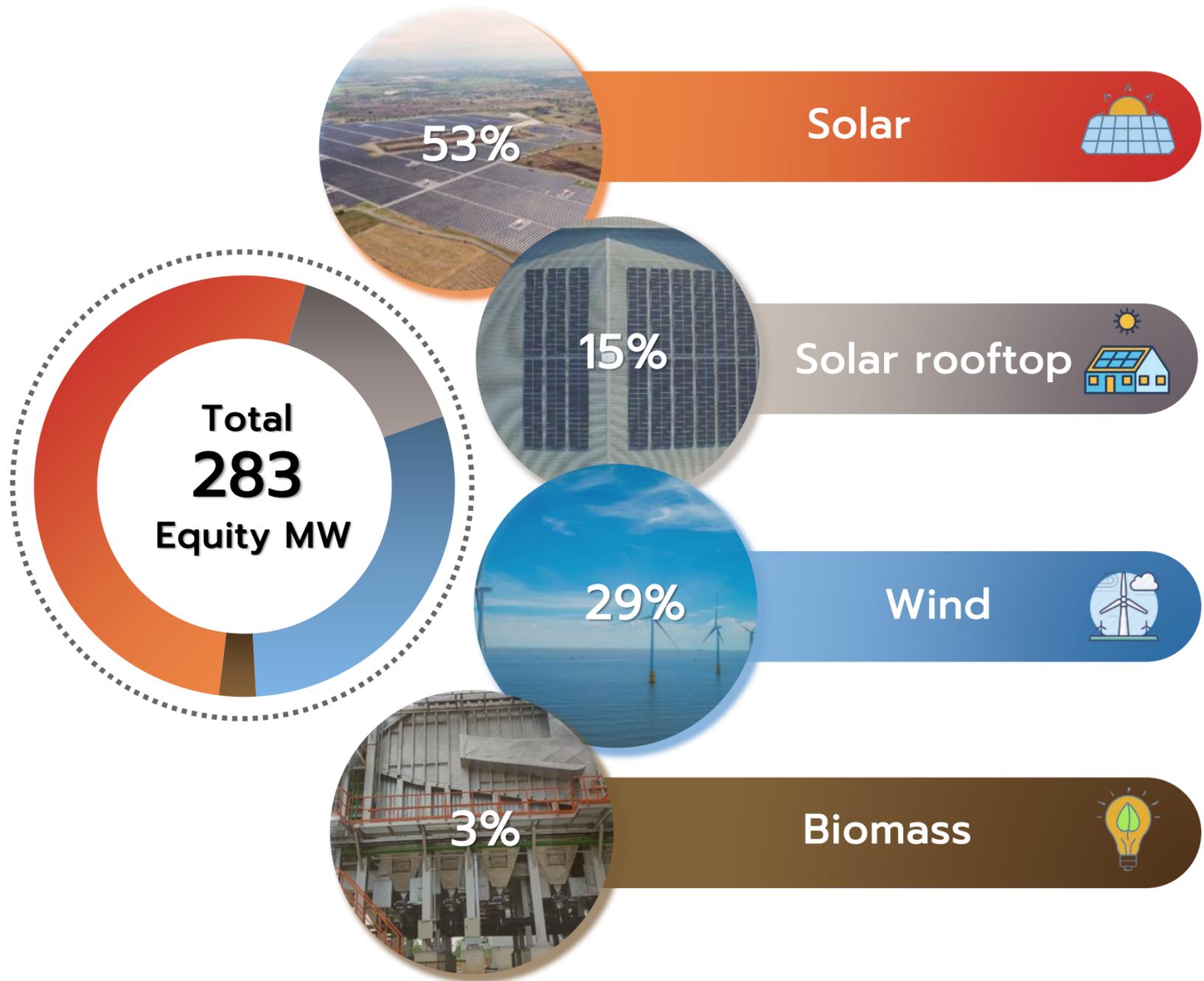
Core operating EBITDA slightly increased 1.1% YoY, **COP** decreased 24.9% YoY from Winchai fully consolidated depreciation and interest expenses.

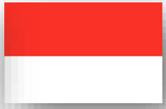


TRIS Rating affirms corporate credit rating at **BBB+**, **Stable outlook**, reflecting strong financial position and long-term growth.

The company has been awarded a **5-star CGR** rating by **IOD**, reflecting excellence in corporate governance and fostering confidence among the company's shareholders.

SSP Business Overview



Operating Project	Country	PPA Equity MW
7	   	149.3
111	 	42.2
2	 	83.4
1		8.0

Remark: As of 30 Sep 2024

Operating Performance



Average Solar Irradiance & Wind Speed



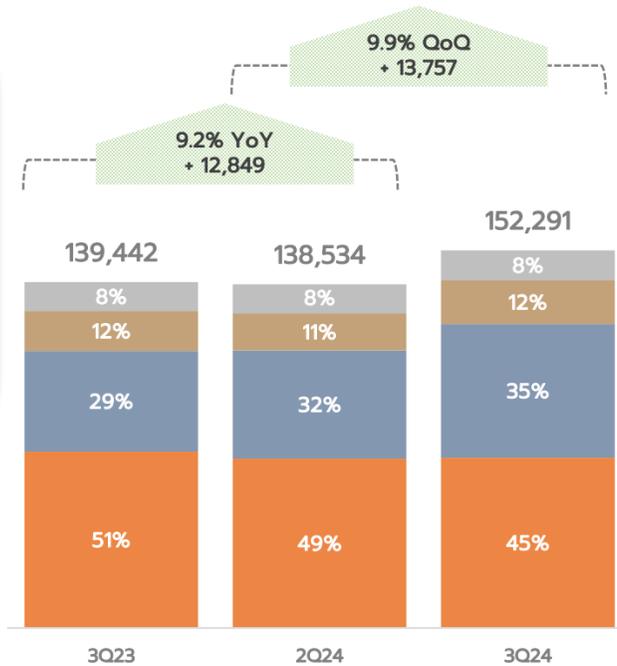
Average Solar Irradiance (KWh / Sqm / month)	3Q23	4Q23	1Q24	2Q24	3Q24	Chg. (%)	
						QoQ	YoY
SPN	154.2	163.6	164.9	170.2	155.4	(8.7%)	0.7%
WVO	142.4	150.0	168.0	158.8	146.3	(7.9%)	2.7%
Zouen	129.8	105.2	101.9	120.2	146.3	21.7%	12.6%
Yamaga	153.6	111.6	109.0	143.9	171.9	19.5%	11.9%
Leo	149.3	123.8	119.9	138.4	142.2	2.8%	(4.8%)
TTQN	173.6	103.2	135.1	177.0	171.2	(3.3%)	(1.4%)
Mongolia	175.2	150.3	175.0	193.4	171.9	(11.1%)	(1.9%)



Average Wind Speed (m / s / month)	3Q23	4Q23	1Q24	2Q24	3Q24	Chg. (%)	
						QoQ	YoY
TTTV	6.4	7.3	8.9	4.8	5.8	20.8%	(8.5%)
Winchai	5.1*	8.0*	6.5*	5.6	5.1	(8.3%)	0.0%

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

Unit: MWh



PPA eMW 15.3% from 3Q23 at 245.3 eMW to 282.9 eMW

- Winchai from 113 to 45.0 eMW **+33.7 eMW**
- Solar Rooftop Indonesia from 30.1 to 33.9 eMW **+3.8 eMW**

PPA eMW 0.17% from 2Q24 at 282.4 eMW to 282.9 eMW

- Solar rooftop Indonesia from 33.4 to 33.9 eMW **+0.5 eMW**

Solar Irradiance and Wind Speed

Legend: Solar (orange), Wind (blue), Biomass (brown), Rooftop (grey)

Project	A 3Q23	A 2Q24	A 3Q24	Chg. (%)	
				QoQ	YoY
SPN	154.2	170.2	155.4	(8.7%)	0.7%
WVO	142.4	158.8	146.3	(7.9%)	2.7%
Zouen	129.8	120.2	146.3	21.7%	12.6%
Yamaga	153.6	143.9	171.9	19.5%	11.9%
Leo1	149.3	138.4	142.2	2.8%	(4.8%)
TTQN	173.6	177.0	171.2	(3.3%)	(1.4%)
Mongolia	175.2	193.4	171.9	(11.1%)	(1.9%)
Total Solar	71,073	68,275	68,609	0.5%	(3.5%)
TTTV	40,600	21,212	33,774	59.2%	(16.8%)
Total Wind	40,600	21,212	33,774	59.2%	(16.8%)
UPT	16,102	14,927	17,580	17.8%	9.2%
Total Biomass	16,102	14,927	17,580	17.8%	9.2%
Rooftop TH	2,603	2,899	2,565	(11.5%)	(1.5%)
Rooftop ID	9,064	8,835	9,583	8.5%	5.7%
Total Rooftop	11,667	11,734	12,147	3.5%	4.1%
Sub Total	139,442	116,149	132,111	13.7%	(5.3%)
Winchai	N/A	22,385	20,180	(9.8%)	N/A
Total	139,442	138,534	152,291	9.9%	9.2%

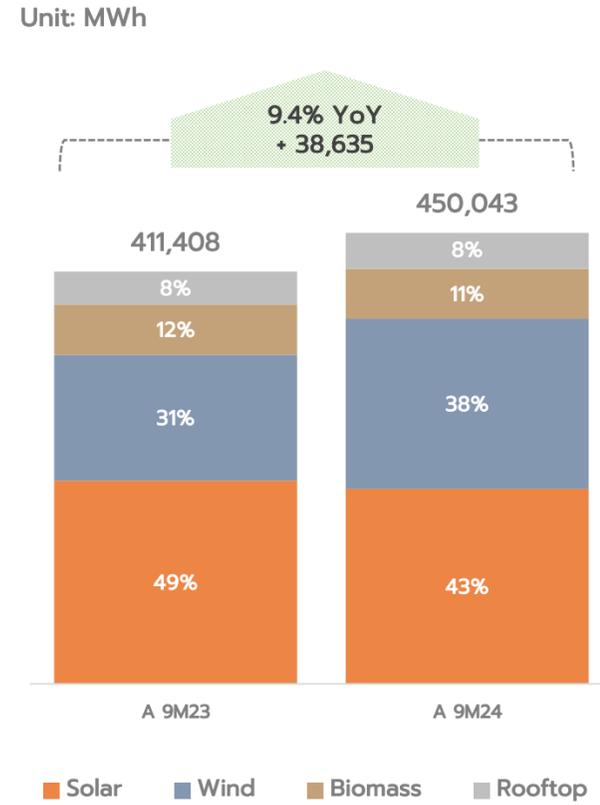
Remark : Winchai consolidated since 11 Mar 24, fully recognition on 2Q24

(MWh)	A 3Q23	A 2Q24	A 3Q24	Chg. (%)	
				QoQ	YoY
SPN	20,018	18,408	16,066	(12.7%)	(19.7%)
WVO	1,746	1,881	1,766	(6.1%)	1.2%
Zouen	2,483	1,996	2,807	40.7%	13.0%
Yamaga	12,056	9,795	13,416	37.0%	11.3%
Leo1	9,938	9,488	9,550	0.7%	(3.9%)
TTQN	19,483	20,302	19,427	(4.3%)	(0.3%)
Mongolia	5,349	6,406	5,577	(12.9%)	4.3%
Total Solar	71,073	68,275	68,609	0.5%	(3.5%)
TTTV	40,600	21,212	33,774	59.2%	(16.8%)
Total Wind	40,600	21,212	33,774	59.2%	(16.8%)
UPT	16,102	14,927	17,580	17.8%	9.2%
Total Biomass	16,102	14,927	17,580	17.8%	9.2%
Rooftop TH	2,603	2,899	2,565	(11.5%)	(1.5%)
Rooftop ID	9,064	8,835	9,583	8.5%	5.7%
Total Rooftop	11,667	11,734	12,147	3.5%	4.1%
Sub Total	139,442	116,149	132,111	13.7%	(5.3%)
Winchai	N/A	22,385	20,180	(9.8%)	N/A
Total	139,442	138,534	152,291	9.9%	9.2%

Remark : Winchai 100% output 3Q23 = 19,326 MWh

PPA eMW 15.3% from 9M23 23 at 245.3 eMW to 282.9 eMW

- Winchai from 113 to 45.0 eMW **+33.7 eMW**
- Solar Rooftop Indonesia from 30.1 to 33.9 eMW **+3.8 eMW**



Solar Irradiance and Wind Speed

	Project	A 9M23	A 9M24	Chg. (%)
				YoY
Solar Irradiance	SPN	166.2	163.5	(1.7%)
	WVO	156.1	157.7	1.0%
	Zouen	122.2	122.8	0.5%
	Yamaga	139.3	141.6	1.7%
	Leo1	131.0	133.5	1.9%
	TTQN	157.3	161.1	2.4%
	Mongolia	181.6	180.1	(0.8%)
Wind Speed	TTTV	6.6	6.5	(1.1%)
	Winchai	6.1	5.7	(6.7%)

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

(MWh)	A 9M23	A 9M24	Chg. (%)
			YoY
SPN	63,778	53,292	(16.4%)
WVO	5,612	5,638	0.5%
Zouen	6,258	6,367	1.7%
Yamaga	29,045	30,167	3.9%
Leo1	27,013	26,945	(0.2%)
TTQN	53,646	54,570	1.7%
Mongolia	17,584	17,721	0.8%
Total Solar	202,936	194,699	(4.1%)
TTTV	125,418	122,292	(2.5%)
Total Wind	125,418	122,292	(2.5%)
UPT	50,437	49,890	(1.1%)
Total Biomass	50,437	49,890	(1.1%)
Rooftop TH	8,019	8,102	1.0%
Rooftop ID	24,598	27,717	12.7%
Total Rooftop	32,617	35,819	9.8%
Sub Total	411,408	402,700	(2.1%)
Winchai	N/A	47,343	N/A
Total	411,408	450,043	9.4%

Remark : Winchai 100% output 9M23 = 86,890 MWh, 9M24 = 76,555 MWh

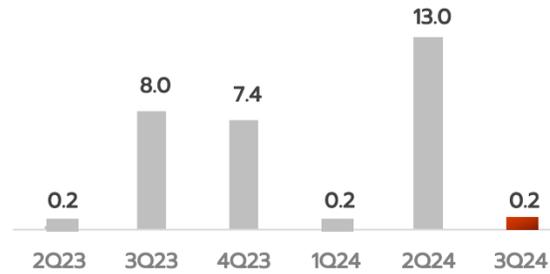
UPT Performance



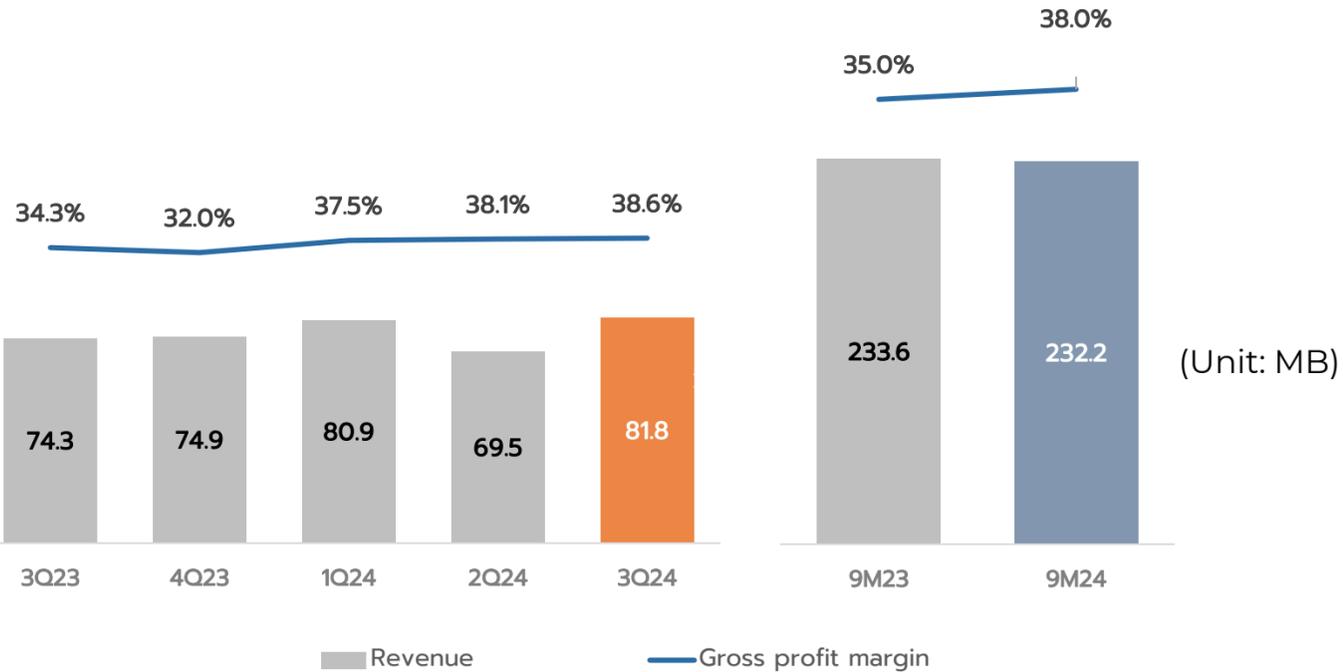
Electricity sales (MWh)



Outages (days)



Remark: UPT had 1st annual shutdown maintenance from May to June 2024.



Financial Performance



Revenue from sales and services

3Q24

Revenue from sales and services increased 4.4% YoY.

- Revenue from sales increased 7.5% YoY, mainly from Winchai recognition of 100% revenue.
- Revenues from services and other product decreased 55.5% YoY from delayed project of EPC business.

9M24

Increased 6.5% YoY mainly from Winchai recognition of 100% revenue and revenue recognition from flexible packaging since Jul'23

(Unit: MB)	A 3Q23	A 2Q24	A 3Q24	Chg. (%)	
				QoQ	YoY
Solar	530.3	476.5	482.1	1.2%	(9.1%)
Wind	139.5	214.3	238.4	11.2%	70.8%
Biomass	74.3	69.5	81.8	17.8%	10.1%
Rooftop	25.3	25.1	25.2	0.2%	(0.3%)
Revenue from sales	769.4	785.5	827.5	5.3%	7.5%
Revenue from services and other products	41.1	30.6	18.3	(40.3%)	(55.5%)
Total	810.5	816.1	845.8	3.6%	4.4%

	A 9M23	A 9M24	Chg. (%)
			YoY
	1,555.3	1,390.2	(10.6%)
	420.9	708.5	68.3%
	233.6	232.2	(0.6%)
	74.2	75.3	1.5%
	2,284.0	2,406.2	5.4%
	49.9	78.7	57.9%
	2,333.9	2,484.9	6.5%

Consolidated Financial Statement (unit: MB)	3Q23	2Q24	3Q24	QoQ	YoY	9M23	9M24	YoY
Revenue from sales and services	810.5	816.1	845.8	3.6%	4.4%	2,333.9	2,484.9	6.5%
Total Revenues	830.4	844.5	850.9	0.8%	2.5%	2,390.8	2,531.8	5.9%
Gross Profit	460.6	406.9	438.1	7.7%	(4.9%)	1,356.5	1,311.7	(3.3%)
SG&A	(72.7)	(94.1)	(105.0)	(11.6%)	(44.5%)	(234.7)	(291.4)	(24.1%)
Share of Profit (loss) from investment in associates	7.7	0.0	0.0	N/A	(100.0%)	85.4	22.6	(73.5%)
Financial Cost	(170.2)	(214.6)	(199.6)	7.0%	(17.3%)	(491.1)	(581.6)	(18.4%)
Tax	(21.3)	(22.8)	(13.7)	40.1%	36.0%	(72.0)	(53.2)	26.1%
Net Profit (to SSP's Shareholders)	218.7	122.7	113.7	(7.3%)	(48.0%)	686.5	440.6	(35.8%)
Core Operating Profit	221.5	127.7	142.2	11.4%	(35.8%)	696.8	523.3	(24.9%)
EBITDA	612.8	615.9	644.9	4.7%	5.2%	1,870.7	1,848.5	(1.2%)
Core operating EBITDA	620.4	616.8	647.1	4.9%	4.3%	1,886.8	1,907.5	1.1%
Net Profit Margin (to SSP) (%)	26.3%	14.5%	13.4%			28.7%	17.4%	
Core Operating Profit Margin (%)	27.3%	15.7%	16.8%			29.9%	21.1%	
EBITDA margin (%)	73.8%	72.9%	75.8%			78.2%	73.0%	
Core operating EBITDA margin (%)	76.5%	75.6%	76.5%			80.8%	76.8%	

Key drivers

- Winchai consolidated 100% since 11 March 2024
- SPN repowering plan aims to increase efficiency
- Interest rate trend to be lower than previous year
- Benefits from multiple green financial tools to create lower costs of funding

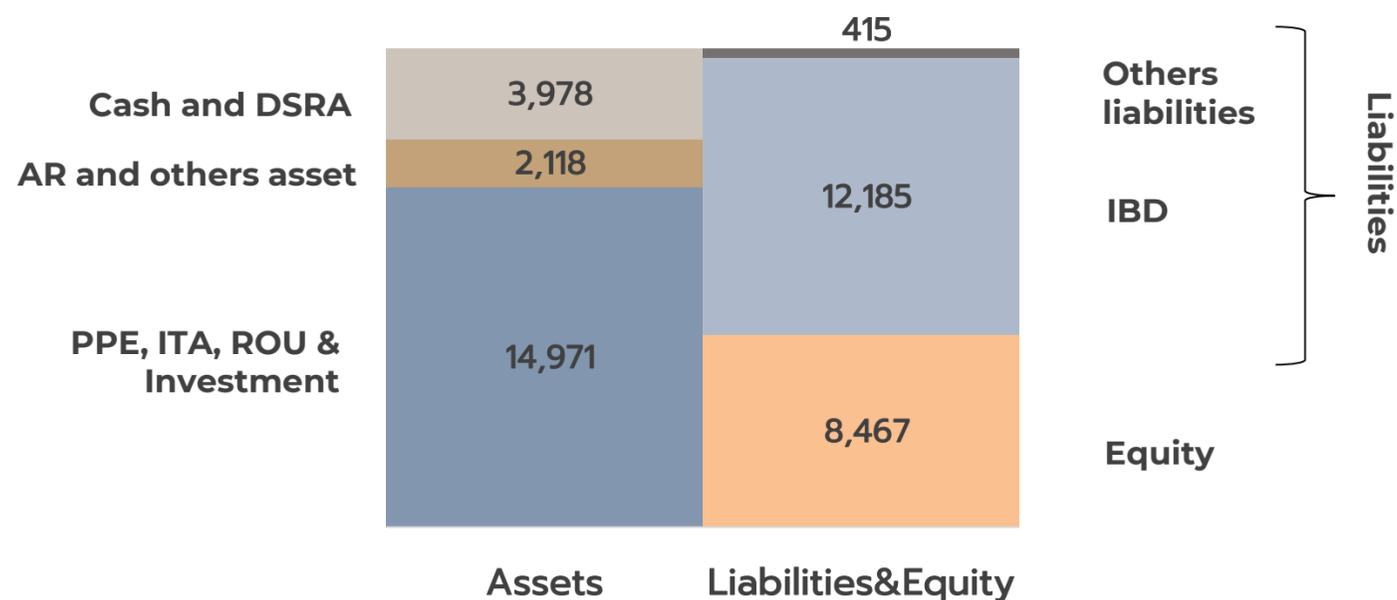
Challenges

- 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

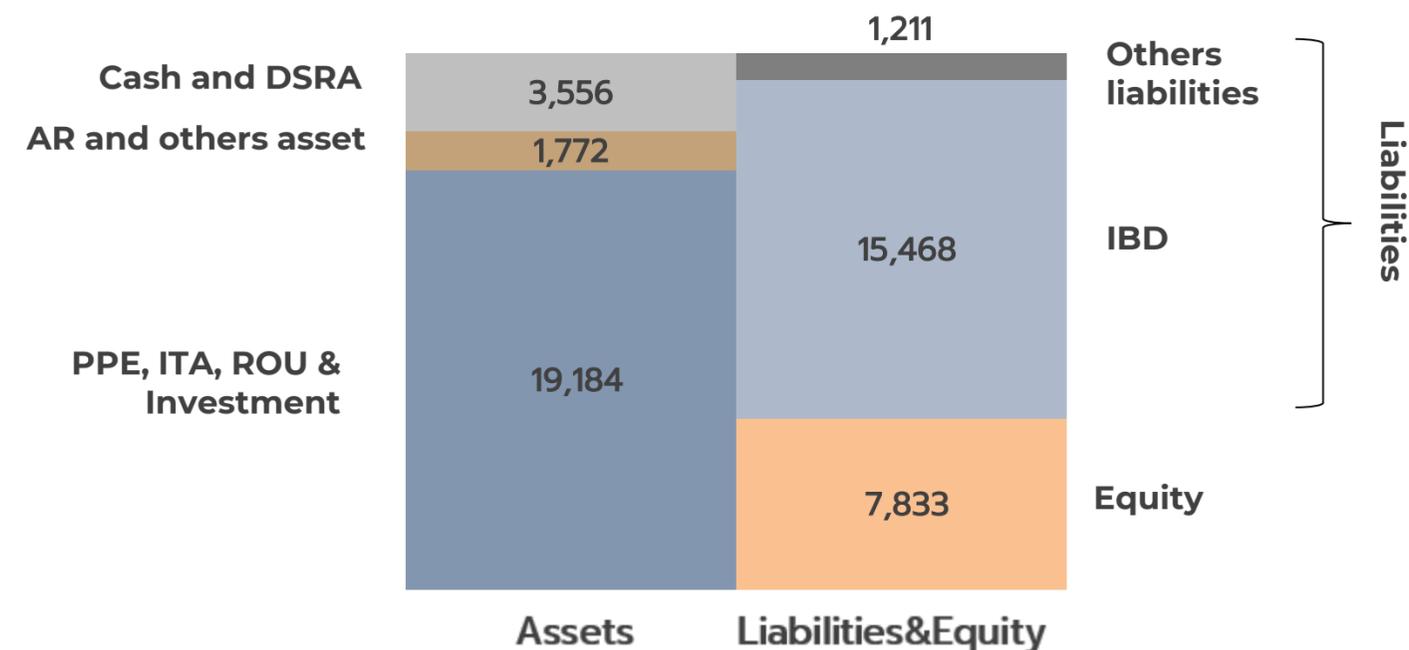
31 Dec 23

Total asset 21,067 MB

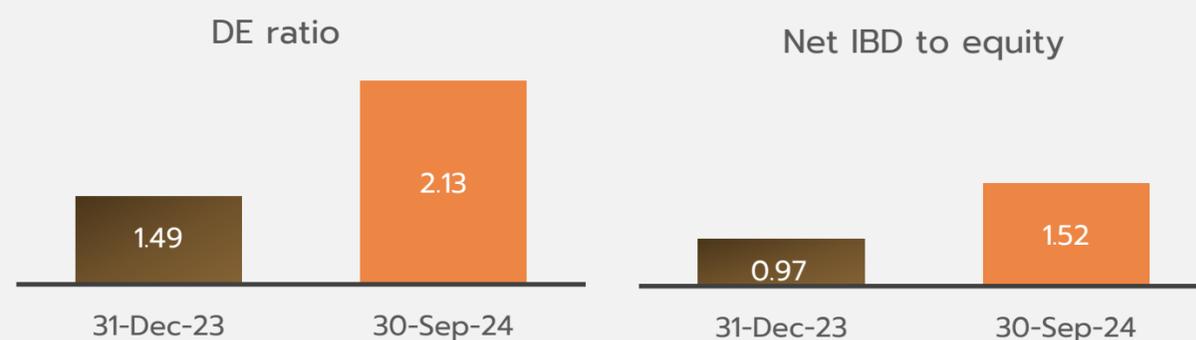


30 Sep 24

Total asset 24,512 MB



Leverage ratio



Impact of Balance Sheet ending 30 Sep 24

- I. Share Repurchase from Nov 2023 to May 2024 = 716 MB
- II. Winchai consolidation since 11 Mar 2024
 - Total Liabilities = 2,191 MB
 - Total Assets = 3,535 MB
- III. Dividend payment 128.6 MB on May 2024

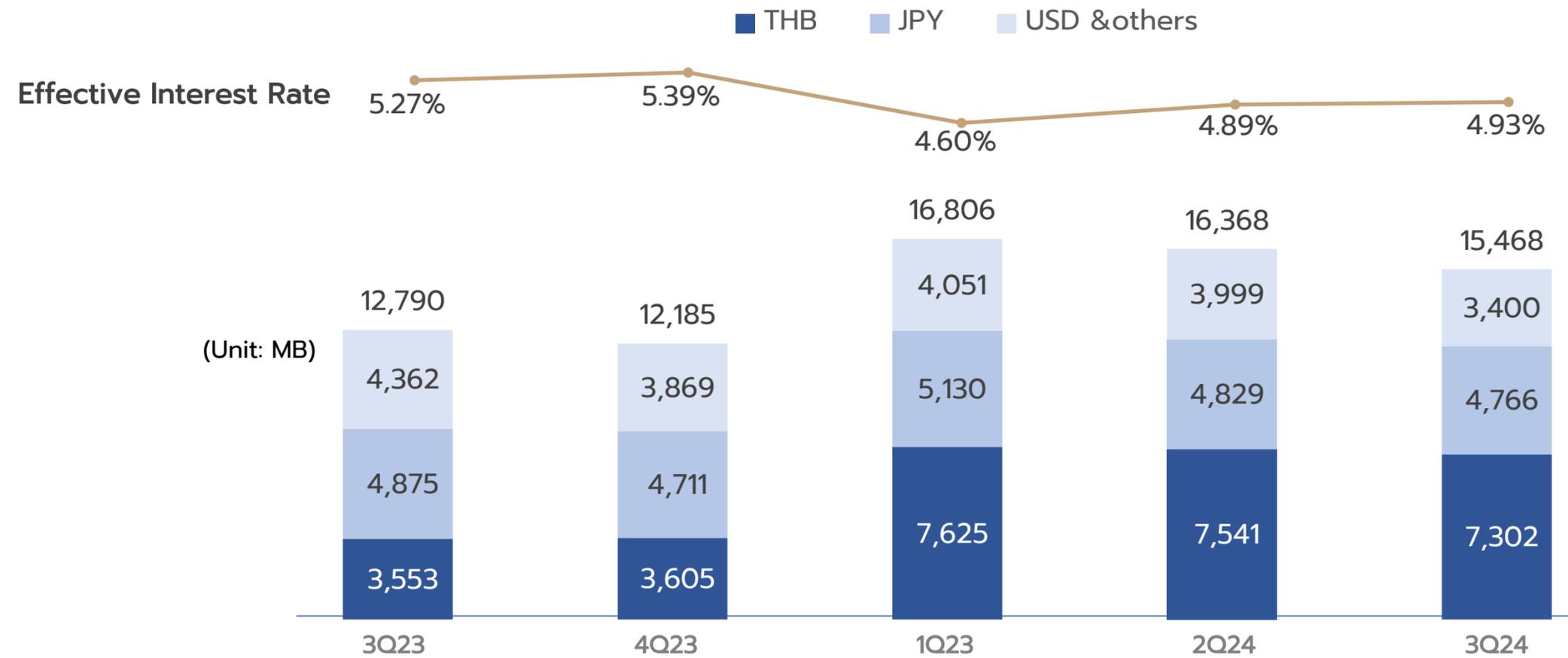


SSP Financial Policy & Structure

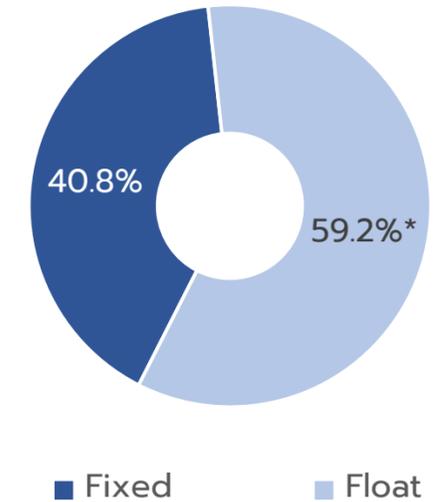
1 50% Fixed Rate : 50% Float Rate

2 Leverage Ratio < 2.75%

3 Matching Asset & Liability to manage FX risk



Debt proportion 3Q24



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

Project Update



SPN Repowering

target to complete in 2Q25

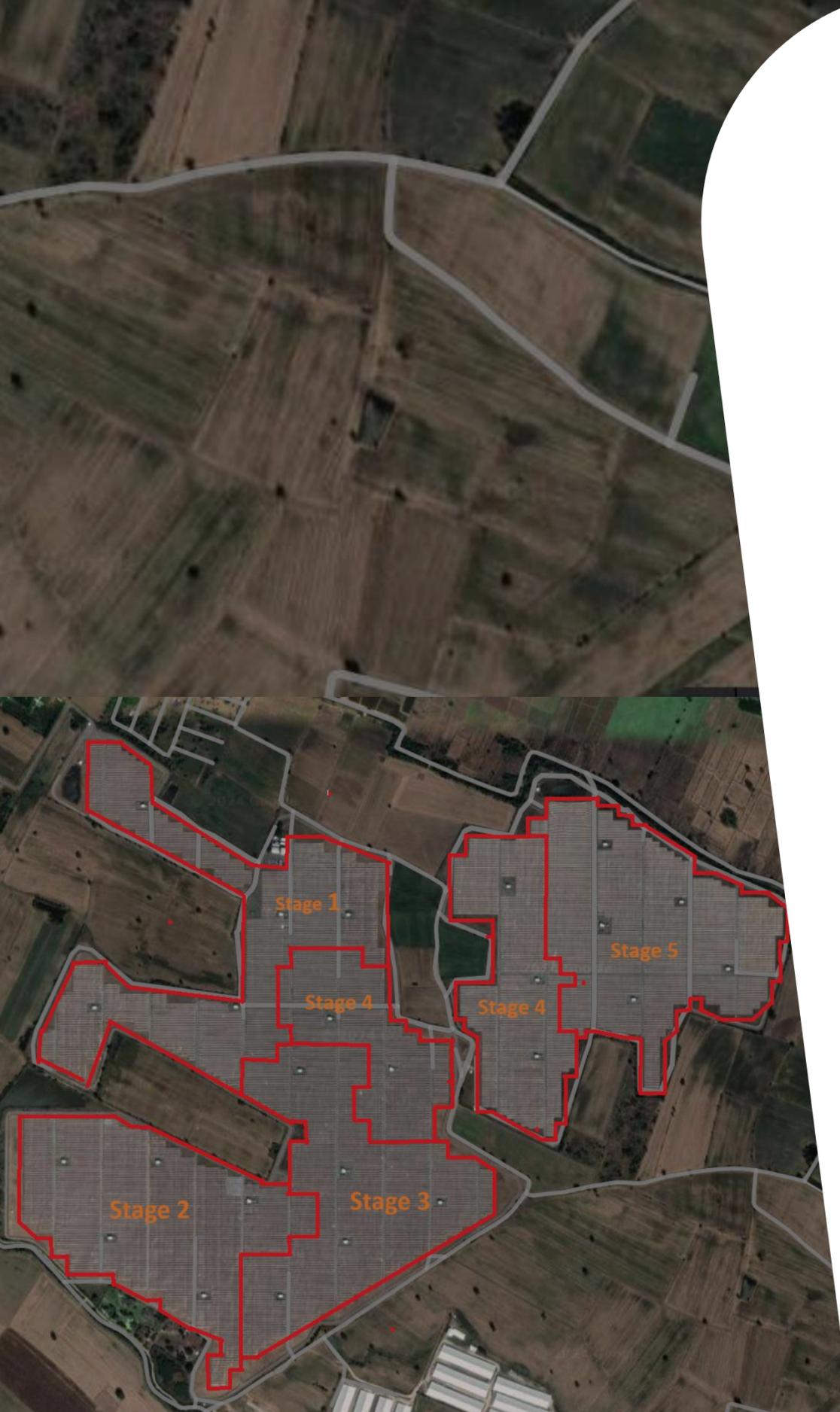
to increase production efficiency



SPN Repowering timeline



Investment Budget (Estimated)	Million Baht
PV Module 52 MW	189.0
Inverter and EPC Work	215.8
SPN Project Management	5.2
Total Budget	410.0 (7.9THB/Wp)
Estimated Return	
Standard Yearly Output (MWh)	75,000 – 83,000 MWh
Expected New Output (MWh)	90,000 – 95,000 MWh
Estimated Yearly Return (MB)	IRR ~13.0%



Xuejia 1 : 17.00 MW COD in 2025



Project Details

Business Type	:	Fishery solar power plant
Investment Type	:	N/A
Investment Percentage	:	100.0%
Location	:	Tainan, Taiwan
Installed/PPA MW	:	17.0 MW/ 17.0 MW
Target SCOD date	:	4Q25
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	:	4Q25



Leo2 : 16.4 MW COD in 2025

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 MW/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> • TK distribution of GK Company to TK investor can be used as tax deductible expense at GK Company level

Project progress

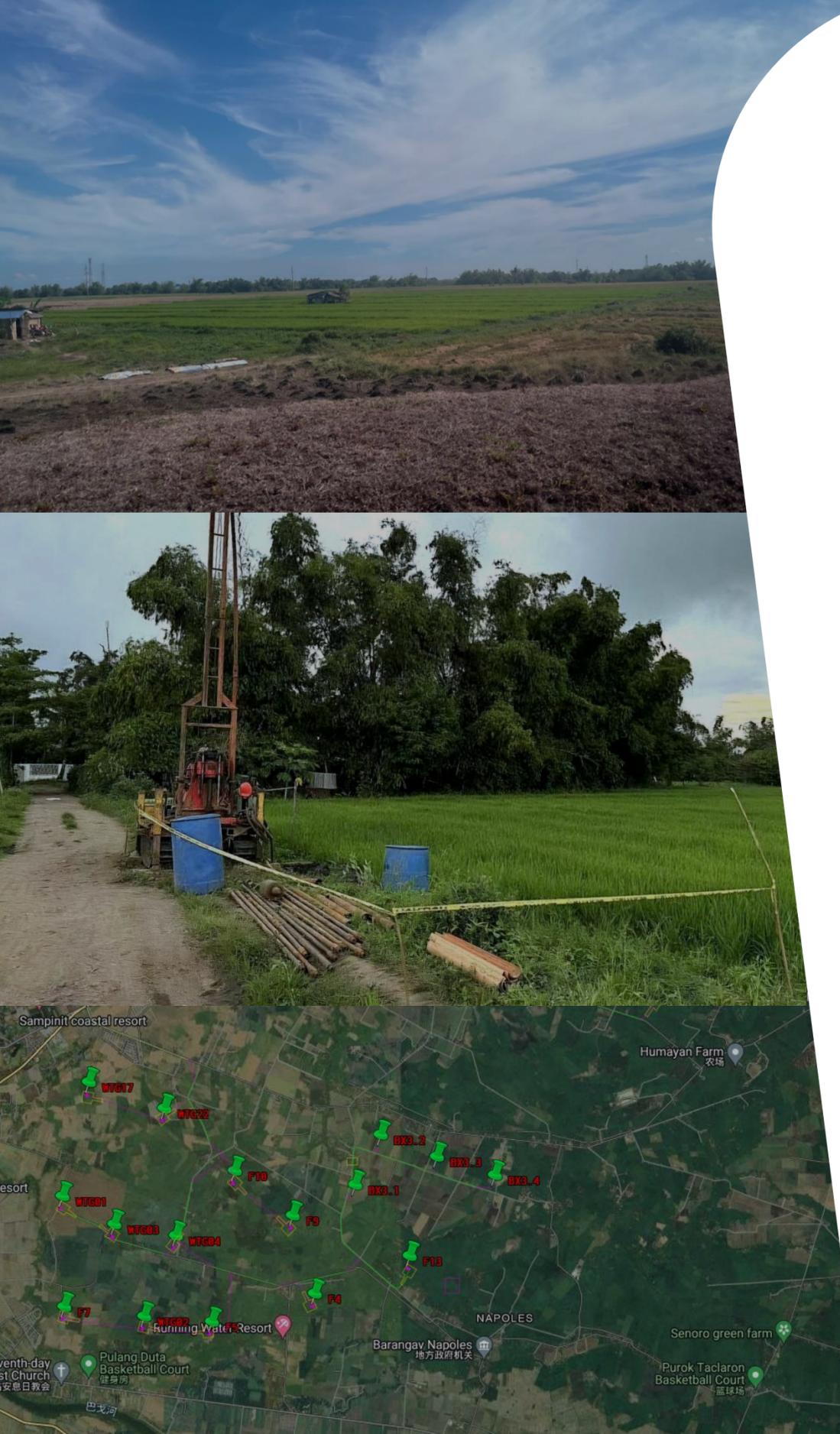
Approvals related	:	PPA in progress
EPC agreement	:	Done
Financial close	:	Done
Site preparation (%)	:	40%
Transmission Line Construction	:	4Q24
Generating Facilities Construction	:	4Q25
Commercial Operation	:	4Q25

Waste to Energy : 19.8 MW COD in 2026



Project Details	Baan Song	Muang Kong
Business Type	: Waste to Energy	Waste to Energy
Investment Type	: Project Financing	Project Financing
Investment Percentage	: 51.0%   	51.0 - 80.0%
Location	: Surat Thani, Thailand	Korat, Thailand
Installed/PPA MW	: 9.9 MW/ 8.9 MW	9.9 MW/ 8.0 MW
Target SCOD date	: 4Q26	4Q26
Purchase Price	: FIT structure for WTE projects to be announced in 2022 FiTF + FiTV + FiTPremium = 2.39 + 2.69 + 0.70 = 5.76 Baht/kWh	FIT structure for WTE projects to be announced in 2022 FiTF + FiTV + FiTPremium = 2.39 + 2.69 + 0.70 = 5.76 Baht/kWh
Purchase Term	: 20 years	20 years
Tax Incentive	: BOI (8 years corporate income tax exemption)	BOI (8 years corporate income tax exemption)
Project progress		
Approvals related	: PPA signed	PPA signed
EPC agreement	: Within Nov 2024	Within Nov 2024
Financial close	: 1Q25	1Q25
Site preparation	: 4Q24	4Q24
Transmission Line Construction	: 1Q26 (Only inside project Area)	1Q26 (Only inside project Area)
Generating Facilities Construction	: 4Q26	4Q26
Commercial Operation	: 4Q26	4Q26

Bago : 150.0 MW COD in 2026



Project Details

Business Type	:	Wind power plant
Investment Type	:	SERMSANG SUSTAINABLE SINGAPORE PRIVATE LIMITED
Investment Percentage	:	100.0%
Location	:	Bacolod, Philippines
Installed/PPA MW	:	150.0 MW /150.0 MW
Target SCOD date	:	4Q26
Purchase Price	:	Under GEAP-2 of PH 5.8480 PhP/kWh
Purchase Term	:	20 years
Tax Incentive	:	Tax Holiday : The tax incentives in terms of income tax holiday is 7 years for the newly-established enterprises Zero-Percent Value-Added Tax Rate Tax credit on domestic capital equipment and services: A tax credit equivalent to one hundred percent (100%) of the VAT and custom duties

Project progress

Approvals related	:	PPA in progress
EPC agreement	:	On going
Financial close	:	On going
Site preparation	:	2Q25
Transmission Line Construction	:	3Q25
Generating Facilities Construction	:	4Q25
Commercial Operation	:	4Q26

Overview of GEAP

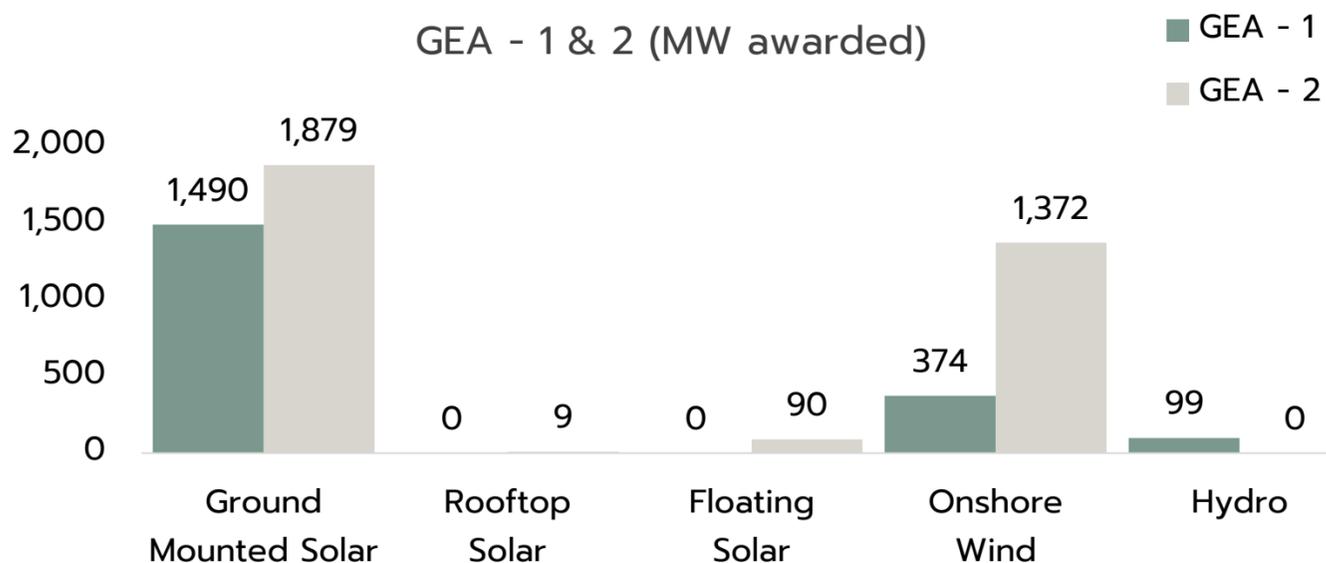


- Under the GEAP Guidelines, DOE will publish auction notice where bidders will be invited to bid. The Energy Regulatory Commission (ERC) will issue and submit to DOE the "Green Energy Auction Reserve Price" or "Gear Price" which is the maximum price offer (in PHP/kWh)

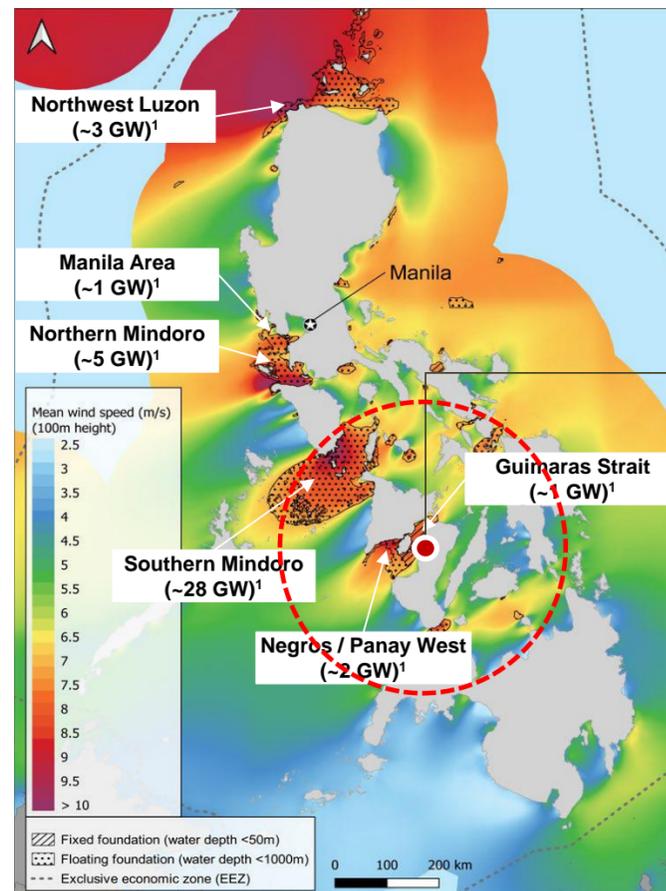
GEAP Tariff Pricing (in USD / kWh)¹

	Ground mounted	Rooftop solar	Floating solar	Onshore wind	Hydro power
GEA - 1	0.07	N/A	N/A	0.10	0.10
GEA - 2	0.08	0.09	0.10	0.11	N/A

GEA - 1 & 2 (MW awarded)



The Philippines government has an ambitious target of having **50% of renewable energy** in its energy generation mix by 2040 and reduce reliance on imported fossil fuels



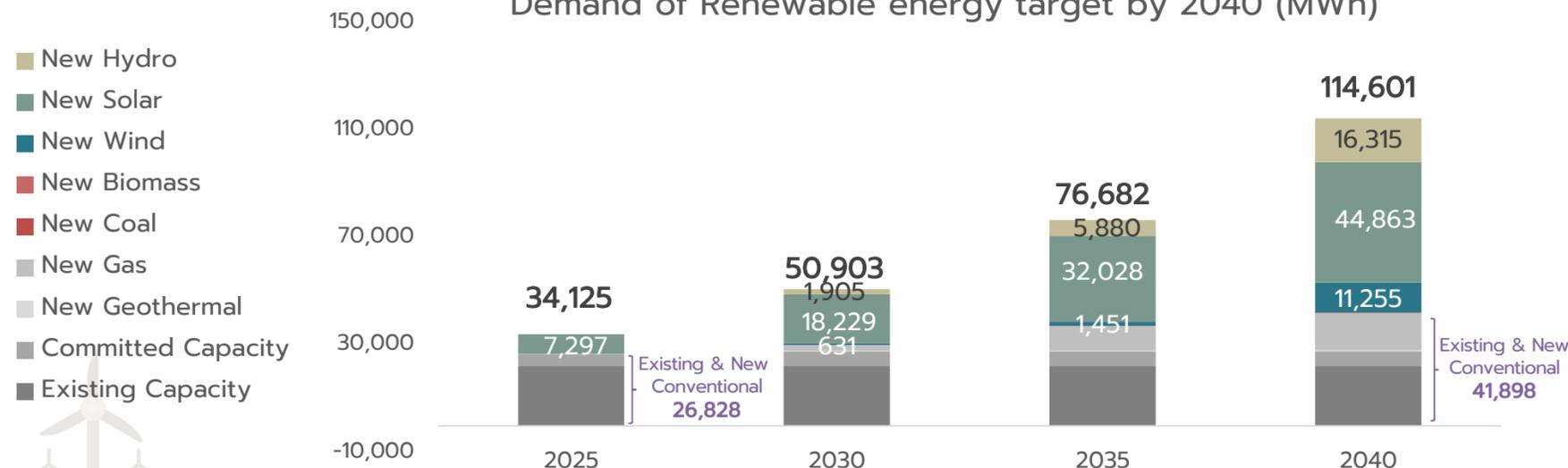
Source: World Bank; Maps shown herein are for illustrative purposes only

Project Details

Business Type	Wind power plant
Investment%	100.0%
Location	Bacolod, Philippines
Installed/PPA MW	150.0/150.0 MW
Target SCOD	4Q26
Purchase Price	Under GEAP-2 of PH 5.8480 PhP/kWh
Purchase Term	20 years



Demand of Renewable energy target by 2040 (MWh)



Thailand : 170.5 MW

COD in 2027 - 2030



Solar Farm

154.5 MW

Land secured 100%
PPA Signed



Wind Farm

16.0 MW

Land secured 100%
PPA to be sign in 2024

Project	COD	MWppa
NKH 1	4Q27	28.0
SKN 2, 3		64.0
RCB 1	4Q28	42.5
BETTEN 1, 2, 3	4Q30	20.0
		154.5

Project	COD	MWppa
VLSK 1, 2	4Q30	16.0
		16.0



Pintung : 38.0 MW COD in 2028



Project Details

Business Type	:	Onshore wind farm
Investment Type	:	N/A
Investment Percentage	:	100.0%
Location	:	Pingtung Taiwan
Installed/PPA MW	:	38.0 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

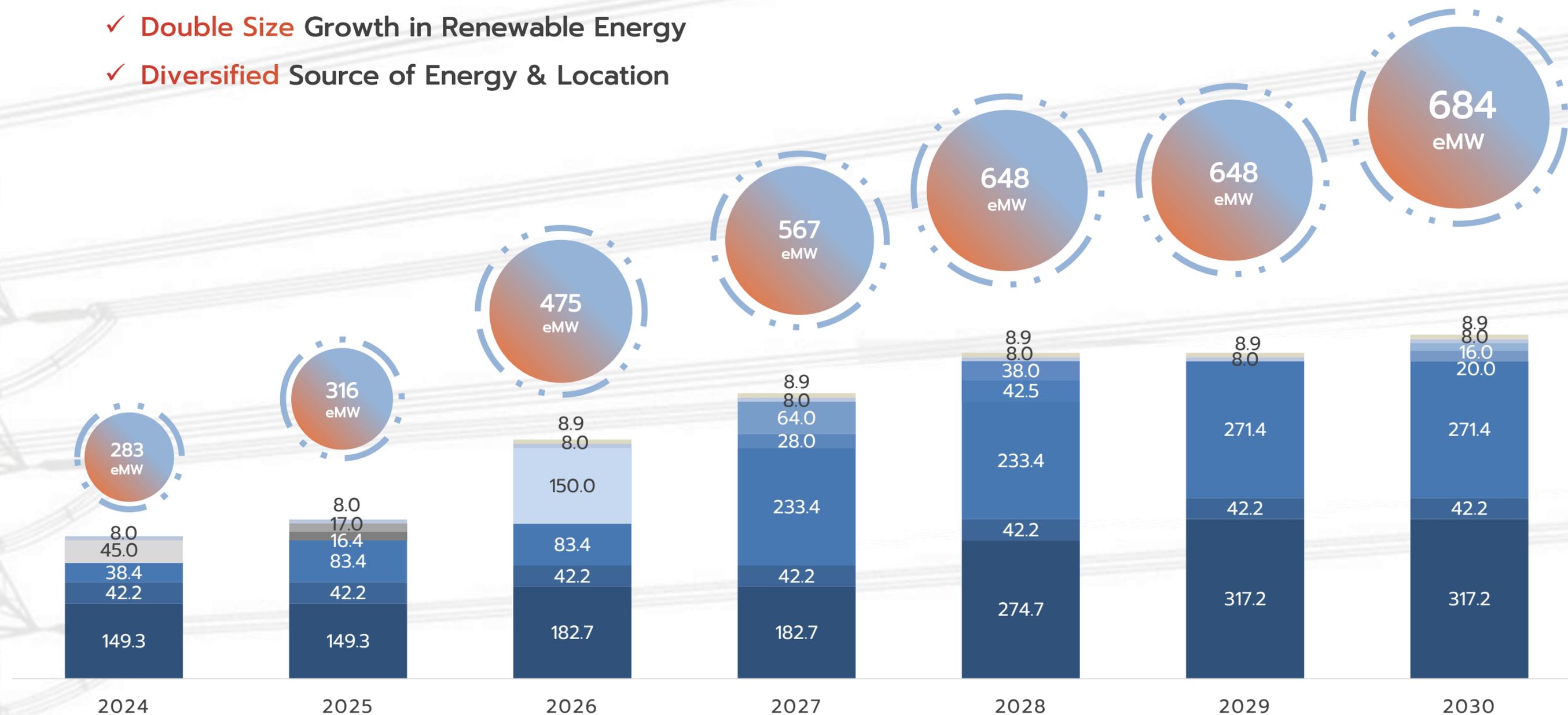
Project progress

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

Project Pipeline Scaling New

- ✓ **Double Size** Growth in Renewable Energy
- ✓ **Diversified** Source of Energy & Location

- Waste to Energy
- Biomass
- Bago
- Winchai
- VLSK 1,2
- Betten 1,2,3
- Pintung
- RCB 1
- SKN 2, 3
- NKH 1
- Xuejia 1
- Leo 2
- Wind
- Solar Rooftop
- Solar

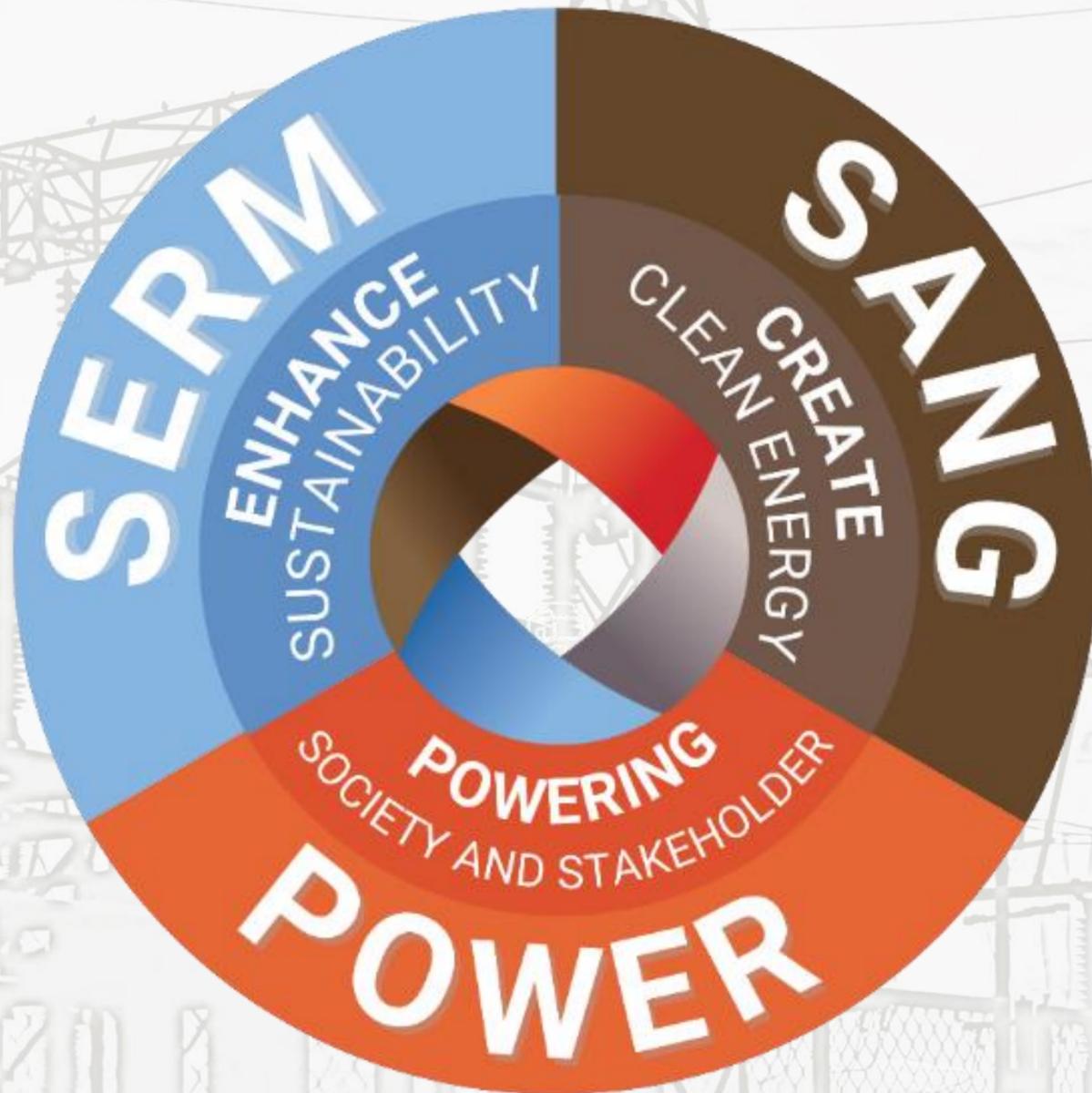


Sustainability



Sustainability Strategy

The company is committed to conducting business alongside sustainable development, prioritizing environmental, social, and governance (ESG) aspects through various initiatives that reflect this dedication. Key activities include:



Key Highlights of SSP's ESG activities

for the First Nine Months of 2024

- ❑ **Promoting and Upholding Good Governance** : The company places a strong emphasis on good corporate governance, adhering to principles of transparency and accountability to stakeholders. This commitment has led to **the company achieving a Corporate Governance (CG) Rating of 5 stars, or "Excellent" CG Scoring, for 2024**, reflecting high standards in its operations.

- ❑ **Enhancing Economic Stability through Innovation** : Recognizing the importance of innovation in driving the energy sector forward, the company launched the project **"Unlocking Innovation for Leadership in the New Energy Era."** This project aims to build knowledge and understanding of innovation and develop essential skills among employees, including:
 - **Building Innovation Awareness** : Especially in the energy sector, to help employees understand its significance and apply it effectively in their work.
 - **Developing Skills in Using BMC Tools** : Enabling employees to analyze business strategies, plan strategically, and develop new business models.
 - **Presentation Skills Development** : Focusing on creating Pitch Decks and professional presentations to help employees effectively communicate ideas and plans.

- ❑ **Creating Access to Clean Energy** : Aware of the impact of climate change, the company is dedicated to promoting renewable energy and raising sustainability awareness among partners and contractors through the project **"Sustainability Enhancement: Renewable Energy for a Sustainable Future"** at the SPN Solar Power Project in Lopburi Province. Key activities include:
 - **Providing ESG Knowledge** : Covering environmental, social, and governance aspects to equip partners and contractors with knowledge for sustainable business practices.
 - **Promoting Renewable Energy Use** : Highlighting its benefits and importance for achieving sustainable development goals.
 - **Sustainability Skills Development** : Such as efficient resource management, greenhouse gas reduction, and waste management.



Thank you

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POWERING
A BETTER FUTURE
WITH RENEWABLE ENERGY IN ASIA

