



MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2024

1. Analysis of Operation Results According to Consolidated Financial Statement

	Three-Month Period Ended 31 March					
	2024		2023		Change	
	Amount (MB)	% to Revenue	Amount (MB)	% to Revenue	Amount (MB)	% Change
Revenue from sale and rendering of services	735.5	100%	1,181.9	100%	(446.4)	-38%
Cost of sale and rendering of services	(281.1)	-38%	(380.4)	-32%	(99.3)	-26%
Gross profit	454.4	62%	801.5	68%	(347.1)	-43%
Other income	9.9	1%	5.8	0%	4.1	71%
Selling and distribution expenses	(6.0)	-1%	(9.3)	-1%	(3.3)	-35%
Administrative expenses	(48.8)	-7%	(53.9)	-5%	(5.1)	-9%
Gain (loss) on derivatives	1.0	0%	0.5	0%	0.5	100%
Gain (loss) on financial assets	3.0	0%	-	0%	3.0	
Profit (loss) from operating activities	413.5	56%	744.6	63%	(331.1)	-44%
Finance costs	(7.0)	-1%	(13.3)	-1%	(6.3)	-47%
Profit (loss) before income tax expense	406.5	55%	731.3	62%	(324.8)	-44%
Tax (expense) income	(48.1)	-7%	(85.1)	-7%	(37.0)	-43%
Net profit (loss)	358.4	49%	646.2	55%	(287.8)	-45%
Other comprehensive income	0.5	0%	0.1	0%	0.4	400%
Total comprehensive income for the period	358.9	49%	646.3	55%	(287.4)	-44%

Net profit (Loss) attributable to :

Owners of the parent	329.4	596.5
Non-controlling interests	29.0	49.7
	358.4	646.2

Total comprehensive income attributable to:

Owners of the parent	329.9	596.6
Non-controlling interests	29.0	49.7
	358.9	646.3

Basic earnings per share (EPS) :

Number of shares (million shares)	1,055.8	1,055.8
Basic earnings per share (in Baht)	0.31	0.56

The operating results according to the consolidated financial statements of the Company and its subsidiaries for the three-month period ended 31 March 2024 presented the net profit of Baht 358.4 million or Baht 0.31 per share which decreased by Baht 287.8 million or 45%, compared to the net profit of Baht 646.2 million or Baht 0.56 per share of the three-month period ended 31 March 2023. The significant reasons were as follows:



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1.1 Revenue from Sale and Rendering of Services

Revenue from sale and rendering of services for 3M 2024 was Baht 735.5 million, decreased by Baht 446.4 million or 38%, compared to period of 3M 2023 (Baht 1,181.9 million). The main reasons were as follows:

- Revenue from solar farm business for 3M 2024 was Baht 617.6 million which decreased by Baht 317.9 million or 34%, compared to period of 3M 2023 (Baht 935.5 million) due to the energy output for 3M 2024 was 94.2 million units which decreasing by 5 million units or 5% from 99.2 million units and the revenue from subsidy of adders, 8 Baht per unit, for 27 solar farms had been over, detail as follows:

No.	Companies	Revenue from subsidy of adders ended
1	Solar Power (Korat 1) Co., Ltd.	20 April 2020
2	Solar Power (Sakon Nakorn 1) Co., Ltd.	8 February 2021
3	Solar Power (Nakorn Phanom 1) Co., Ltd.	21 April 2021
4	Solar Power (Korat 2) Co., Ltd.	12 September 2021
5	Solar Power (Loei 1) Co., Ltd.	14 September 2021
6	Solar Power (Khon Kaen 1) Co., Ltd.	14 February 2022
7	Solar Power (Korat 3) Co., Ltd.	8 March 2022
8	Solar Power (Korat 4) Co., Ltd.	13 May 2022
9	Solar Power (Korat 7) Co., Ltd.	29 May 2022
10	Solar Power (Korat 5) Co., Ltd.	14 January 2023
11	Solar Power (Korat 8) Co., Ltd.	14 January 2023
12	Solar Power (Korat 9) Co., Ltd.	15 January 2023
13	Solar Power (Khon Kaen 3) Co., Ltd.	16 January 2023
14	Solar Power (Khon Kaen 4) Co., Ltd.	16 January 2023
15	Solar Power (Khon Kaen 5) Co., Ltd.	17 January 2023
16	Solar Power (Khon Kaen 8) Co., Ltd.	17 January 2023
17	AJ Technology Co., Ltd.	24 June 2023
18	Tipayanarai Co., Ltd.	24 June 2023
19	Solar Power (Korat 6) Co., Ltd.	25 June 2023



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20	Solar Power (Bureerum 1) Co., Ltd.	25 June 2023
21	Solar Power (Bureerum 2) Co., Ltd.	25 June 2023
22	Solar Power (Khon Kaen 2) Co., Ltd.	28 July 2023
23	Solar Power (Khon Kaen 7) Co., Ltd.	30 September 2023
24	Solar Power (Nakorn Phanom 2) Co., Ltd.	26 February 2024
25	Solar Power (Nongkai 1) Co., Ltd.	27 February 2024
26	Solar Power (Bureerum 3) Co., Ltd.	5 March 2024
27	Solar Power (Nakorn Phanom 3) Co., Ltd.	9 March 2024

- Solar Power Roof Company Limited (SPR), operates the business of solar roof installation for residential, commercial and industrial customers, its revenue from sale and rendering of services for 3M 2024 was Baht 108.9 million which decreased by Baht 117.4 million or 52% compared to period of 3M 2023 (Baht 226.3 million).

1.2 Cost of Sale and Rendering of Services and Gross Profit

Cost of sale and rendering of services for 3M 2024 was Baht 281.1 million, decreased by Baht 99.3 million or 26%, compared to period of 3M 2023 (Baht 380.4 million). The decrease in cost of sale and rendering of services was aligned to the revenue of solar roof business (SPR).

Gross profit margin for 3M 2024 was 62%, decreased from the period of 3M 2023 (68%). The main reason was the decreasing in the revenue of solar farm business, which higher gross profit margin decreased from 77% to 65%.

1.3 Other Income

Other income for 3M 2024 was Baht 9.9 million, increased by Baht 4.1 million or 71%, compared to period of 3M 2023 (Baht 5.8 million). The main reason was interest income on deposits with financial institutions as a result of interest rate was higher.

1.4 Selling and Distribution Expenses

Selling and distribution expenses for 3M 2024 was Baht 6.0 million, decreased by Baht 3.3 million or 35%, compared to period of 3M 2023 (Baht 9.3 million). The decrease in selling and distribution expenses was aligned to the revenue of solar roof business (SPR).



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1.5 Administrative Expenses

Administrative expenses for 3M 2024 was Baht 48.8 million, decreased by Baht 5.1 million or 9%, compared to period of 3M 2023 (Baht 53.9 million). The main reasons were as follows:

- In 2023, the company got loss on exchange rates on fair value measurement on investment in Japan because on 31 March 2023 Japanese Yen had depreciated from the end of the previous year by Baht 2.0 million.
- In 2024, the donation decreased by Baht 2.8 million.

1.6 Finance Costs

Finance costs for 3M 2024 was Baht 7.0 million, decreased by Baht 6.3 million or 47% compared to period of 3M 2023 (Baht 13.3 million). The main reason was the repayment of debentures in amount of Baht 650.0 million in the year 2023.

2. Analysis of Financial Position According to Consolidated Financial Statement

2.1 Analysis of Assets

As at 31 March 2024, the total assets were Baht 24,212.1 million, increased by Baht 315.2 million or 1%, compared to balance as of 31 December 2023 which was Baht 23,896.9 million. The details were as follows:

	31-Mar-24	31-Dec-23	Change	
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)	% Change
Property, plant and equipment, net	16,078.6	16,231.4	(152.8)	-1%
Other assets	8,133.5	7,665.5	468.0	6%
Total assets	24,212.1	23,896.9	315.2	1%

- As at 31 March 2024, property, plant and equipment were Baht 16,078.6 million, decreased by Baht 152.8 million or 1%, compared to balance as of 31 December 2023 which was Baht 16,231.4 million. The main reasons were as follows:
 - Depreciation in amount of Baht 159.8 million.
 - SET Energy Co., Ltd developed the land of EEC project in amount of Baht 6.4 million.
- As at 31 March 2024, other assets were Baht 8,133.5 million, increased by Baht 468.0 million or 6%, compared to balance as of 31 December 2023 which was Baht 7,665.5 million. The main reasons were as follows:



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- The decrease in cash and deposits with financial institutions in amount of Baht 2,759.2 million.
- The increase in short-term fixed income funds in amount of Baht 3,257.9 million.

2.2 Analysis of Liabilities and Shareholders' Equity

As at 31 March 2024, the total liabilities and shareholders' equity were Baht 24,212.1 million, increased by Baht 315.2 million or 1%, compared to balance as of 31 December 2023 which was Baht 23,896.9 million. The details were as follows:

	31-Mar-24	31-Dec-23	Change	
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)	% Change
Interest bearing debt	1,552.6	1,556.7	(4.1)	-0.3%
Other liabilities	509.2	491.8	17.4	4%
Shareholders' equity	22,150.3	21,848.4	301.9	1%
Total liabilities and shareholders' equity	24,212.1	23,896.9	315.2	1%

- As at 31 March 2024, interest bearing debt was Baht 1,552.6 million, decreased by Baht 4.1 million or 0.3%, compared to balance as of 31 December 2023 which was Baht 1,556.7 million. The main reasons were as follows:
 - The decrease in lease liabilities in amount of Baht 4.4 million.
- As at 31 March 2024, other liabilities were Baht 509.2 million, increased by Baht 17.4 million or 4%, compared to balance as of 31 December 2023 which was Baht 491.8 million. The main reasons were as follows:
 - The increase in income tax payable in amount of Baht 34.9 million.
 - The decrease in construction payable of SET Energy Co., Ltd in amount of Baht 14.8 million.
- As at 31 March 2024, shareholders' equity was Baht 22,150.3 million, increased by Baht 301.9 million or 1%, compared to balance as of 31 December 2023 which was Baht 21,848.4 million. The main reasons were as follows:
 - The net profit was Baht 358.4 million.
 - The payment of dividend was Baht 57.0 million.

2.3 The Appropriateness of Financial Structure

According to statement of financial position as at 31 March 2024, debt to equity ratio was 0.09 times, there was no significant change from 31 December 2023.



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3. Analysis of Cash Flow According to Consolidated Financial Statement

	Three-Month Period Ended 31 March		
	2024	2023	Change
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)
Net cash generated from (used in) operating activities	566.5	963.9	(397.4)
Net cash generated from (used in) investing activities	(3,562.4)	1,387.8	(4,950.2)
Net cash generated from (used in) financing activities	(63.3)	(1.3)	(62.0)
Net increase (decrease) in cash and cash equivalents	(3,059.2)	2,350.4	(5,409.6)
Cash and cash equivalents at the beginning of the period	4,443.2	1,733.5	2,709.7
Cash and cash equivalents at the end of the period	1,384.0	4,083.9	(2,699.9)

As at 31 March 2024, cash and cash equivalents were Baht 1,384.0 million, decreased by Baht 3,059.2 million from Baht 4,443.2 million as at 31 December 2023. The reasons were as follows:

- 1) Net cash generated from operating activities in amount of Baht 566.5 million, resulting in
 - Net cash generated from operating in amount of Baht 575.2 million.
 - Taxes paid in amount of Baht 8.7 million.
- 2) Net cash used in investing activities in amount of Baht 3,562.4 million, resulting in
 - Cash proceed from sale of investments in short-term fixed income funds in amount of Baht 45.0 million.
 - Cash paid for acquisition of investments in short-term fixed income funds in amount of Baht 3,300.0 million.
 - Cash paid for fixed deposit with financial institution in amount of Baht 300.0 million.
- 3) Net cash used in financing activities in amount of Baht 63.3 million, resulting in
 - Dividend paid in amount of Baht 57.0 million.
 - Repayment of lease liabilities in amount of Baht 6.2 million.

Please be informed accordingly.

Yours sincerely,

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Chief Executive Officer