

Ref. SCG-SET-22-024

November 9, 2022

Subject: Management Discussion and Analysis for the Quarter 3 of Year 2022

To: President,  
The Stock Exchange of Thailand

In the third quarter of 2022, the Company and its subsidiaries contributed the consolidated net loss of THB 63.28 million decreased by THB 129.48 million or 195% in comparing with the same period of Year 2021. As deducted the profit attributable to non-controlling interests of its subsidiaries, the loss attributable to the owners of the Company was THB 64.27 million, decreased by THB 128.90 million or 199% in comparing with the same period of Year 2021. The major impact to the operating result was caused by the increment of natural gas price in comparing with the same period of Y2021 (approximately 109%) due to the global energy price crisis which fluctuated and extremely increased. This impacted the electricity sales to Industrial Users (contributing 32% of total revenue) which the selling electricity price adjusted by the Fuel Adjustment (Ft) was not increased in line with the increment of natural gas price.

The key variances are summarized as follows;

1. Total revenue from sales was THB 1,614.24 million, increased by THB 509.24 million or 46%, mainly from the Company
  - Electricity sales revenue to EGAT was increased by THB 424.92 million due to higher natural-gas-indexed selling price.
  - Electricity sales revenue to Industrial Users was increased by THB 29.21 million due to higher selling electricity price adjusted by the Fuel Adjustment (Ft).
  - Steam sales revenue to Industrial Users was increased by THB 39.85 million due to higher steam fuel-oil-indexed selling price.
2. Cost of sales was THB 1,651.00 million, increased by THB 589.64 million or 56%, mainly from the increase in the cost of sales of the Company by THB 578.55 million due to natural gas price which approximately increased 109%.
3. Administrative expenses were THB 42.94 million, decreased by THB 5.09 million or 10%, mainly from the adjustment of exchange rates at the end of the period.
4. Share of loss from investment in associate was THB 0.34 million, decreased by THB 0.42 million or 55%
5. Financial expenses were THB 24.00 million, decreased by THB 1.99 million or 8% according to repayment of long-term loans.
6. Corporate income tax benefit was THB 19.55 million, increased by THB 25.14 million or 433% according to the operating result.

Please be informed accordingly

Yours sincerely,

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( Mr. Udompong Chuntharumporn )

Managing Director