

Sahacogen (Chonburi) Public Company

Management's Discussion and Analysis (MD&A)



For the Second Quarter Ended

30 June 2023



Executive Summary

Key Milestone

🕒 APRIL 2023

Solarist Thungfai Co., Ltd. – a subsidiary of the Company, has been awarded as a renewable energy power producer according to the announcement of the Energy Regulatory Commission regarding power purchase from the renewable energy for ground-mounted solar with the contracted capacity of 27 MW.

Executive Summary

Key Financial Highlight

	Quarter 2		Change	6-month Period		Change
	2022	2023	y-o-y	ปี 2565	ปี 2566	y-o-y
	THB million	THB million	%	THB million	THB million	%
Revenue from Sales of Goods	1,283.26	1,300.42	1.3%	2,588.41	2,727.33	5.1%
EBITDA*	122.13	195.61	37.6%	202.26	311.47	35.1%
Profit (loss) for the period	(34.70)	15.42	325.0%	(87.22)	2.20	4,071.9%
Profit (loss) from operating activities	(24.40)	47.91	150.9%	(65.79)	56.09	217.3%
EBITDA Margin (%)	9.52	15.04		8.74	11.68	
Operating Profit Margin (%)	-1.90	3.68		-2.54	2.06	

* EBITDA: Earnings Before Interest, Tax, Depreciation, and Amortization = Operating Profit + Depreciation, and Amortization

Revenue from Sale of Goods

In Quarter 2 and 6-month period of the year 2023, Revenue from Sale of Goods were THB 1,300.42 million and THB 2,727.33 million, increased by 1.3% and 5.1% respectively, which mainly from increasing of the Industrial Users' selling electricity price adjusted by the Fuel Adjustment (Ft).

Earnings Before Interest, Tax, Depreciation, and Amortization

In Quarter 2 and 6-month period of the year 2023, EBITDA were THB 195.61 million and THB 311.47 million, increased by 37.6% and 35.1% respectively, which EBITDA Margin of 15.04% and 11.68%.

Profit (loss) from operating activities

In Quarter 2 and 6-month period of the year 2023, Net Operating Profit were THB 47.91 million and THB 56.09 million, increased by 150.9% and 217.3% respectively. These caused by a decrease of natural gas prices and an increase of the Industrial Users' electricity selling price (contributing 37.9 percent of total revenue), adjusted by the Fuel Adjustment (Ft) including the insurance compensation income.

Profit (loss) for the period

In Quarter 2 and 6-month period of the year 2023, Net profit of THB 15.42 million and THB 2.20 million, increased by 325.0% and 4,071.9% respectively.

Financial Performance

Revenue Structure

	Quarter 2		Change	6-month Period		Change
	2022	2023	y-o-y	2022	2023	y-o-y
Electricity	GWh	GWh	%	GWh	GWh	%
Sales to EGAT						
Power Plant - Sriracha	148.46	147.62	-0.6%	291.45	295.11	1.3%
Sales to PEA						
Power Plant - Lamphun	16.67	15.48	-7.1%	32.57	32.46	-0.3%
Power Plant – Kamphaeng Phet	13.58	13.90	2.4%	28.23	26.71	-5.4%
Sales to IUs in Sriracha Saha Group Industrial Park						
Power Plant - Sriracha	89.27	93.67	4.9%	196.87	182.33	-7.4%
Steam						
	Tons	Tons	%	Tons	Tons	%
Sales to IUs in Sriracha Saha Group Industrial Park						
Power Plant - Sriracha	79,432	72,043	-9.3%	162,021	146,659	-9.5%
Sales to IUs in Lamphun Saha Group Industrial Park						
Power Plant - Lamphun	24,071	22,443	-6.8%	47,312	43,838	-7.3%

Financial Performance

Expenses Structure

	Quarter 2		Change	6-month Period		Change
	2022	2023	y-o-y	2022	2023	y-o-y
	THB million	THB million	%	THB million	THB million	%
Cost of Sales of Goods	1,270.53	1,229.94	-3.3%	2,581.40	2,615.70	1.3%
Administrative Expenses	39.32	55.36	29.0%	77.80	92.76	16.0%
Total Expenses	1,309.85	1,285.30	-1.9%	2,659.28	2,708.46	1.8%
Share of Profit (Loss) of Associate accounted for using equity method	1.16	3.34	65.3%	1.44	10.67	86.6%
Financial Cost	(22.93)	(34.24)	33.0%	(45.89)	(67.60)	32.1%
Income Tax Benefit (Expenses)	11.47	(1.59)	(821.1%)	23.02	3.05	(655.2%)
Profit (loss) for the period	(34.70)	15.42	325.0%	(87.22)	2.20	4,071.9%

Cost of Sales of Goods

In Quarter 2 of the year 2023 Cost of Sales of Goods decreased 3.3% from the decreasing of the natural gas price. However, 6-month Period of the year 2023, Cost of Sales of Goods increased by 1.3% caused by the high level of natural gas price in Quarter 1.

Administrative Expenses

In Quarter 2 and 6-month period of the year 2023, Administrative expenses increased by 29.0% and 16.0% respectively which from the written-off of the power plant improvement asset.

Share of Profit (Loss) of Associate Accounted for using Equity Method

In Quarter 2 and 6-month period of the year 2023, Share of Profit of Associate increased by 65.3% and 86.56% respectively which influenced by the performance of the associated company.

Financial Cost

In Quarter 2 and 6-month period of the year 2023, Financial Cost increased by 33.0% and 32.1% respectively which from the increment of Interest-Bearing Debt by issued of debenture in September 2022 and interest rate hike.

Income Tax Benefit (Expenses)

In Quarter 2 and 6-month period of the year 2023, Income Tax Benefit decreased by 821.1% and 655.2% respectively effected by deferred tax calculation which in line with the operating result.

Financial Statement

	31/12/2022	30/06/2023	Change
	THB Million	THB Million	%
Cash and Cash Equivalents and Short-Term Investment	1,081.81	944.18	(14.6%)
Property, Plant, and Equipment - Net	5,698.33	6,645.20	14.3%
Total Asset	8,520.77	9,273.19	8.1%
Interest Bearing Debt	3,896.52	4,915.83	20.7%
Total liabilities	4,827.66	5,634.61	14.3%
Equities attributable to Owner of the company	3,613.29	3,559.60	(1.5%)
Total equity	3,693.11	3,638.58	(1.5%)
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<i>Current Ratio (times)</i>	1.69	0.92	
<i>Debt to Equity Ratio (times)</i>	1.55	1.31	
<i>Net Debt to Equity Ratio (times)**</i>	1.11	0.79	

** Net Debt to Equity Ratio = (Interest Bearing Debt – Cash and cash equivalents and short-term investment) ÷ equity

Change in Capital Structure

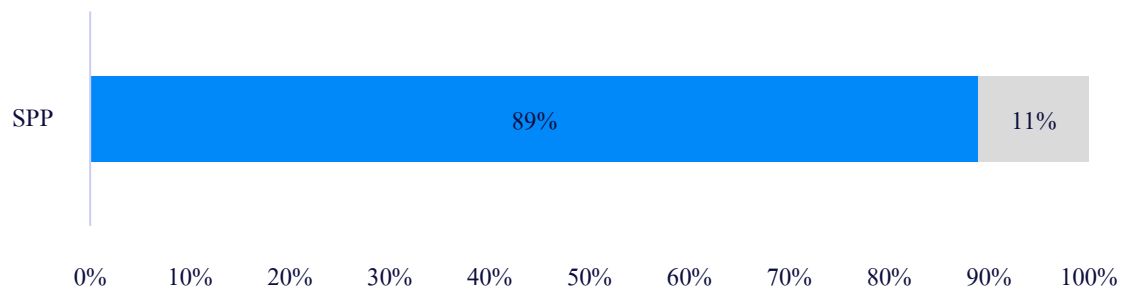
- **Total Assets** increased by 8.1% which form the increment of Property, Plant and Equipment - net in amount of THB 946.87 million, generally from the construction of SPP Replacement Project.
- **Interest Bearing Debt** increased by 20.7% which from the increment of Short-term loan from banks.
- **Total Equities** decreased by 1.5% which from the dividend payment of the year 2022 in May 2023.
- **Net Debt to Equity ratio** increased to 1.11 which from the increment of Short-term loan from banks during 1st half of the year 2023.

Projects under Construction

I. SPP REPLACEMENT

Installed Capacity	MW	79.5
Steam Capacity	Ton per hour	75
Shareholding Portion	%	100
SCOD		April 2024
EGAT PPA	year	25

% Progress



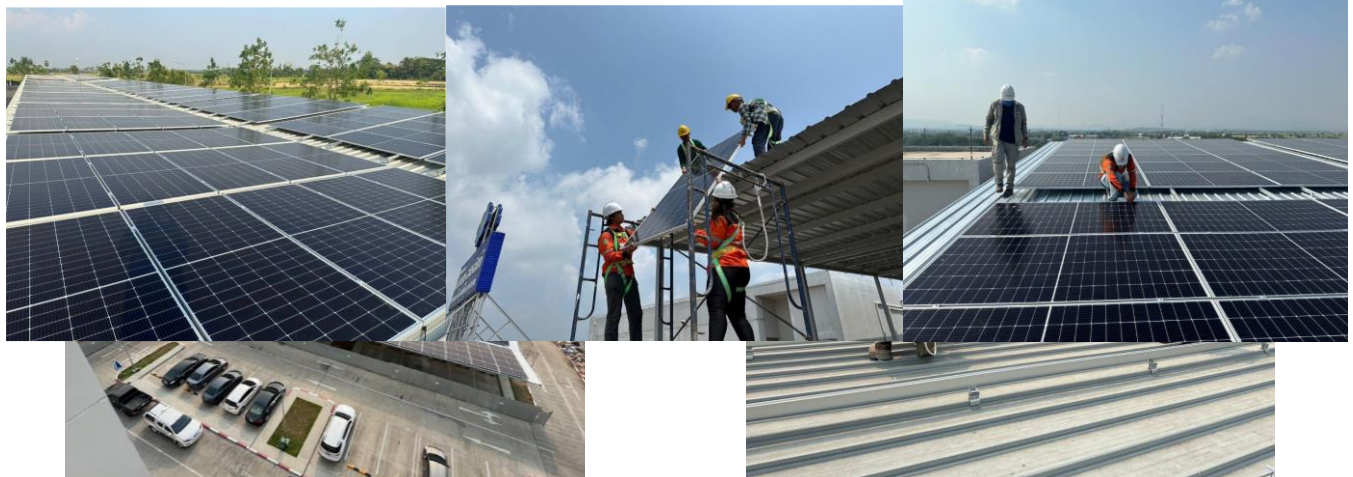
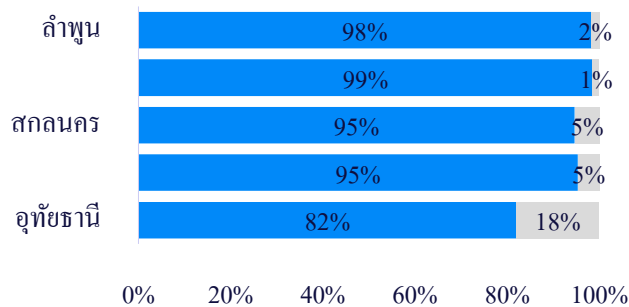
Projects under Construction

2.SOLAR ROOFTOP - PRINC

		Lamphun	Sisaket	Sakhon Nakhon	Uttaradit	Uthai Thani
Installed Capacity	MW	0.27	0.20	0.22	0.23	0.11
Shareholding Portion	%	100	100	100	100	100
SCOD		Sep 2023	Aug 2023	Oct 2023	Sep 2023	Oct 2023
Private PPA	year	25	25	25	25	25

		Pitsanuvej	Ubonratchathani	Phichit	Chumphon
Installed Capacity	MW	0.22	0.17	0.20	0.07
Shareholding Portion	%	100	100	100	100
SCOD		Dec 2023	Dec 2023	Dec 2023	Dec 2023
Private PPA	year	25	25	25	25

% Progress

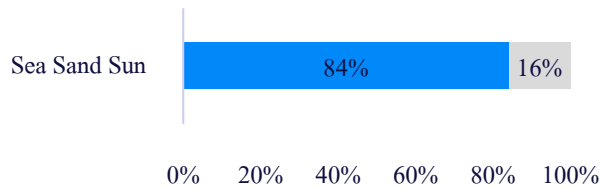


Projects under Construction

3. SOLAR ROOFTOP - SEA SAND SUN

Installed Capacity	MW	0.19
Shareholding Portion	%	100
SCOD		Sep 2023
EGAT PPA	year	20

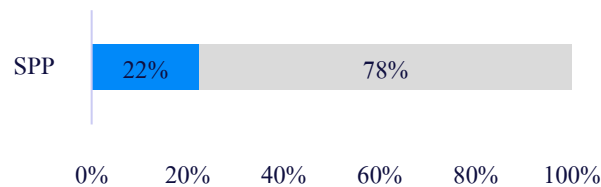
% Progress



4. SOLAR ROOFTOP-THAI SAMSUNG

Installed Capacity	MW	5.15
Shareholding Portion	%	100
SCOD		April 2024
Power Purchase Agreement	Year	15

% Progress



The Management Discussion and Analysis of the Company's Performance (the "MD&A") is proposed to present and analyze the operational results and financial position at the end of the accounting period. Such information may change in the future. The MD&A is primarily prepared in Thai. In cases where the content in the translation contains any conflict or is interpreted differently from the Thai version, the Thai version shall prevail. For questions or queries, please contact our Investor Relations Department: Tel: +66 (0) 38-481-555 or Email: investorrelation@sahacogen.com