



Date 10 November 2023

Subject : Management's Discussion and Analysis of the Financial Statements for
the nine-month period ended September 30, 2023

To : Managing Director of The Stock Exchange of Thailand

Enclosure

: Management's Discussion and Analysis of the Financial Statements for the nine-month period ended
September 30, 2023, both Thai and English, 1 set for each

Clover Power Public Company Limited ("the company") would like to submit the company's reviewed
financial statements for the nine-month period ended September 30, 2023 to the Stock Exchange of Thailand.

The operating result of the company for the nine-month period ended September 30, 2023 had a net
loss totaling 179.63 million Baht. Please see further details in the Management's Discussion and Analysis of the
financial statements for the nine-month period ended September 30, 2023 as attached.

Yours faithfully,

(Mr. Saithsiri Saksitthisereekul)

Chief Executive Officer

Clover Power Public Company Limited

Management's Discussion and Analysis for the nine-month period ended 30 September 2023 Results
Clover Power Public Company Limited ("The Company" or "CV")

1. Company Overview

Clover Power Public Company Limited ("the Company" or "CV") was established in August 8, 2013 for the purpose of investments in Renewable energy power plants by a group of experienced engineers with a long track record in the EPC turnkey business.

Nature of Business Operations

The company's business operations consist of 3 groups as follows:

(1) Generation and Distribution of Electricity

The company operates in the business of generating electricity from renewable energy. It focuses on developing and diversifying investments in power plants using various types of renewable energy technologies, including biomass, waste and biogas. As of September 30, 2023, the company has 4 renewable energy power plants that have been in commercial operation with an installed capacity totaling 23.66 megawatts. Consisting of 2 biomass powerplants operating under CV and CPL and 1 waste to energy power plant operating under CPX, and 1 Cogeneration power plant under SPP respectively.

(2) Engineering Procurement and Construction

The company has been engaged in the power plant engineering business for more than 15 years, focusing on constructing power plants in the energy sector ranging from biomass, waste and biofuels, and general building and infrastructure construction, including operating and designing service to supply machinery and equipment for construction (Engineering Procurement and Construction: EPC) to powerplants of the company and customers which is operating under SBC SBE and LBM, a directly hold 100% and indirectly hold 100% and 70%, respectively.

(3) Fuel Supply

The company operates in the business of trading Biomass Fuel to power customer both domestic and oversea, operating under CVR, a wholly-owned subsidiary holding 100% shares and DKC which produce a wood pallet in Vietnam with shares holding portion at 60% .

(4) Others Business

The company has an Operation and Maintenance: O&M business for power plant customers. Focusing on operate and maintenance services for power plants in the renewable energy group, operating under CVO, a 100% holds. The company has a team of engineers and experts who have experiences in operation and maintenance to provide comprehensive services.

2. Business performance

The company's business operations consist of 3 groups which are (1) Generation and Distribution of Electricity (2) Engineering Procurement and Construction (3) Fuel supply Business.

2.1 Revenues

For the nine-month period ended September 30, 2023, the company and its subsidiaries reported revenue in an amount of 876.44 million Baht decreased by 661.89 million Baht or 43.03% when compare the nine-month period end September 30, 2022, which had total revenue in amount of 1,538.33 million Baht as follows.

Revenue from the sale of electricity for the nine-month period ended September 30, 2023, and 2022, were 435.11 million Baht and 415.50 million Baht respectively, increased by 19.61 million Baht representing a 4.72% mainly due to more efficient operation.

Revenue from engineering procurement and construction for the nine-month period ended 30 September 2023, and 2022 were 390.57 million Baht and 984.73 million Baht respectively, decreased by 594.16 million Baht representing a 60.34% mainly from the general building and infrastructure construction which is a continuation project from the end of 2022, there was the results in an increasing in revenue from engineering procurement and construction.

Revenue from fuel supply for the nine-month period end September 30, 2023 and 2022 were 44.58 million Baht and 90.55 million Baht respectively , Decreased by 45.97 million Baht representing a 50.77% Because the sale plan of wood pellets have different time period.

Other Revenues for the nine-month period end September 30, 2023, and 2022, were 6.18 million Baht and 42.70 million Baht respectively, decreased by 36.52 million Baht representing a 85.53% was mainly because in the Second of 2022 the company has profit from sale of investment in an associated company with full payment of shares.

Revenue Structure	For the nine-month period ended			
	30 September 2022		30 September 2023	
	Million Baht	%	Million Baht	%
Revenue from sale of electricity	415.50	27.01	435.11	49.64
Biomass power plant	331.34	21.54	334.82	38.20
RDF power plant	75.99	4.94	71.56	8.16
Cogeneration power plant	8.17	0.83	28.73	3.28
Revenue from sale of machinery and rendering construction engineering services	984.73	64.01	390.57	44.56
Sale on machinery and equipment	342.06	22.23	285.48	32.57
Rendering construction engineering service	642.67	41.78	105.09	11.99
Revenue from sales	90.55	5.89	44.58	5.09
Sale fuel	90.55	5.89	44.58	5.09
Revenue from rendering service	4.84	0.32	-	-
Rendering services	4.84	0.32	-	-
Revenue from Operation	1,495.62	97.23	870.25	99.29
Other Revenue ¹	42.70	2.77	6.18	0.71
Total Revenue	1,538.32	100.00	876.44	100.00

Note: ¹Other Revenue such as revenue from rental/service, interest income, gain/loss on exchange rate, etc

2.2 In handover Contract

As at 30 September 2023, the Company's has in handover contract, that is expected to be recognized in the total amount 1,555.94 million Baht are as follow:

Project	In handover contract (million Baht)
1. Project General Construction	1,527.91
2. Project Power Plant	28.03
Total	1,555.94

2.3 Cost of Sales and Services, and Gross Profit

Cost of sales and services mainly consists of the cost of sale of electricity, cost of sale of machinery and rendering construction engineering services, and cost of rendering services. For the nine-month period ended September 30, 2023, and 2022, the company's cost of sales and services were 782.59 million Baht and 1,286.89 million Baht, respectively, which were equivalent to the gross profit margin 10.14% and 13.95%.

Gross profit from the sale of electricity for the nine-month period ended September 30, 2023, and 2022 was 88.47 million Baht (Gross profit margin representing 20.33%) and 75.73 million Baht (Gross profit margin representing 18.23%), respectively, increased in gross profit by 12.74 million Baht representing a 16.83% mainly due to more efficient operation.

Gross profit from engineering procurement and construction for the nine-month period ended September 30, 2023, and 2022, were 34.59 million Baht (Gross profit margin representing 8.86%) and 117.58 million Baht (Gross profit margin representing 11.94%), respectively, decreased gross profit by 82.90 million Baht representing a 70.58% mainly from the revenue from engineering procurement and construction decreased representing a 60.34% compared to 2022 but General Construction gross margins are closed to 2022.

For the nine-month period ended September 30, 2023 and 2022, the company's cost of sales and services are as follows:

Cost of Sales and Services	For the nine-month period ended September 30, 2022		For the nine-month period ended September 30, 2023	
	Million Baht	Gross Profit (%)	Million Baht	Gross Profit (%)
Cost of sale of electricity	339.77	18.23	346.63	20.33
Cost of sale of machinery and rendering construction engineering services	867.15	11.94	355.98	8.86
Cost of rendering services	4.10	15.29	-	-
Cost of sale	75.87	16.21	79.39	(78.08)
Total Cost of Sales and Services	1,286.89	13.96	782.01	10.14

2.4 Selling and Administrative Expenses

For the nine-month period ended September 30, 2023, and 2022, the company had selling and administrative expenses of 177.67 million Baht and 164.59 million Baht, respectively, or equivalent to 20.27% and 10.70% of the total revenues, respectively. The increase in employee-related expenses by 5.60 million Baht was mainly due to the company has recruiting more employee for support business expansion in the year 2023. Advisor fee were decreased by 6.01 million Baht mainly from the consulting fee for investing business . Distribution Costs were decreased by 23.31 million Baht mainly from the cost of distribution of fuel business group that occurs in the year of 2022 and Other expenses increased 34.99 million Baht mainly from realized loss for exchange rate 4.04 million Baht ,expected credit losses 14.50 million Baht and Expense of none active operation 17.15 million Baht, as shown in the table below.

Selling and Administrative Expenses	For the nine-month period ended September 30, 2022		For the nine-month period ended September 30, 2023	
	Million Baht	(%)	Million Baht	(%)
Employee-related expenses	69.11	41.99	74.71	42.05
Fee and other charges ¹	8.52	5.18	8.21	4.62
Advisor fee ²	30.33	18.43	24.32	13.69
Depreciation and Amortization	6.05	3.68	8.17	4.60
Distribution Costs	26.51	16.10	3.20	1.80
Other expenses ³	24.07	14.62	59.06	33.24
Total	164.59	100.00	177.67	100.00

note:

- ¹ Fee and other charges mainly consist of a local enterprise's fund subsidy, financial institutions' fee, tax fee, etc.
- ² Advisor fee mainly expenses for the implementation of the power plant construction project and professional fee for the projects etc.
- ³ Other expenses mainly include insurance fees, loss from exchange rate fluctuation, traveling expenses, office maintenance expenses, etc.

2.5 Net Profit

The company's net profit(loss) for the nine-month period end September 30, 2023, and 2022, were (179.63) million Baht and 38.23 million Baht, respectively, with net profit(loss) margins of (20.48)% and 2.49%, respectively.

For the nine-month period ended September 30, 2023, the company's net profit were declined by 217.86 million Baht, representing a 569.84% decrease compared with the same period in 2022

Profit(loss) attributable to owners of the parent for the nine-month period ended September 30, 2023, and 2022 were (151.02) million Baht and 44.85 million Baht respectively, Decreased by 195.87 million Baht representing a 436.73%.

3. Financial Position

3.1 Assets

As of 30 September 2023, the company's total assets were 4,623.24 million Baht. The main assets consist of contract assets 1,642.61 million Baht, property, plant, and equipment of 1,631.94 million Baht, trade and other receivables of 577.72 million Baht, Advanced payment for investments 247.49 million Baht, Restricted deposits at a financial institution 97.51 million Baht, Goodwill 95.16 million Baht, and Right to produce and sell of electricity of 79.49 million Baht, which were equivalent to 35.53%, 35.30%, 12.50%, 5.35%, 2.11%, 2.06% and 1.72% as a percentage of total assets, respectively. The increase in the total assets by 176.16 million Baht representing 3.96% mainly due to Advanced payment for investments, has increased 237.49 million Baht.

3.2 Liabilities

As of 30 September 2023, the company's total liabilities were Baht 2,779.30 million. The main liabilities consist of trade and other payables, Debenture and loan from financial institutions, which were equivalent to 21.01%, 31.45 and 35.54% as a percentage of total liability, respectively.

3.3 Shareholders' equity

As of 30 September 2023, the shareholders' equity of the company was 1,843.94 million Baht, which decreasing by 176.54 million Baht, representing 8.74% from the end of 2022, mainly from the annual performance in quarterly 3/2023.

3.4 Statement of cash flow

For the nine-month period ended 30 September 2023, the company had cash and cash equivalents at the beginning of the period of 55.08 million Baht. Net cash used in operating activities was 157.90 million Baht, mainly resulted from profit before tax and loss on changes in working capital of 23.57 million Baht and the increase in changes in working capital of 134.33 million Baht, which was mainly from Construction in progress decrease 50.33 million Baht and trade and other payable increases 77.94 million Baht. In addition, net cash from investing activities was (327.98) million Baht and net cash from financing activities was 137.17 million Baht. As a result, the company had cash and cash equivalents at the end of the period was 21.00 million Baht.

Details of cash flow by activities are as follows:

Items	Consolidated financial statements.	
	For the nine-month period ended	
	30 September 2022	30 September 2023
Net cash from (used in) operating activities	(526.42)	157.90
Net cash from (used in) investing activities	(213.91)	(327.98)
Net cash from (used in) financing activities	595.78	137.17
An effect from the foreign exchange rate in cash and cash equivalents and effects from translation differences on financial statements	0.88	(1.17)
Cash and cash equivalent as at January 1,	193.29	55.08
Cash and cash equivalent as at September 30,	49.62	21.00

4. Key Financial Ratios

Items	Consolidated Financial Statement	
	As at December 31, 2022	As at September 30, 2023
Current Ratio (times)	1.81	1.81
Gross Profit Margin (%)	13.98	10.14
Net Profit Margin (%)	0.65	(20.49)
Return on Equity (ROE) (%)	0.63	N/A
Debt to Equity ratio (times)	1.20	1.51