

7UP009/67

May 14, 2024

Subject: Management Discussion and Analysis for quarter 1/2024 of Seven Utilities and Power Public Company Limited

To: The President The Stock Exchange of Thailand

Seven Utilities and Power Public Company Limited (“the Company”) would like to report the operating results of the Company and its subsidiaries for quarter 1/2024, ended March 31, 2024 are as follows:

Statement of profit or loss

(Unit: Thousand Baht)

Statement of comprehensive income	Consolidated financial statements					
	31 Mar 24	%	31 Mar 23	%	YOY	%YOY
Sales	224,501	84.28%	234,454	82.97%	(9,953)	4.25%
Service income	38,659	14.51%	40,786	14.43%	(2,127)	5.22%
Other income	3,226	1.21%	7,351	2.60%	(4,125)	56.11%
Total revenues	266,386	100.00%	282,591	100.00%	(16,205)	5.73%
Cost of sales	(211,560)	79.42%	(221,385)	78.34%	9,825	4.44%
Cost of services	(27,242)	10.23%	(25,751)	9.11%	(1,491)	5.79%
Selling expenses	(5,532)	2.08%	(5,808)	2.06%	276	4.75%
Administrative expenses	(54,097)	20.31%	(63,561)	22.49%	9,464	14.89%
Gain on disposal and write off assets	1	0.00%	59	0.02%	(58)	98.31%
Finance cost	(6,608)	2.48%	(7,670)	2.71%	1,062	13.85%
Share of loss from investment in associates	(4,601)	1.73%	(3,980)	1.41%	(621)	15.60%
Loss before income tax income	(43,253)	16.24%	(45,505)	16.10%	2,252	4.95%
Income tax income	4,192	1.57%	3,986	1.41%	206	5.17%
Net loss for the periods	(39,061)	14.66%	(41,519)	14.69%	2,458	5.92%

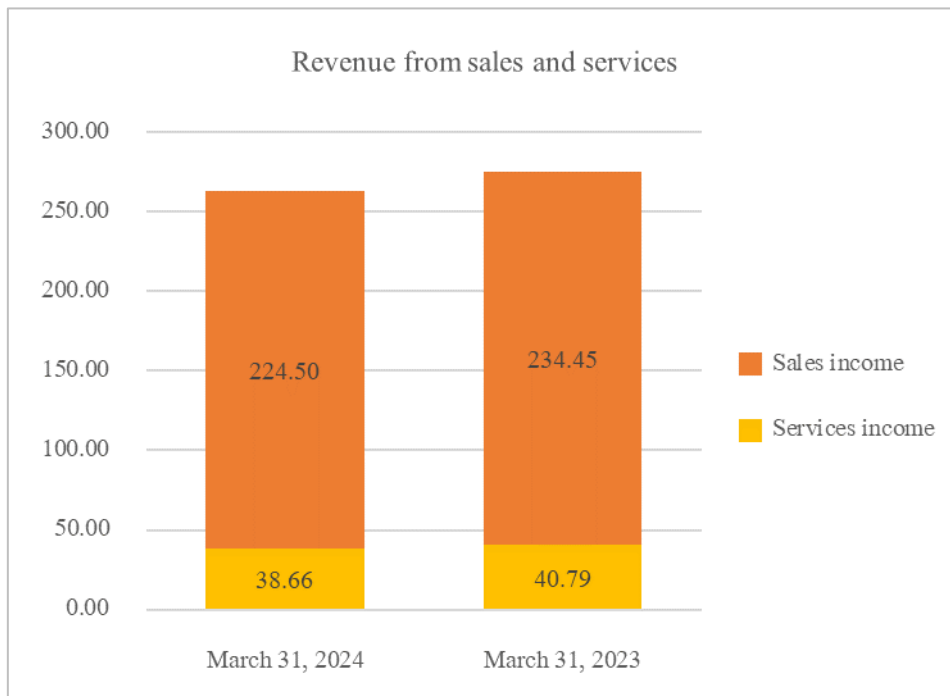
Remark: Financial ratio is based on common-size analysis to total revenue

Overall business operation 3 months

For quarter 1/2024, Seven Utilities and Power Public Company Limited and its subsidiaries has net loss amounting to Baht 39.06 million. Loss decreased from quarter 1/2023 by Baht 2.46 million or 5.92%. By revenue from sales decreased from same quarter of the previous 4.25%, while cost of sales decreased 4.44% which cause gross profit from sales increased from 5.57% to 5.76% and revenue from services decreased from same quarter of the previous 5.22%, while cost of services higher increased 5.79% which cause gross profit from services decreased from 36.86% to 29.53%

Revenue 3 months

(Unit: Million Baht)



For quarter 1/2024, the Company has sales and services income amounting to Baht 263.16 million, which decreased from quarter 1/2023 by Baht 12.08 million or 4.39%. By sales income amounting to Baht 224.50 million, consists of revenue from the sale of LPG and oil amounting to Baht 221.57 million and revenue from the sale of electricity amounting to Baht 2.93 million. Services income amounting to Baht 38.66 million, consists of revenue from waste water management services amounting to Baht 16.27 million and revenues from water production management amounting to Baht 18.05 million and revenue from LPG and oil station management amounting to Baht 4.34 million.

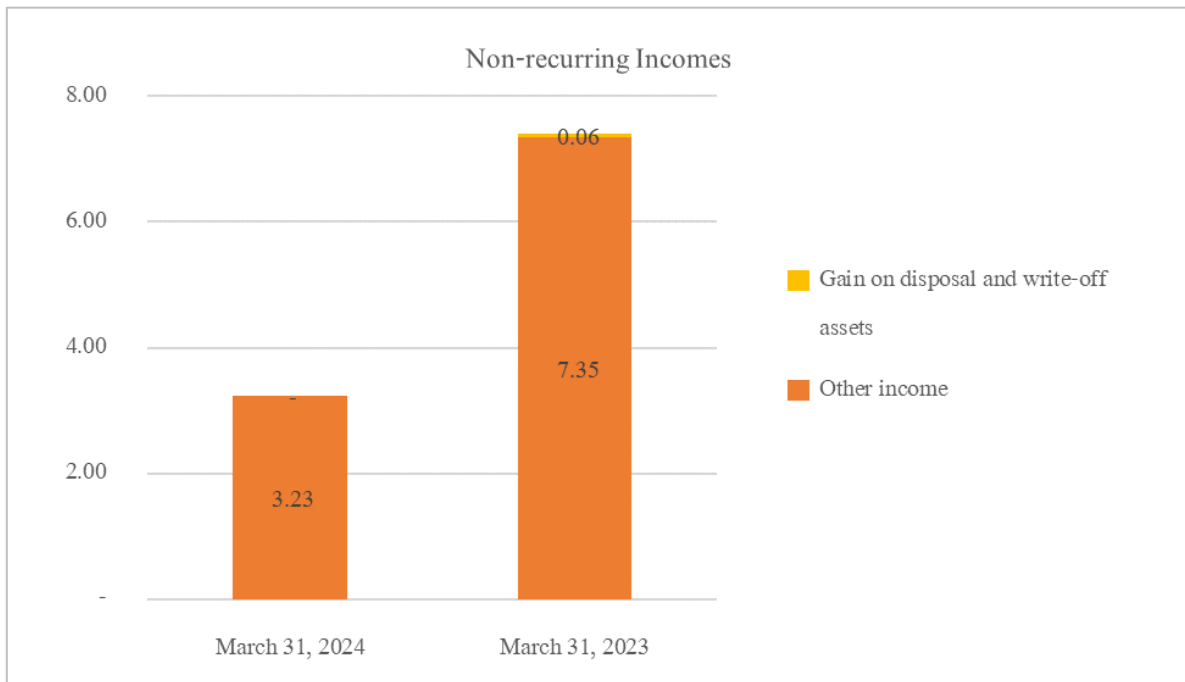
Sales and services income decreased by Baht 12.08 million mostly came from revenue from LPG and oil station business was decreased by Baht 10.51 million due to the world oil price situation is still fluctuating pressure on fuel use in Thailand, quarter 1/2024 down 2.6% resulting revenues from sales oil decreased when compared with quarter 1/2023.

Revenue from utilities business was decreased by Baht 1.69 million, mostly came from the revenue from waste water management services was decreased by Baht 5.78 million due to some ponds are being renovated, result revenues decreased.

Revenue from water production management was increased by Baht 4.09 million due to the number of customers increasing and customers use increased amounts of water, compared to the same quarter of the previous.

Revenue from renewable energy business was increased by Baht 0.12 million.

(Unit: Million Baht)



For quarter 1/2024, the Company has other incomes and non-recurring incomes amounting to Baht 3.23 million which decreased from quarter 1/2566 by Baht 4.18 million or 56.45%. By other incomes and non-recurring incomes amounting to Baht 3.23 million, mostly consists the following;

- Other incomes amounting to Baht 3.23 million, mostly consists of revenues from meter installation fees amounting to Baht 0.68 million, revenues from sublease-service station and land amounting to Baht 0.67 million, revenues from space rental amounting to Baht 0.57 million, revenues from sales engine oil amounting to Baht 0.44 million and revenues from monthly water meter maintenance services amounting to Baht 0.14 million.

Revenue, Cost and Operation by Segment

(Unit: Million Baht)

Gross Profit by Segment	31 Mar 24	%	31 Mar 23	%	Changes	
					YOY	%YOY
<u>LPG and oil station business</u>						
Revenues from sales and rendering of services	225.91	85.85%	236.42	85.90%	(10.51)	4.45%
Cost of sales and rendering of services	209.38	87.68%	218.92	88.58%	(9.54)	4.36%
Gross Profit by Segment	16.53	67.86%	17.50	62.28%	(0.97)	5.54%
Gross Profit Margin	7.32%		7.40%			
<u>Utilities business</u>						
Revenues from sales and rendering of services	34.32	13.04%	36.01	13.08%	(1.69)	4.69%
Cost of sales and rendering of services	25.08	10.50%	23.76	9.61%	1.32	5.56%
Gross Profit by Segment	9.24	37.93%	12.25	43.59%	(3.01)	24.57%
Gross Profit Margin	26.92%		34.02%			
<u>Renewable energy business</u>						
Revenues from sales and rendering of services	2.93	1.11%	2.81	1.02%	0.12	4.27%
Cost of sales and rendering of services	4.34	1.82%	4.46	1.80%	(0.12)	2.69%
Gross Profit by Segment	(1.41)	-5.79%	(1.65)	-5.87%	0.24	14.55%
Gross Profit Margin	-48.12%		-58.72%			
Total Revenues from sales and rendering of services	263.16	100.00%	275.24	100.00%	(12.08)	4.39%
Total Cost of sales and rendering of services	238.80	100.00%	247.14	100.00%	(8.34)	3.37%
Total Gross Profit before Eliminations	24.36	100.00%	28.10	100.00%	(3.74)	13.31%
<u>Less Eliminate transactions</u>	-		-		-	-
Total Gross Profit	24.36		28.10		(3.74)	13.31%
Gross Profit Margin	9.26%		10.21%			

Revenue from sales and services 3 months

From all proportion of revenue from sales and services for quarter 1/2024 amounting to Baht 263.16 million, the Company has revenue from sales and services in each group business the following;

- LPG and oil station business amounting to Baht 225.91 million or 85.85%.
- Utilities business amounting to Baht 34.32 million or 13.04%.
- Renewable energy business amounting to Baht 2.93 million or 1.11%.

When compared with quarter 1/2023 by revenue from sales and services of LPG and oil station business still be main revenue of the Company. By revenue from sales and services decreased amounting to Baht 10.51 million or 4.45%, revenue from sales and services of utilities business decreased from same quarter of the previous amounting to Baht 1.69 million or 4.69%, while revenue from sales and services of renewable energy business increased from same quarter of the previous amounting to Baht 0.12 million or 4.27%.

Cost of sales and services 3 months

Cost of sales and services for quarter 1/2024 amounting to Baht 238.80 million, consists of cost of sales amounting to Baht 211.56 million and cost of services amounting to Baht 27.24 million, which decreased from quarter 1/2023 by Baht 8.34 million or 3.37%, consists of cost of sales decreased amounting to Baht 9.83 million or 4.44%, while cost of services increased amounting to Baht 1.49 million or 5.79%.

From all proportion of cost of sales and services in quarter 1/2024, the Company has cost of sales and services in each group business the following;

- LPG and oil station business amounting to Baht 209.38 million or 87.68% which is cost from purchasing LPG and oil amounting to Baht 207.22 million and cost from sales management amounting to Baht 2.16 million.
- Utilities business amounting to Baht 25.08 million or 10.50% which is cost of water distribution management amounting to Baht 15.59 million and waste water management services amounting to Baht 9.49 million.
- Renewable energy business amounting to Baht 4.34 million or 1.82% which is cost of electricity production in whole amount.

Gross Profit 3 months

Gross profit for quarter 1/2024 and quarter 1/2023 were amounting to Baht 24.36 million and Baht 28.10 million, respectively. Gross profit decreased from same quarter of the previous by Baht 3.74 million or 13.31%. Consists of Gross profit mostly came from the following;

- LPG and oil station business amounting to Baht 16.53 million or 67.86% of all gross profit of the Company which consists gross profit from sale of LPG and oil amounting to Baht 14.35 million and gross profit from sales management amounting to Baht 2.18 million.
- Utilities business amounting to Baht 9.24 million or 37.93% of all gross profit of the Company which gross profit from waste water management services amounting to Baht 6.78 million and gross profit from water distribution management amounting to Baht 2.46 million
- Renewable energy business has gross loss amounting to Baht 1.41 million which loss from electricity production which cause total gross profit of the Company decreased 5.79%

Selling and Administrative Expenses 3 months

Selling and administrative expenses for quarter 1/2024 were amounting to Baht 59.63 million, which decreased from quarter 1/2023 by Baht 9.74 million, or 14.04%. By being selling expenses amounting to Baht 5.53 million, which is selling expenses from LPG and oil business and administrative expenses amounting to Baht 54.10 million, mainly due to management expenses, employee expenses, utilities, land rent expense, audit fees, depreciations and amortizations.

Financial Cost 3 months

For quarter 1/2024, the Company's finance cost is amounting to Baht 6.61 million, which decreased from quarter 1/2023 by Baht 1.06 million, or 13.85%, which mostly resulted from borrowings from financial institutions and long-term loan by financial cost decreased from payment interest on long-term loan.

Profit (Loss) for the period 3 months

Results of operations for quarter 1/2024, the Company has a net loss of Baht 39.06 million, which the Company decreased in operation from quarter 1/2023 by Baht 2.46 million, or 5.92%.

Statement of Financial Position

(Unit: Thousand Baht)

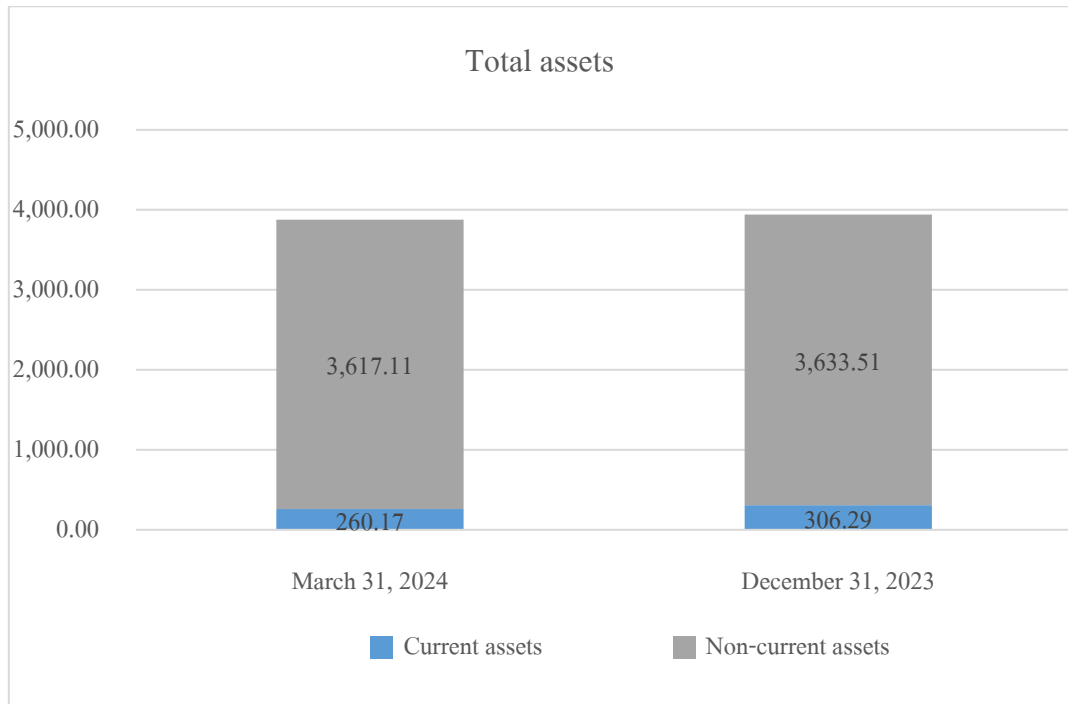
Statement of Financial Position	Consolidated Financial Statements as of		Changes	Changes %
	31 Mar 24	31 Dec 23		
Total Assets	3,877,282	3,939,801	(62,519)	1.59%
Total Liabilities	850,717	874,132	(23,415)	2.68%
Equity Attributable to Owners of the Company	2,365,517	2,397,354	(31,837)	1.33%
Non-Controlling Interests	661,048	668,315	(7,267)	1.09%
Total Shareholders' Equity	3,026,565	3,065,669	(39,104)	1.28%

Total assets of the Company as at March 31, 2024 amounting to Baht 3,877.28 million, as at December 31, 2023 of Baht 3,939.80 million which decreased by Baht 62.52 million or 1.59%. Total assets mostly consist of property, plant and equipment amounting to Baht 1,526.37 million, intangible assets amounting to Baht 1,357.53 million, investment in associated amounting to Baht 324.89 million, goodwill amounting to Baht 165.47 million, right-of-use assets amounting to Baht 138.52 million, trade and other current receivables amounting to Baht 129.40 million, and cash and cash equivalents amounting to Baht 75.24 million.

The total liabilities of the Company as at March 31, 2024 was Baht 850.72 million and as at December 31, 2023 was Baht 874.13 million which decreased by Baht 23.42 million or 2.68%. Total liabilities mostly came from deferred tax liabilities amounting to Baht 285.46 million, liabilities under lease agreements amounting to Baht 138.99 million, long-term loans from related person and parties amounting to Baht 134.05 million, short-term loans from non-related person and parties amounting to Baht 96.91 million, and trade and other current payables amounting Baht 91.39 million.

Shareholders' equity as at March 31, 2024 amounting to Baht 3,026.57 million, while balance as at December 31, 2023 amounting to Baht 3,065.67 million which decreased by Baht 39.10 million or 1.28%.

(Unit: Million Baht)

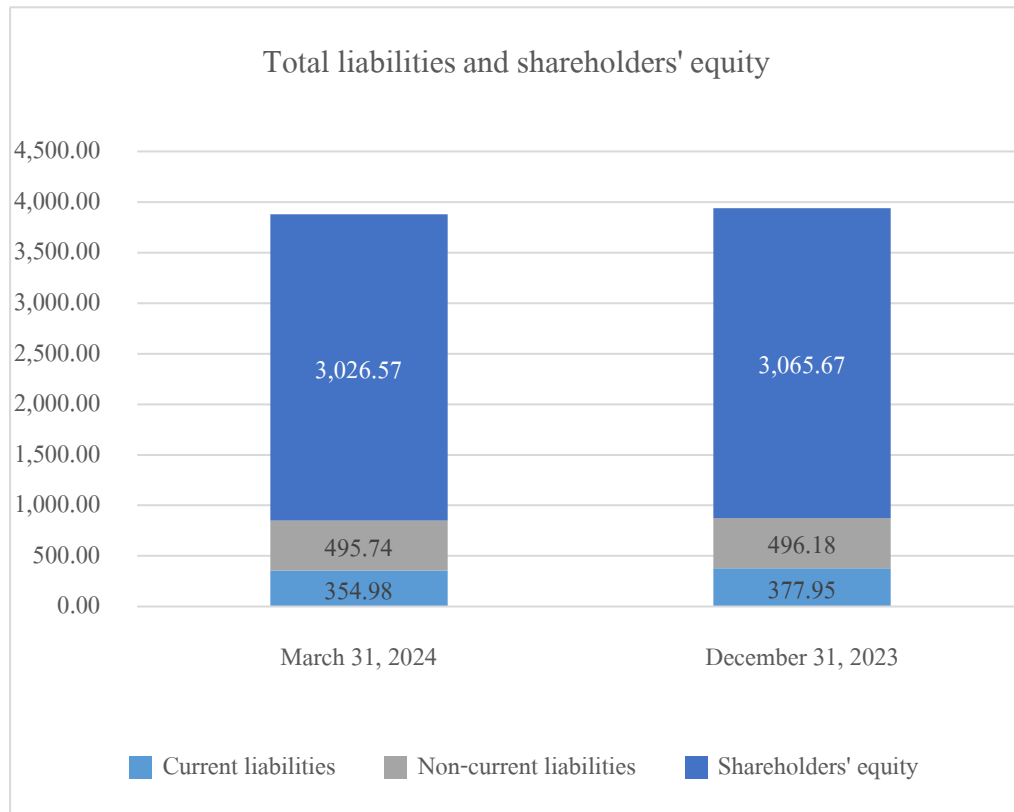


As at March 31, 2024, the Company has total assets by Baht 3,877.28 million which decreased from December 31, 2023 by Baht 62.52 million, or 1.59% mostly came from

- Cash and cash equivalents decreased by Baht 39.59 million which cash and cash equivalents at the beginning of the period by Baht 114.83 million, therefore, cash and cash equivalents at the period ended amounting to Baht 75.24 million. The decreasing in cash by Baht 39.59 million mainly came from cash payment for purchase of intangible assets by Baht 15.52 million, cash payments for interest expenses by Baht 13.05 million, cash payments for long-term loans by Baht 10.00 million, cash payments for trade and other current payables by Baht 8.34 million, cash payments for long-term loans from financial institutions by Baht 4.31 million, and there are cash received from short-term loans to related person and parties by Baht 10.60 million, cash received from bank overdrafts by Baht 1.90 million, cash received from interest income by Baht 0.40 million, cash received from disposals of equipment by Baht 0.02 million.

- Property, plant, and equipment decreased by Baht 14.16 million which came from depreciation for the period by Baht 23.59 million, disposals and amortize by Baht 0.02 million, and additions during the period by Baht 1.73 million.
- Short-term loans to related person and parties decreased by Baht 10.60 million which came from get refund from short-term loans to related person and parties by Baht 10.60 million.
- Intangible assets decreased by Baht 5.60 million which came from depreciation for the period by Baht 17.75 million and additions during the period by Baht 12.15 million.
- Right-of-use assets increased by Baht 8.27 which come from depreciation for the period by Baht 5.15 million and additions during the period by Baht 13.42 million.
- Trade and other current receivables increased by Baht 2.10 million which mostly came from amortization for the period in prepaid expenses increased by Baht 4.01 million, increase in accrued income - non-related parties by Baht 1.05 million, increase in accrued interest - non-related parties by Baht 0.13 million, increase in trade receivables - non-related parties by Baht 0.12 million, and decrease in other receivables - non-related parties by Baht 1.06 million, decrease in input tax refundable by Baht 0.39 million, decrease in suspense input tax by Baht 0.20 million, decrease in accrued interest - related parties by Baht 0.15 million.

(Unit: Million Baht)



As at March 31, 2024, the Company has total liabilities by Baht 850.72 million which decreased from December 31, 2023 by Baht 23.42 million, or 2.68%, mostly came from

- Trade and other current payables decreased by Baht 16.36 million which mostly came from trade payables - non-related parties decreased by Baht 12.52 million, and other payables - non-related parties decreased by Baht 1.40 million.
- Long-term loans from related person and parties decreased by 10.00 million which came from repayment for long-term loans from related person and parties by Baht 10.00 million.
- Long-term loans from financial institutions decreased by Baht 4.31 million which came from repayment for long-term loans from financial institutions by Baht 4.31 million.

As at March 31, 2024, shareholders' equity of the Company amounting to Baht 3,026.57 million, which decreased from December 31, 2023 by Baht 39.10 million or 1.28% due to net loss for the period of equity attributable to owners of the company by Baht 31.79 million, net loss for the period of non-controlling interests by Baht 7.27 million, changes in ownership interest in subsidiary without a change in control by Baht 5.22 million.

Company's liquidity

(Unit: Thousand Baht)

Details	Consolidate financial statements	
	For the period ended	For the period ended
	March 31, 2024	March 31, 2023
Net cash provided by (used in) operating activities	2,446	(1,528)
Net cash provided by (used in) investing activities	(12,189)	(30,020)
Net cash provided by (used in) financing activities	(29,847)	(23,582)
Net increase (decrease) in cash and cash equivalents	(39,590)	(55,130)
Cash and cash equivalents at the beginning of the period	114,827	103,534
Cash and cash equivalents at the ending of the period	75,237	48,404

The Company's liquidity for the period ended March 31, 2024 has net increase in cash and cash equivalents by Baht 39.59 million, while cash and cash equivalents at the beginning of the period by Baht 114.83 million, therefore cash and cash equivalent at the ending of the period amounting to Baht 75.24 million, cash flow activities are as follows:

Net cash flows provided by operating activities amounting to Baht 2.45 million due to the company has loss before income tax by Baht 43.25 million and while add back by non-cash transactions by Baht 59.08 million, mostly came from depreciation expense by Baht 28.74 million, amortization - intangible assets by Baht 17.75 million, interest expenses by Baht 6.61 million, etc. Moreover, cash outflow used in operating activities by Baht 12.85 million and the company cash outflow on payment for income tax by Baht 0.53 million.

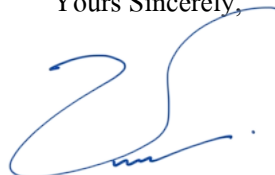
Net cash flows used in investing activities amounting to Baht 12.19 million mostly came from cash payments for purchase of intangible assets by Baht 15.52 million, cash payments for purchase of equipment and construction in progress by Baht 7.69 million, cash received from short-term loans to related person and parties by Baht 10.60 million, cash received from interest by Baht 0.40 million, and cash received from disposals of equipment by Baht 0.02 million.

Net cash flows used in financing activities amounting to Baht 29.85 million mostly came from cash payments for interest by Baht 13.05 million, cash payment for long-term loans by Baht 10.00 million, cash payment for long-term loans from financial institutions by Baht 4.31 million, cash payments for liabilities under finance lease agreements by Baht 4.39 million, and cash received from bank overdrafts by Baht 1.90 million.

For financing activities to support current operations and future investment, the Group has a policy to provide source of investment funds from financial institutions and investors which have knowledge and capabilities in that business. As at current, the Group has a debt-to-equity ratio are 0.28 times.

Please be informed accordingly.

Yours Sincerely,



(Ms. Poonchaya Patkotchakorn)

Chief Financial Officer