



บริษัท สแกน อินเตอร์ จำกัด (มหาชน)  
SCAN INTER PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS  
OF THE COMPANY'S PERFORMANCE  
For the Quarter Ended March 31, 2024

The Management Discussion and Analysis of the Company's Performance (the "MD&A") is intended to present and analyze the Company's results of operations and financial position at the end of the accounting period.

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Executive Summary

Overall Performance Highlights

SCN saw a spike in revenue of Baht 500 million or 23% YOY.

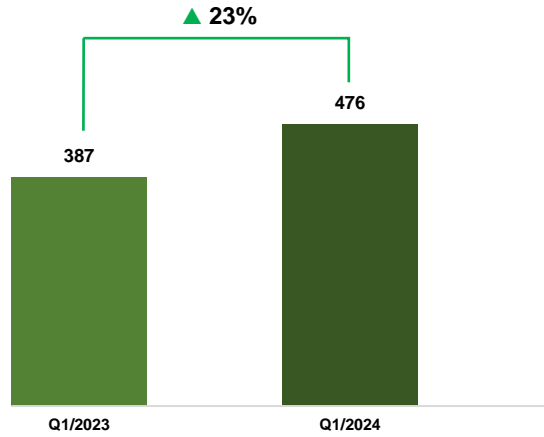


Figure 1: Revenue by quarter

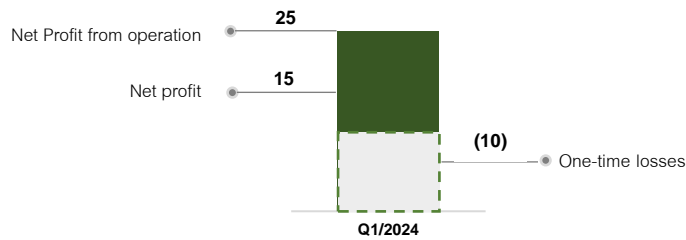


Figure 2: Net profit from operation by quarter 1/2024

The revenue of SCN for Q1/2024 is Baht 476 million which is a 23% increase compared to the previous year. The contributing factors are as follows:

- 1) For the logistics and other businesses, SCN began realizing revenue for the contracts gained from winning the bid for PTT transportation since Q2/2023. There had also been growth in construction work.
- 2) For the renewable energy business, two more projects reached COD.
- 3) For the business of automotive, spare parts, and air-conditioned buses, more revenue was gained from maintenance fees which rose in accordance with the contract terms.

The net profit from operations for Q1/2024 is Baht 25 million. This number does not include the one-time expenses from 1) stock issuance for employees, 2) buy-back of private PPA project for Q1/2024, and 3) construction work fines. Additionally, it also excludes a one-time gain from winning the lawsuit against ECO Orient Energy (Thailand).

### Key event for the first quarter of 2024

#### High growth in iCNG revenue as transportation volume maxed at 5,619 million BTU per day

As the iCNG business had been seeing more customers, the transportation volume went up by 5,619 million BTU per day, thereby increasing the revenue by Baht 12 million which is a 9% growth compared to the previous year. TJN displayed their confidence in future growth by partnering with two Japanese energy: Toho Gas Company Limited and Shizuoka Gas Company Limited.

#### SAP prepares to transition to a public company from the renewable energy business, with two more projects reaching COD in Q1 and accumulating a production capacity of 23 megawatts.

Two additional projects under SAP reached COD, making the number of COD projects total at 31. The systems of 19.5 out of the total production capacity of 23 megawatts had already been installed. Moreover, the company is preparing SAP for the filing process to register for the stock exchange of mai.

#### SCN won the lawsuit against ECO Orient Energy (Thailand), with the Supreme Court issuing an order for a compensation of over Baht 49.6 million for the company

The Supreme Court ruled in accordance with the verdict from the Arbitral Tribunal dated 22 March 2024 that SCN won the legal case against ECO Orient Energy (Thailand) Company Limited (ECOR) over the dispute that the latter could not provide the natural gas from Phetchabun province as per the terms in the Gas Sales and Purchase Agreement for Associated Gas. The contract terms state that ECOR is to provide 700,000 cubic feet of gas per day for the duration of 10 years and that they find proper gas wells as detailed further in the contract. As ECOR could not fulfill the aforementioned terms and thus had violated the agreement, they are ordered to pay Baht 49.6 million as compensation.

### Performance summary for the first quarter of 2024

Table 1: Key financial highlights

*(Unit: Million Baht)*

Key financial highlights	Q1/2023	Q4/2023	Q1/2024	%QoQ	%YoY
Revenue from sales and services	387	495	476	(4%)	23%
Gross Profit	67	64	66	(3%)	(1%)
EBITDA	86	54	32	(40%)	(63%)
EBITDA Ratio	22%	11%	7%	(36%)	(68%)
Net profit	67	27	15	(44%)	(78%)

#### Revenue from sales of goods and services

The revenue of SCN for Q1/2024 is Baht 476 million which is a 23% increase compared to the previous year. The contributing factors are as follows:

- 1) For the transportation and other businesses, SCN began realizing revenue for the contracts gained from winning the bid for PTT transportation since Q2/2023. There had also been growth in construction work.
- 2) For the renewable energy business, two more projects reached COD.

3) For the business of air-conditioned buses and distribution of automobiles and spare parts, more revenue was gained from maintenance fees which rose in accordance with the contract terms.

#### Earnings from business operations (EBITDA)

The operating profit (EBITDA) for Q1/2024 is Baht 32 million which is a 63% drop from the prior year. The contributing factors for the change are as follows. In Q1/2023, the company recorded gain of Baht 90 million from reclassifying the investment in SAP from “joint venture” to “subsidiary.” In addition, one-time expenses were recorded in Q1/2024 from 1) stock issuance for employees, 2) buy-back of private PPA project for Q1/2024, and 3) construction work fines. These factors led to the 63% decrease in operating profit.

#### Segment Revenues

Table 2: Revenues by segment

(Unit: Million Baht)

Segment	Q1/2566	Q4/2566	Q1/2567	%QoQ	%YoY
Oil and Natural gas	249	237	242	2%	(3%)
Automotive, spare parts, and air-conditioned buses	33	22	37	68%	12%
Renewable energy	33	42	50	19%	52%
Logistics and other businesses	72	194	147	(24%)	104%
<b>Total revenue from sales of goods and services</b>	<b>387</b>	<b>495</b>	<b>476</b>	<b>(4%)</b>	<b>23%</b>

#### Business related to the production of natural gas and oil

The revenue for the business related to the production of natural gas and oil for Q1/2024 is Baht 242 million which is a decrease of Baht 7 million or 3% compared to the previous year. This is due to lower revenue volumes from maintenance and repair service for the service stations and distributing tools relating to natural gas.

#### Automotive, spare parts, and air-conditioned buses

The revenue for the business of automotive, spare parts, and air-conditioned buses for Q1/2024 is Baht 37 million which is an increase of Baht 4 million or 12% compared to the previous year. The increase is a result of maintenance and repair contracts for 489 air-conditioned buses which was higher than the prior year, plus the maintenance and repair fees also went up in accordance with the contract terms.

#### Renewal energy business

The revenue for the renewable energy business for Q1/2024 is Baht 50 million which is an increase of Baht 17 million or 52% compared to the previous year. This high growth came from gains recorded from private PPA projects. 31 out of the total of 36 projects already reached COD, with 2 new projects reaching COD in Q1/2024. The business had also been seeing a continuous stream of new customers.

#### Logistics and other businesses

The revenue for the logistics and other businesses for Q1/2024 is Baht 147 million which increases by Baht 75 million or 104% compared to the previous year. The revenue for the logistics business saw an increase from a higher number of logistics

transactions from both old and new customers, and gains recorded from the transportation work which was won from the bidding in Q2/2023. There had also been growth in construction work.

### Segment gross profit

Table 3: Gross profits by segment

(Unit: Million Baht)

Segments	Q1/2023	Q4/2023	Q1/2024	%QoQ	%YoY
Oil and Natural gas	34	32	33	3%	(3%)
Automotive, spare parts, and air-conditioned buses	4	7	9	29%	125%
Renewable energy	29	22	25	14%	(14%)
Logistics and other businesses	-	3	(1)	(133%)	NA
<b>Total gross profit</b>	<b>67</b>	<b>64</b>	<b>66</b>	<b>(3%)</b>	<b>(1%)</b>

### Business related to oil and natural gas

The gross profit for Q1/2024 is Baht 33 million which is a decrease of Baht 3 million or 6% compared to the prior year. This is due to lower revenue volumes from maintenance and repair service for the service stations and distributing tools relating to natural gas.

### Automotive, spare parts, and air-conditioned buses business

The gross profit for Q1/2024 is Baht 9 million which is an increase of Baht 5 million or 125% compared to the prior year. The increase results from the maintenance and repair fees going up in accordance with the contract terms.

### Renewable energy business

The gross profit for Q1/2024 is Baht 25 million which is a decrease of Baht 4 million or 14% compared to the prior year. This is due to lower revenue from selling electricity as affected by the fluctuations in Ft, and O&M costs increasing as projects approached past the guarantee periods.

### Logistics and other business

The gross profit for Q1/2024 is negative Baht 1 million which is a decrease of Baht 4 million compared to the prior year. This is due to higher expenses from the construction of new gas stations.

### Profit sharing from investment in the joint venture

The profit sharing from investment in joint venture for Q1/2024 is Baht 21 million which is an increase of Baht 7 million or 50% compared to the prior year. This is due to 1) profit sharing of Baht 18 million from the solar power plant project in Minbu, Myanmar, 2) profit sharing of Baht 1 million from HEMP, and 3) profit sharing of Baht 4 million from TJN.

### Financial costs

The finance costs for Q1/2024 is Baht 33 million which is an increase of Baht 8 million or 32% compared to the prior year. This is the result of higher interest rates and more loans being taken out to finance new projects.

## Analysis of the Consolidated statement of Financial Position of the Group

as of 31 March 2024 compared to 31 March 2023

(Unit: Million Baht)

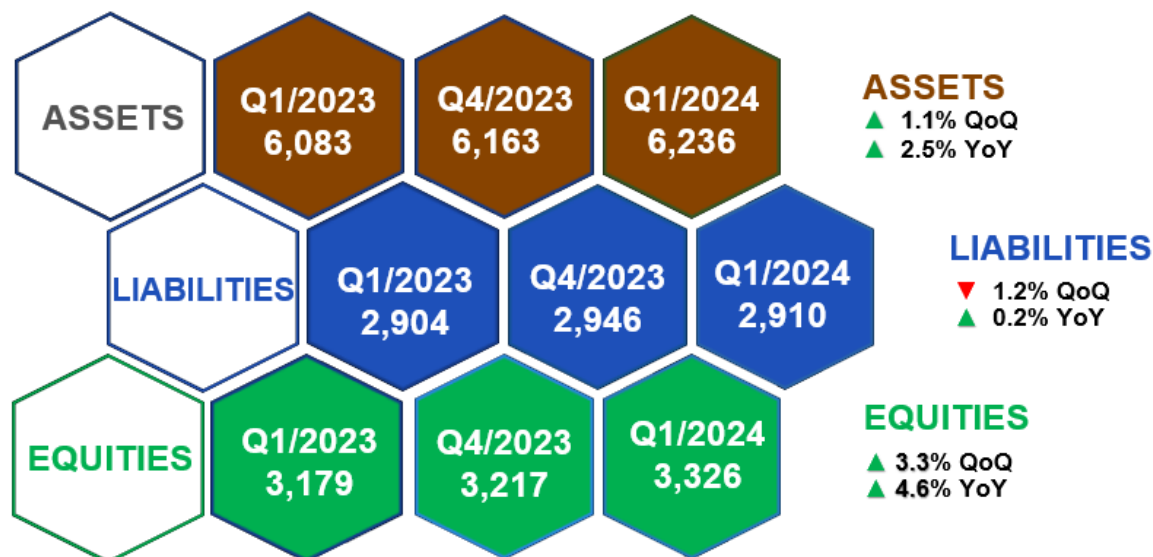


Figure 3: Comparison of Statements of Financial Position (Quarterly)

The reasons for the change from the consolidated statement of financial position are as follows.

- Total assets for the first quarter of 2024 were Baht 6,230 million, an increase of Baht 147 million or 2% compared to the previous year. From 1) increased of Account receivables from EPC 2) increased of lease receivables 3) decreased of loan to related party
- Total liabilities for the first quarter of 2024 were Baht 2,910 million, an increase of Baht 6 million from Account payables from new projects.
- Total equities for the fourth quarter of 2024 were Baht 3,320 million, an increase of Baht 141 million or 4% compared to the previous year from operation's performance.

## Definitions

ขสมก.	Bangkok Mass Transit Authority
COD	Commercial Operation Date
EPC	Engineering Procurement Construction
Private PPA	Private Power Purchase Agreement
O&M	Operation and Maintenance
iCNG	Industrial Compressed Natural Gas
NGV	Natural Gas Vehicle
PMS	Private Mother Station
SCN	Scan Inter Public Company Limited
SAP	Scan Advance Power Company Limited
SZG	Shizuoka Gas Company Limited
GEP	Green Earth Power (Thailand) Company Limited
THG	Toho Gas Company Limited
TJN	Thai-Japan Gas Network Company Limited
HEMP	Pharmaceutical Plants Company Limited
SUNTECH	Suntech Recycle & Decarbon Company Limited
WTX	Wastech Exponential Company Limited
TFRS	Thai Financial Reporting Standards
ECOR	ECO Orient energy (Thailand) Company Limited

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