



Date 14 May 2024

Subject : Management's Discussion and Analysis of the Financial Statements for
the three-month period ended March 31, 2024

To : Managing Director of The Stock Exchange of Thailand

Enclosure

: Management's Discussion and Analysis of the Financial Statements for the three-month period ended
March 31, 2024, 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 three-month period ended March 31, 2024 to the Stock Exchange of Thailand.

The operating result of the company for the three-month period ended March 31, 2024 had a net loss totaling 98.83 million Baht. Please see further details in the Management's Discussion and Analysis of the financial statements for the three-month period ended March 31, 2024 as attached.

Yours faithfully,

(Mr. Teeraphat Petporee)

Chief Financial Officer

Clover Power Public Company Limited

Management's Discussion and Analysis for the three-month period ended 31 March 2024 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 March 31, 2024, 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% .

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 three-month period ended March 31, 2024, the company and its subsidiaries reported revenue in an amount of 183.42 million Baht decreased by 108.15 million Baht or 37.09% when compare the three-month period end March 31, 2023, which had total revenue in amount of 291.57 million Baht as follows.

Revenue from the sale of electricity for the three-month period ended March 31, 2024, and 2023, were 140.67 million Baht and 136.98 million Baht respectively, increased by 3.69 million Baht representing a 2.69% mainly due to efficient operation.

Revenue from engineering procurement and construction for the three-month period ended 31 March 2024, and 2023 were 35.47 million Baht and 153.03 million Baht respectively, decreased by 117.56 million Baht representing a 76.82% mainly from the general building and infrastructure construction an unable delivery project according to plan scheduled.

Revenue from fuel supply for the three-month period end March 31, 2024, were 2.31 million Baht, increased by 100% from sale of RDF that was operated in Quarter 3/2023.

Other Revenues for the three-month period end March 31, 2024, and 2023, were 4.96 million Baht and 1.55 million Baht respectively, increased by 3.41 million Baht representing a 220.13% was mainly because increased in unrealized gain from exchange rate 2.40 million Baht.

Revenue Structure	For the three-month period ended			
	31 March 2023		31 March 2024	
	Million Baht	%	Million Baht	%
Revenue from sale of electricity	136.98	46.98	140.67	76.69
Biomass power plant	113.24	38.84	116.63	63.59
RDF power plant	23.74	8.14	24.04	13.11
Revenue from sale of machinery and rendering construction engineering services	153.04	52.49	35.47	19.34
Sale on machinery and equipment	98.58	33.81	21.32	11.63
Rendering construction engineering service	54.46	18.68	14.15	7.71
Revenue from sales	-	-	2.31	1.26
Sale fuel	-	-	2.31	1.26
Revenue from Operation	290.02	99.47	178.45	97.29
Other Revenue ¹	1.55	0.53	4.96	2.71
Total Revenue	291.57	100.00	183.42	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 31 March 2024, the Company's has in handover contract, that is expected to be recognized in the total amount 1,504.26 million Baht are as follow:

Project	In handover contract (million Baht)
1. Project General Construction	1,488.54
2. Project Modular	15.72
Total	1,504.26

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 three-month period ended March 31, 2024, and 2023, the company's cost of sales and services were 143.63 million Baht and 242.14 million Baht, respectively, which were equivalent to the gross profit margin 19.52% and 16.51%.

Gross profit from the sale of electricity for the three-month period ended March 31, 2024, and 2023 was 34.50 million Baht (Gross profit margin representing 24.52%) and 28.03 million Baht (Gross profit margin representing 20.46%), respectively, increased in gross profit by 6.47 million Baht representing a 23.07% mainly due to efficient operation.

Gross profit from engineering procurement and construction for the three-month period ended March 31, 2024, and 2023, were 6.18 million Baht (Gross profit margin representing 17.43%) and 19.84 million Baht (Gross profit margin representing 12.97%), respectively, decreased gross profit by 13.66 million Baht representing a 68.83% mainly from the revenue from engineering procurement and construction decreased representing 76.82% from unable delivery project according to plan scheduled.

For the three-month period ended March 31, 2024 and 2023, the company's cost of sales and services are as follows:

Cost of Sales and Services	For the three-month period ended March 31, 2023		For the three-month period ended March 31, 2024	
	Million Baht	Gross Profit (%)	Million Baht	Gross Profit (%)
Cost of sale of electricity	108.95	20.46	106.18	24.52
Cost of sale of machinery and rendering construction engineering services	133.19	12.97	29.29	17.43
Cost of sale	-	-	8.16	(252.95)
Total Cost of Sales and Services	242.14	16.51	143.63	19.52

2.4 Selling and Administrative Expenses

For the three-month period ended March 31, 2024, and 2023, the company had selling and administrative expenses of 88.93 million Baht and 71.16 million Baht, respectively, or equivalent to 48.49% and 24.41% of the total revenues, respectively. The increase in Impairment loss and Expected credit losses 9.56 and 38.13 million Baht . Employee-relate expenses were decreased by 8.83 million Baht and Other expenses decreased 18.99 million Baht mainly from in Q1'23 has NRV 17.10 million Baht, as shown in the table below.

Selling and Administrative Expenses	For the three-month period ended March 31, 2023		For the three-month period ended March 31, 2024	
	Million Baht	(%)	Million Baht	(%)
Employee-related expenses	27.21	38.24	18.38	20.67
Fee and other charges ¹	2.31	3.25	2.41	2.71
Advisor fee ²	7.48	10.51	6.05	6.81
Depreciation and Amortization	2.68	3.76	1.91	2.14
Impairment loss	-	-	9.56	10.75
Expected credit losses	-	-	38.13	42.88
Other expenses ³	31.48	44.24	12.49	14.04
Total	71.16	100.00	88.92	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 three-month period end March 31, 2024, and 2023, were (98.83) million Baht and (50.61) million Baht, respectively, with net loss margins of (53.88)% and (17.36%), respectively.

For the three-month period ended March 31, 2024, the company's net profit were declined by 48.22 million Baht, representing a 95.28% decrease compared with the same period in 2023

Loss attributable to owners of the parent for the three-month period ended March 31, 2024, and 2023 were (93.86) million Baht and (43.92) million Baht respectively, Decreased by 49.94 million Baht representing a 113.70%.

3. Financial Position

3.1 Assets

As of 31 March 2024, the company's total assets were 4,426.04 million Baht. The main assets consist of contract assets 1,429.85 million Baht ,property, plant, and equipment of 1,552.96 million Baht, trade and other receivables of 463.02 million Baht, Advanced payment for investments 427.54 million Baht, Non-current contract assets 221.45 million Baht, which were equivalent to 32.31%, 35.09%, 10.46%, 9.66%, and 5.00% as a percentage of total assets, respectively. The decrease in the total assets by 15.21 million Baht representing 0.34% mainly due to depreciation and impair of right to produce and sale of electricity.

3.2 Liabilities

As of 31 March 2024, the company's total liabilities were Baht 3,024.75 million. The main liabilities consist of trade and other payables, Debenture and loan from financial institutions, which were equivalent to 21.81%, 29.90 and 35.40% as a percentage of total liability, respectively.

3.3 Shareholders' equity

As of 31 March 2024, the shareholders' equity of the company was 1,401.28 million Baht, which decreasing by 26.59 million Baht, representing 1.86% from the end of 2023, mainly from right offering 63.18 million Baht and from annual performance in quarterly 1/2024.

3.4 Statement of cash flow

For the three-month period ended 31 March 2024, the company had cash and cash equivalents at the beginning of the period of 5.37 million Baht. Net cash used in operating activities was (6.51) million Baht, mainly resulted from profit before tax and loss on changes in working capital of 31.73 million Baht and the decrease in changes in working capital of (38.24) million Baht, which was mainly from Trade and other receivable increase and contract assets increases (51.31) million Baht from engineering procurement and construction that have recognized revenue and has unbilled receivables. In addition, net cash from investing activities was 7.71 million Baht and net cash from financing activities was 2.86 million Baht. As a result, the company had cash and cash equivalents at the end of the period was 5.40 million Baht.

Details of cash flow by activities are as follows :

Items	Consolidated financial statements For the three-month period ended	
	31 March 2023	31 March 2024
Net cash from (used in) operating activities	(40.24)	(6.51)
Net cash from (used in) investing activities	(66.71)	7.71
Net cash from (used in) financing activities	224.26	3.45
An effect from the foreign exchange rate in cash and cash equivalents and effects from translation differences on financial statements	(0.26)	(4.62)
Cash and cash equivalent as at January 1,	55.08	5.37
Cash and cash equivalent as at March 31,	172.13	5.40

4. Key Financial Ratios

Items	Consolidated Financial Statement	
	As at December 31, 2023	As at March 31, 2024
Current Ratio (times)	1.22	0.95
Gross Profit Margin (%)	0.26	19.52
Net Profit Margin (%)	(56.44)	(53.88)
Return on Equity (ROE) (%)	N/A	N/A
Debt to Equity ratio (times)	2.11	2.16