MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2025

1. Analysis of Operation Results According to Consolidated Financial Statement

	Three-Month Period Ended 31 March					
	1Q2025		1Q2024		Change	
	Amount (MB)	% to Revenue	Amount (MB)	% to Revenue	Amount (MB)	% Change
Revenue from sale and rendering of services	534.4	100%	735.5	100%	(201.1)	-27%
Cost of sale and rendering of services	(294.3)	-55%	(281.1)	-38%	13.2	5%
Gross profit	240.1	45%	454.4	62%	(214.3)	-47%
Other income	9.4	2%	9.9	1%	(0.5)	-5%
Selling and distribution expenses	(7.2)	-1%	(6.0)	-1%	1.2	20%
Administrative expenses	(49.3)	-9%	(48.1)	-6%	1.2	2%
Gain (loss) on derivatives	(0.3)	0%	1.0	0%	(1.3)	-130%
Gain (loss) on financial assets	12.4	2%	3.0	0%	9.4	313%
Loss on impairment of assets	(35.3)	-7%	(0.7)	0%	34.6	4943%
Profit (loss) from operating activities	169.8	32%	413.5	56%	(243.7)	-59%
Finance costs	(0.6)	0%	(7.0)	-1%	(6.4)	-91%
Profit (loss) before income tax expense	169.2	32%	406.5	55%	(237.3)	-58%
Tax (expense) income	(29.7)	-6%	(48.1)	-6%	(18.4)	-38%
Net profit (loss)	139.5	26%	358.4	49%	(218.9)	-61%
Other comprehensive income	(0.8)	0%	0.5	0%	(1.3)	-260%
Total comprehensive income for the period	138.7	26%	358.9	49%	(220.2)	-61%

	1Q2025	1Q2024
Net profit (Loss) attributable to :		
Owners of the parent	137.8	329.4
Non-controlling interests	1.7	29.0
	139.5	358.4
Total comprehensive income attributable to:		
Owners of the parent	137.0	329.9
Non-controlling interests	1.7	29.0
	138.7	358.9
Basic earnings per share (EPS) :		
Number of shares (million shares)	1,055.8	1,055.8
Basic earnings per share (in Baht)	0.13	0.31

The operating results according to the consolidated financial statements of the Company and its subsidiaries (The Group) for the three-month period ended 31 March 2025 presented the net profit of Baht 139.5 million or Baht 0.13 per share which decreased by Baht 218.9 million or 61%, compared to the net profit of Baht 358.4 million or Baht 0.31 per share of the three-month period ended 31 March 2024. The significant reasons were as follows:

1.1 Revenue from Sale and Rendering of Services

Revenue from sale and rendering of services for 3M 2025 was Baht 534.4 million, decreased by Baht 201.1 million or 27%, compared to period of 3M 2024 (Baht 735.5 million). The main reasons were as follows:

- The solar farm business, comprising 36 solar farms, produced and sold total of 102.1 million units, increased by 7.9 million units or 8%, compared to 3M 2024 (94.2 million units). This resulted in an increase in revenue of Baht 26.5 million. However, the revenue from the additional electricity price subsidy (Adder) at the rate of THB 8 per unit expired for all 36 solar farms in 2024, leading to a decrease in Adder income of Baht 254.4 million. As a result, total revenue from the solar farm business amounted to Baht 388.9 million which decreased by Baht 228.7 million or 37%, compared to 3M 2024 (Baht 617.6 million).

<u>Details of the expiration dates of the additional electricity price subsidy (Adder) are as follows</u>:

No.	Company	Revenue from subsidy of adders ended
1	Solar Power (Korat 1) Co., Ltd.	20 April 2020
2	Solar Power (Sakon Nakorn 1) Co., Ltd.	8 February 2021
3	Solar Power (Nakorn Phanom 1) Co., Ltd.	21 April 2021
4	Solar Power (Korat 2) Co., Ltd.	12 September 2021
5	Solar Power (Loei 1) Co., Ltd.	14 September 2021
6	Solar Power (Khon Kaen 1) Co., Ltd.	14 February 2022
7	Solar Power (Korat 3) Co., Ltd.	8 March 2022
8	Solar Power (Korat 4) Co., Ltd.	13 May 2022
9	Solar Power (Korat 7) Co., Ltd.	29 May 2022
10	Solar Power (Korat 5) Co., Ltd.	14 January 2023
11	Solar Power (Korat 8) Co., Ltd.	14 January 2023
12	Solar Power (Korat 9) Co., Ltd.	15 January 2023
13	Solar Power (Khon Kaen 3) Co., Ltd.	16 January 2023
14	Solar Power (Khon Kaen 4) Co., Ltd.	16 January 2023
15	Solar Power (Khon Kaen 5) Co., Ltd.	17 January 2023
16	Solar Power (Khon Kaen 8) Co., Ltd.	17 January 2023
17	AJ Technology Co., Ltd.	24 June 2023

No.	Company	Revenue from subsidy of adders ended
18	Tipayanarai Co., Ltd.	24 June 2023
19	Solar Power (Korat 6) Co., Ltd.	25 June 2023
20	Solar Power (Bureerum 1) Co., Ltd.	25 June 2023
21	Solar Power (Bureerum 2) Co., Ltd.	25 June 2023
22	Solar Power (Khon Kaen 2) Co., Ltd.	28 July 2023
23	Solar Power (Khon Kaen 7) Co., Ltd.	30 September 2023
24	Solar Power (Nakorn Phanom 2) Co., Ltd	26 February 2024
25	Solar Power (Nongkai 1) Co., Ltd	27 February 2024
26	Solar Power (Bureerum 3) Co., Ltd	5 March 2024
27	Solar Power (Nakorn Phanom 3) Co., Ltd	9 March 2024
28	Solar Power (Udon Thani 1) Co., Ltd	31 March 2024
29	Solar Power (Loei 2) Co., Ltd	23 April 2024
30	Solar Power (Sakon Nakorn 2) Co., Ltd	24 April 2024
31	Solar Power (Surin 3) Co., Ltd	28 April 2024
32	Solar Power (Khon Kaen 9) Co., Ltd	19 May 2024
33	Solar Power (Khon Kaen 10) Co., Ltd	19 May 2024
34	Solar Power (Khon Kaen 6) Co., Ltd	29 May 2024
35	Solar Power (Surin 1) Co., Ltd	26 June 2024
36	Solar Power (Surin 2) Co., Ltd	26 June 2024

- Solar Power Roof Company Limited (SPR), operates the business of solar roof installation for residential, commercial and industrial customers, its revenue from sale and rendering of services for 3M 2025 was Baht 145.5 million which increased by Baht 36.6 million or 34% compared to 3M 2024 (Baht 108.9 million).

1.2 Cost of Sale and Rendering of Services and Gross Profit

Cost of sale and rendering of services for 3M 2025 was Baht 294.3 million, increased by Baht 13.2 million or 5%, compared to 3M 2024 (Baht 281.1 million). The increased in cost of sale and rendering of services was aligned to the revenue of solar roof business (SPR). However, the cost of sales from solar farm business remained similar to the previous year, as most of it comes from fixed expenses.

Gross profit margin for 3M 2025 was 45%, decreased from the period of 3M 2024 (62%). The main reason was the decreasing in the revenue of solar farm business, which higher gross profit margin decreased from 65% to 44%. This decrease was due to the termination of the additional electricity price subsidy (Adder) which had ended for all 36 solar farms in 2024 as mentioned in table 1.1.

1.3 Selling and Distribution Expenses

Selling and distribution expenses for 3M 2025 was Baht 7.2 million, increased by Baht 1.2 million or 20%, compared to 3M 2024 (Baht 6.0 million). The increase in selling and distribution expenses was aligned to the revenue of solar roof business (SPR).

1.4 Administrative Expenses

Administrative expenses for 3M 2025 was Baht 49.3 million, increased by Baht 1.2 million or 2%, compared to 3M 2024 (Baht 48.1 million). The main reasons were as follows:

- The Company had an additional legal advisory expense of by Bath 2.7 million.
- Employee expenses of Steel Roof Company Limited, a subsidiary of the Company, decreased by Baht 1.2 million due to the termination of employees in mid-2024, following the discontinuation of its business operations.

1.5 Gain (Loss) on Financial Assets

Gain on financial assets for 3M 2025 was Baht 12.4 million, increased by Baht 9.4 million or 313%, compared to 3M 2024 (Baht 3.0 million). The main reason was the profit from investments in short-term money market funds.

1.6 Loss on Impairment of Assets

Loss on Impairment of Assets for 3M 2025 was Bath 35.3 million, increased by Bath 34.6 million or 4,943% compared to 3M 2024 (Baht 0.7 million). This increase resulted from the Group reassessed the utilisation plan of assets of Set Energy Company Limited (a subsidiary), relating to the solar power plant project located in the Eastern Economic Corridor (EEC) due to the inability to proceed with the project as originally planned. The Group is currently in the process of filing a lawsuit with the Civil Court against the Provincial Electricity Authority (PEA) for tortious conduct, due to its failure to give consent to authorize the transfer of rights and obligations under the power purchase agreement in the New City area of the EEC.

The related assets comprise of land, land leasehold improvements, and construction-in-progress, which were previously acquired to support the such project. The Group assessed the recoverable amount of the related assets using fair value less costs of disposal, based on an independent appraiser's report.

The valuation applied the market comparison approach and cost approach, which are classified as Level 3 fair value measurements in accordance with Thai Financial Reporting Standard (TFRS) No. 13 *Fair Value Measurement*.

Based on the assessment, the Group and the Company recognised an allowance for impairment loss on the relevant assets in accordance with Thai Accounting Standard (TAS) No. 36 *Impairment of Assets* by recognising the allowance for impairment loss on property, plant and equipment of Set Energy Co., Ltd. in the consolidated statement of comprehensive income amounting to Baht 35.3 million, and the allowance for impairment loss on the investment in Set Energy Co., Ltd. in the separate statement of comprehensive income amounting to Baht 1,593.3 million.

1.7 Finance Costs

Finance costs for 3M 2025 was Baht 0.6 million, decreased by Baht 6.4 million or 91% compared to 3M 2024 (Baht 7.0 million). The main reason was the Company made the final repayment of debentures amounting to 1,500.0 million baht in October 2024.

2. Analysis of Financial Position According to Consolidated Financial Statement

2.1 Analysis of Assets

As at 31 March 2025, the total assets were Baht 21,672.6 million, increased by Baht 237.4 million or 1%, compared to balance as of 31 December 2024 which was Baht 21,435.2 million. The details were as follows:

	31-Mar-25	31-Dec-24	Change	
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)	% Change
Cash and bank	**427.7**	**120.0**	**307.7**	**256%**
Short term investment in Money market fund	**2,947.6**	**2,910.4**	**37.2**	**1%**
Total	**3,375.3**	**3,030.4**	**344.9**	**11%**
Investment in the project in Japan	**1,389.3**	**1,388.0**	**1.3**	**0%**
Property, plant and equipment, net	**15,447.8**	**15,590.0**	**(142.2)**	**-1%**
Other assets	**1,460.2**	**1,426.8**	**33.4**	**2%**
Total assets	**21,672.6**	**21,435.2**	**237.4**	**1%**

- As at 31 March 2025, **Short-term investments in Money market funds** amounted to Baht 2,947.6 million. These investments were made to generate returns in the form of interest income, offering higher yields than bank deposits. When combined with **cash and bank** deposits of Baht 427.7

million as of the same date, the total amounted to Baht 3,375.3 million, an increase of Baht 344.9 million or 11% from Baht 3,030.4 million as of 31 December 2024. The main reasons were as follows:

- Operating profit of Baht 391.3 million
- Dividend payment of Baht 45.8 million
- Unrealized gain from fair value measurement of money market fund investments amounting to Baht 12.4 million

- As at 31 March 2025, **property, plant and equipment** were Baht 15,447.8 million, decreased by Baht 142.2 million or 1%, compared to balance as of 31 December 2024 which was Baht 15,590.0 million. The main reasons were as follows:
  - Depreciation of buildings and equipment in 2025 amounting to Bath 160.1 million.
  - Recognition of asset impairment loss amounting to Bath 35.3 million.
  - The increase in right-of-use assets of Bath 43.7 million from the renewal of a warehouse lease agreement
  - Land filling work of Baht 6.8 million by SET Energy Company Limited.

- As at 31 March 2025, **other assets** were Baht 2,849.5 million, increased by Baht 34.7 million or 1%, compared to balance as of 31 December 2024 which was Baht 2,814.8 million. The main reasons were as follows:
  - The increase in trade accounts receivable amounting to Baht 39.1 million
  - The increase in inventory amounting to Baht 31.2 million
  - The decrease in contract assets amounting to Baht 14.5 million
  - Amortization of prepaid inverter warranty expenses amounting to Baht 11.4 million

2.2 Analysis of Liabilities and Shareholders' Equity

As at 31 March 2025, the total liabilities and shareholders' equity were Baht 21,672.6 million, increased by Baht 237.4 million or 1%, compared to balance as of 31 December 2024 which was Baht 21,435.2 million. The details were as follows:

	31-Mar-25	31-Dec-24	Change	
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)	% Change
Interest bearing debt	**75.1**	**38.4**	**36.7**	**96%**
Other liabilities	**324.0**	**216.3**	**107.7**	**50%**
Total liabilities	**399.1**	**254.7**	**144.4**	**57%**
Issued and paid-up share capital	**5,059.6**	**5,059.6**	**-**	**0%**
Retained earnings	**13,619.7**	**13,482.6**	**137.1**	**1%**
Non-controlling interests	**2,594.2**	**2,638.3**	**(44.1)**	**-2%**
Total shareholders' equity	**21,273.5**	**21,180.5**	**93.0**	**0%**
Total liabilities and shareholders' equity	**21,672.6**	**21,435.2**	**237.4**	**1%**

- As at 31 March 2025, interest bearing debt was Baht 75.1 million, increased by Baht 36.7 million or 96%, compared to balance as of 31 December 2024 which was Baht 38.4 million. The main reason was the increase in lease liabilities during the period.
- As at 31 March 2025, other liabilities were Baht 324.0 million, increased by Baht 107.7 million or 50%, compared to balance as of 31 December 2024 which was Baht 216.3 million. The main reasons were as follows:
  - The increase in trade accounts payable amounting to Baht 90.7 million
  - The increase in corporate income tax payable amounting to Baht 18.0 million
- As at 31 March 2025, shareholders' equity was Baht 21,273.5 million, increased by Baht 93.0 million or 0%, compared to balance as of 31 December 2024 which was Baht 21,180.5 million. The main reasons were as follows:
  - Net profit of Baht 139.5 million
  - Dividend payment of Baht 45.8 million

2.3 The Appropriateness of Financial Structure

According to statement of financial position as at 31 March 2025, debt to equity ratio was 0.02 times, increased from the ratio as at 31 December 2024, 0.01 times. The main reasons were as follows:

- The increase in trade accounts payable amounting to Baht 90.7 million
- The increase in interest bearing debt amounting to Baht 36.7 million
- The increase in corporate income tax payable amounting to Baht 18.0 million
- Net profit of Baht 139.5 million
- Dividend payment of Baht 45.8 million

3. Analysis of Cash Flow According to Consolidated Financial Statement

	Three-Month Period Ended 31 March		
	2025	2024	Change
	Amount (Million Baht)	Amount (Million Baht)	Amount (Million Baht)
Net cash generated from (used in) operating activities	**385.7**	**566.5**	**(180.8)**
Net cash generated from (used in) investing activities	**(24.7)**	**(3,562.4)**	**3,537.7**
Net cash generated from (used in) financing activities	**(53.3)**	**(63.3)**	**10.0**
Net increase (decrease) in cash and cash equivalents	**307.7**	**(3,059.2)**	**3,366.9**
Cash and cash equivalents at the beginning of the period	**120.0**	**4,443.2**	**(4,323.2)**
Cash and cash equivalents at the end of the period	**427.7**	**1,384.0**	**(956.3)**

As at 31 March 2025, **cash and cash equivalents** were Baht 427.7 million, increased by Baht 307.7 million from Baht 120.0 million as at 31 December 2024. The reasons were as follows:

1) Net cash generated from **operating activities** amounting to Baht 385.7 million, resulting in
   - Cash generated from operating profit of Baht 391.3 million
   - Cash used for income tax payments of Baht 5.6 million
2) Net cash used in **investing activities** amounting to Baht 24.7 million, resulting in
   - Cash used for investment in short-term money market funds, net of Baht 24.8 million
   - Cash used for purchasing equipment and land filling of Baht 1.0 million
   - Cash received from the sale of equipment of Baht 1.1 million
3) Net cash used in **financing activities** amounting to Baht 53.3 million, resulting in
   - Cash used for dividend payments of Baht 45.8 million
   - Cash used for lease liability repayments of Baht 7.5 million

Please be informed accordingly.

Yours sincerely,

(Dr. Wandee Khunchornyakong Juljarern)

Chief Executive Officer