



Ref. Thor Hor (Por Por) 018/2566

November 10, 2023

To: The President
The Stock Exchange of Thailand

Re: Report on the operating result of the reviewed consolidated financial statements for the third quarter ended September 30, 2023.

Dear Sirs,

TPI Polene Power Public Company Limited (“the Company”) would like to report the operating result of the reviewed consolidated financial statements for the third quarter ended September 30, 2023 as follows:-

Total revenue from sales of power and goods and revenue from adders in Q3/2023 were Baht 2,437 million compared with Baht 2,321 million in Q3/2022, an increase of 5.01%, as electricity sales volume in Q3/2023 increased. Total income in Q3/2023 was Baht 2,504 million compared with Baht 2,409 million in Q3/2022, an increase of 3.94%.

In Q3/2023, the Company and its subsidiaries registered profit for the period of Baht 839 million (or basic earnings per share of Baht 0.100) compared with profit for the period in Q3/2022 of Baht 539 million (or basic earnings per share of Baht 0.064), an increase of 55.75%.

Profit for the period of Baht 839 million in Q3/2023 was comprised of normal operating profit of Baht 886 million, net foreign exchange loss of Baht 34 million and tax expense of Baht 13 million, whereas profit for the period of Baht 539 million in Q3/2022 was comprised of normal operating profit of Baht 581 million, net foreign exchange loss of Baht 35 million and tax expense of Baht 7 million.

For the first nine-month period of the year 2023, the Company and its subsidiaries registered profit for the period of Baht 2,820 million (or basic earnings per share of Baht 0.336) compared with profit for the period in 9M/2022 of Baht 2,249 million (or basic earnings per share of Baht 0.268), an increase of 25.41%. Normal operating profit in 9M/2023 was Baht 2,885 million compared with the same of Baht 2,310 million in 9M/2022, a decrease of 24.90%.

As at September 30, 2023, the Company and its subsidiaries’ total assets and total equity were Baht 57,307 million and Baht 32,369 million respectively. Book value per share was Baht 3.85. Details of consolidated financial statements for the third quarter ended September 30, 2023, can be summarized as follows:-

บริษัท ทีพีไอ โพลีน เพาเวอร์ จำกัด (มหาชน)

TPI POLENE POWER PUBLIC COMPANY LIMITED

Assets

The Company and its subsidiaries' total assets as at September 30, 2023 was Baht 57,307 million as compared with Baht 50,579 million as at December 31, 2022, an increase of Baht 6,728 million, or increased by 13.30%. Details of the major accounting change are as follows:

Unit: Million Baht

	As at 30 Sept. 2023	As at 31 Dec. 2022	Increase (Decrease)	%
Cash and cash equivalents	1,178	2,003	(825)	(41.20)
Trade accounts receivable	1,651	1,574	76	4.85
Other current financial assets	4,141	1,134	3,007	265.23
Inventories	2,077	1,931	147	7.59
Advances for plant and equipment	1,043	530	513	96.87
Property, plant and equipment	45,409	41,652	3,757	9.02
Total assets	57,307	50,579	6,728	13.30

Liabilities

The Company and its subsidiaries' total liabilities as at September 30, 2023 was Baht 24,939 million as compared with Baht 19,015 million as at December 31, 2022, an increase of Baht 5,924 million, or increased by 31.15%. Details of the major accounting change are as follows:-

Unit : Million Baht

	As at 30 Sept. 2023	As at 31 Dec. 2022	Increase (Decrease)	%
Trade account payable and other payables	1,630	1,742	(111)	(6.39)
Current income tax payable	6	0	6	2,404.35
Debentures	21,937	16,217	5,270	35.27
Interest Bearing Debts (IBD)	22,452	16,779	5,673	33.81
Net Interest Bearing Debts (Net IBD) *	17,133	13,642	3,491	25.59
Total Liabilities	24,939	19,015	5,924	31.15

Note : * Net Interest Bearing Debts means Interest Bearing Debts less cash and cash equivalents and other current financial assets.

As at September 30, 2023, Interest Bearing Debts (IBD) of the Company and its subsidiaries' was Baht 22,452 million compared with Baht 16,779 million as at December 31, 2022, an increase of 33.81% or increased by Baht 5,673 million, whilst Net Interest Bearing Debts (Net IBD) as at September 30, 2023 were Baht 17,133 million as compared with Baht 13,642 million as at December 31, 2022, an increase of 25.59% or increased by Baht 3,491 million.

Equity

The Company and its subsidiaries' total equity as at September 30, 2023 was Baht 32,369 million, an increase of Baht 804 million, from Baht 31,564 million as at December 31, 2022, or increased by 2.55%. Details of the major accounting change are as follows:-

Unit : Million Baht

	As at 30 Sept. 2023	As at 31 Dec. 2022	Increase (Decrease)	%
Retained earnings - unappropriated	8,548	7,744	804	10.38
Total equity	32,369	31,564	804	2.55
Book value per share (Baht)	3.85	3.76	0.10	2.55

As at September 30, 2023, the Company and its subsidiaries' Interest Bearing Debts to Equity ratio (IBD/Equity ratio) equated 0.69 times and Net IBD to Equity ratio equated 0.53 times.

Profit (Loss)

The Company and its subsidiaries registered profit for the period of Baht 839 million in Q3/2023, an increase of Baht 300 million, from Baht 539 million in Q3/2022, or increased by 55.75%.

For the first nine-month period of the year 2023, the Company and its subsidiaries registered profit for the period of Baht 2,820 million compared with profit for the period in 9M/2022 of Baht 2,249 million, an increase of 25.41%. Details of the major accounting change are as follows:-

Unit : Million Baht

	For nine-month period ended 30 Sept. 2023	Q3/2023	Q3/2022	Increase (Decrease)	%
Revenue from sale of power and goods	6,274	1,744	1,493	251	16.84
Revenue from adders	2,034	693	828	(135)	(16.30)
Total Revenue from sales	8,308	2,437	2,321	116	5.01
Cost of sales of power and goods	5,155	1,460	1,673	(213)	(12.72)
Gross profit	3,152	977	647	329	50.87
Investment income and other income	210	67	89	(21)	(24.21)
Distribution costs and administrative expenses	395	118	130	(12)	(9.51)
Finance cost	84	41	25	16	65.01
Tax expense	21	13	7	7	96.47
Net foreign exchange gain (loss)	(44)	(34)	(35)	2	4.73
Total profit	2,820	839	539	300	55.75
Earnings before interest, taxes, depreciation and amortization (EBITDA)	3,675	1,140	822	318	38.69

For the first nine-month period of the year 2023, the Company and its subsidiaries registered earnings before interest, taxes, depreciation and amortization (EBITDA) of Baht 3,675 million. IBD to EBITDA (annualized) ratio equated 4.58 times and Net IBD/ EBITDA (annualized) ratio equated 3.50 times respectively.

ESG Performance

The Company has implemented sustainable development in Environmental, Social and Governance (ESG) dimensions for business operations. ESG performance in the first nine-month period of the year 2023 is summarized as follows:-

Environmental Management

1. The Company used a total of 2,014,967.62 tons of all types of waste as fuel in the Company's power plants and cement plants of TPI Polene Public Company Limited, which reduced greenhouse gas emissions (carbon reduction) by approximately 4,674,724.88 tons of emission of carbon dioxide equivalent or CO₂e (emission factor is calculated based on the above wastes left into landfill waste, will generate 2.32 tons of greenhouse gases per 1 ton of landfill waste).
2. On May 24, 2022, the Company has registered with Thailand Greenhouse Gas Management Organization (Public Organization) or TGO for accreditation of reduced greenhouse gas emissions (carbon credits) from the period May 1, 2017 to December 31, 2020, increasing by 717,931 tons of CO₂e. As a result, the Company has carbon credits remaining at 765,297 tons of CO₂e.

Subsequently, on April 28, 2023 and September 26, 2023, the Company has registered with TGO for accreditation of reduced greenhouse gas emissions (carbon credits) for an additional 462,797 tons of CO₂e and 331,135 tons of CO₂e, respectively. As a result, the Company has carbon credits remaining at 1,559,229 tons of CO₂e.

3. The Company has invested for the purchase of 4 EV wheel loaders trucks for waste fuel scooping, which helps reduce transportation costs while reducing greenhouse gas emissions and PM 2.5 dust emissions.
4. The Company was able to reuse the effluents from the electricity generation process to re-filter of 287,621 cubic meters, representing 4.61% of the total water consumption of 6,244,239 cubic meters.
5. The Company utilized industrial waste from the production process to be used as renewable fuel, renewable materials and recycled for total of 10,827.72 tons, representing 100% total quantity of industrial wastes generated, to comply with the "Zero Waste" policy
6. On March 16, 2023, the Company together with community leaders and local people in the community of Tubkwang and Tha Khlo subdistricts, Kaeng Khoi district and Mittraphap and Muaklek subdistricts, Muaklek district, Saraburi province jointly planted forestry under "TPIPP Reforestation Project to Reduce Heat and Save the Earth" by planting 1,000 lagerstroemia trees, 1,000 teak trees and 1,000 neem trees in the area of 100 Rai within Saraburi plant.

Corporate Social Responsibility

1. The Company has supported various projects and activities for public benefits in the first nine-month period of 2023, totaling approximately Baht 36.07 million to communities, educational institutions, temples, hospitals and government authorities and contributed healthcare products and products of TPI Polene Group, such as cement, other construction materials, organic fertilizers, drinking water and health products to prevent pathogens.
2. The Company has implemented human rights for stakeholders throughout the value chain with respect human rights of employees, suppliers, customers, and local communities. In the first nine-month period of 2023, there were no complaints of human rights violations.
3. The Company evaluated the level of job satisfaction and employee engagement towards the organization for the year 2023, which showed an average score of 83.20%, which is higher than the Company's target set at 75%.
4. The Company provides equal opportunities for employment without discrimination in favor or against any person. In the first nine-month period of 2023, 39 additional employees, 3 additional employees with disabilities and 3 seniors were employed.
5. For the first nine-month period of the year 2023, the Company disposed of contaminated waste infected with COVID-19 of 1,638 tons and 8,741.64 tons of non-hazardous industrial wastes were disposed of as fuel in the production process.

In Compliance with Good Corporate Governance Policy

1. On June 23, 2023, Thai Pat Institute announced that the Company was ranked on the ESG100 securities list for the year 2023 for the fourth year (2018, 2021, 2022 and 2023), with outstanding performance covering the areas of Environmental, Social and Governance aspects (ESG) and is assessed as an attractive company to invest in the Resources Sector.
2. The Company has received the prestigious 3G Environmental Responsibility Award 2023 from the Global Good Governance Awards 2023 (3G Awards), organized by Cambridge IFA International Financial Advisory (financial advisory firm) in the UK, with an aim to esteem organizations that have successfully adopted social responsibility issues to their ongoing business operations. This includes quality, consistency, stability and clarity of the corporate social responsibility plans and reports.
3. On July 9, 2023, the Company has been awarded “The International Diamond Prize for Excellence in Quality 2023” from European Society for Quality Research (ESQR), Switzerland, to esteem organizations whose quality management practices and strategies serve as a guarantee of excellence in quality management, which reflects the strength of business operations that are equivalent to international standards and represents being a prototypical organization with good business operations under the framework of quality assessment according to international standards and create innovative cutting-edge technology. The event was held at Hotel Le Plaza Brussels, Brussels, Belgium.
4. On October 31, 2023, the Company has achieved "Excellent CG Scoring, a 5-star corporate governance assessment" in Corporate Governance Report of Thai Listed Companies (CGR) for the year 2023, operated by Thai Institute of Directors (IOD) in collaboration with the Stock Exchange of Thailand (SET) and the Office of Securities and Exchange Commission (SEC). This reflects the determined dedication of the companies' Board of Directors, top management and employees to the

continuous development and enhancement of the good corporate governance practices of the companies.

5. The Company has received “2023 SET ESG Ratings : AA” Corporate Sustainability Assessment from the Stock Exchange of Thailand, reflecting the Company’s business operations to continuously develop towards corporate sustainability with full responsibilities to stakeholders by taking into account of Environmental, Social and Governance criteria (ESG).

Please be informed accordingly.

Sincerely Yours,



Mrs. Orapin Leophairatana
Vice Chairman