

ACE

ABSOLUTE CLEAN ENERGY
PUBLIC COMPANY LIMITED



**FTSE
Russell**

MSCI

THSI
THAILAND
SUSTAINABILITY
INVESTMENT 2022

Absolute Clean Energy Public Company Limited

Analyst Meeting : Q1'2023 Results

Ticker : ACE

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"ABA" VSPP Thoen Project





***Convert Plants and Agri-residue
to Energy***

ACE The clean energy leader



**Convert *Waste*
to Energy**



**Convert *Sunlight*
to Energy**

ACE The clean energy leader

Key Events (1 of 2)

- **18 Jan 2023:** Private Power Purchase Agreement (Private PPA) signed with a listed company.
 - Power system: **Solar (rooftop)**
 - Total installed capacity: **9.59 MW**
 - Total PPA capacity: **9.59 MW**
- **21 Feb 2023:** Power Purchase Agreement (PPA) signed with the Provincial Electricity Authority (PEA) for 18 community power plants projects.
 - Power system: **Biogas**
 - Total installed capacity: **59 MW**
 - Total PPA capacity: **50 MW**
- **5 April 2023:** Won the government's bid to supply solar power to the grid in 18 different locations.
 - Power system: **Solar (farm)**
 - Total PPA capacity: **112.73 MW**

Key Events (2 of 2)

- **28 April 2023:** the 2023 AGM approved the suspension of dividend payments for the 2022 operating results because the company has to reserve cash for working capital and investments in upcoming projects.

- **12 May 2023:** Power Purchase Agreement (PPA) signed with the Provincial Electricity Authority (PEA) for 2 MSW power plants projects.
 - Chiangwang MSW power plant project:
 - Installed capacity: 9.0 MW / PPA capacity: 7.75 MW
 - Chokchai MSW power plant project:
 - Installed capacity: 9.9 MW / PPA capacity: 8.0 MW
 - Total installed capacity: **18.9 MW**
 - Total PPA capacity: **15.75 MW**



ABSOLUTE CLEAN ENERGY
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Krabi MSW Power Plant

“ALCP” VSPP Krabi Project



Overview of ACE's Portfolio



ACE Business Portfolio in Thailand : As of 5 April 2023

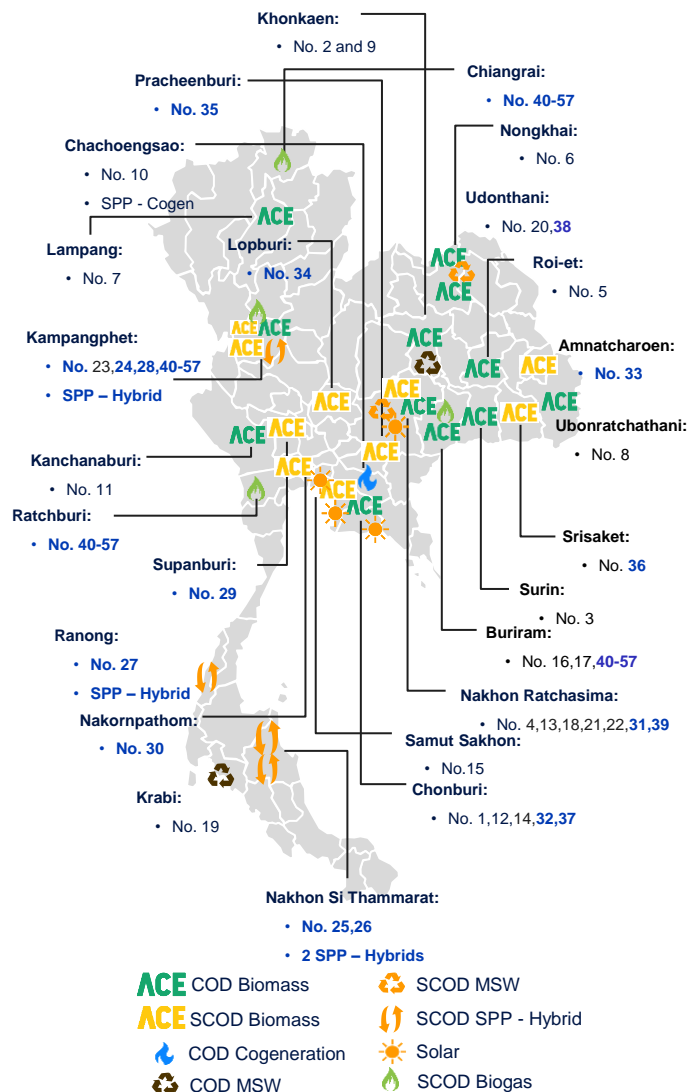


Well-Balanced Portfolio with Diversified Locations



Assets Overview

- Operating projects
- Under development projects & Pending for development projects



	Type	Installed MW	PPA MW	Location	COD / SCOD Date	Status
Existing Projects (23 Projects)	1 VSPP - Biomass	9.9	8	Chonburi	24/4/2012	COD
	2 VSPP - Biomass	9.9	8	Khonkaen	2/5/2012	
	3 VSPP - Biomass	9.9	8	Surin	30/10/2012	
	4 VSPP - Biomass	9.9	8	Nakhon Ratchasima	16/1/2013	
	5 VSPP - Biomass	9.9	8	Roi-et	4/6/2013	
	6 VSPP - Biomass	9.9	8	Nongkhai	26/12/2013	
	7 VSPP - Biomass	9.9	8	Lampang	9/7/2014	
	8 VSPP - Biomass	9.9	8	Ubonratchathani	14/8/2015	
	9 VSPP - MSW	6	4.5	Khonkaen	29/11/2016	
	10 SPP - Cogen	114.35	90	Chachoengsao	10/2/2017	
	11 VSPP - Biomass	9.9	8	Kanchanaburi	16/8/2017	
	12 VSPP - Solar Rooftop	1	1	Chonburi	20/11/2018	
	13 VSPP - Solar Rooftop	0.73	0.73	Nakhon Ratchasima	22/2/2019	
	14 1 Solar Rooftop	1	1	Chonburi	27/9/2019	
	15 1 Solar Rooftop	0.83	0.83	Samut Sakhon	22/5/2020	
	16 VSPP - Biomass	7.5	6.5	Buriram (ACES)	24/1/2006	
	17 VSPP - Biomass	9.5	8	Buriram (ABE)	6/2/2008	PPA to be signed
	18 VSPP - Biomass	9.9	8	Nakhon Ratchasima (AAE)	10/11/2011	
	19 VSPP - MSW	6	4.4	Krabi	28/12/2020	
	20 Waste Landfill	N/A	N/A	Udonthani	5/1/2021	
Under Development and pending for development (53 projects)	21 1 Solar Rooftop	0.24	0.24	Nakhon Ratchasima	25/2/2021	EIA Approved
	22 Floating Solar	1.515	1.515	Nakhon Ratchasima	31/3/2021	
	23 VSPP - Biomass	9.9	8	Kamphangphet	26/11/2021	
	24 1 SPP - Hybrid	20	13.31	Kamphangphet	Within 2023	PPA signed
	25,26 2 SPP - Hybrids	50	43	Nakhon Si Thammarat	TBD	PPA signed
	27 1 SPP - Hybrid	23	20	Ranong	TBD	EIA Approved
	28 VSPP - Biomass	9.9	8	Kamphangphet	Within 2024	PPA to be signed
	29 VSPP - Biomass	9.9	8	Supanburi	Within 2024	
	30 VSPP - Biomass	9.9	8	Nakornpathom	Within 2024	
	31 VSPP - Biomass	9.9	8	Nakhon Ratchasima	Within 2024	
	32 VSPP - Biomass	9.9	8	Chonburi	Within 2024	
	33 VSPP - Biomass	9.9	8	Amnatcharoen	Within 2024	
	34 VSPP - Biomass	9.9	8	Lopburi	Within 2024	
	35 VSPP - Biomass	9.9	8	Pracheenburi	Within 2024	
	36 VSPP - Biomass	9.9	8	Srisaket	Within 2024	Under consideration of Administrative Court
	37 VSPP - Biomass ¹	9.9	8	Chonburi	Within 2024	
	38 VSPP - MSW	9.0	7.75	Udonthani	Within 2024	PPA signed
	39 VSPP - MSW	9.9	8	Nakhon Ratchasima	Within 2024	PPA signed
	40-57 VSPP - Biogas	59	50	Chiangrai / Kampaengphet / Buriram / Ratchaburi	Within 2026	PPA signed
	58 Private PPA - Solar Rooftop	9.59	9.59	Phetchaburi	Whitin Q2'2024	PPA signed
	59-63 Solar Farm	>35.40	35.40	Nakhon Si Thammarat, Phitsanulok, Phichit, Khon Kaen, Nong Khai, Ranong, Ratchaburi, Sisaket, Chainat	Within 2024	PPA to be signed
	64-73 Solar Farm	>57.33	57.33		Whitin 2025	PPA to be signed
	74-76 Solar Farm	>20.00	20.00		Whitin 2027	PPA to be signed
Total		76	>649.79	551.10		



“ACP1” VSPP Banbueng Project

ACE's Biomass power plant (27 power plants, 317.9 MW)^{1,2,3}



ACP1 Ban Bueng



ALCP1 Si Chiang Mai



AAPP2 Chokchai



ACP2 Phonthong



ALCP2 Sirindhorn



AAP1 Nam Phong

Remark: /1 Including APP's capacity MW of 9.9, Currently, APP's shareholders sent LOI for APP share purchase proposal to ACE
/2 Capacity MW
/3 Including UA Wittaya plc biomass power plants of 26.9 MW

- COD 13 power plants = 125.9 MW
- Under development 14 power plants = 192.0 MW

ACE's Biomass power plant (27 power plants, 317.9 MW)^{1,2,3}

ACE



ACP3 Bo Ploy



AAPP1 Tanee



ABA1 Thoen



AAE Muang Korat



ABE Don Mon



ACES Muang Burirum



ACP4 Khlong Khlung

Remark: /1 Including APP's capacity MW of 9.9, Currently, APP's shareholders sent LOI for APP share purchase proposal to ACE
/2 Capacity MW
/3 Including UA Wittaya plc biomass power plants of 26.9 MW

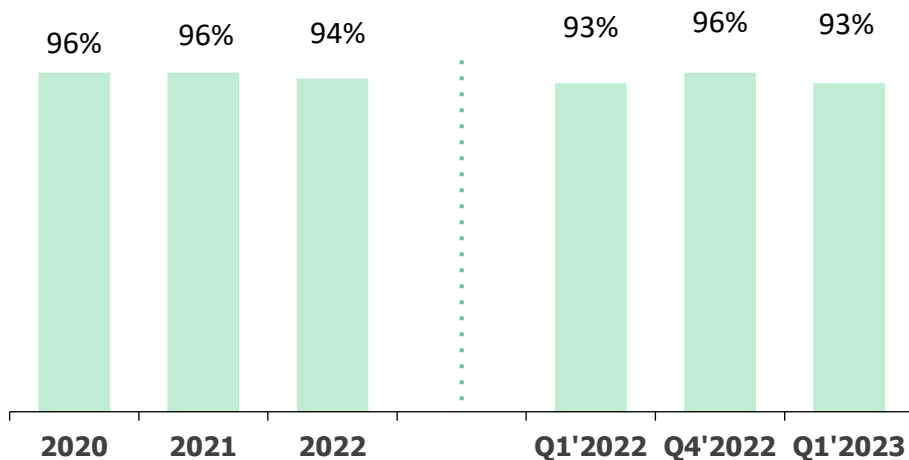
- **COD 13 power plants = 125.9 MW**
- **Under development 14 power plants = 192.0 MW**

ACE's Biomass Operating Performance (10 Projects)

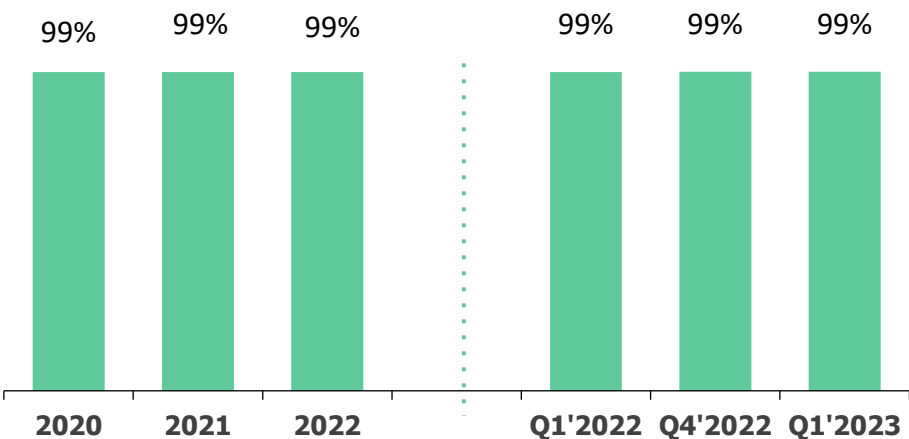


Plant Performance (10 Projects)

Availability Factor*



Capacity Factor**



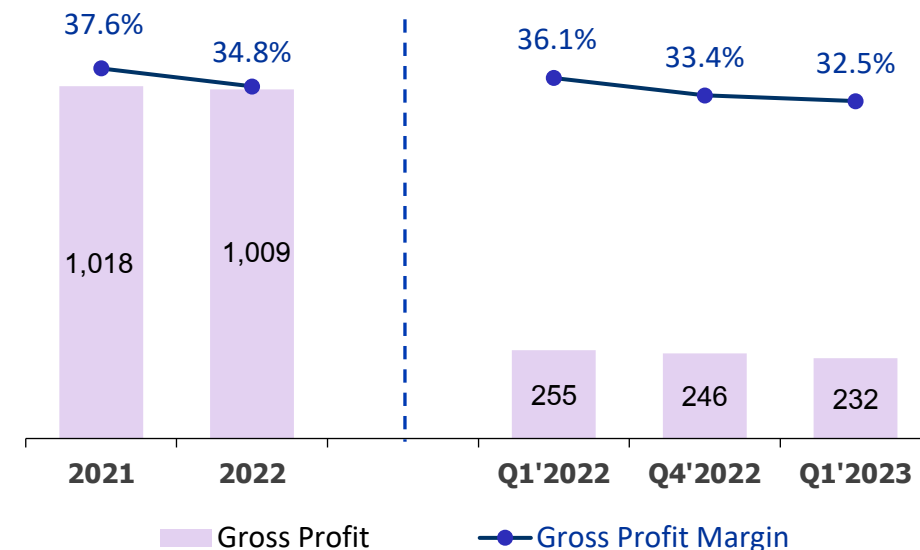
Remark:

* Availability Factor = Total operating hours/(Days*24 hours)

** Capacity Factor = Electricity Unit sold /(Total operating hours*Total selling Capacity)

Gross Profit and Margin

Unit : THB mln



Key Observation - Q1'2023

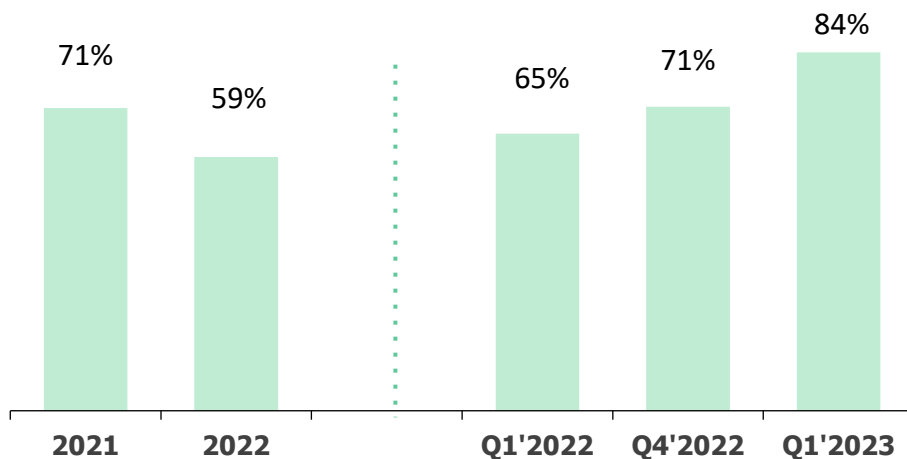
- **Gross Profit and Gross Profit Margin**
 - QoQ : -5.7% in Gross Profit and -0.9% in Gross Profit Margin
 - YoY : -9.2% in Gross Profit and -3.6% in Gross Profit Margin
- **Gross Profit** decreased QoQ, mainly from the higher planned-shutdown hours
- **Gross Profit** decreased YoY, mainly from the higher cost of feedstocks due to the inflation factors and the expiration of FiT Premium period of Thoen biomass power plant (8 Jul 2022)

ACE's Biomass Operating Performance (3 Acquired Projects)

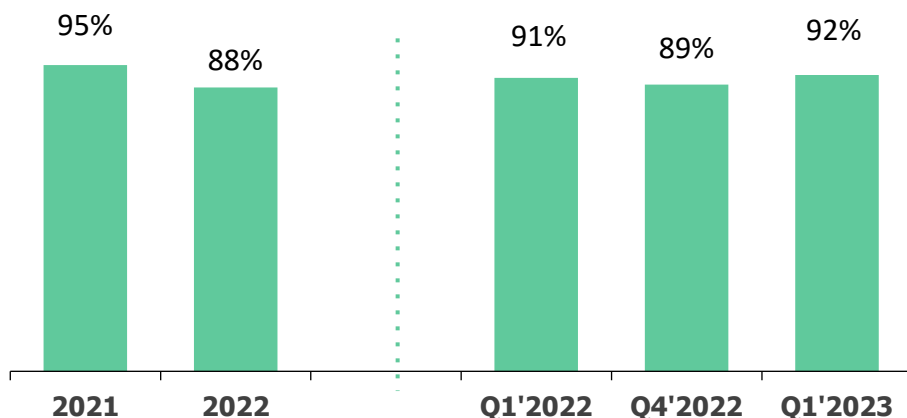


Plant Performance (3 Acquired Projects)

Availability Factor*



Capacity Factor**



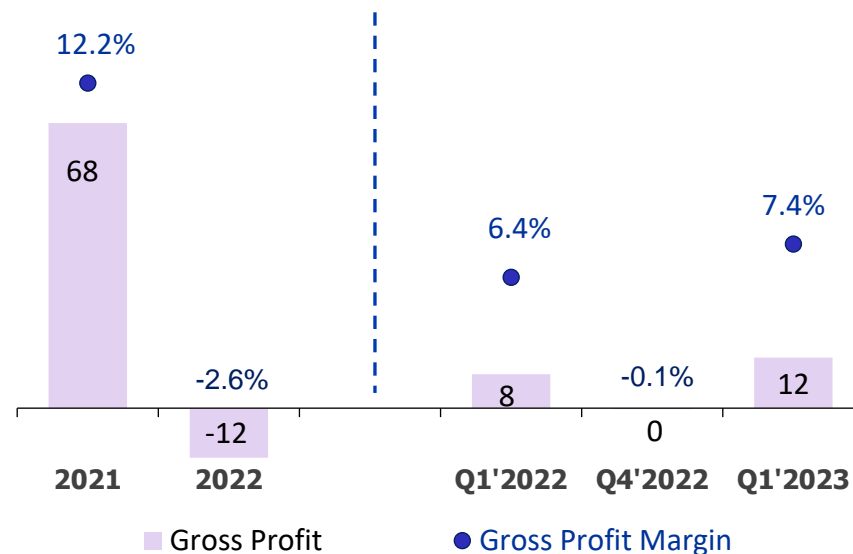
Remark:

* Availability Factor = Total operating hours / (Days * 24 hours)

** Capacity Factor = Electricity Unit sold / (Total operating hours * Total selling Capacity)

Gross Profit and Margin

Unit : THB mln



Key Observation – Q1'2023

- **Q1'2023** : **Gross Profit** and **Gross Profit Margin** were improved QoQ and YoY due to the lower planned shutdown hours.



MSW Khon Kaen



MSW Krabi

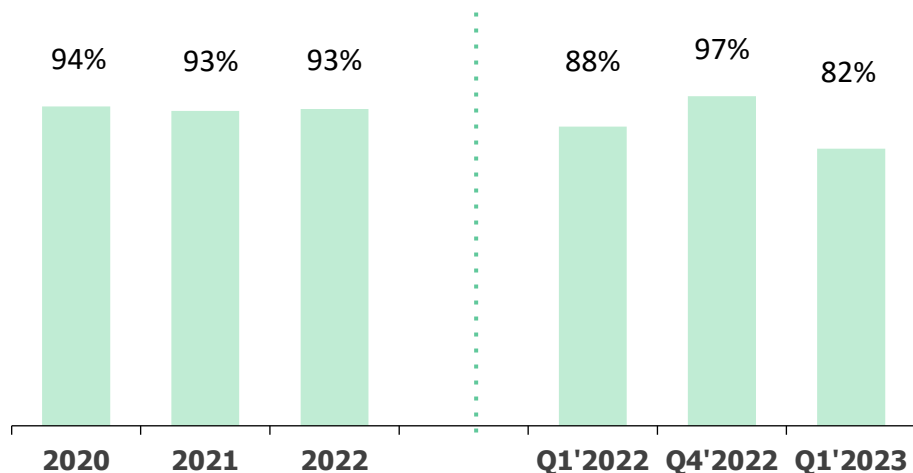
- *COD 2 power plants = 12 MW*
- *Under development 2 power plants = 19.8 MW*

ACE's MSW Operating Performance

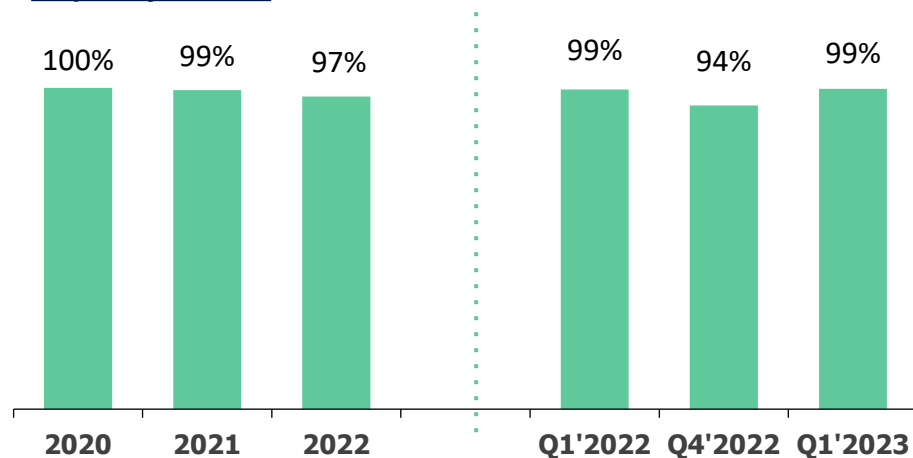


Plant Performance (2 Projects)

Availability Factor

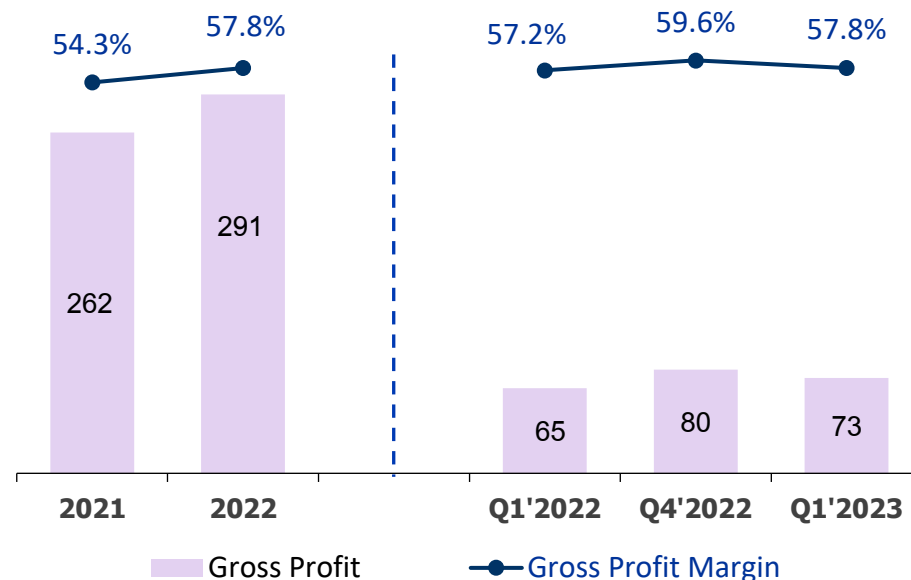


Capacity Factor



Gross Profit and Margin

Unit : THB mln



Key Observation – Q1'2023

- Quarterly Gross Profit and Gross Profit Margin
 - QoQ : -8.2% in Gross Profit and -1.8% in Gross Profit Margin
 - YoY : +12.0% in Gross Profit and +0.6% in Gross Profit Margin
- Gross Profit
 - Decreased QoQ, mainly from higher planned shutdown hours in Q1'23, (mostly from Krabi power plant)
 - Increased YoY, due to the increase of Ft rate (from -0.1440 Bt. to 1.2597 Bt.) which improved the gross profit of Khon Kaen MSW power plant

ACE's Co-generation Power Plant



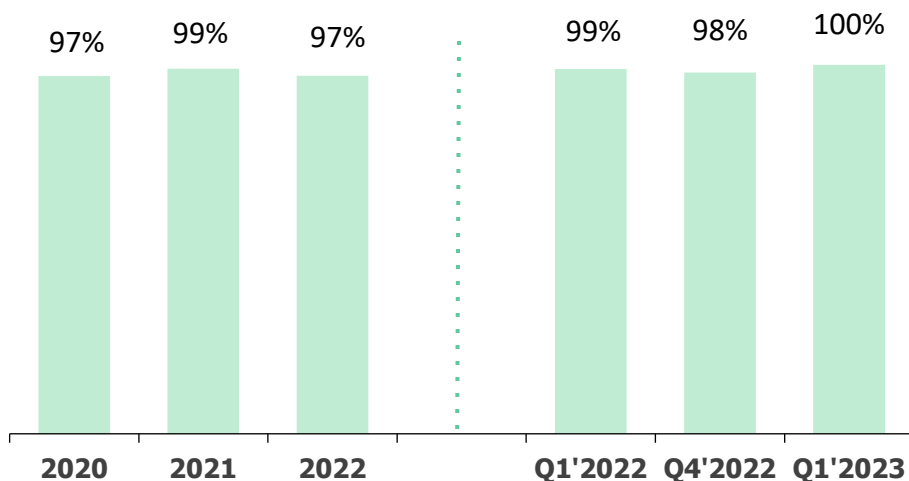
AAA Chachoengsao

ACE's Co-Gen Operating Performance

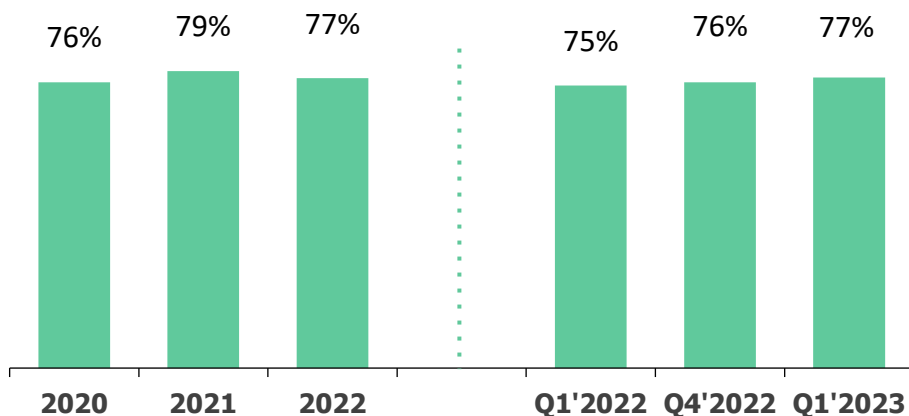


Plant Performance (1 Project)

Availability Factor

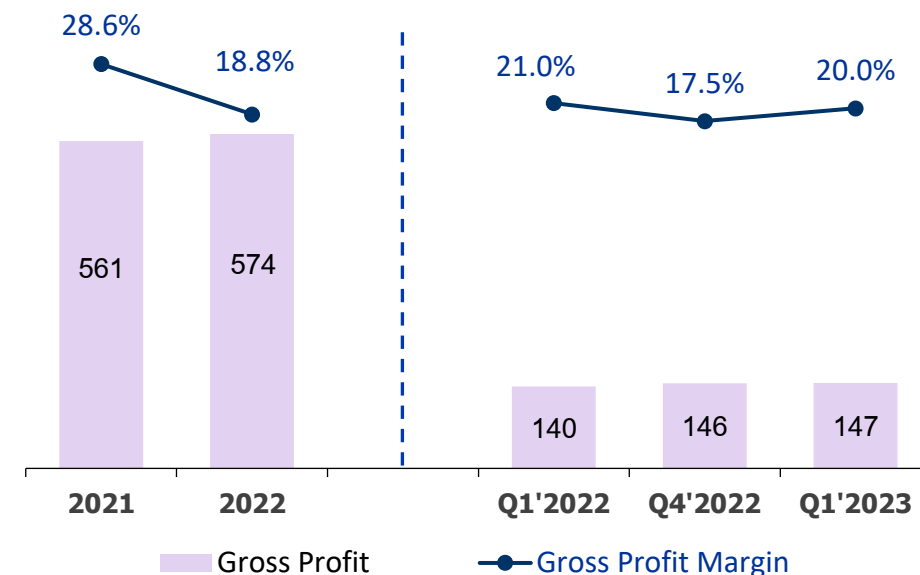


Capacity Factor



Gross Profit and Margin

Unit : THB mln



Key Observation – Q1'2023

- Quarterly Gross Profit and Gross Profit Margin
 - QoQ : +0.4% in Gross Profit and +2.5% in Gross Profit Margin
 - YoY : +4.5% in Gross Profit but -1.0% in Gross Profit Margin
- Gross Profit in Q1'2023 increased QoQ and YoY from the higher availability factor and lower maintenance expenses
- Gross Profit Margin in Q1'2023 increased QoQ because of the improvement of AF and CF as well as the impact of lower average gas price
- Average Gas Price in Q1'2023 decreased 13.8% QoQ but increased 8.9% YoY



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Financial Highlights

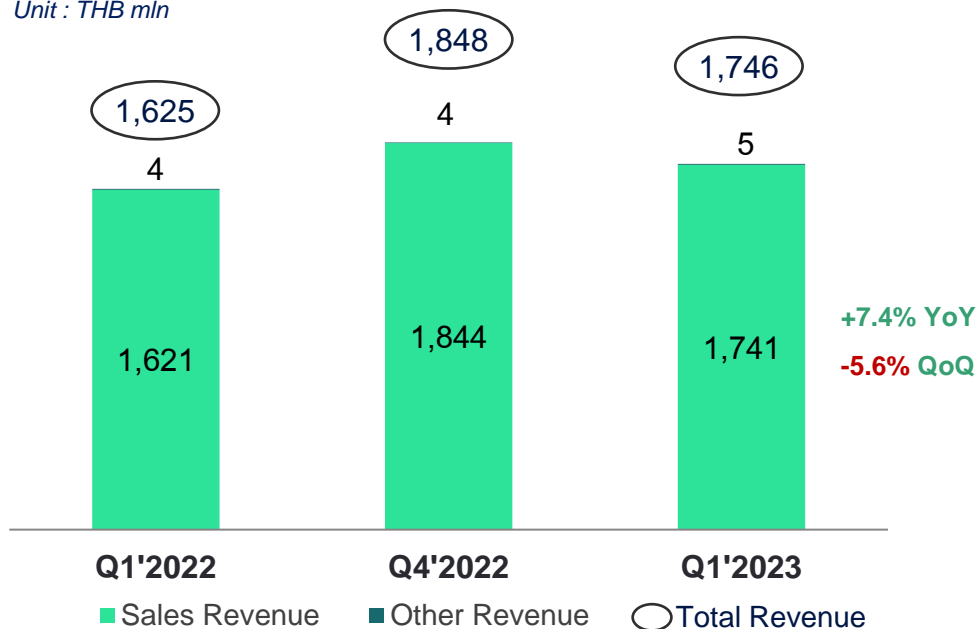
“AAA1” SPP Koh Kanoon Project



Q1'2023 Financial Highlight : P&L

Revenue¹

Unit : THB mln

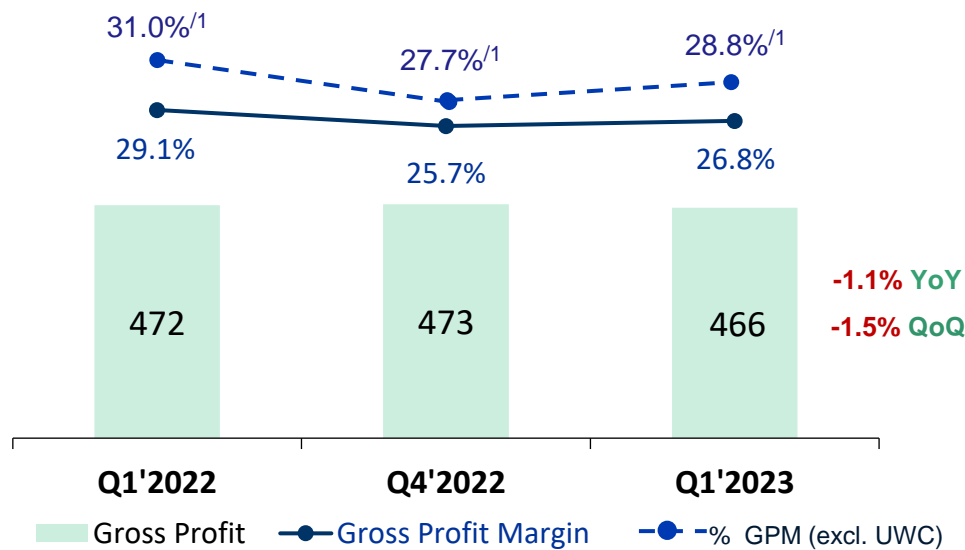


Sale Revenue in Q1'23 was **THB 1,741 mln**

- **QoQ : -5.6%** mainly from
 - the decrease of MSW power plant due to the higher planned shutdown hours in Q1'23
 - the decrease of Co-Gen power plant revenues from the decrease in unit rate which was adjusted with the decrease in average natural gas price
- **YoY : +7.4%** results from
 - the increase of biomass power plant revenue (especially UWC power plants) from the lower planned shut down hours in Q1'23
 - the increase of Co-Gen power plant revenue from the increase in unit rate which was adjusted with the increase in average natural gas price

Gross Profit and Margin

Unit : THB mln



Gross Profit in Q1'23 was **THB 466 mln**

- **QoQ : -1.5%** from GP of Biomass **decreased** by THB 1.8 mln
GP of MSW **decreased** by THB 6.5 mln
GP of Co-Gen **increased** by THB 0.5 mln
- **YoY : -1.1%** from GP of Biomass **decreased** by THB 19.5 mln
GP of MSW **increased** by THB 7.8 mln
GP of Co-Gen **increased** by THB 6.2 mln

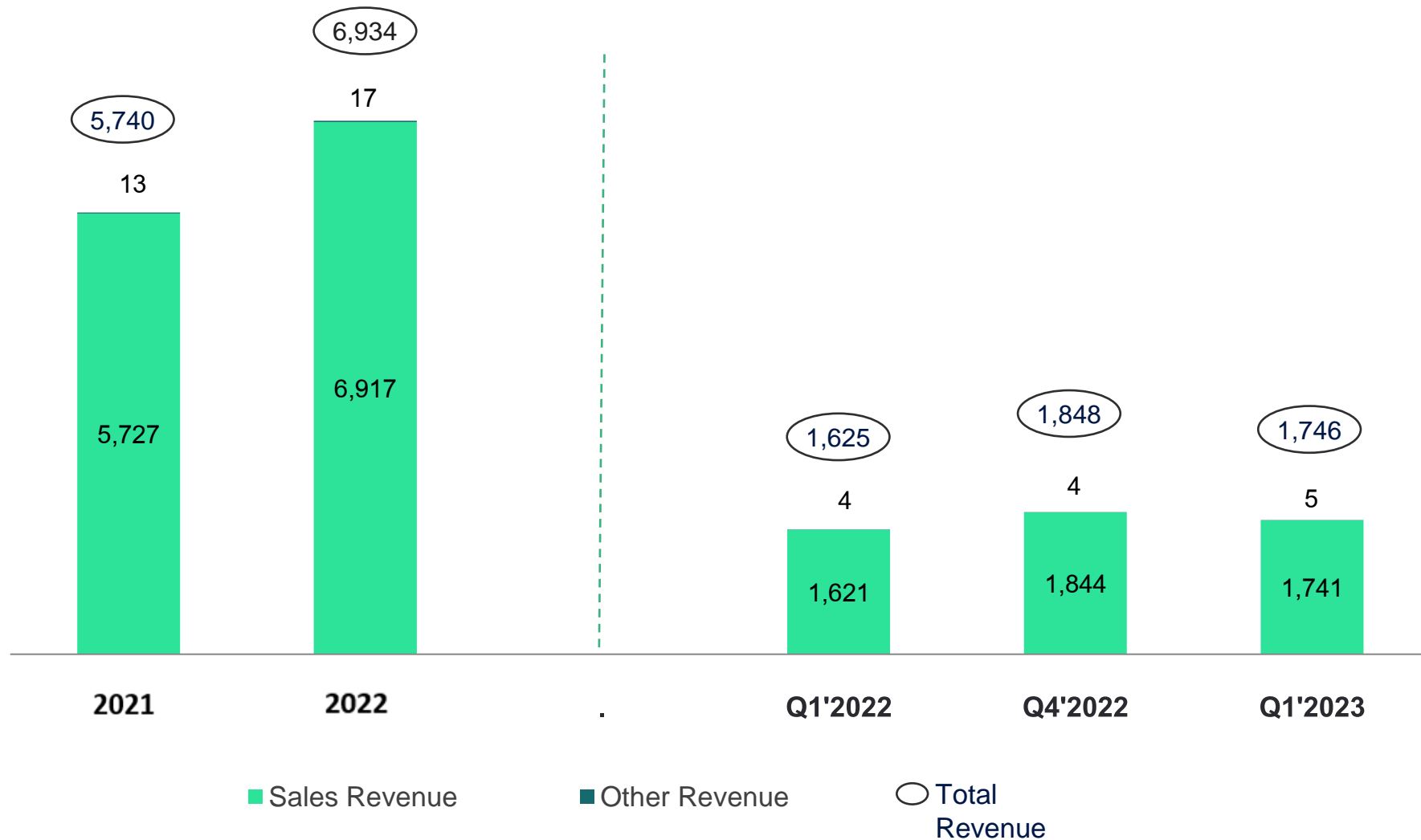
Gross Profit Margin in Q1'23 was **26.8%**

- **QoQ : +1.1%** mainly from the margin improvement of UWC power plants and higher GPM of Co-Gen power plant
- **YoY : -2.3%** mainly from the decreasing in GPM of biomass power plants
 - due to the higher cost of feedstocks from the inflation factors
 - the expiration of FiT Premium period of Thoen biomass power plant

Financial Highlight – Revenue¹



Unit : THB mln



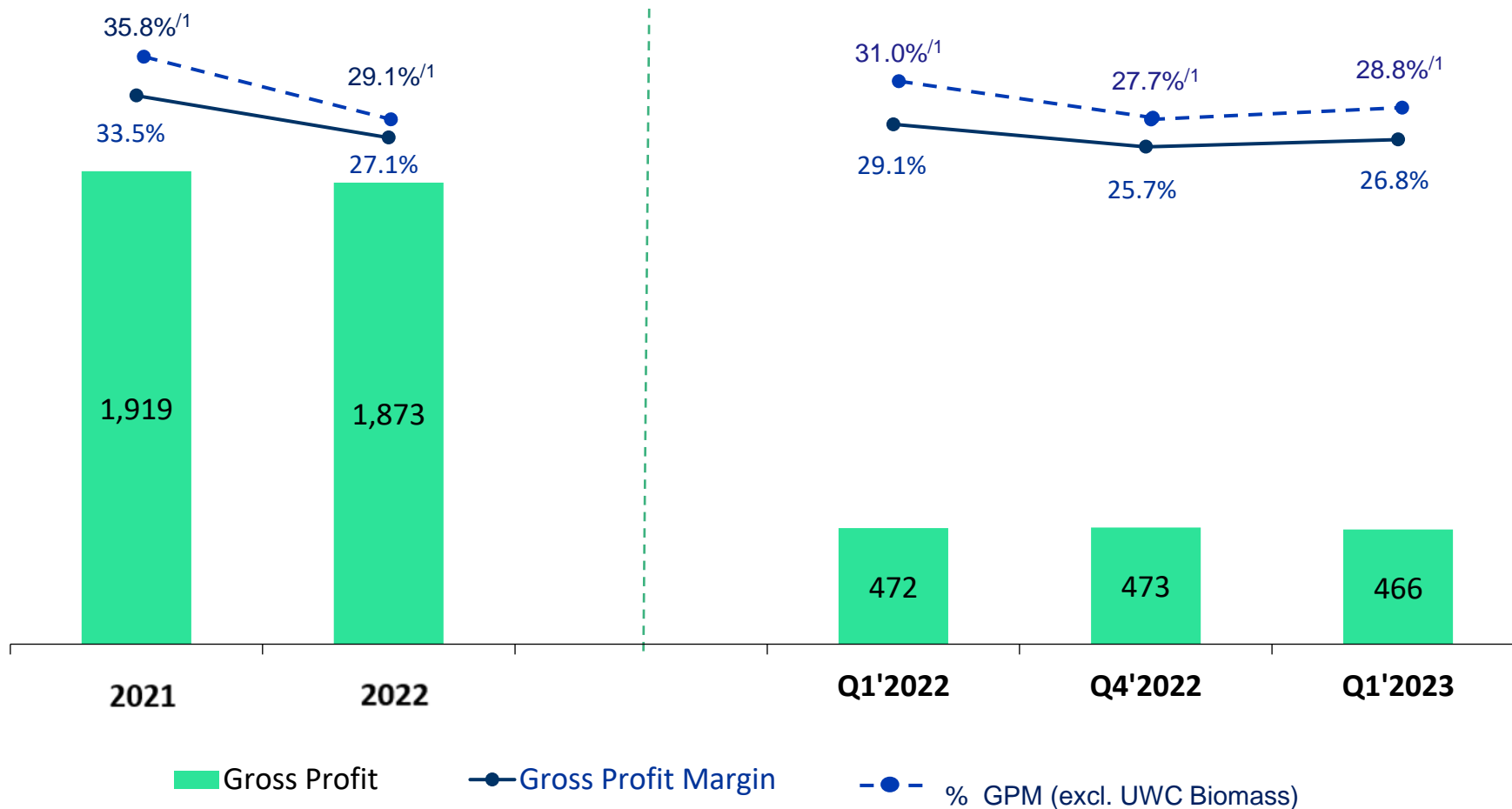
Remark: 1/ Exclude Construction Revenue

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Financial Highlight – Gross Profit and Gross Profit Margin



Unit : THB mln



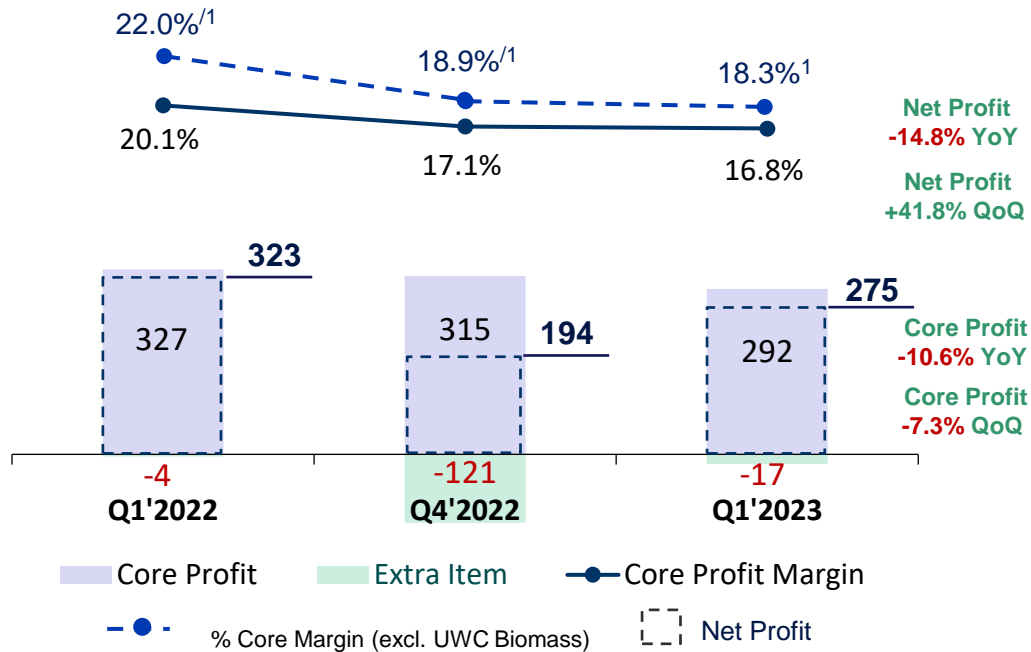
Remark: 1/ Exclude Gross Profit Margin from 3 UWC Biomass Power Plants.

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Q1'2023 Financial Highlight : P&L

Core Profit / Net Profit

Unit : THB mln

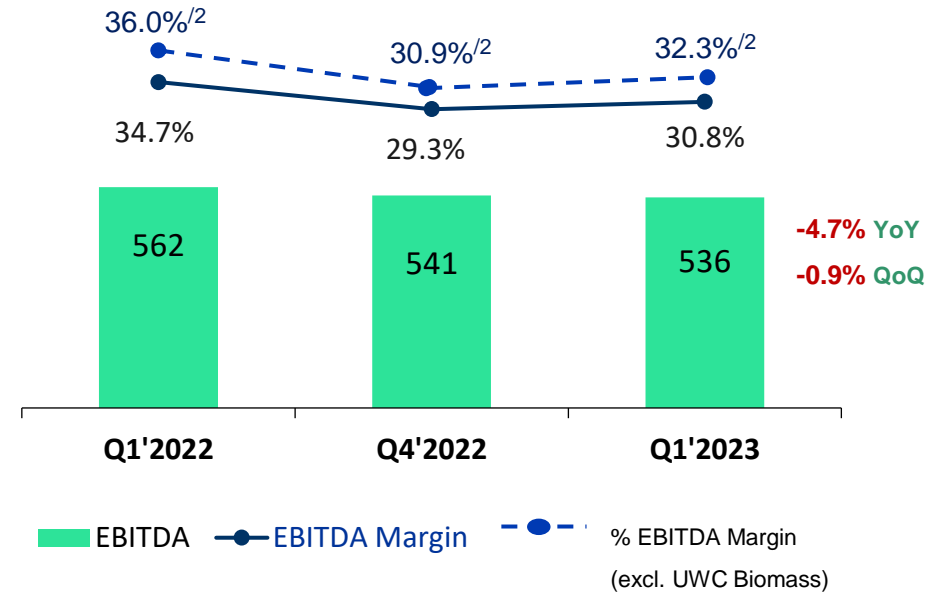


Core Profit in Q1'23 was THB 292 mln

- **QoQ : -7.3%** mainly from the higher planned shutdown hours in Biomass and MSW power plants
- **YoY : -10.6%** results from:
 - The expiration of FiT Premium period of the biomass power plant
 - The increase of expenses related to the bidding of new power plant projects for the renewable energy scheme

EBITDA and EBITDA Margin

Unit : THB mln



EBITDA in Q1'23 was THB 536 mln

- **QoQ : -0.9%** slightly decreased, mainly from the decrease of gross profit
- **YoY : -4.7%** mainly from the expiration of FiT Premium period and the increase of SG&A expenses.

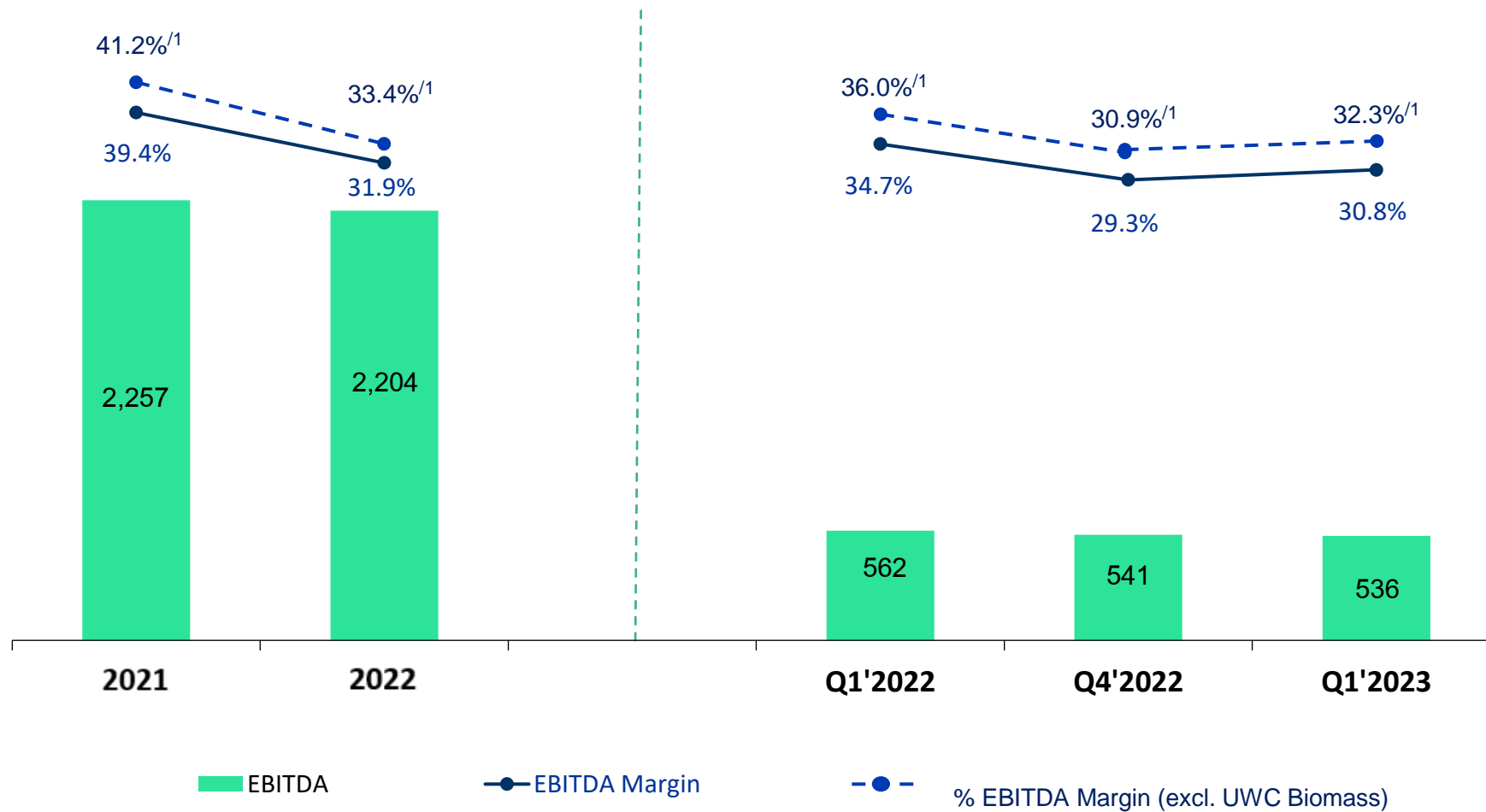
EBITDA Margin in Q1'23 was 30.8%

- **QoQ : +1.5%**, mainly from the improvement of gross profit margin in Co-Gen power plant.
- **YoY : -3.9%** mainly from the expiration of FiT Premium period and the increase of SG&A expenses.

Financial Highlight – EBITDA



Unit : THB mln



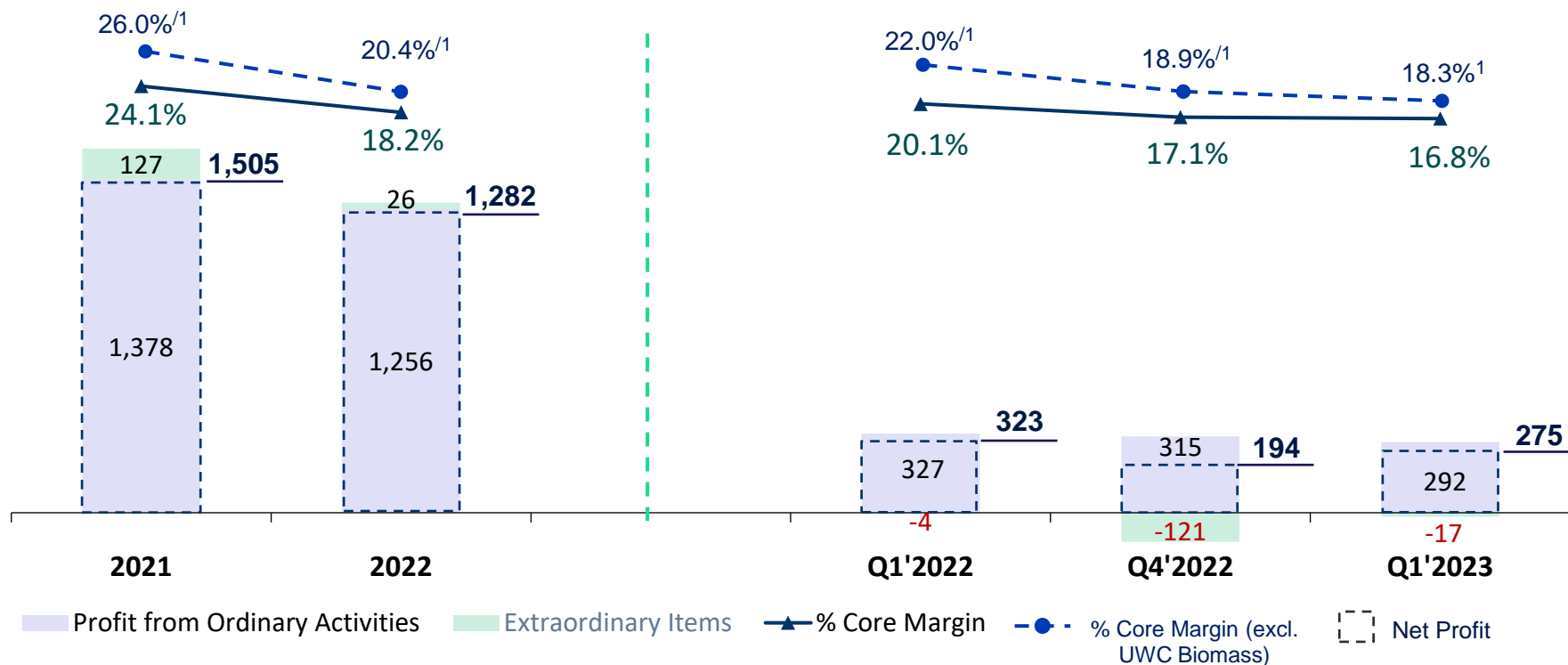
Remark: 1/ Exclude EBITDA Margin from 3 UWC Biomass Power Plants.

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Financial Highlight – Net Profit / Core Profit / Core Profit Margin



Unit : THB mln



	Q1-2022			Q4-2022			Q1-2023		
	Ordinary activities	Extraordinary items	Total	Ordinary activities	Extraordinary items	Total	Ordinary activities	Extraordinary items	Total
Profit before tax (EBT)	350	(5)	345	329	(151)	178	308	(21)	287
Tax income (expense)	(23)	1	(22)	(14)	30	16	(16)	4	(12)
Net profit	327	(4)	323	315	(121)	194	292	(17)	275

ACE Capital Structure and Leverage Ratio

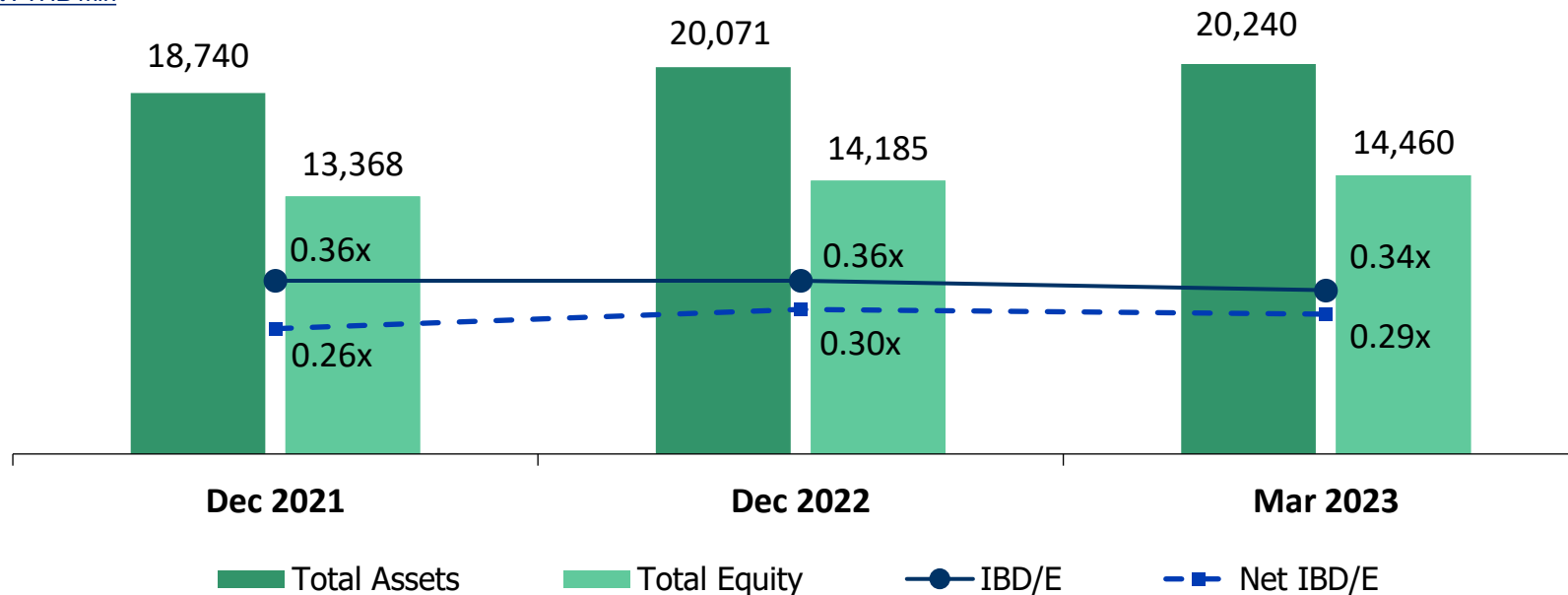


Unit: THB mln

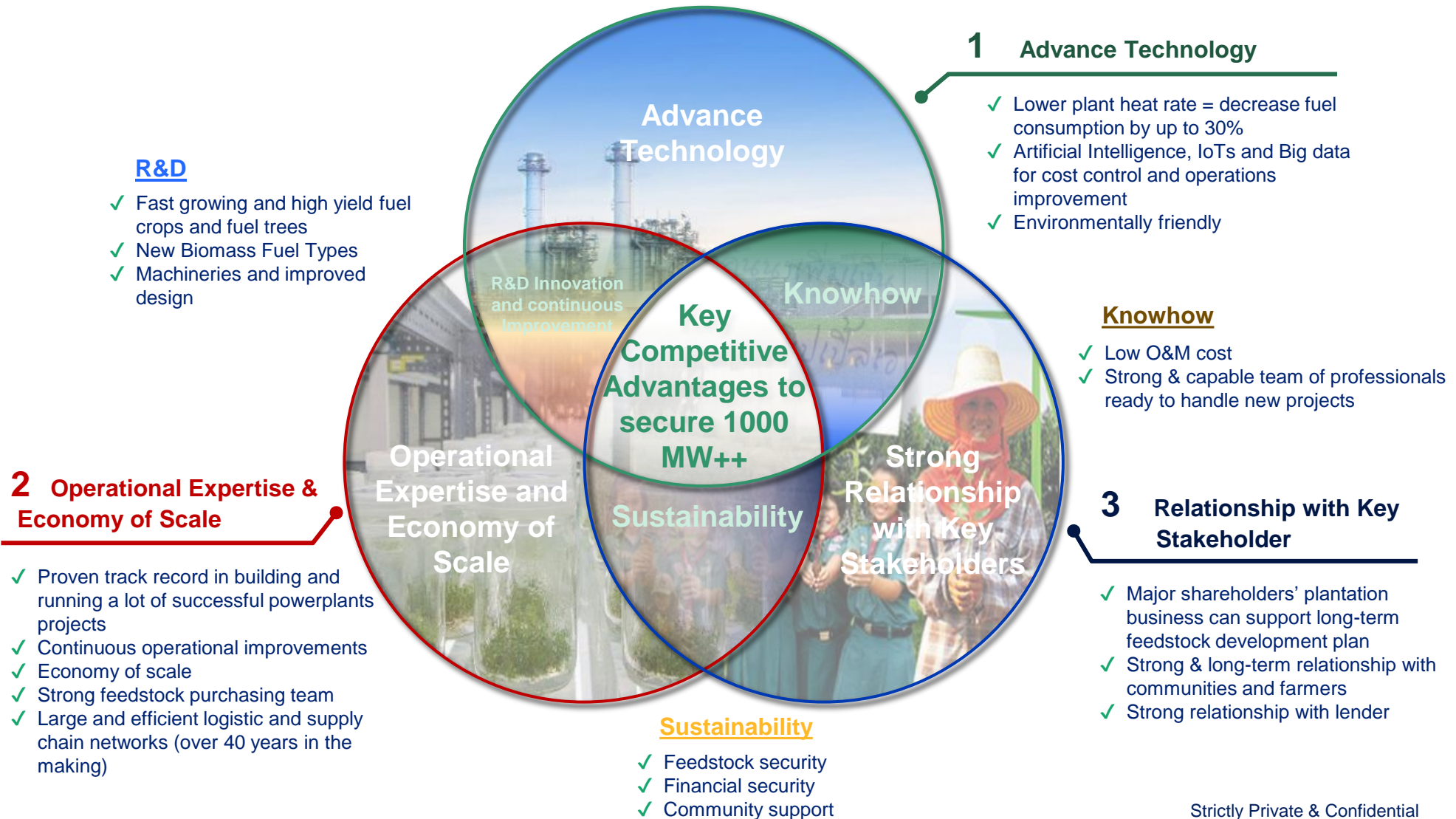
As of

	Dec 2021	Dec 2022	Mar 2023
Total Assets	18,740	20,071	20,240
Total interest-bearing debt	4,780	5,075	4,986
Cash equivalent and restricted cash	1,326	827	742
Net Interest-bearing debt	3,454	4,248	4,244
Equity	13,368	14,185	14,460

Unit : THB mln



ACE's 3 Core Value Represent Competitive Advantage to Secure New PPAs **ACE**



ACE's Key Strengths and Opportunities



1

Thailand's Leading Integrated Power Producer with Highest Growth Potential

- Largest and fast-growing Biomass Power Producer supported by PPA with PEA in Thailand
- No. 1 Renewable Power Producer in Thailand in terms of Equity MW Growth

2

World Megatrend

- "Electrification" Era
- Global & Thailand Commitment to Zero Carbon which implies the rise of renewable energy
- Biomass is one of the most reliable renewable energy that can replace the base load provided by conventional energy.
- ESG Business

3

Continuous Growth from Projects in the Pipeline and Future

- Power Plant's PPA with exceptional tariff rate
- Better technology which leads to higher efficiency and less feedstock / kWh
- Economy of Scale resulting in lower CAPEX, OPEX, and SG&A
- 28% share in the latest biomass power plant bidding

4

Efficient Operational Capabilities with Continuous Improvement

- Lower Feedstock and O&M cost which leads to higher margin
- Stronger creditworthiness which leads to lower financing cost
- Peer-to-Peer Electricity Trading which leads to additional electricity sales

5

Low Downside Risk

- Secured Demand & Cashflow (Long term Power Purchase Agreement with the Government)
- Proven Operational Excellence & Feedstock Management
- Our business model commits to the greater good and has a positive Total Societal Impact (TSI)

Total Societal Impact (TSI) and Environmental, Social & Governance (ESG)



Biomass Power Plant

Contribute to the Paris Agreement

Decreasing greenhouse gas emission.

Future Potential

To provide base-load to grid in place of conventional energy

Solves PM 2.5 problem at the root

- Saves government's spending on putting down forest fires and farm fires
- Saves government's spending on PM 2.5 related health problems such as respiratory complications, masks distributions and water spraying in cities, from PM 2.5 particle.
- Prevents economic loss from the decrease in tourism due to PM 2.5 problems.

Positive Economic and Societal Impact

- Additional income to farmers
- Stabilize income for farmers under market uncertainty → reduce empty subsidies that the government has to give out
- Distribution of revenue to grassroots : Shift from LNG imports to purchasing fuel from individual Thai farmers

GDP Contribution¹

THB 1.8 Billion / year / 9.9 MW biomass power plant

Municipal Solid Waste (MSW) Power Plant

Contribute to the Paris Agreement

Decreasing greenhouse gas emission.

Future Potential

To provide base-load to grid in place of conventional energy

Solves MSW mountain problems

Save healthcare and environmental spending for the government from problems caused by MSW in landfills



Thank You

For further inquiry

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