



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

MANAGEMENT DISCUSSION AND ANALYSIS
OF THE COMPANY'S PERFORMANCE
For the Year Ended December 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

Key event for the year 2024

SCN won bidding two more contracts for natural gas transportation projects of PTT, with the total amount of transportation volume of 1.14 million kilograms per day

The company won the bidding for procurement of natural gas (NGV) transportation contractors for automobiles. The company won two contracts which areas are Lad Lum Kaew 2 and King Kaew 2, with total duration of two years and contract value of Baht 150 million. Revenue recognition started from July, 2024 which led the company to gain additional transport areas from 6 areas to 8 areas. These areas consist of Lad Lum Kaew (2 areas), Lam Luk Ka, Sam Khok (2 areas), Chiang Rak Noi and King Kaew (2 areas). The total amount of transportation volume increased to 8.42 hundred thousand kilograms per day. When including the transportation volume for the industrial sector, this led the company to become the largest natural gas transportation provider in the country, with the transportation volume of 1.14 million kilograms per day.

SCN won bidding for natural gas (NGV) operations and maintenance projects for overall countries, from PTT

The company secured the contract of natural gas (NGV) operations and maintenance projects for PTT areas in Zone 1 and Zone 2. Also, the company increased more areas for managing service stations of natural gas from PTT from 75% to all station maintenance contract (NGV) for overall countries. There are 146 stations in Bangkok and Bangkok metropolitan region, including regional area, with total duration of two years and contract value of Baht 226 million in which revenue recognition started from January 1, 2025.

There was an increase in Commercial Operation Date (COD) of SAP in 2024 by 4 projects, with the total productivity of 20 Megawatts

Considering the Private Power Purchase Agreement (PPA) of SAP, there was an increase in Commercial Operation Date (COD) in 2024 by 4 projects which led the overall number of COD projects to reach 33. The productivity reached 18.85 Megawatts from the total productivity of 20 Megawatts. Hence, the company has net profit of Baht 16.5 million.

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.

The company has recognized One-time expenses

During Q3/2024, the company recorded impairment loss on non-performing assets which amounted to Baht 77.4 million. Also, the company recorded the Expected Credit Loss (ECL) from account receivables and Bangkok Mass Transit Authority (BMTA) according to the termination of contract of trading, repair and maintenance projects of 489 NGV buses which amounted to Baht 83.4 million. However, the company submitted the invoices for payment according to the contract. Moreover, the company recorded more expenses from construction projects which amounted to Baht 90.7 million.

Performance summary for the year 2024

Table 1: Key financial highlights

(Unit: Million Baht)

Key financial highlights	YE 2023	YE 2024	%YoY
Revenue from sales and services	1,878	1,595	(15%)
Gross Profit	299	146	(51%)
EBITDA	403	29	(93%)
EBITDA Ratio	21%	2%	(92%)
Net Profit	178	(212)	(219%)

Revenue from sales of goods and services

Revenue from sales of goods and services in 2024 amounted to Baht 1,595 million, a decrease of 15% compared to the previous year. This decrease was due to natural gas-related business which was affected by a decrease in revenues from Private Mother Station (PMS), service station maintenance and equipment sales related to natural gas. Moreover, the automotive, spare parts and air-conditioned buses have a resolution to terminate the contract of trading, repair and maintenance of NGV buses with the Bangkok Mass Transit Authority (BMTA). Additionally, this decrease was also due to a revenue adjustment from the construction business and a decrease in construction projects.

Revenue structure

Table 2: Revenue by segment

(Unit: Million Baht)

Segments	YE 2023	YE 2024	%YoY
Natural Gas-related business	990	902	(9%)
Automotive, spare parts, and air-conditioned buses	156	35	(78%)
Renewable energy business	237	152	(36%)
Transportation business	231	367	59%
Other businesses	264	139	(47%)
Total revenues	1,878	1,595	(15%)

Natural Gas-related Business

Revenue from natural gas-related business in 2024 amounted to Baht 902 million, a decrease of Baht 88 million or 9% compared to the prior year. This came from lower revenues from Private Mother Station (PMS), service station maintenance and equipment sales related to natural gas.

Automotive, spare parts, and air-conditioned buses Business

Revenue from automotive, spare parts and air-conditioned buses business in 2024 amounted to Baht 35 million, a decrease of Baht 121 million or 78% compared to the prior year. This was due to the joint operation (SCN-CHO) which has a resolution to terminate the contract of trading, repair and maintenance of 489 NGV buses with the Bangkok Mass Transit Authority (BMTA).

Renewable energy Business

Revenue from the renewable energy business in 2024 amounted to Baht 152 million, a decrease of Baht 85 million or 36% compared to the prior year. This was due to a decrease in Commercial Operation Date (COD) of SAP and the decrease in Ft value.

Transportation Business

Revenue from the transportation business in 2024 amounted to Baht 367 million, an increase of Baht 136 million or 59% compared to the prior year. The growth in revenue was primarily from an increase in transportation volume of the company and its subsidiaries as well as from revenue recognition from logistics projects of which the bidding was won in Q3/2023 with 6 areas and Q2/2024 with 2 areas. The total number of areas is 8, contact terms are 2 years.

Other Businesses

Revenue from other businesses in 2024 amounted to Baht 139 million, a decrease of Baht 125 million or 47% compared to the prior year. This came from the construction business which was affected by revenue adjustment of construction projects.

Profit sharing from investment in the joint venture

The profit sharing from investment in joint venture in 2024 amounted to Baht 37 million, a decrease of Baht 0.4 million or 1% compared to the prior year. Key factors were 1) profit sharing of THB 34 million from the solar power plant project in Minbu, Myanmar, 2) loss sharing of THB 5 million from Pharmaceutical Plants Company Limited (HEMP), and 3) profit sharing of THB 8 million from Thai-Japan Gas Network Company Limited (TJN).

Finance cost

Finance costs in 2024 amounted to Baht 130 million, an increase of Baht 14 million or 12% compared to the prior year. This was 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 December 2024 compared to 31 December 2023

(Unit: Million Baht)



Figure 1: Comparison of Statements of Financial Position (Yearly)

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

- **Total assets in Q4/2024** amounted to Baht 5,764 million, a decrease of Baht 399 million or 6.5% compared to the previous year. This was due to provision for expected credit losses of trade receivables and record of loss from impairment of non-productive assets
- **Total liabilities in Q4/2024** amounted to Baht 2,762 million, a decrease of Baht 184 million or 6.2% compared to the previous year. The decrease in liabilities was due to repayments of loans from financial institutions and promissory notes.
- **Total equities in Q4/2024** amounted to Baht 3,002 million, a decrease of Baht 215 million or 6.7% compared to the previous year from operation's performance of the company.

Sustainable Development Operations

For over 36 years, the company aimed to generate growth in clean energy business along with emphasis on sustainable organizational development through efficient management. This led the company to accomplish the goal, moreover, the company operated business based on principle of governance and emphasized operation according to sustainable development guidelines that included Environmental, Social and Governance (ESG). Also, the company raised the topic of sustainable development operation as part of the Management Discussion and Analysis report. The development of key operations is as follows.

Environment

The company has the policy to drive Thailand forward to Low Carbon Society to solve the intensifying global warming issues and push Thailand to accomplish the goal of Net Zero Emissions. The renewable energy business of the company can reduce Carbon Dioxide Emission by 16,630 tonnes of carbon dioxide equivalent (tCO₂eq) per year or equivalent to planting 1,385,834 trees per year. Moreover, shifting to use Industrial Compressed Natural Gas (iCNG) can reduce Carbon Dioxide Emission by 32.61%, compared to fuel oil usage.

Social

The company emphasized social aspect by operating about 26 CSR projects which covered economics, social and environmental aspects. The company considered advantages from the project to provide to community and social continuously. Moreover, the company also followed human rights management guideline such as non-use of forced labor, non-violation of rights towards employees with disabilities, as well as employment of employees with disabilities and elder people with consideration of equality among all employees.

Governance

The company continuously received a corporate governance evaluation result at the level of “excellent” for six years from Thai Institute of Directors (IOD). Also, the company was certified as the member of Thai Private Sector Collective Action Against Corruption (CAC) which emphasized on operations with transparency, accountability and having strong policy against corruption in order to create confidence and trust to all stakeholders.

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
Organic	General transaction of Company's business (Excluding special revenues / expenses)

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