

Absolute Clean Energy ACE

Absolute Clean Energy
Public Company Limited

Bloomberg ACE TB
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innovest^x
A Subsidiary of SCBX Group

Entering a new growth phase

After three years of muted capacity growth, ACE has entered a new expansion phase which will continue over the next four years. Operating capacity will grow at a 22% CAGR over 2024-27 after power purchase agreements are signed. A recent development that is positive for earnings outlook has yet to spark investor interest: share price is down 6% YTD vs. the SET's -3%. We believe the market will wait until it is confident ACE can deliver earnings growth sustainably and resume dividends. Since most new projects are committed under PPAs with electricity authorities, we keep our DCF-based TP of Bt3.6/sh and NEUTRAL rating.

4Q23 results recap. Net profit was Bt165mn (-15% YoY and -48% QoQ), hit by FX and derivatives losses of Bt121mn. Normalized net profit fell 20% YoY and 11% QoQ to Bt253mn due to lower profit at the MSW power plant segment from 4Q22 caused by a longer maintenance shutdown at the Krabi plant and the expiration of the adder for the Khon Kaen plant. The QoQ drop was due to lower gross margin for biomass power plants on higher feedstock and staff costs. Net profit for 2023 fell 16% YoY to Bt1.1bn due to FX and derivative losses. Normalized profit softened 13% YoY on lower profit at MSW power plants from expiration of the adder, higher feedstock cost for biomass power plants and higher financial cost due to more loans and debenture issuance to fund new projects.

1Q24 and 2024 outlook. We expect core profit to improve QoQ in 1Q24 on a better gross margin for biomass and MSW power plants. MSW power plants have had the highest gross margin in ACE's portfolio at -55% for the past three years vs. the average of 30%. A combined capacity of 18.9MW will be added to MSW power plant operating capacity in 2024. The first SPP Hybrid power plant (20MW), which is undergoing trial runs, will start operations in 2Q24. The first batch of solar farm projects (35.4MW contracted capacity) is scheduled to start operations by Dec 2024. We expect core profit for 2024F to increase 29%.

Capacity growth of 22% CAGR over 2024-27. ACE has signed power purchase agreements for most of its new power projects: 92.7MW in solar farm projects, 89.1MW in VSPP biomass and 59MW in biogas power plants under the Community Power Plant Project. ACE will be busy developing these projects over the next four years and total installed capacity will increase at a 22% CAGR to 569.7MW by end-2027. Another 32.6MW is still waiting for PPAs to signed with the electricity authorities. The company will fund these projects with loans and internal cash, which will curtail its ability to pay dividends in the near term.

Growth accommodated by healthy financial position. ACE was able to maintain a healthy financial position with a D/E ratio of 0.4x and net interest-bearing D/E of only 0.3x (end-2023). We expect this ratio to increase gradually over the next three years as it takes on more debt to fund new projects. By our estimates, it can take on at least Bt10bn in debt before D/E ratio exceeds 1x. This would be enough to fund all projects in the pipeline.

Key risks: 1) Delays in biomass VSPP construction, deferring startups and cash flow, 2) higher feedstock cost for biomass plants, 3) higher investment costs, and 4) regulatory changes that could hurt operations and increase capital expenditure. Key ESG risk is the potential negative impact of its operations on surrounding communities, including land use and MSW management.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	6,917	6,583	7,162	9,021	9,601
EBITDA	(Btmn)	2,181	2,123	2,637	3,949	4,722
Core profit	(Btmn)	1,227	1,109	1,434	2,418	2,535
Reported profit	(Btmn)	1,282	1,073	1,434	2,418	2,535
Core EPS	(Bt)	0.12	0.11	0.14	0.24	0.25
DPS	(Bt)	0.00	0.00	0.00	0.00	0.00
P/E, core	(x)	11.9	13.2	10.2	6.1	5.8
EPS growth, core	(%)	(8.3)	(9.6)	29.2	68.7	4.8
P/BV, core	(x)	1.0	1.0	0.9	0.8	0.7
ROE	(%)	8.9	7.6	9.0	13.6	12.5
Dividend yield	(%)	0.0	0.0	0.0	0.0	0.0
EV/EBITDA	(x)	8.8	9.0	7.3	4.9	3.9

Source: InnovestX Research

Tactical: NEUTRAL (3-month)

Stock data

Last close (Mar 20) (Bt)	1.44
Target price (Bt)	3.60
Mkt cap (Btbn)	14.65
Mkt cap (US\$mn)	407

Beta	L
Mkt cap (%) SET	0.09
Sector % SET	21.00
Shares issued (mn)	10,176
Par value (Bt)	0.50
12-m high / low (Bt)	2.5 / 1.4
Avg. daily 6m (US\$mn)	0.25
Foreign limit / actual (%)	49 / 2
Free float (%)	22.6
Dividend policy (%)	≥ 30

Share performance

(%)	1M	3M	12M
Absolute	(1.4)	(1.4)	(40.5)
Relative to SET	0.1	0.9	(31.7)

Source: SET, InnovestX Research

2023 Sustainability/2022 ESG Score

SET ESG Ratings	AA
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ESG Bloomberg Rank in the sector

ESG Score Rank	23/67
Environmental Score Rank	21/67
Social Score Rank	21/67
Governance Score Rank	23/67

ESG comment

ACE's 2022 ESG score slipped from 2021, mainly the governance aspect, though remains satisfactory. Environmental score was way below sector average, based on Bloomberg assessment, despite efforts to reduce GHG directly and indirectly via its biomass and MSW power plants.

Source: Bloomberg Finance L.P.

Analyst

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Value proposition

ACE is a holding company for renewable power plants for the Songmetta family, one of Thailand's long-established exporters of wood chips. Via wholly owned subsidiaries, it operates 22 power projects with total capacity of 257.6MW; more than half is renewable power (biomass, municipal solid waste, or MSW, and solar) and the rest is gas-fired SPP cogeneration. The proportion of renewable power plants will go up over time as several projects in the pipeline come on stream. The key advantage is its in-house R&D to increase plant efficiency starting from plant design to feedstock selection and mixing formula. It has successfully cut fuel costs for these plants by 20% over the past three years to <Bt1.3/KWh produced in 2021 from Bt1.6/KWh produced in 2017, though inflationary pressure edged this up 3.9% in 2022-23. The strong ties with communities around the power plants underwrite feedstock (agricultural waste) reliability in the long term, leveraging the Songmetta Group's expertise.

Business outlook

The Provincial Electricity Authority (PEA) has finally returned eight PPAs, plus another one that will be acquired later from its partner, for its VSPP-biomass projects. This reflects the government's commitment to achieve 33% of new electricity capacity from renewable power plants by 2037. These plants are scheduled to commence operation within three years or by Dec 2026. ACE and EGAT mutually agreed to terminate the PPAs of two SPP hybrid power plants in Nakhon Sri Thammarat with combined capacity of 50MW due to force majeure. EGAT will return the performance guarantee in compliance with the PPA, which is a bank guarantee. ACE also won 50MW additional capacity in the Community Power Plant (CPP) pilot project whose 20-year PPAs with the Provincial Electricity Authority (PEA) were signed in March 2023 after being rescheduled by the regulator from the initially planned Jan 2022. These power projects will gradually start up over 2024-26. In addition, more solar farm projects were awarded with PPAs to be signed. In all, the company's total installed capacity will increase to >602.29MW by end-2027, up from 257.57MW currently.

Bullish views	Bearish views
1. Efficiency improvement at existing power plants, including three acquired biomass power plants, will continue to support earnings growth.	1. Slower than expected execution of new power plants that were committed during the IPO, including more PPAs for VSPP-biomass and SPP hybrid power plants which are being negotiated with the electricity authorities.
2. Capacity expansion over 2024-27 will be the earnings driver over the next five years.	2. Policy risks on renewable power plants could curb growth.

Key catalysts

Factor	Event	Impact	Comment
Capacity additions in the pipeline.	More signing of PPAs from PEA for VSPP – biomass and SPP Hybrid were delayed - are expected to take place in 2023-24. Other upside potential is solar and MSW projects in Thailand.	Positive/ Negative	This should increase investor optimism about its ability to deliver earnings growth as expected during the IPO. This has been delayed for some time from initial plan.
Further improvement of feedstock cost	ACE targets reducing feedstock cost of biomass power plants.	Positive	ACE was able to reduce feedstock cost by 16% from its peak in 2017 to Bt1.35/KWh produced by changing the mix of feedstock to minimize the heat rate of its power plants.

Sensitivity Analysis

Factor	Earnings impact	TP impact
Gross margin (+1%)	+5%	+Bt0.06/share

Our view on ESG

We view that ACE provides concrete targets on environmental and social issues with a committed timeline and actual performance relative to its targets. We view its management and governance as satisfactory, reflecting management's expertise and experience in the business, with a diverse board of directors and transparency with stakeholders.

ESG Disclosure Score

Bloomberg ESG Score	45.01 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	23/67	ACE	5	No	Yes	AA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- ACE has set sustainability targets with plans to increase power capacity focused on clean energy plants to provide ACE with a total installed capacity of at least 1,000MW by 2024.
- ACE's renewable power business helped alleviate chronic environmental problems in Thailand. Its biomass power business helped in reducing open agricultural burning which lessened PM2.5 concentration in Thailand. The MSW power plants could solve the problem of waste management.
- The company is moving toward Carbon Neutral and to Net Zero emissions in the future. This includes the purchase of agricultural waste from farmers around its power plants. The company purchased 1.98mn tons of agricultural waste materials in 2022, up from 1.66mn tons in 2021. This is estimated to reduce CO₂ emissions by approximately 425ktCO₂e.

Social Issue (S)

- ACE provides eucalyptus seedlings from drought-tolerant, disease-resistant, fast-growing cultivars to farmers in 15 areas surrounding the power plants for farmers to plant in the fields, ridge, boundary, canal, rai, end of the field, or unused wasteland. This helps generate additional income and improve the quality of life for the community and creates a sustainable circular economy.
- ACE continues to invest in projects that are beneficial to the economy, society and sustainable coexistence with the community. These include 18 biogas power projects which were selected by the Energy Regulatory Commission under the Community Power Plant scheme in 2021. This will generate more income for the community under a contract farming scheme.
- ACE maintains its good record in occupational health and safety with zero accidents and lost-time injuries.

Governance Issue (G)

- ACE's board of directors consists of 10 directors, 5 non-executive directors (50% of the entire board), 5 independent directors (50% of the entire board), and 5 executive directors. This includes 3 female members (30% of the entire board).
- ACE has been rated "Excellent" (5 stars) by the Thai Institute of Directors in 2023.
- We view the company's social and governance practices as conforming to general industry standards.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	47.10	45.01
Environment	30.44	30.44
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
GHG Scope 1	—	—
Biodiversity Policy	Yes	Yes
Energy Efficiency Policy	Yes	Yes
Total Energy Consumption	44.66	40.48
Social	33.40	33.40
Human Rights Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Health and Safety Policy	Yes	Yes
Fatalities - Employees	—	—
Total Recordable Incident Rate - Employees	0.00	0.00
Employee Turnover Pct	20	31
Governance	77.33	71.07
Size of the Board	10	10
Number of Board Meetings for the Year	10	8
Board Meeting Attendance Pct	93	95
Number of Female Executives	2	2
Number of Independent Directors	5	5
Board Duration (Years)	—	—

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	5,055	5,858	5,727	6,917	6,583	7,162	9,021	9,601
Cost of goods sold	(Btmn)	3,429	4,067	3,808	5,044	4,800	4,994	5,799	6,033
Gross profit	(Btmn)	1,626	1,791	1,919	1,873	1,782	2,168	3,221	3,568
SG&A	(Btmn)	330	322	350	438	445	454	463	467
Other income	(Btmn)	33	179	13	17	27	10	10	10
Interest expense	(Btmn)	413	106	141	132	195	257	280	370
Pre-tax profit (before extra)	(Btmn)	916	1,541	1,440	1,319	1,170	1,467	2,488	2,741
Corporate tax	(Btmn)	(3)	43	103	93	61	29	50	137
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	1	0	(5)	(21)	(69)
Core profit	(Btmn)	919	1,499	1,338	1,227	1,109	1,434	2,418	2,535
Extra-ordinary items	(Btmn)	(104)	9	168	55	(37)	0	0	0
Net Profit	(Btmn)	815	1,508	1,506	1,282	1,073	1,434	2,418	2,535
EBITDA	(Btmn)	1,856	2,189	2,249	2,181	2,123	2,637	3,949	4,722
Core EPS	(Btmn)	0.10	0.15	0.13	0.12	0.11	0.14	0.24	0.25
Net EPS	(Bt)	0.09	0.15	0.15	0.13	0.11	0.14	0.24	0.25
DPS	(Bt)	0.00	0.05	0.02	0.00	0.00	0.00	0.00	0.00

Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	1,435	1,841	2,672	3,032	3,666	3,071	4,141	5,591
Total fixed assets	(Btmn)	12,711	14,588	16,068	17,039	18,071	20,185	22,483	24,351
Total assets	(Btmn)	14,145	16,430	18,740	20,071	21,737	23,256	26,624	29,942
Total loans	(Btmn)	2,995	3,922	4,754	5,041	5,656	5,704	6,595	7,400
Total current liabilities	(Btmn)	1,373	1,213	1,327	1,769	1,682	1,075	1,221	1,300
Total long-term liabilities	(Btmn)	1,979	3,224	4,044	4,118	4,753	5,444	6,249	6,953
Total liabilities	(Btmn)	3,352	4,437	5,372	5,886	6,435	6,520	7,470	8,253
Paid-up capital	(Btmn)	5,088	5,088	5,088	5,088	5,088	5,088	5,088	5,088
Total equity	(Btmn)	10,793	11,993	13,315	14,125	15,197	16,631	19,049	21,584
BVPS	(Bt)	1.06	1.18	1.31	1.39	1.49	1.63	1.87	2.12

Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	919	1,499	1,338	1,227	1,109	1,434	2,418	2,535
Depreciation and amortization	(Btmn)	527	541	667	730	759	912	1,181	1,611
Operating cash flow	(Btmn)	1,619	1,895	1,869	1,522	2,178	2,837	3,284	4,688
Investing cash flow	(Btmn)	(826)	(1,644)	(2,014)	(1,774)	(1,816)	(3,000)	(3,500)	(3,500)
Financing cash flow	(Btmn)	(825)	161	553	(210)	389	48	891	805
Net cash flow	(Btmn)	(33)	411	408	(462)	752	(115)	676	1,993

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	32.2	30.6	33.5	27.1	27.1	30.3	35.7	37.2
Operating margin	(%)	25.6	25.1	27.4	20.7	20.3	23.9	30.6	32.3
EBITDA margin	(%)	36.7	37.4	39.3	31.5	32.3	36.8	43.8	49.2
EBIT margin	(%)	26.3	28.1	27.6	21.0	20.7	24.1	30.7	32.4
Net profit margin	(%)	16.1	25.7	26.3	18.5	16.3	20.0	26.8	26.4
ROE	(%)	11.2	13.2	10.6	8.9	7.6	9.0	13.6	12.5
ROA	(%)	6.6	9.8	7.6	6.3	5.3	6.4	9.7	9.0
Net D/E	(x)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Interest coverage	(x)	4.5	20.6	15.9	16.5	10.9	10.3	14.1	12.8
Debt service coverage	(x)	1.2	2.3	2.1	1.6	1.5	3.3	4.3	4.3
Payout Ratio	(%)	0.0	33.7	13.5	0.0	0.0	0.0	0.0	0.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Installed capacity (period-end)	(MW)	212	246	258	258	258	334	392	550
Gross margin – Biomass	(%)	35.1	37.9	33.3	29.8	27.1	27.1	27.1	27.1
Gross margin – MSW	(%)	27.9	30.2	28.6	18.8	21.6	28.0	28.0	28.0
Gross margin – Solar	(%)	50.0	52.4	54.3	57.8	54.0	54.0	54.0	54.0
FIT (variable)	(Bt/KWh)	1.87	1.88	1.89	1.89	1.94	1.97	1.98	2.00
Effective interest rate	(%)	7.65	3.07	3.26	2.70	4.20	4.50	4.25	5.00

Financial statement

Profit and Loss Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total revenue	(Btmn)	1,621	1,638	1,815	1,844	1,741	1,613	1,627	1,601
Cost of goods sold	(Btmn)	1,149	1,174	1,351	1,370	1,274	1,192	1,169	1,166
Gross profit	(Btmn)	472	464	464	473	466	422	459	436
SG&A	(Btmn)	91	96	118	133	121	107	107	110
Other income	(Btmn)	4	8	2	4	5	14	3	5
Interest expense	(Btmn)	35	29	33	36	44	50	49	52
Pre-tax profit	(Btmn)	350	346	315	308	306	280	305	279
Corporate tax	(Btmn)	22	50	36	(16)	12	27	29	(7)
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	327	296	279	324	294	253	276	286
Extra-ordinary items	(Btmn)	(5)	87	102	(130)	(19)	63	40	(121)
Net Profit	(Btmn)	323	384	381	194	275	316	317	165
EBITDA	(Btmn)	562	558	531	530	534	518	550	521
Core EPS	(Btmn)	0.03	0.03	0.03	0.03	0.03	0.02	0.03	0.04
Net EPS	(Bt)	0.03	0.04	0.04	0.02	0.03	0.03	0.03	0.02

Balance Sheet

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total current assets	(Btmn)	2,563	3,057	3,145	3,032	2,815	2,779	2,704	3,666
Total fixed assets	(Btmn)	16,292	16,550	16,614	17,039	17,426	17,842	18,063	18,071
Total assets	(Btmn)	18,855	19,607	19,759	20,071	20,240	20,621	20,767	21,737
Total loans	(Btmn)	4,440	4,994	4,680	5,041	4,953	5,093	4,797	5,656
Total current liabilities	(Btmn)	1,273	1,373	1,300	1,769	1,849	1,620	1,690	1,682
Total long-term liabilities	(Btmn)	3,887	4,360	4,215	4,118	3,932	4,223	3,982	4,753
Total liabilities	(Btmn)	5,160	5,732	5,515	5,886	5,781	5,844	5,673	6,435
Paid-up capital	(Btmn)	5,088	5,088	5,088	5,088	5,088	5,088	5,088	5,088
Total equity	(Btmn)	13,638	13,818	14,187	14,125	14,400	14,716	15,033	15,197
BVPS	(Bt)	1.34	1.36	1.39	1.39	1.42	1.45	1.48	1.49

Cash Flow Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Core Profit	(Btmn)	327	296	279	324	294	253	276	286
Depreciation and amortization	(Btmn)	178	183	183	186	184	189	195	191
Operating cash flow	(Btmn)	462	419	376	266	633	495	625	426
Investing cash flow	(Btmn)	(444)	(352)	(162)	(817)	(548)	(592)	(373)	(304)
Financing cash flow	(Btmn)	(345)	322	(355)	168	(231)	101	(345)	864
Net cash flow	(Btmn)	(327)	389	(142)	(382)	(146)	4	(93)	986

Key Financial Ratios

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Gross margin	(%)	29.1	28.3	25.6	25.7	26.8	26.1	28.2	27.2
Operating margin	(%)	23.5	22.5	19.1	18.5	19.8	19.5	21.6	20.4
EBITDA margin	(%)	34.7	34.1	29.2	28.7	30.7	32.1	33.8	32.6
EBIT margin	(%)	23.7	22.9	19.2	18.7	20.1	20.4	21.8	20.7
Net profit margin	(%)	19.9	23.4	21.0	10.5	15.8	19.6	19.5	10.3
ROE	(%)	9.7	8.6	8.0	9.2	8.2	6.9	7.4	7.6
ROA	(%)	7.0	6.2	5.7	6.5	5.8	5.0	5.3	5.4
Net D/E	(x)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Interest coverage	(x)	16.3	19.2	16.3	14.7	12.3	10.4	11.1	10.1
Debt service coverage	(x)	2.5	2.2	2.4	1.6	1.5	1.5	1.7	1.5

Key Statistics

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Installed capacity (period-end)	(MW)	258	258	258	258	258	258	258	258
Gross profit margin – Biomass	(%)	31.6	30.4	29.0	28.1	27.8	25.4	28.3	26.6
Gross profit margin – MSW	(%)	57.2	58.8	55.4	59.6	57.8	54.7	49.2	53.4
Gross profit margin – Cogen	(%)	21.0	19.5	18.0	17.5	20.0	21.2	23.7	22.3
Effective interest rate	(%)	3.04	2.49	2.72	3.09	3.53	4.01	4.06	4.36

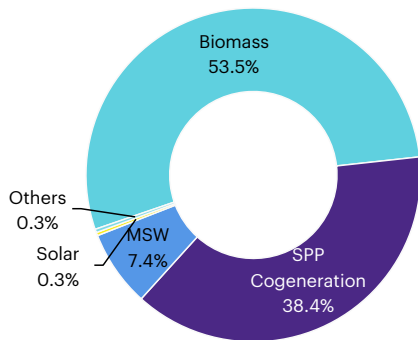
Figure 1: ACE- 4Q23 earnings review

	4Q22	3Q23	4Q23	%YoY	%QoQ	12M22	12M23	%YoY
P&L (Bt, mn)								
Total revenue	1,844	1,627	1,601	(13.1)	(1.6)	6,917	6,583	(4.8)
Gross profit	473	459	436	(7.9)	(5.0)	1,873	1,782	(4.8)
EBITDA	530	550	521	(1.6)	(5.2)	2,181	2,123	(2.7)
Profit before extra items	324	276	286	(11.8)	3.5	1,227	1,109	(9.6)
Net Profit	194	317	165	(15.0)	(47.9)	1,282	1,073	(16.3)
EPS (Bt)	0.02	0.03	0.02	28.9	(21.0)	0.13	0.11	(9.7)
B/S (Bt, mn)								
Total assets	20,071	20,767	21,737	8.3	4.7	20,071	21,737	8.3
Total liabilities	5,886	5,673	6,435	9.3	13.4	5,886	6,435	9.3
Total equity	14,185	15,094	15,303	7.9	1.4	14,185	15,303	7.9
BVPS (Bt)	1.39	1.48	1.49	7.6	1.1	1.39	1.49	7.6
Financial ratio (%)								
Gross margin (%)	25.7	28.2	27.2	1.5	(1.0)	27.1	27.1	0.0
EBITDA margin (%)	28.7	33.8	32.6	3.8	(1.2)	31.5	32.3	0.7
Net profit margin (%)	10.5	19.5	10.3	(0.2)	(9.2)	18.5	16.3	(2.2)
ROA (%)	6.5	5.3	5.4	(1.1)	0.0	6.6	5.1	(1.5)
ROE (%)	9.2	7.4	7.6	(1.6)	0.1	9.3	7.3	(2.0)
D/E (X)	0.4	0.4	0.4	0.6	4.5	0.4	0.4	0.6

Source: ACE and InnovestX Research

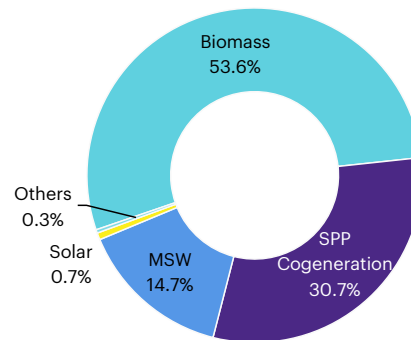
Appendix

Figure 2: Revenue breakdown (2023)



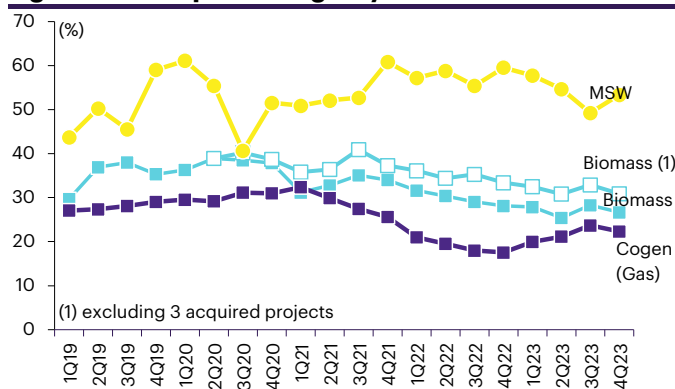
Source: ACE and InnovestX Research

Figure 3: Gross profit breakdown (2023)



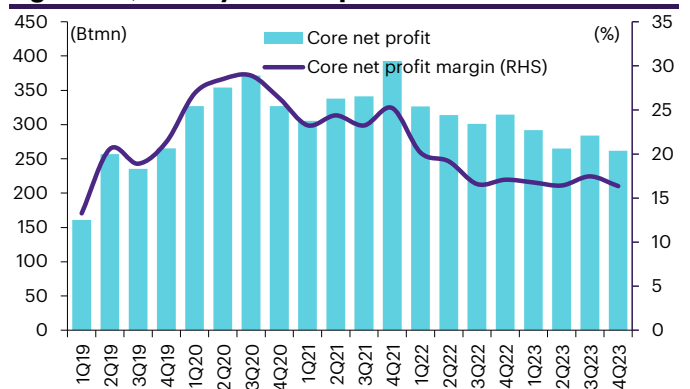
Source: ACE and InnovestX Research

Figure 4: Gross profit margin by business



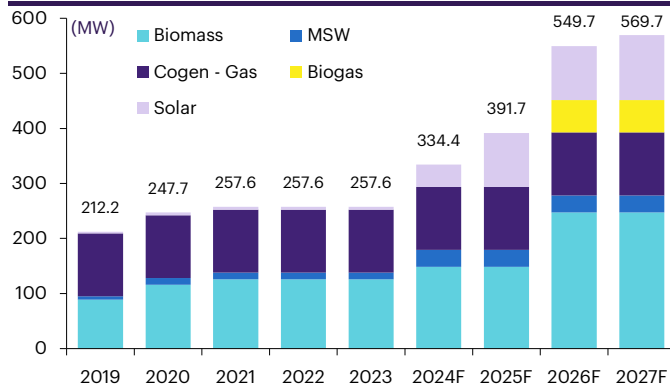
Source: ACE and InnovestX Research

Figure 5: Quarterly core net profit



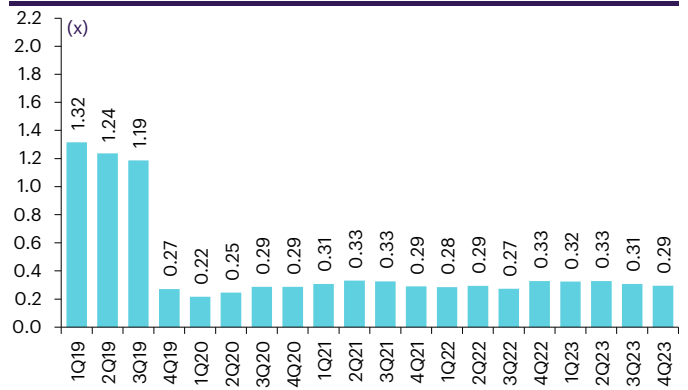
Source: ACE and InnovestX Research

Figure 6: Capacity growth



Source: ACE and InnovestX Research

Figure 7: Net interest-bearing debt to equity ratio



Source: ACE and InnovestX Research

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CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOAT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTCG, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้มาตรฐาน)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, ERW, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOAT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPM, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTCG, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQA, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MYP, NAM, NAT, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TW2, TYCN, UAC, UBA, UMI, UMS, UNIQA, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.