

Gulf Energy Development

(GULF.BK/GULF TB)*



SET ESG Rating of AA

Outperform · Maintained

Price as of 9 May 2024	41.50
12M target price (Bt/shr)	50.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	20.50

Key messages

กำไรสุทธิ 1Q67 ของ GULF อยู่ที่ 3.5 พันลบ. (-27% QoQ และ -9% YoY) เป็นไปตามทุกคาดการณ์ โดยที่กำไรลดลง QoQ มาจากผลขาดทุน FX และไม่มีรายการกำไรกลับสร้างหนี้สูญจากกรณี ITV แม้ว่าผลการดำเนินงานของ GULF แข็งแกร่งขึ้น แต่ทว่า กำไรเพิ่มขึ้น YoY เป็นเพราะการรับรู้ผลการดำเนินงานเต็มปีของโครงการต่าง ๆ ใน 2Q67F เราคาดว่ากำไรหลักน่าจะเพิ่มขึ้นทั้ง QoQ และ YoY อยู่ที่ประมาณ 4.3-4.5 พันลบ. โดยเป็นระดับสูงสุดรายไตรมาส ทั้งนี้ เราคงคำแนะนำซื้อ และราคาเป้าหมายที่ 50.00 บาท ขณะที่ เราคิดว่าหุ้น GULF เหมาะสำหรับนักลงทุนระยะยาวที่มองหาการเติบโตแบบปรับกลางด้วยความโดดเด่นสูงทั้ง ROE และ ROA

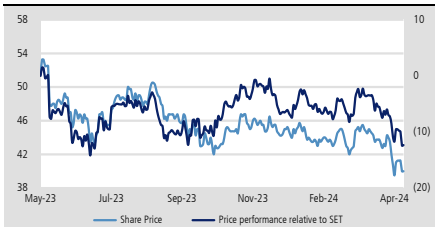
Trading data

Mkt cap (Btbn/US\$bn)	46.9/15.2		
Outstanding shares (mn)	11,733		
Foreign ownership (mn)	3,152		
3M avg. daily trading (mn)	21		
52-week trading range (Bt)	39.50-53.25		
Performance (%)	3M	6M	12M
Absolute	-8.6	-9.1	-21.6
Relative	-7.6	-7.6	-11.8

Quarterly EPS

Bt	Q1	Q2	Q3	Q4
2022	0.29	0.13	0.09	0.46
2023	0.33	0.25	0.29	0.41
2024	0.28			

Share price chart



Source: SET

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ผ่าน 1Q67 ไปแล้ว กำลังมุ่งสู่วิถีปี 2567

Event

ผลประกอบการ 1Q67 และประเด็นสำคัญจากรวมประชุมนักวิเคราะห์ 1Q67

Impact

ผลประกอบการ 1Q67 – ตรงตามทุกคาดการณ์

กำไรสุทธิของ GULF ใน 1Q67 อยู่ที่ 3.5 พันลบ. (-27% QoQ และ -9% YoY) ตรงตามทุกคาดการณ์ หากไม่รวมผลขาดทุนจาก FX แล้ว กำไรหลักจะอยู่ที่ 4.0 พันล้านบาท (-2% QoQ แต่ +13% YoY) คิดเป็น 23% ของกำไรสุทธิ 2567F ของเรา ขณะที่ กำไรหลักลดลง QoQ เกิดจากผลของขาดทุน FX และไม่มีรายการกำไรกลับสร้างหนี้สูญจากกรณี ITV ที่ Intouch Holdings (INTUCH.BK/INTUCH TB) ถืออยู่ใน 4Q66 และรับรู้ผลการดำเนินงานแยกลงของโครงการ Jackson แม้ว่าผลการดำเนินงานของ GULF แข็งแกร่งขึ้น (ทั้ง IPP และ SPP) ทางด้าน IPPs ทุกโรงมี load factor สูงขึ้น ขณะที่ Hinkong IPP (HKP) Unit1 (377MWe) เริ่มรับรู้กำไรเดือน มี.ค. 67 ส่วน SPP มี margin ลงที่ QoQ แต่ขยับขึ้น YoY ทั้งนี้ ค่า Ft เฉลี่ยเพิ่มขึ้นเป็น 0.40 บาท/kWh (+0.19 บาท/kWh QoQ) และราคาก๊าซของ SPP ขยับขึ้นอยู่ที่ 351 บาท/mmbtu (+11 บาท/mmbtu QoQ) อย่างไรก็ตาม การดำเนินงานหลักของ INTUCH ดีขึ้น QoQ บนธุรกิจ ICT โดเมนและการบริหารต้นทุนมีประสิทธิภาพที่ AIS สำหรับกำไรหลักเพิ่มขึ้น YoY เป็นเพราะการรับรู้กำไรเต็มปีของ GPD Unit 1-2 (928MWe) และ INTUCH แข็งแกร่งขึ้น

แนวโน้มเป็นอย่างไร...?

ปัจจุบันกำไรสุทธิของเราปี 2567F มีอัตราการเติบโตที่ 16% YoY โดยมี catalyst จากการรับรู้กำไรเต็มปีของ GPD Unit1-2, การเริ่มรับรู้ GPD Unit 3-4 (ตั้งแต่ 31 มี.ค. และ 1 ต.ค. 67), การรับรู้กำไรเต็มไตรมาสของ Hinkong IPP เฟส 1 (1 มี.ค.) และ โครงการอื่น ๆ อีกหลากหลายใน pipeline ใน 2Q67F เราคาดว่ากำไรหลักน่าจะเพิ่มขึ้นทั้ง QoQ และ YoY อยู่ที่ประมาณ 4.3-4.5 พันล้านบาท โดยมี catalyst จาก i) การรับรู้กำไรเต็มไตรมาสของ HKP Unit1; ii) การเริ่มรับรู้ GPD Unit3 (665MWe, ตั้งแต่ 31 มี.ค. 67); iii) SPPs แข็งแกร่งมากขึ้น (ราคาก๊าซต่ำลง) และ iv) กำไรที่ดีของ INTUCH

Guidance ของบริษัท

GULF คงมุมมองบวกต่อแนวโน้มธุรกิจเนื่องจากมีโครงการสำคัญต่าง ๆ ใน pipeline จำนวนมาก โดยที่ผู้บริหารมองว่าอุปสงค์การใช้ไฟฟ้าสูงขึ้นจากการเพิ่มขึ้นของศูนย์ข้อมูลในประเทศไทย ตามขนาดตลาดเช่นเดอระดับไฮเปอร์สเกลเข้ามาในประเทศไทยมากขึ้น ขณะที่ GULF มีศูนย์ดาต้าเซ็นเตอร์อยู่ 2 เฟส ในปัจจุบัน (24-25MW ในแต่ละเฟส) (SCOD: เริ่มปี 2568) โดยใช้พลังงานสะอาด ทำให้อบจอย ESG ส่วนธนาคารแบบไร้สาขาและธุรกิจการแลกเปลี่ยนสินทรัพย์ดิจิทัลถือเป็นไฮไลต์ช่วยกระจายความเสี่ยง

Valuation & Action

เราคงคำแนะนำซื้อ ด้วยราคาเป้าหมาย 50.00 บาท โดยที่ เรามองว่า GULF มีการเติบโตโดดเด่นในอีกห้าปีข้างหน้าเนื่องจาก การที่มีความชำนาญเฉพาะทางสูง, มีสัมพันธ์ภาพที่ดีกับบริษัทร่วมทุนและมีงบดุลแข็งแกร่ง ทั้งนี้ เราเชื่อว่า GULF เหมาะสำหรับนักลงทุนระยะยาวที่มองหาการเติบโตแบบปรับกลางด้วยความโดดเด่นสูงของทั้ง ROE และ ROA

Risks

บิค์ซ่อมบำรุงนอกแผน, ปัญหา cost overrun และความผันผวนของอัตราแลกเปลี่ยนและอัตราดอกเบี้ย

Key financials and valuations

	Dec - 22A	Dec - 23A	Dec - 24F	Dec - 25F	Dec - 26F
Revenue (Btmn)	94,151	114,054	119,646	131,863	131,719
Net Profit (Btmn)	11,418	14,858	17,214	20,136	20,974
Normalized Profit (Btmn)	11,528	15,644	17,214	20,136	20,974
Net Profit Growth (%)	48.9	30.1	15.9	17.0	4.2
Normalized Profit Growth (%)	30.8	35.7	10.0	17.0	4.2
EPS (Bt)	0.97	1.27	1.47	1.72	1.79
DPS (Bt)	0.60	0.88	0.88	1.03	1.07
EPS Growth (%)	48.9	30.1	15.9	17.0	4.2
P/E (X)	41.1	31.6	27.3	23.3	22.4
P/B (X)	3.5	3.3	3.1	2.9	2.7
EV/EBITDA (X)	24.0	20.7	18.6	17.0	16.9
Net Debt to Equity (%)	156.6	171.4	182.4	172.3	162.4
Dividend Yield (%)	1.5	2.2	2.2	2.6	2.7
Return on Average Equity (%)	8.4	10.3	11.3	12.3	12.1

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGI <GO> Please see back page for disclaimer

Figure 1: GULF's 1Q24 earnings review

Bt mn	1Q24	1Q23	YoY (%)	4Q23	QoQ (%)	2023	2022	YoY (%)	Comments (1Q24 vs 1Q23)
Revenue	31,599	26,413	19.6	27,665	14.2	114,054	94,151	21.1	(+) Passthrough mechanism, full-year commencing operation of GDP Unit 1-2
Gross Profit	5,742	5,311	8.1	5,726	0.3	22,033	19,440	13.3	
SG&A	772	742	4.1	1,415	(45.4)	3,915	2,955	32.5	(-) Higher, in line with commencing operation of new IPP units
Operating Profit	5,651	5,151	9.7	4,926	14.7	21,014	17,411	20.7	
Operating EBITDA	6,787	6,104	11.2	6,050	12.2	25,195	22,473	12.1	
Non-Operating Income/(Expense)	(652)	182	N/A	545	N.A.	(786)	(110)	(613.2)	(-) Unrealised net Fx losses
Dividend Income	-	14	N/A	(4)	100.0	271	76	257.3	
Equity Income/(Loss)	2,640	2,038	29.5	3,193	(17.3)	10,175	6,665	52.6	(+) Stronger INTUCH, JV of GGC, SPPs, PTTNGD, against losses from Jackson
Interest expense	2,606	2,124	22.7	2,695	(3.3)	9,817	7,652	28.3	(-) Higher financing cost from INTUCH, GSRC
Net Profit	3,499	3,850	(9.1)	4,763	(26.5)	14,858	11,417	30.1	
Normalized profit	4,151	3,668	13.2	4,217	(1.6)	15,644	11,527	35.7	
EPS (Bt)	0.30	0.33	(9.1)	0.41	(26.5)	1.27	0.97	30.1	
Normalized EPS (Bt)	0.35	0.31	13.2	0.36	(1.6)	1.33	0.98	35.7	
Percent	1Q24	1Q23	YoY (ppts)	4Q23	QoQ (ppts)	2023	2022	YoY (ppts)	
Gross margin	18.2	20.1	(7.6)	20.7	(2.5)	19.3	20.6	(1.3)	(+) An uptick was due to better SPP margin, despite normalized IPP margin (no diesel usage)
EBITDA margin	21.5	23.1	(5.7)	21.9	(0.4)	18.4	18.5	(0.1)	
SG&A/sales	2.4	2.8	(7.5)	5.1	(2.7)	3.4	3.1	0.3	
Assumptions	Change			Change			Change		
Ending US\$/THB	36.6	34.3	2.4	34.4	2.2	36.6	34.3	2.4	
Ending EUR/THB	38.9	37.6	1.4	37.7	1.3	38.9	37.6	1.4	
Avg.Ft rate (Bt/kWh)	0.40	1.55	(1.2)	0.20	0.2	0.89	0.40	0.5	
SPP gas prices (Bt/mmbtu)	351	496	(145.6)	340	11.2	385	495	(109)	
IPP gas prices (Bt/mmbtu)	341	459	(117.9)	330	11.2	372	485	(113)	

Source: Company data, KGI Securities Research

Figure 2: Key assumptions and valuation of GULF

	Unit	2022	2023	2024F	2025F	2026F
Effective capacity	MWe	4,902	6,711	8,650	9,624	9,894
Average Ft rate	Bt/kWh	0.40	0.89	0.40	0.30	0.30
SPP gas prices	Bt/mmbtu	495	402	350	345	345
IPP gas prices	Bt/mmbtu	485	382	330	325	325
Ratio:						
GPM	Percent	20.6	19.3	17.0	18.1	18.2
EBITDA	Percent	30.2	30.3	33.6	33.6	33.8
NPM	Percent	12.1	13.0	14.4	15.3	15.9
Valuation	Bt/share	Avg. WACC				
Operating	32.75	6.1				
Developing	22.91	6.7				
Cash	2.67					
Debts	(7.84)					
Our DCF-based TP	50.00					
No.shares (mn)	11,733					

Source: KGI Securities Research

Figure 3: GULF's long-term projects in the pipeline

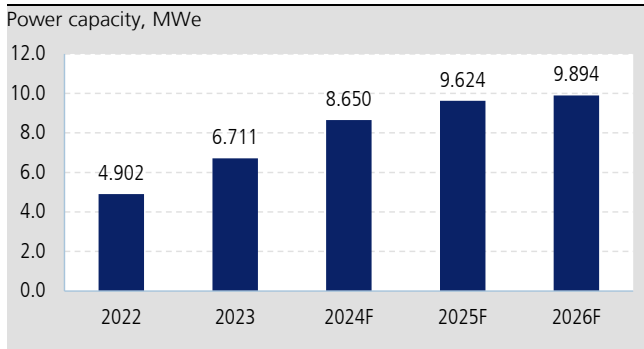

Source: Company data, KGI Securities Research

Figure 4: Company profile

Gulf Energy Development Public Company Limited (GULF) is one of the leading power producers in Thailand. During 2022-27, another 4.0GW is expected to commercialize, increasing its total effective capacity to 8.0GW. The company sells electricity to the Electricity Generating Authority of Thailand (EGAT) and industrial users in industrial estates through Independent Power Producer (IPP) and Small Power Producers (SPP) programs and sell electricity to the Provincial Electricity Authority (PEA) through Very Small Power Producers (VSPP) program.

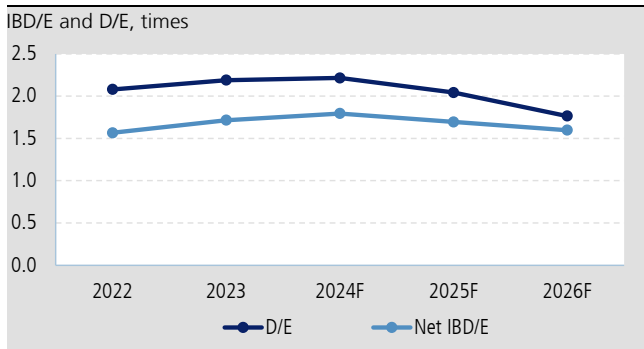
Source: Company data

Figure 6: Upward equity capacity growth



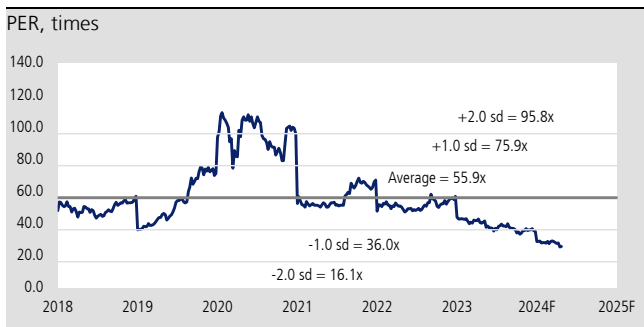
Source: Company data, KGI Securities Research

Figure 8: Heavy debt during development phase



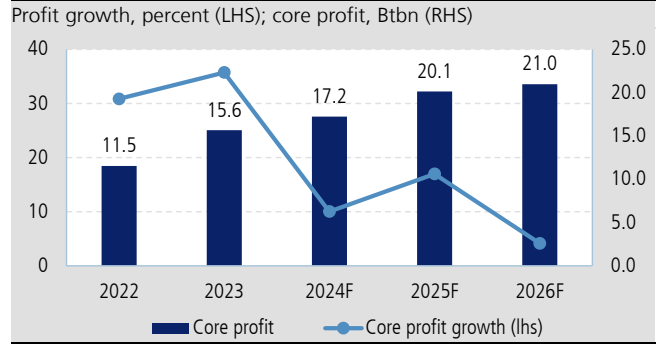
Source: Company data, KGI Securities Research

Figure 10: GULF's forward PER



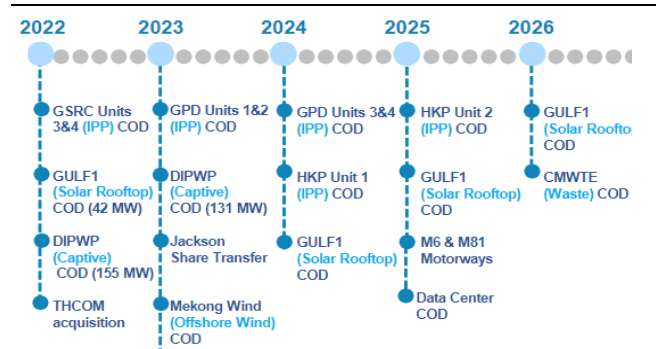
Source: Company data, KGI Securities Research

Figure 5: Core profit to continue growing in 2024-26F



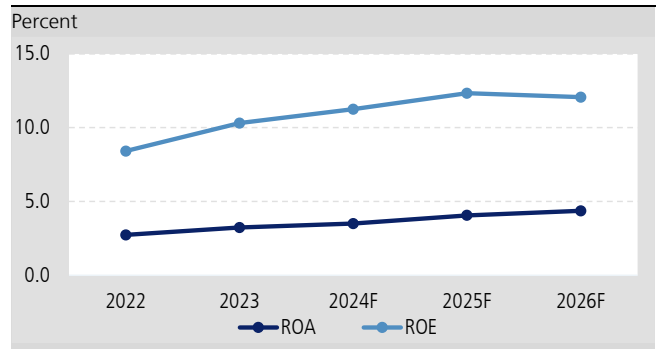
Source: Company data, KGI Securities Research

Figure 7: Expansion program



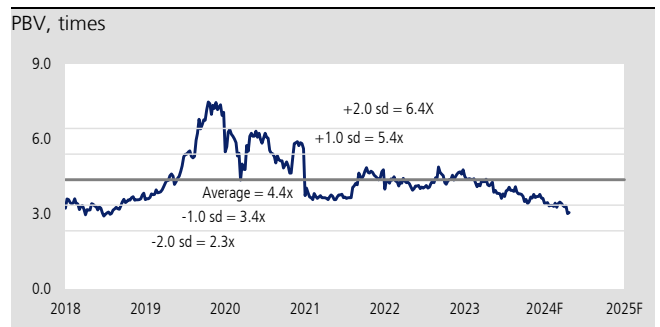
Source: Company data, KGI Securities Research

Figure 9: ROE and ROA – Outpacing peers



Source: Company data, KGI Securities Research

Figure 11: GULF's forward PBV



Source: Company data, KGI Securities Research

Quarterly Income Statement

	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A	Dec-23A	Mar-24A
Income Statement (Bt mn)													
Revenue	9,035	11,242	11,903	15,287	20,628	23,004	23,631	26,888	26,413	32,557	27,419	27,665	26,612
Cost of Goods Sold	(6,029)	(8,525)	(8,944)	(10,890)	(16,065)	(18,567)	(18,931)	(21,148)	(21,101)	(27,115)	(21,866)	(21,940)	(21,036)
Gross Profit	3,006	2,716	2,959	4,397	4,562	4,437	4,700	5,740	5,311	5,442	5,553	5,726	5,576
Operating Expenses	(484)	(532)	(589)	(692)	(551)	(639)	(643)	(1,121)	(742)	(926)	(832)	(1,415)	(853)
Other incomes	696	88	1,702	31	35	98	75	718	581	951	748	616	676
Operating Profit	3,219	2,272	4,072	3,735	4,046	3,896	4,132	5,337	5,151	5,467	5,470	4,926	5,399
Depreciation of fixed assets	(1,201)	(1,245)	(1,271)	(1,272)	(1,246)	(1,242)	(1,277)	(1,298)	(954)	(1,001)	(1,103)	(1,123)	(1,184)
Operating EBITDA	4,420	3,517	5,343	5,007	5,291	5,138	5,409	6,635	6,104	6,468	6,573	6,050	6,583
Non-Operating Income	(1,440)	(56)	(2,386)	315	138	(1,602)	(1,105)	1,813	169	(811)	(963)	548	(693)
Interest Income	(683)	(62)	(1,681)	0	0	(52)	(24)	(0)	(14)	(140)	(120)	4	(15)
Other Non-op Income	(757)	5	(705)	315	138	(1,550)	(1,081)	1,813	183	(671)	(843)	544	(678)
Non-Operating Expenses	(932)	(1,174)	(1,753)	(1,737)	(1,473)	(1,864)	(2,036)	(2,279)	(2,124)	(2,416)	(2,582)	(2,695)	(2,715)
Interest Expenses	(932)	(1,174)	(1,753)	(1,737)	(1,473)	(1,864)	(2,036)	(2,279)	(2,124)	(2,416)	(2,582)	(2,695)	(2,715)
Other Non-op Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Income/(Loss)	689	737	690	1,747	1,784	2,035	1,252	1,594	2,038	2,152	2,791	3,193	2,684
Pre-tax Profit	1,536	1,779	624	4,061	4,495	2,465	2,243	6,465	5,234	4,392	4,715	5,973	4,675
Current Taxation	(141)	193	(91)	(308)	(448)	(146)	(572)	(179)	(186)	(203)	(229)	(39)	(102)
Minorities	(446)	(628)	(626)	(710)	(653)	(840)	(609)	(880)	(1,212)	(1,445)	(1,246)	(1,168)	(1,248)
Extraordinary items	0	0	0	0	0	0	0	570	(1)	0	0	1	0
Net Profit	1,632	1,407	1,588	3,043	3,395	1,531	1,086	5,406	3,850	2,885	3,360	4,763	3,340
Normalized Profit	2,389	1,401	2,293	2,728	3,257	3,081	2,167	3,023	3,668	3,556	4,203	4,217	4,018
EPS (Bt)	0.14	0.12	0.14	0.26	0.29	0.13	0.09	0.46	0.33	0.25	0.29	0.41	0.28
Normalized EPS (Bt)	0.20	0.12	0.20	0.23	0.28	0.26	0.18	0.26	0.31	0.30	0.36	0.36	0.34
Margins													
Gross profit margin	33.3	24.2	24.9	28.8	22.1	19.3	19.9	21.3	20.1	16.7	20.3	20.7	21.0
Operating EBIT margin	35.6	20.2	34.2	24.4	19.6	16.9	17.5	19.8	19.5	16.8	19.9	17.8	20.3
Operating EBITDA margin	48.9	31.3	44.9	32.8	25.7	22.3	22.9	24.7	23.1	19.9	24.0	21.9	24.7
Net profit margin	18.1	12.5	13.3	19.9	16.5	6.7	4.6	20.1	14.6	8.9	12.3	17.2	12.6
Growth (QoQ)													
Revenue growth	(2.9)	24.4	5.9	28.4	34.9	11.5	2.7	13.8	(1.8)	23.3	(15.8)	0.9	(3.8)
Operating EBIT growth	28.3	(29.4)	79.2	(8.3)	8.3	(3.7)	6.0	29.2	(3.5)	6.1	0.0	(9.9)	9.6
Operating EBITDA growth	18.5	(20.4)	51.9	(6.3)	5.7	(2.9)	5.3	22.7	(8.0)	6.0	1.6	(8.0)	8.8
Net profit growth	(8.9)	(13.8)	12.9	91.6	11.5	(54.9)	(29.1)	397.9	(28.8)	(25.1)	16.5	41.7	(29.9)
Normalized profit growth	92.6	(41.3)	63.7	19.0	19.4	(5.4)	(29.7)	39.5	21.4	(3.1)	18.2	0.3	(4.7)

Source: KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2022	2023	2024F	2025F	2026F
Total Assets	418,172	459,514	499,774	504,555	488,482
Current Assets	70,249	72,686	63,573	57,976	30,200
Cash & ST Investments	39,194	38,713	31,309	22,783	(4,955)
Inventories	1,561	2,958	1,986	2,159	2,154
Accounts Receivable	18,999	21,165	22,202	24,469	24,443
Others	10,496	9,851	8,076	8,564	8,558
Non-current Assets	347,923	386,828	436,202	446,579	458,282
LT Investments	142,006	145,927	157,698	168,701	178,936
Net fixed Assets	99,555	90,222	114,674	113,036	113,525
Others	106,362	150,679	163,830	164,842	165,821
Total Liabilities	282,370	315,410	335,367	329,916	303,242
Current Liabilities	51,868	65,623	46,869	42,357	41,886
Accounts Payable	7,484	9,391	9,572	10,549	10,538
ST Borrowings	6,669	4,789	8,268	7,772	7,306
Others	37,715	51,443	29,029	24,036	24,043
Long-term Liabilities	230,502	249,787	288,498	287,559	261,356
Long-term Debts	219,108	240,590	279,301	278,362	252,159
Others	11,394	9,197	9,197	9,197	9,197
Shareholders' Equity	135,802	144,104	153,004	163,235	173,836
Common Stock	11,733	11,733	11,733	11,733	11,733
Capital Surplus	51,822	51,822	51,822	51,822	51,822
Retained Earnings	41,887	49,717	56,603	64,657	73,047
Preferred Stock	0	0	0	0	0

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2022	2023	2024F	2025F	2026F
Growth (% YoY)					
Sales	98.3	21.1	4.9	10.2	(0.1)
OP	30.9	20.7	(10.5)	17.9	(0.5)
EBITDA	35.4	21.5	16.3	10.1	0.6
NP	48.9	30.1	15.9	17.0	4.2
Normalized Profit	30.8	35.7	10.0	17.0	4.2
EPS	48.9	30.1	15.9	17.0	4.2
Normalized EPS	30.8	35.7	10.0	17.0	4.2
Profitability (%)					
Gross Margin	20.6	19.3	17.0	18.1	18.2
Operating Margin	18.5	18.4	15.7	16.8	16.8
EBITDA Margin	30.2	30.3	33.6	33.6	33.8
Net Profit Margin	12.1	13.0	14.4	15.3	15.9
ROAA	2.7	3.2	3.4	4.0	4.3
ROAE	8.4	10.3	11.3	12.3	12.1
Stability					
Gross Debt/Equity (%)	2.1	2.2	2.2	2.0	1.7
Net Debt/Equity (%)	1.6	1.7	1.8	1.7	1.6
Interest Coverage (x)	3.1	3.1	3.0	3.3	3.6
Interest & ST Debt Coverage (x)	1.6	2.1	1.7	1.9	2.0
Cash Flow Interest Coverage (x)	1.5	1.9	1.1	1.7	2.1
Cash Flow/Interest & ST Debt (x)	0.8	1.3	0.6	1.0	1.2
Current Ratio (x)	1.4	1.1	1.4	1.4	0.7
Quick Ratio (x)	1.3	1.1	1.3	1.3	0.7
Net Debt (Bt mn)	212,671	247,042	279,133	281,224	282,293
Per Share Data (Bt)					
EPS	1.0	1.3	1.5	1.7	1.8
Normalized EPS	1.0	1.3	1.5	1.7	1.8
CFPS	1.0	1.6	1.0	1.5	1.7
BVPS	11.6	12.3	13.0	13.9	14.8
SPS	8.0	9.7	10.2	11.2	11.2
EBITDA/Share	2.4	2.9	3.4	3.8	3.8
DPS	0.6	0.9	0.9	1.0	1.1
Activity					
Asset Turnover (x)	0.2	0.2	0.2	0.3	0.3
Days Receivables	73.7	67.7	67.7	67.7	67.7
Days Inventory	7.6	11.7	7.3	7.3	7.3
Days Payable	36.6	37.2	35.2	35.7	35.7
Cash Cycle	44.7	42.2	39.9	39.4	39.3

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2022	2023	2024F	2025F	2026F
Revenue	94,151	114,054	119,646	131,863	131,719
Cost of Goods Sold	(74,711)	(92,022)	(99,313)	(107,973)	(107,716)
Gross Profit	19,440	22,033	20,333	23,890	24,003
Operating Expenses	(2,955)	(3,915)	(2,820)	(2,858)	(2,881)
Other Incomes	925	2,896	1,298	1,148	948
Operating Profit	17,411	21,014	18,811	22,180	22,069
Depreciation of fixed assets	(5,063)	(4,181)	(9,738)	(10,138)	(10,136)
Operating EBITDA	28,458	34,583	40,215	44,280	44,526
Non-Operating Income	(680)	(786)	0	0	0
Interest Income	0	0	0	0	0
Other Non-op Income	(680)	(786)	0	0	0
Non-Operating Expenses	(7,652)	(9,817)	(10,151)	(10,284)	(9,589)
Interest Expenses	(7,652)	(9,817)	(10,151)	(10,284)	(9,589)
Other Non-op Expenses	0	0	0	0	0
Equity Income/(Loss)	6,665	10,175	11,667	11,962	12,320
Pre-tax Profit	15,744	20,585	20,327	23,858	24,800
Current Taxation	(1,344)	(658)	(1,099)	(1,545)	(1,615)
Minorities	(2,982)	(5,070)	(2,014)	(2,177)	(2,211)
Extraordinary items	0	0	0	0	0
Net Profit	11,418	14,858	17,214	20,136	20,974
Normalized Profit	11,528	15,644	17,214	20,136	20,974
EPS (Bt)	0.97	1.27	1.47	1.72	1.79
Normalized EPS (Bt)	0.98	1.33	1.47	1.72	1.79

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2022	2023	2024F	2025F	2026F
Operating Cash Flow	11,278	18,295	11,312	17,601	20,126
Net Profit	11,418	14,858	17,214	20,136	20,974
Depreciation & Amortization	5,063	4,181	9,738	10,138	10,136
Change in Working Capital	(839)	5,147	(5,986)	(2,887)	(876)
Others	(4,363)	(5,891)	(9,653)	(9,786)	(10,109)
Investment Cash Flow	(25,205)	(34,400)	(34,700)	(9,787)	(10,821)
Net CAPEX	22,356	5,137	(34,190)	(8,500)	(10,625)
Change in LT Investment	(12,014)	(4,196)	(11,771)	(11,003)	(10,235)
Change in Other Assets	(35,548)	(35,340)	11,261	9,716	10,039
Free Cash Flow	(13,927)	(16,105)	(23,387)	7,814	9,305
Financing Cash Flow	33,277	15,628	15,983	(16,340)	(37,043)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	19,462	34,154	24,297	(6,435)	(26,669)
Change in Other LT Liab.	13,815	(18,526)	(8,314)	(9,905)	(10,374)
Net Cash Flow	19,350	(477)	(7,404)	(8,526)	(27,738)

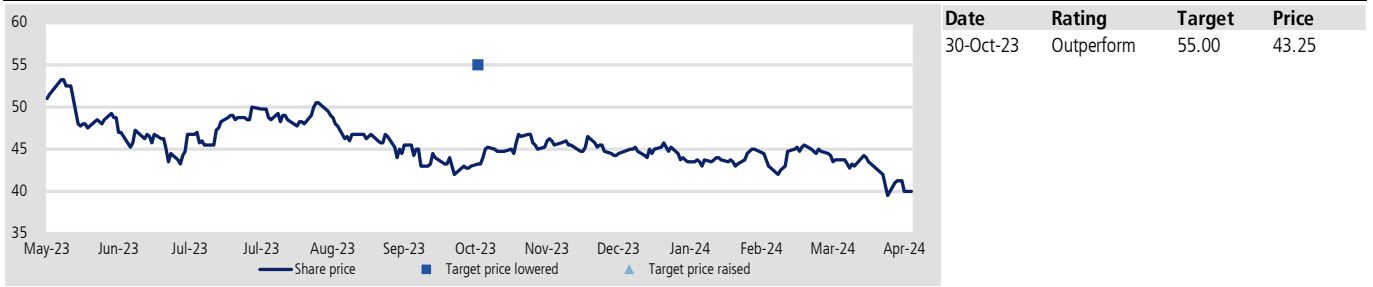
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- Revenue	COGS Revenue	+ Depreciation Revenue	+ Operating Exp. Revenue	= Operating Margin	
2022	74.0%		5.4%	4.1%	16.5%	
2023	77.0%		3.7%	6.0%	13.3%	
2024F	74.9%		8.1%	3.4%	13.6%	
2025F	74.2%		7.7%	3.0%	15.1%	
2026F	74.1%		7.7%	2.9%	15.3%	
Year	1/ Revenue	Working Capital Revenue	+ Net PPE Revenue	+ Other Assets Revenue	= Capital Turnover	
2022	0.0		1.1	9.3	0.1	
2023	0.0		0.8	4.9	0.2	
2024F	-0.1		1.0	3.9	0.2	
2025F	0.0		0.9	3.6	0.2	
2026F	0.0		0.9	3.5	0.2	
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	= After-tax Return on Inv. Capital
2022	16.5%		0.1		8.5%	0.1%
2023	13.3%		0.2		3.2%	0.1%
2024F	13.6%		0.2		5.4%	0.2%
2025F	15.1%		0.2		6.5%	0.2%
2026F	15.3%		0.2		6.5%	0.2%

Source: KGI Securities Research

Gulf Energy Development. – Recommendation & target price history



Source: KGI Securities Research

Company's ESG details

Environment

- Waste management: Minimizing waste and emissions, including greenhouse gas emissions.
- Operational eco-efficiency: Improving operational efficiency to reduce consumption of energy and resources.
- Targets to increase the proportion of installed power generation capacity from renewable energy to more than 30% of the company's total gross installed power capacity by 2030 by focusing on solar, wind, hydro, and waste.
- The company has shaped its business strategies to include increasing investments in renewable energy and related businesses, supported by a commitment to using highly efficient state-of-the-art technology.
- Resource management: Ensuring efficient use of resources for the long term.
- Target to increase the proportion of installed power generation capacity from renewable energy to more than 30% of the company's total gross installed power capacity by 2030.
- Adhere to No Coal Policy.
- Target net zero carbon by 2050 and reduce gas emission 20% by 2030.

Social

- Human rights: Respecting human rights in every aspect of operations, providing equal treatment for all without discrimination, and creating opportunities for the future.
- Employees: Creating good relationships and promoting the well-being of employees, respecting labor rights, and providing opportunities for learning and career development.
- Provide a safe and healthy work environment that promotes non-discrimination, and gender equality.
- Local community: Investing in community development in all areas where the company operates to support the creation of resilient and sustainable communities.
- Philanthropy: Engaging in projects and activities that improve the quality of life for people in society.
- Local impact: Monitoring impacts to local communities and developing plans for shared usage of resources.
- GULF will strive for excellence in both business operations and sustainability management across all areas. The company aims to remain agile and adaptable in the face of evolving global trends and business volatility, ensuring it maintains a competitive edge.

Governance

- GULF maintains an annual "Excellent" CG scoring From Thai Institute of Directors Association (IOD).

Climate Management (Subset of Environment)

- GULF is firmly committed to achieving its decarbonization targets, aiming to reduce carbon intensity by 25% by 2030 (relative to 2019 levels) and to increase the proportion of renewable energy in its portfolio to at least 40% by 2035

Source: Company data, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRIAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERAWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORN BANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. 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 or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORNBANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

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