

Steady Currents, Shining Partners

- GPSC's 2Q25 net profit rose on stable SPP margins and a rebound in associate profits like Avaada and CFXD
- GPSC's outlook remains positive with strategic growth and expanding renewables.
- Maintain BUY at a SoTP target price of THB37.0

Avaada and CFXD Light Up GPSC's 2Q25

GPSC reported 2Q25 net profit of THB2.0b (+77% q-q, +41% y-y), with core NP at THB2.1b (+35% q-q, +13% y-y). Key points are: 1) softer gross profit margins (GPM) from IPPs, mainly due to a drop in availability payment from Sriracha Power Plant after completing contracted supply hours with EGAT in May-25; 2) Glow SPP3 faces expiry of its PPA in Aug-24 and Mar-25; 3) a stronger q-q SPP electricity demand due to the absence of the maintenance shutdown, but steam sales dipped due to maintenance; 5) a stronger share of profit at THB510m, up from THB70m in 1Q25 and NL of THB25m in 2Q24; and 5) THB272m of FX gain

SPP Margins Unshaken

In 2Q25, GPSC's EBITDA margin remained stable at 21%, slightly down from 22% in 1Q25 and flat y-y. IPP declined to 19% from 24% in 1Q25 but improved from 18% in 2Q24, mainly due to lower availability payments from the Sriracha Power Plant. Meanwhile, SPP GPM held steady at 23%, despite a 5% q-q rise in natural gas prices to THB360/mmbtu. This included a retroactive adjustment of gas costs for Sep-Dec23, recognized in 2Q25 and passed through to electricity and steam prices, which both increased by 2% q-q.

Profit Partners Shine Bright in 2Q25

Share of profits from associates rose to THB510m in 2Q25, up from THB70m in 1Q25 and a loss of THB25m in 2Q24. Key drivers included: 1) a turnaround at XPCL, a run-of-river hydro project, which posted a NP of THB112m, benefiting from stronger rainfall, while NL1PC reported a small profit of THB2m; 2) Avaada posted a NP of THB239m, boosted by a deferred tax asset (DTA) of THB190m (vs DTA of THB160m in 1Q25); and 3) CFXD turned to a NP of THB204m from a NL of THB157m in 1Q25, mainly due to a THB637m FX gain (vs FX loss of THB90m in 1Q25).

Scaling New Heights

We remain positive on GPSC's earnings outlook, supported by a strategic turnaround and improving core operations. Key drivers include stronger SPP and IPP margins, Avaada's return to profitability with plans to scale up to 20.6GW from 5.1GW, and the restructuring of CFXD wind farm in Taiwan toward 595MW completion by 2026.

Maintain BUY at a SoTP target price of THB37

We maintain BUY with a SoTP TP of THB37, as GPSC shows improving profits from Avaada, narrowing losses at CFXD, and strong performance from core SPPs, supporting a positive outlook.

ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	37.00
VS. BB Consensus TP (%)	-2.3%
Share Price (THB)	33.25
Upside/Downside	+11.3%

Share Data

Market Cap (THB m)	93,756.00
Par (THB)	10.00
Free Float (%)	24.76
Issued shares (m shares)	2,820

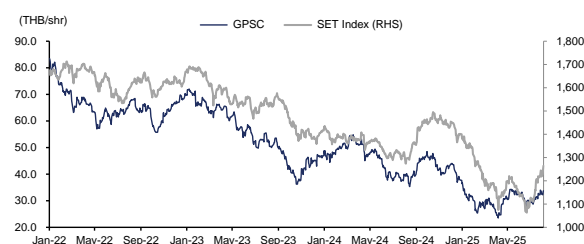
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	90,730	98,019	89,855	83,429
Net profit	4,062	4,350	4,433	5,619
Core net profit	6,121	4,350	4,433	5,619
vs Consensus (%)		(6.7)	(12.7)	6.3
Net profit growth (%)	10.0	7.1	1.9	26.7
Core net profit growth (%)	12.6	(28.9)	1.9	26.7
EPS (THB)	1.44	1.54	1.57	1.99
Core EPS (THB)	2.17	1.54	1.57	1.99
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.74	0.46	0.47	0.60
P/E (x)	26.55	21.07	20.67	16.31
P/BV (x)	1.00	0.83	0.81	0.78
ROE (%)	5.73	4.00	3.97	4.88
Dividend yield (%)	1.93	1.42	1.45	1.84

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	12.71	9.02	11.76	(13.07)
Market	1.23	4.82	15.33	(2.39)
12M High/Low (THB)				49.75 / 22.40



Major Shareholders (%) as of 4 Mar 2025

PTT Public Company Limited	47.27
PTT Global Chemical Public Company Limited	10.00
Thai Oil Public Company Limited	10.00

Company Profile

Company operates as a power, steam, and utilities producer and distributor. In addition, the company invests in other companies that generate and distribute power, steam, utilities, and New S-Curve business: batteries and smart energy, including related businesses, both domestic and overseas.

Source: SETSMART, SET

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Exhibit 1: Summary of 2Q25/6M25 operations

	2Q24	1Q25	2Q25			6M24	6M25	chg.	2025E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	23,877	21,414	22,476	5.0	(5.9)	47,650	43,890	(7.9)	98,019
Operating costs	(18,753)	(16,624)	(17,810)	(7.1)	5.0	(37,885)	(34,434)	9.1	(77,374)
EBITDA	5,124	4,790	4,666	(2.6)	(8.9)	9,765	9,456	(3.2)	18,103
EBITDA margin (%)	21	22	21	na	na	20	22	na	18
Depn & amort.	(2,413)	(2,324)	(2,341)	(0.7)	3.0	(4,741)	(4,666)	1.6	(9,052)
EBIT	2,711	2,466	2,325	(5.7)	(14.2)	5,024	4,790	(4.7)	9,051
Interest expense	(1,558)	(1,380)	(1,292)	6.4	17.1	(2,959)	(2,673)	9.7	(6,320)
Interest & invt inc	0	0	0	na	na	0	0	#DIV/0!	255
Other income	436	383	369	(3.6)	(15.5)	733	752	2.6	0
Associates' contrib	(24)	80	584	629.5	2,558.7	(36)	664	1,963.3	1,140
Exceptionals	(47)	(157)	224	242.6	573.7	(49)	67	235.8	0
Pretax profit	1,518	1,391	2,209	58.8	45.5	2,713	3,600	32.7	4,125
Tax	96	(67)	11	116.6	(88.5)	(39)	(56)	(43.3)	(533)
Tax rate (%)	(6)	5	(1)	na	na	1	2	na	13
Minority interests	(186)	(185)	(201)	(8.8)	(8.2)	(382)	(385)	(0.9)	(1,342)
Net profit	1,429	1,140	2,019	77.1	41.4	2,293	3,159	37.8	4,350
Non-recurring	440	425	99	(76.8)	(77.6)	883	524	(40.7)	0
Core net profit	1,869	1,565	2,118	35.3	13.3	3,176	3,683	16.0	4,350
EPS (THB)	0.51	0.40	0.72	77.1	41.4	0.81	1.12	37.8	1.54
Core EPS (THB)	0.66	0.56	0.75	35.3	13.3	1.13	1.31	16.0	1.54

Sources: GPSC, Globlex Research

Exhibit 2: 2Q25/6M25 key performance

	2Q24	1Q25	2Q25	(q-q %)	(y-y %)	6M24	6M25	(y-y %)	Unit
IPP									
Gross profit	1,184	1,159	1,049	(9.5)	(11.4)	2,510	2,208	(12.0)	THB m
Gross profit margin*	18	24	19	(5.0)	1.0	19	21	10.5	%
Availability rate (Sriracha)*	99	100	100	0.0	1.0	99	100	1.0	%
Availability rate (GIPP)*	98	100	96	(4.0)	(2.0)	99	98	(1.0)	%
Availability rate (GHECO-ONE)*	100	97	93	(4.0)	(7.0)	94	95	1.1	%
Average selling price	3.88	3.69	3.20	(13.3)	(17.5)	4.22	3.41	(19.2)	THB/kWh
Natural gas consumption (Sriracha)	3,504	2,211	1,652	(25.3)	(52.9)	3,887	3,863	(0.6)	('000 MMBTU)
Natural gas consumption (GLOW)	1,176	145	694	378.6	(41.0)	2,033	839	(58.7)	('000 MMBTU)
Average coal cost	273	214	198	(7.5)	(27.5)	291	205	(29.6)	USD/tonne JPU
SPP									
Gross profit	4,236	3,852	3,844	(0.2)	(9.3)	7,877	7,696	(2.3)	THB m
Gross profit margin*	25	24	23	(1.0)	(2.0)	23	24	4.3	%
Weighted average selling price (Electricity)	3.45	3.58	3.65	2.0	5.8	3.55	3.61	1.7	THB/kWh
Weighted average selling price (Steam)	1,188	1,283	1,303	1.6	9.7	1,258	1,293	2.8	THB/Tonnes
Natural gas consumption	30,625	29,383	30,486	3.8	(0.5)	59,449	59,868	0.7	('000 MMBTU)
- GPSC	13,353	13,360	13,555	1.5	1.5	25,815	26,915	4.3	('000 MMBTU)
- GLOW	17,273	16,023	16,931	5.7	(2.0)	33,633	32,954	(2.0)	('000 MMBTU)
Average price of natural gas	319	344	360	4.7	12.9	337	352	4.5	THB/MMBTU
Average coal cost	142	121	109	(9.9)	(23.2)	337	336	(0.3)	USD/tonne JPU
VSPP									
Gross profit	107	238	230	(3.4)	115.0	528	467	(11.6)	THB m
Gross profit margin*	38	62	57	(5.0)	19.0	56	60	7.1	%
Average selling price (Electricity)	4.43	4.94	4.67	(5.5)	5.4	5.19	4.81	(7.3)	THB/kWh
Average selling price (Chilled water)	7.28	7.79	7.12	(8.6)	(2.2)	7.50	7.42	(1.1)	THB/RT
Share of profits from associates and joint ventures	(25)	79	510	545.6	nm	(34)	664	nm	THB m
- Xayaburi Power (XPCL)	(16)	(10)	112	nm	nm	(158)	102	164.6	THB m
- Bangpa-in Cogeneration (BIC)	23	25	27	8.0	17.4	48	52	8.3	THB m
- Nava Nakorn (NNEG)	39	10	3	(70.0)	(92.3)	61	13	(78.7)	THB m
- Nam Lik 1 Power (NL1PC)	(22)	(2)	2	200.0	109.1	(19)	1	105.3	THB m
- Thai Solar Renewable (TSR)	36	20	8	(60.0)	(77.8)	100	28	(72.0)	THB m
- Eastern Seaboard Clean Energy (ESCE)	7	(3)	8	366.7	14.3	7	5	(28.6)	THB m
- Avaada Energy (Avaada)	(14)	208	239	14.7	1,803.6	116	447	285.3	THB m
- Global Renewable Power (GRP)	20	0	0	nm	nm	33	0	nm	THB m
- Nuovo Plus (NUOVO PLUS)	30	(12)	(18)	(50.0)	(160.0)	(1)	(30)	nm	THB m
- CI Changfang and CI Xidao (CFXD)	(128)	(157)	204	229.6	259.0	(221)	47	121.3	THB m

*Note: Change in margin % is represented in ppt change

Sources: GPSC, Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	13,197	25,492	23,816	30,070	37,434
Account receivable	10,886	11,754	12,692	13,552	14,350
Inventories	11,431	7,733	8,603	7,855	7,065
Others	6,310	4,800	5,185	4,754	4,414
Non-current assets					
Net fixed assets	92,799	92,473	89,721	87,128	84,536
Others	147,081	145,884	145,884	145,884	145,884
Total Assets	281,703	288,136	285,901	289,243	293,683

Current liabilities					
Account payable	7,060	5,740	6,385	5,830	5,244
ST borrowing	20,462	12,104	5,000	5,000	5,001
Others	11,146	5,282	5,707	5,231	4,857
Long-term liabilities					
Long-term debts	98,736	117,888	117,888	117,888	117,888
Others	26,775	27,981	27,981	27,981	27,981
Total liabilities	164,178	168,994	162,961	161,930	160,970
Paid-up capital	28,197	28,197	28,197	28,197	28,197
Retained earnings	25,007	26,560	29,016	32,132	36,243
Others	52,991	52,801	52,801	52,801	52,801
Minority interest	11,330	11,584	12,926	14,183	15,471
Shareholders' equity	117,525	119,142	122,941	127,313	132,712

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	(27.0)	0.5	8.0	(8.3)	(7.2)
Operating profit	63.8	11.8	(2.7)	(6.8)	5.3
EBITDA	52.5	12.4	(12.4)	(6.8)	5.3
Net profit	314.4	10.0	7.1	1.9	26.7
Core net profit	95.5	12.6	(28.9)	1.9	26.7
EPS	314.4	10.0	7.1	1.9	26.7
Core EPS	95.5	12.6	(28.9)	1.9	26.7
Profitability (%)					
Gross margin	21.4	23.3	21.1	21.4	23.8
Operation margin	18.4	20.5	18.5	18.8	21.3
EBITDA margin	20.4	22.8	18.5	18.8	21.3
Net margin	4.1	4.5	4.4	4.9	6.7
ROE	5.2	5.7	4.0	4.0	4.9
ROA	(0.1)	(1.1)	(2.7)	(4.6)	(3.7)
Stability					
Interest bearing debt/equity (x)	1.0	1.1	1.0	1.0	0.9
Net debt/equity (x)	0.9	0.9	0.8	0.7	0.6
Interest coverage (x)	1.7	1.9	1.4	1.3	1.4
Interest & ST debt coverage (x)	0.4	0.6	0.8	0.7	0.8
Cash flow interest coverage (x)	0.1	0.1	0.1	0.1	0.1
Current ratio (x)	1.1	2.2	2.9	3.5	4.2
Quick ratio (x)	0.6	1.6	2.1	2.7	3.4
Net debt (THB m)	106,001	104,500	99,072	92,818	85,454
Activity					
Asset turnover (X)	0.3	0.3	0.3	0.3	0.3
Days receivables	62.8	45.5	45.5	53.3	61.0
Days inventory	60.1	50.3	38.5	42.5	42.9
Days payable	46.2	33.6	28.6	31.6	31.8
Cash cycle days	76.7	62.2	55.5	64.3	72.1

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue					
Revenue	90,303	90,730	98,019	89,855	83,429
Cost of goods sold	(70,949)	(69,550)	(77,374)	(70,642)	(63,538)
Gross profit	19,354	21,179	20,645	19,213	19,891
Operating expenses	(2,709)	(2,571)	(2,541)	(2,347)	(2,125)
Operating profit	16,645	18,609	18,103	16,866	17,765
EBIT	9,076	10,911	9,051	7,974	8,873
Depreciation	(9,309)	(9,756)	(9,052)	(8,892)	(8,892)
EBITDA	18,385	20,667	18,103	16,866	17,765
Non-operating income					
Other incomes	2,673	4,308	2,100	2,200	2,200
Other non-op income	0	0	255	238	601
Non-operating expense	(5,702)	(8,382)	(6,320)	(6,143)	(6,143)
Interest expense	(5,297)	(5,885)	(6,320)	(6,143)	(6,143)
Other non-op expense	(404)	(2,497)	0	0	0
Equity income/(loss)	1,008	293	1,140	1,900	1,998
Pre-tax Profit	7,055	7,129	6,225	6,169	7,529
Extraordinary items	(1,740)	(2,059)	0	0	0
Current taxation	(507)	(300)	(533)	(480)	(621)
Minorities	(1,115)	(708)	(1,342)	(1,256)	(1,289)
Net Profit	3,694	4,062	4,350	4,433	5,619
Core net profit	5,434	6,121	4,350	4,433	5,619
EPS (THB)	1.31	1.44	1.54	1.57	1.99
Core EPS (THB)	1.93	2.17	1.54	1.57	1.99

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow					
Net profit	3,694	4,062	4,350	4,433	5,619
Depre. & amortization	9,309	9,756	9,052	8,892	8,892
Change in working capital	7,429	(2,845)	(1,124)	(710)	(629)
Others	1,008	293	1,140	1,900	1,998
Investment cash flow	(42,919)	(35,850)	(6,299)	(6,299)	(6,299)
Net CAPEX	(22,969)	(23,955)	(6,299)	(6,299)	(6,299)
Change in LT investment	0	0	0	0	0
Change in other assets	(19,950)	(11,895)	(0)	(0)	(0)
Free cash flow	(21,479)	(24,583)	7,120	8,217	9,582
Financing cash flow	20,439	36,878	(8,796)	(1,962)	(2,218)
Change in share capital	0	0	0	0	0
Net change in debt	9,783	10,794	(7,104)	0	1
Dividend paid	0	0	(1,893)	(1,317)	(1,508)
Others	10,656	26,084	201	(645)	(711)
Net cash flow	(1,039)	12,295	(1,676)	6,254	7,364

Per share (THB)					
EPS	1.31	1.44	1.54	1.57	1.99
Core EPS	1.93	2.17	1.54	1.57	1.99
CFPS	5.62	5.88	5.23	5.17	5.60
BVPS	37.66	38.14	39.02	40.12	41.58
Sales/share	32.03	32.18	34.76	31.87	29.59
EBITDA/share	6.52	7.33	6.42	5.98	6.30
DPS	0.74	0.74	0.46	0.47	0.60
Valuation					
P/E (x)	37.02	26.55	21.07	20.67	16.31
P/BV (x)	1.29	1.00	0.83	0.81	0.78
Dividend yield (%)	1.53	1.93	1.42	1.45	1.84
Dividend payout ratio (%)	56.48	51.36	30.00	30.00	30.00

GENERAL DISCLAIMER

Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral: Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight: Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.