

Business Overview

EGCO Group operates as a holding company that mainly focuses on investment in power business in Thailand and oversea.
As of June 30, 2023, EGCO Group has total equity contracted capacity of 6,317 MWe, including other related power businesses e.g., Power Service Provision, Coal Mine and Oil Pipeline.

Financial Statement

| | 6M23 | 6M22 | 2022 | 2021 |
|--|------|------|------|------|
|--|------|------|------|------|

Income Statement (MB)

| | | | | |
|-------------------|-----------|-----------|-----------|-----------|
| Revenues | 28,705.94 | 26,922.34 | 61,725.28 | 38,136.94 |
| Expenses | 24,169.46 | 22,834.64 | 55,584.68 | 31,213.12 |
| Net Profit (Loss) | 3,482.06 | 3,338.92 | 2,683.10 | 4,103.84 |

Balance Sheet (MB)

| | | | | |
|----------------------|------------|------------|------------|------------|
| Assets | 264,037.71 | 258,956.15 | 254,043.13 | 241,932.00 |
| Liabilities | 138,833.15 | 134,237.98 | 133,245.75 | 127,895.31 |
| Shareholders' Equity | 124,915.54 | 124,087.29 | 120,494.07 | 113,440.87 |

Cash Flow (MB)

| | | | | |
|-----------|-----------|-----------|-----------|------------|
| Operating | 5,531.98 | 5,097.03 | 7,857.89 | 10,453.28 |
| Investing | -7,044.82 | -2,078.53 | 15,213.93 | -14,191.10 |
| Financing | -237.52 | -1,312.15 | -3,143.43 | 3,440.06 |

Financial Ratio

| | | | | |
|---------------|-------|-------|-------|-------|
| EPS (Baht) | 6.61 | 6.34 | 5.10 | 7.80 |
| GP Margin (%) | 15.82 | 16.38 | 15.29 | 23.24 |
| NP Margin (%) | 12.08 | 12.34 | 4.25 | 10.80 |
| D/E Ratio (x) | 1.11 | 1.08 | 1.10 | 1.12 |
| ROE (%) | 2.27 | 4.60 | 2.29 | 3.81 |
| ROA (%) | 3.47 | 6.24 | 3.74 | 5.71 |

Business Plan

- Strengthen core business in power generation through Merger and Acquisition (M&A) and development of new power plants in targeted countries, focusing on High Efficiency Low Emission Energy (HELE) and renewable energy to serve countries' demand and align with carbon neutral goal.
- Ensure maximum efficiency of existing power plants to achieve its highest performance.
- Manage projects under construction to be completed as scheduled and within the planned budget
- Seek opportunities to expand into energy-related businesses :
 - Low carbon Fuel and Other Infrastructure: EGCO started investing in fuel infrastructure, an upstream business to extend value-added in core business along with seeking investment opportunity in new energy technology such as Hydrogen, Ammonia and Carbon Capture Utilization and Storage (CCUS) in order to decarbonize the power business and create long-term growth for the company.
 - Customer Solution and Startups: capitalize on opportunities in the new S-curve in energy and startups to cope with disruptive change in industry landscape.
- EGCO drives the business through corporate strategies based on Balanced Scorecard concept in 4 strategic perspectives:
 - Financial Perspective
 - Customer Perspective
 - Internal Business Process Perspective
 - Learning and Growth Perspective

Sustainable Development Plan

- The short term goal** - to reduce carbon emission intensity by 10% and increase the renewable portfolio to 30% by 2030.
- The medium term goal** - to achieve corporate carbon neutral by 2040
- The long term goal** - to achieve net zero in 2050

Business Highlight

- 5- Year Investment Budget (2021 - 2025) 150,000 million baht
- Additional 1,000 MWE of power business in 2023
- 2023 Outlook - New revenue recognition from additional turbines COD on Yunlin power plant and TPN , the oil pipeline which plan to start commercial operation on Quarter 3
- Completion of Acquiring 49% Interest in RISEC 609 MW Natural Gas Combined Cycle Power Facility in the USA
- APEX- 5 additional under construction projects total of 657 MW
- As of September 8, 2023 , acquiring of 50% Interest in Compass Portfolio - 3 operating Natural Gas Combined Cycle Power Facilities in the USA total of 1,304 MW

Performance and Analysis
Business Performance Summary

6M/2023, EGCO Group has an operating profit of 4,183 million baht, decreased by 43% YoY mainly due to PAJU ES in South Korea had a cap on system marginal prices, including NTIPC, NTPC and XPCL was lower electricity sales due to lower water levels. Additionally, KEGCO was lower availability payments(AP).Moreover, APEX was lower revenue from sale of projects and MME was lower coal unit price. 6M/2023 Net profit was 3,482 million baht, increased by 4% YoY mainly due to recognized a higher unrealized net gain from the change in the fair value of financial instruments, together with recognized a lower unrealized foreign exchange loss as a result of the lower Baht depreciation.

Key Milestones
Progress of Yunlin offshore wind power plant project

During the fourth quarter of 2021 until July 2023, 18 wind turbines were installed and in operation, with a total capacity of 144 MW. The wind turbines generated and sold accumulated 620 GWh of electricity output to the system. The project is planned to achieve full COD within 2024

Successful of Hydrogen Blending Commissioning at Linden Cogen Unit 6

- This enables the combined combustion of both natural gas and off-gas, including hydrogen generated at the adjacent oil refinery. Through this innovative approach, it is expected to curb CO2 emissions by reducing the quantity of natural gas utilized for power and steam generation. As a result, this activities shall reduce overall CO2 emissions by approximately 10% of annual CO2 emissions from Linden Cogen Unit 6, highlighting a commitment to environmental sustainability and regulatory compliance.

Risk Management Policy

Investment Expansion Risk Investment in new projects has risks from various environmental factors.. Thus, potential projects are listed in annual investment plan and a sensitivity analysis shall be conducted also.

Construction Project Management Risk EGCO has set measures to lower the risks e.g. contractors selection with binding contracts.

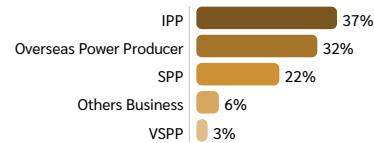
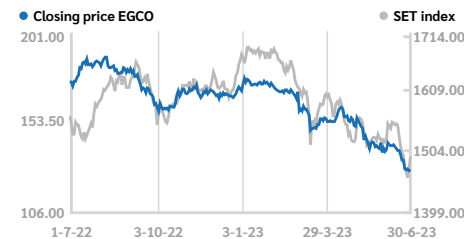
Operating Risks EGCO Group has monitored the performance by analysis and comparison the actual and planned performance. Targets maintenance is carried out continuously.

Financial Risks and Corporate Tax Legislation Risk EGCO mitigates the fluctuation of currencies by matching loan and revenue. Also, has interest rate exposure mitigation and thoroughly plan its tax compliance strategies.

Government Policy, Legislative Change and Compliance Risk Due to Climate Change EGCO will not invest in additional coal projects while increasing renewable and smart energy portfolio to 30% by 2030

Recent Awards and Recognitions

- EGCO were rated AA+ by TRIS Rating for 3rd consecutive years
- CAC Renewal Certificate for 2nd consecutive years
- Thailand Sustainability Investment (THSI) 2022
- Member of the DJSI for 3rd consecutive years

Revenue Structure

Stock Information
SET / RESOURC / ENER


| as of 30/06/23 | EGCO | ENERG | SET |
|--------------------|--------|-------|-------|
| P/E (X) | 116.55 | 11.55 | 17.96 |
| P/BV (X) | 0.57 | 1.21 | 1.46 |
| Dividend yield (%) | 4.98 | 4.39 | 3.12 |

| | 30/06/23 | 30/12/22 | 30/12/21 |
|-----------------|-----------|-----------|-----------|
| Market Cap (MB) | 68,703.68 | 90,815.21 | 92,394.61 |
| Price (B/Share) | 130.50 | 172.50 | 175.50 |
| P/E (X) | 116.55 | 23.40 | 18.58 |
| P/BV (X) | 0.57 | 0.70 | 0.82 |

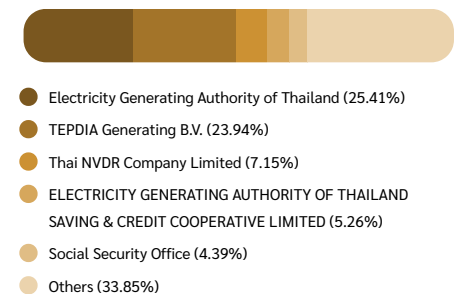
CG Report:



Company Rating: TRIS AA+

Major Shareholders

as of 15/03/2023


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 Other Trading Info. : https://www.settrade.com/C04_01_stock_quote_p1.jsp?txtSymbol=EGCO