

Press Release



TPI Polene Power 1Q 2025 Performance

Strong Profit Growth Underpinned by Volume & Cost Efficiency

For the 1Q 2025 operations, the net profit excluding forex effect rose 22.1% Y/Y to THB963 million due to higher sales and lower operating costs. Sales rose 6.4% Y/Y as throughput from power plants TG1-8 increased by 7% Y/Y, offsetting two negative factors: lower power tariff and slight decline in power sales under the adder pricing. The solar power plants have also begun contributing to sales, bringing the volume growth to 12.1% Y/Y. Meanwhile, the cost of sales dropped 4% Y/Y and SG&A dropped 3.6% Y/Y. As a result, pre-tax profit (excluding fx gain) rose by 24.8% Y/Y. EBITDA for the quarter grew 27.4% Y/Y to THB1,331 million and the EBITDA to sales ratio reached 48.9%, touching all-time high since 3Q 2021. Keeping a tight lid on SG&A is key operational objective.

The net profit growth including forex effect was higher at 38.2% Y/Y partly because in 1Q 2024 there was a forex loss of THB89 million compared to a forex gain of THB4 million in the first quarter this year.

Strong Operations

The power throughput of TG 1-8 rose 7% Y/Y to 580.2 million kWhr underpinned by higher volumes from the WH plants, TG5 and TG8. The three-phase plant modification of TG8 – converting fuel from coal to WTE-MSW - is nearing completion and so is partly operational while the WH power plants are also back in operation as the cement plants completed their maintenance shutdowns. The solar power capacity that begun operation in 1Q 2025 was 69 MWac from the solar farm and 5 MWac from the solar roofs. Parent company, TPI Polene, is the offtaker of the solar capacity so starting 1Q 2025 the volume participation of power sales under IPS is getting higher; 36.7% compared to 29.1% in the same period last year. The ratio is still changing as 1) TG8 modification is still not fully complete and 2) more solar farm capacities are still under construction. Both projects are expected to be fully completed & operational by the second half of this year. Overall, we aim power throughput to remain high going forward.

Very Manageable Finances

Capex (including advances for machineries) deployed in 1Q 2025 was THB993.5 million, 24.8% of the full year outlay, and all items purchased are well-within the budget. At the end of 1Q 2025, the net interest bearing debt (IBD) was THB22,494 million, 3.9% less than the net IBD position at the close of 2024. Financing ratios remain healthy with net IBD to equity ratio at 0.63x and the net IBD to EBITDA ratio at 4.2x, based on the annualized 1Q 2025 EBITDA. At this point there is no change to the capex plan and TPIPP goes off the capex ramp starting 2026 with budget falling far below THB500 million.

Guidance and Cashflow Mitigation

The EBITDA and net profit achieved in 1Q 2025 accounted for 33% and 27% of our full year target, respectively. We maintain our target, for now. Note that the full year EBITDA guidance already include two changes that have been communicated to the capital market since TPIPP's public listing. These are: 1) the last adder expires in April 2025 and 2) the BOI tax privileges also expire in 2025. What have communicated to the market but not yet fully understood are the measures undertaken to recoup the lost EBITDA. These are 1) continued cost savings & cost efficiency measures, 2) power plant conversion from coal to MSW, 3) capacity expansion into Green Energy, 4) two MSW power plants, 5) expansion of MSW processing capacity to support the de-carbonization of the parent's cement operations and 6) diversification into EV infrastructure i.e., charging stations.

Growing Pool of Carbon-related Merits

TPIPP received "AAA" in SET ESG rating (the highest) and 5-stars, Excellent CG Scoring by the National CG Committee. At the end of 1Q 2025, TPIPP had 2,022,585 tCO₂eq T-VER certified carbon credits and 244,000 tCO₂eq that are under the certification process. In addition, it had accumulated 2,953,063 RECs (renewable energy certificates) and there are still more pending RECs to be issued. As we execute our various capex programs, we will continue to grow our pool of carbon-related credits. For now, these credits are hidden assets of the company that can be monetized when the carbon market opens up.

TPIPP Corporate Relations Department