

Gunkul to see income rise 20%

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SET-listed Gunkul Engineering, a renewable energy developer and construction firm, expects 20% growth in total revenue next year thanks to its rooftop solar panel installation service as well as construction and cannabis businesses.

Gunkul chief executive Somboon Aueatchasai said the revenue growth rate is similar to this year, despite the ongoing Covid-19 pandemic.

The main source of revenue in 2021 is an increase of power generation capacity, especially from rooftop solar energy development under private power purchase agreements, as well as construction.

"We will work on rooftop solar panel projects for businesses, including operators of modern trade such as Charoen Pokphand Group, CJ Shop and Home Products Center Plc," said Mr Somboon.

Gunkul expects these operators to install up to 700 megawatts from solar panels. This level should help the company exceed its total power generation capacity target of 1 gigawatt by 2023,

he said.

Gunkul operates renewable power generation businesses — wind and solar farms as well as rooftop solar panels — in Thailand, Malaysia, Vietnam and Japan, with combined capacity of 642MW.

In the construction segment, Gunkul has the potential for new projects worth 8 billion baht, mostly from state utility projects, including those of Bangkok Metropolitan Administration (BMA), said Mr Somboon. These include improvement of power transmission lines and relocation of overhead electricity and telecom cables underground.

The government and the BMA have allocated 50 billion baht for utility improvement projects over the next couple years.

Gunkul aims to bid for projects worth 7-10% of the 50-billion-baht budget each year, he said.

To further grow its businesses, Gunkul allocated capital spending worth 20 billion baht for 2021-23. Up to 90% will go to renewable energy development, with the remainder supporting other businesses, including cannabis and hemp.

Gunkul expects to receive a licence for cannabis farming from the government after it was allowed to build a hemp and cannabis processing factory.

Under its business plan, full-year cannabis farming will lead to the production of 5.8-16.7 tonnes of cannabidiol (CBD) oil. CBD oil can be used for the treatment of many ailments.