

**ความสัมพันธ์ระหว่างกำไรสุทธิทางบัญชี กระแสเงินสดสุทธิจากกิจกรรมทางการเงิน
และผลการดำเนินงานด้านความยั่งยืนในกลุ่มหลักทรัพย์ยั่งยืน
ของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย**

**THE RELATIONSHIP BETWEEN ACCOUNTING NET PROFIT, NET CASH FLOW
FROM FINANCIAL ACTIVITIES, AND SUSTAINABILITY PERFORMANCE WITHIN
THE SUSTAINABLE STOCK GROUP OF A COMPANY LISTED ON THE STOCK
EXCHANGE OF THAILAND**

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บทคัดย่อ

งานวิจัยนี้วัตถุประสงค์เพื่อศึกษาความสัมพันธ์ระหว่างกำไรสุทธิทางบัญชี กระแสเงินสดจากกิจกรรมทางการเงิน และผลการดำเนินงานด้านความยั่งยืนในกลุ่มหลักทรัพย์ยั่งยืนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย โดยการรวบรวมข้อมูลจากรายงานประจำปี แบบแสดงรายงาน 56-1 ณ สิ้นรอบบัญชีจากเว็บไซต์ของสำนักงานคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์ และ รายงานข้อมูลเกี่ยวกับการดำเนินงานด้านสิ่งแวดล้อม สังคม และการกำกับดูแลกิจการ (ESG) จากเว็บไซต์รีฟินีฟ สำหรับ 185 บริษัท ในปี พ.ศ. 2564 – 2566 ทั้งหมด 494 ชุดข้อมูล โดยตัวแปรอิสระที่ใช้ในการศึกษาครั้งนี้ คือ กำไรสุทธิทางบัญชี (NETPROFIT) และ กระแสเงินสดสุทธิจากกิจกรรมทางการเงิน ซึ่งแบ่งออกเป็น 3 กิจกรรม ได้แก่ กระแสเงินสดสุทธิจากกิจกรรมดำเนินงาน (CFO) กระแสเงินสดสุทธิจากกิจกรรมการลงทุน (CFI) และ กระแสเงินสดสุทธิจากกิจกรรมการจัดหาเงิน (CFF) ตัวแปรตาม คือ ผลการดำเนินงานด้านความยั่งยืน (SUSTAIN) ซึ่งวัดจากการดำเนินงานด้านสิ่งแวดล้อม สังคม และการกำกับดูแลกิจการ และมีการใช้ตัวแปรกระแสเงินสดสุทธิจากกิจกรรมทางการเงินเป็นตัวแปรเชิงกำกับเพื่อวิเคราะห์อิทธิพลที่มีต่อความสัมพันธ์ระหว่างตัวแปรอิสระและตัวแปรตามในกลุ่มหลักทรัพย์ยั่งยืนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย

งานวิจัยนี้ใช้ข้อมูลเชิงปริมาณและเมื่อใช้สถิติพรรณนาในการอธิบายค่าสถิติเบื้องต้นของกลุ่มตัวอย่าง 494 ชุดข้อมูล พบว่ากำไรสุทธิทางบัญชีของกลุ่มหลักทรัพย์ยั่งยืนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย มีค่าเฉลี่ยอยู่ที่ 5,135.69 ล้านบาท กระแสเงินสดสุทธิจากกิจกรรมดำเนินงาน มีค่าเฉลี่ยอยู่ที่ 7,814.81 ล้านบาท กระแสเงินสดสุทธิจากกิจกรรมการลงทุน (CFI) มีค่าเฉลี่ยอยู่ที่ -4,905.93 ล้านบาท และกระแสเงินสดสุทธิจากกิจกรรมการจัดหาเงิน (CFF) มีค่าเฉลี่ยอยู่ที่ -1,692.15 ล้านบาท และมีคะแนนผลการดำเนินงานด้านความยั่งยืน มีค่าเฉลี่ย

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อยู่ที่ 51.07 คะแนนจากคะแนนเต็มทั้งหมด 100 คะแนน เมื่อวิเคราะห์ความสัมพันธ์และผลกระทบเชิงกำกับด้วยวิธีการถดถอยเชิงพหุ (Multiple Regression Analysis) พบว่า 1) กำไรสุทธิทางบัญชีมีความสัมพันธ์เชิงบวกกับการดำเนินงานด้านความยั่งยืน 2) กระแสเงินสดจากกิจกรรมการลงทุนและกิจกรรมการจัดหาเงินมีผลกระทบเชิงบวกต่อความสัมพันธ์ระหว่างกำไรสุทธิทางบัญชีและผลการดำเนินงานด้านความยั่งยืนในกลุ่มหลักทรัพย์ยั่งยืนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย อย่างมีนัยสำคัญทางสถิติ

คำสำคัญ: กำไรสุทธิทางบัญชี ผลการดำเนินงานด้านความยั่งยืน การจัดอันดับ ESG กระแสเงินสด
ตลาดหลักทรัพย์แห่งประเทศไทย

Abstract

This research aims to investigate the relationship between accounting net profit, cash flows from financial activities, and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand (SET). Data were gathered from annual reports, form 56-1 disclosure statements at the end of the fiscal year from the Securities and Exchange Commission (SEC) of Thailand's website, and Environmental, Social, and Governance (ESG) performance data from the Refinitiv database for 185 companies from 2021 to 2023, making a total of 494 data sets. The independent variables employed in this study include accounting net profit (NETPROFIT) and net cash flows from financial activities, which are further categorized into three types: net cash flows from operating activities (CFO), net cash flows from investing activities (CFI), and net cash flows from financing activities (CFF). The dependent variable is sustainability performance (SUSTAIN), measured by environmental, social, and corporate governance scores. Additionally, net cash flows from financial activities were utilized as moderating variables to analyze their influence on the relationship between the independent variables and the dependent variable within the sustainable stock group of companies listed on the Stock Exchange of Thailand (SET).

This research adopts a quantitative approach. Descriptive statistics were employed to explain the basic statistical characteristics of the 494 data sets. The findings reveal that the average accounting net profit of the sustainable stock group of listed companies is 5,135.69 million baht, while the average net cash flows from operating activities amount to 7,814.81 million baht. The average net cash flows from investing activities (CFI) is -4,905.93 million baht, and the average net cash flows from financing activities (CFF) is -1,692.15 million baht. The average sustainability performance score is 51.07 out of a total possible score of 100.

When analyzing the relationships and moderating effects using multiple regression analysis, the results indicate that: 1) accounting net profit has a positive relationship with sustainability performance; and 2) net cash flows from investing activities and net cash flows from financing activities have a statistically significant positive moderating effect on the relationship between accounting net profit and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand.

Keywords: Accounting net profit, Sustainability performance, ESG rating, Cash flow, The stock exchange of Thailand (SET)

Introduction

Traditionally, businesses have aimed to maximize profits while often overlooking other aspects of their operations. Nowadays, however, both businesses and stakeholders are shifting their focus to long-term growth and sustainability. As a result, the concept of sustainable business has increasingly been promoted as a critical component of modern companies.

Sustainability in business refers to an investment approach that considers environmental, social, and corporate governance (ESG) factors. It has three main aspects: **Environment (E)**, which involves a company's environmental responsibilities; **Social (S)**, which governs how a firm interacts with its employees, partners, customers, and other stakeholders; and **Governance (G)**, which explains how businesses manage their relationships in terms of corporate governance. To manage efficiently and transparently, companies can monitor and consider the interests of disadvantaged parties, alongside the analysis of financial performance, to generate long-term returns. This approach aims to have a positive or reduced negative impact on society and the environment while addressing factors such as risk, competitiveness, and stakeholder acceptance, which are directly related to the long-term survival and sustainable growth of the business (NIA: National Innovation Agency, 2022; The Stock Exchange of Thailand, 2022).

Corporate information and financial performance reports are important economic documents for companies, especially those listed on the Stock Exchange of Thailand, which are required to report annually. These reports are vital as they provide key information to help guide business decisions. The core data that shapes these decisions reflects the company's past performance, such as its profit or loss and the residual cash flow available from financial activities. This cash flow is part of the corporate budget and can be used for future planning or investments. For companies aiming for long-term growth and sustainability, such valuations will also consider environmental, social, and corporate governance factors.

Recent research has examined financial variables related to business sustainability. A domestic study by Amattayakul et al., (2021) found that profitability ratios have a positive relationship with sustainable business growth. Similarly, international studies by Koundouri et al., 2022 have shown that financial performance significantly impacts business performance and sustainability.

Although there has been some research on the relationship between financial factors and firm sustainability, no studies have yet focused on the financial variable of accounting net profit or the moderating effect of cash flow from financial operations on this relationship. First, while prior research has predominantly focused on the relationship between sustainability performance and financial indicators such as return on assets (ROA), return on equity (ROE), or market-based measures, the use of accounting net profit as a financial variable provides a direct and fundamental measure of a firm's profitability derived from its core business operations. This variable reflects the company's actual earnings performance after accounting for expenses, taxes, and other financial obligations — making it highly relevant for stakeholders assessing a firm's financial health alongside its sustainability initiatives. Second, the inclusion of the moderating effect of net cash flow from financial activities introduces a novel dimension to sustainability-finance research. Financial cash flows, especially those related to financing activities, indicate how firms manage capital raising and debt repayments, which are strategic financial decisions that could directly influence a company's ability to invest in or maintain sustainability initiatives. For instance, firms with greater access to financing or more effective financial cash

flow management may be better positioned to allocate resources toward ESG projects, potentially mitigating any short-term financial trade-offs associated with sustainability investments. This variable leads to new findings by revealing the conditional impact financial resources have on the profitability–sustainability relationship. Specifically, it highlights that while profitability may have a direct positive association with sustainability performance, the strength or direction of this relationship can be enhanced or altered depending on the firm's financing activities. This insight offers practical implications for financial managers and policymakers by underscoring the importance of integrating cash flow management strategies with sustainability goals, particularly in emerging markets like Thailand where capital structure and financial flexibility may vary significantly across firms. A study by (MSCI ESG Research LLC, 2020), based on a Millennial Investor Survey (conducted among individuals born between 1980 and 2000), found that 95% of this group would prioritize investing in companies with sustainable investment principles. Moreover, this group consistently monitored their investments, whether or not they were part of a sustainable investing plan. More than half of these investors would refuse to invest in companies that do not consider ESG factors (NIA: National Innovation Agency, 2022). This underscores the importance of understanding and recognizing the significance of accounting information in the capital market, as well as promoting investment standards and policies that support sustainable business practices. Financing for investment in a stable financial system can help reduce the negative economic, social, and environmental impacts of companies listed on the Stock Exchange of Thailand.

This gap has led the researcher to investigate this relationship. By selecting a sample of sustainable stocks listed on the Stock Exchange of Thailand, the researcher hopes that this study will contribute valuable insights in Thailand. It could help companies appreciate the importance of accounting net profits and cash flows from financial activities within the context of environmental, social, and governance factors, as well as present an opportunity to attract investors who prioritize sustainability.

Aims

1. To investigate the effect of accounting net profit on the sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand.
2. To investigate the moderating effect of net cash flow from financial activities on the relationship between accounting net profit and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand.

Literature Review

The researcher examined the relationship between accounting net profit, cash flows from financial activities, and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand. The researcher also compiled relevant theories, concepts, and research to develop assumptions in the following order:

1. Concepts of financial performance and business sustainability

The stakeholder theory, proposed by Freeman (1984), asserts that managers must prioritize and attend to individuals both inside and outside the organization (i.e., stakeholders) who have an impact on the business. In this context, the organization is responsible for conducting business in a manner that considers the interests of stakeholders, the economy, society, and the environment in a fair, ethical, and moral way. This approach enhances competitiveness and positively impacts on the long-term sustainability of the business. These stakeholders influence decision-making processes in various areas of the business.

The stakeholder theory also integrates the concept of agency theory, which describes a relationship between two parties: a principal and an agent. The principal agrees to delegate resources and management rights to the agent, who is tasked with maximizing returns. The agent is rewarded for achieving this goal (Jensen & Meckling, 1976). When the agent enters the operation, they are required to report on the financial performance of the organization they manage and deliver the maximum benefit to the principal (Srichanpetch, 2008). Research has found that businesses using an agent have a significant effect on financial performance (Jassim, Dexter, & Sidhu, 1988; Weng & Kingston, 2014). This suggests that the agent is empowered to plan, decide, and operate various aspects of the business, including profitability, financial planning, budgeting, and the determination of financial activities.

Accounting net profit or loss is a key indicator that summarizes and evaluates a company's financial performance over a period of time, allowing financial users to assess the business's success. Recent studies have shown that a company's net profit is one of the most valued accounting metrics by investors, serving as a sign of the company's performance and financial capabilities (Dechow, 1994).

A study by Hamdi, Guenich, and Ben Saada (2022) found that when a firm demonstrates high financial performance, it positively influences investment activities aimed at business sustainability, particularly focusing on environmental, social, and corporate governance (ESG) factors. The study revealed that financial performance, as measured by profitability, cash holdings, and low interest rates, has a positive correlation with corporate sustainability. This implies that corporate financial performance is a key factor in improving business operations for sustainability, thereby enhancing the company's reputation and building stakeholder confidence.

Based on the theory and relevant research, the relationship between financial performance and business sustainability can be explained. If a person expects maximum return and long-term sustainability for both the business and its stakeholders, the business must emphasize sustainable operations and social responsibility. If a business operates with strong financial performance, the agent responsible for management must plan for profitability, which serves as an indicator of the company's capacity to run a sustainable business while considering environmental, social, and governance factors. This aligns with the Stewardship Theory, which suggests that the agent's interests are aligned with public benefits rather than personal gains (Donaldson & Davis, 1991).

Therefore, based on most of the findings, the researchers formulated the assumption to examine the relationship between accounting net profit and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand. The financial variable from the findings was then converted into net accounting profit, as follows:

H_1 : Accounting net profit has a positive effect on the sustainability performance in the sustainable stock group of a company listed on the Stock Exchange of Thailand.

H_2 : Debt to total asset ratio has effect on the sustainability performance in the sustainable stock group of a company listed on the Stock Exchange of Thailand.

H_3 : Return on assets ratio has effect on the sustainability performance in the sustainable stock group of a company listed on the Stock Exchange of Thailand.

H_4 : Industry Groups has effect on sustainability performance in the sustainable stock group of a company listed on the Stock Exchange of Thailand.

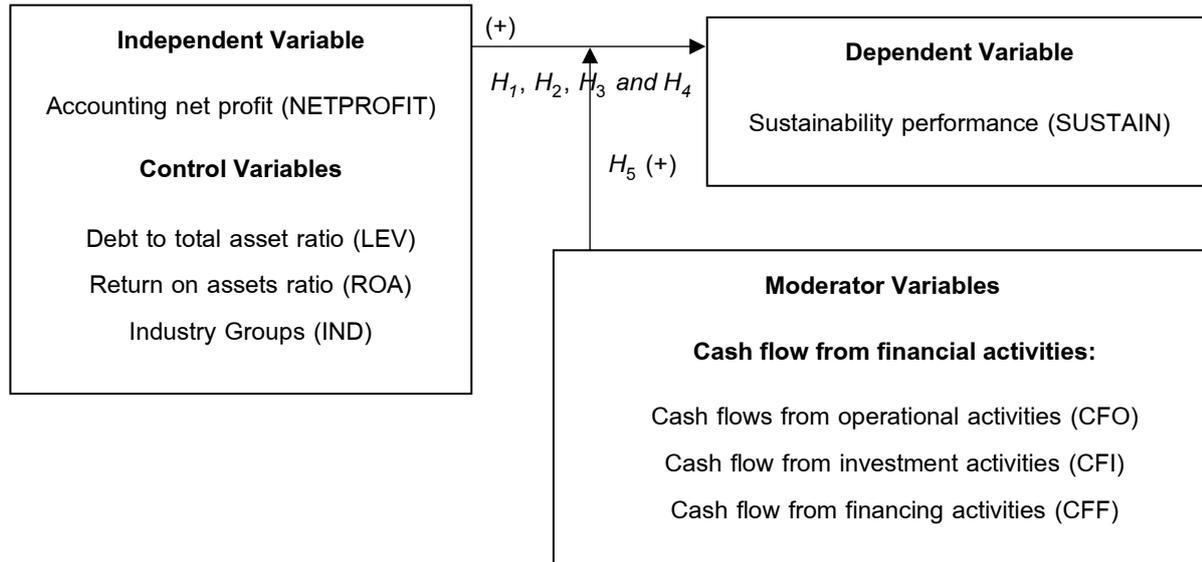
2. Concepts of net cash flow from financial activities and business sustainability

Cash flow is one of the most important elements in assessing business performance because it shows the actual cash inflows and outflows of the business. Cash flow can be divided into three activities as presented in the cash flow statement: 1) cash flows from operating activities, 2) cash flows from investing activities, and 3) cash flows from financing activities. Cash flow differs from accounting net profit. While cash flow is adjusted for non-cash items and follows the cash basis of accounting, accounting net profit is based on the accrual basis of accounting, which records income and expenses when they are earned or incurred, regardless of when actual cash transactions occur. The accrual basis includes all income and expenses related to business activities, even if cash has not been received or paid yet. Both cash flow and accounting net profit provide valuable information to executives for future business planning (Thailand Federation of Accounting Professions, 2019).

A moderator variable is a variable that affects the relationship between a predictor variable and an outcome variable. The effect of a moderator is referred to as a moderating effect (Baron and Kenny, 1986). A review of relevant research by Perez-de Toledo and Bocatto (2016) found that excess cash flows in relation to environmental, social, and corporate governance (ESG) activities differ between enterprises. The study showed that changes in cash flow from operating and investing activities have the same directional effect as net profit, while changes in cash flow from financing activities have the opposite effect on net profit (Chalothorn & Rangkokulnuwat, 2021). This suggests that cash flow from financial activities may influence the relationship between accounting net profit and sustainability performance in the sustainable stock group of companies listed on the Stock Exchange of Thailand.

Therefore, based on the findings, the researchers hypothesize that net cash flow from financial activities moderates the relationship between accounting net profit and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand, as follows:

H_5 : Net cash flows from financial activities a positive effect on the relationship between accounting net profits and sustainability performance in the sustainable stock group of companies listed on the Stock Exchange of Thailand.



Research Methodology

This is quantitative research that uses statistical data from the annual report and the 56-1 report at the end of the financial year, sourced from the website of the Stock Exchange of Thailand (SETSMART), as well as ESG scores from 494 datasets provided by REFINITIV for the years 2021 to 2023. Companies listed on the Stock Exchange of Thailand with incomplete information were excluded. The details are as follows:

Table 1

The Total Information Set of This Research

Subject lists	2021	2022	2023	Total
The sustainable stock group of a company listed on the Stock Exchange of Thailand	146	170	193	509
excluding companies listed on the stock exchange of Thailand with such incomplete information	(4)	(3)	(8)	(15)
Total number of data sets in this research	142	167	185	494

Note. From *The stock exchange of Thailand, 2023.*

From concepts, theories, and related literary reviews, models can be developed for research as follows

Table 2

The Variables Used in This Research, the Relationship Direction Found, and the Expected Relationship Direction

Variable	Relevant research	The relationship direction founded	The expected relationship direction
Dependent Variable			
Sustainability Performance (SUSTAIN)			
Independent Variables			
Accounting net profit (NETPROFIT)	Hamdi, Guenich & Ben Saada (2022)	+	+
Cash flows from operational activities (CFO)	Ekwunife, E. N., & Okoro, E. C. (2022)	+	+
Cash flow from investment activities (CFI)	Ekwunife, E. N., & Okoro, E. C. (2022)	No significant	+
Cash flow from financing activities (CFF)	Ekwunife, E. N., & Okoro, E. C. (2022)	No significant	+
Moderator Variables			
Cash flows from operational activities (CFO)	Perez-de Toledo, E., & Bocatto, E. (2016)	+	+
Cash flow from investment activities (CFI)	Chalothorn & Rangkokulnuwat (2021)	+	+
Cash flow from financing activities (CFF)	Chalothorn & Rangkokulnuwat (2021)	-	+
Control Variables			
Debt to total asset ratio (LEV)	Fernández-Gago et al., (2016)	-	-
Return on assets ratio (ROA)	Hamdi, Guenich & Ben Saada (2022), Piyaautsadarat (2020)	+	+
Industry Groups (IND)	Matakanye et al., (2021)	No significant	No significant

Models for Assumption Testing 1

$$\text{SUSTAIN} = \beta_0 + \beta_1 \text{NETPROFIT} + \beta_2 \text{LEV} + \beta_3 \text{ROA} + \beta_4 \text{IND}_1 + \beta_5 \text{IND}_2 + \beta_6 \text{IND}_3 + \beta_7 \text{IND}_4 + \beta_8 \text{IND}_5 + \beta_9 \text{IND}_6 + \beta_{10} \text{IND}_8 + \varepsilon_i$$

Models for Assumption Testing 2

$$\text{SUSTAIN} = \beta_0 + \beta_1 \text{NETPROFIT} + \beta_2 \text{NETPROFIT} * \text{CFO} + \beta_3 \text{ETPROFIT} * \text{CFI} + \beta_4 \text{NETPROFIT} * \text{CFF} + \beta_5 \text{CFO} + \beta_6 \text{CFI} + \beta_7 \text{CFF} + \beta_8 \text{LEV} + \beta_9 \text{ROA} + \beta_{10} \text{IND}_1 + \beta_{11} \text{IND}_2 + \beta_{12} \text{IND}_3 + \beta_{13} \text{IND}_4 + \beta_{14} \text{IND}_5 + \beta_{15} \text{IND}_6 + \beta_{16} \text{IND}_8 + \varepsilon_i$$

The details of the variable can be summarized in the following table.

Table 3*The Variables in This Research*

Variables	Definition	Measurement
SUSTAIN	Sustainability Performance	The Sustainability Assessment Score of total 100, which consists of the Environmental (E), Social (S) and Corporate Governance (G), evaluated by REFINITIV in the year 2021 - 2023 (REFINITIV, 2023) contains 10 indicators. <ol style="list-style-type: none"> 1. Emission 2. Resource Use 3. Innovation 4. Human Right 5. Product Responsibility 6. Workforce 7. Community 8. Management 9. Shareholders 10. CSR Strategy
NETPROFIT	Accounting net profit	Total net profit value of the sustainable stock group of a company listed on the Stock Exchange of Thailand, ranked by REFINITIV in 2021-2023.
CFO	Cash flows from operational activities	Total net cash flow value from the operational activities of the sustainable stock group of a company listed on the Stock Exchange of Thailand, ranked by REFINITIV in 2021-2023.
CFI	Cash flow from investment activities	Total net cash flow value from the investment activities of the sustainable stock group of a company listed on the Stock Exchange of Thailand, ranked by REFINITIV in 2021-2023.
CFF	Cash flow from financing activities	Total net cash flow value from the financing activities of the sustainable stock group of a company listed on the Stock Exchange of Thailand, ranked by REFINITIV in 2021-2023.
LEV	Debt to total asset ratio	Debt to total asset ratio is measured by debt is divided by total assets in 2021-2023
ROA	Return on assets ratio	Return on assets ratio is measured by net income is divided by total assets in 2021-2023
IND	Industry Groups (8 groups)	Dummy Variables <ol style="list-style-type: none"> 1. Argo & Food Industry 2. Consumer Products 3. Financials 4. Industrials 5. Property & Construction 6. Resources 7. Services 8. Technology

And for the data analysis, the data obtained from the collection process will be analyzed based on statistical principles, with the analysis divided into two sections as follows:

1) Descriptive Statistics: The data collected from various sources will be analyzed to summarize the basic characteristics of each variable, including the arithmetic mean, median, maximum value, minimum value, and standard deviation.

2) Inferential Statistics: The relationship between the independent and dependent variables will be examined using multiple regression analysis. The analysis will be conducted on data from the years 2021 to 2023. The results of the study will be presented in the following sections.

Results

The data obtained from the compilation is processed statistically by dividing the analysis into two sections, as follows

1. **Descriptive Statistics**, which contain the following details:

Table 4

The Statistical Values of Quantitative Variables in This Research in The Year 2021 - 2023

Variables	Mean	Minimum	Maximum	SD
SUSTAIN	51.07 points	9.17 points	91.28 points	18.06 points
NETPROFIT	5,135.69 Million (THB)	-8,752.21 Million (THB)	91,174.86 Million (THB)	11.41 Million (THB)
CFO	7,814.81 Million (THB)	-63,134.73 Million (THB)	191,699.70 Million (THB)	24.55 Million (THB)
CFI	-4,905.93 Million (THB)	-186,690.34 Million (THB)	52,407.70 Million (THB)	19.11 Million (THB)
CFF	-1,692.15 Million (THB)	-69,957.76 Million (THB)	50,668.47 Million (THB)	12.48 Million (THB)
LEV	52 percent	9 percent	136 percent	21 percent
ROA	7.79 percent	-24.27 percent	50.96 percent	7.46 percent

According to a review of sustainability performance (SUSTAIN), the sustainable stock group of companies listed on the Stock Exchange of Thailand from 2021 to 2023 had an average sustainability performance rating of 51.07, with a maximum of 91.28 and a minimum of 9.17. The average net profit of these companies was 5,135.69 million THB, with a maximum of 91,174.86 million THB and a minimum of -8,752.21 million THB.

The average net cash flow from operating activities was 7,814.81 million THB, with a maximum of 191,699.70 million THB and a minimum of -63,134.73 million THB. With regard to net cash flows from investment activities, the average was -4,905.93 million THB, with a maximum of 52,407.70 million THB and a minimum of -186,690.34 million THB. In terms of net cash flows from financing activities, the average was -1,692.15 million THB, with a maximum of 50,668.47 million THB and a minimum of -69,957.76 million THB.

Regarding the companies' debt levels, the average was 52 percent, with a maximum of 136 percent and a minimum of 9 percent. The average profitability, as measured by return on assets, was 7.79 percent, with a maximum of 50.96 percent and a minimum of -24.27 percent.

Table 5

The Statistical Values of The Variables for The Industrial Groups (IND)

Variables	Datasets	Number of companies	percent (%)
IND ₁	170	21	12.6
IND ₂	170	4	2.4
IND ₃	170	22	13.2
IND ₄	170	16	9.6
IND ₅	170	28	16.8
IND ₆	170	29	17.4
IND ₇	170	33	19.8
IND ₈	170	14	8.4

From table 5 found that the sustainable stock group of a company listed on the Stock Exchange of Thailand was classified into various industries. The agro & food industry have 21 companies (12.6%), consumer products have 4 companies (2.4%), financials have 22 companies (13.2%), industrials have 16 companies (9.6%), property & construction have 28 companies (16.8%), resources have 29 companies (17.4%), services have 33 companies (19.8%), and technology have 14 companies (8.4%).

2. Inferential Statistics According to the test results, the relationship between the variables can be shown in Table 6.

Table 6

The Test Results with The Pearson Correlation Coefficient

	SUSTAIN	NETPROFIT	CFO	CFI	CFF	LEV	ROA
SUSTAIN	1						
NETPROFIT	.302	1					
CFO	.240	.781	1				
CFI	-.224	-.652	-.772	1			
CFF	-.076	-.152	-.290	-.117	1		
LEV	.146	.161	.127	-.098	-.054	1	
ROA	-.122	.197	.098	-.023	-.051	-.349	1

From Table 6, it can be observed that there are no interrelated variables (Pearson's correlation coefficient is less than -0.8 or greater than +0.8), indicating that there is no multicollinearity problem (Hair et al., 1995).

An analysis of the relationship between accounting net profits, net cash flows from financial activities, and sustainability performance in the sustainable stock groups of companies listed on the Stock Exchange of Thailand was conducted. A multiple regression analysis was performed using sample data from 2022 to test the assumptions, as demonstrated below:

Table 7

Analysis of The Relationship Between Accounting Net Profit and Sustainability Operations (Based on Assumption Model 1)

Variables	Statistics		
	Beta	t-Statistics	P-Value
(Constant)	0.000	9.661	0.000
NETPROFIT	0.355	4.395	0.000***
LEV	0.071	0.794	0.428
ROA	-0.185	-2.235	0.027**
IND ₁	0.002	0.018	0.986
IND ₂	0.094	1.204	0.231
IND ₃	-0.119	-1.257	0.211
IND ₄	-0.091	-1.044	0.298
IND ₅	-0.033	-0.358	0.721
IND ₆	-0.066	-0.699	0.486
IND ₈	-0.054	-0.641	0.522
R-squared			0.153
Adjusted R-squared			0.099
F-statistics			2.817
P-Value for F-statistic			0.003

Note. *** and ** mean a statistically significant coefficient at levels of 0.01, 0.05 respectively.

From Table 7, the regression analysis of the relationship between accounting net profits and sustainability performance is presented. Based on the model using the assumption 1 test, the aggregate F value is 2.817, and the p-value equals 0.003. This indicates that the analysis, based on the modeling used to test the assumptions, is statistically significant at the 0.01 level. The independent and control variables explain 9.9 percent of the variation in sustainability performance (adjusted R-squared). The results of the analysis show that the regression of the relationship between accounting net profit and sustainability performance is significant. It was found that the coefficient (beta) for the independent variable, accounting net profit (NETPROFIT), is 0.355 at the 0.01 statistical significance level, meaning that accounting net profit has a positive relationship with sustainability performance. This supports the expected direction of the relationship and confirms the assumption in equation model 1. Additionally, the control variable, ROA, has a coefficient (beta) of -0.185 with a statistical significance of 0.05, indicating that profitability has a negative correlation with sustainability performance.

$$\text{SUSTAIN} = \beta_0 + (0.355) \text{NETPROFIT} - (0.185) \text{ROA} + \varepsilon_i$$

Table 8

Analysis of the Moderating Effects of Cash Flows from Financial Activities on the Relationship Between Accounting Net Profit and Sustainability Performance (Based on Assumption Model 2)

Variables	Statistics		
	Beta	t-Statistics	P-Value
(Constant)	0.000	9.661	0.000
NETPROFIT	0.620	4.186	0.000***
CFO	-0.208	-0.536	0.593
CFI	-0.776	-2.291	0.123
CFF	-0.238	-1.426	0.156
NETPROFIT*CFO	1.547	1.450	0.149
NETPROFIT*CFI	2.630	2.132	0.035**
NETPROFIT*CFF	0.929	2.110	0.037**
LEV	-0.018	-0.194	0.847
ROA	-0.231	-2.815	0.006***
IND ₁	0.001	0.008	0.993
IND ₂	0.093	1.249	0.214
IND ₃	-0.126	-1.268	0.207
IND ₄	-0.111	-1.327	0.187
IND ₅	-0.033	-0.368	0.714
IND ₆	-0.048	-0.508	0.612
IND ₈	-0.050	-0.619	0.537
R-squared			0.254
Adjusted R-squared			0.174
F-statistics			3.186
P-Value for F-statistic			0.000

Note. *** and ** mean a statistically significant coefficient at levels of 0.01, 0.05 respectively.

From Table 8, The regression analysis of the moderating effects of cash flows from financial activities on the relationship between accounting net profit and sustainability performance (Model 2), with an aggregate F value of 3.186 and a p-value of 0.000, showed that Model 2 could be significantly represented at the 0.01 statistical significance level by the independent and control variables, which together account for 17.4 percent of the variation (adjusted R-squared).

The moderator variable, cash flow from investment activities (CFI), has a coefficient (beta) of 2.630, which is statistically significant at the 0.05 level. This indicates that cash flows from investment activities have a positive effect on the relationship between accounting net profit and sustainability performance.

Similarly, the moderator variable, cash flow from financing activities (CFF), has a coefficient (beta) of 0.929, with statistical significance at the 0.05 level, meaning that cash flows from financing activities also have a positive effect on the relationship between accounting net profits and sustainability performance.

It can therefore be concluded that the presence of variables such as cash flows from investment activities and financing activities strengthens the positive correlation between accounting net profit and sustainability performance. This conclusion is supported by the comparison of the beta value of accounting net profit in Table 8, which is higher than in Table 7 This supports the expected direction of the relationship and confirms the assumption according to Model 2.

$$\text{SUSTAIN} = \beta_0 + (0.620) \text{NETPROFIT} + (2.630) \text{NETPROFIT} * \text{CFI} + (0.929) \text{NETPROFIT} * \text{CFF} - (0.231) \text{ROA} + \varepsilon_i$$

Conclusions and Discussion

Conclusions

1. Accounting net profit has a positive relationship with sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand.

2. Net cash flows from investing activities and net cash flows from financing activities have a statistically significant positive moderating effect on the relationship between accounting net profit and sustainability performance within the sustainable stock group of companies listed on the Stock Exchange of Thailand.

Discussion

Based on a model of the relationship between accounting net profits, net cash flows from financial activities, and sustainability performance in the sustainable stock group of companies listed on the Stock Exchange of Thailand, the research results are summarized in Table 9.

Table 9

Summarizes the Analysis Compared to the Prescribed Assumptions

Hypothesis	The expected relationship direction	Results
H_1	Positive (+)	Accepted
H_3	Negative (+)	Accepted
H_5	Positive (+)	Accepted

H_1 : It was found that accounting net profit measured by Perez-de Toledo, E., and Bocatto, E. (2016). of the sustainable stock group of companies listed on the Stock Exchange of Thailand, is positively related to the sustainability performance of the enterprise. This relationship is statistically significant at the 0.01 level and aligns with Carroll's CSR Pyramid (Carroll,1979), which states that improvements in enterprise performance lead to greater sustainability performance and corporate governance. These findings are consistent with the research of Hamdi, Guenich, and Ben Saada (2022), which found that the profitability of an enterprise is positively related to the sustainability of its operations. Specifically, the researchers showed that higher

accounting net profits result in more sustainable performance. This suggests that investment in environmental, social, and corporate governance (ESG) is, to some extent, dependent on the accounting net profit of the enterprise. Therefore, this research argues that companies classified as part of the sustainable stock group on the Stock Exchange of Thailand, with higher accounting net profits, tend to have higher levels of sustainability performance (ESG: environmental, social, and corporate governance).

H_3 : It was found that the return on assets measured by net income is divided by total assets of the sustainable stock group of companies listed on the Stock Exchange of Thailand, is negatively related to the sustainability performance of the enterprise. This relationship is statistically significant at 0.05 on the model using the assumption 1 test and at the 0.01 on the model using the assumption 2 test which states that Firstly, companies that actively invest in sustainability initiatives often incur substantial expenses related to environmental protection, corporate social responsibility programs, and governance improvements. These initiatives, while beneficial in the long term, may reduce a company's short-term profitability and asset returns, thereby lowering ROA. Sustainability efforts typically require investments in new technologies, human resources, community engagement, and compliance costs, which can suppress immediate financial performance metrics. This finding is consistent with similar research by Tarawneh et al., (2024), which found that there is a negative linear relationship between ESG scores and ROA, indicating that higher ESG scores may be associated with lower ROA in the short term

H_5 : It was found that the interaction of variables, including accounting net profit and cash flows from operating activities, has no positive effect on the relationship between accounting net profit and sustainability performance. However, the interaction of accounting net profit with the other two variables—net cash flow from investment activities and net cash flow from financing activities—has a positive effect on the relationship between accounting net profit and sustainability performance. This suggests that a higher accounting net profit results in higher sustainability performance, and when there is a positive effect from cash flows in these two activities, the sustainability performance is even higher. This finding is consistent with similar research by Perez-de Toledo and Bocatto (2016) which found that cash flows have a different impact on environmental, social, and corporate governance.

Thus, the results conclude that the traditional purpose of an enterprise is to increase the wealth of its stakeholders, with the aim of enhancing both profitability and sustainability. However, the ability to achieve this goal depends on the company's capacity to manage cash flows, which are strategically crucial for its long-term survival. Therefore, a company classified as part of the sustainable stock group on the Stock Exchange of Thailand, with an efficient cash flow management policy that considers environmental, social, and good corporate governance (ESG), will exhibit a stronger relationship between accounting net profit and sustainability performance.

Contributions

Theoretical Contributions

1. Integration of Financial and Sustainability Theory: This research expands upon existing financial theory by illustrating the interaction between traditional financial metrics, such as accounting net profit and cash flow, and contemporary sustainability performance measures. The study effectively bridges the gap between

conventional financial performance indicators and Environmental, Social, and Governance (ESG) factors, thereby contributing to a more comprehensive understanding of corporate performance measurement that incorporates both financial and sustainability dimensions.

2. Sustainability Accounting Theory: The study makes a significant contribution to sustainability accounting theory by empirically linking traditional accounting measures with sustainability performance metrics. It enhances our understanding of how accounting information can be utilized not only to assess financial performance but also to predict and evaluate sustainability outcomes, thereby integrating sustainability considerations into traditional accounting frameworks.

3. Signal Theory Extension: This research extends signal theory by demonstrating how companies leverage their financial resources and sustainability performance to communicate their commitment to ESG principles. It highlights how the allocation of financial resources to sustainability initiatives serves as a credible signal of a company's long-term strategic orientation, reinforcing its dedication to sustainable business practices and stakeholder value creation.

Managerial Contributions

1. Strategic Profit and Sustainability Management: The research provides compelling evidence that higher accounting net profits contribute to improved sustainability performance, highlighting the importance of balancing financial success with environmental, social, and governance (ESG) initiatives. It offers valuable insights for managers, demonstrating that profitable operations can not only support but also enhance sustainability efforts, thereby fostering more balanced and strategic business approaches.

2. Cash Flow Management for Sustainability: The research offers specific insights into how various types of cash flows impact sustainability performance, emphasizing the critical role of investing and financing cash flows to enhance ESG outcomes. The study highlights the need for differentiated management approaches for cash flow activities, recognizing that these flows may require distinct strategies to achieve desired sustainability results. This understanding enables more targeted and effective financial planning to align with long-term sustainability goals.

Suggestions

Suggestions for Business Organizations

Despite the growing emphasis on sustainable business practices among listed companies in the Stock Exchange of Thailand, most organizations currently assess sustainability performance independently from core financial metrics such as accounting net profit and cash flow activities. Traditional sustainability reporting often highlights qualitative initiatives and ESG disclosures without integrating them into financial performance frameworks. This practice limits the ability of firms to strategically align financial profitability with sustainability outcomes. To address the gap identified in this study, Specifically, firms should:

1. Incorporate key financial indicators such as net profit and cash flow activities directly into sustainability strategy assessments and reporting processes.
2. Monitor the moderating effects of investing and financing cash flows on sustainability outcomes, using these financial activities as levers to enhance or support long-term ESG performance.

3. Develop cross-functional management dashboards where financial performance indicators and sustainability metrics are analyzed together, allowing for real-time adjustments to investment and financing strategies to optimize both financial returns and sustainability objectives.

Suggestions for Investors (Stakeholders)

Investors focused on sustainable investment principles should use predictive tools that consider environmental, social, and corporate governance factors. These tools can help assess business sustainability by observing trends in accounting net profits and the management of corporate cash flows.

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