

PYLON PYLON TB

THAILAND / CONSTRUCTION SERVICES

BUY

FROM HOLD

TARGET PRICE	THB2.40
CLOSE	THB1.85
UP/DOWNSIDE	+29.7%
PRIOR TP	THB2.40
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-10.9%

โมเมนต์กำไร 1Q25 ขึ้น และเด่นขึ้น 2Q-3Q25

- โทนการประชุมเป็นบวก อุตสาหกรรมเสาเข็มดูดีขึ้นทั้งฝั่ง Demand ผลักดันจากงานในตลาดเพิ่มขึ้น และฝั่ง Supply ที่การแข่งขันผ่อนคลายลง
- คาดกำไร 1Q25 ขึ้น และเด่นขึ้น 2Q-3Q25 จากการรับรู้ Backlog สูงสุดในรอบ 2 ปี
- ปรับเพิ่มประมาณการและคำแนะนำเป็นซื้อ ราคาเหมาะสม 2.40 บาท

ผลประกอบการ 4Q24 พลิกขาดทุนจากช่วงรอยต่องาน

ผลประกอบการ 4Q24 พลิกเป็นขาดทุนสุทธิ -7.5 ล้านบาท จากกำไร 13.5 ล้านบาทใน 3Q24 และ 30 ล้านบาทใน 4Q23 จากรายได้หดตัวเป็น 156 ล้านบาท (-46% q-q, -54% y-y) เนื่องจากช่วงรอยต่อของงานที่ยังไม่มีการเริ่มงานใหม่ และวันหยุดจำนวนมาก อีกทั้ง อัตรากำไรขั้นต้นปรับตัวลดลงเหลือ 1.4% จาก 11.9% ใน 3Q24 และ 16.1% ใน 4Q23 ตามการลดลงของรายได้ และการแข่งขันสูง ทำให้จบปี 2024 กำไรสุทธิเพียง 0.5 ล้านบาท เทียบกับ 106 ล้านบาทในปี 2023 อย่างไรก็ดี ฐานะการเงินยังเป็น Net cash และสามารถจ่ายปันผลงวดปี 2024 ที่ 0.04 บาท/หุ้น Yield 2.2% ขึ้น XD 18 มี.ค.

ภาพอุตสาหกรรมเสาเข็มดูดีขึ้นทั้งฝั่ง Demand และ Supply

จากการประชุม Opportunity Day วันที่ 11 มี.ค. ผู้บริหารมีมุมมองบวกต่ออุตสาหกรรมเสาเข็มจะดีขึ้นในปี 2025 จาก 1) ฝั่ง Demand เพิ่มขึ้น ผลักดันจากแผนการลงทุนโครงสร้างพื้นฐานภาครัฐ รวมถึงงานเอกชน อาทิ โครงการ Mixed-use, Data center ที่มากขึ้น ชดเชยภาคอสังหาฯที่ยังไม่ฟื้น 2) ฝั่ง Supply ลดลง หลังผู้เล่น 1 ใน 4 รายใหญ่ได้ปิดกิจการ ส่งผลให้การแข่งขันผ่อนคลายลงและแนวโน้มมาร์จิ้นดีขึ้น ส่วนประเด็นราคาวัสดุก่อสร้างเพิ่มขึ้นโดยเฉพาะซีเมนต์ มองว่าบริหารจัดการได้เนื่องจากเป็นงานระยะสั้น ส่วนใหญ่ 3-6 เดือน และมีการล็อกราคาส่งหน้าในส่วนงานในมือแล้ว

Backlog หนุนทิศทางกำไรปี 1Q25 ก่อนเด่นขึ้น 2Q-3Q25

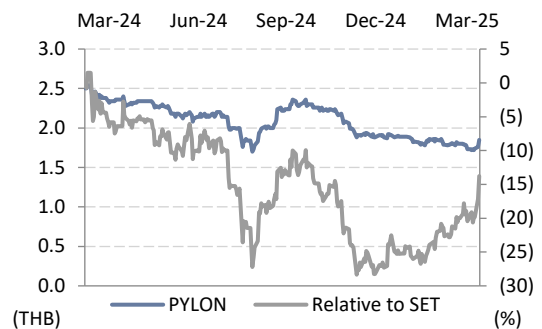
Backlog ปัจจุบันสูงสุดในรอบ 2 ปีที่ 1.3 พันล้านบาท เพิ่มขึ้น 2 เท่าจากปี 2023 เป็นสัดส่วนงานเอกชน 74% หลักๆจากงานเชิงนครเกษม ส่วนที่เหลือ 26% เป็นงานภาครัฐอย่างรถไฟฟ้าสีสัมฤทธิ์วันตก และทางด่วนจุดโซติ นอกจากนี้ บริษัทมีแผนเพิ่มแรงงานใน 2H25 เพื่อรองรับเป้าการรับงานเพิ่มราว 400-500 ล้านบาท เราประเมินผลประกอบการ 1Q25 พลิกเป็นกำไรจากขาดทุนใน 4Q24 และเพิ่มขึ้น y-y ก่อนเร่งขึ้นต่อเนื่องใน 2Q25-3Q25 ผลักดันจากเริ่มงานรถไฟฟ้าสายสีส้ม, ทางด่วนจุดโซติตั้งแต่ 2Q25 ซึ่งเป็นงานขนาดใหญ่และรับเฉพาะค่าแรงซึ่งมาร์จิ้นดี คาดกำลังผลิตไต่ระดับขึ้นจาก 5-10 ชุดใน 4Q24 เป็นเฉลี่ย 10 ชุดใน 1Q25, 15 ชุดใน 2Q25 และ 15-20 ชุดใน 3Q25

ปรับเพิ่มประมาณการ ปรับคำแนะนำเป็นซื้อ ราคาเหมาะสม 2.40 บาท

เราปรับเพิ่มประมาณการกำไรปี 2025-26 ขึ้น 38% และ 33% เป็น 68 ล้านบาท และ 76 ล้านบาท ตามลำดับ สะท้อนการรับงานใหม่มากกว่าคาด ประเมินราคาเหมาะสม 2.40 บาท (อิง PBV 1.9x หรือค่าเฉลี่ย -1.25SD) ปรับคำแนะนำจากถือเป็นซื้อจากทิศทางผลประกอบการและภาพอุตสาหกรรมที่ฟื้นตัว ราคาหุ้นปัจจุบันเทรดบน PBV ปี 25 1.5x หรือค่าเฉลี่ยในอดีต -2SD และมีส่วนลดจากปี 2021 ที่ฐานกำไรต่ำกว่า

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	814	1,206	1,241	1,170
Net profit	1	68	76	71
EPS (THB)	0.00	0.09	0.10	0.09
vs Consensus (%)	-	(20.4)	(9.1)	(58.1)
EBITDA	69	169	180	174
Recurring net profit	(6)	68	76	71
Core EPS (THB)	(0.01)	0.09	0.10	0.09
Chg. In EPS est. (%)	nm	38.2	33.4	nm
EPS growth (%)	nm	nm	11.8	(7.5)
Core P/E (x)	(215.9)	20.3	18.2	19.7
Dividend yield (%)	2.2	4.4	4.9	4.6
EV/EBITDA (x)	19.0	7.9	7.5	7.7
Price/book (x)	1.5	1.5	1.4	1.4
Net debt/Equity (%)	(8.5)	(4.7)	(3.6)	(4.4)
ROE (%)	(0.6)	7.2	8.0	7.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.4	(2.6)	(27.7)
Relative to country (%)	11.7	18.3	(16.0)
Mkt cap (USD m)	41		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	41		
Major shareholder	Sangarayakul Family (55%)		
12m high/low (THB)	2.58/1.66		
Issued shares (m)	749.87		

Sources: Bloomberg consensus; FSSIA estimates



Thanyatorn Songwutti

Fundamental Investment Analyst on Securities; License no. 101203
thanyatorn.s@fssia.com, +66 2646 9963

Investment thesis

ผลประกอบการ PYLON พลิกเป็นขาดทุนใน 4Q24 อย่างไรก็ดี การรับงานที่เพิ่มขึ้นซึ่งจะทยอยรับรู้เริ่มงานหลักตั้งแต่กลาง 1Q25 รวมถึงงานภาครัฐขนาดใหญ่อย่างรถไฟฟ้าสายสีส้มตะวันตก และทางด่วนจตุโชติ ซึ่งจะเริ่มก่อสร้างใน 2Q25 จะหนุนให้แนวโน้มกำไรฟื้นตัวตั้งแต่ 1Q25 และเด่นชัดขึ้นใน 2Q-3Q25 ส่งผลให้ทิศทางการดำเนินงานจะฟื้นตัวดีใน 2025 สอดคล้องกับภาพอุตสาหกรรมเสาเข็มที่ดูดีขึ้นทั้งฝั่ง Demand จากงานในตลาดที่เพิ่มขึ้น และฝั่ง Supply ที่การแข่งขันผ่อนคลายลง

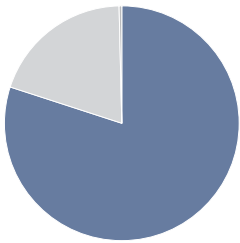
Company profile

PYLON ก่อตั้งในปี 2002 ประกอบธุรกิจรับเหมาก่อสร้างงานฐานรากให้กับภาครัฐและภาคเอกชน ซึ่งงานภาครัฐส่วนใหญ่เกี่ยวข้องกับงานโครงสร้างและสาธารณูปโภคพื้นฐาน อาทิ งานทางรถไฟยกระดับ, ทางด่วน เป็นต้น ส่วนงานเอกชนจะเกี่ยวข้องกับที่อยู่อาศัย โรงพยาบาล และอาคารสำนักงาน โดยบริษัทรับงานจากทั้งเจ้าของโครงการโดยตรงและผู้รับเหมาหลัก (Main Contractor) แบ่งประเภทออกเป็น 3 งานหลักคือ งานเสาเข็มเจาะแบบกลม (Bored Pile), งานกำแพงกันดินชนิด Diaphragm หรือเสาเข็มเจาะแบบเหลี่ยม (Barrette Pile) และงานปรับปรุงคุณภาพดินโดยวิธีอัดฉีดซีเมนต์ด้วยแรงดันสูง (Jet Grouting)

www.pylon.co.th

Principal activities (revenue, 2024)

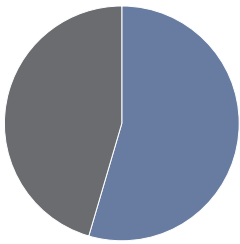
- Bored Piles - 80.0 %
- Diaphragm Wall/ Barrette Pile - 19.6 %
- Ground Improvement - 0.4 %



Source: Pylon

Major shareholders

- Sangarayakul Family - 54.5 %
- Others - 45.5 %



Source: Pylon

Catalysts

ปัจจัยหนุนการเติบโตคือ การรับงานใหม่เข้ามาเต็ม โดยเฉพาะงานโครงสร้างพื้นฐานของภาครัฐ และงานภาคเอกชนขนาดใหญ่

Risks to our call

ความเสี่ยงต่อประมาณการ 1) การเซ็นสัญญางานใหม่น้อยกว่าคาด 2) ความล่าช้าของการเปิดประมูลงานใหม่ 3) ความไม่แน่นอนทางการเมือง 4) ความล่าช้าของการก่อสร้าง และปัญหา Cost overrun 5) ต้นทุนวัสดุก่อสร้างสูงขึ้น, การขาดแคลนแรงงาน และการปรับขึ้นค่าแรง 6) การแข่งขันรุนแรง

Event calendar

Date	Event
May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Revenue (THB m)	1,206	1,241	1,170
GPM (%)	13.5	14.0	14.0
SG&A to revenue (%)	7.0	6.9	7.1

Source: FSSIA estimates

Earnings sensitivity

- For every 2% increase in revenue, we estimate 2025 net profit to rise by 4%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2025 net profit to rise by 7%, and vice versa, all else being equal.
- For every 5% increase in SG&A, we estimate 2025 net profit to fall by 5%, and vice versa, all else being equal

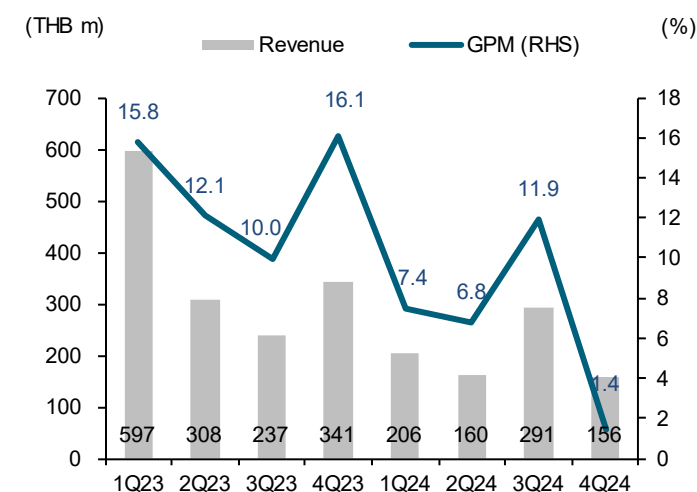
Source: FSSIA estimates

Exhibit 1: PYLON - 4Q24 results summary

	4Q23	1Q24	2Q24	3Q24	4Q24	----- Change -----		2023	2024	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Total revenue	341	206	160	291	156	(46)	(54)	1,483	814	(45)
Cost of Sales	286	191	149	256	154	(40)	(46)	1,273	750	(41)
Gross profit	55	15	11	35	2	(94)	(96)	210	63	(70)
SG&A	22	18	22	21	17	(17)	(21)	86	77	(10)
Operating profit	33	(2)	(11)	14	(15)	na	na	124	(14)	na
Interest Expense	0.3	0.3	0.3	0.4	0.5	23	50	1	2	21
Tax Expense	6	(0)	(2)	3	(2)	na	na	24	(2)	na
Reported net profit	30	1	(7)	14	(7)	na	na	106	1	(100)
Core profit	27	(0)	(8)	12	(10)	na	na	102	(6)	na
Key Ratio (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	16.1	7.4	6.8	11.9	1.4	(10.5)	(14.7)	14.2	7.8	(6.4)
SG&A / Sales	6.3	8.5	13.9	7.1	10.9	3.8	4.6	5.8	9.5	3.7
Operating margin	9.8	(1.1)	(7.1)	4.9	(9.5)	(14.3)	(19.2)	8.3	(1.8)	(10.1)
Net margin	8.7	0.6	(4.2)	4.6	(4.8)	(9.4)	(13.5)	7.2	0.1	(7.1)
Norm margin	8.1	(0.2)	(5.2)	4.3	(6.5)	(10.7)	(14.5)	6.9	(0.8)	(7.7)

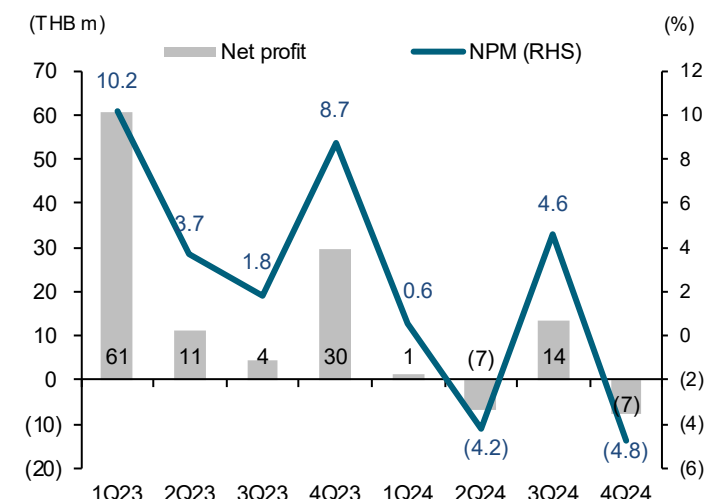
Sources: PYLON; FSSIA's compilation

Exhibit 2: Quarterly revenue and GPM



Sources: PYLON; FSSIA's compilation

Exhibit 3: Quarterly net profit and NPM

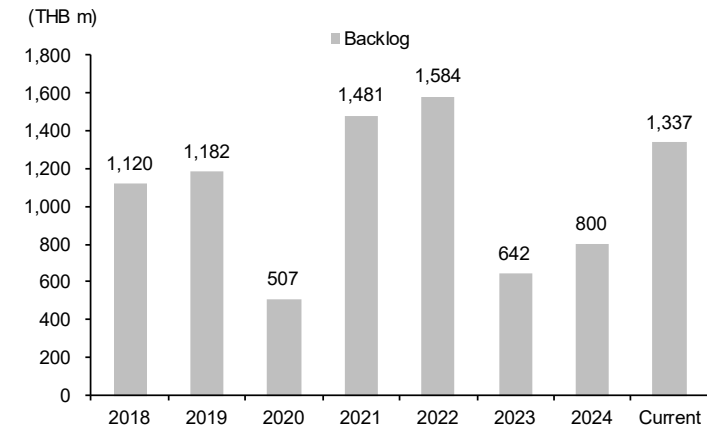


Sources: PYLON; FSSIA's compilation

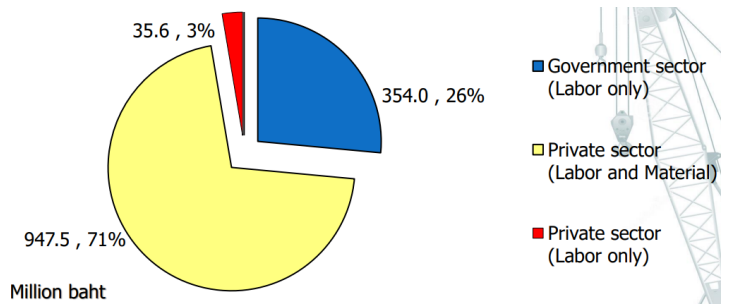
Exhibit 4: Key assumptions for PYLON

	Actual	----- Current -----		----- Previous -----		----- Change -----	
	2024	2025E	2026E	2025E	2026E	2025E	2026E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)
Total revenue (THB m)	814	1,206	1,241	1,115	1,200	8	3
Cost of construction (THB m)	750	1,043	1,067	970	1,044	8	2
Gross margin (%)	7.8	13.5	14.0	13.0	13.0	0.5	1.0
SG&A (THB m)	77	84	85	88	90	(5)	(6)
SG&A to revenue (%)	9.5	7.0	6.9	7.9	7.5	(0.9)	(0.7)
Interest expense (THB m)	2	1	1	2	2	(25)	(27)
Core profit (THB m)	(6)	68	76	49	57	38	33
Net profit (THB m)	0.5	68	76	49	57	38	33

Source: FSSIA estimates

Exhibit 5: Backlog


Sources: PYLON; FSSIA's compilation

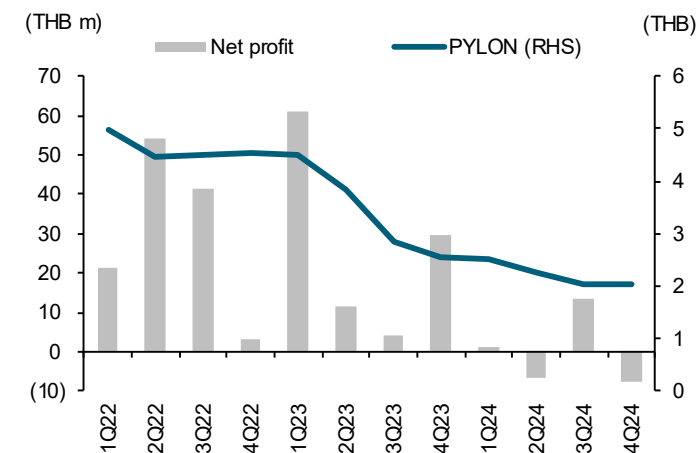
Exhibit 6: Backlog breakdown


Source: PYLON

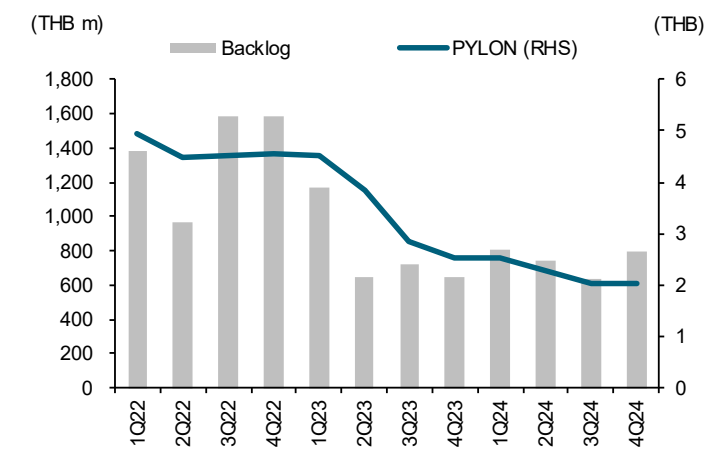
Exhibit 7: Major projects in current backlog

Project	Type of work	Project period
Woeng Nakornkasem	Labour and material	Jan – Oct 25
Carabao Office Building	Labour and material	Feb – Jun 24
PNP Tower	Labour and material	Feb – Apr 25
PYT Residence Pattaya Sai 1	Labour and material	Feb – Apr 25
Evolution Data Center	Labour and material	Jan – Mar 25
AP Condo	Labour only	May – Jun 25
SK16 (16 Residence)	Labour and material	May – Oct 25
V-Net Museum	Labour and material	Mar – May 25
MRT Orange Line	Labour only	Apr 25 – Feb 26
Expressway-Jatuchot	Labour only	May 25 - Apr 26
The Base Wongsawang	Labour only	Sep 25 – Feb 26
Bang Ban Project	Labour only	2023-2025
Project O	Labour and material	Sep 25 –Feb 26
Project 20-861	Labour and material	2022-2025
Noww Mega Bangna	Labour and material	Aug – Oct 25

Source: PYLON

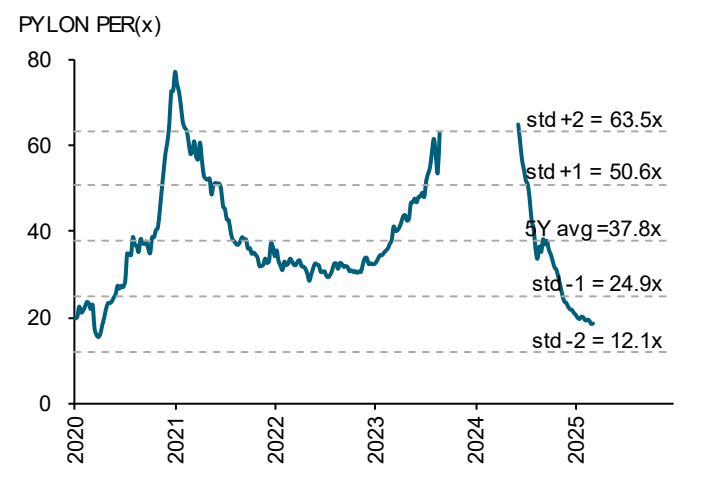
Exhibit 8: Quarterly net profit and share price


Sources: SETSMART; FSSIA's compilation

Exhibit 9: Quarterly backlog and share price


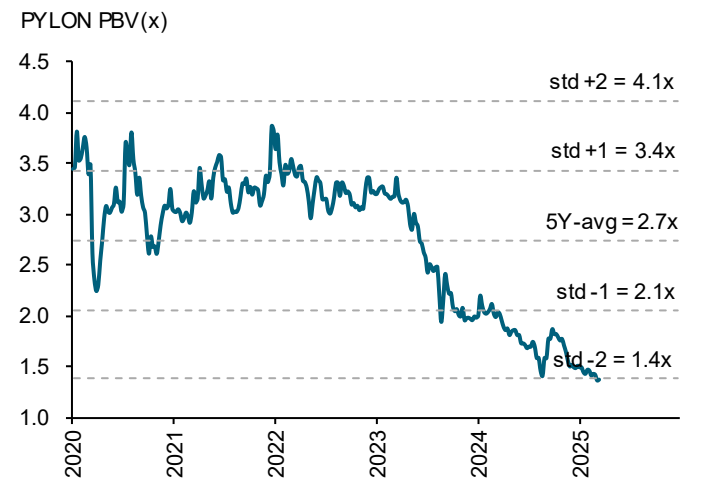
Sources: SETSMART; FSSIA's compilation

Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Pylon

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	1,483	814	1,206	1,241	1,170
Cost of goods sold	(1,273)	(750)	(1,043)	(1,067)	(1,006)
Gross profit	210	63	163	174	164
Other operating income	4	8	8	8	9
Operating costs	(86)	(77)	(84)	(85)	(83)
Operating EBITDA	215	69	169	180	174
Depreciation	(87)	(75)	(83)	(84)	(85)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	128	(7)	86	97	89
Net financing costs	(1)	(2)	(1)	(1)	(1)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	4	7	0	0	0
Profit before tax	131	(1)	85	95	88
Tax	(24)	2	(17)	(19)	(18)
Profit after tax	106	1	68	76	71
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	106	1	68	76	71
Non-recurring items & goodwill (net)	(4)	(7)	0	0	0
Recurring net profit	102	(6)	68	76	71
Per share (THB)					
Recurring EPS *	0.14	(0.01)	0.09	0.10	0.09
Reported EPS	0.14	0.00	0.09	0.10	0.09
DPS	0.14	0.04	0.08	0.09	0.08
Diluted shares (used to calculate per share data)	750	750	750	750	750
Growth					
Revenue (%)	29.3	(45.1)	48.2	2.9	(5.7)
Operating EBITDA (%)	(7.9)	(68.1)	146.8	6.4	(3.5)
Operating EBIT (%)	(8.3)	nm	nm	11.6	(7.4)
Recurring EPS (%)	(7.9)	nm	nm	11.8	(7.5)
Reported EPS (%)	(11.2)	(99.5)	13,513.8	11.8	(7.5)
Operating performance					
Gross margin inc. depreciation (%)	14.2	7.8	13.5	14.0	14.0
Gross margin exc. depreciation (%)	20.0	17.0	20.4	20.7	21.2
Operating EBITDA margin (%)	14.5	8.4	14.0	14.5	14.9
Operating EBIT margin (%)	8.6	(0.8)	7.2	7.8	7.6
Net margin (%)	6.9	(0.8)	5.7	6.1	6.0
Effective tax rate (%)	18.5	136.9	20.0	20.0	20.0
Dividend payout on recurring profit (%)	102.4	(466.9)	90.0	90.0	90.0
Interest cover (X)	99.7	(4.3)	72.1	80.5	74.5
Inventory days	16.8	23.4	19.9	23.6	24.8
Debtor days	89.3	122.4	79.2	87.4	85.0
Creditor days	48.5	64.5	50.9	59.6	53.4
Operating ROIC (%)	11.3	(0.6)	8.1	8.8	8.1
ROIC (%)	11.0	(0.6)	7.8	8.4	7.7
ROE (%)	9.8	(0.6)	7.2	8.0	7.3
ROA (%)	8.1	(0.4)	6.0	6.5	6.1

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Bored Piles	1,186	651	965	993	936
Diaphragm Wall/ Barrette Pile	294	160	238	244	230
Ground Improvement	3	3	3	4	4

Sources: Pylon; FSSIA estimates

Financial Statements

Pylon

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	102	(6)	68	76	71
Depreciation	87	75	83	84	85
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	(98)	102	(114)	(8)	10
Cash flow from operations	92	171	37	152	166
Capex - maintenance	-	-	-	-	-
Capex - new investment	(64)	(75)	(11)	(94)	(95)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(64)	(75)	(11)	(94)	(95)
Dividends paid	(109)	(97)	(61)	(69)	(64)
Equity finance	0	0	0	0	0
Debt finance	7	10	1	1	1
Other financing cash flows	-	-	-	-	-
Cash flow from financing	(102)	(87)	(60)	(68)	(62)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(74)	10	(34)	(9)	9
Free cash flow to firm (FCFF)	29.17	98.06	27.28	59.51	72.13
Free cash flow to equity (FCFE)	34.89	106.72	27.14	59.39	72.03

Per share (THB)

FCFF per share	0.04	0.13	0.04	0.08	0.10
FCFE per share	0.05	0.14	0.04	0.08	0.10
Recurring cash flow per share	0.25	0.09	0.20	0.21	0.21

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	1,044	983	993	1,003	1,013
Less: Accumulated depreciation	(651)	(651)	(651)	(651)	(651)
Tangible fixed assets (net)	392	332	342	352	362
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	132	142	107	98	107
A/C receivable	336	210	314	280	264
Inventories	44	42	63	65	61
Other current assets	345	336	340	335	336
Current assets	858	730	824	778	768
Other assets	19	35	37	39	41
Total assets	1,269	1,097	1,202	1,168	1,170
Common equity	1,046	943	950	957	964
Minorities etc.	0	0	0	0	0
Total shareholders' equity	1,046	943	950	957	964
Long term debt	42	49	50	51	52
Other long-term liabilities	3	4	3	4	5
Long-term liabilities	45	53	53	55	57
A/C payable	154	85	183	139	131
Short term debt	8	12	12	12	12
Other current liabilities	14	4	4	5	5
Current liabilities	176	101	199	156	149
Total liabilities and shareholders' equity	1,268	1,097	1,202	1,168	1,170
Net working capital	558	499	529	536	525
Invested capital	969	866	908	927	927

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	1.40	1.26	1.27	1.28	1.29
Tangible book value per share	1.40	1.26	1.27	1.28	1.29

Financial strength

Net debt/equity (%)	(7.8)	(8.5)	(4.7)	(3.6)	(4.4)
Net debt/total assets (%)	(6.4)	(7.3)	(3.7)	(3.0)	(3.6)
Current ratio (x)	4.9	7.2	4.1	5.0	5.2
CF interest cover (x)	77.9	117.9	32.5	128.6	139.9

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	13.5	(215.9)	20.3	18.2	19.7
Recurring P/E @ target price (x) *	17.6	(280.1)	26.4	23.6	25.5
Reported P/E (x)	13.0	2,767.7	20.3	18.2	19.7
Dividend yield (%)	7.6	2.2	4.4	4.9	4.6
Price/book (x)	1.3	1.5	1.5	1.4	1.4
Price/tangible book (x)	1.3	1.5	1.5	1.4	1.4
EV/EBITDA (x) **	6.1	19.0	7.9	7.5	7.7
EV/EBITDA @ target price (x) **	8.0	25.0	10.4	9.8	10.1
EV/invested capital (x)	1.3	1.5	1.5	1.5	1.5

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Pylon; FSSIA estimates

PYLON PCL (PYLON TB)

FSSIA ESG rating


18 /100

Exhibit 12: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 13: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings						Bloomberg	
	ESG score	DJSI	SET ESG	SET ESG Rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	67.71	5.69	4.38	4.05	4.77	4.43	4.02	Medium	57.34	BBB	22.70	60.82	67.31	1.19	35.34
Coverage	66.17	5.16	4.33	3.94	4.81	4.43	3.83	Medium	56.41	BBB	18.92	59.20	65.82	1.38	35.46
CK	43.00	--	--	A	5.00	4.00	--	High	52.84	B	--	49.14	22.00	2.62	57.10
PYLON	18.00	--	--	--	4.00	4.00	Certified	--	--	--	--	--	--	--	--
SEAFCO	14.00	--	--	--	5.00	4.00	--	--	--	--	--	--	--	--	--
STECON	15.38	--	--	A	--	--	--	--	--	--	--	--	22.00	--	52.54
SYNTEC	28.92	--	--	A	5.00	4.00	Certified	--	--	--	--	39.33	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 14: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
Environmental		Governance	
Climate change policy	Yes	Board size / Independent directors (ID) / Female	8 / 4 / 0
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	6 / 100%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	--	Number of non-executive directors on board	4
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	--	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	49 / 82
Waste reduction policy	Yes	Number of executives / female	6 / 0
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	--	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	73.33
Policy against child labor	Yes	Size of compensation committee	3 / 2
Quality assurance and recall policy	Yes	Number of compensation committee meetings	2
Consumer data protection policy	--	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	Size of nomination committee / ID	3 / 2
Gender pay gap breakout	--	Number of nomination committee meetings	2
Pct women in workforce	Yes	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	2.06
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	0.88
Health and safety policy	Yes	<i>(Proud in Pro Company Limited.)</i>	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	--		
Social supply chain management	Yes		

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for SETESG inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETESG Index is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainabilitys	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td>AAA</td><td>8.571-10.000</td><td rowspan="3">Leader:</td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td>AA</td><td>7.143-8.570</td></tr><tr><td>A</td><td>5.714-7.142</td></tr><tr><td>BBB</td><td>4.286-5.713</td><td rowspan="3">Average:</td><td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td></tr><tr><td>BB</td><td>2.857-4.285</td></tr><tr><td>B</td><td>1.429-2.856</td></tr><tr><td>CCC</td><td>0.000-1.428</td><td>Laggard:</td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities																		
AA	7.143-8.570																				
A	5.714-7.142																				
BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers																		
BB	2.857-4.285																				
B	1.429-2.856																				
CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks																		
Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

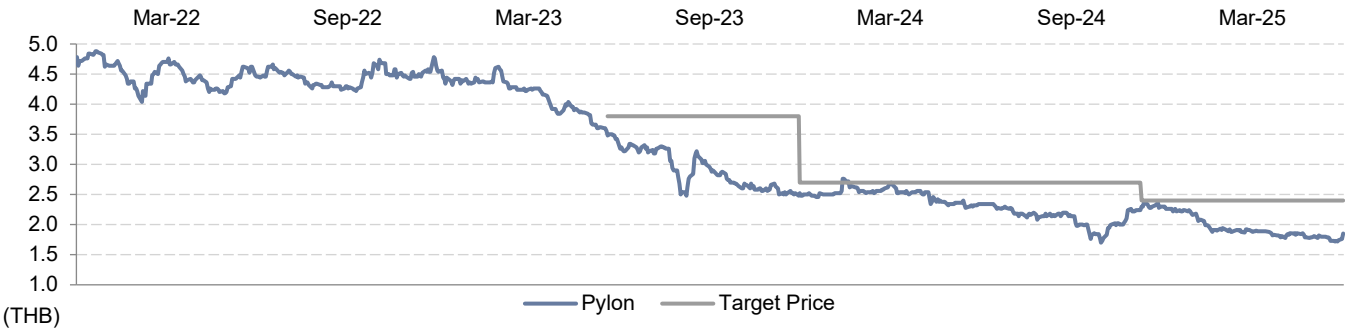
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

This report has been prepared by FSS International Investment Advisory Securities Company Limited (FSSIA). The information herein has been obtained from sources believed to be reliable and accurate; however FSSIA makes no representation as to the accuracy and completeness of such information. Information and opinions expressed herein are subject to change without notice. FSSIA has no intention to solicit investors to buy or sell any security in this report. In addition, FSSIA does not guarantee returns nor price of the securities described in the report nor accept any liability for any loss or damage of any kind arising out of the use of such information or opinions in this report. Investors should study this report carefully in making investment decisions. All rights are reserved.

This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

Pylon (PYLON TB)



Thanyatorn Songwutti started covering this stock from 14-Jun-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Pylon	PYLON TB	THB 1.85	BUY	Downside risks to our P/E-based TP include 1) fewer new projects than expected; 2) bidding delays for new projects; 3) political uncertainty; 4) delays in construction; 5) labour shortages; 6) higher raw material and labour costs; and 7) intense competition. Upside risks would be 1) a higher-than-expected additional backlog and new auctions; and 2) the sooner-than-expected commencement of the high-speed train project linking three airports.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 11-Mar-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

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

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a 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.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). 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 (N). 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 (U). 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.