

STECON GROUP STECON TB

THAILAND / CONSTRUCTION SERVICES

BUY
UNCHANGED

คาดการณ์ 1Q25 สดใส โตเด่น q-q และ y-y

- คาด 1Q25 พลิกเป็นกำไรสุทธิ 222 ล้านบาท จากขาดทุนใน 4Q24 และฐานต่ำใน 1Q24 หนุนจากเงินปันผลรับ GULF และอัตรากำไรขั้นต้นฟื้นตัว
- Backlog แข็งแกร่ง 1.22 แสนล้านบาท และมีโอกาสรับงานใหม่เติมอีกมาก
- ยังแนะนำซื้อ โดยประมาณการของเราอยู่บนสมมติฐานเชิงอนุรักษ์นิยมและยังไม่รวม Upside จากการเปลี่ยนบันทึกถไฟฟ้าขมพู-เหลืองซึ่งคาดเป็นผลบวกตั้งแต่ 2Q25

TARGET PRICE	THB8.00
CLOSE	THB7.40
UP/DOWNSIDE	+8.1%
PRIOR TP	THB8.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-0.1%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	30,005	32,000	32,777	33,710
Net profit	(2,357)	310	417	887
EPS (THB)	(1.55)	0.20	0.27	0.58
vs Consensus (%)	-	(45.2)	(42.4)	5.3
EBITDA	(139)	1,510	1,533	1,980
Recurring net profit	(1,268)	310	417	887
Core EPS (THB)	(0.83)	0.20	0.27	0.58
Chg. In EPS est. (%)	nm	-	-	-
EPS growth (%)	nm	nm	34.6	112.6
Core P/E (x)	(8.9)	36.3	27.0	12.7
Dividend yield (%)	-	1.4	1.9	3.9
EV/EBITDA (x)	(121.8)	11.1	11.4	9.0
Price/book (x)	0.6	0.6	0.6	0.6
Net debt/Equity (%)	29.7	28.6	31.7	33.0
ROE (%)	(7.2)	1.8	2.4	4.9

คาดงบ 1Q25 พลิกเป็นกำไรจากขาดทุนใน 4Q24 และเร่งตัวขึ้น y-y

เราประเมินผลประกอบการ 1Q25 พลิกเป็นกำไรสุทธิ 222 ล้านบาท จากขาดทุน -2.25 พันล้านบาทใน 4Q24 (ตั้งค่าเพื่อหนีสูญโครงการ CFP) และโตก้าวกระโดดจาก 1Q24 ที่มีกำไร 12 ล้านบาท ถือว่าเป็นระดับสูงสุดในรอบ 2 ปี บัญชีสนับสนุนจาก 1) เงินปันผลรับจาก GULF 222 ล้านบาท (ปกติรับใน 2Q) 2) อัตรากำไรขั้นต้นกลับสู่ระดับปกติ คาด 6% สูงสุดในรอบ 6 ปี (จาก -13% ใน 4Q24 และ 5.9% ใน 1Q24) เนื่องจากไม่ถูกกดดันจากงานอุโมงค์บึงหนองบอนหลังตั้งสำรองค่าใช้จ่ายล่วงหน้าใน 4Q24

Core Operation 1Q25 เกณฑ์ดี รายได้ทรงตัวได้แม้เป็น Low Season

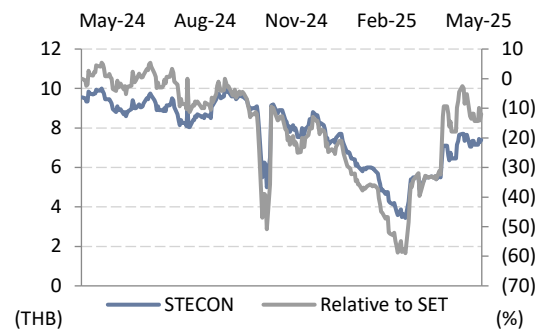
แม้ธุรกิจก่อสร้างใน 1Q มักชะลอลง q-q ตามปัจจัยฤดูกาล แต่คาดรายได้ 1Q25 ยืนได้ระดับ 7.6 พันล้านบาทใกล้เคียงกับ 4Q24 และโต 17% y-y ผลักดันจากการเร่งก่อสร้างโรงไฟฟ้า Solar 7 แห่ง ซึ่งเริ่มในช่วงปลายปี 2024 รวมถึงความคืบหน้าเพิ่มของโครงการ Mochit Complex, โรงไฟฟ้า, รถไฟฟ้าม่วงใต้ ขณะที่ส่วนแบ่งจากรถไฟฟ้าขมพู-เหลืองคาดขาดทุนน้อยลงที่ -128 ล้านบาท (จาก -130 ล้านบาทใน 4Q24 และ -146 ล้านบาทใน 1Q24) ตามการขยายตัวของจำนวนผู้โดยสาร

ภาพรวมปี 2025 Turnaround ขณะที่ประมาณการมี Upside Risk

แนวโน้มกำไร 2Q25 คาดอ่อนลง q-q เนื่องจากไม่มีปันผลรับจาก GULF แต่เร่งขึ้น y-y หนุนจากอัตรากำไรขั้นต้นฟื้นตัว รวมถึงมองว่ามีโอกาสที่ไม่มีส่วนแบ่งขาดทุนรถไฟฟ้าขมพู-เหลืองภายหลังผู้บริหารของ STECON ลาออกจากการบริหารของโครงการ ทำให้เปลี่ยนวิธีบันทึกบัญชีจากบริษัทรวมเป็นเงินลงทุน ขณะที่คาดการณ์กำไรปี 2025 ของเราที่ 310 ล้านบาท (เทียบกับขาดทุน -2.4 พันล้านบาทในปี 2024) บนสมมติฐานอัตรากำไรขั้นต้นระดับที่ 5% ต่ำกว่าเป้าบริษัทที่ 7% อีกทั้ง ยังไม่รวมผลบวกของการเปลี่ยนวิธีบันทึกถไฟฟ้าขมพู-เหลือง ซึ่งประเมินว่าจะส่งผลให้กำไรมีโอกาสปรับขึ้นเป็น 600 ล้านบาท รวมถึงโอกาสการได้รับเงินประกันค่าซ่อมอุโมงค์บึงหนองบอน

คงคำแนะนำซื้อ ราคาเหมาะสม 8 บาท

Backlog ปัจจุบันคาดเร่งขึ้นเป็น 1.22 แสนล้านบาท โดยใน 1Q25 รับงาน Data Center (1.6 พันล้านบาท) และล่าสุดชนะประมูลมอเตอร์เวย์ M7 ส่วนต่อขยายเชื่อมสนามบินอู่ตะเภา ด้วยราคาเสนอต่ำสุด 2.65 พันล้านบาท คาดเซ็นสัญญา 3Q25 ขณะที่มียกยภาพได้รับการเพิ่มเติมในช่วงที่เหลือของปีจากงานประมูลภาครัฐ อาทิ ทางด่วน, มอเตอร์เวย์, รถไฟฟ้าสีแดง นอกจากนี้ มีงานส่วนที่เหลือของโครงการ CFP ซึ่งปัจจุบัน TOP บอกลึกสัญญา EPC กับกลุ่ม UJV และอยู่ระหว่างจัดหาผู้รับเหมาหลักรายใหม่ ซึ่งมีโอกาสที่ STECON (1 ใน Sub-contractor รายเดิม) จะมีส่วนร่วมดำเนินงานเพื่อความต่อเนื่องของโครงการ โดย STECON มีงานส่วนที่เหลือจากโครงการดังกล่าวอยู่ราว 2.6 พันล้านบาท คงคำแนะนำซื้อ ราคาเหมาะสม 8 บาท (อิง PBV 0.7x)



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	12.1	51.6	(26.0)
Relative to country (%)	(0.1)	61.1	(15.8)
Mkt cap (USD m)	342		
3m avg. daily turnover (USD m)	2.3		
Free float (%)	66		
Major shareholder	Charnvirakul family (24%)		
12m high/low (THB)	10.20/3.38		
Issued shares (m)	1,525.11		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

ผลการดำเนินงานปี 2024 พลิกเป็นขาดทุนในรอบ 6 ปี มีสาเหตุหลักจากการตั้งค่าเผื่อหนี้สูญโครงการ CFP และค่าซ่อมล่วงหน้าของอุโมงค์ระบายน้ำบึงหนองบอน อย่างไรก็ตาม ผู้บริหารเชื่อมั่นว่าค่าใช้จ่ายต่างๆถูกตั้งสำรองทั้งหมดแล้วใน 4Q24 ขณะที่แนวโน้มผลประกอบการจะฟื้นตัวดีตั้งแต่ 1Q25 และ Turnaround ในปี 2025 หลังอัตราค่าไถ่ขั้นต่ำไม่ถูกค่าซ่อมบึงหนองบอนกดดัน อีกทั้ง มีประเด็นที่จะเป็น Upside จากโอกาสการเปลี่ยนวิธีรับรัฐไฟฟ้าชุมชน-เหลือเป็นเงินลงทุน และการได้รับเงินเคลมประกันจากบึงหนองบอน

Company profile

STEC ก่อตั้งในปี 1962 ประกอบธุรกิจหลักคือรับเหมาก่อสร้าง รับงานทั้งภาครัฐและเอกชน ตั้งแต่โครงการขนาดกลางถึงขนาดใหญ่ แบ่งเป็น 5 ประเภทคือ ด้านสาธารณูปโภค ด้านอาคาร ด้านพลังงาน ด้านอุตสาหกรรม และด้านสิ่งแวดล้อม โดยในปี 2024 มีสัดส่วนรายได้จากงานภาคเอกชน 73% และภาครัฐ 23% หากพิจารณาตามประเภทงาน จะมีสัดส่วนมากที่สุดจากงานก่อสร้างโรงไฟฟ้า 36% รองลงมาเป็นงานก่อสร้างสาธารณูปโภค 29% และงานอาคาร 26% ของรายได้รวม

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Principal activities (revenue, 2024)

■ Construction - 99.7 %

■ Sales and service - 0.3 %

Source: Stecon Group

Major shareholders

■ Charnvirakul family - 23.6 %

■ Others - 76.4 %

Source: Stecon Group

Catalysts

ปัจจัยหนุนการเติบโตคือ 1) การเข้าร่วมประมูลงานใหม่ โดยเฉพาะงานโครงสร้างพื้นฐานของภาครัฐ และงานภาคเอกชนขนาดใหญ่ 2) การขยายการลงทุนในธุรกิจใหม่ 3) การเปลี่ยนวิธีการบันทึกบัญชีโครงการรถไฟฟ้าชุมชน-เหลือ จากปัจจุบันที่เป็นบริษัทร่วมเป็นเงินลงทุน 4) การได้รับเงินเคลมประกันค่าซ่อมของงานอุโมงค์ระบายน้ำบึงหนองบอน 5) การได้รับชำระหนี้คืนจากกลุ่ม UJV ในโครงการ CFP

Risks to our call

ความเสี่ยงต่อประมาณการ 1) ความผันผวนของอัตราค่าไถ่ขั้นต่ำ 2) ความล่าช้าและค่าใช้จ่ายซ่อมแซมเพิ่มของโครงการระบายน้ำบึงหนองบอน 3) กรอบเวลาการเริ่มก่อสร้างงานสนามบินอู่ตะเภาล่าช้า 4) ความล่าช้าของการเปิดประมูลงานใหม่ 5) ผลขาดทุนบริษัทรวมมากกว่าคาด

Event calendar

Date	Event
14 May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Revenue (THB m)	32,000	32,777	33,710
GPM (%)	5.0	5.0	6.3
SG&A to revenue (%)	2.9	3.0	3.1
Associates (THB m)	(480)	(360)	(200)

Source: FSSIA estimates

Earnings sensitivity

- For every 2% increase in revenue, we estimate 2025 net profit to rise by 10%, and vice versa, all else being equal.
- For every 0.25% increase in GPM, we estimate 2025 net profit to rise by 21%, and vice versa, all else being equal.
- For every 0.1% increase in SG&A to revenue, we estimate 2025 net profit to fall by 8%, and vice versa, all else being equal

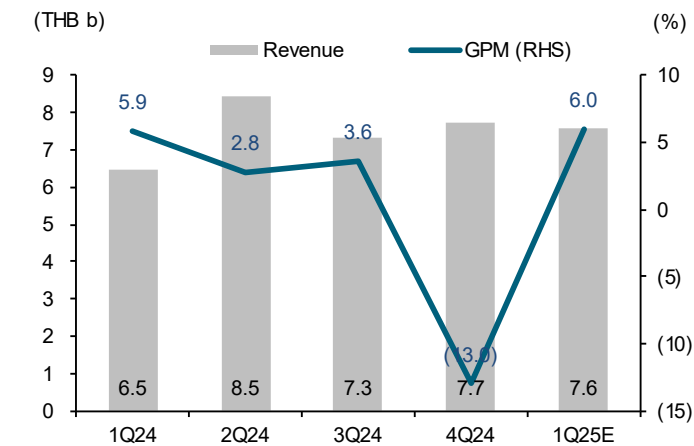
Source: FSSIA estimates

Exhibit 1: STECON – 1Q25 results preview

	1Q24	2Q24	3Q24	4Q24	1Q25E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	6,484	8,457	7,349	7,715	7,600	(1.5)	17.2
Cost of sales	6,104	8,221	7,081	8,717	7,144	(18.0)	17.0
Gross profit	380	236	268	(1,002)	456	(145.5)	20.0
SG&A	198	242	235	171	200	16.8	1.1
Operating profit	182	(6)	33	(1,173)	256	(121.8)	40.5
Other income	55	240	22	23	239	945.2	331.2
Interest expense	35	32	37	54	54	0.4	54.1
Tax expense	(42)	(6)	(19)	135	(88)	na	na
Associates	(146)	(166)	(142)	(130)	(128)	na	(12.4)
Reported net profit	12	25	(147)	(2,247)	222	na	1,771.1
Core profit	12	25	(147)	(1,158)	222	na	1,771.1
Key ratios (%)						(ppt)	(ppt)
Gross margin	5.9	2.8	3.6	(13.0)	6.0	19.0	0.1
SG&A / Sales	3.1	2.9	3.2	2.2	2.6	0.4	(0.4)
Operating margin	2.8	(0.1)	0.5	(15.2)	3.4	18.6	0.6
Net margin	0.2	0.3	(2.0)	(29.1)	2.9	32.0	2.7
Norm margin	0.2	0.3	(2.0)	(15.0)	2.9	17.9	2.7

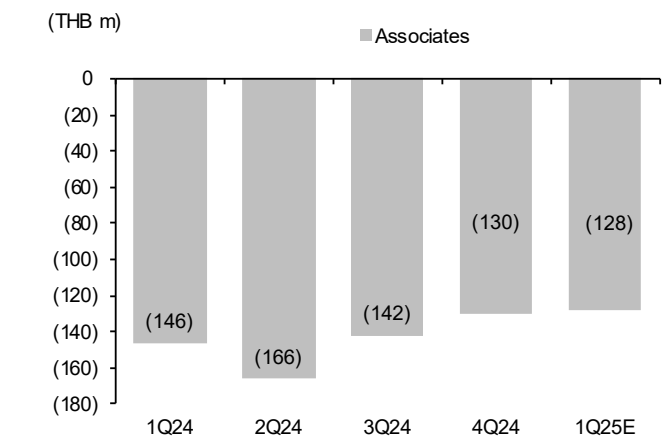
Sources: STECON; FSSIA estimates

Exhibit 2: Quarterly revenue and GPM



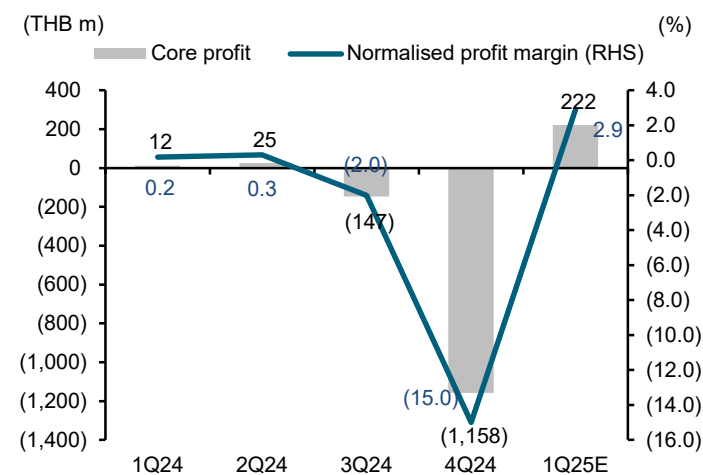
Sources: STECON; FSSIA estimates

Exhibit 3: Quarterly associates



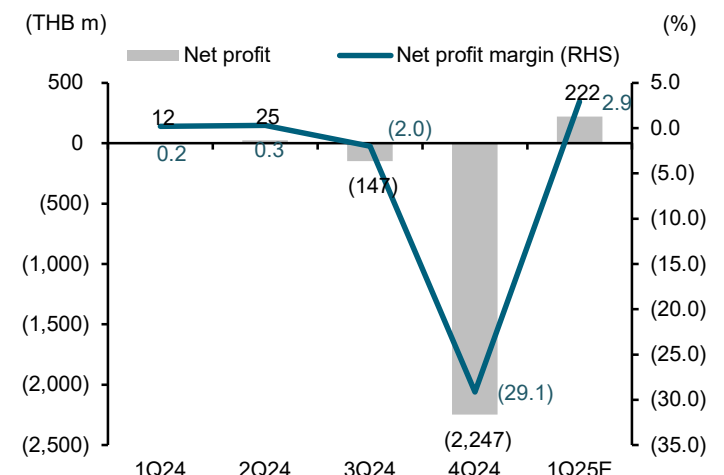
Sources: STECON; FSSIA estimates

Exhibit 4: Quarterly core profit and norm profit margin



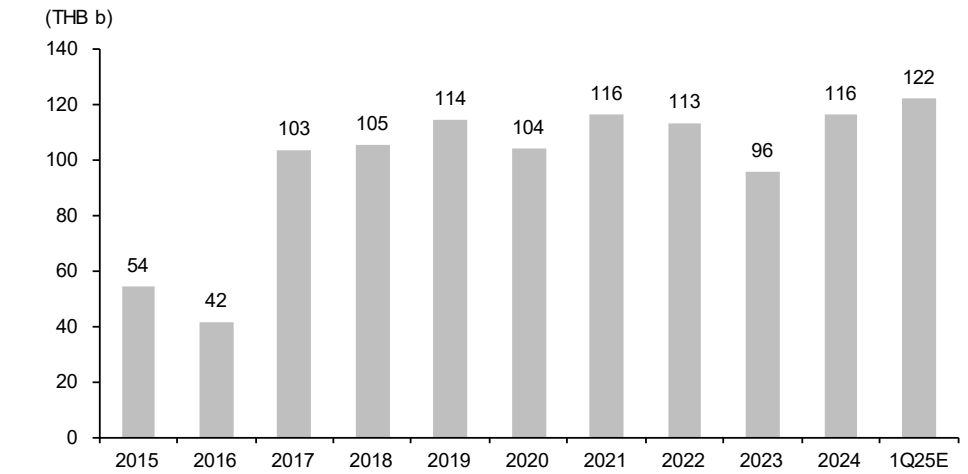
Sources: STECON; FSSIA estimates

Exhibit 5: Quarterly net profit and NPM



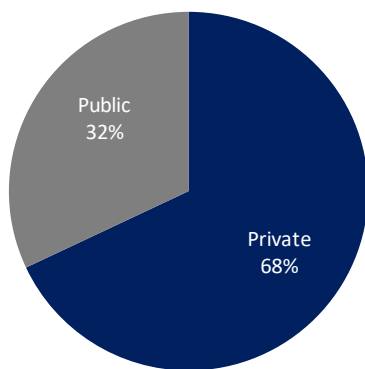
Sources: STECON; FSSIA estimates

Exhibit 6: Backlog



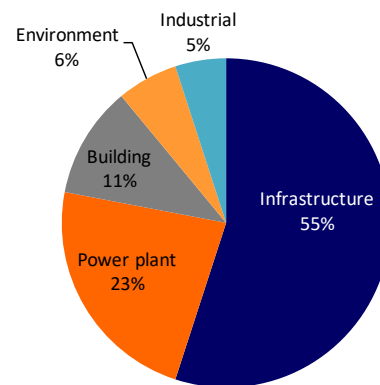
Sources: STECON; FSSIA estimates

Exhibit 7: Backlog breakdown by client type



Source: STECON

Exhibit 8: Backlog breakdown by work



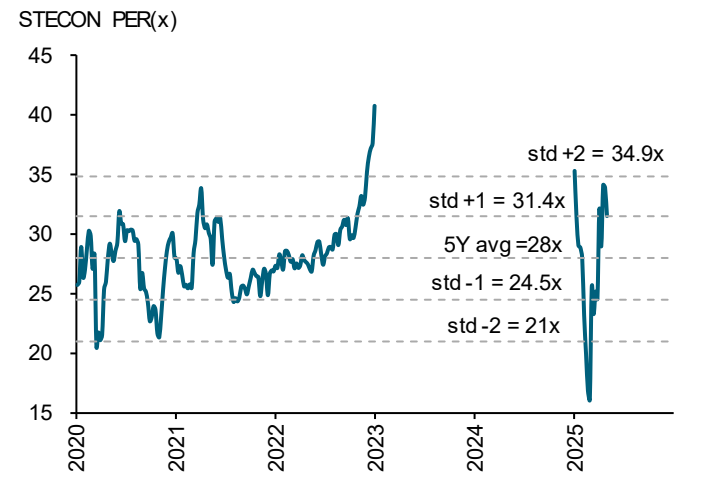
Source: STECON

Exhibit 9: Targeted projects

Type of work	Project	Project owner	Contract value (THB m)	Project status
Motorway	Utraphimuk Elevated, Rangsit-Bang Pa-In (M5)	DOH	28,360	The cabinet approved on 24 Dec 24
	Bang Khun Thian-Bang Bua Thong (M9)	DOH	56,035	Proposing the Cabinet and expect to open for bidding in 2024
	The Intercity Motorway No.7-Extension to U-Tapao Airport (M7)	DOH	4,508	Bidding in progress
	Bang Khun Thian – Ban Phaeo (M82)	DOH	15,724 (O&M work)	Expect to open for bidding in 2026
Expressway	Expressway N2 (Prasertmanukit-Outer Ring Road East section)	EXAT	16,960	Expect to open for bidding in 2025
	Kratuu-Patong Expressway	EXAT	17,811	
Electrified Train	Brown Line : Khae Rai-Lumsalee	MRTA	41,720	Expect to propose to the Cabinet in 2Q25
	Dark Red Line : Thammasart-Mahachai	SRT	6,468	The cabinet approved on 7 Jan 25
	Light Red Line : Salaya-Hua Mark	SRT	15,364	Proposing the Cabinet and expect to open for bidding in 2025
Double Track Railway	Jira Junction-Ubonratchathani section	SRT	37,527	Expect to open for bidding in 2025
	Paknam Pho-Denchai section	SRT	62,860	
	Surat Thani-Hat Yai-Songkhla section	SRT	57,375	
Airports	Suvarnabhumi airport east expansion	AOT	11,000	Expect to open for bidding in 2025
	Don Mueang airport expansion	AOT	35,000	
	Chiang mai airport expansion	AOT	14,000	
Data Center		STEC's own invest	10,000	Negotiating process and expect construction begin in 2025
Renewable power plants		Private	11,800	Expect to open for bidding in 2025
Infrastructure		Private	15,000	
Commercial building		Private	3,900	
Total			461,412	

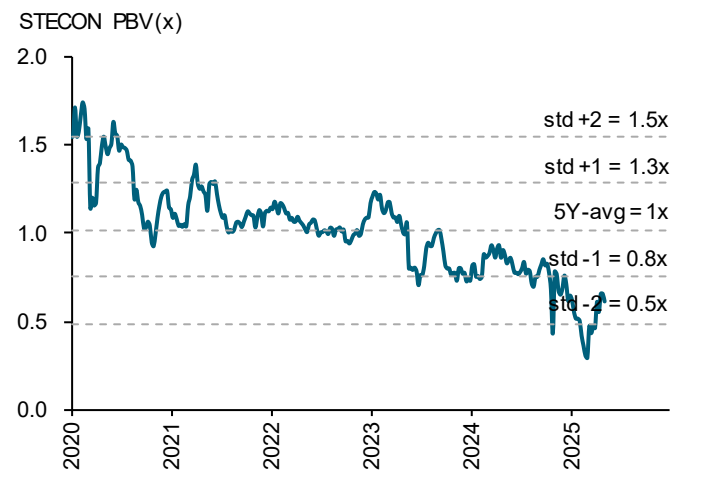
Sources: STECON; FSSIA's compilation

Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Stecon Group

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	29,598	30,005	32,000	32,777	33,710
Cost of goods sold	(28,299)	(30,123)	(30,400)	(31,138)	(31,577)
Gross profit	1,299	(118)	1,600	1,639	2,133
Other operating income	-	-	-	-	-
Operating costs	(834)	(846)	(935)	(971)	(1,037)
Operating EBITDA	1,270	(139)	1,510	1,533	1,980
Depreciation	(805)	(825)	(845)	(865)	(885)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	464	(964)	665	668	1,095
Net financing costs	(1)	(125)	(123)	(123)	(123)
Associates	(70)	(584)	(480)	(360)	(200)
Recurring non-operating income	151	(277)	(168)	(49)	111
Non-recurring items	23	(1,089)	0	0	0
Profit before tax	637	(2,456)	375	496	1,083
Tax	(102)	68	(75)	(99)	(217)
Profit after tax	536	(2,388)	300	397	867
Minority interests	(10)	31	10	20	20
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	526	(2,357)	310	417	887
Non-recurring items & goodwill (net)	(23)	1,089	0	0	0
Recurring net profit	502	(1,268)	310	417	887
Per share (THB)					
Recurring EPS *	0.33	(0.83)	0.20	0.27	0.58
Reported EPS	0.34	(1.55)	0.20	0.27	0.58
DPS	0.17	0.00	0.10	0.14	0.29
Diluted shares (used to calculate per share data)	1,525	1,519	1,519	1,519	1,519
Growth					
Revenue (%)	(2.4)	1.4	6.6	2.4	2.8
Operating EBITDA (%)	(29.2)	nm	nm	1.5	29.2
Operating EBIT (%)	(38.4)	nm	nm	0.4	64.0
Recurring EPS (%)	(38.8)	nm	nm	34.6	112.6
Reported EPS (%)	(38.7)	nm	nm	34.6	112.6
Operating performance					
Gross margin inc. depreciation (%)	4.4	(0.4)	5.0	5.0	6.3
Gross margin exc. depreciation (%)	7.1	2.4	7.6	7.6	9.0
Operating EBITDA margin (%)	4.3	(0.5)	4.7	4.7	5.9
Operating EBIT margin (%)	1.6	(3.2)	2.1	2.0	3.2
Net margin (%)	1.7	(4.2)	1.0	1.3	2.6
Effective tax rate (%)	16.0	2.8	20.0	20.0	20.0
Dividend payout on recurring profit (%)	52.3	-	50.0	50.0	50.0
Interest cover (X)	566.9	(9.9)	4.1	5.0	9.8
Inventory days	7.4	10.9	11.1	9.0	9.1
Debtor days	124.3	133.5	135.3	137.1	136.8
Creditor days	319.5	267.0	275.8	281.2	284.6
Operating ROIC (%)	(9.8)	229.3	(172.0)	(93.5)	(101.2)
ROIC (%)	2.6	(4.2)	1.5	1.9	3.5
ROE (%)	2.7	(7.2)	1.8	2.4	4.9
ROA (%)	1.0	(2.4)	0.8	0.9	1.7
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Construction	29,527	29,930	31,900	32,577	33,460
Sales and service	71	75	100	200	250

Sources: Stecon Group; FSSIA estimates

Financial Statements

Stecon Group

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	502	(1,268)	310	417	887
Depreciation	805	825	845	865	885
Associates & minorities	-	-	-	-	-
Other non-cash items	23	(1,089)	0	0	0
Change in working capital	(2,001)	2,340	609	431	494
Cash flow from operations	(670)	808	1,764	1,713	2,266
Capex - maintenance	-	-	-	-	-
Capex - new investment	(574)	(1,349)	(1,107)	(975)	(913)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	1,585	(4,098)	(318)	(1,306)	(1,374)
Cash flow from investing	1,011	(5,447)	(1,425)	(2,281)	(2,287)
Dividends paid	(210)	0	(124)	(167)	(355)
Equity finance	0	(14)	0	0	0
Debt finance	(111)	345	(29)	9	9
Other financing cash flows	(2,770)	2,636	(38)	214	69
Cash flow from financing	(3,091)	2,966	(191)	56	(277)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(2,751)	(1,672)	149	(512)	(298)
Free cash flow to firm (FCFF)	383.73	(4,480.49)	497.35	(407.73)	140.66
Free cash flow to equity (FCFE)	(2,540.29)	(1,658.03)	272.70	(344.69)	56.79
Per share (THB)					
FCFF per share	0.25	(2.94)	0.33	(0.27)	0.09
FCFE per share	(1.67)	(1.09)	0.18	(0.23)	0.04
Recurring cash flow per share	0.87	(1.01)	0.76	0.84	1.17
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	10,174	10,683	11,217	11,778	12,366
Less: Accumulated depreciation	(5,467)	(5,452)	(5,725)	(6,176)	(6,736)
Tangible fixed assets (net)	4,707	5,231	5,492	5,602	5,630
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	2	0	0	0
Invest. in associates & subsidiaries	21,342	24,512	25,738	27,025	28,376
Cash & equivalents	4,242	2,570	2,719	2,207	1,909
A/C receivable	10,386	11,559	12,160	12,455	12,810
Inventories	698	1,054	736	754	775
Other current assets	5,309	4,899	5,600	5,656	5,713
Current assets	20,636	20,082	21,215	21,072	21,207
Other assets	764	1,690	784	803	826
Total assets	47,449	51,516	53,229	54,502	56,039
Common equity	17,701	17,411	17,597	17,847	18,379
Minorities etc.	371	432	422	402	382
Total shareholders' equity	18,072	17,843	18,019	18,249	18,761
Long term debt	265	610	581	590	599
Other long-term liabilities	2,415	2,908	2,880	3,114	3,202
Long-term liabilities	2,680	3,518	3,461	3,703	3,801
A/C payable	21,244	21,619	23,040	23,599	24,271
Short term debt	5,082	7,255	7,300	7,400	7,500
Other current liabilities	373	1,281	1,409	1,550	1,705
Current liabilities	26,698	30,156	31,749	32,550	33,476
Total liabilities and shareholders' equity	47,449	51,516	53,229	54,502	56,039
Net working capital	(5,222)	(5,389)	(5,953)	(6,284)	(6,679)
Invested capital	21,591	26,046	26,061	27,146	28,153
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	11.61	11.46	11.58	11.75	12.10
Tangible book value per share	11.61	11.46	11.58	11.75	12.10
Financial strength					
Net debt/equity (%)	6.1	29.7	28.6	31.7	33.0
Net debt/total assets (%)	2.3	10.3	9.7	10.6	11.0
Current ratio (x)	0.8	0.7	0.7	0.6	0.6
CF interest cover (x)	(1,811.6)	(1.5)	12.2	6.1	8.9
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	22.5	(8.9)	36.3	27.0	12.7
Recurring P/E @ target price (x) *	24.3	(9.6)	39.2	29.1	13.7
Reported P/E (x)	21.5	(4.8)	36.3	27.0	12.7
Dividend yield (%)	2.3	-	1.4	1.9	3.9
Price/book (x)	0.6	0.6	0.6	0.6	0.6
Price/tangible book (x)	0.6	0.6	0.6	0.6	0.6
EV/EBITDA (x) **	10.1	(121.8)	11.1	11.4	9.0
EV/EBITDA @ target price (x) **	10.8	(128.3)	11.7	12.0	9.5
EV/invested capital (x)	0.6	0.7	0.6	0.6	0.6
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Stecon Group; FSSIA estimates

Stecon Group (STECON TB)

FSSIA ESG rating

n/a

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.

Sources: FSSIA estimates

Exhibit 13: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		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	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
CK	42.81	--	--	AA	5.00	4.00	--	High	51.88	B	--	49.11	22.00	2.58	57.10
ITD	10.63	--	--	--	--	4.00	--	Severe	--	--	--	--	13.00	--	--
PYLON	18.00	--	--	--	4.00	4.00	Certified	--	--	--	--	--	--	--	--
SEAFCO	14.00	--	--	--	5.00	4.00	--	--	--	--	--	--	--	--	--
STECON	n/a	--	--	AA	--	--	--	--	--	--	--	--	22.00	3.01	52.54

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

Exhibit 14: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	1.44	1.46	1.40	1.40	1.45	1.72	1.73	3.01
BESG environmental pillar score	0.00	0.00	0.00	0.00	0.00	0.40	0.40	1.32
BESG social pillar score	2.10	2.10	2.10	2.10	2.10	2.18	2.22	4.85
BESG governance pillar score	4.00	4.10	3.76	3.75	4.07	4.06	4.02	4.05
ESG disclosure score	31.84	31.84	31.84	33.23	34.92	45.38	46.50	52.54
Environmental disclosure score	0.00	0.00	0.00	0.00	0.00	10.45	16.43	32.74
Social disclosure score	14.24	14.24	14.24	18.41	20.98	33.16	30.56	32.38
Governance disclosure score	81.10	81.10	81.10	81.10	83.59	92.35	92.35	92.35
Environmental								
Emissions reduction initiatives	No	No	No	No	No	No	No	Yes
Climate change policy	No	No	No	No	No	No	No	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	Yes	Yes	Yes
GHG scope 1	—	—	—	—	—	—	0	1
GHG scope 2 location-based	—	—	—	—	—	—	0	0
GHG Scope 3	—	—	—	—	—	—	0	0
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	No	Yes
Energy efficiency policy	No	No	No	No	No	No	No	Yes
Total energy consumption	—	—	—	—	—	0	3	3
Renewable energy use	—	—	—	—	—	—	—	—
Electricity used	—	—	—	—	—	0	1	1
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 15: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	No	No	No	No	No	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—	—
Total waste	—	—	—	—	—	0	0	0
Waste recycled	—	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	No	No	No	Yes
Water policy	No	No	No	No	No	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—	—
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	No	No	No	No	Yes
Quality assurance and recall policy	No	No	No	No	No	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	—	—	—	—	—	—	36	27
Pct disabled in workforce	—	—	—	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	0	0	0
Total recordable incident rate - employees	—	—	—	—	—	0	0	0
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	1,231	1,377	1,513	1,652	1,754	1,720	1,669	1,593
Employee turnover pct	—	—	—	—	7	10	13	10
Total hours spent by firm - employee training	31,138	41,280	49,015	54,589	7,708	11,593	15,772	15,930
Social supply chain management	No	No	No	No	No	No	No	Yes
Governance								
Board size	12	12	12	11	11	11	11	12
No. of independent directors (ID)	7	7	7	6	7	7	7	7
No. of women on board	1	1	1	1	1	1	1	1
No. of non-executive directors on board	8	8	8	8	8	8	8	8
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	5	7	5	10	8	7	4	4
Board meeting attendance pct	100	98	98	89	100	99	100	96
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	40	41	42	43	44	45	51	52
Age of the oldest director	72	73	75	76	77	77	78	79
No. of executives / company managers	20	21	20	17	20	20	20	21
No. of female executives	4	5	5	4	5	5	5	6
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	3	3	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3	3	3	3
Audit committee meetings	6	7	5	8	8	11	5	8
Audit meeting attendance %	100	100	100	97	100	100	100	100
Size of compensation committee	3	3	3	3	3	3	3	3
No. of ID on compensation committee	2	2	2	2	2	2	2	2
No. of compensation committee meetings	2	3	2	2	3	3	3	4
Compensation meeting attendance %	100	100	100	100	100	100	100	100
Size of nomination committee	3	3	3	3	3	3	3	3
No. of nomination committee meetings	2	3	2	2	3	3	3	4
Nomination meeting attendance %	100	100	100	100	100	100	100	100
Sustainability governance								
Verification type	No	No	No	No	No	No	No	No

Sources: Bloomberg; 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 Sustainabilitycs	The Sustainabilitycs' 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
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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

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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.

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History of change in investment rating and/or target price

Stecon Group (STECON TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-May-2022	BUY	15.40	05-Jan-2024	HOLD	10.00	07-Aug-2024	REDUCE	8.00
17-Aug-2022	HOLD	13.00	07-May-2024	REDUCE	9.60	06-Mar-2025	BUY	8.00

Thanyatorn Songwutti started covering this stock from 05-Jan-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Stecon Group	STECON TB	THB 7.40	BUY	Downside risks to our TP include 1) volatility of the gross margin, 2) a delay and additional repair expenses on the Bueng Nong Bon drainage tunnel project, 3) a delay in the commencement of its construction of U-Tapao Airport, 4) a delay in new auctions, and 5) a higher-than-expected loss sharing from associates.

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 08-May-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.