

STECON GROUP STECON TB

THAILAND / CONSTRUCTION SERVICES

BUY

UNCHANGED

เดินหน้าเติบโตดีตามแผน

- โครงการประชุมเป็นบวก บริษัทคงเป้าปี 2025 รายได้ +7% y-y และ GPM 7%
- Backlog แข็งแกร่ง 1.25 แสนล้านบาท และยังมีงานใหม่ 5 หมื่นล้านบาท โดย YTD รับแล้ว 1.8 หมื่นล้านบาท พร้อมมีศักยภาพเพิ่มใน 2H25
- ปรับเพิ่มประมาณการปี 2025 สะท้อน GPM มากกว่าคาดและไม่มีส่วนแบ่งขาดทุน รถไฟฟ้าซมพ-เหลืองตั้งแต่ 2Q25 ปรับราคาเหมาะสมขึ้นเป็น 9.50 บาท ยังแนะนำซื้อ

TARGET PRICE	THB9.50
CLOSE	THB7.00
UP/DOWNSIDE	+35.7%
PRIOR TP	THB8.00
CHANGE IN TP	+18.8%
TP vs CONSENSUS	+4.8%

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	30,005	31,616	32,583	33,217
Net profit	(2,357)	934	1,023	1,050
EPS (THB)	(1.55)	0.61	0.67	0.69
vs Consensus (%)	-	24.5	9.7	0.1
EBITDA	(139)	2,104	2,165	2,214
Recurring net profit	(1,268)	934	1,023	1,050
Core EPS (THB)	(0.83)	0.61	0.67	0.69
Chg. In EPS est. (%)	nm	201.6	145.4	18.4
EPS growth (%)	nm	nm	9.5	2.6
Core P/E (x)	(8.4)	11.4	10.4	10.1
Dividend yield (%)	-	4.3	4.3	4.3
EV/EBITDA (x)	(117.4)	7.6	7.4	7.4
Price/book (x)	0.6	0.6	0.6	0.6
Net debt/Equity (%)	29.7	26.3	26.2	27.3
ROE (%)	(7.2)	5.3	5.6	5.6

ภาพธุรกิจก่อสร้างสดี คงเป้ารายได้ และ GPM

บริษัทคงเป้าหมายรายได้ปีนี้ที่ 3.2 หมื่นล้านบาท (+7% y-y) โดย 1Q25 คิดเป็น 20% ของเป้าทั้งปี ไม่เม้นต์ม 2Q-4Q25 รายได้ก่อสร้างคาดเร่งขึ้น q-q ทุกไตรมาส จากความคืบหน้าก่อสร้างของงานในมือโดยเฉพาะโรงไฟฟ้า Solar 7 แห่ง รวมถึงงานใหม่ Data center ที่เริ่มรับรู้ใน 2Q25 ด้านอัตรากำไรขั้นต้นก่อสร้าง คงเป้าหมายที่ 7% สูงสุดในรอบ 6 ปี โดย 1Q25 อยู่ที่ 7.3% และในช่วงที่เหลือของปีจะมีปัจจัยสนับสนุนจากสัดส่วนรายได้ที่เพิ่มขึ้นของงานมาร์จิ้นดีอย่างโรงไฟฟ้า รวมถึงผลของการเน้นควบคุมต้นทุนอย่างมีประสิทธิภาพด้วยการนำเทคโนโลยีเข้ามาใช้

มั่นใจเป้ารับงานใหม่ 5 หมื่นล้านบาท คาดหวังงานประมูลมากขึ้นใน 2H25

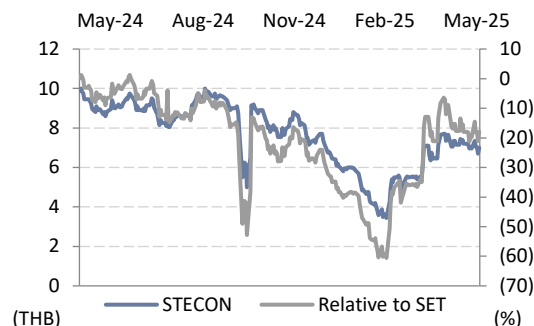
Backlog ปัจจุบัน 1.25 แสนล้านบาท ขณะที่บริษัทยังมั่นใจต่อเป้ารับงานใหม่ปีนี้ 5 หมื่นล้านบาท โดย 1Q25 เซ็นสัญญาใหม่เป็น Data center มูลค่า 1.5 หมื่นล้านบาท และล่าสุดได้รับเป็นผู้ชนะโครงการมอเตอร์เวย์ M7 ส่วนต่อขยายเชื่อมต่อนามบินอู่ตะเภา ด้วยราคาเสนอต่ำสุดที่ 2.7 พันล้านบาท นอกจากนี้ มีแผนเข้าร่วมประมูลงานภาครัฐที่จะถูกผลักดันมากขึ้นใน 2H25 อาทิ มอเตอร์เวย์ รถไฟฟ้าทางคู่ รถไฟฟ้าความเร็วสูง รวมถึงงานเอกชนที่บริษัทเชี่ยวชาญอย่างโรงไฟฟ้า Solar อีกทั้ง มีโอกาสเข้ามีส่วนร่วมในโครงการ CFP อีกครั้งในฐานะเป็น 1 ใน Sub-contractor รายเดิม

ปรับเพิ่มประมาณการกำไร ทิศทางปี 2025 ยืนยันภาพ Turnaround

เราปรับเพิ่มประมาณการกำไรปี 2025-27 โดยปรับสมมติฐาน 1) ปรับเพิ่มอัตรากำไรขั้นต้นก่อสร้าง หลังไม่มีค่าซ่อมมูโงคังบึงหนองบอนตั้งแต่ 1Q25 และ Project Mix จากรับรู้งานมาร์จิ้นดี 2) ไม่มีส่วนแบ่งขาดทุนจากรถไฟฟ้าสายสีชมพู-เหลืองตั้งแต่ 2Q25 (ปกติมีส่วนแบ่งขาดทุนราว 120-150 ล้านบาท/ไตรมาส) จากการเปลี่ยนวิธีบันทึกบัญชีจากบริษัทร่วมเป็นเงินลงทุนระยะยาว ภายหลังผู้บริหารลาออกจากคณะกรรมการโครงการ (STECON ถือ 15%) และไม่มีอำนาจควบคุม ส่งผลให้ปี 2025 เราคาดกำไรสุทธิที่ 934 ล้านบาท (พลิกจากขาดทุนในปี 2024 ที่ -2.4 พันล้านบาท) แนวโน้มกำไร 2Q25 คาดโตเด่น y-y แต่อ่อนลง q-q เนื่องจากไม่มีปันผลรับจาก GULF เหมือนใน 1Q25 อย่างไรก็ดี Core Operation ธุรกิจก่อสร้างคาดเร่งขึ้นต่อ q-q, y-y

ปรับราคาเหมาะสมขึ้นเป็น 9.50 บาท คงคำแนะนำซื้อ

เราปรับเพิ่มราคาเหมาะสมเป็น 9.50 บาท (จากเดิม 8 บาท) อิง PBV 0.8x (ค่าเฉลี่ยย้อนหลัง 5 ปี -0.75SD) คงคำแนะนำซื้อ จากภาพธุรกิจปีนี้ที่ Turnaround ผลักดันด้วยการเติบโตธุรกิจก่อสร้างหลังไม่ถูกกดดันจากงานที่ไม่มีมาร์จิ้น รวมถึงรถไฟฟ้าซมพ-เหลืองคาดไม่มีบันทึกส่วนแบ่งขาดทุนเข้ามาตั้งแต่ 2Q25 อีกทั้ง มี Upside Risk ที่ยังไม่รวมในประมาณการ จากความคืบหน้าของการเคลมประกันของค่าซ่อมมูโงคังบึงหนองบอน (ค่าซ่อมเกิดขึ้นราว 1 พันล้านบาท) โดยบริษัทคาดว่าจะได้รับเงินในช่วง 2Q-3Q25 ทำให้บวกกลับส่วนของต้นทุนหนุนให้อัตรากำไรขั้นต้นเพิ่มขึ้นอย่างมีนัย



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.8)	95.5	(29.6)
Relative to country (%)	(6.6)	107.1	(18.2)
Mkt cap (USD m)	325		
3m avg. daily turnover (USD m)	2.4		
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 อย่างไรก็ดี ผู้บริหารเชื่อมั่นว่าค่าใช้จ่ายต่างๆ ถูกตั้งสำรองทั้งหมดแล้วใน 4Q24 ขณะที่แนวโน้มผลประกอบการจะ Turnaround ในปี 2025 หลังอัตรากำไรขั้นต้นไม่ถูกค่าซ่อมบึงหนองบอนกดดันตั้งแต่ 1Q25 รวมถึงคาดไม่มีส่วนแบ่งขาดทุนจากรถไฟฟ้าชมพู-เหลืองตั้งแต่ 2Q25 หลังการเปลี่ยนวิธีการบันทึกบัญชีเป็นเงินลงทุน นอกจากนี้ มีโอกาสได้รับเงินเคลมประกันจากบึงหนองบอน

Company profile

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

www.stecon.co.th

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 โดยเฉพาะงานก่อสร้างพื้นฐานของภาครัฐ และงานภาคเอกชนขนาดใหญ่ 2) การขยายการลงทุนในธุรกิจใหม่ 3) การเปลี่ยนวิธีการบันทึกบัญชีโครงการรถไฟฟ้าชมพู-เหลือง จากปัจจุบันที่เป็นวิธีร่วมเป็นเงินลงทุน 4) การได้รับเงินเคลมประกันค่าซ่อมของงานอุโมงค์ระบายน้ำบึงหนองบอน 5) การได้รับชำระหนี้คืนจากกลุ่ม UJV ในโครงการ CFP

Risks to our call

ความเสี่ยงต่อประมาณการ 1) ความผันผวนของอัตรากำไรขั้นต้น 2) ความล่าช้าและค่าใช้จ่ายซ่อมแซมเพิ่มของโครงการระบายน้ำบึงหนองบอน 3) กรอบเวลาการเริ่มก่อสร้างงานสนามบินอู่ตะเภาล่าช้า 4) ความล่าช้าของการเปิดประมูลงานใหม่ 5) ผลขาดทุนบริษัทร่วมมากกว่าคาด

Event calendar

Date	Event
August 2025	2Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Revenue (THB m)	31,616	32,583	33,217
GPM (%)	6.8	6.8	6.8
SG&A to revenue (%)	2.8	2.8	2.8
Associates (THB m)	(180)	(80)	(75)

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in construction revenue, we estimate 2025 net profit to rise by 5%, and vice versa, all else being equal.
- For every 0.25% increase in construction GPM, we estimate 2025 net profit to rise by 7%, 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 3%, and vice versa, all else being equal

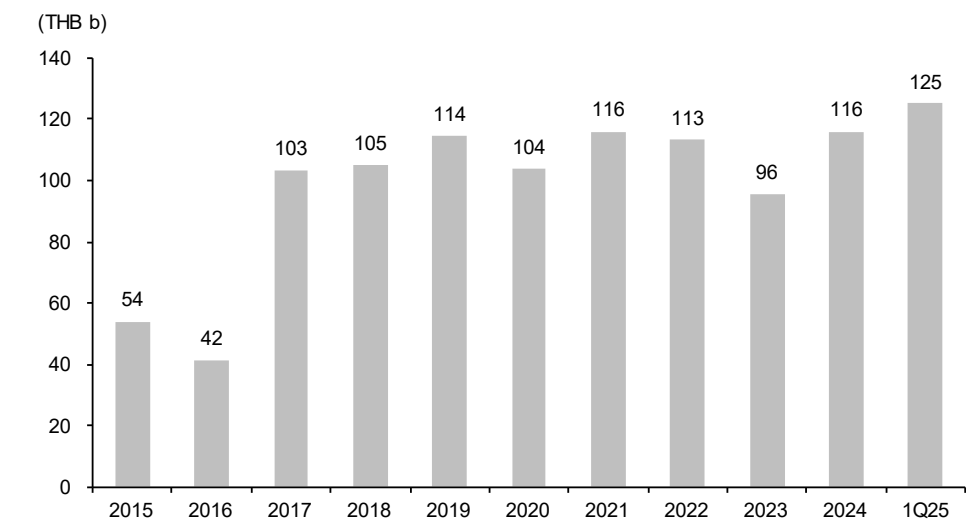
Source: FSSIA estimates

Exhibit 1: Key assumptions for STECON

	Actual	Current			Previous			Change		
	2024 (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (THB m)	2026E (THB m)	2027E (THB m)	2025E (%)	2026E (%)	2027E (%)
Total revenue (THB m)	30,005	31,616	32,583	33,217	32,000	32,777	33,710	(1)	(1)	(1)
Construction revenue (THB m)	29,930	31,359	32,307	32,919	31,900	32,577	33,460	(2)	(1)	(2)
Cost (THB m)	30,123	29,470	30,369	30,956	30,400	31,138	31,577	(3)	(2)	(2)
Construction GPM (%)	(0.6)	6.5	6.5	6.5	5.0	5.0	6.3	1.5	1.5	0.2
Gross margin (%)	(0.4)	6.8	6.8	6.8	5.0	5.0	6.3	1.8	1.8	0.5
SG&A (THB m)	846	887	914	932	935	971	1,037	(5)	(6)	(10)
SG&A to revenue (%)	2.8	2.8	2.8	2.8	2.9	3.0	3.1	(0.1)	(0.2)	(0.3)
Interest expense (THB m)	158	278	281	285	158	160	162	76	76	76
Share from associates (THB m)	(584)	(180)	(80)	(75)	(480)	(360)	(200)	na	na	na
Core profit (THB m)	(1,268)	934	1,023	1,050	310	417	887	202	145	18
Net profit (THB m)	(2,357)	934	1,023	1,050	310	417	887	202	145	18

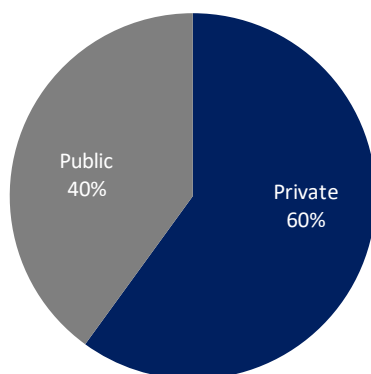
Source: FSSIA estimates

Exhibit 2: Backlog



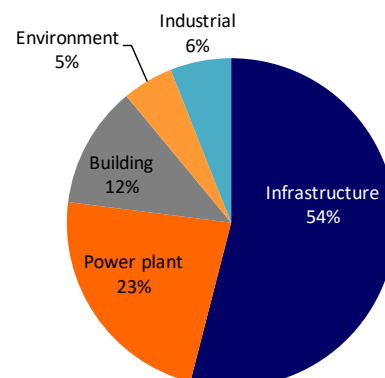
Source: STECON

Exhibit 3: Backlog breakdown by client type



Source: STECON

Exhibit 4: Backlog breakdown by work



Source: STECON

Exhibit 5: Progress of public projects

Cabinet-Approved Projects in H1/25		Expected Cabinet Approvals in H2/25	
	Commuter train Red Line: 6,470 THB mn <ul style="list-style-type: none"> Thammasart-Mahachai (Rangsit-Thammasat section) 		Double track railway Double track railway: 100,387 THB mn <ul style="list-style-type: none"> Jira Junction-Ubonratchathani section Paknam Pho-Denchai section
	Motorway Motorway M5: 31,358 THB mn <ul style="list-style-type: none"> Utraphimuk Elevated Motorway M7: 2,652 THB mn <ul style="list-style-type: none"> Extension to U-Tapao Airport Motorway M9: 56,035 THB mn		Commuter train Red Line: 15,364 THB mn <ul style="list-style-type: none"> Salaya-Hua Mark (Talingchan-Salaya-Siriraj section)
	High Speed Railway Thai-China HSR (Phase2) : 341,351 THB mn <ul style="list-style-type: none"> Nakhon Ratchasima – Nong Khai section 		Expressway Expressway N2: 16,960 THB mn <ul style="list-style-type: none"> Prasertmanukit-Outer Ring Road East section) Expressway Kratuu–Patong: 17,811 THB mn

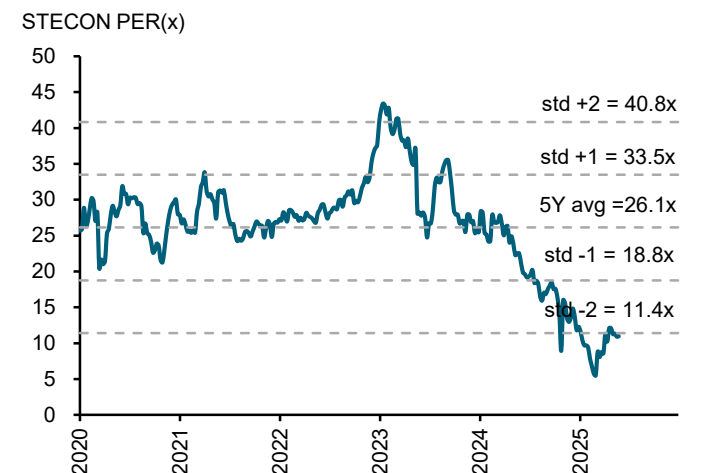
Source: STECON

Exhibit 6: STECON's targeted projects

Type of work	Project	Project owner	Contract value (THB m)	Project status
Motorway	Utraphimuk Elevated, Rangsit-Bang Pa-In (M5)	DOH	28,000	The cabinet approved on 24 Dec 24
	Bang Khun Thian-Bang Bua Thong (M9)	DOH	56,000	The cabinet approved on 3 Dec 24
	Bang Khun Thian – Ban Phaeo (M82)	DOH	15,700 (O&M work)	Expect to open for bidding in 2026
Expressway	Expressway N2 (Prasertmanukit-Outer Ring Road East section)	EXAT	17,000	Expect to open for bidding in 2025
	Kratuu-Patong Expressway	EXAT	18,000	
Electrified Train	Brown Line : Khae Rai-Lumsalee	MRTA	42,000	Expect to propose to the Cabinet in 2Q25
	Dark Red Line : Thammasart-Mahachai	SRT	6,400	The cabinet approved on 7 Jan 25 and Expect to open for bidding in 2H25
	Light Red Line : Salaya-Hua Mark	SRT	15,400	Proposing the Cabinet and expect to open for bidding in 2025
Double Track Railway	Jira Junction-Ubonratchathani section	SRT	37,500	Expect to open for bidding in 2025
	Paknam Pho-Denchai section	SRT	63,000	
	Surat Thani-Hat Yai-Songkhla section	SRT	57,000	
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	12,000	Expect to open for bidding in 2025
Infrastructure		Private	15,000	
Commercial building		Private	4,000	
Total			460,000	

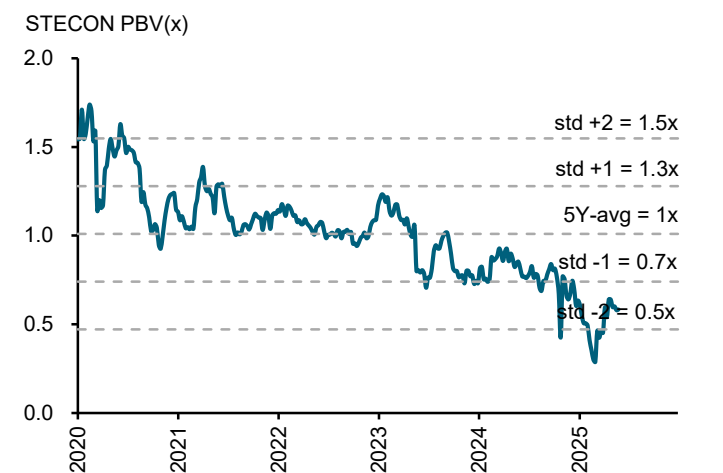
Source: STECON

Exhibit 7: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 8: 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	31,616	32,583	33,217
Cost of goods sold	(28,299)	(30,123)	(29,470)	(30,369)	(30,956)
Gross profit	1,299	(118)	2,146	2,214	2,260
Other operating income	-	-	-	-	-
Operating costs	(834)	(846)	(887)	(914)	(932)
Operating EBITDA	1,270	(139)	2,104	2,165	2,214
Depreciation	(805)	(825)	(845)	(865)	(885)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	464	(964)	1,258	1,300	1,329
Net financing costs	(1)	(125)	(243)	(245)	(247)
Associates	(70)	(584)	(180)	(80)	(75)
Recurring non-operating income	151	(277)	122	211	216
Non-recurring items	23	(1,089)	0	0	0
Profit before tax	637	(2,456)	1,138	1,266	1,299
Tax	(102)	68	(189)	(228)	(234)
Profit after tax	536	(2,388)	949	1,038	1,065
Minority interests	(10)	31	(15)	(15)	(15)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	526	(2,357)	934	1,023	1,050
Non-recurring items & goodwill (net)	(23)	1,089	0	0	0
Recurring net profit	502	(1,268)	934	1,023	1,050
Per share (THB)					
Recurring EPS *	0.33	(0.83)	0.61	0.67	0.69
Reported EPS	0.34	(1.55)	0.61	0.67	0.69
DPS	0.17	0.00	0.30	0.30	0.30
Diluted shares (used to calculate per share data)	1,525	1,519	1,519	1,519	1,519
Growth					
Revenue (%)	(2.4)	1.4	5.4	3.1	1.9
Operating EBITDA (%)	(29.2)	nm	nm	2.9	2.3
Operating EBIT (%)	(38.4)	nm	nm	3.3	2.3
Recurring EPS (%)	(38.8)	nm	nm	9.5	2.6
Reported EPS (%)	(38.7)	nm	nm	9.5	2.6
Operating performance					
Gross margin inc. depreciation (%)	4.4	(0.4)	6.8	6.8	6.8
Gross margin exc. depreciation (%)	7.1	2.4	9.5	9.4	9.5
Operating EBITDA margin (%)	4.3	(0.5)	6.7	6.6	6.7
Operating EBIT margin (%)	1.6	(3.2)	4.0	4.0	4.0
Net margin (%)	1.7	(4.2)	3.0	3.1	3.2
Effective tax rate (%)	16.0	2.8	16.6	18.0	18.0
Dividend payout on recurring profit (%)	52.3	-	48.8	44.5	43.4
Interest cover (X)	566.9	(9.9)	5.7	6.2	6.3
Inventory days	7.4	10.9	11.4	9.1	9.2
Debtor days	124.3	133.5	136.1	136.6	137.4
Creditor days	319.5	267.0	283.0	285.9	287.5
Operating ROIC (%)	(9.8)	229.3	(356.7)	(189.8)	(128.9)
ROIC (%)	2.6	(4.2)	4.2	4.5	4.5
ROE (%)	2.7	(7.2)	5.3	5.6	5.6
ROA (%)	1.0	(2.4)	2.2	2.3	2.3

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Construction	29,527	29,930	31,359	32,307	32,919
Sales and service	71	75	257	276	298

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)	934	1,023	1,050
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	555	492	400
Cash flow from operations	(670)	808	2,334	2,380	2,335
Capex - maintenance	-	-	-	-	-
Capex - new investment	(574)	(1,349)	(1,107)	(975)	(913)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	1,585	(4,098)	(308)	(1,311)	(1,367)
Cash flow from investing	1,011	(5,447)	(1,415)	(2,286)	(2,280)
Dividends paid	(210)	0	(374)	(409)	(420)
Equity finance	0	(14)	0	0	0
Debt finance	(111)	345	21	9	9
Other financing cash flows	(2,770)	2,636	(48)	265	75
Cash flow from financing	(3,091)	2,966	(400)	(135)	(335)
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)	519	(40)	(280)
Free cash flow to firm (FCFF)	383.73	(4,480.49)	1,196.54	376.31	340.30
Free cash flow to equity (FCFE)	(2,540.29)	(1,658.03)	892.37	368.89	139.78
Per share (THB)					
FCFF per share	0.25	(2.94)	0.78	0.25	0.22
FCFE per share	(1.67)	(1.09)	0.59	0.24	0.09
Recurring cash flow per share	0.87	(1.01)	1.17	1.24	1.27
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	3,089	3,048	2,768
A/C receivable	10,386	11,559	12,014	12,382	12,622
Inventories	698	1,054	727	749	764
Other current assets	5,309	4,899	5,533	5,588	5,644
Current assets	20,636	20,082	21,363	21,767	21,798
Other assets	764	1,690	775	798	814
Total assets	47,449	51,516	53,367	55,192	56,618
Common equity	17,701	17,411	17,972	18,586	19,215
Minorities etc.	371	432	447	462	477
Total shareholders' equity	18,072	17,843	18,419	19,048	19,693
Long term debt	265	610	631	640	649
Other long-term liabilities	2,415	2,908	2,845	3,095	3,156
Long-term liabilities	2,680	3,518	3,476	3,735	3,805
A/C payable	21,244	21,619	22,764	23,460	23,916
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	31,473	32,410	33,121
Total liabilities and shareholders' equity	47,449	51,516	53,367	55,192	56,618
Net working capital	(5,222)	(5,389)	(5,899)	(6,291)	(6,591)
Invested capital	21,591	26,046	26,106	27,134	28,229
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	11.61	11.46	11.83	12.23	12.65
Tangible book value per share	11.61	11.46	11.83	12.23	12.65
Financial strength					
Net debt/equity (%)	6.1	29.7	26.3	26.2	27.3
Net debt/total assets (%)	2.3	10.3	9.1	9.0	9.5
Current ratio (x)	0.8	0.7	0.7	0.7	0.7
CF interest cover (x)	(1,811.6)	(1.5)	9.2	6.5	5.3
Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	21.3	(8.4)	11.4	10.4	10.1
Recurring P/E @ target price (x) *	28.8	(11.4)	15.4	14.1	13.7
Reported P/E (x)	20.3	(4.5)	11.4	10.4	10.1
Dividend yield (%)	2.5	-	4.3	4.3	4.3
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) **	9.6	(117.4)	7.6	7.4	7.4
EV/EBITDA @ target price (x) **	12.6	(144.7)	9.4	9.2	9.2
EV/invested capital (x)	0.6	0.6	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 9: 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 10: 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 11: 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 12: 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 Sustainalytics	The Sustainalytics' 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

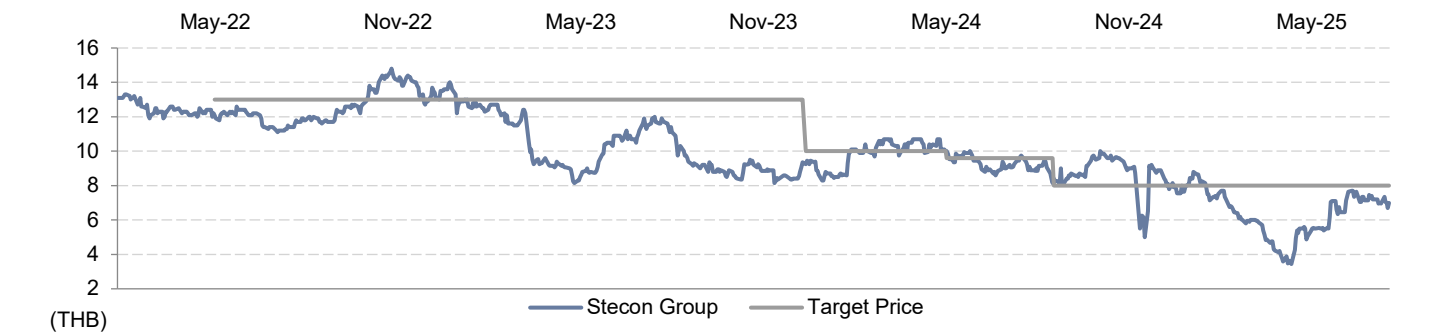
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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
17-Aug-2022	HOLD	13.00	07-May-2024	REDUCE	9.60	06-Mar-2025	BUY	8.00
05-Jan-2024	HOLD	10.00	07-Aug-2024	REDUCE	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 7.00	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 23-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.