

The reports on CH. Karnchang (CK TB), Stecon Group (STECON TB), Pylon (PYLON TB) and Seafco (SEAFCO TB) are being republished for reference purposes. No changes have been made to the reports from their original dates of publication.

Thailand Construction Services

กำไร 1Q พุ่งตัว หนุนทิศทางสดใส

- ภาพรวมกำไร 1Q25 ของกลุ่มรับเหมาฯ พุ่งตัว โดยมีปัจจัยผลักดันจาก Core Operation ของธุรกิจก่อสร้างที่ดีขึ้นตามปริมาณงานในมือมากขึ้น
- เรามีมุมมองเชิงบวกต่อ Backlog รวมปัจจุบันที่ทำสถิติสูงสุดใหม่ หนุนแนวโน้มการเติบโตของกำไรปี 2025 รวมถึงคาดการณ์ความคืบหน้าของการลงทุนโครงการภาครัฐมากขึ้นใน 2H25
- คงน้ำหนักการลงทุนมากกว่าตลาด หนุนจากโมเมนตัมกำไร 2Q25 เติบโต และมี Catalyst บวกที่รออยู่ใน 2H25

ภาพรวม Core operation ธุรกิจก่อสร้างฟื้นตัวใน 1Q25

กำไรสุทธิ 1Q25 รวมของบริษัทรับเหมาฯ 4 แห่งที่เราดูแล พลิกเป็นกำไรที่ 580 ลบ. เทียบกับขาดทุนสุทธิ 2.4 พันลบ. ใน 4Q24 และเร่งขึ้น +246% y-y โดย CK, STECON, PYLON รายงานกำไรไตรมาส q-q และ y-y ขณะที่ SEAFCO มีผลขาดทุนเป็นไตรมาสที่ 3 ติดต่อกันเนื่องจากอยู่ในช่วงเตรียมพื้นที่ก่อสร้างรถไฟฟ้าสายสีส้ม อย่างไรก็ตาม ภาพรวม Core operation หลักมีแนวโน้มฟื้นตัวจากรายได้ก่อสร้างรวมที่ 1.9 หมื่นลบ. (+7% q-q, +14% y-y) หนุนจากการเริ่มงานก่อสร้างโครงการใหม่ อาทิ งาน M&E ของรถไฟฟ้าสายสีส้มฝั่งตะวันออกของ CK นอกจากนี้ อัตรากำไรขั้นต้นรวมขยับขึ้น หลักๆ STECON ที่ฟื้นตัวอย่างมีนัยหลังไม่ถูกกดดันจากโครงการไม่มีมาร์จิ้นหลังบันทึกค่าซ่อมล่วงหน้าไปแล้วใน 4Q24 รวมถึง PYLON ที่ดีขึ้นจากอัตราการใช้เครื่องมือที่สูงขึ้น

Backlog แข็งแกร่ง และแนวโน้มงานประมูลใหม่มากขึ้นใน 2H25

โหนดบวกจากการประชุมหลังรายงานงบ 1Q25 มีปัจจัยสนับสนุนจาก Backlog ปัจจุบันรวมของกลุ่มฯ ทำสถิติสูงสุดใหม่ที่ 3.3 แสนลบ. หลักๆ มาจากโครงการรถไฟฟ้าสายสีส้ม (1.09 แสนลบ.) แบ่งเป็นงาน M&E ในฝั่งตะวันออกและงานโยธาในฝั่งตะวันตกซึ่งมีมาร์จิ้นดี นอกจากนี้ มีโครงการขนาดใหญ่ที่อยู่ระหว่างก่อสร้าง อาทิ รถไฟฟ้าฟาร์มวังใต้และรถไฟฟ้าทางคู่ ซึ่งอยู่ระหว่างการดำเนินงานหลักในช่วงกลางโครงการ ขณะที่การลงทุนภาครัฐคาดมีบทบาทสำคัญในการขับเคลื่อนการเติบโตทางเศรษฐกิจผ่านการเร่งการลงทุนในโครงสร้างพื้นฐาน อาทิมอเตอร์เวย์ (สาย M5 และ M9), รถไฟฟ้าทางคู่ (2-3 เส้นทาง), รถไฟฟ้าความเร็วสูง เฟส 2 (ช่วงโคราช - หนองคาย), โครงการส่วนต่อขยายสนามบิน และงานสะพาน ซึ่งส่วนใหญ่ผ่านการอนุมัติจากครม.แล้ว

คงน้ำหนักการลงทุนมากกว่าตลาด เลือก STECON เป็นหุ้นเด่น

เราคงน้ำหนักมากกว่าตลาดสำหรับกลุ่มรับเหมาฯ ก่อสร้าง ประเมินกำไรปี 2025 ทุกบริษัทโตทั้ง q-q และ y-y ยกเว้น STECON ที่คาดอ่อนลง q-q เนื่องจากไม่มีเงินปันผลรับจาก GULF เหมือนใน 1Q25 โดยกำไรของ CK มีแรงหนุนจากการรับรู้เงินปันผลและส่วนแบ่งกำไรของบริษัทร่วมเพิ่ม ขณะที่การเริ่มก่อสร้างโครงการใหม่จะเป็นส่วนผลักดันให้ SEAFCO และ PYLON มีกำไรที่เร่งขึ้น สำหรับปี 2025 คาดการณ์กำไรปี 2025 ของกลุ่มฯ อยู่ที่ 2.6 พันลบ. เป็นระดับสูงสุดในรอบ 5 ปี และฟื้นตัวเด่นจาก 167 ลบ. ในปี 2024 ปัจจุบันราคาหุ้นของบริษัทที่ซื้อขายบน PBV ที่มีส่วนลด 1.5-2SD จากค่าเฉลี่ย 5 ปีย้อนหลัง ขณะที่ Catalyst บวกที่รออยู่จากโอกาสการเข้าประมูลงานภาครัฐเพิ่มขึ้นจะช่วยหนุน Sentiment บวกใน 2H25 เราเลือก STECON เป็น Top Pick จากทิศทางกำไรที่โดดเด่นในปี 2025 และมี Upside Risk ที่ยังไม่รวมในประมาณการ นอกจากนี้ SEAFCO น่าสนใจในเชิง Turnaround ของผลประกอบการที่คาดพลิกจากขาดทุนเป็นกำไรใน 2Q25

FSSIA recommendations

Company	BBG code	share price	Rating		Target Price			
			Current	Previous	Current	Previous	%change	Up/downside
CH.Karnchang	CK TB	14.20	BUY	-	20.00	-	-	+40.8%
Stecon Group	STECON TB	7.40	BUY	-	9.50	-	-	+28.4%
Pylon	PYLON TB	2.12	BUY	-	2.40	-	-	+13.2%
Seafco	SEAFCO TB	2.02	BUY	-	3.00	-	-	+48.5%

Note: Priced at close of business 04/06/2025. Share prices and TPs are in listing currency. ; Source: FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 5 มิถุนายน 2025

<div><div>Investment thesis</div><div><p>We have a positive view of the construction business outlook on a record high backlog of THB330b at end-1Q25. It is in a new upward cycle, as several sizable projects are under construction, such as the South Purple Line and the double-track railway project, as well as the initial works of the Orange Line project from 1Q25 onward, which should support revenue and GPM improvement. We estimate an aggregate 2025 core profit of THB2.6b—the highest level in five years and a sharp increase from THB167m in 2024.</p><p>In 2H25, we expect public investment to play an important role in driving the economy. The government is likely to accelerate auctions for additional infrastructure projects, such as motorways, double-track railways, the high-speed train Phase 2, and airport expansion. In addition, the private sector investment looks set to gradually recover, in line with the government's mega projects, which should help stimulate confidence. This would support an increase in the sector's backlog and improve stock market sentiment.</p></div></div>	<div><div>Catalyst</div><div><p>Key potential catalysts include 1) more new auctions in 2025, particularly for infrastructure projects; 2) an increase in government disbursements for work on mega projects; 3) a private investment recovery; and 4) declining raw material prices.</p></div><div><div>Risk to our call</div><div><p>Key downside risks to our TP include 1) auction delays and fewer new projects than expected; 2) political uncertainty; 3) slower-than-expected construction progress and cost overruns; 4) increased building material costs, labor shortages, and a minimum wage hike; and 5) fierce competition.</p></div></div></div>
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Contents

Company reports

CH. Karnchang (CK TB, BUY, TP THB20.0)
Stecon Group (STECON TB, BUY, TP THB9.50)
Pylon (PYLON TB, BUY, TP THB2.4)
Seafco (SEAFCO TB, BUY, TP THB3.0)

Event Calendar

Date	Event
August 2025	2Q25 earnings results announcements

Exhibit 1: 1Q25 net profit summary

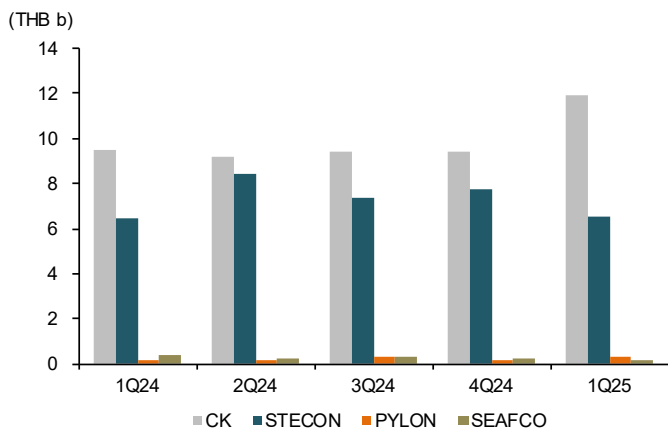
Company	1Q24	4Q24	1Q25	Change		% to 2025E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(%)
CK	121	(171)	282	n/a	133.3	19%
STECON	12	(2,247)	342	n/a	2,781.0	37%
PYLON	1	(7)	18	n/a	1,433.4	27%
SEAFECO	33	(27)	(62)	n/a	n/a	n/a
Total	167	(2,452)	580	n/a	246.4	22%

Sources: Company data; FSSIA's compilation

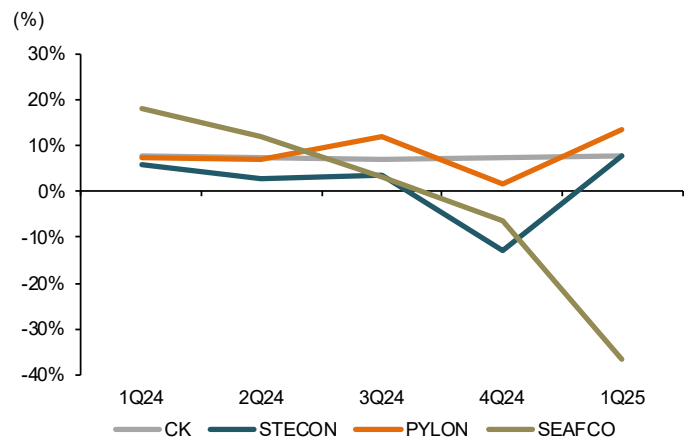
Exhibit 2: 1Q25 core profit summary

Company	1Q24	4Q24	1Q25	Change		% to 2025E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(%)
CK	121	(171)	282	n/a	133.3	19%
STECON	12	(1,158)	342	n/a	2,781.0	37%
PYLON	(0)	(10)	17	n/a	n/a	25%
SEAFECO	35	(29)	(60)	n/a	n/a	n/a
Total	167	(1,368)	581	n/a	247.8	22%

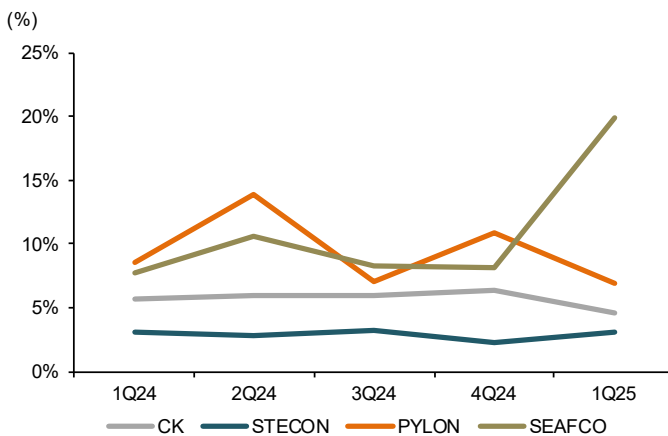
Sources: Company data; FSSIA's compilation

Exhibit 3: Quarterly revenue

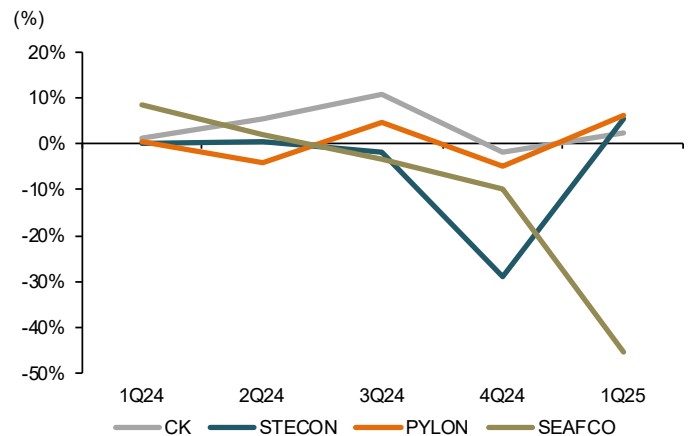
Sources: Company data; FSSIA's compilation

Exhibit 4: Quarterly GPM

Sources: Company data; FSSIA's compilation

Exhibit 5: Quarterly SG&A to revenue

Sources: Company data; FSSIA's compilation

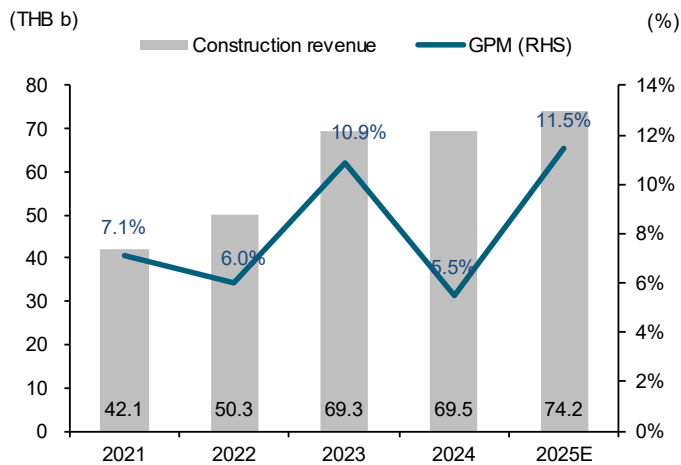
Exhibit 6: Quarterly NPM

Sources: Company data; FSSIA's compilation

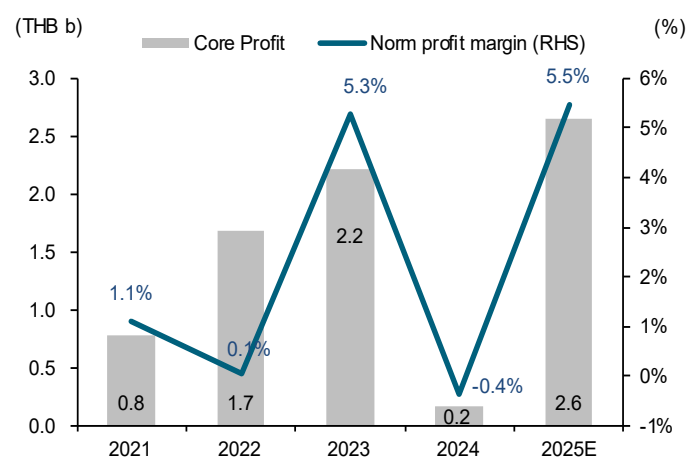
Exhibit 7: 2Q25 core profit preview

Company	2Q24	1Q25	----- 2Q25E -----	
	(THB m)	(THB m)	(q-q %)	(y-y %)
CK	488	282	+	0
STECON	25	342	-	+
PYLON	(8)	17	+	+
SEAFCO	(0.2)	(60)	+	+
Total	505	581	+	+

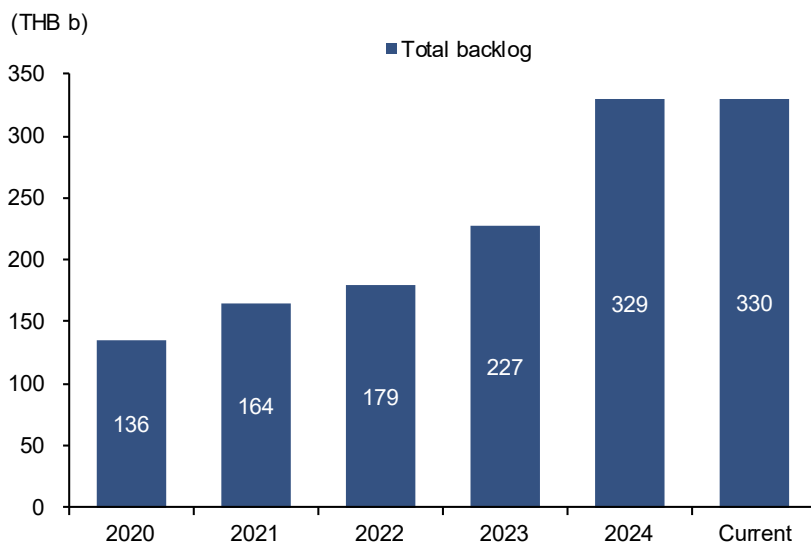
Source: FSSIA estimates

Exhibit 8: Sector – Yearly revenue and GPM

Source: FSSIA estimates

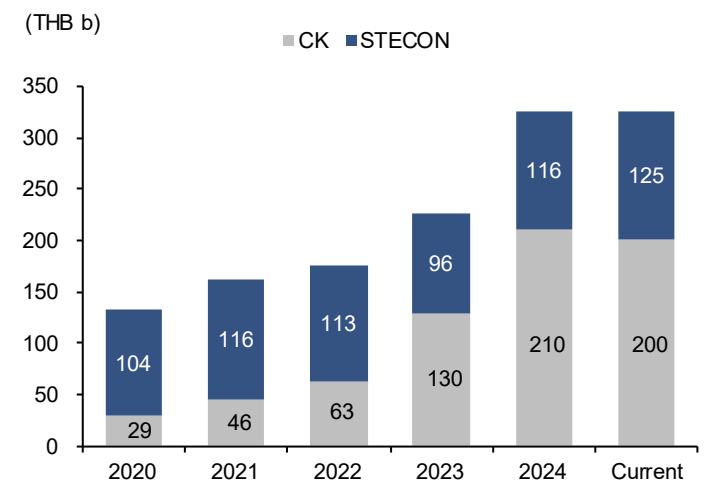
Exhibit 9: Sector – Yearly core profit and norm profit margin

Source: FSSIA estimates

Exhibit 10: Sector backlog

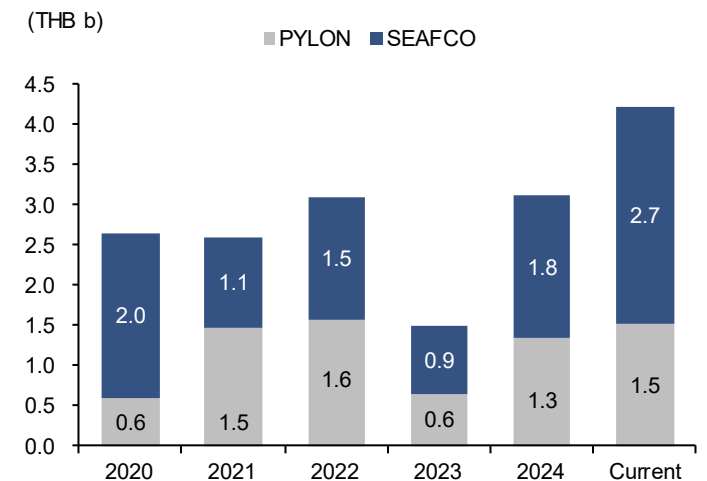
Source: FSSIA's compilation

Exhibit 11: Main contractor backlog



Source: FSSIA's compilation

Exhibit 12: Foundation contractor backlog



Source: FSSIA's compilation

Exhibit 13: Expected mega projects to progress in 2025

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
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	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	Proposed to the cabinet and expect to open for bidding in 2025
High Speed Train Phase 2	Ko Rat – Nong Khai	SRT	235,000	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	
Bridge	The Songkhla Lake Bridge	DRR	4,700	Submit proposal for bidding by Aug 15, 2025
	The Koh Lanta Bridge project	DRR	1,800	Submit proposal for bidding by July 30, 2025
Total			600,000	

Source: FSSIA's compilation

Exhibit 14: Cabinet-approved projects in 1Q25

Cabinet-Approved Projects in H1/25	
	Commuter train Red Line: 6,470 THB mn • Thammasart-Mahachai (Rangsit-Thammasat section)
	Motorway Motorway M5: 31,358 THB mn • Utraphimuk Elevated Motorway M7: 2,652 THB mn • Extension to U-Tapao Airport Motorway M9: 56,035 THB mn
	High Speed Railway Thai-China HSR (Phase2) : 341,351 THB mn • Nakhon Ratchasima – Nong Khai section

Source: STECON

Exhibit 15: Expected cabinet approvals in 2H25

Expected Cabinet Approvals in H2/25	
	Double track railway Double track railway: 100,387 THB mn • Jira Junction-Ubonratchathani section • Paknam Pho-Denchai section
	Commuter train Red Line: 15,364 THB mn • Salaya-Hua Mark (Talingchan-Salaya-Siriraj section)
	Expressway Expressway N2: 16,960 THB mn • Prasertmanukit-Outer Ring Road East section Expressway Kratuu-Patong: 17,81 THB mn

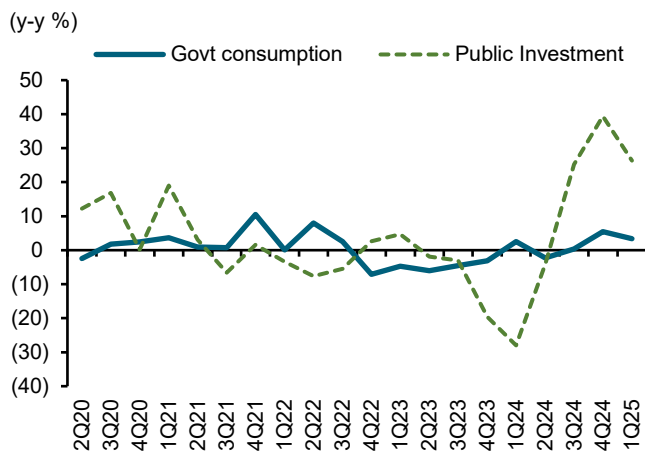
Source: STECON

Exhibit 16: NESDC and BoT economic projections

	2021	2022	2023	2024	NESDC	Bank of Thailand			
					2025E	Reference scenario (Lower tariffs)		Alternative scenario (Higher tariffs)	
						2025E	2026E	2025E	2026E
	(y-y%)	(y-y%)	(y-y%)	(y-y%)	(y-y%)	(y-y%)	(y-y%)	(y-y%)	(y-y%)
Real GDP growth	1.5	2.6	2.0	2.5	1.3-2.3	2	1.8	1.3	1.0
Private consumption	0.6	6.2	6.9	4.4	2.4	3.0	2.0	2.5	1.5
Private investment	3.0	4.6	3.1	(1.6)	(0.7)	(1.0)	0.6	(4.1)	(0.7)
Public consumption	3.7	0.1	(4.7)	2.5	1.3	1.2	0.5	1.2	0.5
Public investment	3.4	(3.9)	(4.2)	4.8	5.5	6.2	1.4	6.2	1.4
Export value growth (USD b)	19.2	5.4	(1.5)	5.8	1.8	0.8	(2.8)	(1.3)	(7.0)
Headline inflation	1.2	6.1	1.2	0.4	0-1.0	0.5	0.8	0.2	0.4
Current account to GDP (%)	(2.0)	(3.5)	1.5	2.3	2.5	-	-	-	-
Number of tourist arrivals (m)	0.4	11.2	28.1	35.5	37	37.5	40.5	37	39

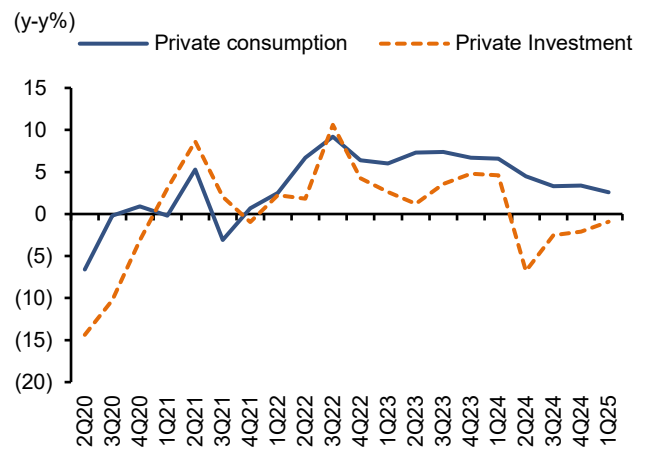
Sources: NESDC and BoT

Exhibit 17: Strong public segment, especially investment



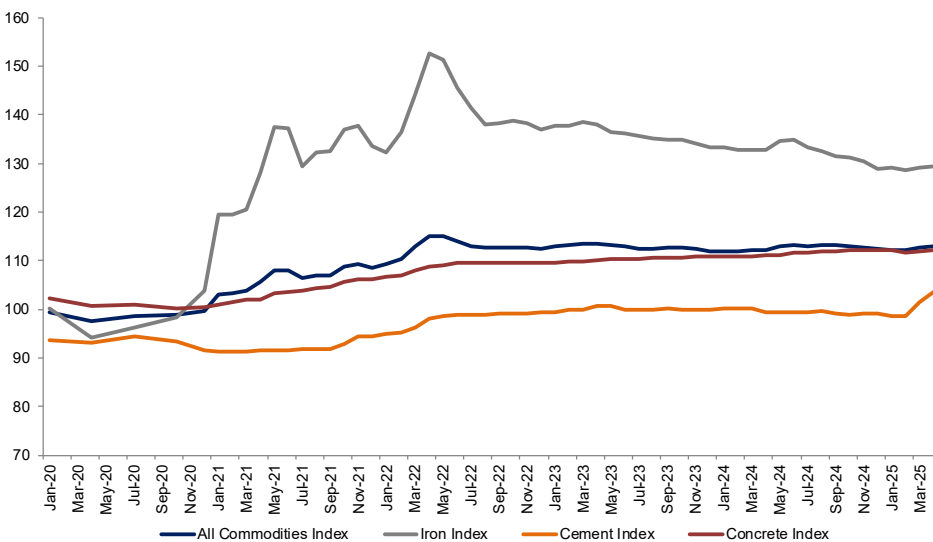
Source: NESDC

Exhibit 18: Slow private consumption and negative investment



Source: NESDC

Exhibit 19: Construction Materials Price Index



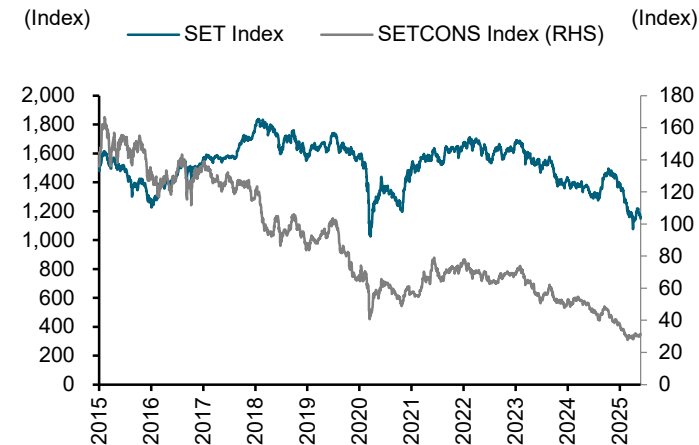
Source: MOC

Exhibit 20: Peer comparisons as of 4 June 2025

Company	Rec	Core profit			Core profit growth		PE		DivYld		ROE		PBV		PBV 5Y-avg
		24 (THB m)	25E (THB m)	26E (THB m)	25E (%)	26E (%)	25E (x)	26E (x)	25E (%)	26E (%)	25E (x)	26E (x)	25E (x)	26E (x)	
CK TB	BUY	1,446	1,498	1,647	3.6	9.9	16.1	14.6	2.1	2.5	5.7	6.0	0.9	0.9	1.3
STECON TB	BUY	(1,268)	934	1,023	na	9.5	12.0	11.0	4.1	4.1	5.3	5.6	0.6	0.6	1.0
PYLON TB	BUY	(6)	68	76	na	11.8	23.3	20.8	3.9	4.3	7.2	8.0	1.7	1.7	2.7
SEAFKO TB	BUY	(4)	148	171	na	15.7	11.1	9.6	3.5	4.1	9.5	10.3	1.0	1.0	1.7
Average		167	2,648	2,918	1,485	10	15.6	14.0	3.4	3.7	6.9	7.5	1.1	1.0	2.0

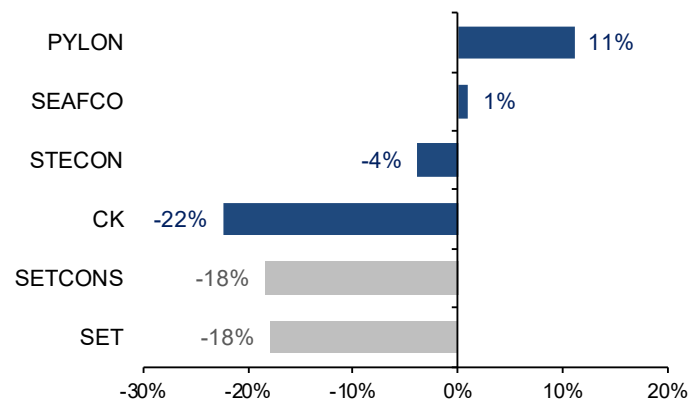
Source: FSSIA estimates

Exhibit 21: SET Index vs SETCONS Index



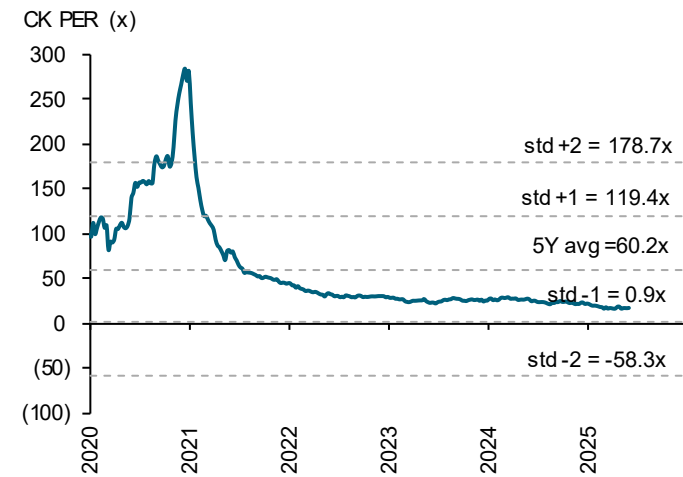
Sources: : Bloomberg

Exhibit 22: YTD sector performances



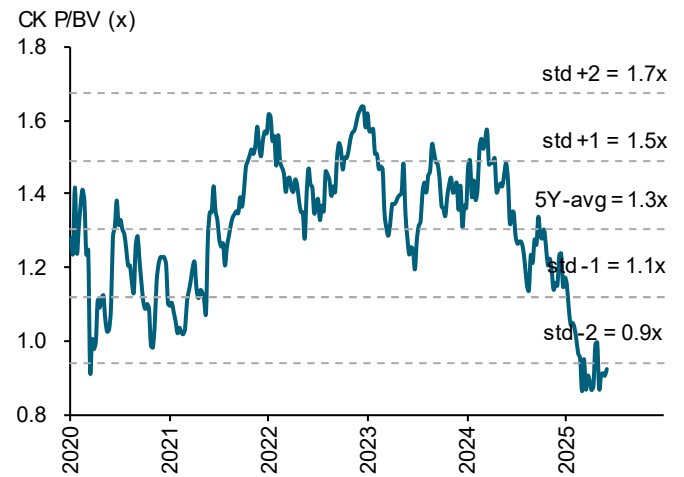
Sources: SETSMART

Exhibit 23: CK – Historical P/E band

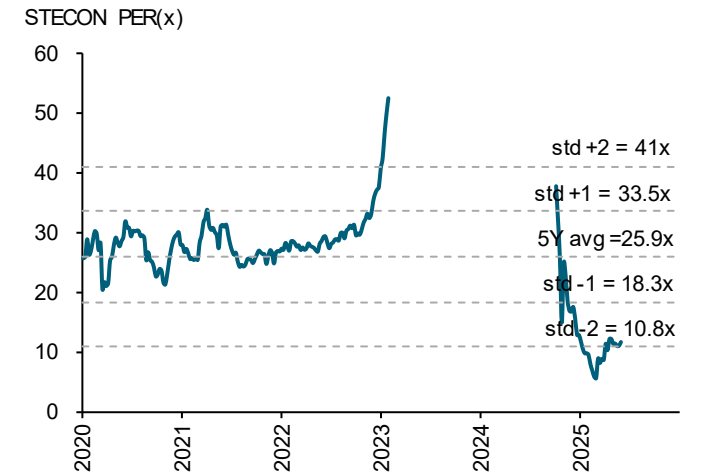


Sources: Bloomberg; FSSIA estimates

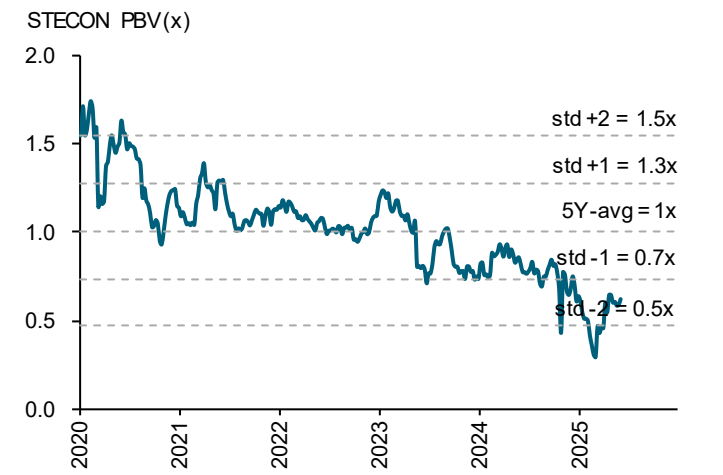
Exhibit 24: CK – Historical P/BV band



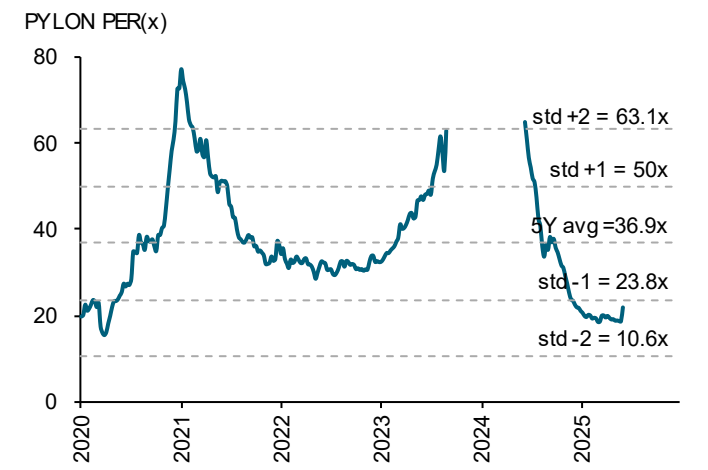
Sources: Bloomberg; FSSIA estimates

Exhibit 25: STECON – Historical P/E band

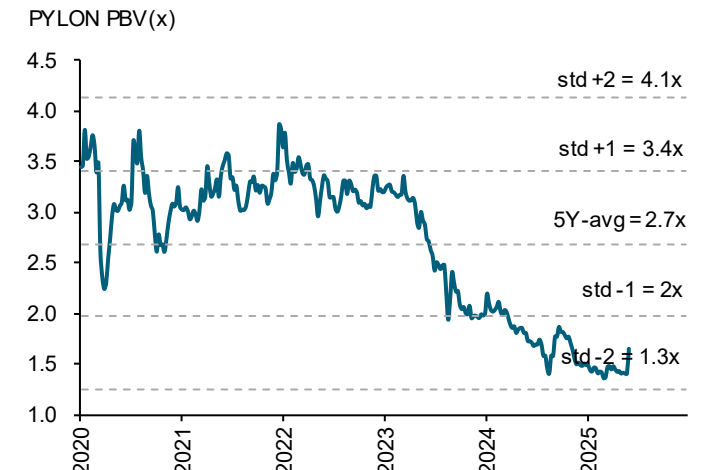
Sources: Bloomberg; FSSIA estimates

Exhibit 26: STECON – Historical P/BV band

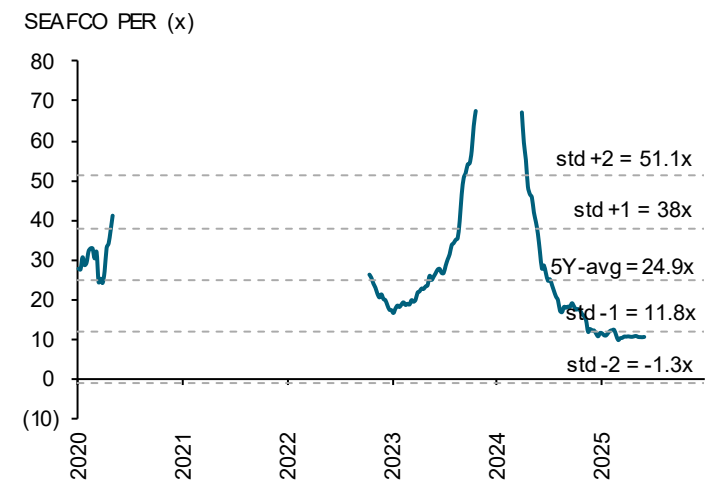
Sources: Bloomberg; FSSIA estimates

Exhibit 27: PYLON – Historical P/E band

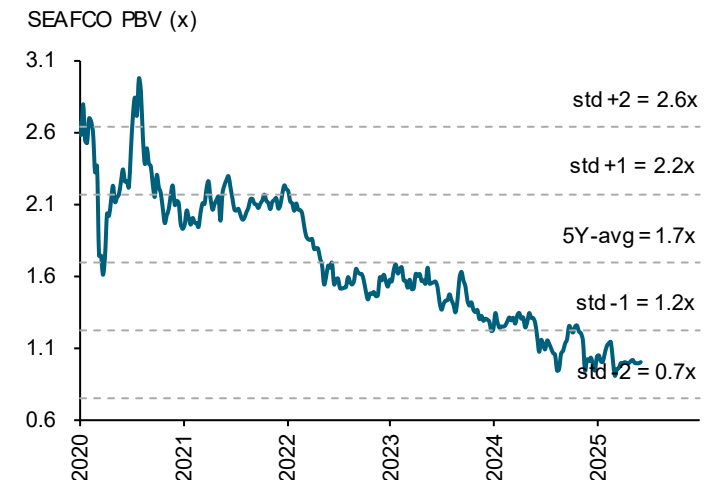
Sources: Bloomberg; FSSIA estimates

Exhibit 28: PYLON – Historical P/BV band

Sources: Bloomberg; FSSIA estimates

Exhibit 29: SEAFCO – Historical P/E band

Sources: Bloomberg; FSSIA estimates

Exhibit 30: SEAFCO – Historical P/BV band

Sources: Bloomberg; FSSIA estimates

CH.KARNCHANG CK TB

THAILAND / CONSTRUCTION SERVICES

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BUY
 UNCHANGED

Key takeaways from analyst meeting

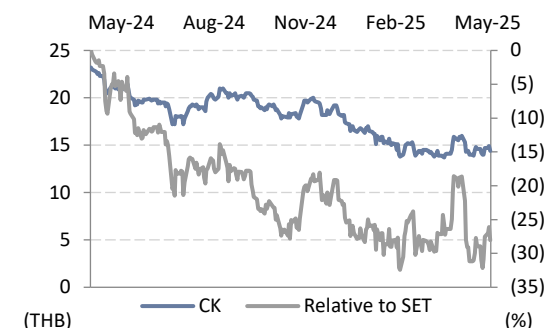
TARGET PRICE	THB20.00
CLOSE	THB14.40
UP/DOWNSIDE	+38.9%
TP vs CONSENSUS	-0.5%

Highlights

- We have a slightly positive view of the meeting today. CK's backlog remained strong at THB200b, enough to generate an annual revenue of over THB30-40b for the next 4-5 years. The company maintained its 2025 target revenue of THB40-45b, delivering growth of 7-20% y-y, in line with our estimate of THB40b, and targeted a gross margin of 7-8% (vs 7.3% in 2024 and 7.7% in 1Q25).
- The crucial growth driver for the contractor unit should come from the initial works of the Orange Line project, comprising M&E works on the east side and civil works on the west side, which should progress and reach 30% (THB8b) and 10-15% (THB8b-12b) of the project value by end-2025, respectively. Moreover, progress on the South Purple Line, the Den Chai double-track rail, which is in its main construction phase, the Luang Prabang power plant, and M&E works on the Blue Line project would support revenue.
- Despite no new bidding in the past months, two public projects have made some progress, including The Songkhla Lake Bridge (THB4.7b) and The Koh Lanta Bridge project (THB1.8b), both of which are currently in the process of drafting a TOR. Meanwhile, several government projects may progress in 2H25. CK's main target is the double-deck expressway project (THB35b), for which BEM might sign contracts in 2H25. Moreover, CK has the potential to participate in new auctions, such as motorways (M5 and M9), double tracks, the high-speed train Phase 2 (Ko Rat-Nong Khai section), and Suvarnabhumi airport's east expansion.
- TTW's shareholders approved the sale of shares in LPCL, reducing its stake from 20% to 10% on 10 April. CK should complete the transaction in 3Q-4Q25, potentially resulting in extra gains.
- We anticipate a profit acceleration q-q in 2Q25, driven by 1) construction revenue growth y-y on the higher backlog, with an expected GPM of 7-8%, led by the high-margin Orange Line project, 2) dividend income from TTW of THB232m, and 3) higher profit sharing from associates, especially from CKP, aligning with seasonally higher water levels.
- We maintain our 2025 core profit forecast of THB1.5b (+4% y-y). We retain our BUY rating with a TP of THB20 (SOTP), supported by the positive earnings momentum in 2Q-3Q25. CK traded on a 2025E P/BV of only 0.9x (-2SD of its five-year average). Additionally, the current share price implies a whopping 50% discount from the NAV of its subsidiaries and associates (BEM, CKP, and TTW).

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	37,458	40,051	41,424	42,596
Net profit	1,446	1,498	1,647	1,787
EPS (THB)	0.85	0.88	0.97	1.06
vs Consensus (%)	-	(7.0)	(14.2)	(17.8)
EBITDA	2,653	2,991	3,022	3,007
Recurring net profit	1,446	1,498	1,647	1,787
Core EPS (THB)	0.85	0.88	0.97	1.06
EPS growth (%)	(0.4)	3.6	9.9	8.5
Core P/E (x)	16.9	16.3	14.8	13.6
Dividend yield (%)	2.1	2.1	2.4	2.8
EV/EBITDA (x)	26.1	21.6	21.1	20.8
Price/book (x)	0.9	0.9	0.9	0.8
Net debt/Equity (%)	167.2	144.0	135.9	126.8
ROE (%)	5.6	5.7	6.0	6.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.7)	(5.3)	(36.0)
Relative to country (%)	(11.2)	0.1	(25.6)
Mkt cap (USD m)	738		
3m avg. daily turnover (USD m)	1.8		
Free float (%)	65		
Major shareholder	Trivisvavet Family (32%)		
12m high/low (THB)	23.30/11.60		
Issued shares (m)	1,693.90		

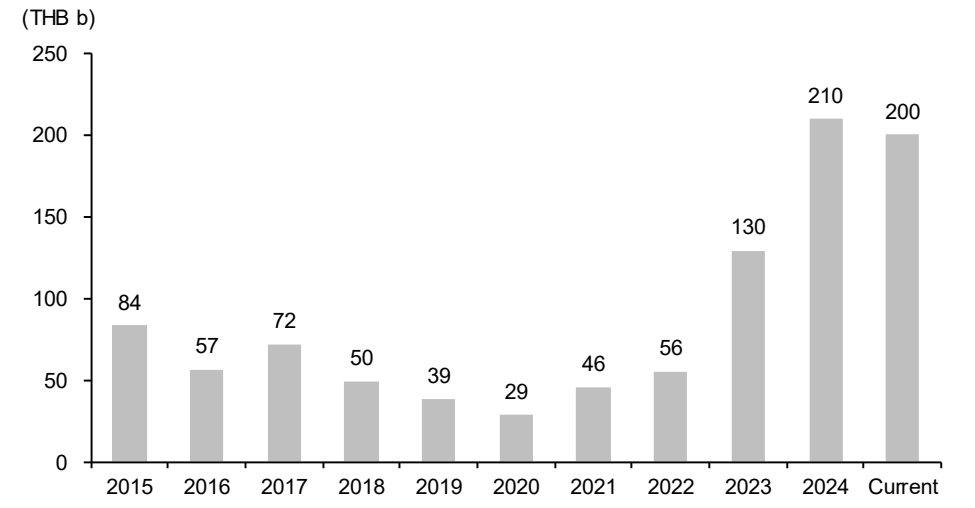
Sources: Bloomberg consensus; FSSIA estimates



Thanyatorn Songwutti

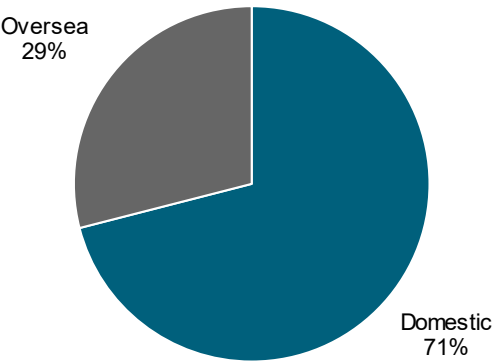
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Exhibit 31: Strong Backlog



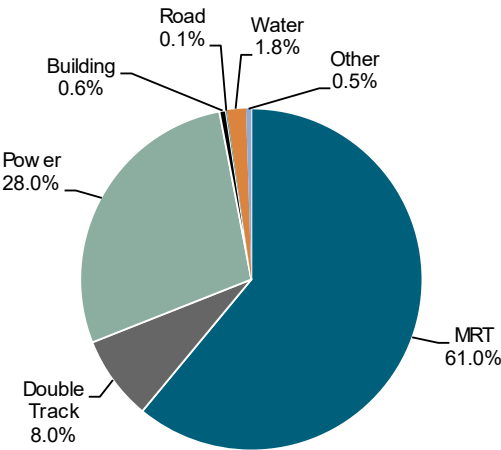
Sources: CK; FSSIA's compilation

Exhibit 32: Backlog breakdown by region



Source: CK

Exhibit 33: Backlog breakdown by type of work



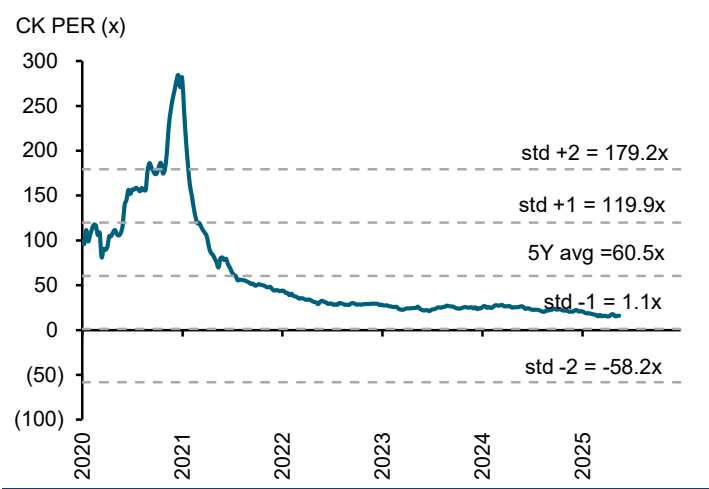
Source: CK

Exhibit 34: Key targets

Projects	Construction Value (MB)	Project Owner	Project Progress	Activities			
				Q1/25	Q2/25	Q3/25	Q4/25
Red Line : Taling chan - Siriraj Hospital - Salaya	10,800	SRT	To Submit to Cabinet	Waiting for Cabinet Approval		TOR & Bidding	
Red Line : Rangsit - Thammasat University	4,000		Cabinet Approved	TOR & Bidding		Contract Award	
High Speed Train Phase 2 : Ko Rat – Nong Khai	235,000		Cabinet Approved	TOR & Bidding		Contract Award	
Double Track : Chira Junction - Ubonratchathani	42,900	SRT	To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Pak nam Pho – Den Chai	77,800		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Hat Yai – Padang Besar	7,500		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Chum Phon – Surat Thani	29,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Surat Thani – Had Yai – Song Khla	64,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Double Track : Den Chai – Chiang Mai	63,000		To Submit to Cabinet	Waiting for Cabinet approval		TOR & Bidding	
Motorway : Western Outer Ring Road - Bang Khun Thian - Bang Bua Thong (M9)	48,000	DOH	Cabinet Approved	TOR & Bidding			Contract Award
Motorway : Rangsit- Bang pa - in (M5)	25,000		Cabinet Approved	TOR & Bidding			Contract Award
Don Mueang International Airport Phase 3	30,000	AOT	To Submit to Cabinet	Design Process		Waiting for Cabinet approval	TOR & Bidding
Suvarnabhumi International Airport Expansion (East Expansion)	10,000		To Resubmit to Cabinet	Design Process		Waiting for Cabinet approval	TOR & Bidding
Chiang Mai Airport Expansion	20,000		To Submit to MOT	Design Process		Waiting for Cabinet approval	TOR & Bidding
N2 Expressway : ORR - Kaset Nawamin	14,000	EXAT	To Submit to Cabinet	Waiting for Cabinet approval			
Double Deck : Ngam Wong Wan – Rama 9	35,000	BEM	To Submit to Cabinet	Waiting for Cabinet approval		Contract Signing	
Total	716,000						

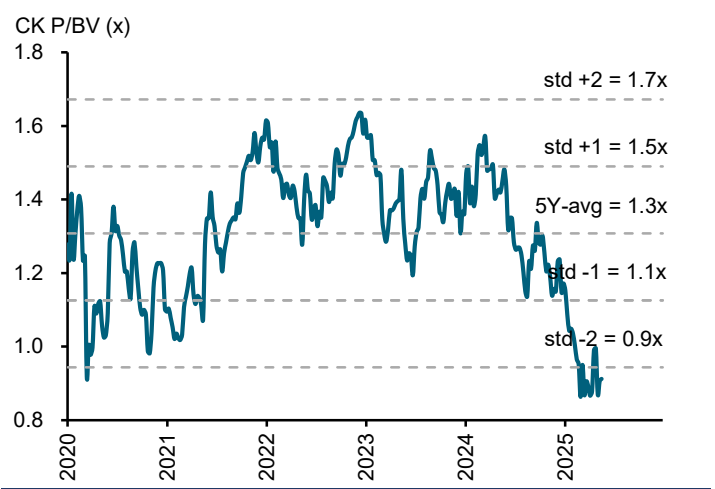
Source: CK

Exhibit 35: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 36: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

CH.Karnchang

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	36,485	37,458	40,051	41,424	42,596
Cost of goods sold	(33,917)	(34,742)	(37,127)	(38,400)	(39,486)
Gross profit	2,568	2,716	2,924	3,024	3,110
Other operating income	1,422	1,312	1,296	1,278	1,231
Operating costs	(2,051)	(2,229)	(2,285)	(2,342)	(2,401)
Operating EBITDA	3,057	2,653	2,991	3,022	3,007
Depreciation	(1,117)	(854)	(1,056)	(1,062)	(1,067)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	1,939	1,799	1,935	1,960	1,940
Net financing costs	(1,830)	(2,020)	(2,022)	(1,918)	(1,879)
Associates	1,520	1,875	1,944	1,993	2,142
Recurring non-operating income	1,520	1,875	1,944	1,993	2,142
Non-recurring items	49	0	0	0	0
Profit before tax	1,678	1,654	1,857	2,036	2,203
Tax	(83)	(119)	(279)	(305)	(330)
Profit after tax	1,594	1,535	1,578	1,730	1,872
Minority interests	(93)	(89)	(80)	(83)	(85)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	1,501	1,446	1,498	1,647	1,787
Non-recurring items & goodwill (net)	(49)	0	0	0	0
Recurring net profit	1,452	1,446	1,498	1,647	1,787
Per share (THB)					
Recurring EPS *	0.86	0.85	0.88	0.97	1.06
Reported EPS	0.89	0.85	0.88	0.97	1.06
DPS	0.30	0.30	0.30	0.35	0.40
Diluted shares (used to calculate per share data)	1,694	1,694	1,694	1,694	1,694
Growth					
Revenue (%)	101.6	2.7	6.9	3.4	2.8
Operating EBITDA (%)	112.5	(13.2)	12.7	1.0	(0.5)
Operating EBIT (%)	142.3	(7.2)	7.6	1.3	(1.0)
Recurring EPS (%)	64.6	(0.4)	3.6	9.9	8.5
Reported EPS (%)	35.9	(3.7)	3.6	9.9	8.5
Operating performance					
Gross margin inc. depreciation (%)	7.0	7.3	7.3	7.3	7.3
Gross margin exc. depreciation (%)	10.1	9.5	9.9	9.9	9.8
Operating EBITDA margin (%)	8.4	7.1	7.5	7.3	7.1
Operating EBIT margin (%)	5.3	4.8	4.8	4.7	4.6
Net margin (%)	4.0	3.9	3.7	4.0	4.2
Effective tax rate (%)	5.0	7.2	15.0	15.0	15.0
Dividend payout on recurring profit (%)	35.0	35.1	34.0	36.0	38.0
Interest cover (X)	1.9	1.8	1.9	2.1	2.2
Inventory days	100.6	125.0	134.6	132.9	133.2
Debtor days	33.8	47.2	52.3	53.8	54.0
Creditor days	38.4	45.4	44.7	44.3	44.4
Operating ROIC (%)	7.7	6.8	8.5	8.5	8.6
ROIC (%)	3.9	3.9	4.3	4.5	4.6
ROE (%)	5.9	5.6	5.7	6.0	6.3
ROA (%)	3.3	3.0	2.9	3.1	3.3

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Construction services	36,485	37,458	40,051	41,424	42,596
Others					

Sources: CH.Karnchang; FSSIA estimates

Financial Statements

CH.Karnchang

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	1,452	1,446	1,498	1,647	1,787
Depreciation	1,117	854	1,056	1,062	1,067
Associates & minorities	(24)	235	25	23	21
Other non-cash items	-	-	-	-	-
Change in working capital	(8,391)	5,965	(2,204)	(648)	(296)
Cash flow from operations	(5,846)	8,500	375	2,085	2,580
Capex - maintenance	-	-	-	-	-
Capex - new investment	(2,742)	(3,883)	-	(654)	(656)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	4,825	-	-
Cash flow from investing	(2,742)	(3,883)	4,825	(654)	(656)
Dividends paid	(508)	(725)	(590)	(676)	(764)
Equity finance	(270)	(340)	40	21	18
Debt finance	9,416	(1,148)	(3,898)	(1,495)	(495)
Other financing cash flows	774	-	-	-	-
Cash flow from financing	9,413	(2,213)	(4,448)	(2,150)	(1,242)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	824	2,404	752	(720)	683
Free cash flow to firm (FCFF)	(6,758.11)	6,637.28	7,221.69	3,348.15	3,803.97
Free cash flow to equity (FCFE)	1,602.17	3,469.05	1,301.90	(64.63)	1,429.50

Per share (THB)

FCFF per share	(3.99)	3.92	4.26	1.98	2.25
FCFE per share	0.95	2.05	0.77	(0.04)	0.84
Recurring cash flow per share	1.50	1.50	1.52	1.61	1.70

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	18,722	19,020	18,352	18,459	18,565
Less: Accumulated depreciation	(6,788)	(7,662)	(8,821)	(9,785)	(10,755)
Tangible fixed assets (net)	11,934	11,358	9,532	8,673	7,810
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	51,584	55,044	51,044	51,554	52,070
Cash & equivalents	7,784	10,188	10,941	10,221	10,904
A/C receivable	4,215	5,472	6,008	6,214	6,389
Inventories	9,975	13,235	13,366	13,824	14,215
Other current assets	10,692	17,258	16,020	12,427	10,649
Current assets	32,666	46,154	46,334	42,685	42,157
Other assets	561	546	574	602	633
Total assets	96,745	113,102	107,484	103,516	102,670
Common equity	25,482	25,910	26,899	27,953	29,061
Minorities etc.	526	569	609	630	647
Total shareholders' equity	26,008	26,479	27,507	28,583	29,708
Long term debt	40,771	38,039	36,583	35,836	35,589
Other long-term liabilities	2,708	2,949	2,933	3,034	3,040
Long-term liabilities	43,479	40,988	39,516	38,869	38,629
A/C payable	4,058	4,376	4,455	4,608	4,738
Short term debt	14,835	16,419	13,977	13,229	12,982
Other current liabilities	8,365	24,840	22,028	18,226	16,612
Current liabilities	27,258	45,635	40,460	36,064	34,332
Total liabilities and shareholders' equity	96,745	113,102	107,484	103,516	102,670
Net working capital	12,460	6,749	8,911	9,630	9,903
Invested capital	76,539	73,697	70,060	70,460	70,415

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

Per share (THB)

Book value per share	15.04	15.30	15.88	16.50	17.16
Tangible book value per share	15.04	15.30	15.88	16.50	17.16

Financial strength

Net debt/equity (%)	183.9	167.2	144.0	135.9	126.8
Net debt/total assets (%)	49.4	39.1	36.9	37.5	36.7
Current ratio (x)	1.2	1.0	1.1	1.2	1.2
CF interest cover (x)	3.4	4.6	1.6	1.3	2.1

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	16.8	16.9	16.3	14.8	13.6
Recurring P/E @ target price (x) *	23.3	23.4	22.6	20.6	19.0
Reported P/E (x)	16.3	16.9	16.3	14.8	13.6
Dividend yield (%)	2.1	2.1	2.1	2.4	2.8
Price/book (x)	1.0	0.9	0.9	0.9	0.8
Price/tangible book (x)	1.0	0.9	0.9	0.9	0.8
EV/EBITDA (x) **	23.8	26.1	21.6	21.1	20.8
EV/EBITDA @ target price (x) **	26.9	29.7	24.8	24.3	24.0
EV/invested capital (x)	1.0	0.9	0.9	0.9	0.9

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

Sources: CH.Karnchang; FSSIA estimates

CH Karnchang PCL (CK TB)

FSSIA ESG rating


42.81 /100

Exhibit 37: 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 38: 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	17.26	--	--	AA	--	--	--	--	--	--	--	--	22.00	3.01	52.54

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

Exhibit 39: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
ESG financial materiality scores - ESG score	—	—	2.08	2.52	2.58
BESG environmental pillar score	—	—	0.57	0.73	1.28
BESG social pillar score	—	—	3.85	4.96	4.10
BESG governance pillar score	—	—	3.00	3.23	3.16
ESG disclosure score	32.81	33.67	41.90	47.50	57.10
Environmental disclosure score	0.91	0.91	16.55	30.93	46.54
Social disclosure score	16.26	18.83	27.90	30.35	43.56
Governance disclosure score	81.10	81.10	81.10	81.10	81.10
Environmental					
Emissions reduction initiatives	No	No	Yes	Yes	Yes
Climate change policy	No	No	No	No	Yes
Climate change opportunities discussed	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No
GHG scope 1	—	—	2	2	9
GHG scope 2 location-based	—	—	2	2	8
GHG Scope 3	—	—	—	—	222
Carbon per unit of production	—	—	—	—	—
Biodiversity policy	No	No	No	No	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	—	643	3	141
Renewable energy use	—	—	—	—	0
Electricity used	—	—	1	1	88
Fuel used - natural gas	—	—	—	—	0

Sources: Bloomberg; FSSIA's compilation

Exhibit 40: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Fuel used - crude oil/diesel	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	0	0	0
Total waste	—	—	0	0	0
Waste recycled	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—
Environmental supply chain management	No	No	No	Yes	Yes
Water policy	No	No	No	No	Yes
Water consumption	—	—	—	—	1,299
Social					
Human rights policy	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	No	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No
Pct women in workforce	—	—	28	26	26
Pct disabled in workforce	—	—	—	—	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	0	0	0	0	0
Total recordable incident rate - employees	0	0	—	—	4
Training policy	No	No	No	Yes	Yes
Fair remuneration policy	No	No	No	No	No
Number of employees – CSR	—	2,380	1,969	2,304	2,126
Employee turnover pct	—	—	—	—	13
Total hours spent by firm - employee training	—	—	13,785	17,303	20,176
Social supply chain management	No	No	No	Yes	Yes
Governance					
Board size	10	9	10	10	10
No. of independent directors (ID)	4	3	4	4	4
No. of women on board	1	1	1	1	1
No. of non-executive directors on board	4	3	4	4	4
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	7	7	7	8	6
Board meeting attendance pct	100	100	100	100	100
Board duration (years)	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No
Age of the youngest director	45	46	47	43	44
Age of the oldest director	82	80	81	82	83
No. of executives / company managers	17	16	14	14	14
No. of female executives	2	2	2	1	1
Executive share ownership guidelines	No	No	No	No	No
Size of audit committee	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3
Audit committee meetings	4	4	4	4	4
Audit meeting attendance %	100	100	100	100	100
Size of compensation committee	4	3	3	3	3
No. of ID on compensation committee	3	1	1	1	1
No. of compensation committee meetings	2	2	3	4	2
Compensation meeting attendance %	100	100	100	100	100
Size of nomination committee	4	3	3	3	3
No. of nomination committee meetings	2	2	3	4	2
Nomination meeting attendance %	100	100	100	100	100
Sustainability governance					
Verification type	No	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

STECON GROUP STECON TB

THAILAND / CONSTRUCTION SERVICES

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BUY

UNCHANGED

Robust growth as planned

- The tone of the meeting was bullish. STECON maintained its 2025 revenue growth target of 7% y-y and a GPM target of 7%.
- It had a solid backlog of THB125b and remained confident in its target to sign new contracts worth THB50b. It had signed THB18b YTD and had the potential to participate in additional auctions in 2H25.
- We raised our 2025 estimate to reflect a higher-than-expected GPM and the absence of loss sharing from the Pink and Yellow Lines from 2Q25 onwards. We retain our BUY rating after increasing our TP to THB9.50.

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

Revenue and GPM targets maintained following a bright construction outlook

STECON reaffirmed its 2025 revenue target of THB32b (+7% y-y) after 1Q25 had secured 20% of the full-year target. In 2Q-4Q25, revenue from construction should increase q-q in every quarter due to progress in the construction of its backlog, particularly seven solar power plants, and a new data center, due to commence revenue realization in 2Q25. Additionally, STECON maintained its construction gross margin target at 7%, the highest in six years following its 1Q25 of 7.3%. In this aspect, the gross margin should see support from an increased revenue mix from high-margin projects, such as power plants, and benefit from efficient cost control following the adoption of technology for the rest of this year.

Maintain THB50b new contract target, Expect more auctions in 2H25

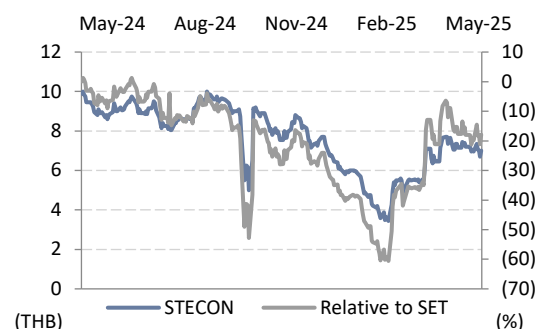
STECON had a THB125b backlog. Also, it remained confident in its target to sign new contracts worth THB50b this year after signing THB15b new contracts to construct data centers. In the latest development, STECON emerged as the winner of an extension project for the M7 motorway, connecting U-Tapao Airport with the lowest offering price of THB2.7b. Additionally, it plans to participate in state auctions, which should increase in 2H25, such as motorways, double-track rails, and high-speed trains, and private projects in which it has expertise, such as solar power plants. Finally, STECON may participate in the Clean Fuel Project (CFP) again as one of its previous sub-contractors.

Raise profit forecast, 2025 outlook confirms turnaround story

We have increased our 2025-27E profit to factor in changes in our assumptions, including 1) a higher construction gross margin following the absence of repair expenses related to the Bueng Nong Bon drainage tunnel since 1Q25 and a change in project mix after realizing high-margin projects, and 2) the absence of loss sharing from the Pink and Yellow Lines from 2Q25 onwards (vs the usual quarterly loss sharing of THB120-150m) after changing its record-keeping from an associate to a long-term investment following the resignation of the management from a director of the project (in which STECON owns a 15% stake), resulting in the loss of control over the project. Hence, we anticipate a 2025 net profit of THB934m, a turnaround from the THB2.4b loss in 2024. In 2Q25, we project profit growth will be robust y-y but weaken q-q due to the absence of dividends earned from GULF as in 1Q25. However, the core operation of its construction unit should further accelerate q-q and y-y.

Increase TP to THB9.50, Maintain BUY rating

We raised our TP to THB9.5 (from THB8), assuming a 0.8x PBV, its five-year historical average -0.75SD. We retain our BUY call on a turnaround story in 2025, driven by construction growth following the absence of pressure from zero-margin projects and loss sharing from the Pink and Yellow Lines since 2Q25. STECON has upside risks that we have not incorporated into our estimate, i.e., the insurance claim for repair expenses related to the Bueng Nong Bon drainage tunnel (THB1b actual repair expenses). STECON expects receipt of the insurance claim in 2Q-3Q25. Adding that back into costs would significantly support the gross margin.



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

The 2024 operating performance turned into a loss, the first in six years mainly due to allowance for doubtful accounts on the CFP and advanced repair expenses related to the Bueng Nong Bon drainage tunnel. However, management is confident because it has set aside reserves in full in 4Q24. More importantly, the performance should turn around in 2025 after repair expenses related to the drainage tunnel no longer pressure the gross margin from 1Q25 onward, and the loss sharing from the Pink and Yellow Lines would disappear from 2Q25 after changing record keeping from an associate to a long-term investment. Also, STECON may receive the insurance claim related to the Bueng Nong Bon project.

Company profile

Established in 1962, STECON is mainly a contractor, accepting both public and private contracts from medium to large projects. They divide into five main types of construction, including public utilities, buildings, energy, industrial, and environmental. In 2024, STECON earned 73% of its revenue from private and 23% from public. By type, energy contributed the highest revenue at 36%, followed by public utilities (29%) and buildings (26%).

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

Key potential catalysts include 1) new auctions, particularly for public utilities and sizable private contracts, 2) investment expansion in new businesses, 3) a change of the record-keeping for the Pink and Yellow Lines from an associate to an investment, 4) receipt of the insurance claim for advanced repair expenses relating to the drainage tunnel, and 5) payment of debts from the UJV group for the CFP.

Risks to our call

Downside risks to our TP include 1) FX volatility, 2) a delay in and additional repair expenses related to the Bueng Nong Bon drainage tunnel project, 3) a delay in the commencement of its construction for U-Tapao Airport, 4) a delay in new auctions, and 5) higher-than-expected loss sharing from associates.

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

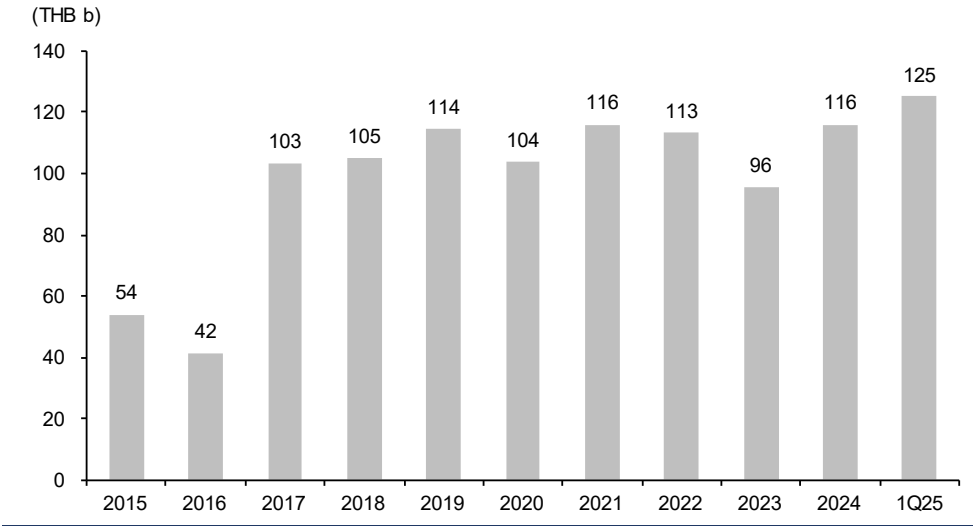
Source: FSSIA estimates

Exhibit 41: Key assumptions for STECON

	Actual	Current			Previous			Change		
	2024	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
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

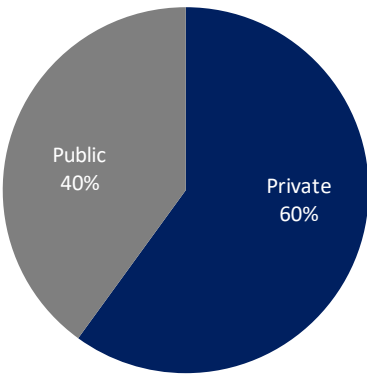
Source: FSSIA estimates

Exhibit 42: Backlog



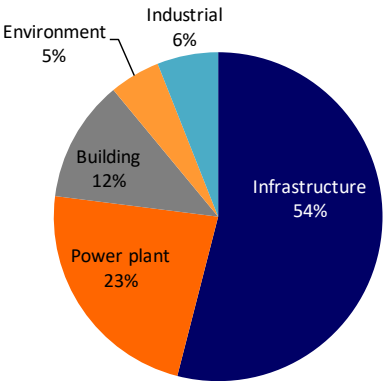
Source: STECON

Exhibit 43: Backlog breakdown by client type



Source: STECON

Exhibit 44: Backlog breakdown by work



Source: STECON

Exhibit 45: 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

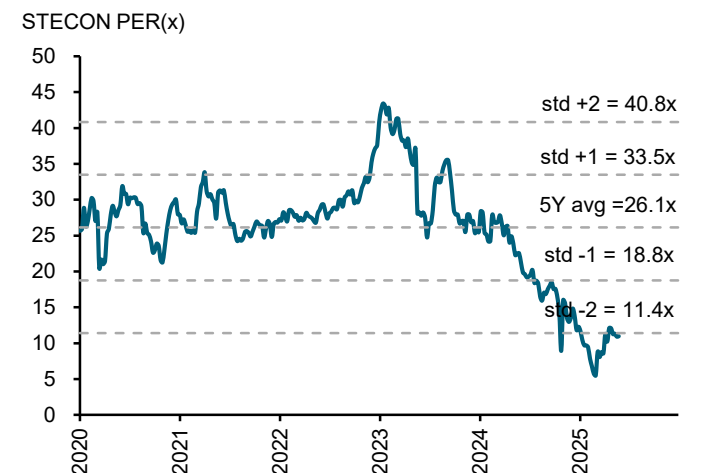
Source: STECON

Exhibit 46: 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	
Infrastructure		Private	15,000	Expect to open for bidding in 2025
Commercial building		Private	4,000	
Total			460,000	

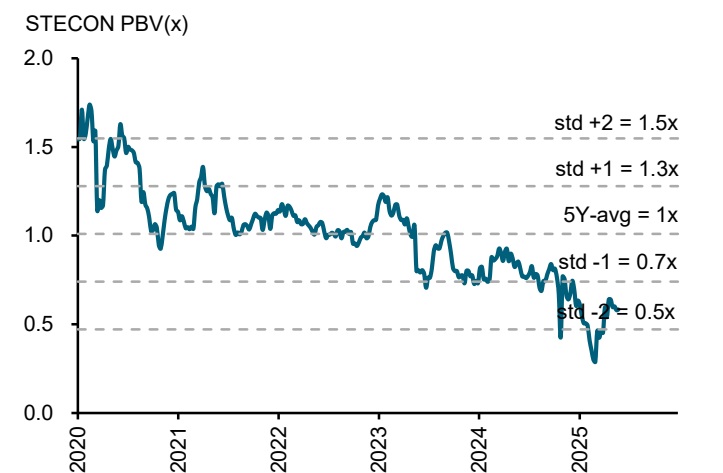
Source: STECON

Exhibit 47: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 48: 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 49: 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 50: 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 51: 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 52: 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

PYLON PYLON TB

THAILAND / CONSTRUCTION SERVICES

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BUY
 UNCHANGED

Key takeaways from analyst meeting

TARGET PRICE	THB2.40
CLOSE	THB1.87
UP/DOWNSIDE	+28.3%
TP vs CONSENSUS	+2.1%

Highlights

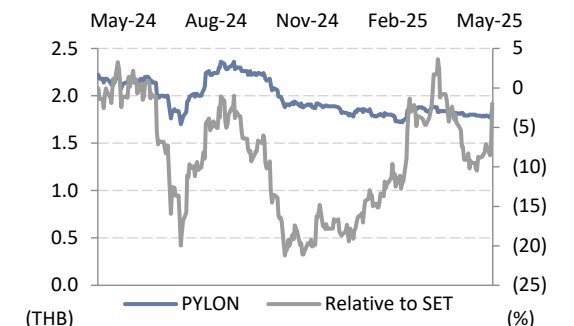
- At PYLON's opportunity day yesterday, we read the overall tone as positive.
- PYLON's current backlog of THB1.5b has reached the highest level in 21 quarters and will be gradually recognized until early 2026. Most of the backlog, around 70-80%, is expected to be booked for the rest of this year, fully securing our 2025 revenue assumption of THB1.2b (+48% y-y).
- Of the total backlog, 72% comprises private sector projects with labor-and-material contracts, while 28% includes only labor costs, primarily from the MRT Orange Line project. However, the schedule for the construction of the Expressway-Jatuchot project (THB150m) has been delayed from 2Q25 to Jan 2026 due to issues with land expropriation.
- Management unveiled a more optimistic outlook for increased demand, particularly for diaphragm wall works in private projects such as mixed-use development, office building, hospital, and data center projects, where there are few players in the market. However, the pile foundation market has limited new projects and remains competitive, mainly due to the slowdown in condo development.
- PYLON aims to seek additional backlog from tendered projects, including three projects currently under review by the project owners. As the company is currently operating at full capacity with a skilled labor force of 300 people, it plans to recruit additional workers to expand capacity for upcoming project bids.

Comments

- We anticipate accelerated earnings momentum in 2Q-3Q25, with growth both q-q and y-y, driven by the construction phase of several sizable projects such as Woeng Nakornkasem, The Ritz Carlton-Lhong, and MRT Orange line projects. This should support an increase in equipment utilization to 15-17 machines, up from an average of 10 machines in 1Q25.
- We maintain our 2025 net profit forecast of THB68m, recovering from just THB0.5m in 2024, and our TP of THB2.4 (based on a P/BV target of 1.9x). We retain our BUY rating, supported by the positive profit trend in 2Q-3Q25 and an improved 2025 outlook. Additionally, the stock is currently trading at 1.5x 2025E P/BV—its historical average -2SD.

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)	(26.8)
EBITDA	69	169	180	174
Recurring net profit	(6)	68	76	71
Core EPS (THB)	(0.01)	0.09	0.10	0.09
EPS growth (%)	nm	nm	11.8	(7.5)
Core P/E (x)	(218.3)	20.5	18.4	19.9
Dividend yield (%)	2.1	4.4	4.9	4.5
EV/EBITDA (x)	19.3	8.0	7.6	7.8
Price/book (x)	1.5	1.5	1.5	1.5
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 (%)	3.3	8.1	(18.0)
Relative to country (%)	3.2	12.1	(3.7)
Mkt cap (USD m)	43		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	41		
Major shareholder	Sangarayakul Family (55%)		
12m high/low (THB)	2.38/1.66		
Issued shares (m)	749.87		

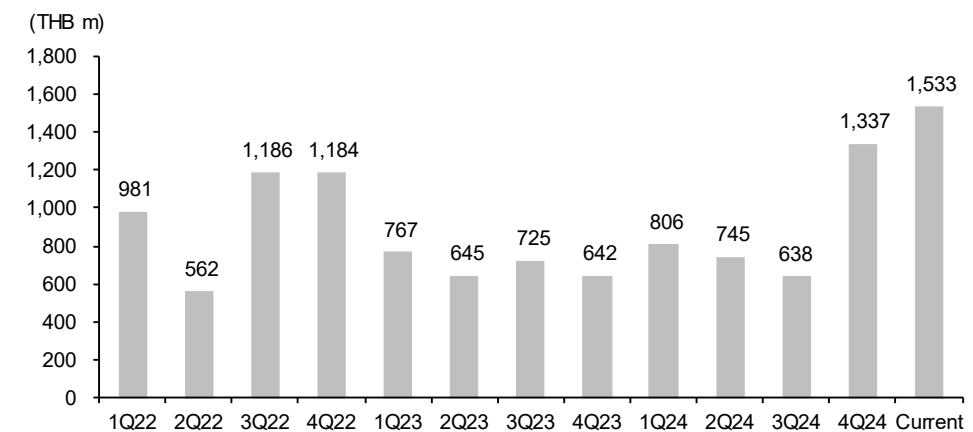
Sources: Bloomberg consensus; FSSIA estimates



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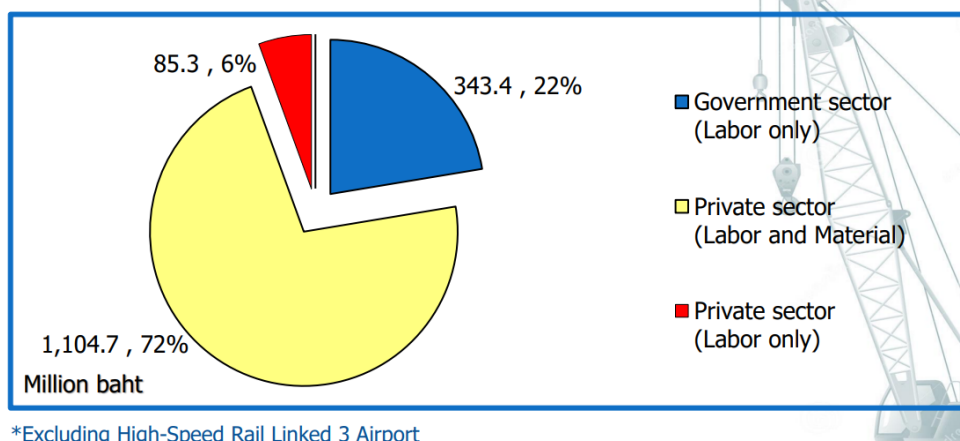
Exhibit 53: Backlog as of 28 May 2025 (excluding High-Speed Rail Linking 3 Airports)



Sources: PYLON; FSSIA's compilation

Exhibit 54: Backlog breakdown

• Current Work on Hand 1,533.4 MB*



*Excluding High-Speed Rail Linked 3 Airport

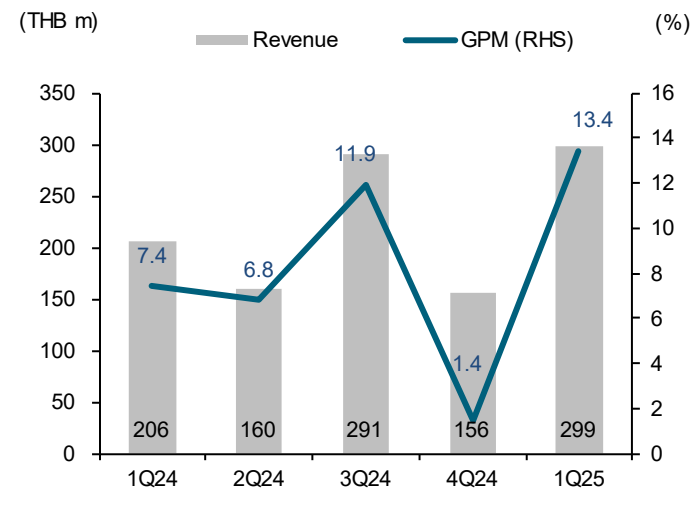
Source: PYLON

Exhibit 55: Major projects in current backlog

Project	Type of work	Project period
Woeng Nakornkasem	Labor and material	Jan – Dec 25
Carabao Office Building	Labor and material	Feb – Jun 25
SK16 (16 Residence)	Labor and material	Jun 25 – Jan 26
The Ritz Carlton-Lhong	Labor and material	Jun – Dec 25
Data Centre-Nawanakorn	Labor and material	Apr – Aug 25
The Bangkok Christian Hospital	Labor and material	Sep 25 – Jan 26
The Base Wongsawang	Labor only	Apr 25 – Jul 26
AP Condos (3 projects)	Labor only	May – Dec 25
MRT Orange Line	Labor only	May 25 – Jul 26
Expressway-Jatuchot	Labor only	Jan - Oct 26
Jurassic Park - Asiatique	Labor and material	May – Jun 25
Bang Ban Project	Labor only	2023-2025
Project O	Labor and material	2026
Project 20-861	Labor and material	May – Jul 25
Noww Mega Bangna	Labor and material	2026

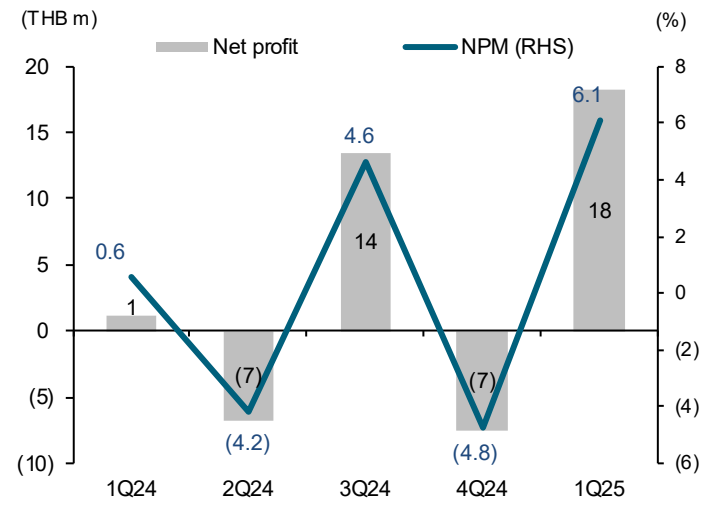
Source: PYLON

Exhibit 56: Quarterly revenue and GPM



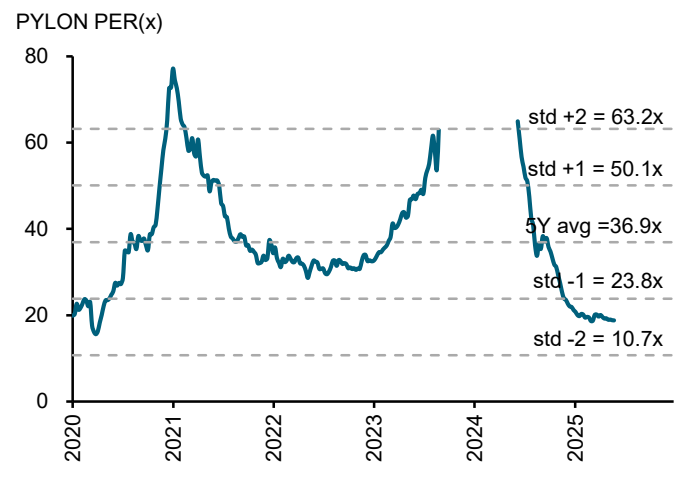
Sources: PYLON; FSSIA's compilation

Exhibit 57: Quarterly net profit and NPM



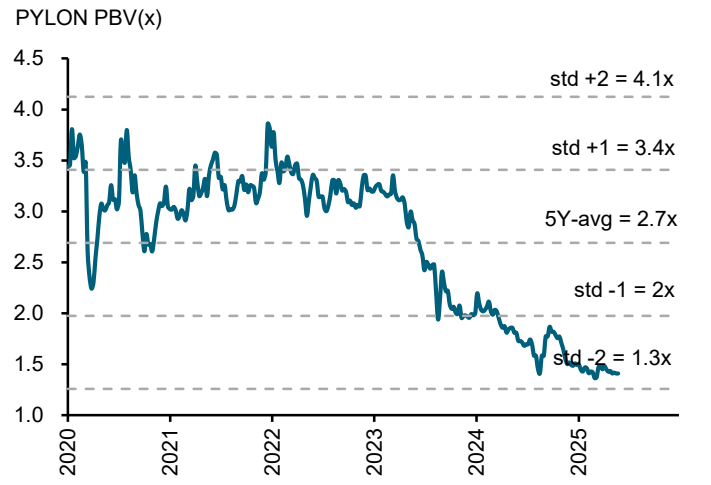
Sources: PYLON; FSSIA's compilation

Exhibit 58: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 59: 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) *	13.7	(218.3)	20.5	18.4	19.9
Recurring P/E @ target price (x) *	17.6	(280.1)	26.4	23.6	25.5
Reported P/E (x)	13.2	2,797.6	20.5	18.4	19.9
Dividend yield (%)	7.5	2.1	4.4	4.9	4.5
Price/book (x)	1.3	1.5	1.5	1.5	1.5
Price/tangible book (x)	1.3	1.5	1.5	1.5	1.5
EV/EBITDA (x) **	6.1	19.3	8.0	7.6	7.8
EV/EBITDA @ target price (x) **	8.0	25.0	10.4	9.8	10.1
EV/invested capital (x)	1.4	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

n/a

Exhibit 60: 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 61: 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	17.26	--	--	AA	--	--	--	--	--	--	--	--	22.00	3.01	52.54

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

Exhibit 62: 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	1.94	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	190.2	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	(Proud in Pro Company Limited.)	
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

SEAFCO SEAFCO TB

THAILAND / CONSTRUCTION SERVICES

This report is being republished for reference purposes. No changes have been made to the report from its original date of publication

BUY
 UNCHANGED

Key takeaways from analyst meeting

TARGET PRICE	THB3.00
CLOSE	THB2.02
UP/DOWNSIDE	+48.5%
TP vs CONSENSUS	-6.7%

Highlights

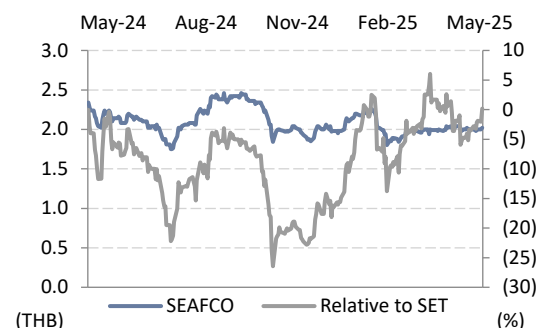
- The overall tone of the 1Q25 opportunity day yesterday was positive. SEAFCO has a strong backlog of THB2.7b as of end-April 2025—the highest in 25 quarters—which will be gradually recognized until mid-2026.
- Of the total backlog, 71% comes primarily from the MRT Orange Line project, which includes six sections with a combined value of THB1.9b. This is a sizable project with labor-only contracts, which carry higher margins than labor-and-material contracts.
- Management maintained its 2025 revenue target of THB2b, jumping by 57% y-y from THB1.3b in 2024, which is higher than our revenue assumption of THB1.55b.
- The company currently has around 400 workers, which is sufficient to support the existing projects on hand. Meanwhile, it plans to recruit approximately 100 additional workers to increase capacity for upcoming project bids.
- A new potential backlog should come from tendered projects worth THB11.6b, which are under review by the project owners. These consist of 80% government sector and 20% private sector projects.
- Management expects the government to increase infrastructure investment in 2H25, such as the expressway and island-connecting bridge projects, while market competition is likely to ease.

Comments

- SEAFCO reported a disappointing 1Q25 performance, with a loss of THB62m, primarily due to low revenue, as the company was still in the construction site preparation phase for the Orange Line project.
- We expect the earnings to turn profitable in 2Q25 and continue to accelerate in 3Q25, led by positive momentum in both revenue and GPM. The crucial growth driver should be the construction of the Orange Line project, with full-scale construction starting on three sections in 2Q25 and expanding to five sections in 3Q25. In addition, private projects such as The Platinum Square, which began in April, should further support performance. Notably, the average concrete amount poured in April 2025 reached 648 CBM/day, sharply up from 179 CBM/day in 1Q25 and 449 CBM/day in 4Q24.
- We maintain our 2025 profit forecast of THB148m, recovering from just THB1m in 2024, and our TP of THB3 (based on a P/BV target of 1.5x). We reiterate our BUY rating as a turnaround play. Additionally, the stock is currently trading at 1.0x 2025E P/BV, 1.75SD below its historical average.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	1,273	1,547	1,802	1,837
Net profit	1	148	171	175
EPS (THB)	0.00	0.18	0.21	0.22
vs Consensus (%)	-	(10.0)	1.4	4.8
EBITDA	131	335	367	376
Recurring net profit	(4)	148	171	175
Core EPS (THB)	(0.01)	0.18	0.21	0.22
EPS growth (%)	nm	nm	15.7	2.5
Core P/E (x)	(368.2)	11.1	9.6	9.4
Dividend yield (%)	1.5	3.5	4.1	4.2
EV/EBITDA (x)	12.8	5.2	4.7	4.5
Price/book (x)	1.1	1.0	1.0	0.9
Net debt/Equity (%)	2.9	6.4	5.4	2.5
ROE (%)	(0.3)	9.5	10.3	9.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	0.0	4.1	(16.5)
Relative to country (%)	(0.4)	8.8	(2.0)
Mkt cap (USD m)	49		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	74		
Major shareholder	Thasnanipan Family (26%)		
12m high/low (THB)	2.48/1.70		
Issued shares (m)	739.71		

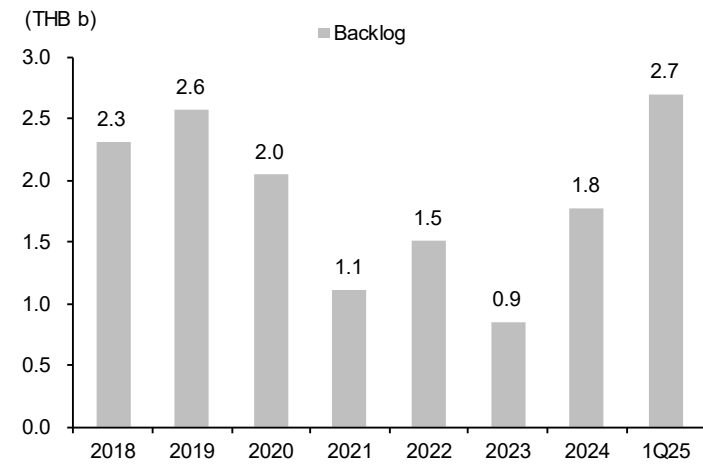
Sources: Bloomberg consensus; FSSIA estimates



Thanyatorn Songwutti

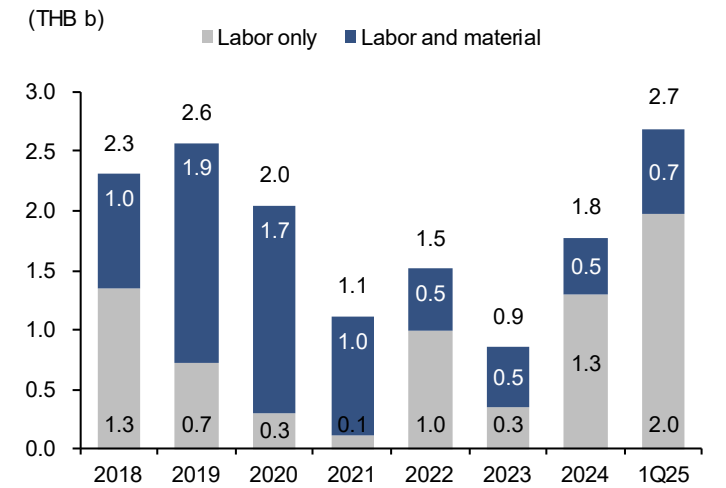
Fundamental Investment Analyst on Securities; License no. 101203
 thanyatorn.s@fssia.com, +66 2646 9963

Exhibit 63: Backlog as of end-April 2025



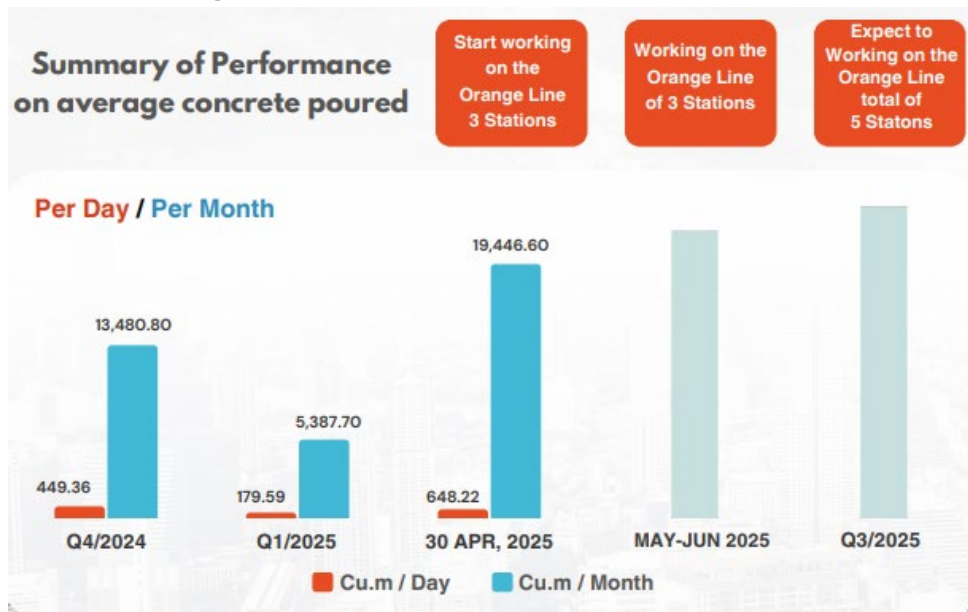
Source: SEAFCO

Exhibit 64: Backlog breakdown by type of work



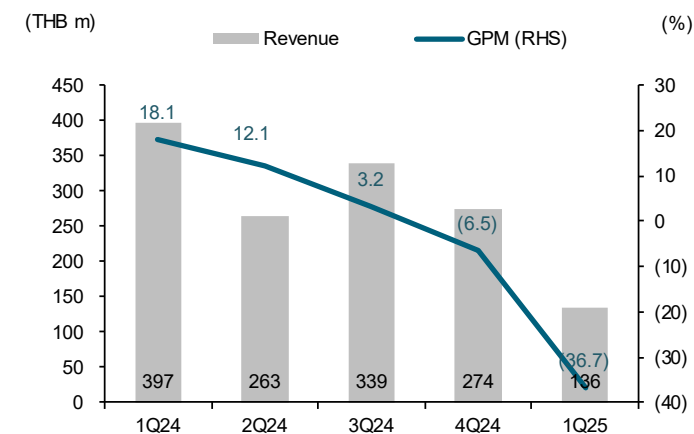
Source: SEAFCO

Exhibit 65: Average concrete poured



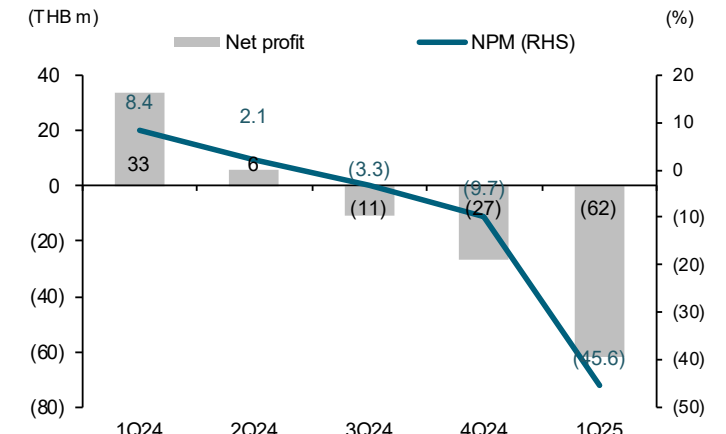
Source: SEAFCO

Exhibit 66: Quarterly revenue and GPM



Sources: SEAFCO; FSSIA's compilation

Exhibit 67: Quarterly net profit and NPM



Sources: SEAFCO; FSSIA's compilation

Exhibit 68: Current projects in progress



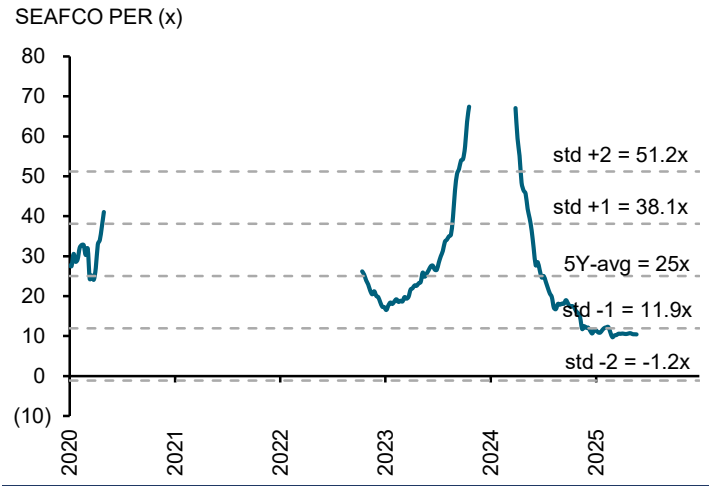
Source: SEAFco

Exhibit 69: Current projects in progress



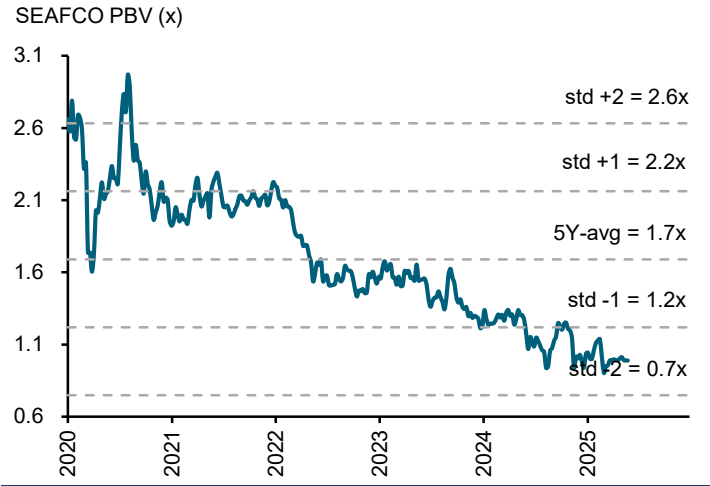
Source: SEAFco

Exhibit 70: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 71: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Seafoo

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	1,786	1,273	1,547	1,802	1,837
Cost of goods sold	(1,463)	(1,177)	(1,236)	(1,458)	(1,486)
Gross profit	323	97	311	344	350
Other operating income	7	11	10	10	10
Operating costs	(121)	(110)	(121)	(125)	(126)
Operating EBITDA	345	131	335	367	376
Depreciation	(136)	(133)	(136)	(139)	(141)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	210	(2)	199	229	234
Net financing costs	(16)	(12)	(13)	(13)	(13)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	19	6	0	0	0
Profit before tax	212	(8)	186	216	221
Tax	(45)	9	(41)	(48)	(49)
Profit after tax	167	1	145	168	173
Minority interests	2	1	2	2	2
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	169	1	148	171	175
Non-recurring items & goodwill (net)	(19)	(6)	0	0	0
Recurring net profit	151	(4)	148	171	175
Per share (THB)					
Recurring EPS *	0.20	(0.01)	0.18	0.21	0.22
Reported EPS	0.23	0.00	0.18	0.21	0.22
DPS	0.09	0.03	0.07	0.08	0.08
Diluted shares (used to calculate per share data)	740	814	814	814	814
Growth					
Revenue (%)	128.6	(28.7)	21.5	16.5	1.9
Operating EBITDA (%)	1,698.3	(61.9)	155.2	9.6	2.2
Operating EBIT (%)	nm	nm	nm	14.7	2.4
Recurring EPS (%)	nm	nm	nm	15.7	2.5
Reported EPS (%)	nm	(99.3)	10,774.7	15.7	2.5
Operating performance					
Gross margin inc. depreciation (%)	18.1	7.6	20.1	19.1	19.1
Gross margin exc. depreciation (%)	25.7	18.0	28.9	26.8	26.8
Operating EBITDA margin (%)	19.3	10.3	21.7	20.4	20.4
Operating EBIT margin (%)	11.7	(0.1)	12.9	12.7	12.8
Net margin (%)	8.4	(0.4)	9.6	9.5	9.5
Effective tax rate (%)	21.3	107.7	22.0	22.0	22.0
Dividend payout on recurring profit (%)	44.1	(546.9)	39.0	39.0	39.0
Interest cover (X)	13.3	(0.2)	15.3	17.9	18.4
Inventory days	12.5	13.8	13.4	12.4	13.3
Debtor days	91.9	127.8	96.0	109.7	120.4
Creditor days	122.9	184.0	160.2	152.7	162.8
Operating ROIC (%)	13.4	(0.1)	12.6	(3.3)	(3.2)
ROIC (%)	9.8	(0.1)	9.5	(2.5)	(2.5)
ROE (%)	10.0	(0.3)	9.5	10.3	9.9
ROA (%)	6.8	0.2	6.8	6.7	6.5

* Pre exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Hire of work	1,784	1,272	1,545	1,800	1,835
Sales of materials and services	2	1	2	2	2

Sources: Seafoo; FSSIA estimates

Financial Statements

Seafo

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	151	(4)	148	171	175
Depreciation	136	133	136	139	141
Associates & minorities	(2)	(1)	(2)	(2)	(2)
Other non-cash items	-	-	-	-	-
Change in working capital	(36)	97	(104)	(44)	(10)
Cash flow from operations	248	225	177	263	304
Capex - maintenance	-	-	-	-	-
Capex - new investment	(109)	(108)	(180)	(189)	(191)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	-	-	-
Cash flow from investing	(109)	(108)	(180)	(189)	(191)
Dividends paid	(67)	(115)	(55)	(64)	(66)
Equity finance	(6)	34	0	0	0
Debt finance	(45)	(142)	65	(5)	0
Other financing cash flows	87	0	0	0	0
Cash flow from financing	(31)	(223)	10	(69)	(66)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	108	(106)	7	5	47
Free cash flow to firm (FCFF)	155.04	129.02	10.12	87.02	125.66
Free cash flow to equity (FCFE)	181.26	(25.46)	62.36	69.26	112.90

Per share (THB)

FCFF per share	0.21	0.17	0.01	0.12	0.17
FCFE per share	0.25	(0.03)	0.08	0.09	0.15
Recurring cash flow per share	0.38	0.16	0.35	0.38	0.39

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	2,462	2,441	2,491	2,541	2,591
Less: Accumulated depreciation	(1,390)	(1,390)	(1,390)	(1,390)	(1,390)
Tangible fixed assets (net)	1,073	1,051	1,101	1,151	1,201
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	89	86	80	80	80
Cash & equivalents	222	115	122	127	174
A/C receivable	561	330	483	600	612
Inventories	39	40	41	49	50
Other current assets	226	229	229	229	229
Current assets	1,048	715	876	1,005	1,065
Other assets	356	322	327	332	342
Total assets	2,566	2,173	2,383	2,568	2,687
Common equity	1,597	1,515	1,605	1,709	1,816
Minorities etc.	(3)	(7)	(7)	(7)	(7)
Total shareholders' equity	1,594	1,508	1,598	1,702	1,809
Long term debt	148	22	148	149	149
Other long-term liabilities	43	46	47	48	49
Long-term liabilities	192	69	196	197	198
A/C payable	596	456	510	594	606
Short term debt	154	138	77	71	71
Other current liabilities	31	3	3	4	4
Current liabilities	780	597	590	669	681
Total liabilities and shareholders' equity	2,566	2,173	2,383	2,568	2,687
Net working capital	200	140	240	280	281
Invested capital	1,718	1,598	1,748	1,843	1,903

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

Per share (THB)

Book value per share	2.16	1.86	1.97	2.10	2.23
Tangible book value per share	2.16	1.86	1.97	2.10	2.23

Financial strength

Net debt/equity (%)	5.1	2.9	6.4	5.4	2.5
Net debt/total assets (%)	3.1	2.0	4.3	3.6	1.7
Current ratio (x)	1.3	1.2	1.5	1.5	1.6
CF interest cover (x)	19.5	7.9	19.6	21.2	24.8

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	9.9	(368.2)	11.1	9.6	9.4
Recurring P/E @ target price (x) *	14.7	(546.9)	16.5	14.3	13.9
Reported P/E (x)	8.8	1,209.7	11.1	9.6	9.4
Dividend yield (%)	4.5	1.5	3.5	4.1	4.2
Price/book (x)	0.9	1.1	1.0	1.0	0.9
Price/tangible book (x)	0.9	1.1	1.0	1.0	0.9
EV/EBITDA (x) **	4.6	12.8	5.2	4.7	4.5
EV/EBITDA @ target price (x) **	6.7	18.9	7.6	6.9	6.6
EV/invested capital (x)	0.9	1.1	1.0	0.9	0.9

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

Sources: Seafo; FSSIA estimates

SEAFCO PCL (SEAFCO TB)

FSSIA ESG rating

n/a

Exhibit 72: 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 73: 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	17.26	--	--	AA	--	--	--	--	--	--	--	--	22.00	3.01	52.54

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

Exhibit 74: 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	9 / 4 / 2
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	7 / 100%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	4
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	926	Board age limit	No
Fuel used - crude oil/diesel	3.1	Age of the youngest / oldest director	45 / 80
Waste reduction policy	Yes	Number of executives / female	12 / 1
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	687	Size of audit committee / ID	3 / 3
Social		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
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	Yes	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	14.62	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	2.76
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	1.43
Health and safety policy	Yes	(NPS Siam Audit Limited.)	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	5,669		
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 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+										
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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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
CH.Karnchang	CK TB	THB 14.20	BUY	Key downside risks to our SoTP-based TP include 1) delays in the signing of the Orange Line project; 2) auction delays and fewer new projects than expected; 3) political uncertainty; 4) slower-than-expected construction progress and cost overrun; 5) increased building material costs, labor shortages, and a minimum wage hike; and 6) weaker-than-expected performance of associates (BEM, CKP, and LPCL).
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.
Pylon	PYLON TB	THB 2.12	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.
Seafoo	SEAFCO TB	THB 2.02	BUY	Downside risks to our P/BV-based TP include 1) fewer than expected new contract signing; 2) auction delays; 3) a failure to win contracts from the Orange Line project; 4) political uncertainties; 5) construction delays and cost overrun; 6) higher building material costs, labor shortages, and a minimum wage hike; and 7) fierce competition.

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 04-Jun-2025 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.