

# PYLON PYLON TB

## THAILAND / CONSTRUCTION SERVICES

# BUY

UNCHANGED

## Growth momentum building

- Management sees a positive outlook, supported by rising demand from upcoming public projects and less intense competition.
- Record backlog of THB2.2b secures solid earnings visibility for 1Q-3Q26E. Upgrade 2026 earnings to 21% y-y growth.
- Maintain BUY with a higher TP of THB3.80.

TARGET PRICE	THB3.80
CLOSE	THB2.98
UP/DOWNSIDE	+27.5%
PRIOR TP	THB3.10
CHANGE IN TP	+22.6%
TP vs CONSENSUS	+9.8%

## KEY STOCK DATA

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	1,489	1,663	1,734	1,760
Net profit	211	256	269	273
EPS (THB)	0.28	0.34	0.36	0.36
vs Consensus (%)	-	20.1	28.6	25.4
EBITDA	328	392	409	414
Recurring net profit	207	256	269	273
Core EPS (THB)	0.28	0.34	0.36	0.36
Chg. In EPS est. (%)	-	25.5	48.2	40.5
EPS growth (%)	nm	23.4	5.1	1.4
Core P/E (x)	10.8	8.7	8.3	8.2
Dividend yield (%)	8.1	8.6	9.0	9.2
EV/EBITDA (x)	6.5	5.3	5.0	4.8
Price/book (x)	2.0	1.9	1.8	1.7
Net debt/Equity (%)	(9.4)	(13.9)	(16.5)	(19.4)
ROE (%)	20.1	22.2	22.0	21.2

## Record backlog underpins growth outlook

Overall, the tone at the Opportunity Day was positive. Management expressed an optimistic outlook for business performance in 2026–27, supported by a record-high backlog of THB2.2b. This backlog secures full-quarter revenue recognition through 3Q26 and partially into 4Q26, providing longer visibility than the typical 4–5 months. Most projects are large-scale private sector developments, including Central Embassy 2, BDMS Wellness, as well as several hotels and hospitals. Management targets 2026 revenue growth of 10–15% y-y from THB1.5b, with gross profit margin (GPM) expected to improve from the 2025 level of 22.9%.

## Public project acceleration to drive piling demand

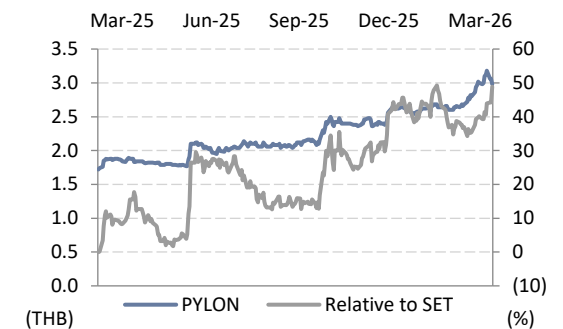
Management expects demand in the piling industry to rise, driven by the acceleration of public infrastructure project tenders following the formation of the new government, with construction likely to commence in late this year or early next year. Key projects include the Double Deck Expressway, the Thai–Chinese high-speed rail, as well as the resumption of the High-Speed Rail Linking Three Airports project. On the supply side, competition has eased after the exit of a major player from the market, while leading operators are currently operating at full capacity. However, competition is likely to gradually intensify in 2H26 following the completion of the Orange Line project. Nevertheless, management believes the market will remain balanced, supported by an expanding project pipeline, particularly projects requiring specialized expertise with a limited number of qualified contractors. Meanwhile, management expects no material impact from the Middle East war, with a 1% increase in oil prices estimated to raise costs by only 0.4–0.5%.

## Earnings upgrade on stronger new contracts

We raise our 2026 net profit forecast by 26% to THB256m (+21% y-y), reflecting higher-than-expected new contract signings. As a result, we revise up our revenue forecast by 11% to THB1.66b, implying 12% y-y growth in line with the company's target, alongside an expansion in gross margin to 25.1% (from 22.5%), driven by new higher-margin projects amid easing competition and improved operating leverage.

## Maintain BUY with higher TP of THB3.80

We raise our TP to THB3.80 (from THB3.10), based on a PBV of 2.4x (its historical average), and maintain our BUY rating. The strong backlog is expected to support high equipment utilization, with around 20 machines operating during 1Q–3Q26. In the near term, 1Q26 earnings are expected to decline slightly q-q, as the quarter marks a transition period with the gradual ramp-up of new projects, but increase sharply y-y.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.2	13.7	73.3
Relative to country (%)	8.1	4.6	47.4
Mkt cap (USD m)	71		
3m avg. daily turnover (USD m)	0.1		
Free float (%)	41		
Major shareholder	Sangarajakul Family (55%)		
12m high/low (THB)	3.20/1.69		
Issued shares (m)	749.87		

Sources: Bloomberg consensus; FSSIA estimates



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### Investment thesis

We see positive earnings momentum in 2026, driven by a record-high backlog of THB2.2b as of early Mar 2026, securing full-quarter revenue recognition through 3Q26 and partially into 4Q26. Major projects are from the private sector, including large-scale commercial developments, hotels, and hospitals. Management sees a brighter outlook for the pile foundation industry, supported by rising demand from increased public project activity following the formation of the new government, alongside a balanced competitive landscape on the supply side amid fewer market participants.

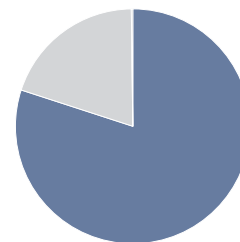
### Company profile

PYLON was established in 2002 as a contractor for foundation construction. Its construction services are divided into three products: bored piling, ground improvement by jet grouting, and diaphragm walls. It mainly engages in foundation construction for the government and private sectors. Most government projects are related to structural and infrastructure works, such as elevated railways and expressways. Private projects are related to residential facilities, hospitals, and office buildings.

[www.pylon.co.th](http://www.pylon.co.th)

### Principal activities (revenue, 2025)

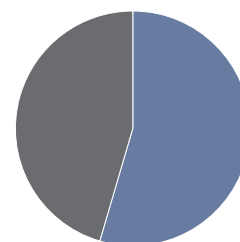
- Bored Piles - 80.0 %
- Diaphragm Wall/ Barrette Pile - 19.8 %
- Ground Improvement - 0.2 %



Source: Pylon

### Major shareholders

- Sangarayakul Family - 54.5 %
- Others - 45.5 %



Source: Pylon

### Catalysts

Key potential growth drivers include 1) the signing of new contracts, particularly from sizable private projects; and 2) the government's infrastructure projects, such as high-speed train project linking three airports, and expressways.

### Risks to our call

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 comprise 1) a higher-than-expected additional backlog and new auctions; and 2) sooner-than-expected commencement of the high-speed train project linking three airports.

### Event calendar

Date	Event
May 2026	1Q26 results announcement

### Key assumptions

	2026E	2027E	2028E
Revenue (THB m)	1,663	1,734	1,760
GPM (%)	25.1	25.2	25.2
SG&A to revenue (%)	6.5	6.4	6.4

Source: FSSIA estimates

### Earnings sensitivity

- For every 5% increase in revenue, we estimate 2026 net profit to rise by 7%, and vice versa, all else being equal.
- For every 0.5% increase in GPM, we estimate 2026 net profit to rise by 3%, and vice versa, all else being equal.
- For every 5% increase in SG&A, we estimate 2026 net profit to fall by 2%, and vice versa, all else being equal.

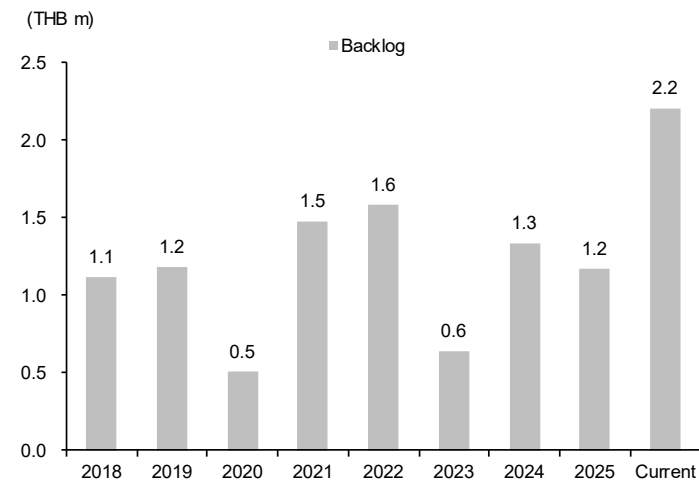
Source: FSSIA estimates

**Exhibit 1: Key assumptions for PYLON**

	Actual	Current			Previous			Change		
	2025 (THB m)	2026E (THB m)	2027E (THB m)	2028E (THB m)	2026E (THB m)	2027E (THB m)	2028E (THB m)	2026E (%)	2027E (%)	2028E (%)
Total revenue (THB m)	1,489	1,663	1,734	1,760	1,505	1,416	1,464	11	22	20
Cost of construction (THB m)	1,148	1,246	1,297	1,316	1,166	1,112	1,149	7	17	15
Gross margin (%)	22.9	25.1	25.2	25.2	22.5	21.5	21.5	2.6	3.7	3.7
SG&A (THB m)	93	108	111	113	90	85	79	19	31	43
SG&A to revenue (%)	6.2	6.5	6.4	6.4	6.0	6.0	5.4	0.5	0.4	1.0
Interest expense (THB m)	3	3	3	3	2	2	2	40	75	75
Core profit (THB m)	207	256	269	273	204	182	194	26	48	41
Net profit (THB m)	211	256	269	273	204	182	194	26	48	41

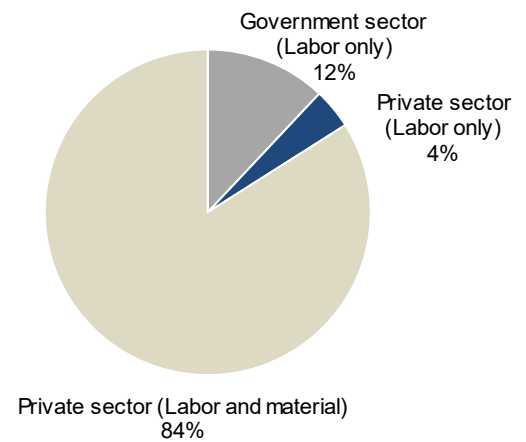
Sources: PYLON; FSSIA estimates

**Exhibit 2: Backlog**



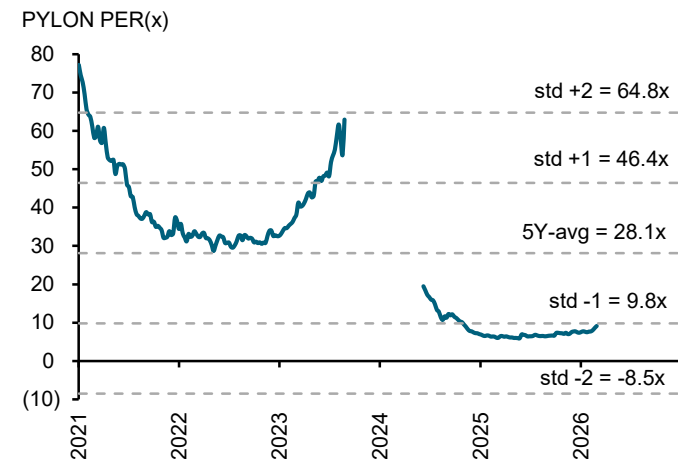
Sources: PYLON; FSSIA's compilations

**Exhibit 3: Current backlog breakdown by type of work**



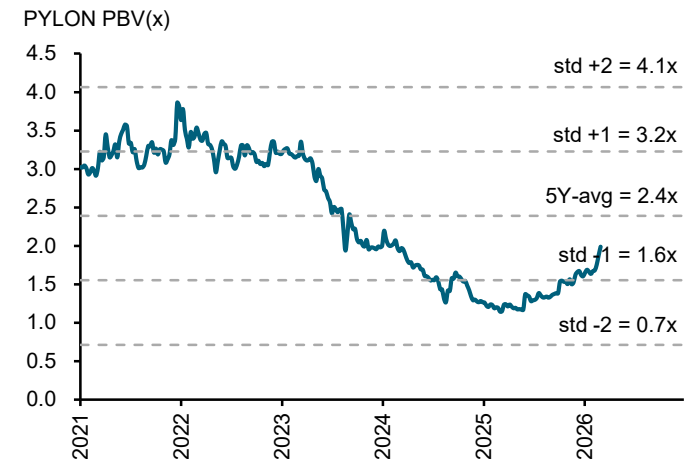
Sources: PYLON; FSSIA's compilations

**Exhibit 4: Historical P/E band**



Sources: Bloomberg; FSSIA estimates

**Exhibit 5: Historical P/BV band**



Sources: Bloomberg; FSSIA estimates

## Financial Statements

### Pylon

Profit and Loss (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Revenue	814	1,489	1,663	1,734	1,760
Cost of goods sold	(750)	(1,148)	(1,246)	(1,297)	(1,316)
<b>Gross profit</b>	<b>63</b>	<b>340</b>	<b>418</b>	<b>437</b>	<b>444</b>
Other operating income	8	13	13	13	14
Operating costs	(77)	(93)	(108)	(111)	(113)
<b>Operating EBITDA</b>	<b>69</b>	<b>328</b>	<b>392</b>	<b>409</b>	<b>414</b>
Depreciation	(75)	(68)	(69)	(69)	(70)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>(7)</b>	<b>260</b>	<b>323</b>	<b>339</b>	<b>344</b>
Net financing costs	(2)	(3)	(3)	(3)	(3)
Associates	-	-	-	-	-
Recurring non-operating income	0	0	0	0	0
Non-recurring items	7	4	0	0	0
<b>Profit before tax</b>	<b>(1)</b>	<b>261</b>	<b>320</b>	<b>336</b>	<b>341</b>
Tax	2	(50)	(64)	(67)	(68)
<b>Profit after tax</b>	<b>1</b>	<b>211</b>	<b>256</b>	<b>269</b>	<b>273</b>
Minority interests	0	0	0	0	0
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>1</b>	<b>211</b>	<b>256</b>	<b>269</b>	<b>273</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(7)</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(6)</b>	<b>207</b>	<b>256</b>	<b>269</b>	<b>273</b>
<b>Per share (THB)</b>					
Recurring EPS *	(0.01)	0.28	0.34	0.36	0.36
Reported EPS	0.00	0.28	0.34	0.36	0.36
DPS	0.04	0.24	0.26	0.27	0.27
Diluted shares (used to calculate per share data)	750	750	750	750	750
<b>Growth</b>					
Revenue (%)	(45.1)	83.0	11.7	4.2	1.5
Operating EBITDA (%)	(68.1)	378.0	19.3	4.4	1.3
Operating EBIT (%)	nm	nm	24.1	5.1	1.4
Recurring EPS (%)	nm	nm	23.4	5.1	1.4
Reported EPS (%)	(99.5)	41,990.7	21.4	5.1	1.4
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	7.8	22.9	25.1	25.2	25.2
Gross margin exc. depreciation (%)	17.0	27.4	29.2	29.2	29.2
Operating EBITDA margin (%)	8.4	22.0	23.5	23.6	23.5
Operating EBIT margin (%)	(0.8)	17.5	19.4	19.6	19.6
Net margin (%)	(0.8)	13.9	15.4	15.5	15.5
Effective tax rate (%)	136.9	19.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	(466.9)	86.8	75.0	75.0	75.0
Interest cover (X)	(4.3)	91.5	107.8	113.3	114.8
Inventory days	23.4	14.4	20.0	26.3	26.6
Debtor days	122.4	75.9	94.1	96.5	97.8
Creditor days	64.5	55.8	76.7	75.6	76.5
Operating ROIC (%)	(0.6)	23.8	28.1	29.2	29.0
ROIC (%)	(0.6)	22.1	25.2	26.1	25.9
ROE (%)	(0.6)	20.1	22.2	22.0	21.2
ROA (%)	(0.4)	16.1	16.7	16.7	16.1
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Bored Piles	651	1,191	1,331	1,387	1,408
Diaphragm Wall/ Barrette Pile	160	295	329	343	348
Ground Improvement	3	3	4	4	4

Sources: Pylon; FSSIA estimates

## Financial Statements

### Pylon

Cash Flow (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Recurring net profit	(6)	207	256	269	273
Depreciation	75	68	69	69	70
Associates & minorities	0	0	0	0	0
Other non-cash items	-	-	-	-	-
Change in working capital	102	(119)	(132)	(15)	(8)
<b>Cash flow from operations</b>	<b>171</b>	<b>156</b>	<b>192</b>	<b>323</b>	<b>334</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(75)	(105)	-	(79)	(80)
Net acquisitions & disposals	-	-	59	-	-
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(75)</b>	<b>(105)</b>	<b>59</b>	<b>(79)</b>	<b>(80)</b>
Dividends paid	(97)	(27)	(192)	(202)	(205)
Equity finance	0	0	0	0	0
Debt finance	10	57	3	3	3
Other financing cash flows	-	-	-	-	-
<b>Cash flow from financing</b>	<b>(87)</b>	<b>31</b>	<b>(189)</b>	<b>(199)</b>	<b>(202)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>10</b>	<b>82</b>	<b>62</b>	<b>45</b>	<b>53</b>
Free cash flow to firm (FCFF)	98.06	54.29	254.60	246.74	257.43
Free cash flow to equity (FCFE)	106.72	108.67	254.23	246.43	257.18

#### Per share (THB)

FCFF per share	0.13	0.07	0.34	0.33	0.34
FCFE per share	0.14	0.14	0.34	0.33	0.34
Recurring cash flow per share	0.09	0.37	0.43	0.45	0.46

Balance Sheet (THB m) Year Ending Dec	2024	2025	2026E	2027E	2028E
Tangible fixed assets (gross)	983	964	974	984	994
Less: Accumulated depreciation	(651)	(651)	(651)	(651)	(651)
<b>Tangible fixed assets (net)</b>	<b>332</b>	<b>313</b>	<b>323</b>	<b>333</b>	<b>343</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	142	224	286	331	383
A/C receivable	210	409	449	468	475
Inventories	42	43	86	90	92
Other current assets	336	423	335	336	338
<b>Current assets</b>	<b>730</b>	<b>1,099</b>	<b>1,157</b>	<b>1,225</b>	<b>1,288</b>
Other assets	35	102	107	112	118
<b>Total assets</b>	<b>1,097</b>	<b>1,513</b>	<b>1,586</b>	<b>1,670</b>	<b>1,748</b>
Common equity	943	1,124	1,188	1,255	1,323
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>943</b>	<b>1,124</b>	<b>1,188</b>	<b>1,255</b>	<b>1,323</b>
Long term debt	49	86	97	99	101
Other long-term liabilities	4	3	4	5	6
<b>Long-term liabilities</b>	<b>53</b>	<b>90</b>	<b>101</b>	<b>104</b>	<b>107</b>
A/C payable	85	246	249	259	263
Short term debt	12	32	24	25	25
Other current liabilities	4	22	24	26	29
<b>Current liabilities</b>	<b>101</b>	<b>300</b>	<b>298</b>	<b>311</b>	<b>318</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,097</b>	<b>1,513</b>	<b>1,586</b>	<b>1,670</b>	<b>1,748</b>
Net working capital	499	607	597	608	612
Invested capital	866	1,022	1,027	1,053	1,073

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

#### Per share (THB)

Book value per share	1.26	1.50	1.58	1.67	1.76
Tangible book value per share	1.26	1.50	1.58	1.67	1.76

#### Financial strength

Net debt/equity (%)	(8.5)	(9.4)	(13.9)	(16.5)	(19.4)
Net debt/total assets (%)	(7.3)	(6.9)	(10.4)	(12.4)	(14.7)
Current ratio (x)	7.2	3.7	3.9	3.9	4.1
CF interest cover (x)	117.9	76.1	85.9	109.7	113.5

Valuation	2024	2025	2026E	2027E	2028E
<b>Recurring P/E (x) *</b>	<b>(347.8)</b>	<b>10.8</b>	<b>8.7</b>	<b>8.3</b>	<b>8.2</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(443.5)</b>	<b>13.7</b>	<b>11.1</b>	<b>10.6</b>	<b>10.4</b>
Reported P/E (x)	4,458.2	10.6	8.7	8.3	8.2
Dividend yield (%)	1.3	8.1	8.6	9.0	9.2
Price/book (x)	2.4	2.0	1.9	1.8	1.7
Price/tangible book (x)	2.4	2.0	1.9	1.8	1.7
EV/EBITDA (x) **	31.4	6.5	5.3	5.0	4.8
EV/EBITDA @ target price (x) **	40.3	8.4	6.9	6.5	6.3
EV/invested capital (x)	2.5	2.1	2.0	1.9	1.8

\* 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 6: 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 7: 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	48.13	--	Y	AA	5.00	4.00	--	High	50.90	B	--	49.71	28.00	2.82	57.10
PYLON	18.00	--	--	--	4.00	4.00	Certified	--	--	--	--	--	--	--	--
SEAFCO	14.00	--	--	--	5.00	4.00	--	--	--	--	--	--	--	--	--
STECOM	31.89	--	Y	AA	5.00	4.00	--	--	--	--	--	--	27.00	3.01	53.19

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

## Exhibit 8: ESG disclosure from the company's one report

FY ending Dec 31	FY 2023	FY ending Dec 31	FY 2023
<b>Environmental</b>		<b>Governance</b>	
Climate change policy	Yes	<b>Board size / Independent directors (ID) / Female</b>	<b>8 / 4 / 0</b>
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	<b>Size of audit committee / ID</b>	<b>3 / 3</b>
<b>Social</b>		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	73.33
Policy against child labor	Yes	<b>Size of compensation committee</b>	<b>3 / 2</b>
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	<b>Size of nomination committee / ID</b>	<b>3 / 2</b>
Gender pay gap breakout	--	Number of nomination committee meetings	2
Pct women in workforce	Yes	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	2.06
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	0.88
Health and safety policy	Yes	<i>(Proud in Pro Company Limited.)</i>	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	--		
Total hours spent by firm - employee training	--		
Social supply chain management	Yes		

Source: FSSIA's compilation

## Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> 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&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; 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 border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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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 border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></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><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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) "SETESG". 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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### History of change in investment rating and/or target price

#### Pylon (PYLON TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
14-Jun-2023	HOLD	3.80	17-Sep-2024	HOLD	2.40	28-Aug-2025	BUY	2.50
27-Nov-2023	HOLD	2.70	12-Mar-2025	BUY	2.40	04-Dec-2025	BUY	3.10

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

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Pylon	PYLON TB	THB 2.98	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 comprise 1) a higher-than-expected additional backlog and new auctions; and 2) sooner-than-expected commencement of the high-speed train project linking three airports.

Source: FSSIA estimates

### Additional Disclosures

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

All share prices are as at market close on 04-Mar-2026 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

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

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

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

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

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

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

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

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

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.