

## Angel (SET) & Digital (Data Center)

ESG Rating : AAA

CG Rating : ▲▲▲▲▲▲

### BUY

<b>Target Price 12M (THB)</b>	<b>50.00</b>
VS. BB Consensus TP (%)	-20.0%
Share Price (THB)	40.50
Upside/Downside	+23.5%

#### Share Data

Market Cap (THB m)	605,063.43
Par (THB)	1.00
Free Float (%)	32.40
Issued shares (m shares)	14,940

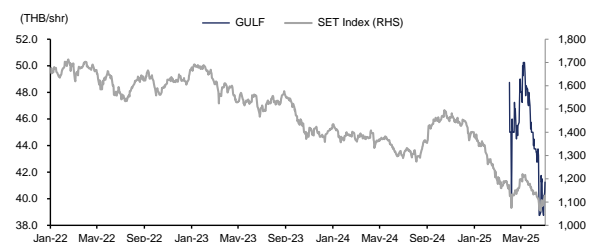
#### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	120,888	148,682	153,445	166,363
Net profit	21,383	25,936	28,239	31,995
Core net profit	21,383	25,936	28,239	31,995
vs Consensus (%)		7.5	2.1	6.1
Net profit growth (%)	19.3	21.3	8.9	13.3
Core net profit growth (%)	14.3	21.3	8.9	13.3
EPS (THB)	1.43	1.74	1.89	2.14
Core EPS (THB)	1.43	1.74	1.89	2.14
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.88	0.52	0.57	0.64
P/E (x)	40.31	23.33	21.43	18.91
P/BV (x)	2.60	1.75	1.66	1.56
ROE (%)	6.48	7.66	7.95	8.49
Dividend yield (%)	1.53	1.29	1.40	1.59

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(10.00)	(16.92)	-	-
Market	(8.25)	(14.37)	-	-
12M High/Low (THB)				51.25 / 37.75



#### Major Shareholders (%) as of 17 Apr 2025

Mr. Sarath Ratanavadi	29.19
UBS Ag Singapore Branch	10.14
GULF Capital Holdings Limited	8.00

#### Company Profile

A holding company invests in subsidiaries that operate 3 core businesses including energy business, infrastructure and utilities business, and digital business

Source: SETSMART, SET

- Growths in power/ telecom led the charges in 2025-27
- S-curve digital group and data center are the next growth engines
- Initiated with BUY and a SoTP TP of THB50

### Let's this SET angel grow in digital ways

GULF has now become one of Thailand's largest conglomerates with a THB0.6+tr market cap, thanks to its merger with INTUCH to acquire stakes in ADVANC and THCOM. With a well-diversified and integrated business portfolio, we project GULF's net profit growth of 13.9% CAGR in 2024-27, boosted by 1) capacity growth of power and infrastructure projects; 2) organic growth of telecommunication and satellite projects under ADVANC and THCOM; and 3) a new venture of data center.

### Revenue/ NP structure: Power by revenue; telecom by net profit

GULF's revenue structure is mostly from power (91% of 1Q25 revenue) while revenues from other businesses are marginal due to the accounting equity method for ADVANC/THCOM. Net profit (NP) structure however is mostly from telecom (50% of 1Q25 NP), followed by energy (43%), infrastructure (7%), and digital (0%). We highlight that GULF's NP structure is dominated by share of profit (loss), accounting for 68% of core NP and 70% of NP in 1Q25 due to GULF's stakes in ADVANC/THCOM and other non-energy ventures lower than 50%.

### LNG terminal: strategic infrastructure growth engine

Strategically, GULF entry into Thailand's gas supply and trading via its LNG terminal and LNG imports, could be the next growth engine post 2025, given 1) LNG shipper licenses to import 7.8mtpa LNG with a plan to import 5mtpa in 2025; 2) 70% stake in 8mtpa LNG terminal, currently under construction and is scheduled for COD in 1Q29; 3) more growth opportunity to import LNG as a trader and re-export to other countries given Thailand is projected to import higher LNG to replace the naturally declining gas fields in the Gulf of Thailand and Myanmar.

### AI and data center growth are around the corner

GULF is leveraging on strengths in digital and telecom network by entering into data centers. GULF plans to build a 25MW data center phase 1, scheduled for COD staggeringly in April 2025 onwards, with full capacity already reserved and the 25MW tier 3 data center phase II. We project net profit of THB0.4b-THB0.6b in 2025-26.

### Emerging as potential one of SET's Mag stock

We think GULF's business portfolio and entrepreneur-driven management will propel net profit growth from both existing assets (power, telecom, infrastructure) and new S-curve ventures (data center, LNG terminal, satellites). We initiated with BUY and a SoTP TP of THB50. GULF stands as one of potential Magnificent stocks in SET, having strengths in innovations, business portfolio to ride on global industry growths, and entrepreneur leadership – three pillars of growth companies in today's fast changing environments.

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# Angel (SET) & Digital (Data Center)

## Let's this SET angel grow in digital ways

GULF has now clearly become one of Thailand's largest conglomerate companies with a market cap worth over THB0.6tr, thanks to its merger with INTUCH to acquire stakes in ADVANC and THCOM, turning GULF to be the largest and most integrated infrastructure company in Thailand.

Essentially, GULF owns and operates four key businesses

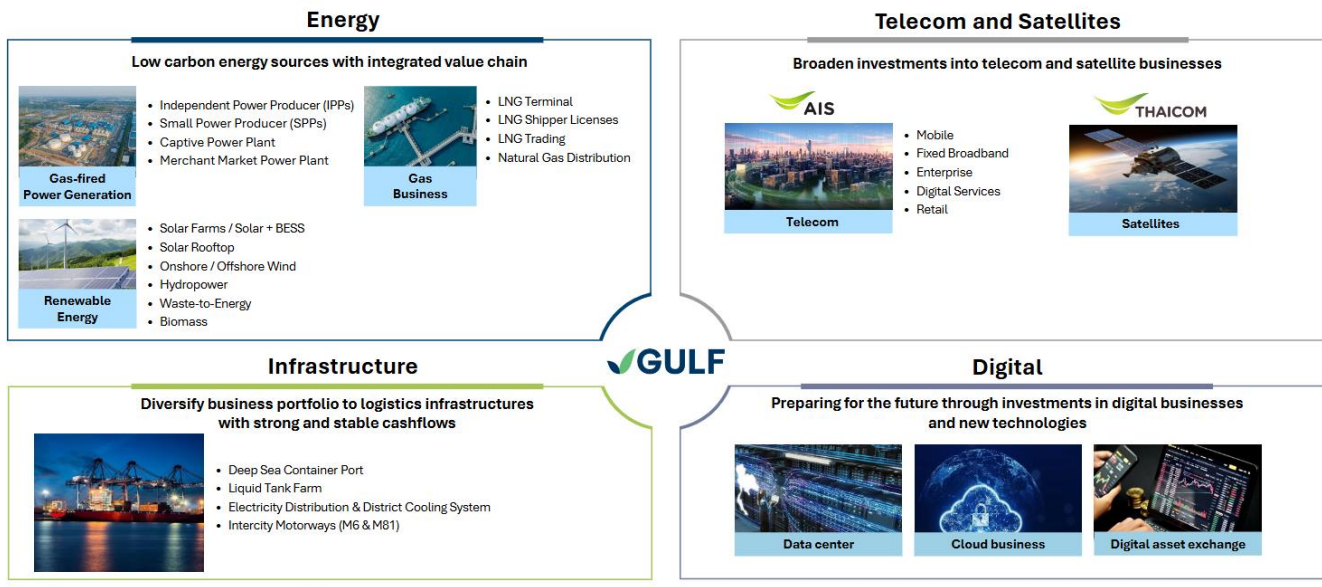
**Energy:** GULF's long-standing core business with a gross capacity of 15.8GW and an equity capacity of 10GW. GULF also enters into LNG business, operating LNG terminal to import LNG under shipping license for trading, own use, domestic sales and distribution.

**Telecom and Satellites:** Via the stakes in the now-defunct INTUCH, GULF now is a major shareholder of ADVANC and THCOM, owning and operating mobile network, fixed broadband, and satellites.

**Infrastructure:** GULF also sets foot in Thailand's infrastructures for deep sea container port, liquid tank farm, electricity distribution, electricity distribution and district cooling system, and intercity motorways.

**Digital:** This is the newest and perhaps the most promising venture for GULF to build a new S-curve growth. The digital business includes data centers, cloud business, and digital asset exchange via partnership with Binance.

### Exhibit 1: GULF's integrated business portfolio

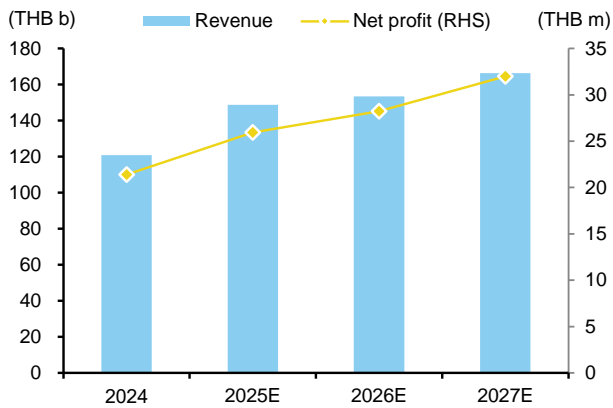


Sources: Name of source

As the now-defunct GULF Energy Development (GULF) has just recently merged with INTUCH Holdings (INTUCH) to become the current GULF Development (GULF) since 1 April 2025. Using its proforma financial statement provided by GULF for 1Q24 compared to 1Q25, we see GULF's financial structure change.

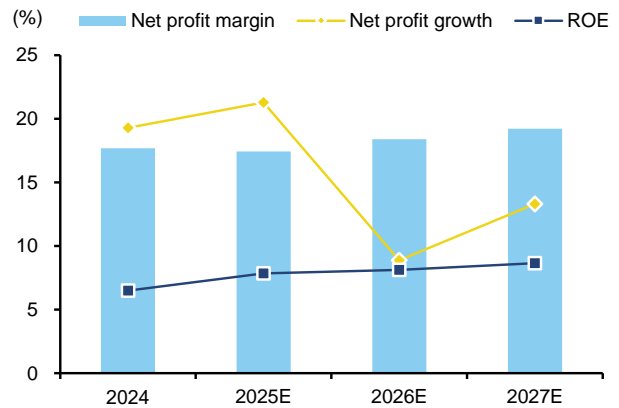
With a well-diversified and integrated business portfolio, we project GULF's net profit growth of 13.9% CAGR in 2024-27E, boosted by 1) capacity growth of power and infrastructure projects; 2) an organic growth of telecommunication and satellite projects under ADVANC and THCOM; and 3) a new venture of data center.

**Exhibit 2: Revenue and net profit**



Sources: GULF

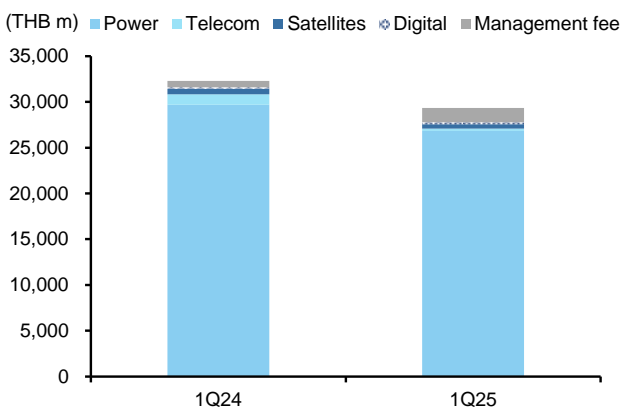
**Exhibit 3: Profitability**



Sources: GULF

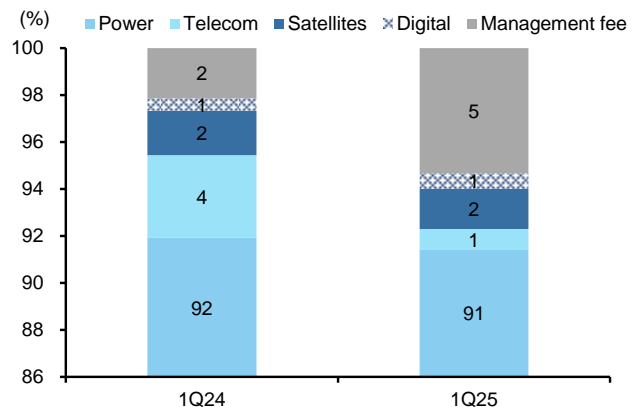
**Revenue structure:** Energy, mostly power, is still a dominate part, accounting for 91% of revenue in 1Q25 while revenues from other businesses are marginal due mainly to the accounting equity method deployed for ADVANC and THCOM, which will take only share of profit from both companies without consolidating any items from income statement and balance sheet.

**Exhibit 4: Revenue breakdown by key business**



Sources: GULF

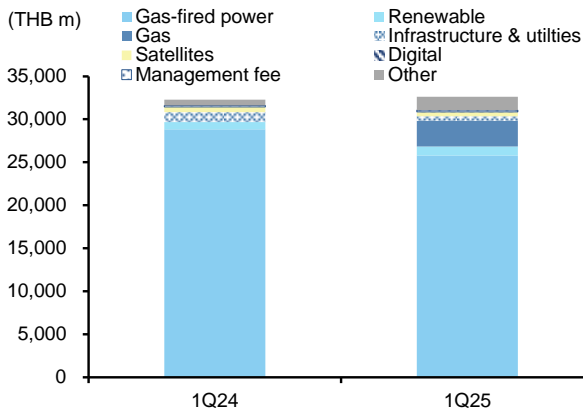
**Exhibit 5: Revenue breakdown by key business (%)**



Sources: GULF

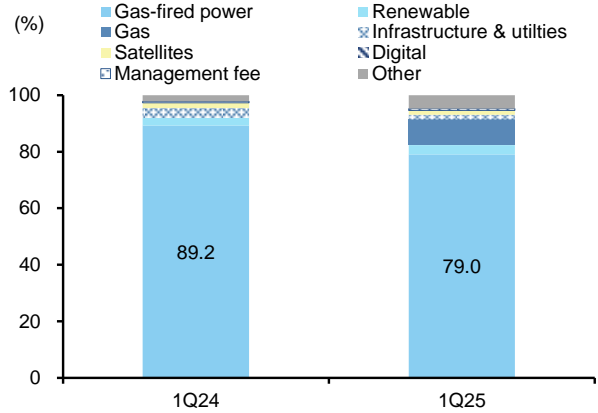
Drilling down further, GULF's revenue will come mostly from the gas-fired power plants in Thailand, comprising a host of Independent Power Producers (IPPs) for 73% of total equity capacity of 9GW as of April 2025) and Small Power Producers (SPPs) for 14% of equity capacity in Thailand, renewable projects (13%) in Thailand, Laos (mostly hydropower plants), Vietnam.

**Exhibit 6: Revenue breakdown by business**



Sources: GULF

**Exhibit 7: Revenue breakdown by business (%)**



Sources: GULF

By geography, GULF’s power capacity is located mostly in Thailand (88% of total equity capacity as of April 2025), followed by USA (7%), Vietnam (3%), Oman (2%), and Germany (1%).

However, by 2033E, GULF plans to grow its equity capacity in new markets UK (3%) and Laos (8%) to boost its equity capacity from 9GW in April 2025 to 13.2GW in 2033E.

Renewable capacity will rise substantially by almost 5x from 1.2GW to 5.1GW while the large-scale IPP capacity will decline from 6.6GW in April 2025 to 5.5GW by 2033E as Thailand has limited to no new capacity growth for IPPs under the current Power Development Plan (PDP).

SPP capacity will however increase from 1.3GW in April 2025 to 2.5GW in 2033E, mainly from Oman where GULF’s power plant projects are located in Oman’s large Industrial Estate (IE).

**Exhibit 8: Power plant capacity by power plant type (gross vs equity capacity)**

Power capacity (MW)	Gross capacity		Equity capacity	
	Apr-25	2033E	Apr-25	2033E
Gas-fired – IPP	11,745	12,403	6,550	5,528
Gas-fired – SPP	2,539	2,385	1,256	2,501
Renewable	1,587	9,064	1,166	5,134
<b>Gross capacity</b>	<b>15,871</b>	<b>23,852</b>	<b>8,972</b>	<b>13,163</b>
Power capacity (%)	Apr-25	2033E	Apr-25	2033E
Gas-fired - IPP	74	52	73	42
Gas-fired - SPP	16	10	14	19
Renewable	10	38	13	39
<b>Equity capacity</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Sources: GULF

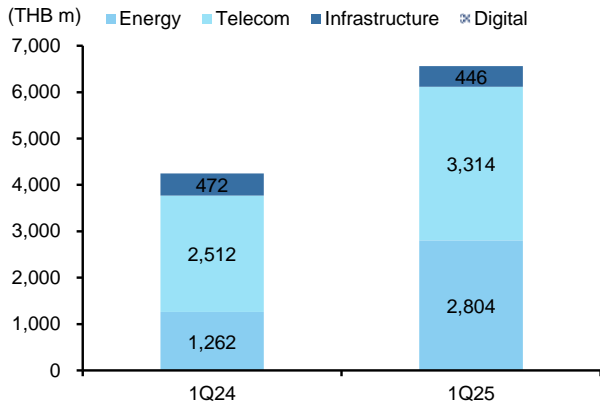
**Exhibit 9: Power plant capacity by geography (gross vs equity capacity)**

Gross power capacity (MW)	Gross capacity		Equity capacity	
	Apr-25	2033E	Apr-25	2033E
Thailand	13,649	16,935	7,806	10,662
USA	1,270	1,193	628	527
Germany	476	477	90	132
Oman	317	477	179	132
Vietnam	159	239	269	263
<b>Gross capacity</b>	<b>15,871</b>	<b>23,852</b>	<b>8,972</b>	<b>13,163</b>
Equity power capacity (%)	Apr-25	2033E	Apr-25	2033E
Thailand	86	71	87	81
Laos	0	13	0	8
UK	0	6	0	3
USA	8	5	7	4
Germany	3	2	1	1
Oman	2	2	2	1
Vietnam	1	1	3	2
<b>Equity capacity</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Sources: GULF

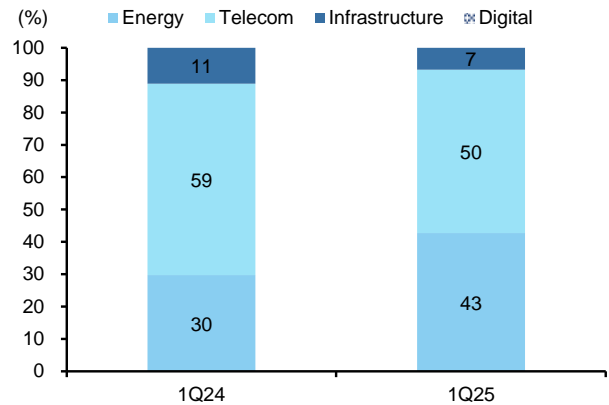
**Net profit structure:** In 1Q25, GULF's net profit came from telecom business, accounting for 50% of total net profit in 1Q25. Energy net profit contribution was THB2.8b (43%), infrastructure (7%), and digital (0%) as its digital data center is still in its development phase.

**Exhibit 10: Net profit breakdown by key business**



Sources: GULF

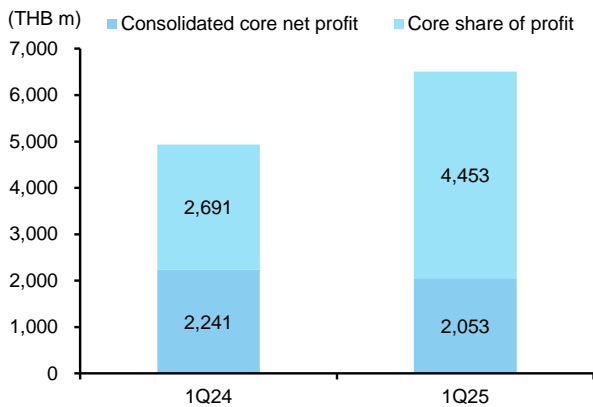
**Exhibit 11: Net profit breakdown by business (%)**



Sources: GULF

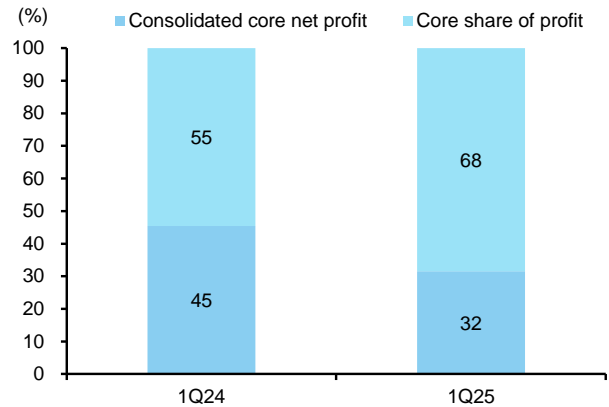
We highlight that GULF's net profit structure is dominated by the share of profit (loss), which contributes 68% of core net profit and 70% of net profit in 1Q25 as a result of GULF's holding stakes in ADVANC/THCOM and other non-energy ventures mostly lower than 50% and hence apply equity accounting methods that will draw only net profit contributions to GULF based on each individual associates.

**Exhibit 12: Core net profit (1Q24 vs 1Q25)**



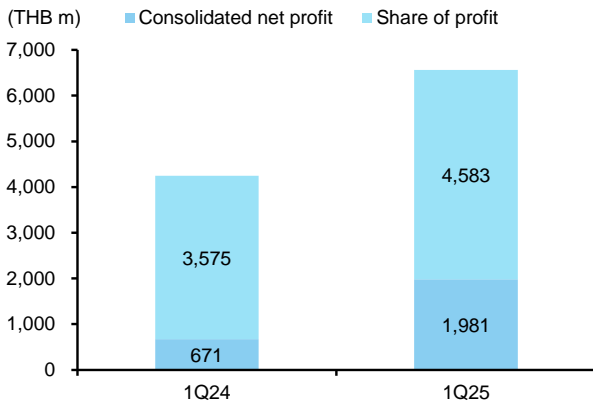
Sources: GULF

**Exhibit 13: Core net profit (1Q24 vs 1Q25) (%)**



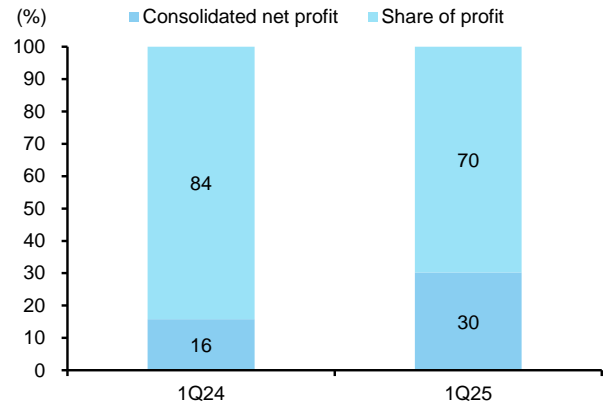
Sources: GULF

**Exhibit 14: Net profit (1Q24 vs 1Q25)**



Sources: GULF

**Exhibit 15: Net profit (1Q24 vs 1Q25) (%)**



Sources: GULF

Under the share of profit-driven net profit structure, we note that GULF will not consolidate any items in balance sheet, particularly debts, the items that will have influences over GULF’s capability for debt raising, bond covenants, and ability to fund any growth opportunity.

**Exhibit 16: Key balance sheet items (1Q24 vs 1Q25)**

(THB m)	1Q24	1Q25
Cash	30,472	46,524
Asset	472,868	728,575
Short term debt	31,424	73,312
Long term debt	122,958	286,623
Total debt	154,382	359,935
Shareholders' equity	148,306	330,796
D/E	1.0	1.1

Sources: GULF

Hence, the merger between GULF and INTUCH to become current GULF has benefits of easing balance sheet, strengthening growths from both existing and new assets, and preparing GULF to be ready for any additional growth opportunity that could arise from energy, telecommunication, digital, and infrastructure.

## Solidifying renewable growth

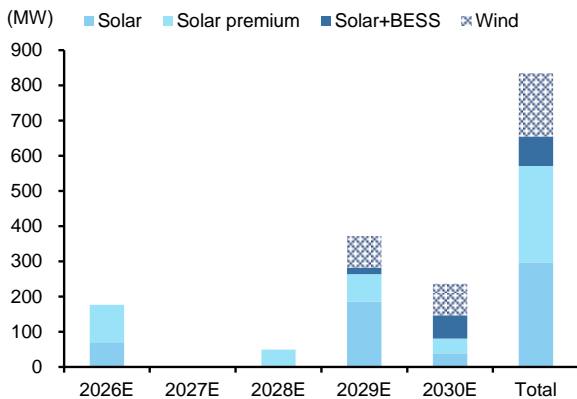
On 26 June 2025, GULF announced the acquisition of 50% stakes in Gunkul One Energy (GOE2) and Gunkul Solar Power Gen (GSPG) from GUNKUL, comprising 9 solar farm projects (totaling 460.8MW), for THB704m, implying a valuation of THB3m per MW, which we view as reasonable.

With this acquisition, GULF will add net profit of THB0.3b annually and 230MW solar farm capacity into its renewable portfolio of 1,166MW equity capacity, further enhancing its growth strategy to reach 5,134MW by 2033E.

Indeed, on 27 July 2022, GULF previously acquired 50% stakes in GUNKUL's three operating wind farms – Wind Energy (60MW), Greenovation Power (60MW), and Korat Wind Energy (50MW), all securing tariff adder of THB3.5/kWh for 10 years from their COD year ion 2016 (Wind) and 2018 (Greenovation and Korat).

Hence, we think it is thinkable that GULF could further acquire stakes in GUNKUL's renewable projects, which still are in development phase of 374MW (834MW – 460MW acquired).

**Exhibit 17: GUNKUL's capacity growth by plant type**



Sources: GUNKUL, Globlex Research

**Exhibit 18: GUNKUL's capacity growth by COD year and renewable type**

Capacity growth (MW)	2026E	2027E	2028E	2029E	2030E	Total
Solar	70	0	2	186	39	297
Solar premium	107	0	47	78	42	274
Solar+BESS				18	66	84
Wind				90	90	180
<b>Total</b>	<b>177</b>	<b>0</b>	<b>49</b>	<b>372</b>	<b>237</b>	<b>834</b>

Sources: GUNKUL, Globlex Research

## Gas business (energy group)

Strategically, GULF entry into Thailand's gas supply and trading via its LNG terminal and LNG imports, could be the next growth engine for GULF post 2025, considering that

- 1) GULF secures LNG shipper licenses to import 7.8mtpa LNG with a plan to import 5mtpa (70 cargoes) in 2025
- 2) GULF owns 70% stake (30% PTT tanks) in LNG terminal with 8mtpa capacity, currently under construction and is scheduled to start operation in 1Q29
- 3) GULF could see more growth opportunity to import LNG as a trader and re-export to other countries given Thailand is projected to import higher LNG to replace the naturally declining gas fields in the Gulf of Thailand and Myanmar.

### Exhibit 19: Gas supply and trading



LNG shipper licenses to import LNG from global market suppliers

#### 7.8 MTPA LNG shipper license quota

- **2025 Plan:** Import **70 cargoes** ≈ 5 million tonnes
- **YTD:** Imported **19 cargoes** ≈ 1.5 million tonnes

Sources: GULF

### Exhibit 20: LNG terminal



**GULF** X **PTT TANK**  
70% 30%

Store and regasify the LNG before distributing through PTT's gas transmission pipeline system

**[8] MTPA**  
construction expected to start in Q3'25  
SCOD Q1'29

Sources: GULF

## Data center (Digital group)

With 40.4% stake in ADVANC and THCOM, GULF is now strategically leveraging on the strengths in its digital and telecommunication network by entering into data centers. GULF plans to build a 25MW data center phase 1, scheduled to begin Commercial Operation Date (COD) staggeringly in April 2025 onwards, with full capacity already reserved. Later GULF plan to invest 25MW tier 3 + data center phase II.

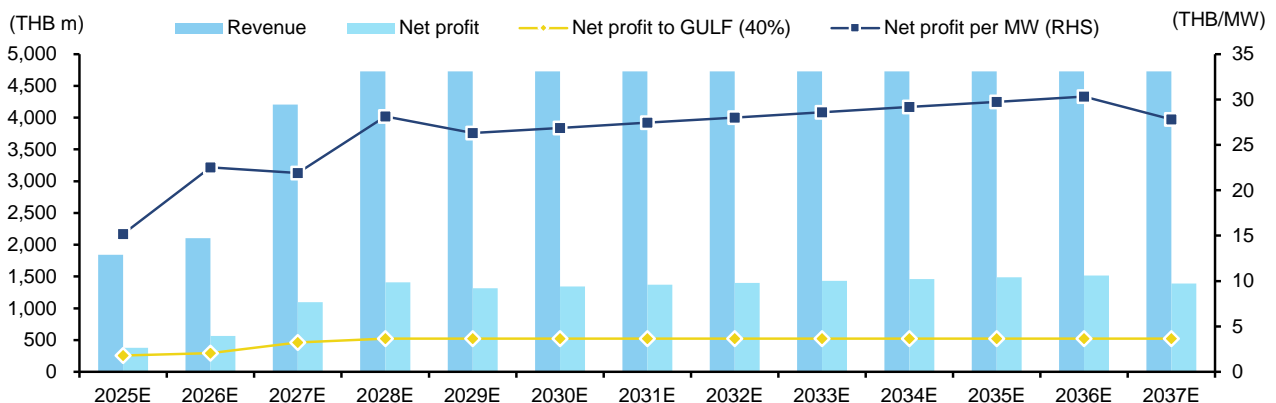
We believe the cooperation among GULF (40%), SINGTEL, and ADVANC under GSA Data Center (GSA DC), is likely to create a strong business structure to build a potential S-curve growth in digital business. According to GULF, GSA DC has signed a service agreement with Siam AI, the first Thai company partnering with NVIDIA to propel AI cloud solutions in Thailand. AI data center is catered for hyperscalers entering Thailand while cloud business partnered with Google Distributed Cloud air-gapped has open business in 2Q25.

### Exhibit 21: Data center financial analysis and assumptions

Data center	Unit	
GULF's stake in JDA	%	40
Number of rack	rack	5,000
Total capacity	MW	50
Phase 1 (COD 2025E)	MW	25
Phase 2 (COD 2027E)	MW	25
Investment		
Investment	USD m/MW	12
Capex	THB m	19,200
Revenue		
Rental revenue	THB m	4,730
Rental revenue	THB/kWh	12
Long term rate	%	2
WACC	%	4.8
Valuation		
NPV	THB m	16,257
GULF's value	THB m	6,503
Value to GULF		
	THB/share	0.44
EIRR	%	11.5

Sources: GULF; Globlex Research

### Exhibit 22: GULF's revenue and net profit from data center



Sources: GULF; Globlex Research

## Emerging as potential one of SET's Mag stock

We think GULF's business portfolio and its entrepreneur-driven management team should propel its net profit growth from both existing assets (power plants, telecommunication networks, infrastructure) and new S-curve ventures (data center, LNG terminal, satellites). We initiated GUKLF with a BUY and a SoTP TP of THB50. GULF stands as one of potential Magnificent stocks in SET along with DELTA, both having strengths in innovations, business portfolio to ride on global industry growths, and entrepreneur leadership – three pillars of growth companies in today's fast changing environments.

### Exhibit 23: Valuation and SoTP target price

Cost of equity assumptions (%)		Cost of debt assumptions (%)	
Risk free rate	2.3	Pretax cost of debt	4.0
Market risk premium	8.5	Marginal tax rate	20.0
Stock beta	1.00		
Cost of equity, Ke	10.8	Net cost of debt, Kd	2.9
Weight applied	0.0	Weight applied	100.0
	0.0		
WACC (%)	4.8		

DCF valuation estimate	Installed capacity (MW)	THB m	Equity Capacity (MW)	THB/share	Comments
<b>IPP</b>				<b>14.7</b>	
GNS	1,668	23,774	667	1.6	WACC 4.8%, RF 2.3%, RPM 8.5%
GUT	1,752	32,862	701	2.2	WACC 4.8%, RF 2.3%, RPM 8.5%
GSRC	2,650	50,090	1,855	3.4	WACC 4.8%, RF 2.3%, RPM 8.5%
GPD	2,650	64,470	1,855	4.3	WACC 4.8%, RF 2.3%, RPM 8.5%
DIPWP	326	2,794	160	0.2	WACC 4.8%, RF 2.3%, RPM 8.5%
Hin Kong (2024-2025E)	1,540	34,270	755	2.3	WACC 4.8%, RF 2.3%, RPM 8.5%
Burapa power (2027E)	600	10,651	210	0.7	WACC 4.8%, RF 2.3%, RPM 8.5%
<b>SPP</b>				<b>3.5</b>	
GJP's 7 SPPs	888	14,822	346	1.0	WACC 4.8%, RF 2.3%, RPM 8.5%
GMP's 9 SPPs	1,205	28,411	632	1.9	WACC 4.8%, RF 2.3%, RPM 8.5%
GMP's 3 SPPs	382	8,807	267	0.6	WACC 4.8%, RF 2.3%, RPM 8.5%
CGC (biomass)	25	417	25	0.0	WACC 4.8%, RF 2.3%, RPM 8.5%
<b>Renewable</b>				<b>5.0</b>	
Solar - Thailand	101	12,250	50	0.8	WACC 4.8%, RF 2.3%, RPM 8.5%
Solar - Vietnam	119	207	107	0.0	WACC 5%, RF 6%, RPM 6.5%
Wind - Thailand	170	844	85	0.1	WACC 4.8%, RF 2.3%, RPM 8.5%
Wind - Vietnam	128	13,001	122	0.9	WACC 5%, RF 6%, RPM 6.5%
Wind - Germany	465	7,068	232	0.5	WACC 4%, RF 2%, RPM 8.5%
Pak Beng (Hydro, 2028E)	897	23,083	314	1.5	WACC 4.8%, RF 2.3%, RPM 8.5%
Pak Lay (Hydro, 2030E)	770	17,961	270	1.2	WACC 4.8%, RF 2.3%, RPM 8.5%
<b>Infrastructure</b>				<b>6.4</b>	
Laemchabang phase 3		4,654		0.3	EIRR 10.5%
Maptaphut phase 3		89,636		6.0	EIRR 13.6%
Motorway O&M projects		384		0.0	EIRR 10%
One Bangkok	240	1,036		0.1	EIRR 12%
<b>Digital</b>	<b>JDA (Data center)</b>	<b>40% stake</b>	<b>11,297</b>	<b>0.3</b>	<b>EIRR 12%</b>
<b>Investment</b>	<b>SPCG</b>	<b>9% stake</b>	<b>1,346</b>	<b>0.1</b>	<b>At 1.5x FY25E P/BV</b>
<b>Core asset - non power+infrastructure</b>		<b>46% stake</b>	<b>566,044</b>	<b>37.9</b>	
<b>Net debt</b>			<b>(268,560)</b>	<b>(18.0)</b>	<b>At end-2025E</b>
<b>Residual ordinary equity</b>			<b>753,914</b>	<b>8,667</b>	<b>50.0</b>

Sources: GULF; Globlex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	36,932	33,937	20,670	36,692	57,184
Account receivable	21,165	18,778	18,778	18,778	18,778
Inventories	2,958	3,180	3,774	3,755	4,070
Others	6,592	9,284	11,419	11,784	12,776
<b>Non-current assets</b>					
Net fixed assets	95,533	96,536	100,920	110,594	119,668
Others	507,948	542,556	542,556	542,556	542,556
<b>Total Assets</b>	<b>671,127</b>	<b>704,271</b>	<b>698,117</b>	<b>724,160</b>	<b>755,033</b>

<b>Current liabilities</b>					
Account payable	9,391	6,072	7,206	7,170	7,772
ST borrowing	42,683	56,205	30,000	30,000	30,000
Others	13,589	9,504	12,389	13,464	15,180
<b>Long-term liabilities</b>					
Long-term debts	240,590	259,230	259,230	259,230	259,230
Others	9,254	11,577	11,577	11,577	11,577
<b>Total liabilities</b>	<b>315,506</b>	<b>342,587</b>	<b>320,402</b>	<b>321,441</b>	<b>323,759</b>
Paid-up capital	14,940	14,940	14,940	14,940	14,940
Retained earnings	124,952	129,516	142,306	162,764	186,287
Others	187,611	187,538	187,538	187,538	187,538
Minority interest	28,118	29,689	32,930	37,476	42,509
<b>Shareholders' equity</b>	<b>355,621</b>	<b>361,683</b>	<b>377,714</b>	<b>402,718</b>	<b>431,274</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (%YoY)</b>					
Sales	21.1	6.0	23.0	3.2	8.4
Operating profit	2.6	9.0	39.4	15.3	8.5
EBITDA	3.0	5.3	39.4	15.3	8.5
Net profit	57.0	19.3	21.3	8.9	13.3
Core net profit	54.6	14.3	21.3	8.9	13.3
EPS	57.0	19.3	21.3	8.9	13.3
Core EPS	54.6	14.3	21.3	8.9	13.3
<b>Profitability (%)</b>					
Gross margin	23.0	23.4	26.1	28.8	28.8
Operation margin	19.4	19.9	22.6	25.3	25.3
EBITDA margin	20.1	19.9	22.6	25.3	25.3
Net margin	15.7	17.7	17.4	18.4	19.2
ROE	5.8	6.5	7.7	8.0	8.5
ROA	3.6	3.6	2.9	2.1	2.9
<b>Stability</b>					
Interest bearing debt/equity (x)	0.8	0.9	0.8	0.7	0.7
Net debt/equity (x)	0.7	0.8	0.7	0.6	0.5
Interest coverage (x)	1.9	1.7	3.1	3.7	4.2
Interest & ST debt coverage (x)	0.4	0.3	0.7	0.8	0.9
Cash flow interest coverage (x)	0.1	0.1	0.1	0.1	0.2
Current ratio (x)	1.0	0.9	1.1	1.4	1.8
Quick ratio (x)	0.9	0.7	0.8	1.1	1.4
Net debt (THB m)	246,341	281,498	268,560	252,538	232,046
<b>Activity</b>					
Asset turnover (X)	0.2	0.2	0.2	0.2	0.2
Days receivables	64.3	60.3	46.1	44.7	41.2
Days inventory	9.4	12.1	11.6	12.6	12.1
Days payable	35.1	30.5	22.1	24.0	23.0
Cash cycle days	38.6	41.9	35.6	33.2	30.2

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	114,054	120,888	148,682	153,445	166,363
Cost of goods sold	(87,840)	(92,568)	(109,862)	(109,319)	(118,499)
<b>Gross profit</b>	<b>26,214</b>	<b>28,320</b>	<b>38,820</b>	<b>44,125</b>	<b>47,864</b>
Operating expenses	(4,096)	(4,207)	(5,204)	(5,371)	(5,823)
<b>Operating profit</b>	<b>22,118</b>	<b>24,113</b>	<b>33,616</b>	<b>38,755</b>	<b>42,041</b>
<b>EBIT</b>	<b>18,723</b>	<b>19,539</b>	<b>26,765</b>	<b>31,904</b>	<b>35,190</b>
Depreciation	(4,181)	(4,575)	(6,851)	(6,851)	(6,851)
<b>EBITDA</b>	<b>22,904</b>	<b>24,113</b>	<b>33,616</b>	<b>38,755</b>	<b>42,041</b>
<b>Non-operating income</b>					
Other incomes	719	588	20	20	20
Other non-op income	5,100	3,146	1,697	1,034	1,835
<b>Non-operating expense</b>	<b>(10,628)</b>	<b>(11,888)</b>	<b>(9,362)</b>	<b>(9,214)</b>	<b>(9,066)</b>
Interest expense	(9,819)	(11,213)	(8,662)	(8,514)	(8,366)
Other non-op expense	(808)	(676)	(700)	(700)	(700)
<b>Equity income/(loss)</b>	<b>11,972</b>	<b>15,891</b>	<b>11,588</b>	<b>10,941</b>	<b>11,286</b>
<b>Pre-tax Profit</b>	<b>25,886</b>	<b>27,275</b>	<b>30,708</b>	<b>34,685</b>	<b>39,266</b>
Extraordinary items	(786)	0	0	0	0
Current taxation	(658)	(682)	(1,530)	(1,899)	(2,238)
Minorities	(6,519)	(5,210)	(3,242)	(4,546)	(5,033)
<b>Net Profit</b>	<b>17,923</b>	<b>21,383</b>	<b>25,936</b>	<b>28,239</b>	<b>31,995</b>
<b>Core net profit</b>	<b>18,709</b>	<b>21,383</b>	<b>25,936</b>	<b>28,239</b>	<b>31,995</b>
<b>EPS (THB)</b>	<b>1.20</b>	<b>1.43</b>	<b>1.74</b>	<b>1.89</b>	<b>2.14</b>
<b>Core EPS (THB)</b>	<b>1.25</b>	<b>1.43</b>	<b>1.74</b>	<b>1.89</b>	<b>2.14</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Net profit	17,923	21,383	25,936	28,239	31,995
Depre. & amortization	4,181	4,575	6,851	6,851	6,851
Change in working capital	(7,897)	(7,931)	591	(8)	310
Others	11,972	15,891	11,588	10,941	11,286
<b>Investment cash flow</b>	<b>(87,737)</b>	<b>(85,482)</b>	<b>353</b>	<b>(5,584)</b>	<b>(4,639)</b>
Net CAPEX	(24,733)	(35,577)	(11,235)	(16,525)	(15,925)
Change in LT investment	(17,433)	(8,518)	11,588	10,941	11,286
Change in other assets	(45,572)	(41,387)	0	0	0
<b>Free cash flow</b>	<b>(61,559)</b>	<b>(51,564)</b>	<b>45,319</b>	<b>40,439</b>	<b>45,804</b>
<b>Financing cash flow</b>					
Change in share capital	0	0	0	0	0
Net change in debt	34,494	32,162	(26,205)	0	0
Dividend paid	(8,964)	(13,147)	(13,147)	(7,781)	(8,472)
Others	34,634	29,554	(19,234)	(16,637)	(16,840)
<b>Net cash flow</b>	<b>(1,395)</b>	<b>(2,995)</b>	<b>(13,267)</b>	<b>16,022</b>	<b>20,492</b>

Per share (THB)					
EPS	1.20	1.43	1.74	1.89	2.14
Core EPS	1.25	1.43	1.74	1.89	2.14
CFPS	1.97	2.09	2.41	2.65	2.94
BVPS	21.92	22.22	23.08	24.45	26.02
Sales/share	7.63	8.09	9.95	10.27	11.14
EBITDA/share	1.53	1.61	2.25	2.59	2.81
DPS	0.88	0.88	0.52	0.57	0.64
<b>Valuation</b>					
P/E (x)	37.09	40.31	23.33	21.43	18.91
P/BV (x)	2.03	2.60	1.75	1.66	1.56
Dividend yield (%)	1.98	1.53	1.29	1.40	1.59
Dividend payout ratio (%)	73.35	61.48	30.00	30.00	30.00

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### Analyst Certification

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## RECOMMENDATION STRUCTURE

### Stock Recommendations

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

- BUY:** Expected return of 10% or more over the next 12 months.  
**HOLD:** Expected return between -10% and 10% over the next 12 months.  
**REDUCE:** Expected return of -10% or worse over the next 12 months.

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

### Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.  
**Neutral:** The industry is expected to perform in line with the relevant primary market index over the next 12 months.  
**Underweight:** The industry is expected to underperform the relevant primary market index over the next 12 months.

### Country (Strategy) Recommendations

**Overweight:** 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:** 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:** 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.