

## Taking control when time is ripe

- BOT confirms GULF's sub-10% stake in KBANK
- GULF may raise its KBANK's stake over 10% when "time is ripe"
- Maintain BUY and a TP of THB67

### Neither 10% stake holding nor management step-in in KBANK

On 16 Feb-26, GULF informed that its acquisition of additional stake in KBANK neither exceed 10% threshold that will require GULF to report to the Bank of Thailand (BOT) nor indicate any intention for GULF to participate in the determination of KBANK's business policies or management. The discrepancy of interpretation between Stock Exchange of Thailand (that GULF's stake in KBANK now higher than 10%) and BOT (that GULF's stake in KBANK still under 10%) arises from the different base of number of KBANK's shares outstanding whether the total number of KBANK's shares includes treasury shares buyback (meaning of SET) and excludes buyback (meaning of BOT).

### BOT clarifies clearly that GULF still owns only 9.96% in KBANK

According to Financial Institution Business Act 2008 section 18 any person cannot own stake, directly or indirectly, in financial institution more than 10% of total shares issued, excluding no-vote preferred shares. As of 17 Feb-26, GULF owns 235.9m shares in KBANK, representing 9.96% of KBANK's shares issued of 2.3693b. Hence, BOT clearly announced that GULF needs not get any permit from BOT.

### GULF has no intention to own KBANK over 10% (yet)

In case GULF owns over 10%, GULF will require to get BOT's approval on special reasons based on national and financial stability and the potential of such financial institution. However, GULF clearly express its intention neither own over 10% threshold nor exercise any management influence in KBANK.

### Not over 10% yet but likely > 10% when time is right

In our view, GULF is likely to keep its stake in KBANK to be under 10% threshold at least in the near term, considering that GULF does not want to be subject to BOT's oversee as a financial institution, which may create difficulties for GULF to expand its business portfolio. However, in the future when "time is ripe" under the circumstance that GULF is ready to expand into financial business such as virtual bank, retail/micro banking, to leverage on GULF-ADVANC's comprehensive network of B2C/B2B power-telecommunication-infrastructure portfolio, we believe GULF could effortlessly increase its stake in KBANK to become the largest shareholder and step into KBANK's management policy to gain benefit of KBANK's extensive client base.

### BUY this emerging Thai angel stock

We maintain BUY and a SoTP TP of THB67. We think GULF's share price will continue its rerating on the back of the coming series of record-high quarterly net profits in 2026-27 and solid growth expansion.

#### Analyst

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ESG Rating : AA

CG Rating : ▲▲▲▲▲

## BUY

<b>Target Price 12M (THB)</b>	<b>67.00</b>
VS. BB Consensus TP (%)	+4.4%
Share Price (THB)	59.75
Upside/Downside	+12.1%

#### Share Data

Market Cap (THB m)	892,655.30
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	150,239	156,715	171,517
Net profit	21,383	81,823	36,616	41,940
Core net profit	21,383	81,823	36,616	41,940
vs Consensus (%)		207.3	17.0	21.7
Net profit growth (%)	19.3	282.7	(55.2)	14.5
Core net profit growth (%)	14.3	282.7	(55.2)	14.5
EPS (THB)	1.43	5.48	2.45	2.81
Core EPS (THB)	1.43	5.48	2.45	2.81
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.88	1.64	0.74	0.84
P/E (x)	40.31	10.91	24.38	21.28
P/BV (x)	2.60	2.23	2.16	2.01
ROE (%)	6.48	22.34	9.00	9.79
Dividend yield (%)	1.53	2.75	1.23	1.41

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	32.04	43.98	27.13	43.11
Market	17.12	27.07	11.33	25.36
12M High/Low (THB)				61.00 / 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

### Exhibit 1: KBANK's shareholder structure estimate as of 17 February 2026

	Shareholders	# shares	% total
1	Thai NVDR Company Limited	324.5	13.70
2	<b>GULF Development</b>	<b>235.9</b>	<b>9.96</b>
3	State Street Europe	193.7	8.17
4	South East Asia UK (Type C) Nominees	119.8	5.06
5	State Street Bank and Trust	114.7	4.84
6	Social Security Office (SSO)	78.4	3.31
7	Bank of New York Mekllon	69.6	2.94
8	South East Asia UK (Type A) Nominees	52.8	2.23
9	Ladawan fund	44.4	1.88
10	Vayuphak 1 fund	41.9	1.77
11	SE Asia (Type B) Nominee	28.7	1.21
12	HSBC Bank - Saudi Central Bank Securities	28.7	1.21
13	Others	1,036.1	43.7
	<b>Total</b>	<b>2,369.3</b>	<b>100.0</b>

Sources: SET; Glolex Research

### Exhibit 2: Comparison GULF vs KBANK

Market cap	Market cap (THB b)	Beta (x)	Share price (THB/share)	P/BV (x)	P/E (x)	# share outstanding (m shares)
GULF	885	1.80	61.25	2.2	25.0	14,940
KBANK	463	0.43	206	0.8	9.2	2,369

Sources: SET; Glolex Research

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	36,932	33,937	76,559	84,195	112,122
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	11,538	12,035	13,172
<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>754,125</b>	<b>771,914</b>	<b>810,367</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	12,512	13,721	15,585
<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>320,525</b>	<b>321,698</b>	<b>324,164</b>
Paid-up capital	14,940	14,940	14,940	14,940	14,940
Retained earnings	124,952	129,516	198,192	210,261	241,216
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>433,601</b>	<b>450,216</b>	<b>486,203</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (%YoY)</b>					
Sales	21.1	6.0	24.3	4.3	9.4
Operating profit	2.6	9.0	45.6	19.3	12.2
EBITDA	3.0	5.3	45.6	19.3	12.2
Net profit	57.0	19.3	282.7	(55.2)	14.5
Core net profit	54.6	14.3	282.7	(55.2)	14.5
EPS	57.0	19.3	282.7	(55.2)	14.5
Core EPS	54.6	14.3	282.7	(55.2)	14.5
<b>Profitability (%)</b>					
Gross margin	23.0	23.4	26.9	30.2	30.9
Operation margin	19.4	19.9	23.4	26.7	27.4
EBITDA margin	20.1	19.9	23.4	26.7	27.4
Net margin	15.7	17.7	54.5	23.4	24.5
ROE	5.8	6.5	22.3	9.0	9.8
ROA	3.6	3.6	10.4	3.8	4.6
<b>Stability</b>					
Interest bearing debt/equity (x)	0.8	0.9	0.7	0.6	0.6
Net debt/equity (x)	0.7	0.8	0.5	0.5	0.4
Interest coverage (x)	1.9	1.7	3.3	4.1	4.8
Interest & ST debt coverage (x)	0.4	0.3	0.7	0.9	1.0
Cash flow interest coverage (x)	0.1	0.1	0.3	0.2	0.2
Current ratio (x)	1.0	0.9	2.2	2.3	2.8
Quick ratio (x)	0.9	0.7	1.9	2.0	2.5
Net debt (THB m)	246,341	281,498	212,671	205,035	177,108
<b>Activity</b>					
Asset turnover (X)	0.2	0.2	0.2	0.2	0.2
Days receivables	64.3	60.3	45.6	43.7	40.0
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	35.1	32.3	29.0

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	114,054	120,888	150,239	156,715	171,517
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>40,377</b>	<b>47,395</b>	<b>53,018</b>
Operating expenses	(4,096)	(4,207)	(5,258)	(5,485)	(6,003)
<b>Operating profit</b>	<b>22,118</b>	<b>24,113</b>	<b>35,119</b>	<b>41,910</b>	<b>47,015</b>
<b>EBIT</b>	<b>18,723</b>	<b>19,539</b>	<b>28,268</b>	<b>35,059</b>	<b>40,164</b>
Depreciation	(4,181)	(4,575)	(6,851)	(6,851)	(6,851)
<b>EBITDA</b>	<b>22,904</b>	<b>24,113</b>	<b>35,119</b>	<b>41,910</b>	<b>47,015</b>
<b>Non-operating income</b>	<b>5,819</b>	<b>3,733</b>	<b>58,715</b>	<b>4,727</b>	<b>5,108</b>
Other incomes	719	588	749	749	749
Other non-op income	5,100	3,146	57,967	3,978	4,360
<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>13,653</b>	<b>13,036</b>	<b>13,662</b>
<b>Pre-tax Profit</b>	<b>25,886</b>	<b>27,275</b>	<b>91,274</b>	<b>43,608</b>	<b>49,869</b>
Extraordinary items	(786)	0	0	0	0
Current taxation	(658)	(682)	(6,210)	(2,446)	(2,897)
Minorities	(6,519)	(5,210)	(3,242)	(4,546)	(5,033)
<b>Net Profit</b>	<b>17,923</b>	<b>21,383</b>	<b>81,823</b>	<b>36,616</b>	<b>41,940</b>
<b>Core net profit</b>	<b>18,709</b>	<b>21,383</b>	<b>81,823</b>	<b>36,616</b>	<b>41,940</b>
<b>EPS (THB)</b>	<b>1.20</b>	<b>1.43</b>	<b>5.48</b>	<b>2.45</b>	<b>2.81</b>
<b>Core EPS (THB)</b>	<b>1.25</b>	<b>1.43</b>	<b>5.48</b>	<b>2.45</b>	<b>2.81</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Operating cash flow	26,178	33,918	102,921	56,497	62,766
Net profit	17,923	21,383	81,823	36,616	41,940
Depre. & amortization	4,181	4,575	6,851	6,851	6,851
Change in working capital	(7,897)	(7,931)	594	(5)	314
Others	11,972	15,891	13,653	13,036	13,662
<b>Investment cash flow</b>	<b>(87,737)</b>	<b>(85,482)</b>	<b>58,688</b>	<b>(3,340)</b>	<b>(2,113)</b>
Net CAPEX	(24,733)	(35,577)	(11,235)	(16,525)	(15,925)
Change in LT investment	(17,433)	(8,518)	69,923	13,186	13,812
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>161,609</b>	<b>53,158</b>	<b>60,653</b>
<b>Financing cash flow</b>	<b>60,164</b>	<b>48,570</b>	<b>(118,986)</b>	<b>(45,522)</b>	<b>(32,726)</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)	(24,547)	(10,985)
Others	34,634	29,554	(79,635)	(20,975)	(21,741)
<b>Net cash flow</b>	<b>(1,395)</b>	<b>(2,995)</b>	<b>42,622</b>	<b>7,636</b>	<b>27,927</b>
<b>Per share (THB)</b>					
EPS	1.20	1.43	5.48	2.45	2.81
Core EPS	1.25	1.43	5.48	2.45	2.81
CFPS	1.97	2.09	6.15	3.21	3.60
BVPS	21.92	22.22	26.82	27.63	29.70
Sales/share	7.63	8.09	10.06	10.49	11.48
EBITDA/share	1.53	1.61	2.35	2.81	3.15
DPS	0.88	0.88	1.64	0.74	0.84
<b>Valuation</b>					
P/E (x)	37.09	40.31	10.91	24.38	21.28
P/BV (x)	2.03	2.60	2.23	2.16	2.01
Dividend yield (%)	1.98	1.53	2.75	1.23	1.41
Dividend payout ratio (%)	73.35	61.48	30.00	30.00	30.00

## GENERAL DISCLAIMER

### 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.