



4Q25 Profit Under Pressure

- 4Q25 NP softened as weaker asphalt prices and lower export volumes compressed margins and sales.
- Domestic demand support and improving heavy crude dynamics should underpin a gradual earnings recovery into 2026.
- Maintain BUY at TP of THB18.0

Margin Compression Weighs on 4Q25 Profit

TASCO reported a 4Q25 net profit of THB112m, declining from THB180m in 3Q25 and THB576m in 4Q24, mainly due to 1) a weaker asphalt selling prices in Thailand and regional markets, which compressed gross margins; and 2) a decline in export sales volumes across several key markets. EBITDA margin dropped to 4.1% in 4Q25, down from 6.6% in 3Q25 and 11.5% in 4Q24 and gross profit margin was 4.5%, down from 7.1% in 3Q25 and 11.8% in 4Q24.

Export Pressure, Domestic Support

In 4Q25, China volumes dropped significantly as asphalt oversupply persisted, with domestic refiners maintaining high utilisation rates to preserve crude import quotas. Indonesia saw weaker sales, reflecting a sharp reduction in infrastructure budget allocations compared with 2024. In contrast, sales volumes improved in Thailand and Vietnam. Thailand benefited from the government's 2025 economic stimulus budget, while Vietnam saw stronger demand driven by accelerated infrastructure spending ahead of the 2026 national election.

Higher Heavy Crude Flows, Better Bitumen Margins

We expect ongoing U.S.–Iran and U.S.–Venezuela developments to support an increase in heavy crude supply returning to global markets, which should benefit TASCO given its exposure to asphalt and bitumen markets. As heavier grades become more available and price differentials widen, feedstock costs for asphalt production are likely to moderate, enhancing margin potential and competitiveness. A more stable and abundant heavy crude flow will also reduce supply volatility in regional markets, supporting volume growth and strengthening TASCO's downstream performance.

Building Toward a 2026 Earnings Turnaround

We expect TASCO's outlook should improve in 2026 as domestic asphalt demand in Thailand strengthens, supported by government stimulus and accelerated infrastructure spending following the election cycle. Export volumes may stabilize as regional markets slowly recover, while more predictable heavy crude supply helps moderate feedstock costs and margin pressure. Although global demand remains uneven, stronger local activity and disciplined cost control should support a gradual earnings recovery through the year.

Maintain BUY at TP of THB18.0

We maintain BUY with a TP of THB18 on 9.5x EV/EBITDA, reflecting limited downside with resilient base earnings, while medium-to-long-term upside comes from margin and volume recovery if access to Venezuelan heavy crude, driving earnings and valuation re-rating.

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ESG Rating : AA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	18.00
VS. BB Consensus TP (%)	+11.6%
Share Price (THB)	14.70
Upside/Downside	+22.4%

Share Data

Market Cap (THB m)	23,201.92
Par (THB)	1.00
Free Float (%)	41.75
Issued shares (m shares)	1,578

Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	26,962	24,721	26,530	26,530
Net profit	1,137	1,212	1,449	1,445
Core net profit	1,099	1,212	1,449	1,445
vs Consensus (%)		(4.3)	(5.1)	(4.6)
Net profit growth (%)	(19.8)	6.6	19.6	(0.3)
Core net profit growth (%)	(21.9)	10.3	19.6	(0.3)
EPS (THB)	0.72	0.77	0.92	0.92
Core EPS (THB)	0.70	0.77	0.92	0.92
Chg from previous (%)		(40.93)	1.38	na
DPS (THB)	0.80	0.46	0.55	0.55
P/E (x)	19.03	19.14	16.01	16.06
P/BV (x)	1.58	1.59	1.53	1.47
ROE (%)	7.43	8.58	9.74	9.33
Dividend yield (%)	5.84	3.13	3.75	3.74

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	2.08	1.38	-	7.30
Market	(11.22)	(12.21)	(15.30)	(7.84)
12M High/Low (THB)				17.50 / 13.20



Major Shareholders (%) as of 24 Nov 2025

BNP Paribas Securities (Asia) Ltd-For Colas	31.09
Tipco Foods Public Company Limited	23.07

Company Profile

Tipco Asphalt Public Company Limited ("the Company") was established in 1979. The Company, its subsidiaries, joint ventures and associated companies ("the Group") are leading manufacturers and distributors of asphalt products for repairing, maintaining and constructing road pavements, highways and airport runways in Thailand and Asia-Pacific region. Its asphalt products are sold to importers and road contractors in Africa, Australia and North America as well.

Source: SETSMART, SET

Exhibit 1: Summary of 4Q25/2025 operations

	4Q24	3Q25	----- 4Q25 -----			2024	2025	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	
Revenue	7,764	6,465	6,932	7.2	(10.7)	27,964	26,962	(3.6)
Operating costs	(6,869)	(6,035)	(6,644)	10.1	(3.3)	(24,969)	(24,914)	(0.2)
EBITDA	895	430	287	(33.1)	(67.9)	2,995	2,048	(31.6)
EBITDA margin (%)	11.5	6.6	4.1	nm	nm	10.7	7.6	nm
Depn & amort.	(297)	(247)	(264)	6.9	(11.2)	(1,112)	(1,038)	(6.7)
EBIT	598	183	24	(87.1)	(96.0)	1,883	1,011	(46.3)
Interest expense	(32)	(32)	(27)	(15.4)	(17.1)	(148)	(131)	(11.4)
Interest & invt inc	9	5	7	nm	nm	28.8	23.0	nm
Other income	60	57	115	103.1	92.5	(21.3)	322.8	(1,615.6)
Associates' contrib	32	0	118	#DIV/0!	264.3	110.2	175.9	59.6
Exceptionals	65	34	(96)	(377.9)	(247.9)	-	-	#DIV/0!
Pretax profit	731	247	142	(42.6)	(80.6)	1,865	1,438	(22.9)
Tax	(155)	(73)	(34)	(53.9)	(78.4)	(411)	(312)	(24.1)
Tax rate (%)	21.2	29.5	23.7	nm	nm	22.0	21.7	nm
Minority interests	(1)	6	4	(34.2)	(825.7)	(37.0)	9.9	(126.8)
Net profit	576	180	112	(37.8)	(80.6)	1,417	1,137	(19.8)
Non-recurring	13	24	(73)	(400.7)	(661.4)	10	37	273.4
Core net profit	563	156	185	18.8	(67.1)	1,407	1,099	(21.9)
EPS (THB)	0.37	0.11	0.07	(37.8)	(80.6)	0.90	0.72	(19.8)
Core EPS (THB)	0.36	0.10	0.12	18.8	(67.1)	0.89	0.70	(21.9)

Sources: TASCO; Globlex Research

Exhibit 2: Key changes in assumptions

(THB m)	----- New -----			----- Old -----			----- Change (%) -----		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
Revenue	24,721	26,530	26,530	27,570	27,570	26,530	(10.3)	(3.8)	0.0
Gross profit	2,359	2,720	2,720	3,528	2,769	2,720	(33.2)	(1.8)	0.0
Operating profit	1,278	1,561	1,561	2,302	1,543	1,561	(44.5)	1.1	0.0
Net profit	1,212	1,449	1,445	2,052	1,430	1,445	(40.9)	1.4	0.0
EPS (THB/shr)	0.77	0.92	0.92	1.30	0.91	0.92	(40.9)	1.4	0.0
Key assumptions									
Utilisation rate (%)	30	30	30	30	30	30	0.0	0.0	0.0
Brent crude price (USD/bbl)	70	70	70	75	75	70	(6.7)	(6.7)	0.0
Fuel oil-Dubai spread (USD/bbl)	(8.0)	(8.0)	(8.0)	(8.0)	(8.0)	(8.0)	0.0	0.0	0.0
Crude premium (USD/bbl)	3.0	3.0	3.0	3.0	3.0	3.0	0.0	0.0	0.0
Asphalt sales volume (mtpa)	1.1	1.2	1.2	1.2	1.2	1.2	(8.3)	0.0	0.0
Asphalt -Dubai margin (USD/bbl)	5.0	5.0	5.0	5.0	5.0	5.0	0.0	0.0	0.0

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	1,846	1,737	2,553	2,029	1,605
Account receivable	5,722	4,965	4,965	4,965	4,965
Inventories	5,930	5,189	4,896	5,213	5,213
Others	1,427	1,638	1,502	1,612	1,612
Non-current assets					
Net fixed assets	6,670	6,133	7,867	8,868	9,869
Others	2,194	2,358	2,358	2,358	2,358
Total Assets	23,789	22,019	24,140	25,044	25,621

Current liabilities					
Account payable	2,864	2,773	2,617	2,786	2,786
ST borrowing	3,035	3,414	3,414	3,414	3,414
Others	1,062	1,245	1,142	1,225	1,225
Long-term liabilities					
Long-term debts	281	308	1,840	1,840	1,840
Others	454	411	411	411	411
Total liabilities	7,696	8,151	9,424	9,677	9,677
Paid-up capital	1,578	1,578	1,578	1,578	1,578
Retained earnings	14,331	12,773	13,621	14,272	14,849
Others	(31)	(646)	(646)	(646)	(646)
Minority interest	215	163	163	163	163
Shareholders' equity	16,093	13,868	14,716	15,367	15,944

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	(10.1)	(3.6)	(8.3)	7.3	0.0
Operating profit	(28.8)	(31.6)	(37.6)	22.1	0.0
EBITDA	(28.8)	(31.6)	(37.6)	22.1	0.0
Net profit	(38.5)	(19.8)	6.6	19.6	(0.3)
Core net profit	(42.4)	(21.9)	10.3	19.6	(0.3)
EPS	(38.5)	(19.8)	6.6	19.6	(0.3)
Core EPS	(42.4)	(21.9)	10.3	19.6	(0.3)
Profitability (%)					
Gross margin	15.2	12.0	9.5	10.3	10.3
Operation margin	10.7	7.6	5.2	5.9	5.9
EBITDA margin	10.7	7.6	5.2	5.9	5.9
Net margin	5.1	4.2	4.9	5.5	5.4
ROE	8.7	7.4	8.6	9.7	9.3
ROA	6.5	5.1	5.6	6.2	6.0
Stability					
Interest bearing debt/equity (x)	0.2	0.3	0.4	0.3	0.3
Net debt/equity (x)	0.1	0.1	0.2	0.2	0.2
Interest coverage (x)	12.7	7.7	7.1	9.6	9.6
Interest & ST debt coverage (x)	0.6	0.3	0.2	0.3	0.3
Cash flow interest coverage (x)	0.2	0.5	0.2	0.2	0.2
Current ratio (x)	2.1	1.8	1.9	1.9	1.8
Quick ratio (x)	1.1	0.9	1.0	0.9	0.9
Net debt (THB m)	1,470	1,985	2,701	3,225	3,650
Activity					
Asset turnover (X)	1.2	1.2	1.1	1.1	1.0
Days receivables	67.5	72.3	73.3	68.3	68.3
Days inventory	83.4	85.5	82.3	77.5	79.9
Days payable	43.9	43.3	44.0	41.4	42.7
Cash cycle days	107.0	114.5	111.6	104.4	105.5

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue					
Revenue	27,964	26,962	24,721	26,530	26,530
Cost of goods sold	(23,725)	(23,736)	(22,363)	(23,810)	(23,810)
Gross profit	4,239	3,226	2,359	2,720	2,720
Operating expenses	(1,243)	(1,178)	(1,080)	(1,159)	(1,159)
Operating profit	2,995	2,048	1,278	1,561	1,561
EBIT	1,883	1,011	778	1,061	1,061
Depreciation	(1,112)	(1,038)	(500)	(500)	(500)
EBITDA	2,995	2,048	1,278	1,561	1,561
Non-operating income					
Other incomes	(21)	323	700	700	700
Other non-op income	29	23	17	26	20
Non-operating expense	(135)	(94)	(110)	(110)	(110)
Interest expense	(148)	(131)	(110)	(110)	(110)
Other non-op expense	13	37	0	0	0
Equity income/(loss)	110	176	80	80	80
Pre-tax Profit	1,865	1,438	1,465	1,756	1,751
Extraordinary items					
Current taxation	(411)	(312)	(253)	(307)	(306)
Minorities	(37)	10	0	0	0
Net Profit	1,417	1,137	1,212	1,449	1,445
Core net profit	1,407	1,099	1,212	1,449	1,445
EPS (THB)	0.90	0.72	0.77	0.92	0.92
Core EPS (THB)	0.89	0.70	0.77	0.92	0.92

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow					
Net profit	1,417	1,137	1,212	1,449	1,445
Depre. & amortization	1,112	1,038	500	500	500
Change in working capital	(1,437)	1,380	169	(174)	0
Others	110	176	80	80	80
Investment cash flow	3,151	1,430	(2,154)	(1,421)	(1,421)
Net CAPEX	(781)	(501)	(2,234)	(1,501)	(1,501)
Change in LT investment	3,913	1,901	80	80	80
Change in other assets	18	31	0	0	0
Free cash flow	4,354	5,160	(193)	434	604
Financing cash flow					
Change in share capital	0	0	0	0	0
Net change in debt	709	406	1,532	0	0
Dividend paid	(5,366)	(4,656)	(364)	(798)	(868)
Others	2,150	828	1,577	2,393	1,869
Net cash flow	1,846	1,737	2,553	2,029	1,605
Per share (THB)					
EPS	0.90	0.72	0.77	0.92	0.92
Core EPS	0.89	0.70	0.77	0.92	0.92
CFPS	1.63	1.37	1.08	1.24	1.23
BVPS	10.06	8.68	9.22	9.63	10.00
Sales/share	17.72	17.08	15.66	16.81	16.81
EBITDA/share	1.90	1.30	0.81	0.99	0.99
DPS	0.90	0.80	0.46	0.55	0.55
Valuation					
P/E (x)	20.2	19.0	19.1	16.0	16.1
P/BV (x)	1.80	1.58	1.59	1.53	1.47
Dividend yield (%)	4.97	5.84	3.13	3.75	3.74
Dividend payout ratio (%)	100.24	111.10	60.00	60.00	60.00

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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.