

## A prime beneficiary of AI memory

- A healthy 1Q26 profit reiterated the solid 2026 growth outlook
- Operational agility and production flexibility are key success factors
- Maintain BUY and lifted TP to THB7.5

### Softer net profit in 1Q26 on lower revenues

1Q26 net profit (NP) was THB502m, up 33% q-q but down 17% y-y, on the back of revenue decline to THB29.7b (-18% q-q, -14% y-y) on the lower revenue from smart wearable devices and storage products, caused by changes in business model. EBITDA margin rose to 3.9% in 1Q26, up from 3.3% in 4Q25 and 3.7% in 1Q25 on lower gross profit margin. Financial cost rose to THB91m in 1Q26, up 20% y-y on high bank loans to fund its expansions.

### Expansions remain on track

CCET remains committed to its three new production plants, operating since 2025, including the new plants in Mahachai, Phetburi, and Sao Paolo Brazil. The plant in Mahachai will produce Solid State Drive (SSD), in Phetburi will produce laser printers, and in Brazil will produce SSD and other products. We believe these plants, after the model shift, will drive up revenue and net profit in 2026 onwards.

### Operational agility is key

CCET's net profit outlook remains sanguine in 2026 given CCET's highly efficient operations including 1) the operational flexibility to shift its productions among CCET's multiple plant locations outside Thailand to Philippines, Brazil, or even USA; 2) its plan to set up new production plants in USA; and 3) CCET will soon start up its new production plant in Brazil. The transitional shift in business model and product models will be only temporary and CCET should enjoy solid growth in 2026.

### Production flexibility to enable growth and profitability

We think CCET's net profit growth will continue to improve, considering that any margin downsides from lower sales and FX loss will be offset by higher efficiency from plant relocations to other existing locations (Thailand, Philippines, Brazil, US), new plants to accommodate the production shifts (Brazil, US), a dark factory with fully automated robots, and partial passthrough to customers.

### Maintain BUY and lifted TP to THB7.5

We maintain BUY and lifted our TP from THB5.9 to THB7.5, based on 30x 2026E P/E. We think CCET remains one of Thailand's electronics plays to benefit from the strong demand growths from AI industry boom thanks to its well-diversified production plant portfolio, nimble and efficient operations, and timely risk management strategy and growth. We believe CCET's benefits from AI growth will mainly come from flash memory and a host of hardware products produced by CCET.

#### Analyst

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ESG Rating : n.a.

CG Rating : n.a.

## BUY

<b>Target Price 12M (THB)</b>	<b>7.50</b>
VS. BB Consensus TP (%)	+15.4%
Share Price (THB)	6.10
Upside/Downside	+23.0%

### Share Data

Market Cap (THB m)	62,177.52
Par (THB)	1.00
Free Float (%)	32.74
Issued shares (m shares)	10,450

### Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	138,172	149,122	159,290	172,785
Net profit	2,297	3,082	3,245	3,419
Core net profit	2,297	3,082	3,245	3,419
vs Consensus (%)		834.0	(15.8)	(38.7)
Net profit growth (%)	(11.7)	34.2	5.3	5.4
Core net profit growth (%)	(11.7)	34.2	5.3	5.4
EPS (THB)	0.18	0.25	0.26	0.27
Core EPS (THB)	0.18	0.25	0.26	0.27
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.09	0.12	0.13	0.14
P/E (x)	24.55	24.69	23.45	22.25
P/BV (x)	2.07	2.61	2.47	2.33
ROE (%)	8.65	10.94	10.82	10.77
Dividend yield (%)	2.04	2.03	2.13	2.25

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	+12.25	+13.33	+16.67	+31.64
Market	+9.73	+11.63	-2.14	+9.33
12M High/Low (THB)				7.10 / 4.14



### Major Shareholders (%) as of 20 Mar 2026

Kinpo Electronics, Inc.	49.99
Far Eastern International Bank	15.84
KGI Asia Limited	15.10

### Company Profile

The manufacturer for the electronics products. Main products are computer peripheral and telecommunication products.

Source: SETSMART, SET

## Exhibit 1: Summary of 1Q26 operations

	1Q25	4Q25	----- 1Q26 -----		2025	2026E	chg.	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)		(THB m)
<b>Revenue</b>	<b>34,712</b>	<b>36,266</b>	<b>29,702</b>	<b>(18.1)</b>	<b>(14.4)</b>	<b>138,172</b>	<b>149,122</b>	<b>7.9</b>
Operating costs	(33,425)	(35,059)	(28,546)	(18.6)	(14.6)	(133,336)	(143,179)	7.4
<b>EBITDA</b>	<b>1,287</b>	<b>1,207</b>	<b>1,156</b>	<b>(4.2)</b>	<b>(10.2)</b>	<b>4,836</b>	<b>5,943</b>	<b>22.9</b>
EBITDA margin (%)	3.7	3.3	3.9	nm	nm	3.5	4.0	nm
Depn & amort.	(320)	(504)	(522)	3.5	63.0	(2,423)	(2,554)	5.4
EBIT	967	703	634	(9.8)	(34.4)	2,413	3,389	40.4
Interest expense	(182)	(253)	(212)	(16.4)	16.4	(603)	(847)	40.4
Interest & invt inc	101	87	121	39.6	na	257	361	na
Other income	27	658	49	(92.6)	83.0	257	302	17.4
Associates' contrib	36	(24)	(2)	na	na	235	255	na
Exceptionals	(257)	(630)	(32)	(94.9)	na	-	-	na
<b>Pretax profit</b>	<b>691</b>	<b>541</b>	<b>559</b>	<b>3.3</b>	<b>(19.2)</b>	<b>2,559</b>	<b>3,459</b>	<b>35.2</b>
Tax	(99)	(115)	(56)	(50.8)	(43.2)	(302)	(417)	37.9
Tax rate (%)	14.4	21.2	10.1	nm	nm	11.8	12.0	nm
Minority interests	15	(48)	(0)	na	na	40	40	na
<b>Net profit</b>	<b>607</b>	<b>378</b>	<b>502</b>	<b>32.9</b>	<b>(17.2)</b>	<b>2,297</b>	<b>3,082</b>	<b>34.2</b>
Non-recurring				na	na			na
<b>Core net profit</b>	<b>607</b>	<b>378</b>	<b>502</b>	<b>32.9</b>	<b>(17.2)</b>	<b>2,297</b>	<b>3,082</b>	<b>34.2</b>
EPS (THB)	0.05	0.03	0.04	32.9	(17.2)	0.18	0.25	34.2
Core EPS (THB)	0.05	0.03	0.04	32.9	(17.2)	0.18	0.25	34.2

Sources: CCET

Balance sheet (THB m)						Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Current assets</b>						<b>Revenue</b>					
Cash & ST investment	5,831	5,299	6,827	8,168	9,889	Revenue	147,363	138,172	149,122	159,290	172,785
Account receivable	32,784	34,472	36,294	38,240	40,351	Cost of goods sold	-137,053	-129,191	-138,810	-148,369	-161,110
Inventories	15,590	14,696	15,790	16,877	18,326	<b>Gross profit</b>	<b>10,310</b>	<b>8,981</b>	<b>10,312</b>	<b>10,920</b>	<b>11,675</b>
Others	8,498	7,968	8,599	9,186	9,964	Operating expenses	-4,140	-4,145	-4,370	-4,643	-5,094
<b>Non-current assets</b>						<b>Operating profit</b>					
Net fixed assets	16,478	15,855	15,301	14,610	13,780	<b>6,170</b>	<b>4,836</b>	<b>5,943</b>	<b>6,277</b>	<b>6,581</b>	
Others	3,831	3,831	3,831	3,831	3,831	<b>EBIT</b>	<b>3,670</b>	<b>2,413</b>	<b>3,389</b>	<b>3,586</b>	<b>3,751</b>
<b>Total Assets</b>	<b>83,012</b>	<b>82,121</b>	<b>86,643</b>	<b>90,912</b>	<b>96,142</b>	Depreciation	-2,500	-2,423	-2,554	-2,692	-2,830
<b>Current liabilities</b>						<b>EBITDA</b>					
Account payable	36,122	34,050	36,585	39,105	42,463	<b>6,170</b>	<b>4,836</b>	<b>5,943</b>	<b>6,277</b>	<b>6,581</b>	
ST borrowing	5,998	5,998	5,998	5,998	5,998	<b>Non-operating income</b>					
Others	1,252	1,252	1,252	1,252	1,252	Other incomes	257	257	302	299	332
<b>Long-term liabilities</b>						Other non-op income					
Long-term debts	12,352	12,352	12,352	12,352	12,352	-183	257	361	381	399	
Others	1,214	1,214	1,214	1,214	1,214	<b>Non-operating expense</b>	<b>-1,022</b>	<b>-603</b>	<b>-847</b>	<b>-896</b>	<b>-938</b>
<b>Total liabilities</b>	<b>56,938</b>	<b>54,866</b>	<b>57,401</b>	<b>59,920</b>	<b>63,278</b>	Interest expense	-1,136	-603	-847	-896	-938
Paid-up capital	10,450	10,450	10,450	10,450	10,450	Other non-op expense	113	0	0	0	0
Retained earnings	12,646	13,946	15,879	17,583	19,380	<b>Equity income(loss)</b>	<b>237</b>	<b>235</b>	<b>255</b>	<b>273</b>	<b>296</b>
Others	2,805	2,805	2,805	2,805	2,805	<b>Pre-tax Profit</b>	<b>2,958</b>	<b>2,559</b>	<b>3,459</b>	<b>3,643</b>	<b>3,840</b>
Minority interest	172	54	107	153	228	Extraordinary items	-395	-302	-417	-438	-461
<b>Shareholders' equity</b>	<b>26,074</b>	<b>27,255</b>	<b>29,242</b>	<b>30,991</b>	<b>32,864</b>	Current taxation	-395	-302	-417	-438	-461
<b>Key ratios</b>						<b>Cash flow (THB m)</b>					
Year ending Dec	2024	2025	2026E	2027E	2028E	Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Growth (%YoY)</b>						<b>Operating cash flow</b>					
Sales	(2.0)	(6.2)	7.9	6.8	8.5	<b>6,988</b>	<b>1,498</b>	<b>3,599</b>	<b>3,748</b>	<b>4,150</b>	
Operating profit	0.1	(21.6)	22.9	5.6	4.8	Net profit	2,603	2,297	3,082	3,245	3,419
EBITDA	0.1	(21.6)	22.9	5.6	4.8	Depre.& amortization	2,500	2,423	2,554	2,692	2,830
Net profit	133.3	(11.7)	34.2	5.3	5.4	Change in working capital	3,058	-2,414	-919	-1,014	-866
Core net profit	133.3	(11.7)	34.2	5.3	5.4	Others	-1,173	-807	-1,118	-1,174	-1,233
EPS	133.3	(11.7)	34.2	5.3	5.4	<b>Investment cash flow</b>	<b>5,641</b>	<b>456</b>	<b>2,667</b>	<b>2,873</b>	<b>3,335</b>
Core EPS	133.3	(11.7)	34.2	5.3	5.4	Net CAPEX	-1,339	-10	-10	-9	-9
<b>Profitability (%)</b>						Change in LT investment					
Gross margin	7.0	6.5	6.9	6.9	6.8	6,980	466	2,677	2,882	3,343	
Operation margin	4.2	3.5	4.0	3.9	3.8	Change in other assets	0	0	0	0	1
EBITDA margin	4.2	3.5	4.0	3.9	3.8	<b>Free cash flow</b>	<b>12,628</b>	<b>1,954</b>	<b>6,265</b>	<b>6,622</b>	<b>7,485</b>
Net margin	1.8	1.7	2.1	2.0	2.0	<b>Financing cash flow</b>	<b>-16,883</b>	<b>-2,486</b>	<b>-4,737</b>	<b>-5,281</b>	<b>-5,764</b>
ROE	10.0	8.7	10.9	10.8	10.8	Change in share capital	0	0	0	0	0
ROA	3.1	2.8	3.7	3.7	3.7	Net change in debt	-40	-118	53	46	75
<b>Stability</b>						Dividend paid					
Interest bearing debt/equity (x)	0.7	0.7	0.6	0.6	0.6	-998	-998	-1,149	-1,541	-1,622	
Net debt/equity (x)	0.5	0.5	0.4	0.3	0.3	Others	-15,845	-1,371	-3,642	-3,785	-4,217
Interest coverage (x)	3.2	4.0	4.0	4.0	4.0	<b>Net cash flow</b>	<b>-4,254</b>	<b>-532</b>	<b>1,528</b>	<b>1,341</b>	<b>1,721</b>
Interest & ST debt coverage (x)	0.5	0.4	0.5	0.5	0.5	<b>Per share (THB)</b>					
Cash flow interest coverage (x)	0.1	0.0	0.1	0.1	0.1	EPS	0.21	0.18	0.25	0.26	0.27
Current ratio (x)	1.4	1.5	1.5	1.6	1.6	Core EPS	0.21	0.18	0.25	0.26	0.27
Quick ratio (x)	0.9	1.0	1.0	1.0	1.0	CFPS	0.41	0.38	0.45	0.47	0.50
Net debt (THB m)	12,519	13,051	11,523	10,182	8,461	BVPS	2.08	2.18	2.34	2.47	2.62
<b>Activity</b>						Sales/share					
Asset turnover (X)	1.8	1.6	1.6	1.7	3.6	11.81	11.08	11.95	12.77	13.85	
Days receivables	81.2	91.1	88.8	87.6	0.0	EBITDA/share	0.49	0.39	0.48	0.50	0.53
Days inventory	41.5	41.5	41.5	41.5	0.0	DPS	0.15	0.09	0.12	0.13	0.14
Days payable	96.2	96.2	96.2	96.2	0.0	<b>Valuation</b>					
Cash cycle days	26.5	36.4	34.2	32.9	0.0	P/E (x)	48.41	33.13	24.69	23.45	22.25
						P/BV (x)	4.86	2.80	2.61	2.47	2.33
						Dividend yield (%)	1.49	1.51	2.03	2.13	2.25
						Dividend payout ratio (%)	71.89	50.00	50.00	50.00	50.00

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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.