UOBKayHian

Country Daily | Thailand

Friday, 06 November 2026



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	51523.1	(3.4)	(1.6)	0.5	7.2
S&P 500	7353.7	(4.4)	(4.7)	(5.4)	7.4
FTSE 100	10782.7	(0.4)	0.6	2.7	8.6
AS30	9117.9	(0.9)	1.0	2.4	1.1
CSI 300	4113.4	0.3	1.8	(5.6)	(11.2)
FSSTI	5296.3	0.5	(1.8)	(7.1)	14.0
HSCEI	8369.1	3.9	7.9	3.0	(6.1)
HSI	24797.0	3.7	8.0	3.1	(3.3)
JCI	5030.3	2.2	(1.3)	(18.8)	(41.8)
KLCI	1635.9	1.2	1.5	0.2	(2.6)
KOSPI	5383.8	(5.3)	(6.1)	(22.4)	27.8
Nikkei 225	61077.9	(1.8)	(4.5)	(13.6)	21.3
SET	1498.0	(0.3)	(3.0)	(5.3)	18.9
TWSE	41574.7	(3.2)	(10.3)	(16.6)	43.5
BDI	2740	1.7	1.0	(10.7)	46.0
CPO (RM/mt)	4292	(1.7)	(3.2)	(1.7)	9.1
Brent Crude (US$/bbl)	98	3.9	(14.4)	(2.0)	61.5

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Meeting with UUE Holdings Berhad (UUE MK)	Malaysia	10 Nov	10 Nov
1HFY27 Post Results briefing with Valuetronics Holdings Ltd (VALUE SP)	Singapore	11 Nov	11 Nov
Analyst Marketing by Johnny Yum on GC AI Sector	Taipei	17 Nov	18 Nov
Corporate Roadshow with NTT DC REIT (NTTDCR SP)	Bangkok	23 Nov	23 Nov
Corporate Roadshow with NTT DC REIT (NTTDCR SP)	Kuala Lumpur	25 Nov	25 Nov
Virtual Analyst Presentation by Jonathan Koh on S-REITs Results Wrap	Singapore	25 Nov	25 Nov
Regional 1H2027 Strategy Conference	Malaysia	02 Dec	02 Dec

Corporate and Macro Calendar

Economic Indicator/Event		Date
Oct. Consumer Confidence	Thailand	9-13 Nov
3Q GDP YoY	Thailand	16 Nov
Oct. Customs Trade Balance (Export-Import)	Thailand	21-26 Nov

Top Stories

Company Results | Bangchak Corporation (BCP TB/**BUY**/Bt43.50/Target: Bt65.00) Page 2 →

- BCP reported 3Q26 net profit of Bt9.85b (-20% qoq), while core profit rose 287% yoy and 1% qoq to Bt12.3b, in line with our forecast. Strong refining margins (US$17.36/bbl) were partly offset by higher hedging losses and lower refinery utilisation. We expect 4Q26 earnings to soften qoq as GRM normalises, despite recovering throughput. Looking ahead, resilient diesel cracks, full-year SAF contributions and diversified earnings should support profitability in 2027. Maintain BUY with a target price of Bt65.00.

Company Update | CH. Karnchang (CK TB/**BUY**/Bt17.80/Target: Bt28.00) Page 5 →

- We expect CK to report a 3Q26 net profit of Bt1.26b (-27% yoy, +58% qoq). Construction revenue should reach Bt11.4b (+4% yoy) with gross margin at 7.7%. Meanwhile, the share of profit from associates is expected to rise 48% qoq to Bt692m, supported by stronger contributions from BEM and CKP. Earnings should also benefit from a one-off gain of approximately Bt300m before tax from the sale of BEM shares. We maintain BUY with a higher target price of Bt28.00.

Company Update | PTT (PTT TB/**BUY**/Bt38.50/Target: Bt48.00) Page 8 →

- We expect 3Q26 net profit to decline qoq due to seasonal factors, driven by lower gas demand and reduced sales volumes from the gas separation business following the maintenance shutdown of GSP unit 6. Meanwhile, the Genesis project continues to progress, although slightly behind the original schedule. PTT expects to finalise the project's details within 4Q26. We forecast a 2026 dividend of Bt3.00/share. Maintain BUY; target price: Bt48.00 (previously Bt45.00).

Company Update | Stecon Group (STECON TB/**BUY**/Bt18.20/Target: Bt22.00) Page 11 →

- We expect STECON to report a 3Q26 net profit of Bt281m (+72% yoy, -69% qoq), supported by stronger construction revenue, while the qoq decline reflects the absence of dividend income. Construction revenue should rise 33% yoy and 6% qoq, driven by progress in ongoing projects. Gross margin is expected to remain above 7%. Looking ahead, DC opportunities could support new contract awards and earnings visibility from 2027 onwards. Maintain BUY with an unchanged target price of Bt22.00.

What's Inside

Company Results | PTT Oil and Retail (OR TB/**HOLD**/Bt12.60/Target: Bt12.50) Page 14→

- OR reported a 3Q26 net profit of Bt5.14b, recovering from a net loss in 2Q26. The result was in line with our estimate but 75% above consensus, driven by a strong qoq recovery in the mobility business. Looking ahead, we expect 4Q26 net profit to decline qoq as the marketing margin normalises. We believe uncertainty surrounding the investment review will remain an overhang on OR's share price until greater clarity emerges. Maintain HOLD. Target price: Bt12.50.

Bangchak Corporation (BCP TB)

3Q26: Strong Core Operations, Weighed By Hedging Losses

Highlights

- BCP reported a 3Q26 net profit of Bt9.85b (+789% yoy, -20% qoq), while core profit rose 287% yoy and 1% qoq to Bt12.3b, in line with our forecasts.
- Basic GRM stayed elevated at US$17.36/bbl despite scheduled maintenance at Sriracha, while higher hedging losses weighed on reported earnings. SAF, biofuels and overseas marketing operations provided additional support.
- We expect 2027 earnings to remain well above historical levels. Maintain BUY with a target price of Bt65.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	3Q25	2Q26	yoy(%)	qoq(%)	9M26F	9M25	yoy%
Revenue	170,147	123,235	183,553	38	(7)	477,881	383,116	24.7
Core EBITDA	26,019	12,619	24,923	106	4	71,075	32,806	117
Inventory gain/(loss)	208	(1,271)	(141)	N/A	N/A	8,366	(5,021)	N/A
Hedging	(3,360)	(1,079)	(904)	211	272	(15,267)	(1,182)	1,192
Net Profit	9,849	1,108	12,239	789	(20)	28,232	663	4,158
EPS	7.3	0.8	8.3	865	(13)	20.1	0.5	4,070
Core profit	12,322	3,186	12,202	287	1	34,279	6,184	454

Source: Bangchak Corporation, UOB Kay Hian

Analysis

- **Strong earnings as expected**. Bangchak Corporation (BCP) reported 3Q26 net profit of Bt9.85b (-20% qoq, +789% yoy), with core profit (exclude impact from hedging gain/loss) of Bt12.3b (+287% yoy, +1% qoq), in line with our forecast (see our results preview report on 26 Oct 26). 9M26 core profit reached Bt34.3b, accounting for 86% of our full-year forecast, highlighting a significant improvement in underlying profitability.
- **Refining margins remained strong, but hedging losses weighed on profitability**. Run rate fell to 262.5kbd (89% utilisation) from 272.6kbd in 2Q26 due to a 28-day slowdown at Sriracha refinery. Market gross refinery margin (GRM) remained strong at US$17.36/bbl, compared with US$18.41/bbl in 2Q26 and US$7.38/bbl in 3Q25. However, oil hedging losses increased to US$4.18/bbl from US$1.09/bbl in 2Q26, reducing total GRM to US$13.72/bbl. The refining business recorded an inventory gain of Bt437m, including net realisable value adjustments.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	589,877.4	507,569.9	601,980.6	650,697.2	745,010.4
EBITDA	46,554.0	26,408.8	87,708.3	62,429.3	56,341.4
Operating profit	26,498.0	8,300.7	71,208.3	45,929.3	38,841.4
Net profit (rep./act.)	2,184.1	2,879.7	39,507.2	20,175.3	16,450.3
Net profit (adj.)	6,120.1	10,239.7	39,507.2	20,175.3	16,450.3
EPS	4.4	7.4	26.8	13.7	11.2
PE (x)	11.6	7.0	1.9	3.8	4.6
P/B (x)	1.2	1.1	0.7	0.6	0.6
EV/EBITDA (x)	4.2	6.9	2.0	2.7	2.7
Dividend yield (%)	2.0	2.4	11.6	4.6	4.6
Net margin (%)	0.4	0.6	6.6	3.1	2.2
Net debt/(cash) to equity(%)	165.5	140.6	73.2	56.5	38.4
Interest cover (x)	6.6	4.2	14.9	10.4	9.3
ROE (%)	4.3	5.2	53.6	24.5	18.4
Consensus net profit	n.a	n.a	30,879.8	15,843.0	14,333.9
UOBKH/Consensus (x)	n.a	n.a	1.3	1.3	1.2

Source: Bangchak Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

Arsit Pamaranont
arsit@uobkayhian.co.th
(66 2) 659-8317

BUY (Maintained)

Share Price	Bt43.50
Target Price	Bt65.00
Upside	49.4%

Stock Data

Sector	Energy
Bloomberg ticker	BCP TB
Shares issued (m)	1,463.0
Market cap (Btm)	76,440.3
Market cap (US$m)	2,265.7
3-mth avg daily t'over (US$m)	32.7

Price Performance (%)

52-week high/low				Bt60.8/Bt25.0
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(3.7)	16.1	51.4	78.6	101.0

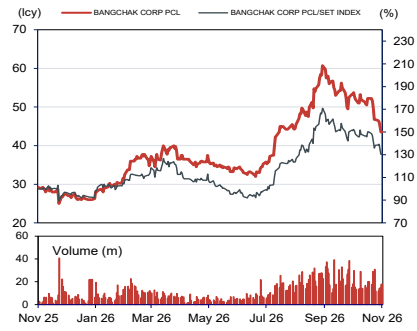
Major Shareholders (%)

Thai NVDR	21.24
Alpha Charter Energy	16.82

Balance Sheet Metrics

FY26 NAV/Share (Bt)	71.0
FY26 Net Debt/Share (Bt)	52.0

Price Chart



Source: Bloomberg

Company Description

Angchak Corporation (BCP) is one of Thailand's leading integrated energy companies, operating two oil refineries in Bangkok and Sriracha with a combined capacity of approximately 294,000 barrels per day. Its diversified businesses include petroleum marketing, biofuels, sustainable aviation fuel (SAF), oil and gas exploration and production, renewable power generation, and energy infrastructure.

- **Government diesel price intervention weighed on 3Q26 earnings.** The government-requested diesel price discounts, ranging from Bt1.40-4.00/litre during 3Q26, are estimated to have reduced BCP's earnings by Bt3.8b, according to investor relation guidance. Despite this impact, strong refining margins helped cushion the pressure, supporting resilient quarterly profitability.
- **SAF, renewable and biofuels provided additional earnings support.** The sustainable aviation fuel (SAF) business contributed EBITDA of Bt969m, broadly stable qoq, despite a 37% qoq increase in sales volume to 53.6m litres due to some sales recognition being deferred to 4Q26. Biofuel EBITDA increased 25% qoq to Bt991m, supported by stronger biodiesel demand following government blending measures. Meanwhile, Bangchak Hong Kong contributed Bt656m EBITDA in its first quarter of consolidation, partially offsetting weaker domestic marketing margins, which declined to Bt0.80/litre from Bt1.26/litre in 2Q26. Power and infrastructure EBITDA more than doubled qoq to Bt2.24b, supported by stronger contributions from US gas-fired power plants and seasonal improvements in Laos hydropower and Monsoon wind generation
- **4Q26 outlook.** We maintain our expectation of a softer qoq performance in 4Q26 as GRM lower to US$10/bbl, despite refinery throughput recovering to approximately 280kbd (95% utilisation). The government-requested diesel price discount at Bt2.00/litre in Nov 26 will remain a key earnings drag, while contributions from SAF, power and E&P should help cushion the impact.
- **2027 earnings should remain well above historical levels.** We expect market GRM to remain strong throughout 1H27, supported by persistently low middle distillate inventories, a delay in the maintenance shutdown of US refineries from 4Q26 to 1Q27 (approximately 8% of total global supplies), followed by the scheduled maintenance of Asian refineries in 2Q27. BCP's profitability should also benefit from the full-year contribution from SAF, further expansion of its trading business, and contributions from power and E&P.

Valuation/Recommendation

- **Maintain BUY with 2027 target price of Bt65.00.** Our target price is based on SOTP valuation, implying 1.0x 2027F P/B, which we believe is justified by BCP's higher normalised earnings, improving earnings diversification and a stronger free cash flow outlook.

Earnings Revision/Risk

- None.

Share Price Catalyst

- 11 Nov 26: Analyst meeting.
- Strong contribution from SAF.
- Share buyback possibility.

Environment, Social, Governance (ESG) Updates

Environmental

- BCP aims to achieve carbon neutrality by 2030 and net zero emission by 2050. To achieve this, BCP will improve overall production efficiency and utilise products that reduce emissions by 20% by 2024, and 30% by 2030.

Social

- Social development is part of BCP's business management. The corporate and employee culture is to engage in social development for sustainability.

Governance

- BCP maintains an annual "Excellent" CG score from the Thai Institute of Directors Association.

Operating Stat

US$	3Q26	3Q25	2Q26
GRM	17.36	7.38	18.41
Hedging	(4.18)	(1.36)	(1.09)
Inventory gain/(loss)	0.54	(1.54)	(0.17)

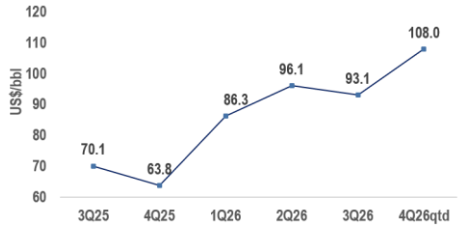
Source: BCP

EBITDA Contribution

Btm	3Q26	3Q25	2Q26
Refinery	14,824	5,241	15,347
Retail	2,140	1,682	784
Renewable	2,235	1,620	1,065
Bio fuel	991	286	794
E&P	5,829	4,039	7,062

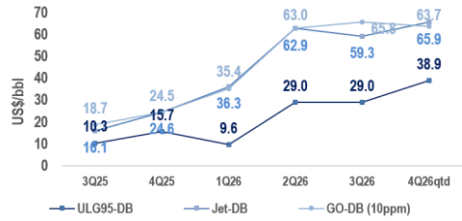
Source: BCP

Dubai Price



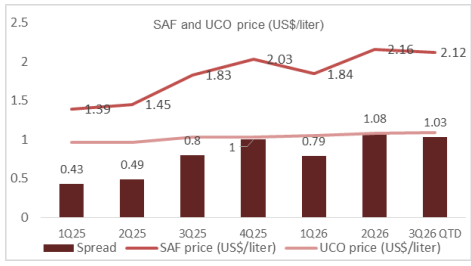
Source: Thai Oil (TOP)

Petroleum Product Spread



Source: Thai Oil (TOP)

SAF-UCO (US$/litre)



Source: BCP, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**507,570**	**601,981**	**650,697**	**745,010**
EBITDA	26,409	87,708	62,429	56,341
Deprec. & amort.	18,108	16,500	16,500	17,500
EBIT	8,301	71,208	45,929	38,841
Associate contributions	2,607	2,618	420	450
Net interest income/(expense)	(6,296)	(5,890)	(5,980)	(6,050)
Pre-tax profit	**4,612**	**67,936**	**40,369**	**33,241**
Tax	(2,167)	(24,457)	(16,955)	(15,291)
Minorities	435	(3,972)	(3,239)	(1,500)
Net profit	**2,880**	**39,507**	**20,175**	**16,450**
Net profit (adj.)	10,240	39,507	20,175	16,450

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	114,934	113,434	111,934	109,434
Other LT assets	88,960	117,352	118,945	122,276
Cash/ST investment	28,555	53,765	42,983	55,098
Other current assets	66,356	97,488	101,550	102,564
Total assets	**298,805**	**382,039**	**375,412**	**389,371**
ST debt	36,114	43,829	51,559	36,829
Other current liabilities	36,901	73,124	65,970	69,970
LT debt	86,584	86,584	60,354	70,354
Other LT liabilities	55,065	44,820	46,476	47,520
Shareholders' equity	66,936	104,682	122,053	135,699
Minority interest	17,205	29,000	29,000	29,000
Total liabilities & equity	**298,805**	**382,039**	**375,412**	**389,371**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**14,892**	**44,704**	**26,322**	**36,624**
Pre-tax profit	4,612	67,936	40,369	33,241
Tax	(2,167)	(24,457)	(16,955)	(15,291)
Deprec. & amort.	18,108	16,500	16,500	17,500
Associates	435	(3,972)	(3,239)	(1,500)
Working capital changes	231	(3,159)	(11,211)	2,769
Other operating cashflows	(6,326)	(8,144)	858	(95)
Investing	**(14,463)**	**(25,447)**	**(15,800)**	**(16,975)**
Capex (growth)	(17,293)	(15,000)	(15,000)	(15,000)
Others	2,830	(10,447)	(800)	(1,975)
Financing	**135**	**5,953**	**(21,305)**	**(7,535)**
Dividend payments	(639)	(8,262)	(3,305)	(3,305)
Issue of shares	0.0	1	0	0
Proceeds from borrowings	(4,812)	7,715	(18,500)	(4,730)
Others/interest paid	5,586	6,499	500	500
Net cash inflow (outflow)	**564**	**25,210**	**(10,782)**	**12,115**
Beginning cash & cash equivalent	**28,626**	**28,555**	**53,765**	**42,983**
Ending cash & cash equivalent	**29,191**	**53,765**	**42,983**	**55,098**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	5.2	14.6	9.6	7.6
Pre-tax margin	0.9	11.3	6.2	4.5
Net margin	0.6	6.6	3.1	2.2
ROA	1.4	15.8	8.2	6.5
ROE	5.2	53.6	24.5	18.4
Growth				
Turnover	164.3	213.5	238.9	288.0
EBITDA	166.2	784.0	529.2	467.9
Pre-tax profit	23.7	1,722.3	982.8	791.7
Net profit	16.9	1,504.1	719.2	567.9
Net profit (adj.)	67.3	285.8	(48.9)	(18.5)
EPS	134.2	744.2	331.1	251.5
Leverage				
Debt to total capital	145.8	97.6	74.1	65.1
Debt to equity	183.3	124.6	91.7	79.0
Net debt/(cash) to equity	140.6	73.2	56.5	38.4
Interest cover	4.2	14.9	10.4	9.3

CH. Karnchang (CK TB)

3Q26 Results Preview: Earnings Driven by One-off Gain

Highlights

- We expect CK to report a net profit of Bt1.26b, -27% yoy and +58% qoq.
- One-off gain of Bt300m before tax expected from the sale of BEM shares.
- Maintain BUY and roll over to 2027 with a target price of Bt28.00 (previously Bt27.00).

3Q26 Results Preview

Year to 31 Dec (Btm)	3Q26F	2Q26	3Q25	qoq%	yoy%
Revenue from construction	11,391	11,339	10,922	0.5%	4.3%
Operating income	109	102	101	7.0%	7.8%
Profit from investments in associates	692	467	743	48.2%	-6.8%
Extraordinary items	240	-	814	n.a.	-70.5%
Core profit	249	191	107	30.2%	133.4%
Net profit	1,263	800	1,739	57.8%	-27.4%
Ratio (%)					
Gross margin	7.7%	8.1%	7.9%		
SG&A % to sales	5.2%	5.0%	5.3%		
EBIT margin	3.4%	4.0%	3.5%		
Net profit margin	11.0%	7.0%	15.8%		

Source: CH. Karnchang, UOB Kay Hian

Analysis

- **3Q26 earnings expected to rise qoq.** We expect CH Karnchang (CK) to report a net profit of Bt1.26b, down 27% yoy but up 58% qoq. The qoq increase is mainly driven by a one-off gain from the sale of Bangkok Expressway and Metro (BEM) shares, while the yoy decline reflects a high base from a one-off gain on the sale of shares in Luang Prabang Power (LPCL) in 3Q25. Excluding one-off items, we expect 3Q26 core profit to come in at Bt1.02b, up 11% yoy and 28% qoq.
- **Revenue from construction to increase slightly yoy.** Revenue from construction is expected to come in at Bt11.4b, up 4% yoy and broadly stable qoq, supported by continued progress in key projects, including the Orange Line and the Luang Prabang Hydroelectric Power Project. CK did not sign any new contracts in 3Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	37,457.9	43,967.3	46,454.9	46,546.9	50,703.9
EBITDA	1,748.5	2,671.6	2,481.3	2,528.6	2,594.3
Operating profit	894.7	1,721.8	1,706.3	1,768.2	1,846.9
Net profit (rep./act.)	1,445.9	3,328.2	2,807.3	2,633.1	2,778.9
Net profit (adj.)	1,445.9	2,666.5	2,615.3	2,633.1	2,778.9
EPS	0.8	1.6	1.5	1.6	1.6
PE (x)	20.8	11.3	11.5	11.4	10.8
P/B (x)	1.2	1.1	1.0	0.9	0.8
EV/EBITDA (x)	46.6	28.2	27.8	25.9	24.9
Dividend yield (%)	1.7	2.5	2.8	2.6	2.8
Net margin (%)	3.9	7.6	6.0	5.7	5.5
Net debt/(cash) to equity(%)	170.8	135.0	100.2	80.4	70.4
Interest cover (x)	1.1	1.6	1.7	1.9	1.9
Consensus net profit	n.a	n.a	2,305.4	2,415.8	2,651.5
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.0

Source: CH. Karnchang, Bloomberg, UOB Kay Hian

Analyst(s)

Thanawat Thangchadakorn
thanawat@uobkh.co.th
(662) 090 3360

Assistant Analyst(s)

Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt17.80
Target Price	Bt28.00
Upside	57.30%
Previous TP	Bt27.00

Stock Data

Sector	Industrials
Bloomberg ticker	CK TB
Shares issued (m)	1,680.4
Market cap (Btm)	32,094.8
Market cap (US$m)	970.2
3-mth avg daily t'over (US$m)	6.7

Price Performance (%)

52-week high/low				Bt20.2/Bt11.2
1mth	3mth	6mth	1yr	YTD
3.2	9.1	17.9	35.5	60.5

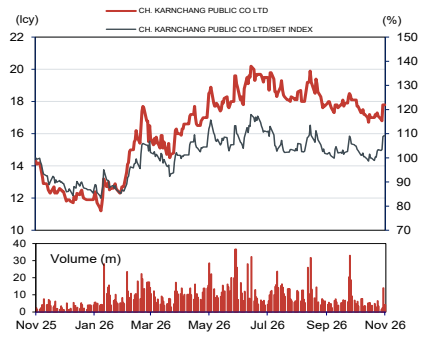
Major Shareholders (%)

Mahasiri Siam Company Limited	14.40
Ch. Karnchang Holding Co., Ltd.	10.12

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.7
FY26 Net Debt/Share (Bt)	18.7

Price Chart



Source: Bloomberg

Company Description

CK is the leading contractor in Thailand with experience in building mass transit systems, water treatment and hydro-electric dams. The company has equity stakes in many infrastructure companies to diversify its long-term revenue.

- **Gross margin remains within target range.** CK's gross margin is expected to be at 7.7% in 3Q26, down from 8.1% in 2Q26, with support from the government's K-value compensation measures helping to cushion the impact of rising construction costs. During the 2Q26 analyst meeting, management guided for gross margin to remain within its target range of 7-8%.
- **Share of profit expected to rise qoq.** We expect share of profit from associates to reach Bt692m, up 48% qoq but down yoy. The qoq increase is mainly driven by BEM's earnings, which are expected to reach a new all-time high, alongside seasonal improvement in hydropower contributions from CK Power (CKP). Meanwhile, the yoy decline is mainly attributable to weaker contributions from CKP due to lower power generation volume and higher pooled gas prices.
- **Gain from the sale of BEM shares.** During 3Q26, CK sold approximately 200m BEM shares to institutional investors at Bt6.50/share, reducing its stake in BEM to 40.59% from 42.26%. We expect CK to recognise a pre-tax gain of approximately Bt300m from this transaction.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt28.00 (previously Bt27.00).** We roll over our target price to 2027, based on 18.0x 2027F PE, in line with its five-year historical average.
- While the bidding for some projects has been postponed to 2027, we maintain our positive view on CK. Its strong backlog should continue to support earnings visibility despite delays in new project awards. Meanwhile, relatively stable gross margins should help cushion the impact of rising construction costs.

Earnings Revision/Risk

- We revise up our 2026 earnings forecast by 15% to reflect the gain from the sale of BEM shares. We also fine-tune our 2027-28 earnings forecasts upward by 0.5% and 0.6%, respectively.

Share Price Catalyst

- Improving gross margins from a higher proportion of high-margin projects and better cost management.
- Continued success in securing new project awards to further strengthen backlog.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

- CK is committed to being environmentally responsible and complying with laws while continuously improving its environmental management systems. CK prioritises the use of environmentally friendly materials and disposes of unused materials properly.

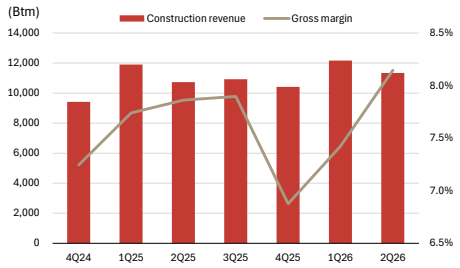
Social

- CK has social policies and practices that focus on economic operations, community engagement, and development. It is committed to social stewardship and showcases the company's efforts towards beneficial CSR activities and employee management.

Governance

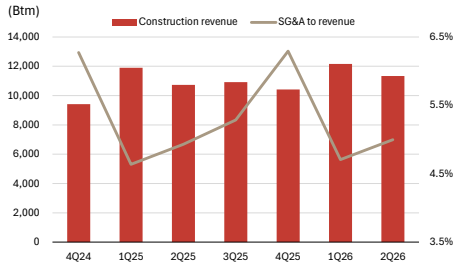
- CK has social policies and practices that focus on economic operations, community engagement, and development.

Revenue And Gross Margin



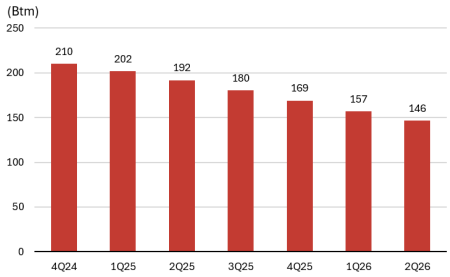
Source: CH. Karnchang, UOB Kay Hian

Revenue And SG&A To Revenue



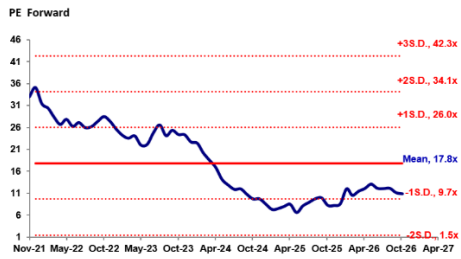
Source: CH. Karnchang, UOB Kay Hian

Backlog



Source: CH. Karnchang, UOB Kay Hian

PE



Source: CH. Karnchang, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**43,967**	**46,455**	**46,547**	**50,704**
EBITDA	2,672	2,481	2,529	2,594
Deprec. & amort.	950	775	760	747
EBIT	1,722	1,706	1,768	1,847
Total other non-operating income	465	465	465	465
Associate contributions	2,160	1,996	1,811	1,889
Net interest income/(expense)	(1,710)	(1,493)	(1,326)	(1,334)
Pre-tax profit	**3,464**	**2,914**	**2,718**	**2,866**
Tax	(109)	(81)	(58)	(61)
Minorities	(27)	(26)	(26)	(26)
Net profit	**3,328**	**2,807**	**2,633**	**2,779**
Net profit (adj.)	2,666	2,615	2,633	2,779

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	10,650	10,492	10,352	10,227
Other LT assets	56,213	56,213	56,213	56,213
Cash/ST investment	9,770	14,505	16,139	15,165
Other current assets	40,443	38,176	38,253	41,509
Total assets	**117,075**	**119,386**	**120,958**	**123,114**
ST debt	12,407	12,407	12,407	12,407
Other current liabilities	37,517	37,870	37,896	38,499
LT debt	35,358	33,794	31,920	29,921
Other LT liabilities	3,103	3,103	3,103	3,103
Shareholders' equity	28,148	31,643	35,037	38,563
Minority interest	544	569	595	621
Total liabilities & equity	**117,075**	**119,386**	**120,958**	**123,114**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**(4,011)**	**6,142**	**3,369**	**898**
Pre-tax profit	3,464	2,914	2,718	2,866
Tax	(109)	(81)	(58)	(61)
Deprec. & amort.	950	775	760	747
Working capital changes	2,095	(1,593)	(51)	(2,654)
Non-cash items	(10,358)	4,127	0	0
Other operating cashflows	(53)	0	0	0
Investing	**(3,006)**	**158**	**139**	**126**
Capex (growth)	709	157	139	125
Investments	(688)	0	0	0
Others	(3,028)	1	0	0
Financing	**6,531**	**(1,564)**	**(1,874)**	**(1,998)**
Dividend payments	(588)	0	0	0
Issue of shares	0	0	0	0
Proceeds from borrowings	(3,176)	(1,564)	(1,874)	(1,998)
Loan repayment	(322)	0	0	0
Others/interest paid	10,618	0	0	0
Net cash inflow (outflow)	**(487)**	**4,735**	**1,634**	**(975)**
Beginning cash & cash equivalent	**10,256**	**9,770**	**14,505**	**16,139**
Ending cash & cash equivalent	**9,770**	**14,505**	**16,139**	**15,165**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	6.1	5.3	5.4	5.1
Pre-tax margin	7.9	6.3	5.8	5.6
Net margin	7.6	6.0	5.7	5.5
Growth				
Net profit (adj.)	84.4	(1.9)	0.7	5.5
Leverage				
Debt to total capital	166.5	143.4	124.4	108.0
Debt to equity	169.7	146.0	126.5	109.8
Net debt/(cash) to equity	135.0	100.2	80.4	70.4
Interest cover	1.6	1.7	1.9	1.9

PTT (PTT TB)

3Q26 Results Preview: Earnings To Fall qoq On Seasonal Weakness

Highlights

- We expect 3Q26 net profit to decline qoq due to seasonal factors, including lower gas demand and reduced sales volumes from the gas separation plant business following the maintenance shutdown of one gas separation plant.
- The Genesis project continues to progress, albeit slightly behind the original schedule. PTT expects to finalise the project's details within 4Q26.
- We forecast a 2026 dividend of Bt3.00/share. Maintain BUY, with a target price of Bt48.00 (previously Bt45.00).

3Q26 Results Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	%yoy	%qoq	9M25	9M26F	%yoy
Revenue	646,689	830,389	800,156	24%	-4%	2,023,666	2,349,274	16%
Gross profit	72,536	128,871	113,346	56%	-12%	204,669	400,738	96%
EBITDA	**87,290**	**136,793**	**124,943**	**43%**	**-9%**	**253,243**	**421,881**	**67%**
EBITDA - Gas business	**14,057**	**24,691**	**17,478**	**24%**	**-29%**	**41,239**	**58,600**	**42%**
--- S&T	3,809	3,174	2,650	-30%	-17%	10,667	8,448	-21%
--- TSO	6,999	6,611	5,515	-21%	-17%	21,298	18,727	-12%
--- GSP	715	11,976	6,580	820%	-45%	1,262	22,930	1717%
--- NGV	-333	-670	-517	n.a.	n.a.	-1,070	-1,455	n.a.
--- Others	2,867	3,600	3,250	13%	-10%	9,082	9,950	10%
EBIT	41,549	94,781	80,859	95%	-15%	115,861	293,774	154%
Core Profit	18,847	53,952	42,320	125%	-22%	59,679	124,862	109%
Net Profit	**19,783**	**52,525**	**42,320**	**114%**	**-19%**	**64,632**	**120,583**	**87%**
EPS	0.69	1.84	1.48			2.26	4.22	
Financial ratio (%)								
Gross Profit Margin	11.2%	15.5%	14.2%			10.1%	17.1%	
EBITDA Margin	6.4%	11.4%	10.1%			5.7%	12.5%	
Net profit margin	2.9%	6.5%	5.3%			2.9%	5.3%	

Note: S&T: Natural Gas supply and trading business / TSO: Transmission pipeline business / GSP: Gas separation plant business / NGV: Natural gas for vehicles business
Source: PTT, UOB Kay Hian

Analysis

- **3Q26 net profit expected to decline qoq.** We expect PTT to report 3Q26 net profit of Bt42.32b, down 19% qoq but up 114% yoy. The qoq decline is primarily attributable to seasonal weakness in gas demand from the power generation sector and lower sales volumes of gas separation products following the maintenance shutdown of gas separation plant no. 6. However, higher equity contributions from subsidiaries and affiliates, particularly Thai Oil (TOP), PTT Oil and Retail (OR), and IRPC, should help cushion the downside to 3Q26 earnings.
- **Gas business EBITDA to decline on seasonal weakness.** We estimate gas business EBITDA at Bt17.48b, down 29% qoq but up 24% yoy, driven by: a) Natural Gas Supply and Trading (S&T), whose gas sales volume is expected to reach 3,844 million standard cubic feet per day (MMSCFD), down 8.91% qoq but up 2.59% yoy, reflecting lower gas demand. A slight qoq increase in gas costs is also expected to weigh on S&T's EBITDA, which we forecast at Bt2.65b, down 17% qoq;

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	3,090,453	2,662,145	3,820,751	3,726,961	3,807,273
EBITDA	424,492	374,281	476,375	444,158	420,848
Operating profit	238,574	188,363	294,175	265,602	245,863
Net profit (rep./act.)	90,072	90,166	138,313	117,025	98,014
Net profit (adj.)	94,480	75,786	141,164	117,025	98,014
EPS (x)	3.3	2.7	4.9	4.1	3.4
PE (x)	11.7	14.6	7.8	9.5	11.3
P/B (x)	0.9	0.9	0.9	0.9	0.9
EV/EBITDA (x)	1.8	1.8	1.5	1.3	1.1
Dividend yield (%)	5.4	5.9	7.7	6.5	5.7
Net margin (%)	2.9	3.4	3.6	3.1	2.6
Net debt/(cash) to equity (%)	48.8	45.4	45.2	32.4	22.6
Consensus net profit	-	-	128,161	110,065	114,962
UOBKH/Consensus (x)	-	-	1.08	1.06	0.85

Source: PTT, Bloomberg, UOB Kay Hian

Analyst(s)

Tanaporn Visaruthaphong
tanaporn@uobkh.co.th
+662 0903350

Benjaphol Suthwanish
benjaphol@uobkh.co.th
+662 0903361

BUY (Maintained)

Share Price	Bt38.50
Target Price	Bt48.00
Upside	+23.87%
Previous	Bt45.00

Stock Data

Sector	Energy
Bloomberg ticker	PTT TB
Shares issued (m)	28,563.00
Market cap (Btm)	1,128,098
Market cap (US$m)	33,973
3-mth avg daily t'over (US$m)	46.87

Price Performance (%)

52-week high/low				Bt40.00 / Bt30.00
1mth	**3mth**	**6mth**	**1yr**	**YTD**
+0.65	+3.33	+6.16	+9.15	+21.09

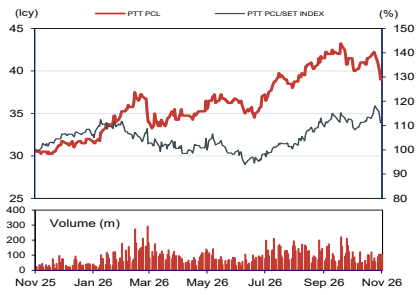
Major Shareholders (%)

MOF	51.38%
Vayupak Fund 1	7.83%
Thai NVDR	5.95%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt41.78
FY26 Net Debt/Share (Bt)	Bt61.06

Price Chart



Source: Bloomberg

Company Description

The company's operated businesses consist of natural gas, gas transmission, international trading, new business and sustainability business; the rest are invested through subsidiaries and/or joint operations, joint ventures and associates, and PTT Group, namely exploration and production, liquefied natural gas, petrochemical and refining, oil and retail, power and utilities, and service businesses.

- and b) the gas separation plant business: We estimate EBITDA at Bt6.58b, down 45% qoq, due to lower ASPs of gas separation products and the shutdown of gas separation plant no. 6 for maintenance. Consequently, the utilisation rate is expected to decline to 85.6%, compared with 97.1% in 2Q26 and 89.4% in 3Q25.
- **Contributions from subsidiaries and affiliates to recover strongly.** We expect equity contributions from subsidiaries and affiliates to reach Bt54.42b, up 7% qoq and 227% yoy, supported by: a) a recovery in refinery earnings, particularly at TOP and IRPC, driven by strong market GIM and substantial stock gains; and b) OR's return to profitability following a recovery in marketing margins.
- **2026 dividend forecast at Bt3.00/share.** We forecast a 2026 dividend of Bt3.00/share. Following PTT's interim dividend payment of Bt1.40/share, the remaining dividend for 2H26 earnings is expected to amount to Bt1.60/share, implying a 4.16% simple yield.
- **Genesis project progresses, albeit slightly behind schedule.** PTT expects to reach a conclusion for the Genesis project by 4Q26, slightly later than originally planned, partly due to geopolitical uncertainties. Nevertheless, PTT continues to seek a strategic partner to restructure its petrochemical and refinery (P&R) business and strengthen its long-term competitiveness. The prospective partner is expected to enhance the business through technology, market access, feedstock optimisation, and operational synergies.
- **Sensitivity.** Every US$1.00/bbl increase in oil prices would raise our 2026 net profit forecast by 1.4%, or approximately Bt2.00b annually.

Valuation/Recommendation

- **Maintain BUY with an SOTP-based higher target price of Bt48.00 (previously Bt45.00),** reflecting upward revisions to our 2027 earnings forecasts and target prices for PTT's subsidiaries and affiliates. In the oil and gas sector, we prefer Thai Oil (TOPTB/BUY/Target Bt100.00) and SCG Packaging (SCGP TB/BUY/Target: Bt43.00).

Earnings Revision/Risk

- **Revised 2026-27 earnings forecasts.** We raise our 2026-27 net profit forecasts by 12% and 10%, respectively, reflecting previous upward revisions to earnings forecasts for Thai Oil (TOP), PTT Exploration and Production (PTTEP), PTT Global Chemical (PTTGC), and IRPC. We now expect PTT to report a net profit of Bt138.31b in 2026, up 53.4% yoy, and Bt117.03b in 2027, down 15.4% yoy, based on our crude oil price assumptions of US$95/bbl and US$80/bbl, respectively. Our 9M26 net profit estimate represents 87% of our 2026 forecast.

Environment, Social, Governance (ESG) Updates

Environmental

- Business growth: Refining the energy investment portfolio with an emphasis on low carbon businesses, b) new growth: Enhancing the profitability of the future energy & beyond segment to at least 30%, and c) clean growth: PTT targets to achieve carbon neutrality by 2040, with the ultimate aim of attaining net zero emissions by 2050.

Social

- **PTT Group Innovation for Community Project.** a) Smart farming: Developed integrated models in 45 areas, across 29 provinces, b) smart marketing: Developed 45 community products and six community-based tourism destinations, and c) community knowledge management.
- The Human Capital Index (HCI) has achieved its target of 80%

Governance

- No cases of non-compliance with significant legal implications in operations.
- The assessment result for the National Anti-Corruption Commission's Integrity and Transparency Assessment (ITA) is at a PASSED, Good level.

Key Statistics

	3Q25	2Q26	3Q26F	%yoy	%qoq
Dubai (US$/bbl)	70.09	96.10	93.10	33%	-3%
Gas Business					
NG sales volume (MMSCFD)	3,747	4,220	3,844	3%	-9%
GSP sales volume (Kton)	1,581	1,892	1,812	15%	-4%

Source: PTT, UOB Kay Hian

Associates and Subsidiaries Performance

	3Q25	2Q26	3Q26F	%yoy	%qoq
PTTEP *	12,695	27,197	14,710	16%	-46%
TOP	2,147	8,284	17,844	731%	115%
PTTGC	(2,915)	12,208	9,006	n.a.	-26%
IRPC	340	2,921	6,050	1678%	107%
OR **	2,614	(1,775)	5,138	97%	n.a.
GPSC	1,742	1,819	1,546	-11%	-15%
Total	16,623	50,655	54,294	227%	7%

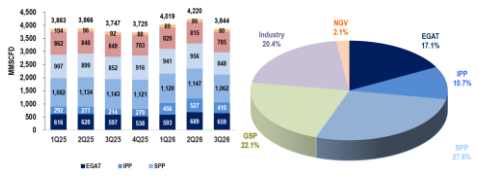
** PTTEP released its 3Q26 operating results on 30 Oct 26.*
*** OR released its 3Q26 operating results on 5 Nov 26.*
Source: PTT

Valuation of PTT's Associates and Subsidiaries

	Old	New	%Diff.
PTTEP	170.00	190.00	11.8%
TOP	64.00	100.00	56.3%
IRPC	2.30	3.00	30.4%
PTTGC	48.00	54.00	12.5%
GPSC	60.00	60.00	0.0%
OR	12.50	12.50	0.0%
PTT	45.00	48.00	6.5%

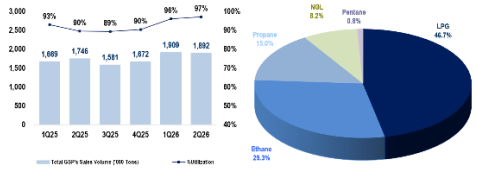
Source: PTT

Natural Gas Sales Volume



Source: PTT

GSP Sales Volume



Source: PTT

SOTP Valuation

	Share Holding	Fair Value (Bt/share)	Value (Btm)	Value (Bt/share)	Methodology
Gas Business (PTT's Operations)	100.0%		863,983	30.2	DCF @ WACC 7.5% G =1%
(-) Net Debt (PTT Only)			-190,286	-6.7	
1) PTT - Equity Value			**673,697**	**23.6**	
2) Associates and Subsidiaries					
PTTEP	63.79%	190.00	481,166	16.8	5-yrs forward PE mean of 8.70x
TOP	45.03%	100.00	100,590	3.5	Forward PE at mean of 8.0x
IRPC	45.05%	3.00	27,617	1.0	Forward PBV -1.0 SD of 0.8x
PTTGC	45.18%	54.00	110,003	3.9	Forward PBV mean of 0.74x
GPSC	47.27%	60.00	79,973	2.8	DCF Valuation
OR	75.00%	12.50	112,500	3.9	Forward PE -1.0 SD of 15.10x
3) Affiliates					
Others Affiliates			**142,679**	**5**	
Total				**61**	
Discount to NAV				-20%	
PTT's TP (UOB Kay Hian)				**48**	

Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	2,662,145	3,820,751	3,726,961	3,807,273
EBITDA	374,281	476,375	444,158	420,848
Deprec. & amort.	185,918	182,200	178,556	174,984
EBIT	188,363	294,175	265,602	245,863
Associate contributions	13,031	3,821	7,454	9,518
Net interest income/(expense)	-40,448	-47,339	-48,519	-49,953
Pre-tax profit	175,326	247,806	224,537	205,429
Tax	-57,600	-74,342	-67,361	-61,629
Minorities	-27,559	-35,151	-40,151	-45,786
Net profit	90,166	138,313	117,025	98,014
Net profit (adj.)	75,786	141,164	117,025	98,014

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	1,513,937	1,469,374	1,423,142	1,377,195
Other LT assets	850,525	1,096,244	1,036,860	1,069,065
Cash/ST investment	346,817	277,671	423,855	535,008
Other current assets	135,193	211,431	205,734	196,388
Total assets	3,269,660	3,698,418	3,719,220	3,820,069
ST debt	217,934	171,613	177,614	160,615
Other current liabilities	131,674	217,461	194,954	194,170
LT debt	666,425	665,429	658,430	668,431
Other LT liabilities	384,993	494,854	471,935	496,108
Shareholders' equity	1,185,196	1,237,154	1,271,190	1,298,990
Total liabilities & equity	3,269,660	3,698,418	3,719,220	3,820,069

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	299,366	308,791	326,030	325,434
Pre-tax profit	175,326	247,806	224,537	205,429
Tax	-57,600	-74,342	-67,361	-61,629
Deprec. & amort.	185,918	182,200	178,556	174,984
Working capital changes	12,630	-46,854	-9,701	6,649
Other operating cashflows	-16,907	-19	0	0
Investing	-164,156	-273,494	-95,859	-137,068
Investments	-227,089	-137,636	-132,324	-129,037
Others	62,933	-135,858	36,465	-8,031
Financing	-188,365	-104,443	-83,986	-77,213
Dividend payments	-83,285	-57,126	-82,988	-70,215
Proceeds from borrowings	-105,080	-47,317	-998	-6,998
Net cash inflow (outflow)	-53,155	-69,147	146,185	111,153
Beginning cash & cash equiv.	405,139	346,817	277,671	423,855
Changes due to forex impact	-5,167	0	0	0
Ending cash & cash equiv.	346,817	277,671	423,855	535,008

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.1	12.5	11.9	11.1
Pre-tax margin	6.6	6.5	6.0	5.4
Net margin	3.4	3.6	3.1	2.6
ROA	3.3	4.7	3.9	3.2
ROE	9.0	13.4	11.2	9.2
Growth (% yoy)				
Turnover	-13.9	43.5	-2.5	2.2
EBITDA	-11.8	27.3	-6.8	-5.2
Pre-tax profit	-3.0	41.3	-9.4	-8.5
Net profit	0.1	53.4	-15.4	-16.2
Net profit (adj.)	-19.8	86.3	-17.1	-16.2
EPS	-19.8	86.3	-17.1	-16.2
Leverage				
Debt to total capital	53.5	47.3	45.4	43.3
Debt to equity	74.6	67.7	65.8	63.8
Net debt/(cash) to equity	45.4	45.2	32.4	22.6
Interest cover (x)	9.3	10.1	9.2	8.4

Stecon Group (STECON TB)

3Q26 Results Preview: Construction Revenue To Grow Further In 4Q26

Highlights

- We expect STECON's 3Q26 earnings to come in at Bt281m (+72% yoy, -69% qoq).
- Further clarifications on DC regulations should support potential DC projects.
- Maintain BUY with an unchanged target price of Bt22.00.

3Q26 Results Preview

Year to 31 Dec (Btm)	3Q26F	2Q26	3Q25	qoq%	yoy%
Revenue from construction	9,886	9,345	7,416	5.8%	33.3%
Total revenue	10,038	9,494	7,533	5.7%	33.2%
Gross profit	742	700	543	6.0%	36.5%
Equity income	(30)	(29)	(10)	3.4%	208.2%
Core profit	305	198	166	54.0%	84.1%
Net profit	281	911	163	-69.2%	71.9%
Ratio (%)					
Gross margin	7.39%	7.37%	7.21%		
SG&A % to sales	3.1%	3.2%	3.5%		
EBIT margin	4.3%	4.2%	3.8%		
Net profit margin	2.8%	9.6%	2.2%		

Source: Stecon Group, UOB Kay Hian

Analysis

- **3Q26 earnings to grow yoy.** We expect STECON Group (STECON) to report 3Q26 net profit of Bt281m, up 72% yoy but down 69% qoq. The yoy improvement should be driven by higher construction revenue, while the qoq decline reflects the absence of Bt736m in dividend income from Gulf Development (GULF) that was recorded in 2Q26. Excluding non-recurring dividend income and other adjustments, we expect core profit to reach Bt305m, up 84% yoy and 54% qoq.
- **Construction revenue expected to grow yoy and qoq.** We expect construction revenue to increase 33% yoy and 6% qoq to Bt9.89b, supported by progress in ongoing projects, particularly data centres (DC), the Orange and Purple Lines, and energy-related projects. We expect higher revenue recognition in 4Q26 as construction progress accelerates, reaching a yearly high.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	30,004.9	33,473.0	37,722.8	38,611.4	41,416.3
EBITDA	(5.2)	2,300.8	3,129.9	2,789.7	2,988.8
Operating profit	(760.7)	1,557.9	2,292.2	1,973.2	2,110.9
Net profit (rep./act.)	(2,357.4)	1,948.1	1,746.2	1,467.3	1,540.1
Net profit (adj.)	(2,357.4)	1,948.1	1,746.2	1,467.3	1,540.1
EPS	(1.6)	1.3	1.1	1.0	1.0
PE (x)	(12.1)	14.6	16.3	19.4	18.5
P/B (x)	1.6	1.7	1.6	1.5	1.5
EV/EBITDA (x)	(6,506.6)	14.9	10.8	12.2	11.6
Dividend yield (%)	0.8	2.9	2.4	2.1	2.2
Net margin (%)	(7.9)	5.8	4.6	3.8	3.7
Net debt/(cash) to equity(%)	29.5	31.6	28.2	28.2	28.7
Interest cover (x)	0.0	9.6	13.3	10.2	10.0
Consensus net profit	n.a	n.a	1,667.5	1,363.9	1,489.8
UOBKH/Consensus (x)	n.a	n.a	1.0	1.1	1.0

Source: Stecon Group, Bloomberg, UOB Kay Hian

Analyst(s)

Thanawat Thangchadakorn
thanawat@uobkh.co.th
(662) 090 3360

Assistant Analyst(s)

Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt18.20
Target Price	Bt22.00
Upside	20.88%

Stock Data

Sector	Industrials
Bloomberg ticker	STECON TB
Shares issued (m)	1,519.1
Market cap (Btm)	28,103.0
Market cap (US$m)	855.6
3-mth avg daily t'over (US$m)	12.4

Price Performance (%)

52-week high/low				Bt19.8/Bt5.4
1mth	3mth	6mth	1yr	YTD
(1.1)	29.4	79.6	198.4	191.3

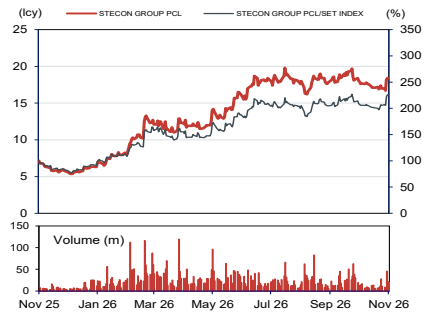
Major Shareholders (%)

C.T. Venture Company Limited	19.62
UBS AG SINGAPORE BRANCH	10.53

Balance Sheet Metrics

FY26 NAV/Share (Bt)	11.7
FY26 Net Debt/Share (Bt)	3.3

Price Chart



Source: Bloomberg

Company Description

STECON operates as a holding company, with core businesses in construction contracting, utilities and power, and logistics and transportation.

- **Gross margin to improve slightly yoy and qoq.** We expect gross margin to reach 7.39%, compared with 7.37% in 2Q26, supported by continued contributions from DC projects and improved cost management. Management still expects gross margin to remain above 7% for 2026.
- **SG&A to sales expected to decline yoy and qoq**. We expect SG&A expenses as a percentage of sales to decline to 3.1%, from 3.2% in 2Q26 and 3.5% in 3Q25, supported by better cost management and higher revenue. However, SG&A expenses in absolute terms are expected to rise 20% yoy and 4% qoq to approximately Bt314m, reflecting increased business activity.
- **Debenture issuance supports business expansion.** STECON issued debentures worth Bt5b at an interest rate of 3.3% to support investments in new businesses. As a result, we expect 3Q26 interest expenses to increase 44% yoy and 26% qoq to approximately Bt100m, reflecting higher financing costs.
- **Share of profit from JV and associates remains stable qoq.** We expect STECON to record a share of losses from JVs and associates of approximately Bt30m in 3Q26, broadly stable from the Bt29m loss in 2Q26.
- **Greater regulatory clarity supports the DC outlook.** The Data Center Policy Committee approved a draft regulatory framework on 27 Oct 26 for Cabinet consideration. Management views this as a positive development, as clearer requirements could facilitate project approvals. Meanwhile, three potential DC projects remain in the bidding stage, with no revenue contribution expected in 2026.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt22.00.** The target price is based on a 2026F PE of 19.3x, in line with its historical average.
- We remain positive about STECON's outlook given that it is a major player in the construction business. Currently among the top five listed construction companies, STECON is the only one with experience with DC construction projects, while others have not entered the market yet. We expect the company to benefit from a higher number of project wins from 2027 onwards.

Earnings Revision/Risk

- We fine-tune our 2026-28 earnings up by 0.2%, 1.7%, and 0.4% respectively.

Share Price Catalyst

- Additional backlog from both private and project biddings.

Environment, Social, Governance (ESG)

CG Report: 5
SET ESG Rating: AAA

Environmental

- STECON follows environmental laws and regulations. The company prioritises reducing gas emissions and using sustainable technology. STECON also trains its employees to participate in environmental operations and conservation.

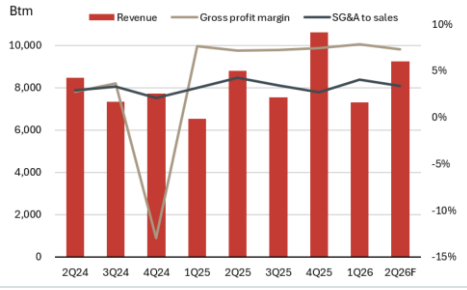
Social

- STECON is committed to social responsibility. The company supports education, disaster relief, community engagement, and environmental conservation.

Governance

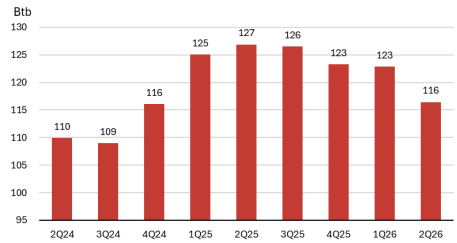
- STECON focuses on enterprise risk management to integrate risk management into strategic planning. STECON follows Thai and international standards for risk management.

Revenue, Gross Margin, and SG&A to Sales



Source: STECON, UOB Kay Hian

Backlog



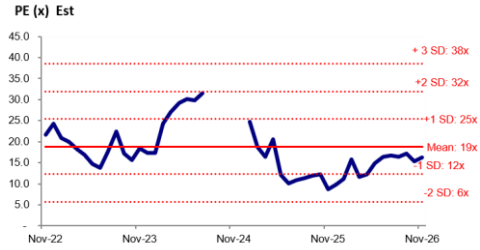
Source: STECON, UOB Kay Hian

2026 Company Targets

	2026 Target	2025 Actual	2025 Target
Revenue	>Bt35b	33.47	>Bt32b
GPM	>7%	7.36%	7%
New backlog	Bt50b	40,251	Bt50b
Backlog	>Bt100b	123,264	>Bt100b
NPM	at least 4%	5.8%	

Source: STECON, UOB Kay Hian

PE



Source: STECON, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**33,473**	**37,723**	**38,611**	**41,416**
EBITDA	2,301	3,130	2,790	2,989
Deprec. & amort.	743	838	817	878
EBIT	1,558	2,292	1,973	2,111
Total other non-operating income	96	95	109	111
Associate contributions	(212)	(120)	(120)	(120)
Net interest income/(expense)	(240)	(235)	(274)	(298)
Pre-tax profit	**2,229**	**2,032**	**1,688**	**1,804**
Tax	(282)	(305)	(238)	(276)
Minorities	1	19	17	13
Net profit	**1,948**	**1,746**	**1,467**	**1,540**
Net profit (adj.)	867	1,746	1,245	1,540

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	11,457	11,639	12,600	13,429
Other LT assets	20,170	20,170	20,170	20,170
Cash/ST investment	4,119	5,257	5,813	6,315
Other current assets	20,503	22,838	23,325	24,868
Total assets	**56,249**	**59,904**	**61,907**	**64,782**
ST debt	8,284	8,253	8,258	8,265
Other current liabilities	27,042	28,681	29,007	30,105
LT debt	1,100	2,010	2,820	3,678
Other LT liabilities	2,773	2,773	2,773	2,773
Shareholders' equity	16,634	17,789	18,670	19,594
Minority interest	417	397	380	368
Total liabilities & equity	**56,249**	**59,904**	**61,907**	**64,782**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**3,609**	**1,910**	**2,104**	**1,948**
Pre-tax profit	2,229	2,032	1,688	1,804
Tax	(282)	(305)	(238)	(276)
Deprec. & amort.	743	838	817	878
Working capital changes	(180)	(697)	(161)	(445)
Non-cash items	1,099	42	(2)	(13)
Investing	**(338)**	**(182)**	**(961)**	**(829)**
Capex (growth)	(1,165)	(182)	(961)	(829)
Investments	1,060	0	0	0
Others	(232)	0	0	0
Financing	**(1,875)**	**(591)**	**(587)**	**(616)**
Dividend payments	(6)	(698)	(587)	(616)
Issue of shares	(107)	107	0	0
Proceeds from borrowings	847	0	0	0
Others/interest paid	(2,609)	0	0	0
Net cash inflow (outflow)	**1,396**	**1,137**	**556**	**503**
Beginning cash & cash equivalent	**2,723**	**4,119**	**5,257**	**5,813**
Ending cash & cash equivalent	**4,119**	**5,257**	**5,813**	**6,315**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	6.9	8.3	7.2	7.2
Pre-tax margin	6.7	5.4	4.4	4.4
Net margin	5.8	4.6	3.8	3.7
Growth				
Net profit (adj.)	0.0	101.5	(28.7)	23.7
Leverage				
Debt to total capital	55.0	56.4	58.2	59.8
Debt to equity	56.4	57.7	59.3	61.0
Net debt/(cash) to equity	31.6	28.2	28.2	28.7
Interest cover	9.6	13.3	10.2	10.0

PTT Oil and Retail (OR TB)

3Q26: Delivering Earnings In Line With Our Estimates

Highlights

- OR's 3Q26 net profit was in line with our estimate but 75% above consensus, driven by a strong qoq recovery in the mobility business.
- We expect 4Q26 net profit to decline qoq as the marketing margin normalises.
- Uncertainty surrounding the review of its Cambodia investment plan remains an overhang on OR's share price.
- Maintain HOLD with a target price of Bt12.50.

3Q26 Results

Year to 31 Dec	3Q25	2Q26	3Q26	%yoy	%qoq	9M25	9M26	%yoy
Revenue	153,600	205,667	184,425	20%	-10%	503,188	566,217	13%
Gross profit	8,636	8,032	9,327	8%	16%	26,493	23,643	-11%
EBITDA	**4,878**	**4,022**	**5,522**	**13%**	**37%**	**15,914**	**16,643**	**5%**
Interest expenses	228	236	245	7%	4%	724	689	-5%
Core Profit	1,741	3,014	2,838	63%	-6%	6,996	6,363	-9%
Net Profit	**2,614**	**-1,775**	**5,138**	**97%**	**n.a.**	**9,227**	**5,778**	**-37%**
EPS	0.22	-0.15	0.43			0.77	0.48	
Financial ratio (%)								
Gross Profit Margin	5.6%	3.9%	5.1%			5.3%	4.2%	
SG&A Exp. / Sales	4.0%	2.9%	3.2%			3.5%	3.1%	
Net profit margin	1.7%	-0.9%	2.8%			1.8%	1.0%	

Source: OR, UOB Kay Hian

Analysis

- **Net profit in line with our expectations.** PTT Oil and Retail (OR) reported a 3Q26 net profit of Bt5.14b (vs net loss of Bt1.78b in 2Q26). The result was in line with our estimate but 75% above consensus, driven by improved marketing margins and higher stock gains. These factors significantly boosted nobility EBITDA qoq, more than offsetting lower EBITDA from the lifestyle business and a decline in share of profit from investments. The latter reflected the first full-quarter recognition of losses from its virtual bank business, amounting to approximately Bt100.00m (OR commenced virtual bank operations in Jun 26). 9M26 net profit stood at Bt5.78b, down 37% yoy, accounting for 73% of our 2026 earnings forecast.
- **Marketing margin recovery.** Mobility EBITDA reached Bt4.96b (vs EBITDA loss of Bt1.25b in 2Q26), partly supported by a recovery in marketing margins. Excluding extraordinary items, OR's marketing margin improved to Bt1.19/litre from Bt0.49/litre in 2Q26. Meanwhile, total oil sales volume was 5,596m litres, up 0.7% qoq but down 5.7% yoy. Higher retail oil prices remained a constraint on sales volume growth, despite OR's continued expansion of its PTT Station network.

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	723,958	658,723	882,741	816,408	851,891
EBITDA	19,717	20,333	20,561	21,975	21,826
Operating profit	11,153	12,753	11,464	12,547	12,396
Net profit (rep./act.)	7,650	11,304	7,884	9,924	9,972
Net profit (adj.)	8,361	10,022	8,870	9,924	9,972
EPS (x)	0.7	0.8	0.7	0.8	0.8
PE (x)	18.1	15.1	17.0	15.2	15.2
P/B (x)	0.7	0.6	0.6	0.6	0.6
EV/EBITDA (x)	6.7	6.6	7.2	6.4	6.3
Dividend yield (%)	3.2	3.2	4.0	3.2	3.2
Net margin (%)	1.1	1.7	0.9	1.2	1.2
Net debt/(cash) to equity (%)	26.4	20.7	13.9	11.4	9.2
Consensus net profit	-	-	8,584	11,274	12,272
UOBKH/Consensus (x)	-	-	0.92	0.88	0.81

Source: OR, Bloomberg, UOB Kay Hian

Analyst(s)

Benjaphol Suthwanish
benjaphol@uobkh.co.th
662 0903361

HOLD (Maintained)

Share Price	Bt12.60
Target Price	Bt12.50
Upside	-0.79%

Stock Data

Sector	Energy
Bloomberg ticker	OR TB
Shares issued (m)	12,000
Market cap (Btm)	148,800
Market cap (US$m)	4,509
3-mth avg daily t'over (US$m)	15.67

Price Performance (%)

52-week high/low				Bt15.6 / Bt10.40
1mth	**3mth**	**6mth**	**1yr**	**YTD**
-3.13	-2.36	+0.81	-10.79	-6.77

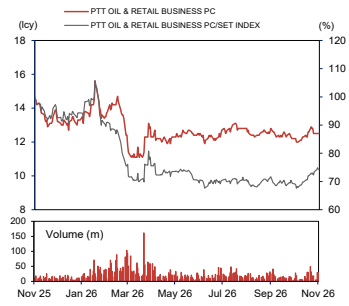
Major Shareholders (%)

PTT	75.00%
Thai NVDR	1.71%
Vayupak Fund 1	1.57%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt9.42
FY26 Net Debt/Share (Bt)	Bt7.97

Price Chart



Source: Bloomberg

Company Description

The company operates an integrated oil and non-oil retailing platform both in Thailand and abroad, including the sales and distribution of petroleum products and other products in retail and commercial marketing, coffee shops, other food and beverage outlets, convenience stores and space management offerings.

As of end-3Q26, OR operated 2,440 PTT Stations, up from 2,365 in 3Q25. In addition, OR recorded a stock gain of Bt1.60b in 3Q26, compared with a stock loss of Bt4.76b in 2Q26.

- **Lifestyle business impacted by the low season.** Lifestyle EBITDA margin declined qoq, partly due to higher promotional expenses during the low season and marketing campaigns to mitigate the impact of the Thai Chuay Thai Plus scheme. Nevertheless, EBITDA margin remained within OR's target range at 29.80%, down from 30.80% in 2Q26. Café Amazon coffee sales volume declined to 116m cups.
- **Cambodia operations continued to incur losses.** Global oil sales volume increased 7% qoq in 3Q26, driven by growth in the Philippines and Laos, which more than offset continued weakness in Cambodia. Consequently, the global business' EBITDA margin returned to positive territory in 3Q26 (vs -3.00% in 2Q26). However, the gradual closure of outlets in Cambodia amid Thai-Cambodian border tensions continued to weigh on performance, resulting in a loss of Bt120.00m in 3Q26, up from a net loss of Bt82.00m in 2Q26. OR's book value of investments in Cambodia stood at approximately US$80.00m as of end-3Q26. Management expects to finalise its business operating plan for Cambodia by end-26.
- **4Q26 net profit expected to decline qoq.** We expect OR's 4Q26 net profit to decline qoq, primarily due to: a) mobility marketing margin normalising to Bt0.90–Bt1.00/litre from Bt1.19/litre in 3Q26; and b) lifestyle EBITDA margin declining to 29.0-29.5% from 29.8% in 3Q26, reflecting higher marketing and promotional expenses. Although oil sales volume is expected to increase 7-9% qoq on seasonal demand, we believe the improvement will be insufficient to offset the expected declines in the mobility marketing margin and lifestyle EBITDA margin.

Valuation/Recommendation

- **Maintain HOLD with a 2027 target price of Bt12.50,** based on a three-year historical average PE at -1.0SD of 15.10x. We believe the uncertainty surrounding OR's review of its Cambodia investment strategy will remain an overhang on its share price until greater clarity emerges on the future direction of the investment. In the oil and gas sector, we prefer Thai Oil (TOPTB/BUY/Target Bt100.00) and SCG Packaging (SCGP TB/BUY/Target: Bt43.00).

Earnings Revision/Risk

- **Earnings revision.** None.

Environment, Social, Governance (ESG) Updates

Environmental

OR aims to cut greenhouse gas emissions (Scope 1 and 2) from its operations by over one-third by 2030 compared with 2022 levels, while also reducing its conventional fuel use intensity by more than one-third within the same timeframe.

Social

OR aims to improve the quality of life in 17,000 communities, benefitting 13m people by 2030 in areas surrounding its operations. It also targets achieving a brand health score of 70 or higher among social and community stakeholders by 2030.

Governance

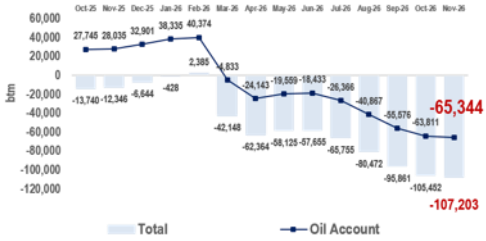
OR's board, management, and employees are committed to five core corporate governance principles – accountability, responsibility, equitable treatment, transparency, and vision – to foster long-term value and ethical conduct. It also implements a transparent and fair nomination process for selecting key management positions across all levels.

Key Statistics

	3Q25	2Q26	3Q26	%yoy	%qoq
Mobility					
Number of stations	2,365	2,428	2,440	3.2%	0.5%
Total Volume Sold (m litres)	5,933	5,558	5,596	-5.7%	0.7%
Gross Profit: Bt/Litre	1.02	0.24	1.38	35%	475%
Gross Margin (Excl. extra Items)	0.99	0.49	1.19	20%	143%
EBITDA (Btm)	2,943	-1,249	4,956	68%	n.a.
Lifestyle (non-oil)					
Café Amazon (No. of Outlets)	4,613	4,869	5,015	9%	3%
Total cups sold (m cups)	109	117	116	6%	-1%
EBITDA (Btm)	1,777	1,993	1,968	11%	-1%
Lifestyle EBITDA Margin (%)	28.2%	30.8%	29.8%		
Global					
EBITDA (Btm)	103	-663	585	468%	n.a.
Number of stations	385	315	298	-23%	-5%
Total Volume Sold (m litres)	479	401	431	-10%	7%
Café Amazon (No. of Outlets)	354	209	193	-45%	-8%
Total cups sold (m cups)	5.0	2.8	2.5	-50%	-11%

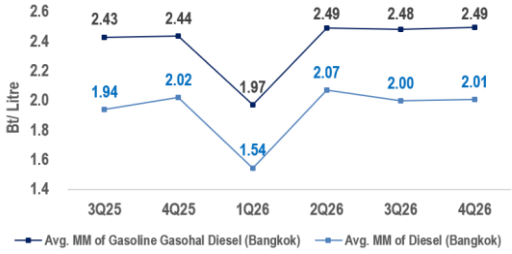
Source: OR

Oil Fund Status



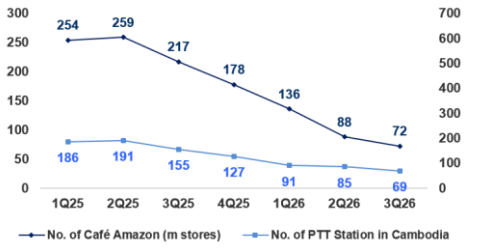
Source: Oil Fuel Fund Office

Average Marketing Margin (Bangkok)



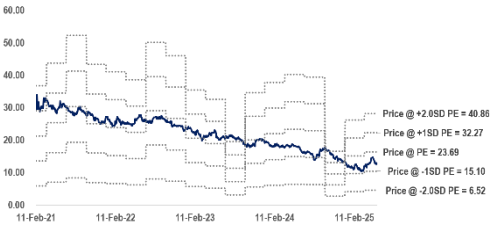
Source: UOB Kay Hian

Cambodia Business



Source: UOB Kay Hian

Average Three-Year PE



Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	658,723	882,741	816,408	851,891
EBITDA	20,333	20, 561	21,975	21,826
Deprec. & amort.	7,580	9,098	9,428	9,430
EBIT	12,753	11,464	12,547	12,396
Associate contributions	690	725	761	799
Net interest income/(expense)	-943	-1,589	-1,207	-1,036
Pre-tax profit	13,785	9,614	12,101	12,159
Tax	-2,479	-1,729	-2,177	-2,187
Minorities	-1	0	0	0
Net profit	11,304	7,884	9,924	9,972
Net profit (adj.)	10,022	8,870	9,924	9,972

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	46,609	47,762	49,496	49,507
Other LT assets	42,469	53,221	50,037	51,740
Cash/ST investment	40,164	18,386	25,284	26,655
Other current assets	57,464	58,617	60,351	60,362
Total assets	197,931	212,178	210,537	217,393
ST debt	7,416	2,136	2,136	2,136
Other current liabilities	41,169	53,529	49,399	51,588
LT debt	16,149	14,013	11,878	9,743
Other LT liabilities	19,377	25,966	24,015	25,059
Shareholders' equity	113,821	116,534	123,110	128,867
Total liabilities & equity	197,931	212,179	210,539	217,396

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	10,253	11,775	22,311	17,820
Pre-tax profit	13,785	9,614	12,101	12,159
Tax	-2,479	-1,729	-2,177	-2,187
Deprec. & amort.	7,580	9,098	9,428	9,430
Working capital changes	-9,631	-4,835	2,958	-1,581
Other operating cashflows	998	-372	0	0
Investing	-11,223	-14,413	-9,929	-10,100
Investments	-4,502	-10,251	-11,162	-9,440
Others	(6,721)	(4,162)	1,232	(659)
Financing	-12,675	-12,216	-5,483	-6,349
Dividend payments	-5,149	-4,800	-3,348	-4,214
Proceeds from borrowings	-7,526	-7,416	-2,135	-2,135
Net cash inflow (outflow)	-13,645	-14,853	6,898	1,371
Beginning cash & cash equiv.	54,156	33,239	18,386	25,284
Changes due to forex impact	(347)	0	0	0
Ending cash & cash equiv.	40,164	18,386	25,284	26,655

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	3.1	2.3	2.7	2.6
Pre-tax margin	2.1	1.1	1.5	1.4
Net margin	1.7	0.9	1.2	1.2
ROA	1.5	1.0	1.2	1.2
ROE				
Growth (% yoy)	-9.0	34.0	-7.5	4.3
Turnover	3.1	1.1	6.9	-0.7
EBITDA	45.8	-30.3	25.9	0.5
Pre-tax profit	47.8	-30.3	25.9	0.5
Net profit	19.9	-11.5	11.9	0.5
Net profit (adj.)	19.9	-11.5	11.9	0.5
EPS				
Leverage	20.7	13.9	11.4	9.2
Debt to total capital	10.1	6.8	5.8	4.8
Debt to equity	20.7	13.9	11.4	9.2
Net debt/(cash) to equity	21.6	12.9	18.2	21.1
Interest cover (x)	3.1	2.3	2.7	2.6

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