

New “Order of Merit” kicks in

- Weak 3Q25 net profit should follow by strong 4Q25 rebound
- QPL will now shift from first to lower end in EGCO's new “Order of Earnings Merit”
- Maintain BUY and TP of TH176

Weak performances in 3Q25

3Q25 net loss (NL) of THB656, down from a net profit (NP) of THB1.9b in 2Q25 and a NP of THB3.6b in 3Q24, and a weak core operating net profit of THB844m (-55% q-q, -77% y-y), due to 1) Quezon's scheduled shutdown in preparation for operations under the new PSA contract, COD in 26 Oct-25; 2) Paju's weaker electricity sales unit price; 3) Yunlin's higher financial cost; 4) lower electricity sales volumes from Linden and Compass power plants in U.S.; 5) lower revenue from Apex's lower project sales; and 6) lower income from CDI, owned 30% by EGCO and recently listed in Indonesia's stock market.

Expect a superstrong 4Q25 net profit rebound

On positive side, EGCO saw higher net profit contributions from 1) hydro power plants XPCL and NT1PC due to the seasonally high-water flows and levels. 9M25 net profit was THB5.1b, down 8% y-y, and accounts for only 51% of our 2025 full-year net profit forecast. However, we think 4Q25 net profit will rebound meaningfully and hence is still likely to achieve our 2025E net profit forecast of THB9.0b.

Three countries for growth trajectory

During 3Q25 analyst meeting, EGCO delivered three key messages that we think should drive its net profit outlook in 2026-28, including 1) U.S.: the 396MW wind farm projects and 924MW gas-fired projects, particularly the Linden project whose 25% revenue is linked to PJM's hiking capacity payment; 2) Indonesia (ID): growing asset portfolio of infrastructure and power plants via its 30%-owned CDI; and 3) Philippines (PH): renewed PSA contract for the Quezon, despite lower net profit contribution than in the past.

“Order of Earnings Merit” will change with QPL down from top

In 2026 onwards, we think the “order of earnings merit” for EGCO will change from QPL (PH), SBPL (ID), Paju (SK), hydro (Laos), Linden & Compass (U.S.), Apex (U.S.), BLCP, KEGCO, RE (Thailand) – shifting to SBPL, Linden & Compass, Paju, Apex, Hydro, Thailand's power plants, QPL. We highlight that QPL will now shift from the most profitable asset to the low earnings contribution after the change in PSA contract in Oct-25.

Merits a BUY at current share price

We maintain BUY and our TP of THB176. We think EGCO's net profit growth in 2026 remains sanguine on its growth projects overseas, particularly assets in U.S., Indonesia, the Philippines, three countries that we think will emerge as EGCO's three growth areas in 2026 onwards.

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ESG Rating : AA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	176.00
VS. BB Consensus TP (%)	+28.1%
Share Price (THB)	111.50
Upside/Downside	+57.8%

Share Data

Market Cap (THB m)	58,700.85
Par (THB)	10.00
Free Float (%)	50.00
Issued shares (m shares)	526.5

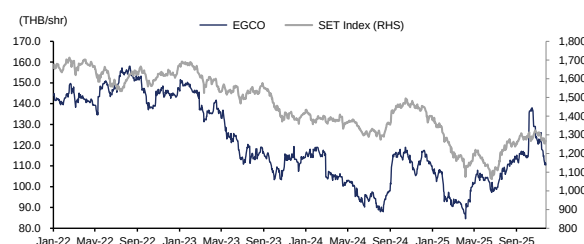
Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	40,317	41,500	44,089	45,482
Net profit	5,411	8,961	9,830	12,418
Core net profit	9,283	8,961	9,830	12,418
vs Consensus (%)		(89.8)	20.9	45.4
Net profit growth (%)	164.6	65.6	9.7	26.3
Core net profit growth (%)	6.3	(3.5)	9.7	26.3
EPS (THB)	10.28	17.02	18.67	23.59
Core EPS (THB)	17.63	17.02	18.67	23.59
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	6.50	6.81	7.47	9.43
P/E (x)	11.38	6.55	5.97	4.73
P/BV (x)	0.59	0.53	0.51	0.47
ROE (%)	8.87	8.37	8.71	10.36
Dividend yield (%)	5.56	6.11	6.70	8.46

Source: Financial Statement and Globex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(13.57)	(4.29)	2.76	(4.70)
Market	(10.49)	(4.75)	(4.72)	5.17
12M High/Low (THB)				143.00 / 85.00



Major Shareholders (%) as of 8 Sep 2025

Electricity Generating Authority of Thailand	25.41
Tepdia Generating B.V.	22.42
Electricity Generating Authority of Thailand Saving And Credit Cooperative Ltd.	6.20

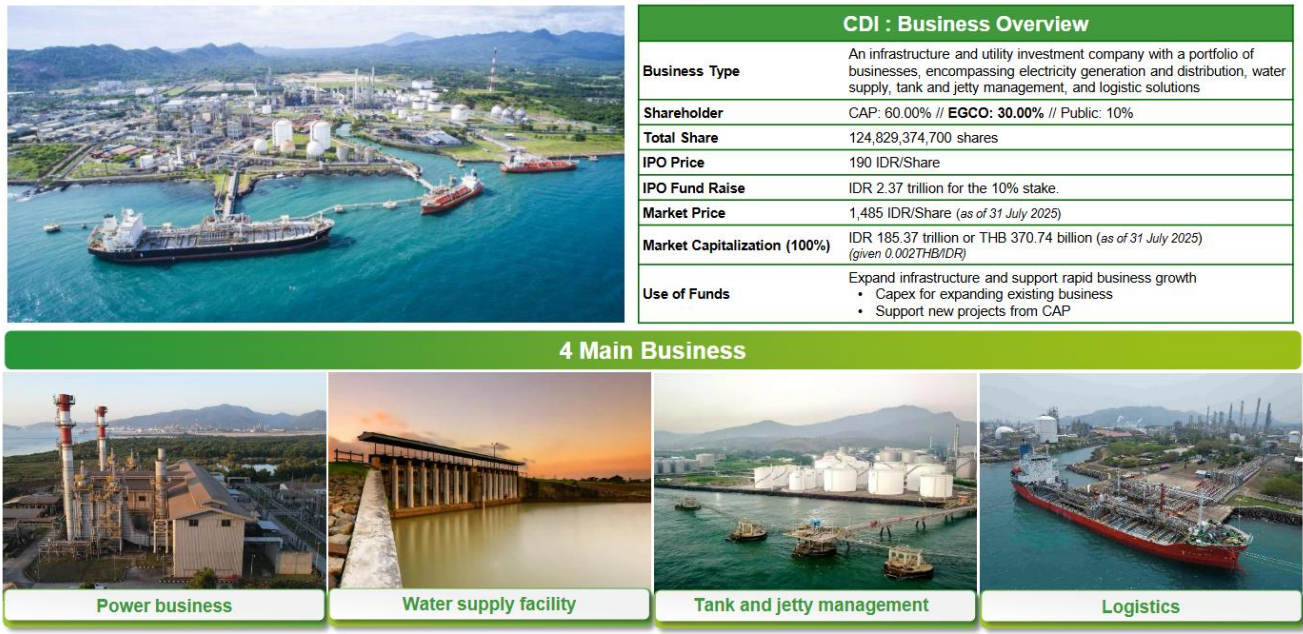
Company Profile

The Company operates as a holding company with its main business in 1) Operating power plants and supply electricity through independent power producer (IPP) and small power producers (SPP), 2) Providing operation, maintenance, engineering and construction services to power plants, petrochemical plants, oil refineries and other industries

Source: SETSMART, SET

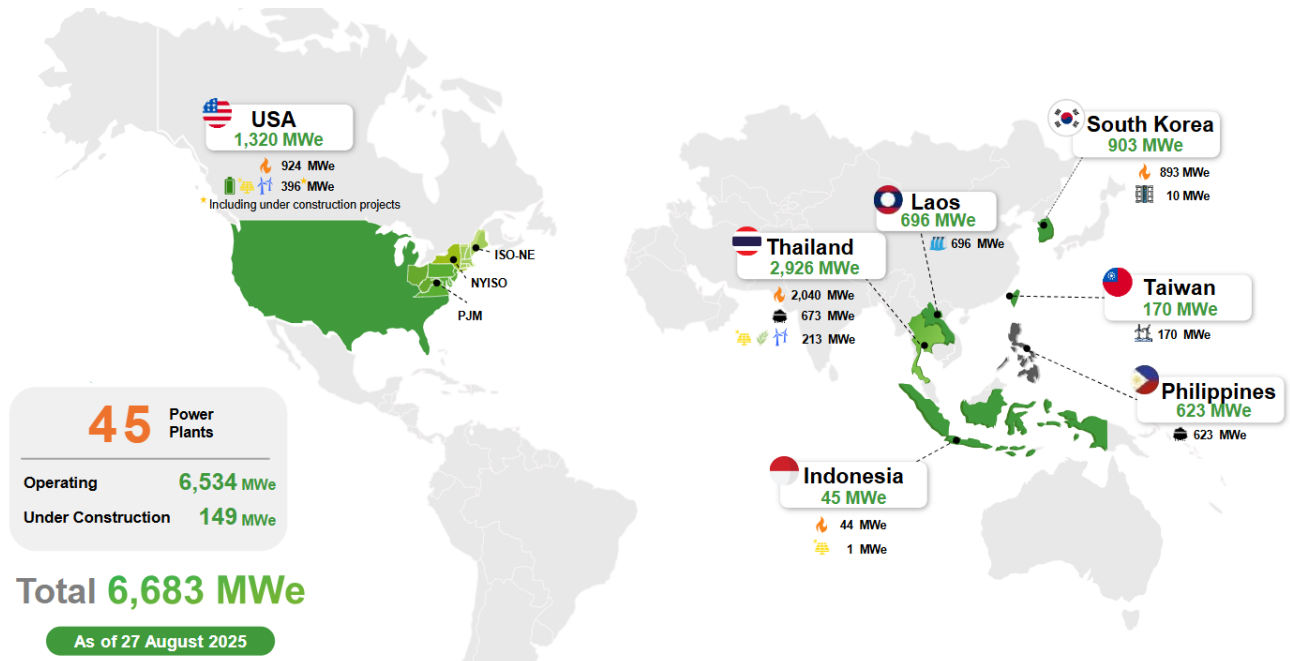
Exhibit 1: PT Chandra Daya Investasi (CDI)

CDI Group officially listed on the Indonesia Stock Exchange (IDX) under the ticker symbol "CDIA" on 9 July 2025.



Sources: EGCO

Exhibit 2: EGCO's power plant asset portfolio



Sources: EGCO

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Current assets					
Cash & ST investment	28,862	35,438	32,071	29,155	28,361
Account receivable	6,523	5,685	5,685	5,685	5,685
Inventories	0	0	0	0	0
Others	19,325	19,182	19,745	20,976	21,639
Non-current assets					
Net fixed assets	46,936	44,635	43,055	41,455	39,835
Others	141,587	136,123	136,123	136,123	136,123
Total Assets	243,233	241,063	236,679	233,395	231,644
Current liabilities					
Account payable	4,115	2,825	2,648	2,782	2,682
ST borrowing	13,975	17,535	17,535	17,535	17,535
Others	4,782	4,746	4,886	5,190	5,354
Long-term liabilities					
Long-term debts	99,355	96,083	86,083	76,083	66,083
Others	15,779	15,234	15,234	15,234	15,234
Total liabilities	138,007	136,422	126,385	116,823	106,888
Paid-up capital	5,265	5,265	5,265	5,265	5,265
Retained earnings	90,784	92,774	98,232	104,304	112,272
Others	8,878	6,335	6,335	6,335	6,335
Minority interest	299	267	463	668	885
Shareholders' equity	105,226	104,640	110,294	116,572	124,756

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
Growth (%YoY)					
Sales	(16.8)	(18.8)	2.9	6.2	3.2
Operating profit	(14.9)	2.8	40.8	12.6	13.9
EBITDA	(14.9)	2.8	40.8	12.6	13.9
Net profit	(412.4)	164.6	65.6	9.7	26.3
Core net profit	(26.0)	6.3	(3.5)	9.7	26.3
EPS	(412.4)	164.6	65.6	9.7	26.3
Core EPS	(26.0)	6.3	(3.5)	9.7	26.3
Profitability (%)					
Gross margin	23.7	29.3	35.6	36.4	40.5
Operation margin	16.5	20.9	28.6	30.4	33.5
EBITDA margin	16.5	20.9	28.6	30.4	33.5
Net margin	(16.9)	13.4	21.6	22.3	27.3
ROE	7.7	8.9	8.4	8.7	10.4
ROA	5.6	9.0	6.7	6.9	7.8
Stability					
Interest bearing debt/equity (x)	1.1	1.1	0.9	0.8	0.7
Net debt/equity (x)	0.8	0.7	0.6	0.6	0.4
Interest coverage (x)	1.1	0.8	1.4	1.8	2.4
Interest & ST debt coverage (x)	0.3	0.2	0.4	0.5	0.6
Cash flow interest coverage (x)	(0.1)	0.1	0.1	0.1	0.2
Current ratio (x)	2.4	2.4	2.3	2.2	2.2
Quick ratio (x)	1.5	1.6	1.5	1.4	1.3
Net debt (THB m)	84,468	78,179	71,546	64,462	55,256
Activity					
Asset turnover (X)	0.2	0.2	0.2	0.2	0.2
Days receivables	61.2	55.3	50.0	47.1	45.6
Days inventory	0.0	0.0	0.0	0.0	0.0
Days payable	50.3	44.5	37.4	35.3	36.9
Cash cycle days	10.9	10.8	12.6	11.7	8.8

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Revenue	49,627	40,317	41,500	44,089	45,482
Cost of goods sold	-37,877	-28,488	-26,706	-28,054	-27,048
Gross profit	11,750	11,829	14,794	16,034	18,434
Operating expenses	-3,537	-3,383	-2,905	-2,645	-3,184
Operating profit	8,213	8,445	11,889	13,389	15,250
EBIT	5,174	5,324	9,309	10,789	12,630
Depreciation	-3,040	-3,121	-2,580	-2,600	-2,620
EBITDA	8,213	8,445	11,889	13,389	15,250
Non-operating income	-8,339	390	500	500	500
Other incomes	3,657	3,362	2,000	2,000	2,000
Other non-op income	-11,995	-2,972	-1,500	-1,500	-1,500
Non-operating expense	-4,868	-7,583	-6,517	-5,917	-5,317
Interest expense	-4,577	-7,056	-6,517	-5,917	-5,317
Other non-op expense	-291	-527	0	0	0
Equity income/(loss)	291	8,473	5,706	4,456	4,448
Pre-tax Profit	-7,742	6,605	8,999	9,828	12,262
Extraordinary items					
Current taxation	-645	-1,183	158	208	373
Minorities	5	-10	-196	-206	-217
Net Profit	-8,382	5,411	8,961	9,830	12,418
Core net profit	8,734	9,283	8,961	9,830	12,418
EPS (THB)	-15.92	10.28	17.02	18.67	23.59
Core EPS (THB)	16.59	17.63	17.02	18.67	23.59

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
Operating cash flow	-8,776	16,659	16,647	16,093	18,887
Net profit	-8,382	5,411	8,961	9,830	12,418
Depre. & amortization	3,040	3,121	2,580	2,600	2,620
Change in working capital	-3,725	-346	-600	-793	-599
Others	291	8,473	5,706	4,456	4,448
Investment cash flow	-3,115	9,428	3,206	1,956	1,948
Net CAPEX	-1,816	-820	-4,000	-4,000	-4,000
Change in LT investment	4,524	3,819	4,206	2,956	2,948
Change in other assets	-5,822	6,429	3,000	3,000	3,000
Free cash flow	-11,890	26,087	19,853	18,049	20,835
Financing cash flow	3,294	-19,512	-23,220	-20,964	-21,630
Change in share capital	0	0	0	0	0
Net change in debt	-1,103	287	-10,000	-10,000	-10,000
Dividend paid	-3,251	-3,250	-3,503	-3,758	-4,450
Others	7,647	-16,549	-9,717	-7,206	-7,180
Net cash flow	-8,596	6,576	-3,367	-2,916	-794
Per share (THB)					
EPS	-15.92	10.28	17.02	18.67	23.59
Core EPS	16.59	17.63	17.02	18.67	23.59
CFPS	-10.16	16.23	22.29	24.00	28.97
BVPS	199.30	198.25	208.62	220.15	235.29
Sales/share	94.26	76.58	78.83	83.74	86.39
EBITDA/share	15.60	16.04	22.58	25.43	28.97
DPS	6.50	6.50	6.81	7.47	9.43
Valuation					
P/E (x)	-8.04	11.38	6.55	5.97	4.73
P/BV (x)	0.64	0.59	0.53	0.51	0.47
Dividend yield (%)	5.08	5.56	6.11	6.70	8.46
Dividend payout ratio (%)	-40.83	63.24	40.00	40.00	40.00

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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.