

Inventory Gains Mask Weak Core

- 1Q26 core earnings soften on maintenance-driven volume loss despite strong GRM, while headline NP is lifted by inventory gains.
- 2Q26 faces margin compression and policy headwinds, with recovery limited by industry-wide GRM pressure.
- Maintain BUY at our TP of THB 9.70

Lower Runs, OPEX Up, Softer Core Earnings

We project SPRC to deliver a softer 1Q26 core net profit (NP) of THB1.7bn, down from THB2.5bn in 4Q25 but improving from THB514m in 1Q25, mainly dragged by lower sales volumes following a planned maintenance shutdown. Key points are: 1) a q-q rise in market GRM to USD12.0/bbl (vs USD9.3/bbl in 4Q25), supported by stronger product spreads; 2) a lower crude intake of 109 kbpd, or a 62% utilisation rate (vs 93% in 4Q25); 3) higher q-q OPEX of USD5.0/bbl (vs USD3.11/bbl in 4Q25); 4) a weaker q-q contribution from the commercial segment due to softer margins and sales volumes in the retail and C&I businesses.

Windfall Inventory Gains Lift NP

Including non-core items, we project SPRC to report a strong 1Q26 NP of THB7.0bn, up from THB1.1bn in 4Q25 and THB714m in 1Q25, driven mainly by a significant inventory gain and FX support. This comprises a THB4.4bn inventory gain from the sharp increase in crude oil prices and a THB0.1bn FX gain from THB appreciation.

2Q26 Outlook Turns Challenging on Policy and Costs

Looking into 2Q26, we see rising downside risk for SPRC, with earnings likely to come under pressure from both margin compression and policy intervention. We expect GRM to decline sharply to around USD4–5/bbl (or lower) from USD12–15/bbl in 1Q26, driven by a clear cost–price mismatch as higher crude feedstock costs—reflecting earlier oil price spikes—flow through with a 1–2 month lag into May–Jun, while product spreads weaken. At the same time, the government’s staged “windfall tax” on diesel (THB2–5/litre during Apr–May) further caps refining margins, directly weighing on profitability. For SPRC, this could translate into an estimated THB1.17bn loss impact based on ~342m litres of diesel sales during the period.

Operational Recovery Meets Margin Headwinds

Post-turnaround, we expect utilization to normalize and OPEX to trend lower from 2Q26, supporting operational recovery. However, margin pressure from the GRM decline is industry-wide and likely to offset these gains in the near term. As a pure-play refiner, SPRC remains more sensitive to margin volatility than diversified peers.

Maintain BUY at TP of THB9.7

Maintain BUY with a TP of THB9.7, based on 6x 2026E EV/EBITDA. Valuation remains undemanding, with near-term GRM pressure largely priced in. We expect gradual earnings recovery, supported by post-turnaround efficiency gains and a stronger commercial segment.

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ESG Rating : n.a.

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	9.70
VS. BB Consensus TP (%)	+18.0%
Share Price (THB)	7.10
Upside/Downside	+36.6%

Share Data

Market Cap (THB m)	30,784.91
Par (THB)	6.92
Free Float (%)	39.41
Issued shares (m shares)	4,336

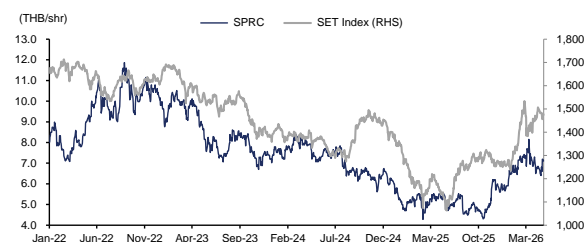
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	241,882	225,151	227,569	227,598
Net profit	2,569	2,793	4,679	4,928
Core net profit	4,735	2,793	4,679	4,928
vs Consensus (%)		(29.5)	20.1	15.3
Net profit growth (%)	15.0	8.7	67.5	5.3
Core net profit growth (%)	14.6	(41.0)	67.5	5.3
EPS (THB)	0.59	0.64	1.08	1.14
Core EPS (THB)	1.09	0.64	1.08	1.14
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.30	0.32	0.54	0.57
P/E (x)	9.96	11.02	6.58	6.25
P/BV (x)	0.67	0.78	0.72	0.68
ROE (%)	12.30	7.22	11.40	11.20
Dividend yield (%)	5.08	4.54	7.60	8.00

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	2.16	2.90	51.71	20.34
Market	(0.13)	(6.92)	34.70	2.41
12M High/Low (THB)				8.20 / 4.26



Major Shareholders (%) as of 6 Mar 2026

Chevron South Asia Holdings Pte Ltd	60.56
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Company Profile

SPRC's refinery produces petroleum products, which include LPG, premium and regular grades of unleaded gasoline, high speed diesel, jet fuel and fuel oil, as well as petrochemical feedstocks used in the petrochemical industry, which include PGP, LPG, chemical grade naphtha, mix C4 and reformate.

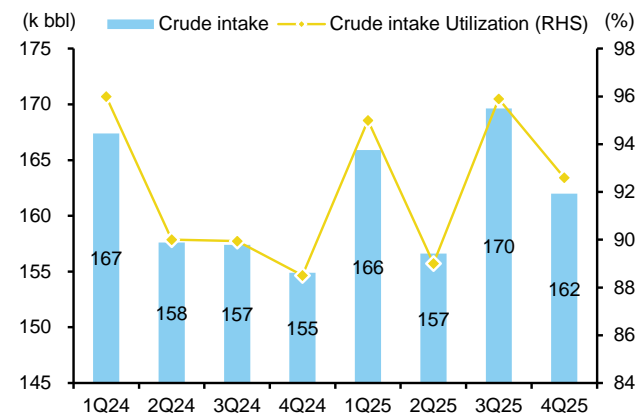
Source: SETSMART, SET

Exhibit 1: Summary of 1Q26E operations

	1Q25	4Q25	1Q26E		2025	2026E	chg. (y-y%)	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)		(THB m)
Revenue	64,297	57,481	41,273	(28.2)	(35.8)	241,882	225,151	(6.9)
Operating costs	(62,743)	(55,428)	(38,927)	29.8	38.0	(233,909)	(218,791)	6.5
EBITDA	1,554	2,052	2,346	14.3	51.0	7,973	6,360	(20.2)
EBITDA margin (%)	2	4	6	na	na	3	3	na
Deprn & amort.	(874)	(902)	(571)	36.7	34.7	(3,441)	(3,311)	3.8
EBIT	680	1,151	1,776	54.3	161.0	4,532	3,049	(32.7)
Interest expense	(72)	(58)	(48)	17.8	34.0	(258)	(123)	52.2
Interest & invt inc	0	0	2,473	nm	nm	0	0	nm
Other income	72	71	79	11.0	9.8	242	500	106.4
Associates' contrib	46	36	0	nm	nm	154	0	nm
Exceptionals	173	101	4,401	4,251.1	2,440.6	(1,556)	0	nm
Pretax profit	900	1,302	8,777	574.2	875.0	3,113	3,425	10.0
Tax	(187)	(212)	(1,755)	(727.3)	(840.2)	(544)	(633)	(16.4)
Tax rate (%)	21	16	20	na	na	17	18	na
Minority interests	0	0	0	nm	nm	(1)	0	nm
Net profit	714	1,090	7,021	544.4	884.0	2,569	2,793	8.7
Non-recurring	199	(1,441)	5,332	469.9	2,576.8	(2,166)	0	nm
Core net profit	514	2,531	1,689	(33.3)	228.5	4,735	2,793	(41.0)
EPS (THB)	0.16	0.25	1.62	544.4	884.0	0.59	0.64	8.7
Core EPS (THB)	0.12	0.58	0.39	(33.3)	228.5	1.09	0.64	(41.0)

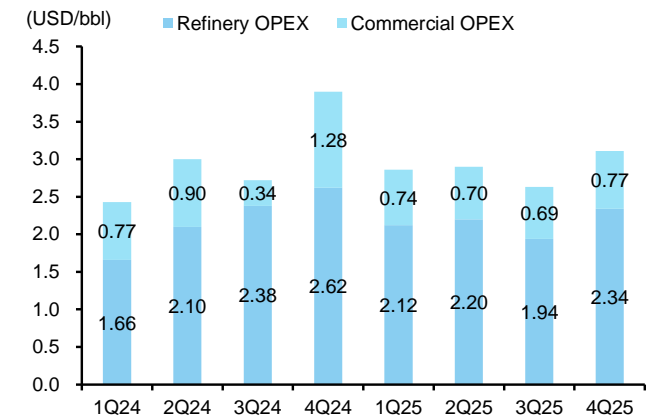
Sources: SPRC; Globlex Research

Exhibit 2: SPRC's crude intake and utilisation rate



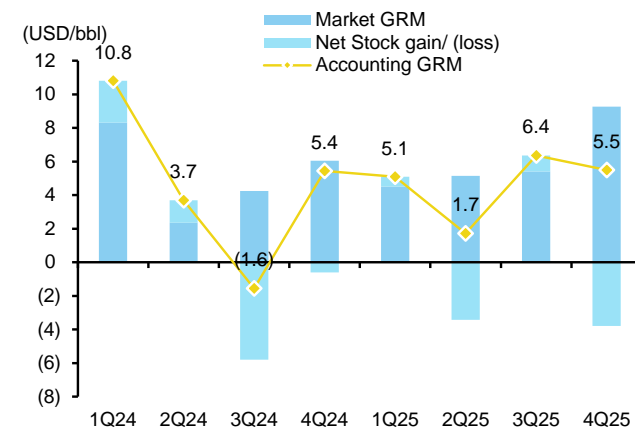
Sources: SPRC; Globlex Research

Exhibit 3: SPRC's OPEX breakdown by business



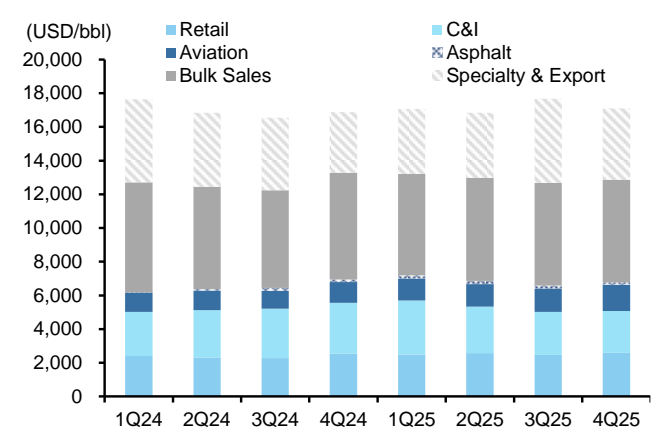
Sources: SPRC; Globlex Research

Exhibit 4: SPRC's Accounting GRM



Sources: SPRC; Globlex Research

Exhibit 5: SPRC's sales volume breakdown



Sources: SPRC; Globlex Research

Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	575	976	2,251	7,208	11,048
Account receivable	14,923	11,447	11,447	11,447	11,447
Inventories	23,482	21,112	19,565	19,565	19,565
Others	491	620	577	583	583
Non-current assets					
Net fixed assets	22,300	21,037	21,256	20,109	18,859
Others	6,665	6,106	6,106	6,106	6,106
Total Assets	68,435	61,298	61,202	65,019	67,608

Current liabilities					
Account payable	16,726	15,017	13,917	13,917	13,917
ST borrowing	592	0	1,500	2,000	2,000
Others	2,693	3,434	3,197	3,231	3,232
Long-term liabilities					
Long-term debts	6,606	1,750	0	0	0
Others	2,712	3,176	3,176	3,176	3,176
Total liabilities	29,329	23,378	21,790	22,324	22,325
Paid-up capital	30,004	30,004	30,004	30,004	30,004
Retained earnings	9,663	10,931	12,423	15,705	18,294
Others	(566)	(3,021)	(3,021)	(3,021)	(3,021)
Minority interest	5	5	5	5	5
Shareholders' equity	39,106	37,920	39,412	42,694	45,283

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	13.6	(10.6)	(6.9)	1.1	0.0
Operating profit	229.5	14.6	(20.2)	37.5	0.3
EBITDA	229.5	14.6	(20.2)	37.5	0.3
Net profit	281.7	15.0	8.7	67.5	5.3
Core net profit	735.1	14.6	(41.0)	67.5	5.3
EPS	281.7	15.0	8.7	67.5	5.3
Core EPS	735.1	14.6	(41.0)	67.5	5.3
Profitability (%)					
Gross margin	3.8	4.6	4.1	5.2	5.2
Operation margin	2.6	3.3	2.8	3.8	3.9
EBITDA margin	2.6	3.3	2.8	3.8	3.9
Net margin	0.8	1.1	1.2	2.1	2.2
ROE	10.9	12.3	7.2	11.4	11.2
ROA	6.2	7.9	4.3	7.2	7.3
Stability					
Interest bearing debt/equity (x)	0.2	0.0	0.0	0.0	0.0
Net debt/equity (x)	0.2	0.0	n.a.	n.a.	n.a.
Interest coverage (x)	7.9	17.6	24.7	57.7	85.3
Interest & ST debt coverage (x)	3.3	17.6	1.9	2.5	2.5
Cash flow interest coverage (x)	0.4	0.5	0.3	0.4	0.4
Current ratio (x)	2.0	1.9	1.8	2.0	2.2
Quick ratio (x)	0.8	0.7	0.7	1.0	1.2
Net debt (THB m)	6,623	774	(751)	(5,208)	(9,048)
Activity					
Asset turnover (X)	4.0	3.7	3.6	3.6	3.4
Days receivables	21.7	19.9	18.6	18.4	18.4
Days inventory	33.1	35.3	34.4	33.1	33.1
Days payable	21.6	25.1	24.5	23.5	23.5
Cash cycle days	33.2	30.1	28.5	27.9	27.9

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue					
Revenue	270,606	241,882	225,151	227,569	227,598
Cost of goods sold	(260,339)	(230,712)	(215,815)	(215,815)	(215,815)
Gross profit	10,267	11,171	9,336	11,754	11,783
Operating expenses	(3,311)	(3,197)	(2,976)	(3,008)	(3,009)
Operating profit	6,955	7,973	6,360	8,746	8,774
EBIT	3,371	4,532	3,049	5,331	5,257
Depreciation	(3,584)	(3,441)	(3,311)	(3,415)	(3,518)
EBITDA	6,955	7,973	6,360	8,746	8,774
Non-operating income					
Other incomes	904	235	500	500	850
Other non-op income	3	8	0	0	0
Non-operating expense	(1,614)	(1,814)	(123)	(92)	(62)
Interest expense	(426)	(258)	(123)	(92)	(62)
Other non-op expense	(1,188)	(1,556)	0	0	0
Equity income/(loss)	157	154	0	0	0
Pre-tax Profit	2,822	3,113	3,425	5,739	6,045
Extraordinary items					
Current taxation	(587)	(544)	(633)	(1,060)	(1,117)
Minorities	0	(1)	0	0	0
Net Profit	2,235	2,569	2,793	4,679	4,928
Core net profit	4,132	4,735	2,793	4,679	4,928
EPS (THB)	0.52	0.59	0.64	1.08	1.14
Core EPS (THB)	0.95	1.09	0.64	1.08	1.14

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow					
Net profit	2,235	2,569	2,793	4,679	4,928
Depre. & amortization	3,584	3,441	3,311	3,415	3,518
Change in working capital	6,263	4,750	252	28	0
Others	0	0	0	0	0
Investment cash flow	669	(2,100)	(3,093)	(4,561)	(4,768)
Net CAPEX	(1,904)	(4,368)	(3,093)	(4,561)	(4,768)
Change in LT investment	2,572	2,268	0	0	0
Change in other assets	0	0	0	0	0
Free cash flow	12,751	8,661	3,263	3,560	3,678
Financing cash flow					
Change in share capital	0	0	0	0	0
Net change in debt	(5,285)	(5,448)	(250)	500	0
Dividend paid	(5,897)	(2,385)	(1,301)	(1,396)	(2,339)
Others	(1,465)	(426)	(438)	2,294	2,500
Net cash flow	104	401	1,275	4,957	3,839

Per share (THB)					
EPS	0.52	0.59	0.64	1.08	1.14
Core EPS	0.95	1.09	0.64	1.08	1.14
CFPS	1.34	1.39	1.41	1.87	1.95
BVPS	9.02	8.74	9.09	9.85	10.44
Sales/share	62.41	55.79	51.93	52.48	52.49
EBITDA/share	1.60	1.84	1.47	2.02	2.02
DPS	0.25	0.30	0.32	0.54	0.57
Valuation					
P/E (x)	12.7	10.0	11.0	6.6	6.2
P/BV (x)	0.73	0.67	0.78	0.72	0.68
Dividend yield (%)	3.82	5.08	4.54	7.60	8.00
Dividend payout ratio (%)	48.50	50.63	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.