GLOBAL POWER SYNERGY (GPSC TB)

SPP Engine Reignites

- Stronger SPP margins and gains from XPCL and CFXD supported 1Q26 NP despite weaker IPP contribution.
- We expect earnings stability to improve further from SPP earnings stability and rising demand.
- Maintain BUY and our SoTP of THB56

GPSC Posts Stronger 1Q26 NP Despite Maintenance Impact

GPSC reported a 1Q26 net profit of THB1.7bn, (+15% q-q, +51% y-y), 12% beating Bloomberg consensus, while EBITDA stood at THB4.4bn (+6% q-q, -8% y-y). Core profit before unrealized FX gain and non-recurring items was THB1.4bn, down 2% q-q and 32% y-y. Key drivers were 1) higher electricity and steam sales to IUs following seasonal demand recovery; 2) improved SPP energy margins from efficient fuel management and lower fuel costs; 3) lower SG&A expenses (-35% q-q); and 4) a THB226m FX gain (vs THB291m FX loss in 4Q25) and THB250m write-off of GHECO-One equipment.

SPP Strength Helps Offset Weaker IPP Contribution

In 1Q26, revenue declined to THB16.6bn (-15% q-q, -22% y-y) due to lower electricity selling prices from a reduced Ft and weaker IPP contribution following maintenance shutdowns at GHECO-One (88 days) and Glow IPP (18 days). Gross profit was THB4.9bn, flat q-q but down 7% y-y. However, SPP performance improved from stronger electricity and steam sales to industrial users, better energy margins, and MTOP revenue recognition. Fuel costs remained supportive, with pool gas prices averaging THB271/mmbtu and coal cost at USD104/ton, while the Ft fell to THB3.88/kWh from THB3.94/kWh.

XPCL Gain and CFXD Booking Shift Support Earnings

Share of profit declined to THB391m (-68% q-q) but increased 223% y-y, mainly supported by stronger XPCL from higher water inflows and a THB200m refinancing gain recognized during the quarter. Meanwhile, CFXD contribution improved after changing LD claim recognition from annual to monthly booking, resulting in THB167m recognized in 1Q26. Finance costs declined to THB1.1bn (-6% q-q, -18% y-y), supported by loan repayments and lower interest rates.

Stronger IU Demand Reinforces SPP Margin Recovery

We expect GPSC's outlook to improve in 2026, supported by stronger SPP earnings stability and lower fuel cost volatility. The successful gas-link strategy has significantly reduced the margin mismatch risk between gas costs and electricity tariffs. Combined with improving IU demand, and rising demand from AI and data centers, we expect SPP margins to remain resilient going forward.

Maintain BUY at our SoTP of THB56

We maintain BUY with an SoTP-based TP of THB56. We remain positive on GPSC's outlook, supported by stronger SPP earnings stability, improving operations, and better contributions from XPCL, Avaada, and CFXD. Long-term growth should also benefit from rising AI and data center power demand.

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ESG Rating : AAA

CG Rating :

BUY

Target Price 12M (THB)	**56.00**
VS. BB Consensus TP (%)	+28.4%
Share Price (THB)	36.75
Upside/Downside	+52.4%

Share Data

Market Cap (THB m)	103,625.05
Par (THB)	10.00
Free Float (%)	24.76
Issued shares (m shares)	2,820

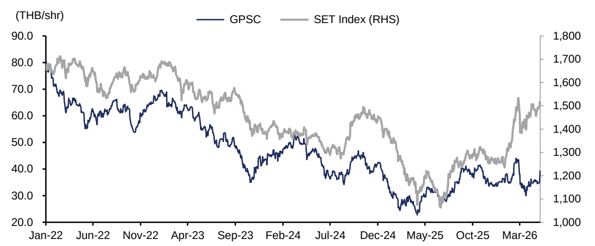
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	84,916	89,519	81,932	81,625
Net profit	6,399	7,696	7,881	8,911
Core net profit	8,048	7,696	7,881	8,911
vs Consensus (%)		30.7	22.9	30.9
Net profit growth (%)	57.5	20.3	2.4	13.1
Core net profit growth (%)	31.5	(4.4)	2.4	13.1
EPS (THB)	2.27	2.73	2.80	3.16
Core EPS (THB)	2.85	2.73	2.80	3.16
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	1.45	0.82	0.84	0.95
P/E (x)	15.86	13.47	13.15	11.63
P/BV (x)	0.97	0.96	0.91	0.86
ROE (%)	7.59	7.24	7.10	7.62
Dividend yield (%)	4.03	2.23	2.28	2.58

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	9.70	(2.65)	(3.29)	2.08
Market	5.15	(13.10)	(16.27)	(15.23)
12M High/Low (THB)				45.00 / 22.40



Major Shareholders (%) as of 26 Feb 2026

PTT Public Company Limited	47.27
PTT Global Chemical Public Company Limited	10.00
Thai Oil Public Company Limited	10.00

Company Profile

Company operates as a power, steam, and utilities producer anddistributor. In addition, the company invests in other companies thatgenerate and distribute power, steam, utilities, and New S-Curve business:batteries and smart energy, including related businesses, both domesticand overseas.

Source: SETSMART, SET

Exhibit 1: Summary of 1Q26 operations

	1Q25 (THB m)	4Q25 (THB m)	---------------- 1Q26------------------ (THB m)	(q-q%)	(y-y%)	2025 (THB m)	2026E (THB m)	chg. (y-y%)
Revenue	**21,414**	**19,465**	**16,640**	***(14.5)***	***(22.3)***	**84,916**	**89,519**	***5.4***
Operating costs	(16,624)	(15,274)	(12,213)	*20.0*	*26.5*	(62,119)	(67,045)	*(7.9)*
EBITDA	**4,790**	**4,191**	**4,427**	***5.6***	***(7.6)***	**20,106**	**20,136**	***0.1***
EBITDA margin (%)	22	22	27	*na*	*na*	24	22	*na*
Depn & amort.	(2,324)	(2,360)	(2,290)	*3.0*	*1.5*	(9,387)	(8,892)	*5.3*
EBIT	2,466	1,831	2,137	***16.7***	***(13.3)***	10,719	11,243	***4.9***
Interest expense	(1,380)	(1,207)	(1,137)	*5.8*	*17.6*	(5,120)	(5,346)	*(4.4)*
Interest & invt inc	0	0	0	*na*	*na*	0	0	*na*
Other income	383	555	(316)	*(157.0)*	*(182.6)*	(1,649)	0	*nm*
Associates' contrib	80	1,140	391	*(65.7)*	*388.1*	1,389	2,108	*51.8*
Exceptionals	(157)	(396)	583	*247.3*	*472.1*	(761)	0	*nm*
Pretax profit	**1,391**	**1,924**	**1,658**	***(13.8)***	***19.2***	**4,578**	**8,006**	***74.9***
Tax	(67)	(206)	(73)	*64.7*	*(8.7)*	(603)	(923)	*(53.2)*
Tax rate (%)	5	11	4	*na*	*na*	13	12	*na*
Minority interests	(185)	(220)	134	*160.7*	*172.5*	(859)	(1,587)	*(84.7)*
Net profit	**1,140**	**1,498**	**1,719**	***14.8***	***50.8***	**6,399**	**7,696**	***20.3***
Non-recurring	242	511	(359)	*(170.3)*	*(248.5)*	1,649	0	*nm*
Core net profit	**1,382**	**2,009**	**1,360**	***(32.3)***	***(1.6)***	**8,048**	**7,696**	***(4.4)***
EPS (THB)	0.40	0.53	0.61	*14.8*	*50.8*	2.27	2.73	*20.3*
Core EPS (THB)	0.49	0.71	0.48	*(32.3)*	*(1.6)*	2.85	2.73	*(4.4)*

Sources: GPSC, Globlex Research

Exhibit 2: 1Q26 key performance

	1Q25	4Q25	1Q26	(q-q %)	(y-y %)	Unit
IPP						
Gross profit	1,159	1,105	419	*(62.1)*	*(63.8)*	THB m
Gross profit margin*	24	21	30	*9.0*	*6.0*	%
Availability rate (Sriracha)*	100	0	0	*nm*	*nm*	%
Availability rate (GIPP)*	100	96	77	*(19.0)*	*(23.0)*	%
Availability rate (GHECO-ONE)*	97	98	4	*(94.0)*	*(93.0)*	%
Average selling price	3.69	2.73	3.35	*22.7*	*(9.2)*	THB/kWh
Natural gas consumption (Sriracha)	2,211	0	0	*nm*	*nm*	('000 MMBTU)
Natural gas consumption (GLOW)	145	3,224	1,480	*(54.1)*	*920.7*	('000 MMBTU)
Average coal cost	214	173	169	*(2.3)*	*(21.0)*	USD/tonne JPU
SPP						
Gross profit	3,852	3,566	4,216	*18.2*	*9.4*	THB m
Gross profit margin*	24	26	28	*2.0*	*4.0*	%
Weighted average selling price (Electricity)	3.58	3.24	3.29	*1.5*	*(8.1)*	THB/kWh
Weighted average selling price (Steam)	1,283	1,147	1,169	*1.9*	*(8.9)*	THB/Tonnes
Natural gas consumption	29,383	28,340	29,413	*3.8*	*0.1*	('000 MMBTU)
- GPSC	13,360	12,978	13,841	*6.6*	*3.6*	('000 MMBTU)
- GLOW	16,023	15,362	15,572	*1.4*	*(2.8)*	('000 MMBTU)
Average price of natural gas	344	299	299	*nm*	*(13.1)*	THB/MMBTU
Average coal cost	121	105	104	*(1.0)*	*(14.0)*	USD/tonne JPU
VSPP						
Gross profit	238	201	239	*18.9*	*0.4*	THB m
Gross profit margin*	62	53	56	*3.0*	*(6.0)*	%
Average selling price (Electricity)	4.94	4.71	4.81	*2.1*	*(2.6)*	THB/kWh
Average selling price (Chilled water)	7.79	8.65	7.33	*(15.3)*	*(5.9)*	THB/RT
Share of profits from associates and joint ventures	**79**	**1,140**	**391**	***(65.7)***	***394.9***	THB m
- Xayaburi Power (XPCL)	(10)	381	377	*(1.0)*	*3,870.0*	THB m
- Ratchaburi Power (RPCL)	0	515	(23)	*(104.5)*	*nm*	THB m
- Bangpa-in Cogeneration (BIC)	25	11	(2)	*(118.2)*	*(108.0)*	THB m
- Nava Nakorn (NNEG)	10	14	16	*14.3*	*60.0*	THB m
- Nam Lik 1 Power (NL1PC)	(2)	37	26	*(29.7)*	*1,400.0*	THB m
- Thai Solar Renewable (TSR)	20	0	0	*nm*	*nm*	THB m
- Eastern Seaboard Clean Energy (ESCE)	(3)	0	0	*nm*	*nm*	THB m
- Avaada Energy (Avaada)	208	(12)	16	*233.3*	*(92.3)*	THB m
- Global Renewable Power (GRP)	0	0	0	*nm*	*nm*	THB m
- Nuovo Plus (NUOVO PLUS)	(12)	(124)	(16)	*87.1*	*(33.3)*	THB m
- CI Changfang and CI Xidao (CFXD)	(157)	318	(3)	*nm*	*98.1*	THB m
- Keppel Decarb (KD)	0.0	1.0	0.3	*(70.0)*	*nm*	THB m

*Note: Change in margin % is represented in ppt change
Sources: GPSC; Globlex Research

Balance sheet (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Current assets					
Cash & ST investment	25,492	21,305	20,820	31,869	43,770
Account receivable	11,754	10,468	9,112	7,871	6,635
Inventories	7,733	6,348	6,674	5,960	5,954
Others	4,800	4,705	4,960	4,539	4,522
Non-current assets					
Net fixed assets	92,473	86,936	84,343	81,751	79,158
Others	145,884	134,498	134,498	134,498	134,498
Total Assets	**288,136**	**264,259**	**260,407**	**266,488**	**274,538**
Current liabilities					
Account payable	5,740	5,256	5,526	4,935	4,930
ST borrowing	12,104	14,827	5,000	5,000	5,000
Others	5,282	4,729	4,985	4,562	4,545
Long-term liabilities					
Long-term debts	117,888	97,031	97,031	97,031	97,031
Others	27,981	25,979	25,979	25,979	25,979
Total liabilities	**168,994**	**147,823**	**138,522**	**137,508**	**137,486**
Paid-up capital	28,197	28,197	28,197	28,197	28,197
Retained earnings	26,560	29,438	33,300	38,845	45,237
Others	52,801	46,771	46,771	46,771	46,771
Minority interest	11,584	12,029	13,616	15,166	16,845
Shareholders' equity	**119,142**	**116,436**	**121,885**	**128,980**	**137,051**

Profit & loss (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	**90,730**	**84,916**	**89,519**	**81,932**	**81,625**
Cost of goods sold	(69,550)	(63,768)	(67,045)	(59,865)	(59,809)
Gross profit	**21,179**	**21,148**	**22,474**	**22,067**	**21,816**
Operating expenses	(2,571)	(2,691)	(2,338)	(2,091)	(2,080)
Operating profit	**18,609**	**18,457**	**20,136**	**19,976**	**19,736**
EBIT	**10,911**	**10,719**	**11,243**	**11,083**	**12,543**
Depreciation	(9,756)	(9,387)	(8,892)	(8,892)	(7,192)
EBITDA	**20,667**	**20,106**	**20,136**	**19,976**	**19,736**
Non-operating income	**4,308**	**3,283**	**2,200**	**2,200**	**2,200**
Other incomes	4,308	3,283	2,200	2,200	2,200
Other non-op income	0	0	0	0	0
Non-operating expense	**(8,382)**	**(5,881)**	**(5,346)**	**(5,100)**	**(5,100)**
Interest expense	(5,885)	(5,120)	(5,346)	(5,100)	(5,100)
Other non-op expense	(2,497)	(761)	0	0	0
Equity income/(loss)	293	1,389	2,108	2,182	2,071
Pre-tax Profit	**7,129**	**9,510**	**10,206**	**10,365**	**11,714**
Extraordinary items	(2,059)	(1,649)	0	0	0
Current taxation	(300)	(603)	(923)	(933)	(1,124)
Minorities	(708)	(859)	(1,587)	(1,550)	(1,679)
Net Profit	**4,062**	**6,399**	**7,696**	**7,881**	**8,911**
Core net profit	**6,121**	**8,048**	**7,696**	**7,881**	**8,911**
EPS (THB)	**1.44**	**2.27**	**2.73**	**2.80**	**3.16**
Core EPS (THB)	**2.17**	**2.85**	**2.73**	**2.80**	**3.16**

Key ratios					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Growth (%YoY)					
Sales	0.5	(6.4)	5.4	(8.5)	(0.4)
Operating profit	11.8	(0.8)	9.1	(0.8)	(1.2)
EBITDA	12.4	(2.7)	0.1	(0.8)	(1.2)
Net profit	10.0	57.5	20.3	2.4	13.1
Core net profit	12.6	31.5	(4.4)	2.4	13.1
EPS	10.0	57.5	20.3	2.4	13.1
Core EPS	12.6	31.5	(4.4)	2.4	13.1
Profitability (%)					
Gross margin	23.3	24.9	25.1	26.9	26.7
Operation margin	20.5	21.7	22.5	24.4	24.2
EBITDA margin	22.8	23.7	22.5	24.4	24.2
Net margin	4.5	7.5	8.6	9.6	10.9
ROE	5.7	7.6	7.2	7.1	7.6
ROA	(1.1)	(1.5)	(3.0)	(2.6)	(2.1)
Stability					
Interest bearing debt/equity (x)	1.1	1.0	0.8	0.8	0.7
Net debt/equity (x)	0.9	0.8	0.7	0.5	0.4
Interest coverage (x)	1.9	2.1	2.1	2.2	2.5
Interest & ST debt coverage (x)	0.6	0.5	1.1	1.1	1.2
Cash flow interest coverage (x)	0.1	0.1	0.1	0.1	0.1
Current ratio (x)	2.2	1.7	2.7	3.5	4.2
Quick ratio (x)	1.6	1.3	1.9	2.7	3.5
Net debt (THB m)	104,500	90,554	81,212	70,162	58,262
Activity					
Asset turnover (X)	0.3	0.3	0.3	0.3	0.3
Days receivables	45.5	47.8	39.9	37.8	32.4
Days inventory	50.3	40.3	35.4	38.5	36.4
Days payable	33.6	31.5	29.4	31.9	30.1
Cash cycle days	62.2	56.6	46.0	44.5	38.7

Cash flow (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	**11,267**	**18,904**	**19,997**	**20,318**	**19,411**
Net profit	4,062	6,399	7,696	7,881	8,911
Depre.& amortization	9,756	9,387	8,892	8,892	7,192
Change in working capital	(2,845)	1,729	1,301	1,362	1,237
Others	293	1,389	2,108	2,182	2,071
Investment cash flow	**(35,850)**	**(29,510)**	**(6,299)**	**(6,299)**	**(4,599)**
Net CAPEX	(23,955)	(18,374)	(6,299)	(6,299)	(4,599)
Change in LT investment	0	0	0	0	0
Change in other assets	(11,895)	(11,136)	0	0	0
Free cash flow	**(24,583)**	**(10,606)**	**13,698**	**14,019**	**14,813**
Financing cash flow	**36,878**	**6,419**	**(14,183)**	**(2,970)**	**(2,912)**
Change in share capital	0	0	0	0	0
Net change in debt	10,794	(18,133)	(9,827)	0	0
Dividend paid	0	0	(3,833)	(2,337)	(2,519)
Others	26,084	24,552	(523)	(633)	(393)
Net cash flow	**12,295**	**(4,187)**	**(485)**	**11,049**	**11,901**

Per share (THB)					
EPS	1.44	2.27	2.73	2.80	3.16
Core EPS	2.17	2.85	2.73	2.80	3.16
CFPS	5.88	6.49	6.45	6.50	6.31
BVPS	38.14	37.03	38.40	40.36	42.63
Sales/share	32.18	30.11	31.75	29.06	28.95
EBITDA/share	7.33	7.13	7.14	7.08	7.00
DPS	0.90	1.45	0.82	0.84	0.95
Valuation					
P/E (x)	26.55	15.86	13.47	13.15	11.63
P/BV (x)	1.00	0.97	0.96	0.91	0.86
Dividend yield (%)	2.35	4.03	2.23	2.28	2.58
Divdend payout ratio (%)	62.47	63.89	30.00	30.00	30.00

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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 (target price* - current price) / 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.