

Global Power Synergy Pcl (GPSC TB) - BUY, Price Bt39.25, TP Bt43 | Results Comment

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Slightly better-than-expected 1Q26

- GPSC reported Bt1.49bn normalized profit, excluding FX and hedging gains/losses, up 25% y-y and 17% q-q on a like-for-like basis. The result came in slightly above our expectation, due to a faster-than-expected recovery in steam demand, which is a high-margin product within GPSC's core SPP business.
- IPP plants:** Gross profit (ex. depreciation) fell 64% y-y and 62% q-q to only Bt419m in 1Q26, pressured by an 88-day unplanned shutdown at the Gheco-1 project and the expiry of Sriracha IPP contract since May 2025.
- SPP plants:** Gross profit rose 9% y-y and 15% q-q to Bt4.2bn in 1Q26, driven by 9% y-y and 6% q-q higher steam sales volume to 3.6m tons. Electricity sales volume dropped 4% y-y to 3.1TWh due to the expiry of some EGAT contracts, but it improved by 3% q-q on recovering demand from industrial clients.
- SPP spark margin increased to 1.26/kWh in 1Q26, vs. Bt1.22 in 4Q25 and Bt1.20 in 1Q25, from a higher steam sales mix.
- EBITDA declined 11% y-y but improved 6% q-q to Bt4.2bn in 1Q26, in-line with the gross profit trend, in which stronger SPP performance could outweigh a q-q weaker IPP profit, though not on a y-y comparison given lower electricity sale to EGAT.
- Equity income surged 388% y-y to Bt391m in 1Q26, driven by a stronger performance from Xayaburi hydropower project more than offsetting weaker profits from Avaada. The profit fell 38% q-q due to seasonally lower hydropower and wind generation.
- We expect GPSC's earnings to weaken in upcoming quarters due to negative impacts from elevated energy prices. That said, we maintain BUY as we believe the coming hiccup has already been reflected in its post-war corrected share price.

Income Statement						Income Statement					
(consolidated)						3M as					
Yr-end Dec (Bt m)	1Q25	2Q25	3Q25	4Q25	1Q26	(Bt m)	q-q%	y-y%	% 2026F	2026F	2027F
Revenue	21,414	22,476	21,561	19,465	16,640	Revenue	(15)	(22)	19	89,675	80,798
Gross profit	2,971	2,823	3,409	2,558	2,627	Gross profit	3	(12)	23	11,316	12,309
SG&A	605	580	541	965	735	SG&A	(24)	21	27	2,718	2,772
Operating profit	2,366	2,243	2,869	1,593	1,892	Operating profit	19	(20)	22	8,598	9,537
EBITDA	4,690	4,584	5,230	3,953	4,182	EBITDA	6	(11)	24	17,150	18,089
Other income	383	373	350	688	286	Other income	(58)	(25)	17	1,714	1,395
Other expense						Other expense			na		
Interest expense	1,380	1,292	1,240	1,207	1,137	Interest expense	(6)	(18)	24	4,673	4,325
Profit before tax	1,368	1,324	1,978	1,074	1,042	Profit before tax	(3)	(24)	18	5,639	6,606
Income tax	67	(11)	122	206	73	Income tax	(65)	9	18	395	529
Equity & invest. income	80	584	(415)	625	391	Equity & invest. income	(38)	388	45	860	1,474
Minority interests	(185)	(201)	(254)	(220)	134	Minority interests	na	na	(16)	(840)	(974)
Extraordinary items	(57)	301	554	224	226	Extraordinary items	1	na	na		
Net profit	1,140	2,019	1,742	1,498	1,719	Net profit	15	51	33	5,263	6,578
Normalized profit	1,197	1,718	1,187	1,274	1,494	Normalized profit	17	25	28	5,263	6,578
EPS (Bt)	0.40	0.72	0.62	0.53	0.61	EPS (Bt)	15	51	33	1.87	2.33
Normalized EPS (Bt)	0.42	0.61	0.42	0.45	0.53	Normalized EPS (Bt)	17	25	28	1.87	2.33

Balance Sheet						Financial Ratios					
(consolidated)						3M as					
Yr-end Dec (Bt m)	1Q25	2Q25	3Q25	4Q25	1Q26	(%)	1Q25	2Q25	3Q25	4Q25	1Q26
Cash & ST investment	17,977	12,310	16,608	21,305	21,424	Sales grow th	(9.9)	(5.9)	2.1	(11.4)	(22.3)
A/C receivable	12,120	12,436	12,305	10,468	8,142	Operating profit grow th	4.4	(15.5)	25.3	(3.1)	(20.0)
Inventory	7,612	7,247	6,439	6,348	6,888	EBITDA grow th	3.2	(8.6)	9.9	(7.8)	(10.8)
Other current assets	6,398	8,905	6,888	4,705	5,361	Norm profit grow th	39.2	20.8	15.7	58.2	24.8
Investment	47,830	47,487	44,290	44,791	45,277	Norm EPS grow th	39.2	20.8	15.7	58.2	24.8
Fixed assets	91,012	89,684	87,977	86,936	85,690	Gross margin	13.9	12.6	15.8	13.1	15.8
Other assets	97,144	96,463	95,641	89,707	88,206	Operating margin	11.0	10.0	13.3	8.2	11.4
Total assets	280,094	274,531	270,147	264,259	260,988	EBITDA margin	21.9	20.4	24.3	20.3	25.1
S-T debt	10,790	9,767	8,801	14,965	14,127	Norm net margin	5.6	7.6	5.5	6.5	9.0
A/C payable	5,071	6,084	5,745	5,256	4,397	D/E (x)	1.0	1.0	0.9	1.0	0.9
Other current liabilities	5,642	4,358	4,357	4,591	4,998	Net D/E (x)	0.9	0.9	0.8	0.8	0.7
L-T debt	110,947	106,735	104,269	97,031	93,960	Interest coverage (x)	3.4	3.5	4.2	3.3	3.7
Other liabilities	27,568	27,040	26,695	25,979	25,687	Interest rate	4.4	4.3	4.3	4.3	4.1
Minority interest	11,711	11,569	11,739	12,029	11,640	Effective tax rate	4.9	(0.8)	6.1	19.1	7.0
Shareholders' equity	108,365	108,978	108,542	104,406	106,180	ROA	1.7	2.5	1.7	1.9	2.3
Working capital	14,661	13,599	12,999	11,560	10,634	ROE	4.4	6.3	4.4	4.8	5.7
Total debt	121,737	116,502	113,069	111,997	108,086						
Net debt	103,760	104,192	96,461	90,692	86,662						

Sources: Company data, ttb wealth estimates

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