

Gulf Development Pcl (GULF TB) - BUY

Nuttapop Prasitsuksant | Email: nuttapop.pra@ttbwealth.co.th

News Update

Another strategic investment with GUNKUL

- **GULF acquires 50% stake in 12 RE projects from GUNKUL**
- **This totals 337MW equity addition to its 13.1GW portfolio**
- **The parties will co-invest for scheduled COD over 2027-30F**
- **We maintain BUY with Bt0.7/share upside to TP**

GULF announced yesterday that it has acquired 50% stakes in 12 renewable projects, awarded under the government's RE big-lot scheme in 2023, from Gunkul Engineering Pcl (GUNKUL TB, BUY, TP Bt5.45) for a total cost of Bt466.5m. The projects carry a combined contracted capacity of 673.4MW, or a 336.7MW equity capacity addition for GULF, all under 25-year fixed Feed-in-Tariff (FiT) PPAs with the Electricity Generating Authority of Thailand (EGAT) and scheduled for CODs across 2027-30F. We see this as positive for GULF and reaffirm our BUY, with upside to our earnings forecasts and TP.

- GULF announced an acquisition of 50% stakes in 12 renewable projects from GUNKUL. The projects comprise 176.4MW of contracted solar, 33.0MW of solar with an energy storage system (ESS) and 464.0MW of wind, totaling 673.4MW, or a 336.7MW equity capacity addition to GULF's power generation portfolio of 13.1GW of secured contracts..
- The projects are scheduled for COD across 2027-30F under 25-year fixed FiT contracts with EGAT, at Bt2.1679/kWh tariff rate for solar, Bt2.8331/kWh for solar with ESS, and Bt3.1014/kWh for wind.
- Total acquisition cost for the stakes is Bt466.5m. We note that this covers the equity interests only; the two parties will co-invest in project capex in proportion to their respective 50% stakes.
- We preliminarily estimate the transaction to add around Bt0.7/share to our valuation of GULF, with Bt1.18bn of earnings upside from 2031F, equivalent to 2% of our current earnings base.
- This is the second time GULF acquiring 50% stakes in projects GUNKUL won from the government's RE Big-lot bid in 2023. The first one was in June 2025, when GULF invested Bt704.0m for 410.2MW of contracted solar and 50.6MW of solar with ESS, a 230.4MW equity addition (Exhibit 1). That first acquisition is already included in our current TP of Bt75.0/share.
- Following these two rounds, GULF now co-invests in all projects GUNKUL won from the bid in 2023, with the exception of a tiny 1.6MW solar project. While we expect no further acquisitions from GUNKUL, we believe GULF will continue to co-invest in renewable projects alongside strategic partners. Note that GULF has also acquired 50% stakes in five wind projects totaling 437.0MW of contracted capacity (218.5MW equity capacity) from Blue Sky Wind Power Holding Company Limited, and 100% of 12 waste-to-energy plants totaling 96MW of contracted capacity from Earth Tech Environment Pcl (ETC TB, non-rated, Bt0.73) and Better World Green Pcl (BWG TB, non-rated, Bt0.26) in July 2025.

Key Valuations

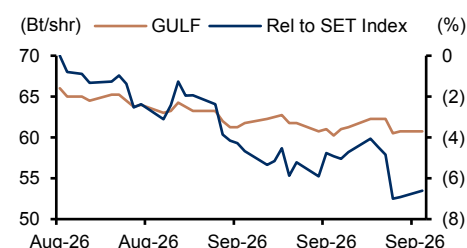
Y/E Dec (Bt m)	2025A	2026F	2027F	2028F
Revenue	129,667	138,516	141,873	145,907
Net profit	86,562	35,035	39,732	44,131
Norm net profit	28,777	35,035	39,732	44,131
Norm EPS (Bt)	1.9	2.3	2.7	3.0
Norm EPS gr (%)	30.5	21.7	13.4	11.1
Norm PE (x)	31.5	25.9	22.8	20.6
EV/EBITDA (x)	46.0	42.7	38.4	33.9
P/BV (x)	2.7	2.5	2.4	2.3
Div. yield (%)	0.0	2.3	2.6	2.9
ROE (%)	8.6	10.1	10.8	11.4
Net D/E (%)	84.7	78.2	79.0	78.6

Source: ttb wealth estimates

Stock Data

Closing price (Bt)	60.75
Target price (Bt)	75.00
Market cap (US\$ m)	27,013
Avg daily turnover (US\$ m)	103.0
12M H/L price (Bt)	67.75/39.75

Price Performance



Source: Bloomberg

Ex 1: GULF's Investments In 1.13GW Renewable Projects With GUNKUL**1) Acquired 50% stakes in June 2025 for a total of Bt704.0m**

Project	Type	Contracted capacity (MW)	Tariff (Bt/kWh)	COD year
NWT 3	Solar	46.6	2.6679	2026
PTN	Solar	60.0	2.6679	2026
STN	Solar	70.0	2.1679	2026
SKA 3	Solar	46.6	2.1679	2028
NWT 2	Solar	77.6	2.6679	2029
SKA 2	Solar	67.8	2.1679	2029
NWT 1	Solar	41.6	2.6679	2030
Total - Solar		410.2		
NWT 4	Solar + ESS	17.6	3.3331	2029
SKA 1	Solar + ESS	33.0	2.8331	2030
Total - Solar ESS		50.6		
Grand total (1)		460.8		

2) Acquired 50% stakes in September 2026 for a total of Bt466.5m

Project	Type	Contracted capacity (MW)	Tariff (Bt/kWh)	COD year
KPT	Solar	19.4	2.1679	2027
SPD	Solar	24.2	2.1679	2029
UDN1	Solar	31.0	2.1679	2029
SRN	Solar	63.0	2.1679	2029
SNK	Solar	38.8	2.1679	2030
Total - Solar		176.4		
UDN 2	Solar + ESS	33.0	2.8331	2030
Total - Solar ESS		33.0		
GWD 1	Wind	41.6	3.1014	2029
GWP 5	Wind	90.0	3.1014	2029
GWD 3	Wind	62.4	3.1014	2030
GWP 3	Wind	90.0	3.1014	2030
GWD 6	Wind	90.0	3.1014	2030
GWD 8	Wind	90.0	3.1014	2030
Total - Wind		464.0		
Grand total (2)		673.4		

Sources: Company data, Thanachart estimates

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