



STECON

Ticker: STEC (SET)



SET A  
ESG Ratings 2023



# Investors

# Presentation

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Analyst Meeting Q2/24 results  
22 August 2024



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# Agenda

- Key Developments from Q2/24 to Date
- Business Update
- Backlog Order
- Market Opportunities Update & Targeted Projects
- Q2/24 Financial Performance
- Business Outlook
- ESG
- Q&A







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## Key Developments from Q2/24 to Date

# Key Developments from Q2/24 to Date

1

MRT Update



- EBM (Yellow Line): The average ridership in Q2/24 are approximately 32,000 persons/ trip/ day.
- NBM (Pink Line): The average ridership in Q2/24 are approximately 51,000 persons/ trip/ day.

2

Project Update



- The new parliament building project has now inspected and accepted of all completed construction work.
- The new parliament building project has been certified by completion document after STEC hand over a finished work on 4 Sep. 2023.
- There is no fined for the project as STEC has entitled to receive the benefit of waiver or reduction of fines to 0% due to the spread of COVID-19.



Sources : DRT, MOT



# Key Developments from Q2/24 to Date (con't)

3

**Stecon Group restructuring plan update**



- STECON Group restructuring plan has been approved by SEC. STEC is undergoing for share swap (tender offer) from 19 Aug. – 21 Oct. 24. (45 working days)
- STECON Group is expected to be listed on SET in Q4/24.

DAOL SEC

เตรียมความพร้อมรับคำเสนอซื้อหุ้น STEC ออนไลน์ง่าย ๆ ผ่าน E-Tender Offer จาก บล. ดาโอ “STEC” ปรับโครงสร้างตั้งบริษัทใหม่เป็น “STECON”



ทำคำเสนอซื้อหุ้นสามัญเดิมของ STEC แลกกับหุ้นสามัญเพิ่มทุนของ STECON ในอัตราแลกเปลี่ยน 1 ต่อ 1 ตั้งแต่วันที่ 19 สิงหาคม - 21 ตุลาคม 2567



สแกน QR Code

เพื่อเริ่ม E-Tender Offer

More information: <https://www.daolsecurities.co.th/highlight/news/tender-offer-stecon>



Sources : DAOL securities

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# Business Update





# Business Update: Data Center

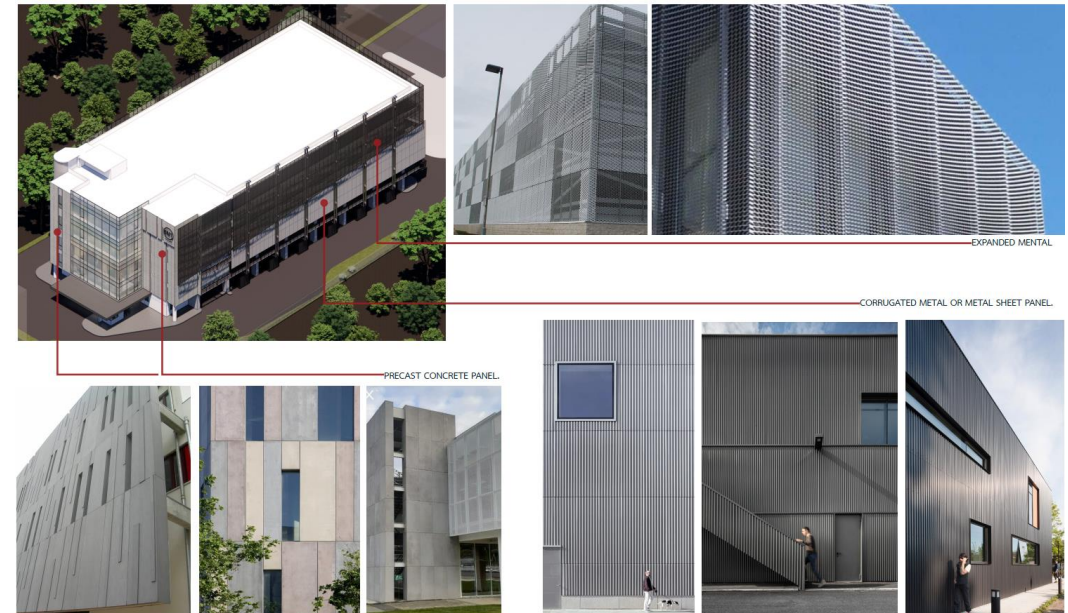
## Joint Venture Co. Structure



## Data Center Timeline

- **Q3/24:** Expect to sign a contract with a client.
- **Q4/24:** Expect to start advance works & preparation.
- **Q1/25:** Expect to start piping and construction and COD on mid 2026

Notably, the site is situated in **a prime location at Bangna-Trad road KM 4.5 adjacent to the connectivity network exchange**, no flood record in the area, the vital supporting power facilities and building design strictly in line with ESG international standards, making it an ideal Data Centers in Thailand.



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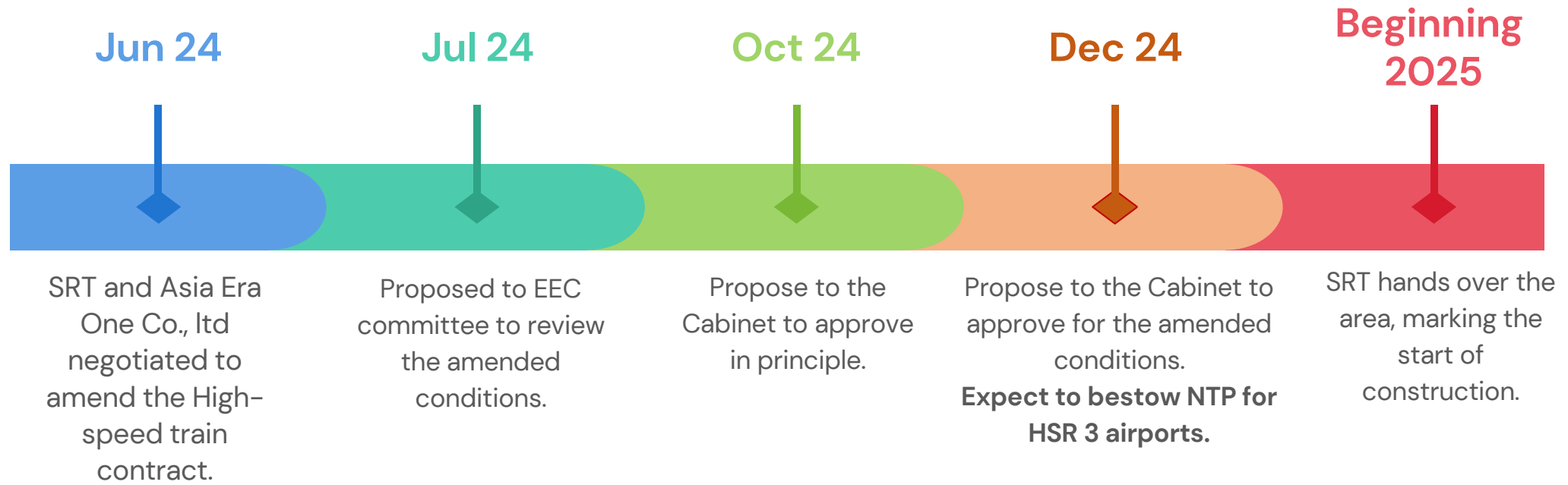


# Business Update: UTA update



- Asia Era One Co., Ltd. successfully negotiated with SRT to amend the High-speed train contract in changing the significant conditions which can lead SRT could bestow NTP to the Asia Era One. Consequently, UTA received positive impact from this agreement and expected to bestow NTP as well within this year.

## HSR 3 airports PPP agreement amendment timeline



Sources : UTA, SRT, EEC



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# Business Update: Stecon Group update



## Technology (Data Center)



- Data Center is now on the go and currently on the process of negotiating.
- The project is expected to be signed in Q3/24 and start construction works in 2025.
- The project will start to realize its revenue in 2026.

## Power Plant



- Emphasized on investing both brownfield and greenfield renewable power plants and targeting on VSPP size.
- M&A and self-operation approaches will be initiated.
- Signed MOU with Bgrimm Plc. will sustain knowledge and proficiency.

## Water Treatment



- Water treatment is one of another expansion in the Group's radar.
- The area explore would provide water treatment for private and government sectors.
- The vision is aim to provide water sustainability to community.

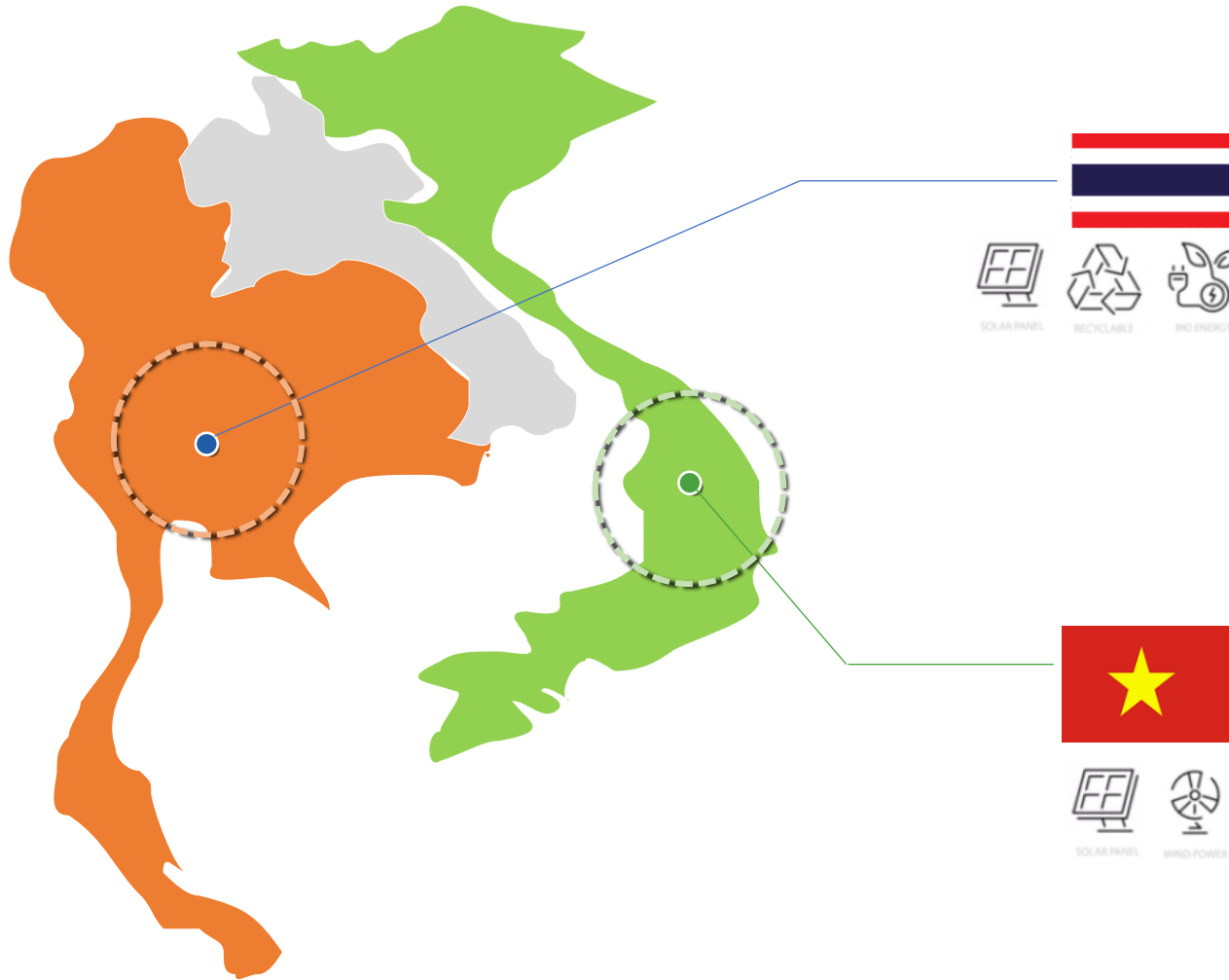


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# Business Update: Power plant spotted landmark

Thailand & Vietnam are currently our spotted landmark



## Thailand

Stable infrastructure

- Thai government seeks energy security.
- Transmission Line link all over the country.

Increasing electricity opportunities

- With PDP2024, Thailand will focus on renewable energy power plants.
- Total megawatts for renewable energy power plants appx. 13,300 MW

## Vietnam

High economic growth

- 5-6% GDP growth p.a.
- Increasing FDI inflows

Increasing electricity demand

- Electricity demand tripled in 15 years
- Low reserve margin

# Business Update: Pink Line Extension



Pink Line Extension consist of 2 stations;

- 1) Impact Challenger station (MT01)
- 2) Lake Impact Muang Thong Thani Station (MT02)

The extension has 2.8 kms. long and stations are all elevated stations. The project is **expected to COD in mid 2025** and they could boost up Pink Line ridership **approximately 14,000 persons/trip/day**

**As of Jul. 24**, the progress will be at followed;

- Civil work 69.9%
- M&E work 49.9%
- Overall work 63.3%



Sources : MRTA

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## Backlog Order

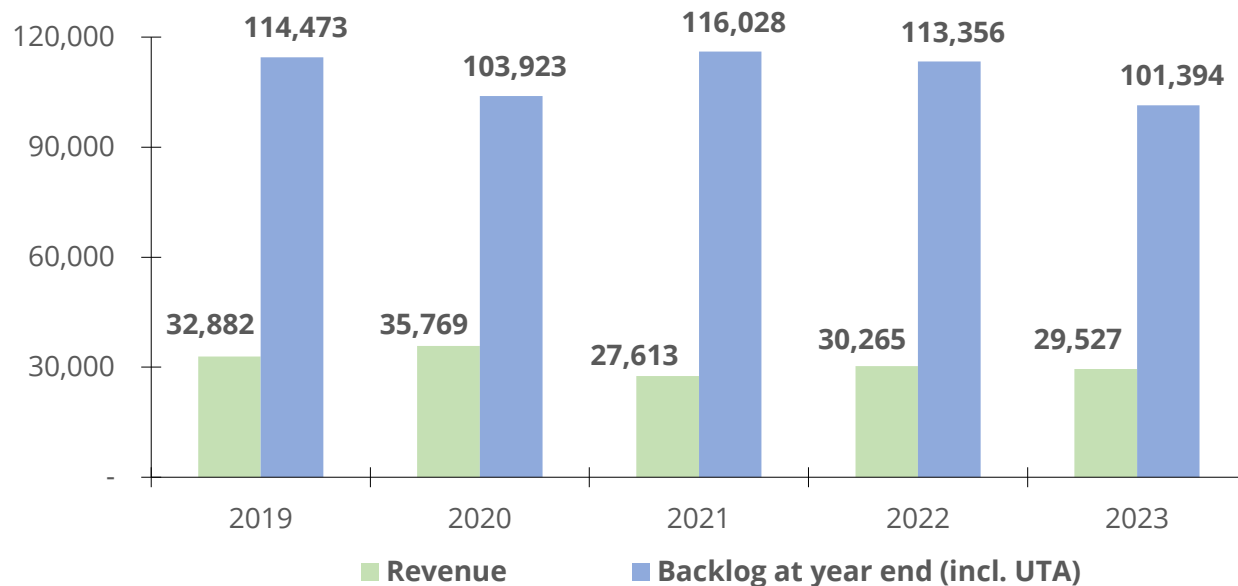
# Historical Backlog Orders *(ended Jun. 2024)*

## Order Book

Unit: THB mn.

Starting contract value (as of 1 Jan.24)	74,351
Value of contract signed and VO	2,063 <sup>(1)</sup>
<b>Total</b>	<b>75,593</b>
<u>Deduct</u> Value of contract realized	(14,895)
<u>Add</u> To be signed contract	27,043
<b>Total order book</b>	<b>88,562</b>

Unit: THB mn.



## Newly signed contract (2024)

(THBmn.)

- Other

2,063

## Active Major Projects

(THBmn.)

• Yellow line, EBM	22,221
• Pink line, NBM	22,197
• Double track Denchai 2,3	17,369
• Purple line Contract 1&2 , MRTA	14,758
• Pluakdaeng power plant, GULF	11,134
• Hinkong power plant	9,825
• Morchit complex	9,057
• Cable conversion for Pink, Yellow II, MEA	7,941
• Double track Nongplalai-Huahin, SRT	7,193
• Cable conversion for Pink, Yellow I, MEA	7,118
• Manhole and ductbank – Pink, Yellow, MEA	6,983
• Govt. center zone C, Dhanarak	6,650
• O&M Motorway M6, M81	5,504
• The Solar Power Plants	5,240
• Thai Oil clean fuel	5,204
• Ayudhaya diversion canal, RID	3,524

## To be signed contracts

(THBmn.)

- U-Tapao airport , UTA

27,043



<sup>(1)</sup> Remark: Accumulative Value of contract signed and VO from Jan – Jun 24





## Market Opportunities Update & Targeted Projects

# Market Opportunities Update

## Budget approval process for fiscal year 2025



### THAILAND'S BUDGET

IN BRIEF FISCAL YEAR 2025

(Draft)

- 5-6 Jun 24.  
*(Current process)*  
The House of Representatives considered the draft of the Annual Budget Act for the fiscal year 2025 **in its first reading.**
- 28-29 Aug 24.  
The House of Representatives will consider the draft of the Annual Budget Act for the fiscal year 2025 **in its second and third readings**
- 9-10 Sep 24.  
The Senate will consider the draft of the Annual Budget Act for the fiscal year 2025.
- 17 Sep 24.  
The Secretariat of the Cabinet will present the draft of the Annual Budget Act for the fiscal year 2025 to His Majesty the King for royal endorsement, after which it will be promulgated as law.

Sources : BUDGET BUREAU



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# Market Opportunities Update

## Expected Mega Projects in H1-H2/24

Project categories	Project name	Contract value	Status	Period	Remarks
<b>Expressway</b> 	1) Chatuchote – Lam Luk Ka	19.4 THB Bn.	Awarded contract to ITD in Aug. 24	H1/24	Cabinet approval on 14 Mar. 23
	2) Kratuu-Patong	17.8 THB Bn.	Revised design and further EIA study. Expect to open for bidding in 2025 - 2026	-	-
<b>Double Track Railway</b> 	1) Khon Khen – Nong Khai section	29.4 THB Bn.	Bidding in process	-	Cabinet approval on 16 Oct. 23
	2) Paknam Pho-Denchai section	81.1 THB Bn.			-
	3) Jira Junction-Ubonratchathani section	44.1 THB Bn.	Expect to propose to the cabinet in H2/24 and open for bidding in 2024	H2/24	-
	4) Hat Yai junction-Padangbesar section	0.79 THB Bn.			-
<b>Electrified Train</b> 	1) Orange Line: BangKhonnon-Minburi  (Thailand Cultural Center-BangKhonnon section)	140 THB Bn.	Awarded contract to BEM on 18 Jul. 24	-	-



Sources : EXAT,SRT,MOT

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# Market Opportunities Update

## Expected Mega Projects in H1-H2/24

Project categories	Project name	Contract value	Status	Period	Remark
 	1) Utraphimuk Elevated, Rangsit-Bang Pa-In (M5)	28.3 THB Bn.		H2/24	-
	2) Bang Khun Thian-Bang Bua Thong (M9)	56.0 THB Bn.	Expect to propose to the cabinet in H2/24 and expect to open for bidding in 2024	H2/24	-
	3) The Intercity Motorway No.7 – Extension to U-Tapao Airport (M7)	4.5 THB Bn.		H2/24	
 	1) Dark Red Line : Thammasart-Mahachai <i>(Rangsit-Thammasat section)</i>	6.4 THB Bn.		H2/24	-
	2) Light Red Line : Salaya-Hua Mark <i>(Talingchan-Salaya – Siriraj section)</i>	15.3 THB Bn.	Expect to propose to the cabinet in H2/24 and open for bidding in 2024	H2/24	-
 	1) Suvarnabhumi Airport east expansion	6.6 THB Bn.	Expect to propose to the cabinet in H2/24	H2/24	-

Sources : EXAT,SRT,MOT



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# Stecon Targeted Projects

Projects	Project Owner	Contract Value (MB)	Project status
<b>Infrastructure</b>			
<b>Motorways</b>			
Utraphimuk Elevated, Rangsit-Bang Pa-In (M5)	DOH	28,360	Proposing the Cabinet and expect to open for bidding in 2024
The Intercity Motorway No.7 – Extension to U-Tapao Airport (M7)	DOH	4,508	
Bang Khun Thian-Bang Bua Thong (M9)	DOH	56,035	
<b>Expressways</b>			
Expressway N2 (Prasertmanukit-Outer Ring Road East section)	EXAT	16,960	Further studying and plan to open for bidding in 2024
<b>Electrified Train</b>			
Brown Line : Khae Rai – Lumsalee	MRTA	41,720	Expect to propose to the Cabinet in Q2/25
Orange Line West: BangKhonnon-Minburi (Thailand Cultural Center-BangKhonnon section)	MRTA	85,200 (Civil work)	Awarded contract to BEM on 18 Jul. 24
Dark Red Line : Thammasart-Mahachai (Rangsit-Thammasat section)	SRT	6,468	Proposing the Cabinet and expect to open for bidding in 2024
Light Red Line : Salaya-Hua Mark (Talingchan-Salaya – Siriraj section)	SRT	15,364	
<b>Double Track Railway</b>			
Khon Kaen-Nong Khai section	SRT	29,748	Bidding in process
Jira Junction-Ubonratchathani	SRT	37,527	Expect to open for bidding in 2024
<b>Total</b>		<b>321,890</b>	

Sources : DOH,EXAT,MRTA, SRT,MOT

Remark: Contract value is subjected to change according to project owners

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# Stecon Targeted Projects

Projects	Project Owner	Contract Value (MB)	Project status
<b>Building</b>			
Data Center	DC Power BN1	7,200	Expect 1 <sup>st</sup> phase in H2/24
Others	Various	14,000	Expect to bid in 2024
<b>Power &amp; Energy</b>			
Renewable Energy Power Plants	Various	6,000	Expect to bid in Q3/2024
<b>Total</b>		<b>27,200</b>	
<b>Grand Total</b>		<b>349,090</b>	



*Remark: Contract value is subjected to change according to project owners*

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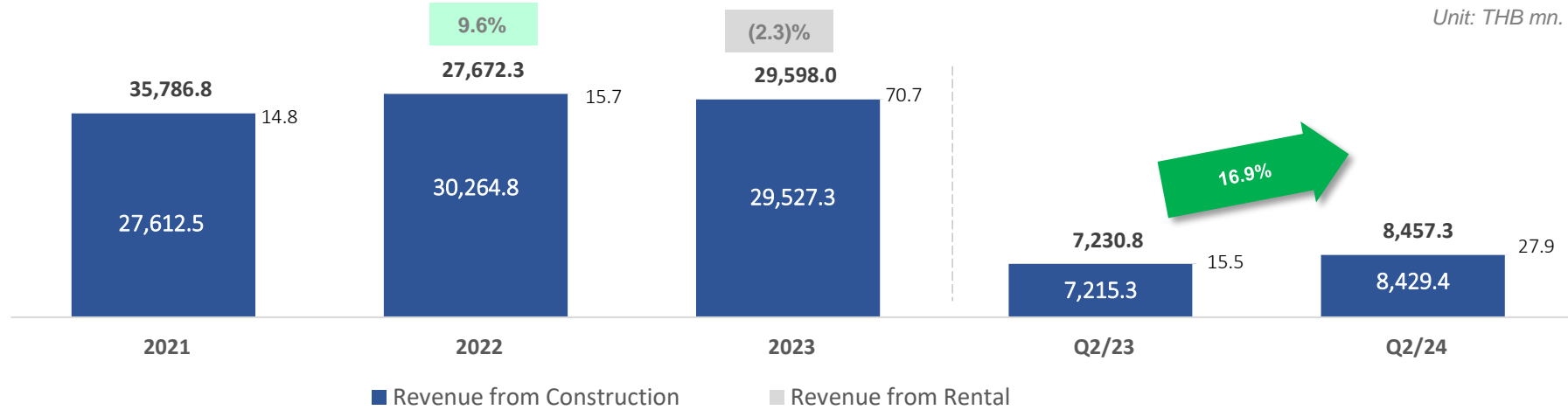




## Q2/24 Financial Performance

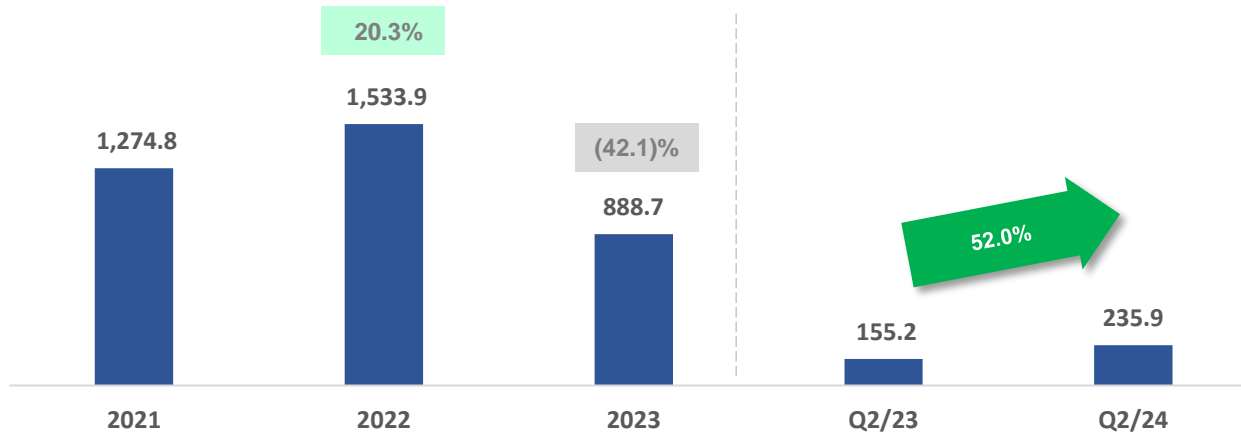
# Profit & Loss Statement Consolidated

## Revenue from Construction & Rental



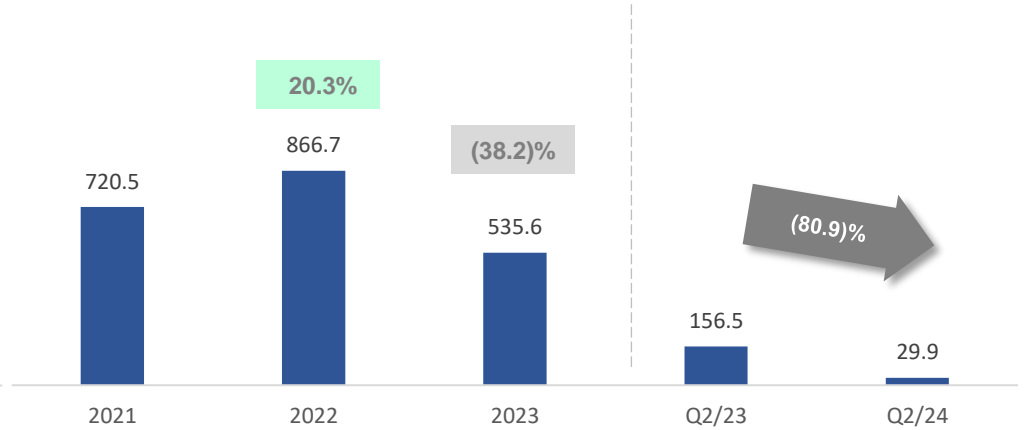
## Gross Profit

Unit: THB mn.



## Net Profit<sup>(1)</sup>

Unit: THB mn.



<sup>(1)</sup> Remark: Net profit for the period. Based on Statutory FS for Q2/23 and Q2/24



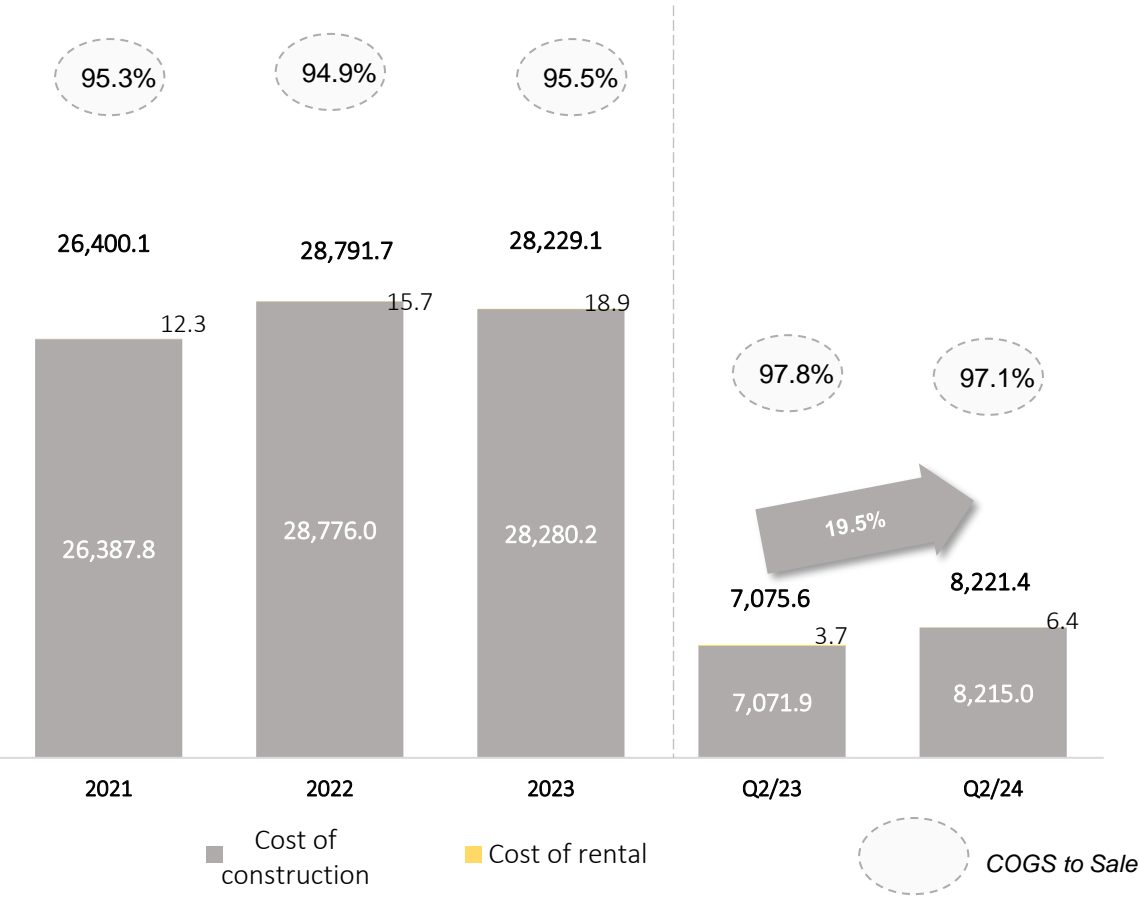
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# Profit & Loss Statement Consolidated (con't)

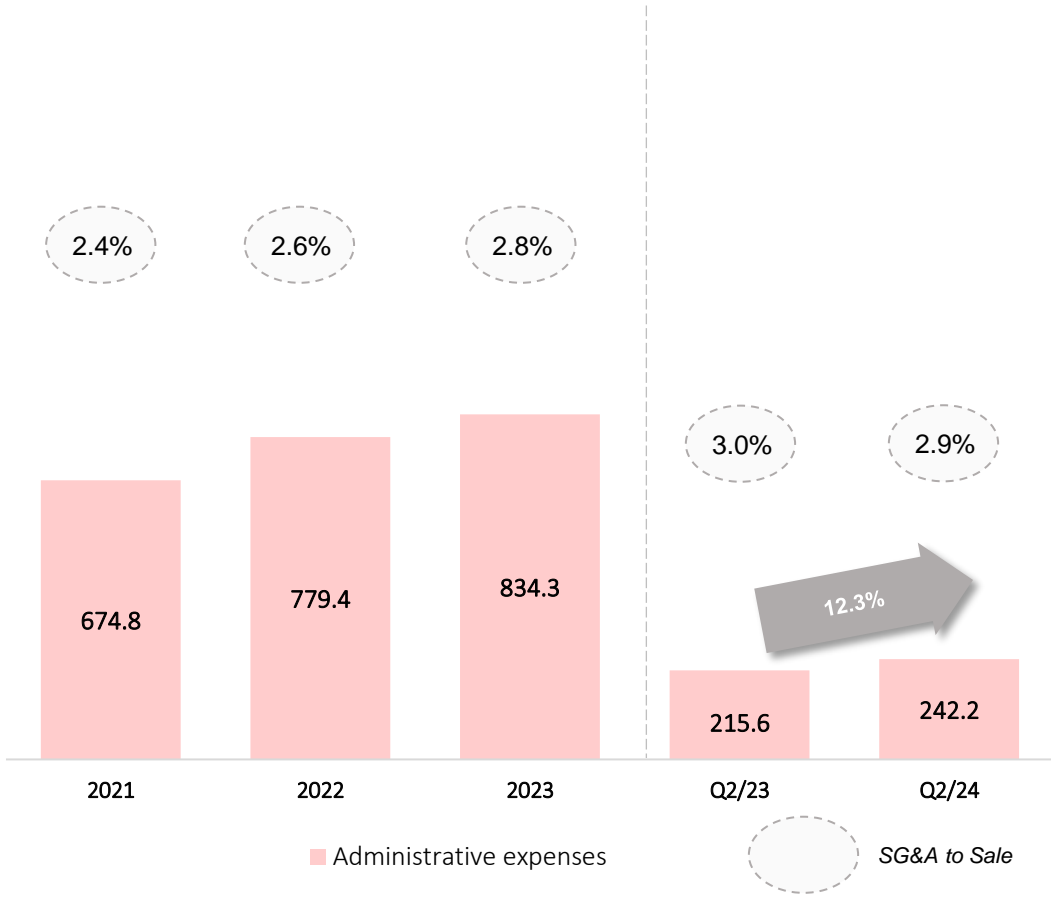
## COGS

Unit: THB mn.



## SG&A

Unit: THB mn.

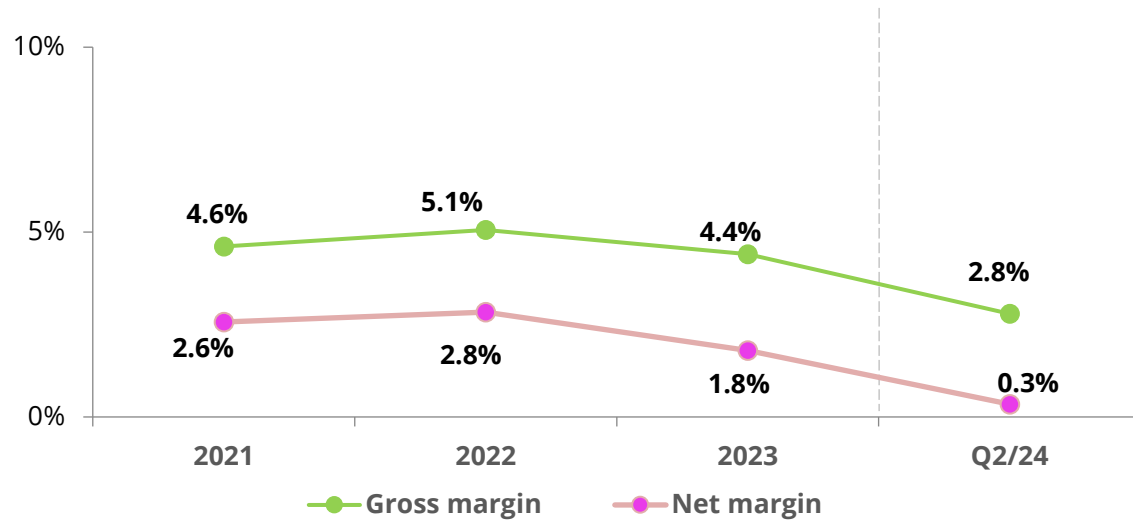


Based on Statutory FS for Q2/23 and Q2/24

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# Profit Margin

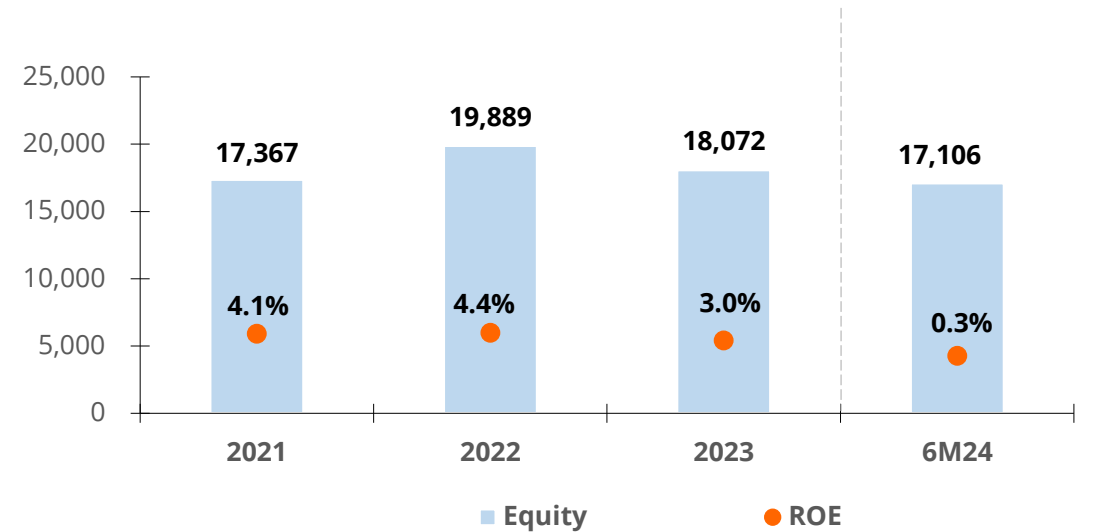
## Gross Profit Margin & Net Profit Margin



- For Q2/24, Gross Profit Margin and Net profit Margin reported 2.8% and 0.3% respectively.

## Equity & ROE

Unit: THB mn.



- For 6M24, Equity reported at 17,106 THB mn. and Return on Equity reported at 0.3% respectively.



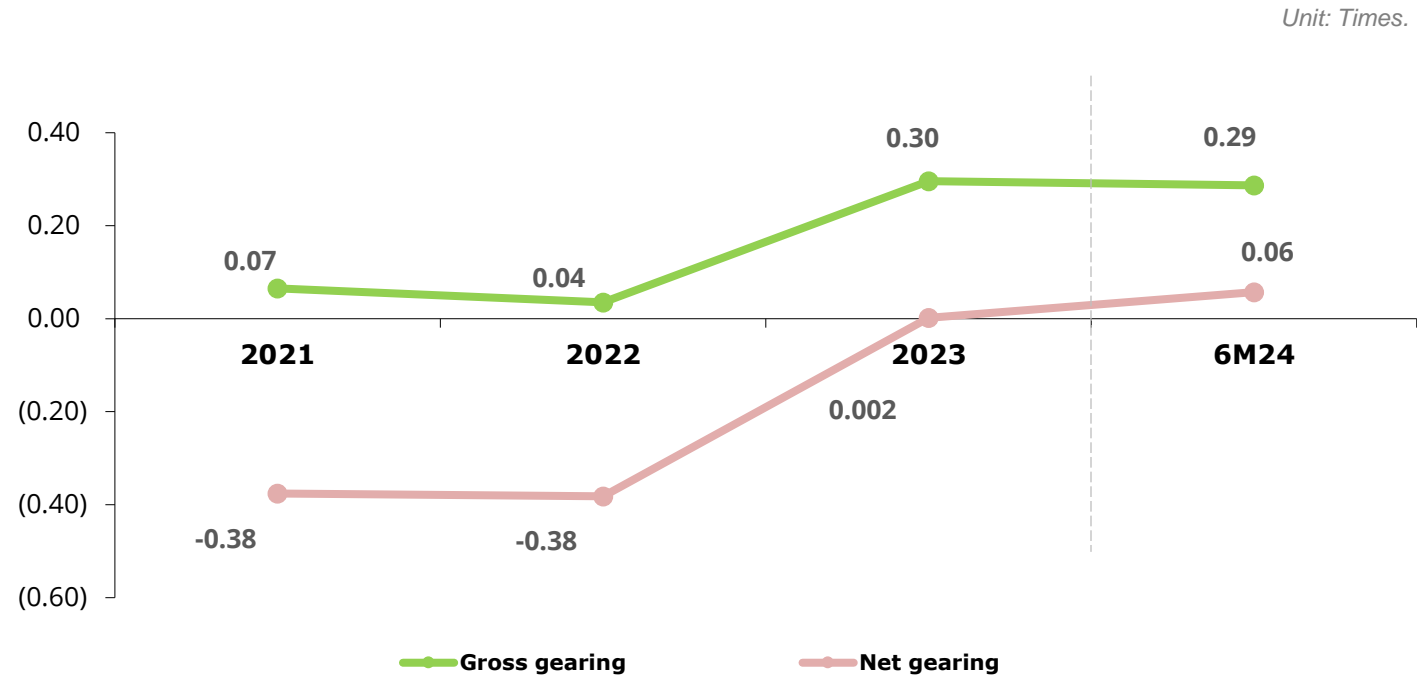
Based on Statutory FS for Q2/23 and Q2/24

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# Liquidity

## Gross Gearing & Net Gearing Ratio



- For 6M24, Gross gearing reported at 0.29 times and Net gearing reported at 0.06 times respectively.



Based on Statutory FS for Q2/23 and Q2/24

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# Statement of Financial position

Consolidated (Unit : MB.)	2023	6M24	%CHANGE
<b>Assets :-</b>			
Cash and current financial asset	5,309.0	3,923.1	-26.1%
Trade and other receivables	2,569.6	3022.8	17.6%
Contract assets	7,816.7	7,781.0	-0.5%
Current assets	20,636.1	20,210.9	-2.1%
<b>Total Assets</b>	<b>45,225.4</b>	<b>47,927.8</b>	<b>1.0%</b>
<b>Liabilities :-</b>			
Short-term loan from financial institution	4,300.0	4,417.9	2.7%
Trade and other payables	8,725.3	8,937.9	2.4%
Contract liabilities	9,780.6	10,153.2	2.9%
Current liabilities	26,697.6	26,916.2	0.8%
<b>Total Liabilities</b>	<b>29,377.3</b>	<b>29,330.0</b>	<b>-0.2%</b>
<b>Equity</b>	<b>18,072.1</b>	<b>17,106.0</b>	<b>-5.3%</b>
<b>BV/Share (Bt.)</b>	<b>11.6</b>	<b>10.9</b>	
<b>EPS</b>	<b>0.35</b>	<b>0.02</b>	
<b>Current Ratio</b>	<b>0.77</b>	<b>0.75</b>	
<b>Gross Gearing Ratio</b>	<b>0.30</b>	<b>0.29</b>	
<b>Net Gearing Ratio</b>	<b>0.002</b>	<b>0.06</b>	
<b>D/E Ratio</b>	<b>1.63</b>	<b>1.71</b>	



Based on Statutory FS for 2023 and Q2/24

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# STECON ESG

Toward Sustainability

# STECON's ESG Performance

Dimensions

## Environmental



- STEC 's transition to electric vehicles is part of a sustainability strategy
- to help reduce environmental impact and decrease the use of non-renewable resources.
- It helps adds long-term value to the organization.

## Society



- STEC has redesigned this building to incorporate reused materials, specifically utilizing steel salvaged from the demolition of office buildings at the construction sites of the Pink and Yellow Line projects.
- STEC is committed to minimize the environmental impact of construction projects. sustainable growth.

## Governance



- STEC emphasizes on training the board of directors in CG principles is a crucial process that enhances understanding and skills in managing the organization effectively and transparently.
- Regular training of the BOD enables the company to conduct its business efficiently, transparently,



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## Business Outlook

# Business Outlook

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1

Remain  
Construction  
revenue and  
GPM target

The Company remain construction revenue and GPM target at 31,000THB mn. and ave.GPM is **not less** than 5% for Y2024

2

Remain  
Target  
project value  
for 2024

The target projects value in 2024 is set around 40,000 – 50,000 THB mn., which will focus on private projects in order to substitute the delay of government projects.

3

Continue to  
diversify

Continue to diversify to other businesses that generate recurring income and high growth potential e.g. renewable power plants, water treatment and data center.



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## Q&A



***Thank you***

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