

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	46021.4	(0.4)	(1.4)	(6.8)	(4.2)
S&P 500	6606.5	(0.3)	(1.0)	(3.7)	(3.5)
FTSE 100	10063.5	(2.3)	(2.3)	(5.3)	1.3
AS30	8690.7	(1.8)	(1.8)	(6.6)	(3.6)
CSI 300	4583.3	(1.6)	(2.2)	(1.7)	(1.0)
FSSTI	4967.6	0.0	2.6	(1.0)	6.9
HSCEI	8695.9	(1.6)	(0.0)	(2.9)	(2.4)
HSI	25500.6	(2.0)	(0.8)	(4.5)	(0.5)
JCI	7106.8	1.2	(4.5)	(14.6)	(17.8)
KLCI	1720.7	(0.5)	0.6	(1.9)	2.4
KOSPI	5763.2	(2.7)	3.2	(0.8)	36.8
Nikkei 225	53372.5	(3.4)	(2.0)	(6.1)	6.0
SET	1417.5	(1.6)	(0.9)	(4.2)	12.5
TWSE	33689.7	(1.9)	0.3	0.2	16.3
BDI	2057	(0.3)	4.3	1.9	9.6
CPO (RM/mt)	4473	(1.5)	3.1	10.6	13.7
Brent Crude (US\$/bbl)	109	1.2	8.2	51.6	78.6

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Analyst Marketing of Singapore Strategy by Adrian Loh	Thailand	24 Mar	25 Mar
Post-results Virtual Meeting with Horizon Robotics (9660 HK)	Hong Kong	27 Mar	27 Mar
Malaysia Gems Conference	Malaysia	09 Apr	09 Apr

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Feb. Customs Trade Balance (Export-Import)	Thailand	31 Mar

Please click on the page number to move to the relevant pages

Top Stories

Company Update | Star Petroleum Refining (SPRC TB/HOLD/Bt7.15/Target: Bt7.00)

Page 2

SPRC is expected to report a 1Q26 core loss of ~Bt0.5b due to a 30-day maintenance shutdown and higher opex, but net profit of ~Bt4.5b will be supported by strong inventory gains. Refining margins have improved on Middle East supply disruptions, though normalisation remains a risk. Crude supply is secured via Chevron. We expect earnings to recover starting from 2Q26, but upside remains limited due to margin volatility.

Star Petroleum Refining (SPRC TB)

1Q26 Results Preview: Inventory Gains Support Net Profit

Highlights

- We expect SPRC to report a core loss of ~Bt0.5b in 1Q26, impacted by a 30-day planned shutdown and maintenance-related expenses. However, we estimate a net profit of ~Bt4.9b, supported by a significant inventory gain.
- SPRC remains a tactical recovery play with attractive yield, but has limited re-rating potential given margin volatility.
- Maintained HOLD with a target price of Bt7.00.

Analysis

- **Core earnings dragged by major turnaround.** We expect Star Petroleum Refining (SPRC) to report a core loss of ~Bt0.5b in 1Q26, impacted by a 30-day planned shutdown, which reduces crude run to ~90kbd (53% utilisation vs 93% in 4Q25). In addition, maintenance-related expenses of ~US\$15m will be booked as opex in 1Q26, further pressuring operating performance.
- **Strong inventory gain to lift reported profit.** Despite weak core operations, we expect SPRC to report a net profit of ~Bt4.9b, supported by a significant inventory gain (~Bt7.2b) from the rebound in crude prices amid the Middle East tensions.
- **Strong margins expected after maintenance, but risks remain.** Asian benchmark refining margins (Singapore GRM) have strengthened in Mar 26 on supply disruptions linked to the Middle East tensions, with jet and diesel cracks improving meaningfully (jet ~US\$78/bbl; diesel ~US\$50/bbl). However, GRM could normalise if tensions ease and supply recovers, implying downside risk to post-maintenance earnings.
- **Crude supply risk well contained.** Management confirmed that SPRC has secured crude supply through May 26, with no expected disruptions despite the Middle East tensions. This is supported by its parent company, Chevron, ensuring stable feedstock sourcing and mitigating supply risk concerns. SPRC has reduced its reliance on Middle East crude from ~80% to below 20% currently, having shifted toward alternative sources.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	270,605.5	241,882.2	289,149.7	309,573.1	316,023.2
EBITDA	5,058.7	5,807.5	6,457.3	8,538.9	8,525.8
Operating profit	1,474.3	2,366.3	3,246.3	4,858.9	4,846.8
Net profit (rep./act.)	2,234.9	2,416.3	2,717.0	3,817.1	3,839.4
Net profit (adj.)	2,170.9	4,130.3	2,717.0	3,817.1	3,839.4
EPS	0.5	1.0	0.6	0.9	0.9
PE (x)	14.5	7.6	11.6	8.2	8.2
P/B (x)	0.8	0.8	0.7	0.7	0.7
EV/EBITDA (x)	7.6	5.8	4.9	4.0	3.9
Dividend yield (%)	5.5	5.5	5.5	5.8	6.2
Net margin (%)	0.8	1.0	0.9	1.2	1.2
Net debt/(cash) to equity(%)	18.0	5.6	0.0	5.2	3.7
Interest cover (x)	11.9	22.5	18.4	21.4	23.7
ROE (%)	5.8	6.3	6.7	9.2	9.0
Consensus net profit	n.a	n.a	2,932.8	3,969.6	3,864.3
UOBKH/Consensus (x)	n.a	n.a	0.9	1.0	1.0

Source: Star Petroleum Refining, Bloomberg, UOB Kay Hian

HOLD (Maintained)

Share Price	Bt7.15
Target Price	Bt7.00
Upside	-2.1%

Analyst(s)

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Stock Data

GICS sector	Energy
Bloomberg ticker:	SPRC TB
Shares issued (m):	4,335.9
Market cap (Bt\$m):	31,001.7
Market cap (US\$m):	956.7
3-mth avg daily t'over (US\$m):	5.2

Price Performance (%)

52-week high/low					Bt8.2/Bt4.3
1mth	3mth	6mth	1yr	YTD	
(2.7)	25.4	43.0	32.4	21.2	

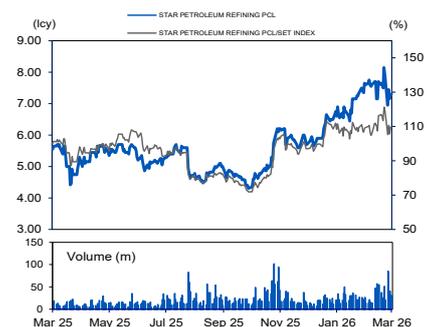
Major Shareholders

CHEVRON SOUTH ASIA HOLDINGS	60.6
NVDR	4.1
VAYUPAK FUND 1	2.3

Balance Sheet Metrics

FY26 NAV/Share	9.8
FY26 Net Debt/Share)	0.0

Price Chart



Source: Bloomberg

Company Description

SPRC is one of the leading refineries in the Asia Pacific. It operates a complex refinery in Rayong which can produce 175,000 barrels/day (13.2% of Thailand's refining capacity) and has a high Nelson complexity index of 6.3.

1Q26 Operating statistics preview

US\$/bbl	1Q26F	1Q25	4Q25
GRM	2.80	4.47	9.27
Inventory gain/(loss)	28.00	0.46	(3.78)
Acc. GRM	2.80	4.47	9.27

Source: Bloomberg

Run rate

- **Limited impact from new crude supply.** We expect the change in crude sourcing to have a limited impact on production yield, as the currently elevated refining margins should largely offset any minor inefficiencies.

1Q26 Results Preview

	1Q26	1Q25	4Q25	yoy %Chg	qoq %Chg
Turnover	50,500	64,297	57,481	(21)	(12)
core EBITDA	(550)	1,438	4,063	(138)	(114)
Inventory gain/(loss)	7,228	233	(1,802)	3,002	(501)
Net Profit	4,868	714	1,090	582	347
EPS	1.12	0.16	0.25	582	347
Core profit/(loss)	(500)	387	2,423	(229)	(121)

Source: Star Petroleum Refining, UOB Kay Hian

- **SPRC has underperformed peers ytd.** SPRC has underperformed its peers ytd (+23.7% vs TOP +28%, BCP +53%) due to the Feb026 turnaround that impacted utilisation and costs. While earnings should rebound from 2Q26, upside may be capped by GRM uncertainty and potential margin normalisation.

Valuation/Recommendation

- **Maintain HOLD with a target price of Bt7.00**, based on 0.7x 2026F P/B (-1.0SD vs historical; previously -2.0SD).
- **GRM sensitivity.** EveryUS\$1/bbl change in GRM would impact SPRC's annual core earnings by Bt700m-900m (a rough estimate), highlighting strong earnings leverage to refining margins.

Earnings Revision/Risk

- None.

Share Price Catalyst

- May 26: 1Q26 results announcement.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: None

Environmental

- To preserve the environment, SPRC targets zero recordable oil spills. It is also aiming for zero waste in landfills and focusing on a waste circular economy. In 2023, less than 1% of total waste was managed through landfill disposal.

Social

- SPRC's focus is to ensure the wellbeing of its employees and their families and prevent incidents or injuries while working on site and from home.

Governance

- SPRC maintains its annual "Excellent" CG scoring from Thai Institute of Directors Association.

	1Q26F	1Q25	4Q25
Crude run (kbd)	53%	95%	93%

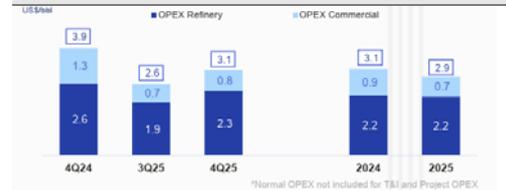
Source: Bloomberg

Singapore GRM



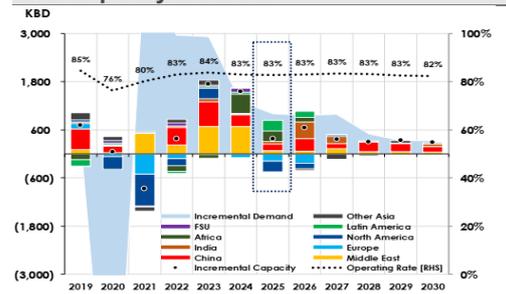
Source: Bloomberg

OPEX



Source: UOB Kay Hian

New Capacity Addition



Source: Bloomberg

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	241,882	289,150	309,573	316,023
EBITDA	5,807	6,457	8,539	8,526
Deprec. & amort.	3,441	3,211	3,680	3,679
EBIT	2,366	3,246	4,859	4,847
Total other non-operating income	851	500	350	350
Net interest income/(expense)	(258)	(350)	(400)	(360)
Pre-tax profit	2,960	3,396	4,809	4,837
Tax	(544)	(679)	(992)	(997)
Minorities	0	0	0	0
Net profit	2,416	2,717	3,817	3,839
Net profit (adj.)	4,130	2,717	3,817	3,839

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	10,626	2,328	2,013	5,045
Pre-tax profit	3,113	3,396	4,959	4,987
Tax	(544)	(679)	(992)	(997)
Deprec. & amort.	3,441	3,211	3,680	3,679
Working capital changes	3,787	(2,735)	(5,619)	(2,394)
Other operating cashflows	828	(864)	(15)	(229)
Investing	(1,983)	(2,287)	(2,510)	(2,520)
Capex (growth)	(2,179)	(2,500)	(2,500)	(2,500)
Others	195	213	(10)	(20)
Financing	(8,242)	2,092	(1,821)	(1,951)
Dividend payments	(1,301)	(1,734)	(1,821)	(1,951)
Proceeds from borrowings	(4,486)	0	0	0
Others/interest paid	(2,455)	3,826	0	0
Net cash inflow (outflow)	401	2,133	(2,318)	574
Beginning cash & cash equivalent	575	976	3,109	792
Ending cash & cash equivalent	976	3,109	792	1,366

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	21,037	20,326	19,146	17,967
Other LT assets	4,688	5,108	5,182	5,431
Cash/ST investment	976	3,109	792	1,366
Other current assets	33,179	36,998	43,417	46,944
Total assets	59,880	65,541	68,536	71,708
ST debt	1,356	1,356	1,356	1,356
Other current liabilities	17,095	18,179	18,979	20,112
LT debt	1,750	1,750	1,750	1,750
Other LT liabilities	3,176	2,950	2,999	2,999
Shareholders' equity	37,915	42,724	44,870	46,908
Total liabilities & equity	61,293	66,959	69,954	73,126

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	2.4	2.2	2.8	2.7
Pre-tax margin	1.2	1.2	1.6	1.5
Net margin	1.0	0.9	1.2	1.2
ROA	4.2	4.5	6.2	6.1
ROE	6.3	6.7	9.2	9.0
Growth				
Turnover	15.6	38.2	48.0	51.1
EBITDA	23.2	37.0	81.2	80.9
Pre-tax profit	5.6	21.1	71.5	72.5
Net profit	6.8	20.0	68.7	69.6
Net profit (adj.)	90.3	(34.2)	40.5	0.6
EPS	27.1	(16.4)	17.5	18.2
Leverage				
Debt to total capital	8.2	7.3	6.9	6.6
Debt to equity	8.2	7.3	6.9	6.6
Net debt/(cash) to equity	5.6	0.0	5.2	3.7
Interest cover	22.5	18.4	21.4	23.7

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