Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52218.6	(0.0)	(0.8)	1.0	8.6
S&P 500	7499.0	(0.1)	(1.0)	0.4	9.5
FTSE 100	10717.0	1.2	1.9	2.7	7.9
AS30	9004.9	0.3	(0.3)	(0.3)	(0.2)
CSI 300	4717.2	(0.5)	(1.5)	(6.8)	1.9
FSSTI	5595.4	1.2	0.6	7.5	20.4
HSCEI	8251.1	(1.3)	0.8	4.2	(7.4)
HSI	24892.7	(1.0)	0.9	4.7	(2.9)
JCI	6334.5	(0.1)	4.8	3.6	(26.7)
KLCI	1711.4	(0.5)	(0.1)	0.6	1.9
KOSPI	6797.7	0.7	(6.7)	(25.4)	61.3
Nikkei 225	66115.6	(0.2)	(3.8)	(8.6)	31.3
SET	1639.3	(0.8)	0.6	4.1	30.1
TWSE	44825.8	1.3	(1.8)	(6.1)	54.8
BDI	2715.0	1.7	(7.3)	1.2	44.6
CPO (RM/mt)	4497.0	0.0	(0.0)	(1.7)	14.3
Brent Crude (US$/bbl)	94.1	3.4	10.7	20.8	54.6

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Hybrid Post-result Group Luncheon with Plover Bay Technologies Ltd (1523 HK)	Hong Kong	31 Jul	31 Jul
Virtual Meeting with i-Tail Corporation Public Company Limited (ITC TB)	Thailand	05 Aug	05 Aug

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
June. Customs Trade Balance (Export-Import)	Thailand	21-26 July

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

Thailand

Company Results | Siam Cement (SCC TB/**BUY**/Bt259.00/Target: Bt320.00) Page 2

SCC reported a 2Q26 net profit of Bt11.54b, up 85% qoq, exceeding both our and market forecasts. The earnings recovery was driven by improving olefins spreads at SCGC and a recovery in SCGP's selling prices and sales volumes. Meanwhile, the company's financial position strengthened after using proceeds from the partial divestment of its stake in CAP to repay debt, reducing both its net debt-to-equity and net debt-to-EBITDA ratios to healthy levels. Maintain BUY. Target price: Bt320.00.

Company Update | Bangkok Dusit Medical Services (BDMS TB/**BUY**/Bt19.70/Target: Bt27.00) Page 5

BDMS is expected to report yoy flattish 2Q26 earnings as the recovery in Thai patient revenue will be offset by weaker Middle Eastern patient volumes and ongoing cost pressures. Middle Eastern patient trends have improved steadily since Apr 26 and are expected to normalise in 3Q26, supporting a stronger 2H26 outlook. Management introduced new packages while raising prices to support the earnings. We maintain BUY with a Bt27.00 target price, as we remain positive with the strong upside in 2H26.

Company Update | Bumrungrad Hospital (BH TB/**BUY**/Bt184.00/Target: Bt236.00) Page 8

BH is expected to deliver resilient 2Q26 earnings of Bt1.88b (+1.4% yoy, +5.2% qoq) despite Middle Eastern patient arrivals not having fully recovered, supported by strong demand from high-acuity treatments and effective cost management. Management expects international patient volumes to continue recovering following better air connectivity, providing a solid outlook for the 3Q26 peak season. With medical supply costs largely locked in and margins remaining resilient, we maintain our BUY recommendation and Bt236.00 target price.

Company Update | KCE (Thailand) (KCE TB/**HOLD**/Bt41.75/Target: Bt40.00) Page 11

We expect KCE to report a 2Q26 net profit of Bt212m (+16% yoy, -10% qoq), marking its weakest quarter this year due to continued cost headwinds. 2H26 earnings could improve, as KCE could raise PCB prices by 10-12% for most customers in 3Q26. Downgrade to HOLD with a higher target price of Bt40.00, as we believe the valuation has already priced in the strong 2H26 earnings outlook. We believe a share price of Bt44-50 is expensive in 2H26.

Siam Cement (SCC TB)

2Q26 Profit Beat Driven By Chemicals And Packaging

BUY (Maintained)	
Share Price	Bt259.00
Target Price	Bt320.00
Upside	+32.78%

Analyst(s)
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Highlights

- SCC reported a strong 2Q26 net profit recovery, significantly up qoq, driven by improved earnings contributions from SCGC and SCGP.
- Its financial position strengthened after using proceeds from the partial divestment of its CAP stake to repay debt, bringing both net debt-to-equity and net debt-to-EBITDA ratios back to healthy levels.
- Maintain BUY. Target price: Bt320.00.

2Q26 Results

Year to 31 Dec	2Q25	1Q26	2Q26	%Chg. yoy	%Chg. qoq	6M25	6M26	%Chg. yoy
Revenue	124,684	123,327	136,243	9%	10%	249,077	259,570	4%
Gross profit	19,216	21,366	28,423	48%	33%	37,511	49,788	33%
EBITDA	9,876	14,719	19,132	94%	30%	19,685	33,851	72%
Gain (Loss) from affiliate	-138	1,405	2,191	n.a.	56%	1,290	3,596	179%
Core Profit	2,166	2,051	10,833	224%	497%	3,353	12,649	179%
Extraordinary item	14,257	4,172	1,080	-92%	-74%	14,169	5,252	-63%
Net Profit	17,337	6,223	11,535	-33%	85%	18,436	17,758	-4%
- Cement (CBM)	1,136	3,187	2,570	126%	-19%	3,547	5,757	62%
- Chemical (SCGC)	12,908	1,078	4,820	-63%	347%	9,960	5,898	-41%
- Packaging (SCGP)	1,010	1,566	2,304	128%	47%	1,910	3,870	103%
EPS	14.45	5.19	9.61	-33%	85%	15.36	14.80	-4%
Inventory gain (loss)	-913	4,172	1,080	n.a.	-74%	-1,001	5,252	n.a.
Financial ratio (%)								
Gross Profit Margin	15.4%	17.3%	20.9%			15.1%	19.2%	
EBITDA Margin	7.9%	11.9%	14.0%			7.9%	13.0%	
Net profit margin	13.9%	5.0%	8.5%			7.4%	6.8%	

Source: SCC, UOB Kay Hian

Analysis

- **Chemicals and packaging drove a strong 2Q26 earnings recovery.** Siam Cement (SCC) reported a 2Q26 net profit of Bt11.54b, up 85% qoq, beating our forecast by 19% and market consensus by 41%. The earnings beat was mainly driven by stronger-than-expected contributions from the cement building material (CBM) and packaging businesses, as well as higher-than-expected stock gains. Excluding inventory gains, core profit came in at Bt10.83b, improving significantly qoq and yoy, with 1H26 core earnings accounting for 80% of our full-year forecast.
- **SCGC: Stronger spreads offset lower sales volumes.** SCG Chemical (SCGC) reported a 2Q26 net profit of Bt4.82b, up 347% qoq, supported by improved HDPE, PP, and PVC spreads, which more than offset lower sales volumes. Olefins sales volume declined 28% qoq to 489,000 tonnes following the closure of the ROC plant on 10 March and the LSP plant in mid-May. SCGC recorded stock gains of Bt1.08b in 2Q26 (vs Bt4.17b in 1Q26).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	511,172	496,925	708,881	706,504	605,398
EBITDA	41,721	36,386	54,078	42,626	42,616
Operating profit	-1,475	-9,785	11,309	2,172	4,734
Net profit (rep./act.)	6,342	14,075	20,403	8,390	9,003
Net profit (adj.)	3,798	4,962	15,611	8,390	9,003
EPS	5.28	11.73	17.00	6.99	7.50
PE	45.60	20.55	14.17	34.47	32.12
P/B	0.82	0.86	0.82	0.82	0.81
EV/EBITDA	24.27	30.53	15.85	20.57	19.22
Dividend yield	2.07	2.07	2.07	2.07	2.07
Net margin	0.74	1.00	2.20	1.19	1.49
Net debt/(cash) to equity	58.21	55.32	36.81	29.73	20.28
Interest cover	3.63	3.39	5.35	4.72	4.41
Consensus net profit	n.a.	n.a.	16,062	14,683	20,780
UOBKH/Consensus (x)	n.a.	n.a.	1.27	0.57	0.43

Source: SCC, Bloomberg, UOB Kay Hian

Stock Data

GICS Sector	Property & Construction / Construction Materials
Bloomberg ticker	SCC TB
Shares issued (m)	1,200.0
Market cap (Btm)	273,600.0
Market cap (US$m)	8,606.8
3-mth avg daily t'over (US$m)	24.1

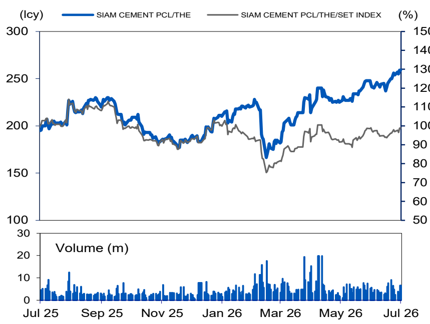
Price Performance (%)

52-week high/low				Bt231.00/Bt124.50
1mth	3mth	6mth	1yr	YTD
11.2	36.1	37.8	(4.6)	35.7

Major Shareholders

Maha Vajiralongkorn	33.64
Thai NVDR Company Limited	7.85
Social Security Office	5.54

Price Chart



Source: Bloomberg

Company Description

SCC operates as a holding company which is engaged in the industrial supplies and construction industries. The company operates six core businesses - chemical, paper, cement, building materials, distribution and investment.

- **SCGP: Recovery driven by higher selling prices and volumes.** SCG Packaging (SCGP) reported a 2Q26 net profit of Bt2.30b, up 47% qoq and 128% yoy, supported by a recovery in sales volumes, higher selling prices across both the integrated packaging business (IPB) and fibrous business (FB), and continued cost optimisation. Operational improvements were particularly evident in the IPB operations in Indonesia (Fajar) and Vietnam, lifting the IPB EBITDA margin to 20.4% in 2Q26 (vs 19.1% in 1Q26 and 16.0% in 2Q25).
- **CBM: Better-than-expected performance supported by pricing.** The CBM business reported a 2Q26 net profit of Bt2.57b, down 19% qoq, mainly due to seasonal demand weakness. However, earnings exceeded expectations as the average cement selling price increased to Bt2,175/tonne, up 2.4% qoq and 4.8% yoy. EBITDA margin improved to 14%, reflecting the benefits of the business restructuring implemented throughout 2025.
- **Balance sheet strengthened significantly.** SCC's financial position improved markedly in 2Q26 as the company continued to optimise its balance sheet. SCC completed the sale of a 14.86% stake in Chandra Asri Pacific (CAP), raising approximately Bt24.9b, with the proceeds used to reduce debt and support the LSP project in Vietnam. As a result, net debt declined to Bt238.27b at end-2Q26 (vs Bt277.45b in 1Q26), while net debt-to-EBITDA improved to 3.7x (vs 5.0x) and net debt-to-equity fell to 0.6x (vs 0.7x). We believe the stronger balance sheet significantly reduces financial risk and provides greater flexibility to fund future investments, particularly the planned expansion of ethane feedstock utilisation at LSP, while the petrochemical business continues its recovery.
- **Interim dividend.** SCC declared an interim dividend of Bt3.50/share, implying a 1.35% simple yield. The stock's ex-dividend (XD) date is set for 5 August, with the dividend payment scheduled for 21 August.

Valuation/Recommendation

- **Maintain BUY with an SOTP-based 2026 target price of Bt320.00,** with the chemical business valued on P/B at mean of 0.58x, the cement business at 12x forward PE, and SCGP at 24.3x forward PE. Although petrochemical spreads are expected to soften in 2H26, uncertainty surrounding the renewed escalation of tensions in the Middle East could continue to drive market volatility and provide downside support for spreads. In addition, SCC's investment appeal remains underpinned by its proposed JV with PTTGC, which is expected to enhance feedstock security and strengthen its long-term competitiveness.
- In the oil & gas sector, we prefer Indorama Ventures (IVL TB/BUY/Target: Bt27.00), and PTT Global Chemical (PTTGCTB/BUY/Target Bt46.00).

Earnings Revision/Risk

- **Earnings revision.** None. However, we will attend SCC's analyst meeting this morning to obtain its 2H26 guidance, which will help us further assess the company's earnings outlook for 2H26.

Environment, Social, Governance (ESG) Updates

Environmental

- Carbon reduction: Committed to reducing greenhouse gas emissions through energy efficiency, renewable energy and carbon capture technologies.

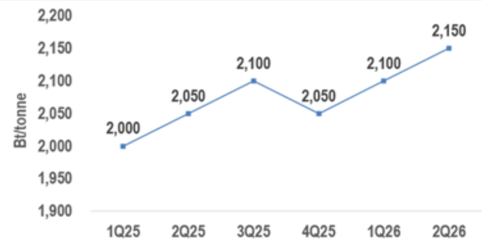
Social

- Community engagement: Investing in education, health, and infrastructure programmes for local communities.

Governance

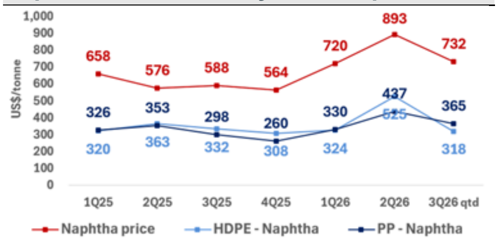
- Corporate governance: Maintaining transparent reporting and adhering to ethical business practices.

Average Cement Price



Source: SCC

Naphtha Price and Polyolefins Spread



Source: SCC, PTTGC

LSPE Summary

Source: SCC, UOB Kay Hian

SOTP Valuation

	Equity Value	Bt/share	Methodology
Chemical	194,537	162	0.58x PBV
Cement	199,375	166	12.0x PE
SCGP	181,285	151	24.3x PE
SCGD	15,778	13	10.0x PE
Others	18,150	15	10.0x PE
Net Debt	-225,125	*-188*	
Total	384,000	320	

Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	496,925	708,881	706,504	605,398
EBITDA	27,273	49,286	42,626	42,616
Deprec. & amort.	33,170	32,136	31,976	31,828
EBIT	(5,897)	17,150	10,650	10,788
Associate contributions	17,866	4,500	4,500	4,500
Net interest income/(expense)	(10,738)	(10,105)	(9,038)	(9,659)
Pre-tax profit	19,457	21,129	6,112	5,629
Tax	(8,900)	(4,226)	(1,222)	(1,126)
Minorities	3,518	3,500	3,500	4,500
Net profit	14,075	20,403	8,390	9,003
Net profit (adj.)	4,962	15,611	8,390	9,003

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	398,486	396,350	394,374	392,546
Other LT assets	76,009	7,089	7,065	6,054
Cash/ST investment	99,798	105,448	96,867	93,956
Other current assets	36,441	43,390	43,306	39,768
Total assets	821,591	807,308	819,865	818,668
ST debt	52,462	27,250	27,250	27,250
Other current liabilities	11,625	7,089	7,065	6,054
LT debt	191,842	164,592	137,342	110,092
Other LT liabilities	222,713	171,681	144,407	116,146
Shareholders' equity	380,760	395,163	397,553	400,557
Total liabilities & equity	821,591	807,308	819,865	818,668

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	42,664	77,314	23,277	22,966
Pre-tax profit	19,457	21,129	6,112	5,629
Tax	(8,900)	(4,226)	(1,222)	(1,126)
Deprec. & amort.	33,170	32,136	31,976	31,828
Working capital changes	4,399	28,274	(13,589)	(13,365)
Other operating cashflows	(5,462)	0	0	0
Investing	(8,852)	15,139	(30,000)	(30,000)
Investments	(37,913)	(30,000)	(30,000)	(30,000)
Others	29,061	45,139	0	0
Financing	(35,233)	(79,757)	6,750	16,750
Dividend payments	(8,637)	(6,000)	(6,000)	(6,000)
Issue of shares				
Proceeds from borrowings	(26,595)	(73,757)	12,750	22,750
Net cash inflow (outflow)	(1,420)	12,696	27	9,716
Beginning cash & cash equivalent	36,492	33,679	46,375	46,402
Changes due to forex impact	(1,393)	0	0	0
Ending cash & cash equivalent	33,679	46,375	46,402	56,119

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.16	7.32	7.63	6.03
Pre-tax margin	1.51	3.92	2.98	0.87
Net margin	1.24	2.83	2.88	1.19
ROA	1.71	2.53	1.02	1.10
ROE	3.70	5.16	2.11	2.25
Growth				
Turnover	(2.79)	42.65	(0.34)	(14.31)
EBITDA	(30.39)	80.72	(13.51)	(0.02)
Pre-tax profit	152.56	8.59	(71.07)	(7.91)
Net profit	121.95	44.96	(58.88)	7.31
Net profit (adj.)	30.66	214.61	(46.26)	7.31
EPS	121.95	44.96	(58.88)	7.31
Leverage				
Debt to total capital	61.56	47.05	40.48	33.90
Debt to equity	64.16	48.55	41.40	34.29
Net debt/(cash) to equity	55.32	36.81	29.73	20.28
Interest cover (x)	3.39	5.35	4.72	4.41

Bangkok Dusit Medical Services (BDMS TB)

2Q26 Results Preview: Flattish Earnings Expected

BUY (Maintained)	
Share Price	Bt19.70
Target Price	Bt27.00
Upside	+37.1%

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Assistant Analyst(s)
Nonpawit Vathanadachakul

Highlights

- BDMS is expected to report a net profit of Bt3.46b in 2Q26 (-0.9% yoy, -14.8% qoq), flat yoy.
- Thai patient revenue is expected to grow 2% yoy while foreign patient revenue is expected to slightly decline yoy due to the impact of the war in Middle East.
- Despite the persistent cost pressure, we remain optimistic on BDMS and expect a strong 2H26, supported by the return of Middle Eastern patients as well as the epidemic during the rainy season. Maintain BUY with a target price of Bt27.00.

Analysis

2q26 Earnings Preview

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26F	yoy (%)	qoq (%)	1H25	1H26F	yoy (%)
Sales	26,727	28,179	27,015	1%	-4%	54,811	55,194	1%
Gross Profit	9,392	10,020	9,344	-1%	-7%	19,790	19,364	-2%
SG&A	(5,323)	(5,180)	(5,408)	2%	4%	(10,476)	(10,587)	1%
EBITDA	6,162	7,026	6,189	0%	-12%	13,407	13,215	-1%
Pre-tax profit	4,454	5,191	4,415	-1%	-15%	10,030	9,606	-4%
Net profit	3,490	4,058	3,459	-1%	-15%	7,836	7,517	-4%
EPS (Bt)	0.22	0.26	0.22	-1%	-15%	0.49	0.47	-4%
(%)								
Gross margin	35.1%	35.6%	34.6%	-0.6 ppt	-1.0 ppt	36.1%	35.1%	-1.0 ppt
EBITDA margin	23.1%	24.9%	22.9%	-0.1 ppt	-2.0 ppt	24.5%	23.9%	-0.5 ppt
SG&A to sales	19.9%	18.4%	20.0%	0.1 ppt	1.6 ppt	19.1%	19.2%	0.1 ppt
Net profit margin	13.1%	14.4%	12.8%	-0.3 ppt	-1.6 ppt	14.3%	13.6%	-0.7 ppt

Source: BDMS, UOB Kay Hian

- **Expect 2Q26 earnings to be flat yoy.** Bangkok Dusit Medical Services (BDMS) is expected to report a net profit of Bt3.46b in 2Q26 (-0.9% yoy, -14.8% qoq). Management expects to recognise approximately Bt90m in insurance claim proceeds related to the 4Q25 flood this quarter. If we exclude the extra gain, core profit should come in at Bt3.39b (-3.0% yoy, -16.5% qoq). Top-line should be Bt27.0b (+1.1% yoy, -4.1% qoq), with Thai patients being the main top-line contributor. We expect Thai patient revenue to show a slight growth of 2% yoy in 2Q26, indicating an improving trend, particularly in Jun 26. Foreign patient revenue is expected to decline 1% yoy, driven by a yoy decline in Middle Eastern patient revenue due to the war. We expect some cost pressure in this quarter to result in BDMS' margin dropping substantially by 2.4ppt yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	107,867	111,507	113,983	120,516	127,573
EBITDA	26,646	27,076	27,734	29,547	31,495
Operating profit	20,514	20,228	20,833	22,281	23,856
Net profit (rep./act.)	15,987	15,848	16,337	17,582	18,839
Net profit (adj.)	15,987	15,848	16,337	17,582	18,839
EPS (Bt)	1.0	1.0	1.0	1.1	1.2
PE (x)	18.4	18.6	19.2	17.8	16.6
P/B (x)	2.9	2.8	2.8	2.7	2.6
EV/EBITDA (x)	11.4	11.2	11.7	11.0	10.3
Dividend yield (%)	4.1	5.4	3.9	4.2	4.5
Net margin (%)	14.8	14.2	14.3	14.6	14.8
Net debt/(cash) to equity (%)	9.7	9.7	6.2	5.5	4.5
Interest cover (x)	61.5	75.9	245.8	n.a.	n.a.
ROE (%)	16.4	15.4	15.1	15.7	16.1
Consensus net profit (Btm)	-	-	16,261	17,249	18,108
UOBKH/Consensus (x)	-	-	1.00	1.02	1.04

Source: BDMS, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Health Care
Bloomberg ticker:	BDMS TB
Shares issued (m):	15,892.0
Market cap (Btm):	313,072.4
Market cap (US$m):	9,310.4
3-mth avg daily t'over (US$m):	34.8

Price Performance (%)

52-week high/low: Bt22.90/Bt17.40

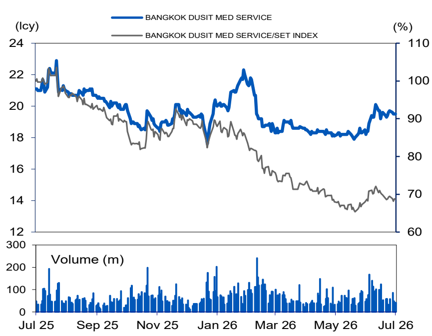
1mth	3mth	6mth	1yr	YTD
7.7	5.3	4.2	(7.9)	2.1

Major Shareholders	%
Prasarttong-osoth family	15.0
Thai NVDR	9.0

Balance Sheet Metrics

FY26 NAV/Share (Bt)	6.92
FY26 Net Debt/ Share (Bt)	0.43

Price Chart



Source: Bloomberg

Company Description

A group of leading private hospitals with a nationwide network offering world-class medical treatment to both local and international patients with new greenfield projects, M&A and digitalisation of healthcare services as key long-term growth drivers.

- **Middle Eastern patient volumes are gradually recovering.** Middle Eastern patient revenue was flat yoy in 1Q26, with the sharpest decline occurring in Mar 26 following the onset of the conflict, which disrupted patient travel. Revenue improved in Apr 26, but remained 36% below last year's level. Meanwhile, in May 26, Middle Eastern patient revenue dropped 20% yoy, which is an improvement. Foreign patient revenue in April/May/June was -3%, -2%, and -1% yoy respectively, which indicates a gradual improvement. We believe Middle Eastern patient revenue should return to the normal level in 3Q26, which will boost 3Q26 earnings. We expect the earnings outlook in 3Q26 to be supported by continued patient engagement and pent-up demand from those who were unable to travel.
- **Optimised pricing and promotional strategy.** Rising fuel costs stemming from the conflict have weighed on the spending power of Thai patients. While demand for complex treatments remains resilient, patient volumes for simpler and elective procedures have softened as some patients delay treatments. To stimulate domestic patient revenue, BDMS plans to launch new treatment packages aimed at attracting higher patient volumes. At the same time, the hospital will selectively increase prices for complex treatments for which demand remains strong. We believe this balanced approach will support top-line growth while helping preserve margins amid the current cost environment. We note that Thai patient revenue growth strengthened to 3-4% yoy in Jun 26, indicating improving earnings performance for BDMS.
- **BDMS is facing cost pressure.** The earnings contraction in 1Q26 was attributable to cost pressures from logistics, drug and medical supply, and plastic cost. We expect to see a similar trend in 2Q26, with several costs continuing to face persistent pressure. As BDMS' operation scale is large, we believe that it is unable to fully lock in medical supply for the whole year and hence will need to preserve its inventory instead. We expect the cost pressure to persist into the upcoming quarters.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt27.00.** Our valuation is based on a five-year average EV/EBITDA multiple of 16.0x. Although cost pressure is expected to persist, BDMS continues to see improving revenue from both Thai and foreign patients, particularly Middle Eastern patients. Hence, we remain optimistic for a strong 2H26, on the back of the return of Middle East patients as well as the epidemic during the rainy season in 3Q26.

Environment, Social, Governance (ESG) Updates

Environmental

- **Energy efficiency and waste management** by using energy-saving equipment and renewable energy sources.
- **Goal of Net Zero emissions by 2050** under its BDMS Green Healthcare initiative.

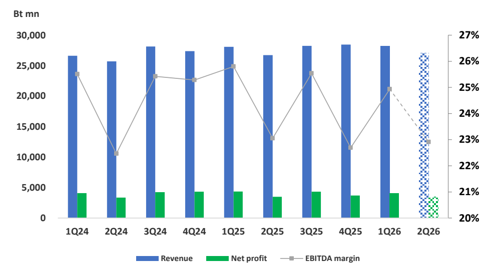
Social

- **High-quality and accessible healthcare services.**
- **Strong community engagement** with active participation in health education and disaster relief efforts.

Governance

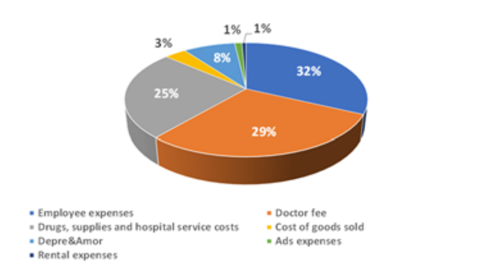
- **BDMS has a robust sustainability governance structure.** The Corporate Sustainability Development Committee (CSD) oversees sustainability strategy, reporting, risk management, stakeholder engagement, etc.
- **Promote culture of compliance and ethics** through established codes of conduct and anti-corruption policies.

Quarterly Performance



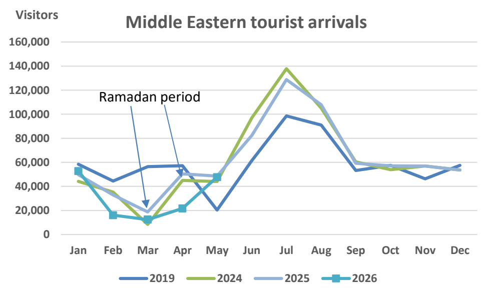
Source: BDMS, UOB Kay Hian

Expense Breakdown (2025)



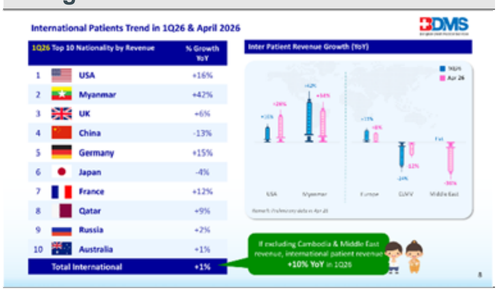
Source: BDMS, UOB Kay Hian

Middle East Arrivals



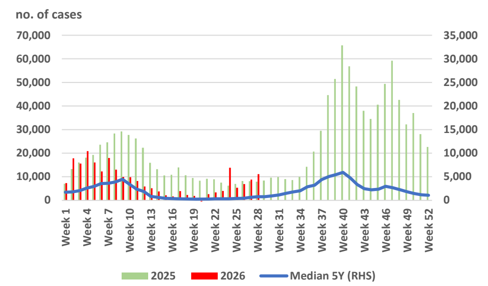
Source: Ministry of Tourism and Sports, UOB Kay Hian

Foreign Patient Growth



Source: BDMS

No. Of Influenza Cases (1 Jan-11 Jul 26)



Source: Department of Disease Control, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	111,507	113,983	120,516	127,573
EBITDA	27,076	27,734	29,547	31,495
Deprec. & amort.	6,848	6,901	7,266	7,639
EBIT	20,228	20,833	22,281	23,856
Total other non-operating income	113	184	188	192
Associate contributions	78	119	131	144
Net interest income/(expense)	(357)	(113)	0	0
Pre-tax profit	20,063	21,024	22,600	24,192
Tax	(3,694)	(4,100)	(4,407)	(4,717)
Minorities	(520)	(587)	(611)	(635)
Net profit	15,848	16,337	17,582	18,839
Net profit (adj.)	15,848	16,337	17,582	18,839

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	129,783	130,658	135,646	140,654
Other LT assets	5,069	4,840	5,092	5,364
Cash/ST investment	7,231	2,235	2,895	3,919
Other current assets	15,878	13,724	14,510	15,360
Total assets	157,961	151,457	158,143	165,297
ST debt	6,879	1,394	1,410	1,426
Other current liabilities	16,750	16,300	17,234	18,243
LT debt	10,608	7,684	7,761	7,839
Other LT liabilities	13,716	11,398	12,052	12,757
Shareholders' equity	105,894	109,978	114,374	119,084
Minority interest	4,114	4,702	5,313	5,948
Total liabilities & equity	157,961	151,457	158,143	165,297

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	22,104	23,890	25,606	27,273
Pre-tax profit	20,063	21,024	22,600	24,192
Tax	(3,694)	(4,100)	(4,407)	(4,717)
Deprec. & amort.	6,848	6,901	7,266	7,639
Working capital changes	(1,490)	1,047	(392)	(423)
Non-cash items	136	657	540	583
Other operating cashflows	319	(1,520)	131	144
Investing	(12,165)	(9,864)	(11,853)	(12,213)
Capex (growth)	(12,771)	(7,775)	(12,254)	(12,647)
Investment	3,743	3,928	4,128	4,344
Others	(3,137)	(6,016)	(3,727)	(3,910)
Financing	(10,626)	(20,661)	(13,094)	(14,035)
Dividend payments	(11,919)	(12,252)	(13,186)	(14,129)
Proceeds from borrowings	0	0	93	94
Loan repayment	(871)	(8,409)	0	0
Others/interest paid	2,163	0	0	0
Net cash inflow (outflow)	(687)	(6,635)	660	1,024
Beginning cash & cash equivalent	9,557	8,870	2,235	2,895
Ending cash & cash equivalent	8,870	2,235	2,895	3,919

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	24.3	24.3	24.5	24.7
Pre-tax margin	18.0	18.4	18.8	19.0
Net margin	14.2	14.3	14.6	14.8
ROA	10.2	10.6	11.4	11.6
ROE	15.4	15.1	15.7	16.1
Growth				
Turnover	3.4	2.2	5.7	5.9
EBITDA	1.6	2.4	6.5	6.6
Pre-tax profit	(1.3)	4.8	7.5	7.0
Net profit	(0.9)	3.1	7.6	7.2
Net profit (adj.)	(0.9)	3.1	7.6	7.2
EPS	(0.9)	3.1	7.6	7.2
Leverage				
Debt to total capital	13.7	7.3	7.1	6.9
Debt to equity	16.5	8.3	8.0	7.8
Net debt/(cash) to equity	9.7	6.2	5.5	4.5
Interest cover (x)	75.9	245.8	n.a.	n.a.

Bumrungrad Hospital (BH TB)

Decent Earnings Expected In 2Q26

BUY (Maintained)	
Share Price	Bt184.00
Target Price	Bt236.00
Upside	+28.3%

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Highlights

- BH is expected to report a decent earnings growth of 1.4% yoy, with net profit to come in at Bt1.88b in 2Q26 despite the situation in the Middle East.
- We continue to see air connectivity of Middle East airlines improving strongly especially in Jun 26, which has already exceeded the pre-war level.
- We maintain BH as one of our top picks as we are optimistic on the recovery of Middle Eastern patient arrivals during the peak season in 3Q26. The outlook for BH in 2H26 remains positive. Maintain BUY with a target price of Bt236.00.

Analysis

2Q26 Earnings Preview

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26F	yoy (%)	qoq (%)	1H25	1H26F	yoy (%)
Total Revenue	6,024	6,224	6,163	2%	-1%	12,165	12,388	2%
Gross Profit	3,160	3,203	3,221	2%	1%	6,261	6,424	3%
SG&A	961	1,060	965	0%	-9%	2,045	2,025	-1%
EBITDA	2,534	2,450	2,566	1%	5%	4,875	5,016	3%
Pre-tax profit	2,326	2,228	2,341	1%	5%	4,472	4,570	2%
Net profit	1,858	1,790	1,883	1%	5%	3,592	3,673	2%
EPS (Bt)	2.34	2.14	2.14	-9%	0%	4.52	4.27	-5%
(%)								
Gross margin	52.5%	51.5%	52.3%	-0.2 ppt	0.8 ppt	51.5%	51.9%	0.4 ppt
SG&A to sales	16.0%	17.0%	15.7%	-0.3 ppt	-1.4 ppt	16.8%	16.3%	-0.5 ppt
EBITDA Margin	42.1%	39.4%	41.6%	-0.4 ppt	2.3 ppt	40.1%	40.5%	0.4 ppt
Net profit margin	30.8%	28.8%	30.6%	-0.3 ppt	1.8 ppt	29.5%	29.7%	0.1 ppt

Source: BH, UOB Kay Hian

- **Decent earnings growth expected in 2Q26.** Bumrungrad Hospital (BH) should report a net profit of Bt1.88b (+1.4% yoy, +5.2% qoq) in 2Q26. We expect 2Q26's top-line to be at Bt6.1b (+2.3% yoy, -1.0% qoq), exhibiting a decent growth despite several pressuring factors. Although Middle Eastern patient traffic remained weak in Apr 26 as flights had not fully resumed, the significantly stronger recovery in flights from May 26 onwards should support a corresponding recovery in Middle Eastern patient traffic. We expect a slight decline in gross margin, in line with the lower proportion of Middle Eastern patients, who are a high-margin patient segment. However, we expect BH to be active in implementing cost-saving measures (ie reducing SG&A expenses) to mitigate the margin decline. Hence, we expect margins to drop slightly yoy in 2Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	25,718	25,215	26,942	28,838	30,758
EBITDA	10,265	10,164	10,433	11,132	11,857
Operating profit	9,188	9,096	9,248	9,941	10,659
Net profit (rep./act.)	7,775	7,512	7,641	8,210	8,801
Net profit (adj.)	7,793	7,523	7,641	8,210	8,801
EPS (Bt)	9.0	8.7	8.8	9.5	10.1
PE (x)	21.1	21.8	20.9	19.4	18.1
P/B (x)	5.5	4.9	4.9	4.7	4.1
EV/EBITDA (x)	13.4	13.6	12.8	12.0	11.3
Dividend yield (%)	2.6	5.8	2.6	2.6	2.8
Net margin (%)	30.2	29.8	28.4	28.5	28.6
Net debt/(cash) to equity (%)	(43.6)	(44.8)	(42.5)	(50.7)	(57.2)
Interest cover (x)	1,231.6	1,533.5	1,926.8	2,021.1	2,116.2
ROE (%)	30.3	25.7	25.2	25.7	24.1
Consensus net profit (Btm)	-	-	7,615	7,817	8,264
UOBKH/Consensus (x)	-	-	1.00	1.05	1.06

Source: BH, Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Health Care
Bloomberg ticker:	BH TB
Shares issued (m):	795.0
Market cap (Btm):	146,287.6
Market cap (US$m):	4,339.8
3-mth avg daily t'over (US$m):	24.4

Price Performance (%)

52-week high/low: Bt214.00/Bt136.00

1mth	3mth	6mth	1yr	YTD
(1.3)	5.1	28.2	26.9	16.8

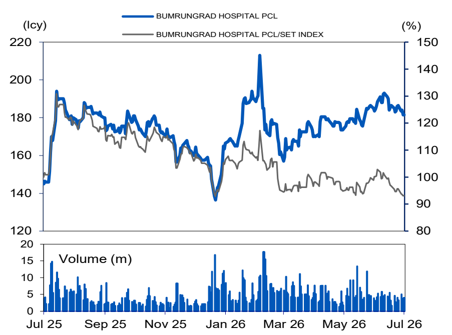
Major Shareholders

	%
Harnphanich family	50.0
Thai NVDR	11.5

Balance Sheet Metrics

FY26 NAV/Share (Bt)	37.44
FY26 Net Debt/ Share (Bt)	15.93

Price Chart



Source: Bloomberg

Company Description

Bumrungrad Hospital provides healthcare services. The company offers behavioural health, diabetes management, digestive disease treatment, hyperbaric oxygen therapy, joint replacement, rehabilitation, travel medicine, and refractive surgery services. Bumrungrad Hospital serves patients in Thailand.

- **Expected strong recovery in Middle Eastern patients.** During the last meeting, management noted positive momentum in the recovery of Middle Eastern patients. Management attributed the strong 21% yoy growth in Middle Eastern revenue in 1Q26 to patients remaining in Thailand after the onset of the conflict, allowing revenue to stay resilient despite the Ramadan period. Management also noted a return in Middle Eastern patients in late-1Q26, with the number being even higher during the ceasefire. Although Middle Eastern patient volume has not reached BH's normal figures, management is happy with the progress. Based on Middle Eastern flight connectivity which improved tremendously in May-Jun 26, we expect BH to see a stronger recovery momentum in Middle Eastern patients in these months. Moreover, we expect to see even stronger patient arrivals during the peak season for Middle Eastern patients in 3Q26.
- **Well positioned to manage cost pressures.** Although the US-Iran conflict has driven up fuel and operating costs, BH expects this to have limited impact on its operations. Management sees no risk of drug shortages, as the hospital has secured around three months of drug inventory and already procured one year's worth of medical supplies at locked-in prices since the beginning of 2026. BH also plans to continue placing forward orders for medical supplies and consumables to further reduce exposure to future cost volatility. As a result, we believe BH is well positioned to preserve its industry-leading margin profile throughout the year.
- **BIH opening postponed to 2H27.** BH has revised the target opening of Bumrungrad International Hospital (BIH) Phuket from 1H27 to 2H27 following complex pre-construction EIA permitting requirements. From an earnings perspective, this delay helps alleviate financial pressure in 2026, shifting the primary cost ramp-up to 1Q27. With early-stage construction underway, the facility will execute a two-phased rollout, starting with 120 beds in 2H27 before adding 92 beds in Phase 2. The Phuket unit will handle premium primary and secondary care, routing complex medical cases back to its main Bangkok hub.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt236.00.** Our valuation is based on 2026 EV/EBITDA multiple of 18.0x, which is around the five-year mean of its historical multiples. BH remains as one of our top picks, due to: a) pent-up demand from Middle Eastern patients that will return in 3Q26, b) the potential return of Kuwait patients, and c) BH having already secured its medicine supply cost for 2026, which should help the company maintain its high margins.

Environment, Social, Governance (ESG) Updates

Environmental

- **Energy efficiency.** BH has invested in eco-friendly infrastructure to reduce the hospital's carbon footprint and energy consumption.
- **Waste management.** BH emphasises the safe disposal of medical waste and has protocols in place to minimise the environmental impact of hazardous materials.

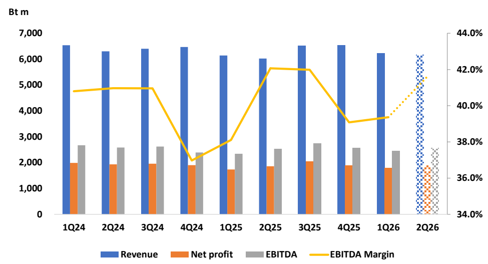
Social

- **Healthcare access.** BH provides high-quality healthcare services to both local and international patients. It also engages in charitable work, providing free medical services to underprivileged communities.

Governance

- **Corporate governance.** BH adheres to high standards of corporate governance with transparent reporting, strict regulatory compliance, and clear anti-corruption policies.

Quarterly Performance

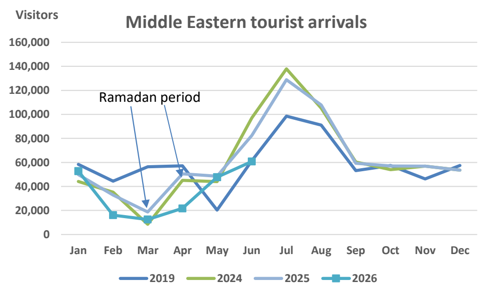


Source: BH, UOB Kay Hian

Flight Connectivity Recovery

Source: Flightradar24

Monthly Middle Eastern Tourist Arrivals



Source: Ministry of Tourism and Sports, UOB Kay Hian

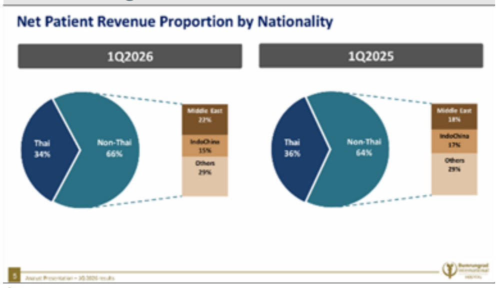
BH's Revenue From Foreign Patients

Non-Thai Revenue by Top 10 Nationalities

	Nationality	Net Patient Revenues % Variance YoY 1Q2026 vs 1Q2025
1	Qatar	+28.7%
2	Myanmar	+15.1%
3	United States	-6.5%
4	Bangladesh	+25.0%
5	United Arab Emirates	+24.9%
6	United Kingdom	+14.7%
7	China	-16.2%
8	Mongolia	-7.3%
9	Canada	+42.2%
10	Oman	+12.1%
	Total Non-Thai Patients	+4.2%
	Total Non-Thai Patients Excluding Cambodia	+9.9%

Source: BH

BH's Foreign Revenue Contribution



Source: BH

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	25,215	26,942	28,838	30,758
EBITDA	10,164	10,433	11,132	11,857
Deprec. & amort.	1,068	1,184	1,191	1,199
EBIT	9,096	9,248	9,941	10,659
Total other non-operating income	212	159	165	171
Associate contributions	(1)	2	2	2
Net interest income/(expense)	(7)	(5)	(6)	(6)
Pre-tax profit	9,301	9,403	10,102	10,827
Tax	(1,737)	(1,693)	(1,818)	(1,949)
Minorities	(52)	(70)	(74)	(77)
Net profit	7,512	7,641	8,210	8,801
Net profit (adj.)	7,523	7,641	8,210	8,801

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	14,376	13,632	13,409	13,209
Other LT assets	3,301	3,324	3,362	3,400
Cash/ST investment	13,948	12,782	17,421	22,349
Other current assets	4,833	5,318	5,667	6,018
Total assets	36,459	35,055	39,859	44,976
ST debt	23	35	36	37
Other current liabilities	4,063	3,718	3,980	4,245
LT debt	84	86	88	90
Other LT liabilities	1,118	1,078	1,154	1,230
Shareholders' equity	30,863	29,760	34,150	38,845
Minority interest	308	378	452	529
Total liabilities & equity	36,459	35,055	39,859	44,976

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	7,689	7,409	8,887	9,462
Pre-tax profit	9,301	9,403	10,102	10,827
Tax	(1,737)	(1,693)	(1,818)	(1,949)
Deprec. & amort.	1,068	1,184	1,191	1,199
Working capital changes	(406)	(23)	(165)	(164)
Non-cash items	464	(806)	77	78
Other operating cashflows	(1,002)	(655)	(498)	(526)
Investing	(2,628)	(504)	(930)	(961)
Capex (growth)	(2,056)	(440)	(968)	(999)
Investment	2,810	2,812	2,814	2,816
Others	(3,382)	(2,875)	(2,776)	(2,778)
Financing	(4,043)	(8,729)	(3,816)	(4,103)
Dividend payments	(3,974)	(8,744)	(3,820)	(4,105)
Proceeds from borrowings	0	15	2	2
Loan repayment	(33)	0	0	0
Others/interest paid	(36)	0	2	0
Net cash inflow (outflow)	1,018	(1,823)	4,141	4,399
Beginning cash & cash equivalent	5,284	6,302	4,479	8,620
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	6,302	4,479	8,620	13,019

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	40.3	38.7	38.6	38.6
Pre-tax margin	36.9	34.9	35.0	35.2
Net margin	29.8	28.4	28.5	28.6
ROA	21.7	21.4	21.9	20.7
ROE	25.7	25.2	25.7	24.1
Growth				
Turnover	(2.0)	6.8	7.0	6.7
EBITDA	(1.0)	2.6	6.7	6.5
Pre-tax profit	(1.4)	1.1	7.4	7.2
Net profit	(3.4)	1.7	7.5	7.2
Net profit (adj.)	(3.5)	1.6	7.5	7.2
EPS	(3.5)	1.6	7.5	7.2
Leverage				
Debt to total capital	0.3	0.4	0.4	0.3
Debt to equity	0.3	0.4	0.4	0.3
Net debt/(cash) to equity	(44.8)	(42.5)	(50.7)	(57.2)
Interest cover (x)	1,533.5	1,926.8	2,021.1	2,116.2

KCE (Thailand) (KCE TB)

2Q26 Expected To Be The Weakest Quarter Before Earnings Improve In 2H26, But Upside Remains Limited

HOLD (Downgraded)	
Share Price	Bt41.75
Target Price	Bt40.00
Upside	-4.19%
Previous TP	Bt36.00

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Highlights

- We expect KCE to report a 2Q26 net profit of Bt212m (+16% yoy, -10% qoq), marking its weakest quarter this due to continued cost headwinds.
- 2H26 earnings could improve, as KCE could raise PCB prices by 10-12% for most customers in 3Q26.
- Downgrade to HOLD with the higher target price of Bt40.00, as we believe the share price has largely priced in the 2H26 earnings recovery. We view Bt45.00-50.00 per share as a stretched valuation range in 2H26.

2Q26 Results Preview

Year to 31 Dec (Btm)	2Q26F	2Q25	1Q26	yoy%	qoq%
Revenue	3,305	3,285	3,107	0.6	6.4
Gross profit	601	595	550	1.0	9.1
Operating profit	204	160	177	27.9	15.2
Operating EBITDA	522	438	439	19.2	18.9
Net profit	212	182	234	16.3	(9.6)
EPS	0.18	0.16	0.20	16.3	(9.6)
Gross profit margin (%)	18.2	18.1	17.7	0.1	0.5
EBITDA margin (%)	15.8	13.3	14.1	2.5	1.7
Operating margin (%)	6.2	4.9	5.7	1.3	0.5
Net profit margin (%)	6.4	5.5	7.5	0.9	(1.1)

Source: KCE, UOB Kay Hian

Analysis

- **Raw material cost pressure is expected to make 2Q26 the weakest quarter of 2026.** We expect KCE (Thailand) (KCE) to report a 2Q26 net profit of Bt212m (+16% yoy, -10% qoq), marking the lowest quarterly earnings of the year before improving in 2H26. Sales are forecast to rise qoq to Bt3.31b (+0.6% yoy, +6.4% qoq), supported by a 5% depreciation of the Thai baht qoq and a full quarter resumption of gold-plated PCB production. However, earnings are projected to remain soft as continued raw material cost pressure is likely to keep gross margin broadly flat at 18.2% in 2Q26 (vs 17.7% in 1Q26), primarily due to a 16% increase in the average copper price to US$12,878/tonne in 1Q26, given the three-month lag.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	14,832.8	13,074.7	14,149.7	15,021.7	15,789.7
EBITDA	2,566.7	1,856.6	2,392.8	2,593.7	2,785.8
Operating profit	1,455.0	725.0	1,158.9	1,321.9	1,468.4
Net profit (rep./act.)	1,648.5	832.7	1,265.4	1,449.8	1,609.1
Net profit (adj.)	1,648.5	832.7	1,265.4	1,449.8	1,609.1
EPS	1.4	0.7	1.1	1.2	1.4
PE (x)	30.1	59.6	39.2	34.2	30.8
P/B (x)	3.6	3.8	3.7	3.5	3.3
EV/EBITDA (x)	11.8	16.3	12.6	11.5	10.6
Dividend yield (%)	2.9	2.9	2.9	2.9	2.9
Net margin (%)	11.1	6.4	8.9	9.6	10.2
Net debt/ to equity (%)	(2.9)	(3.8)	(5.1)	(6.6)	(8.4)
Interest cover (x)	49.6	50.9	57.6	61.9	62.0
Consensus net profit	n.a	n.a	958.1	1,127.7	1,295.4
UOBKH/Consensus (x)	n.a	n.a	1.3	1.3	1.2

Source: KCE (Thailand), Bloomberg, UOB Kay Hian

Stock Data

GICS sector	Information Technology
Bloomberg ticker:	KCE TB
Shares issued (m):	1,182.1
Market cap (Bt$m):	38,417.9
Market cap (US$m):	1,173.3
3-mth avg daily t'over (US$m):	20.7

Price Performance (%)

52-week high/low Bt32.5/Bt14.8

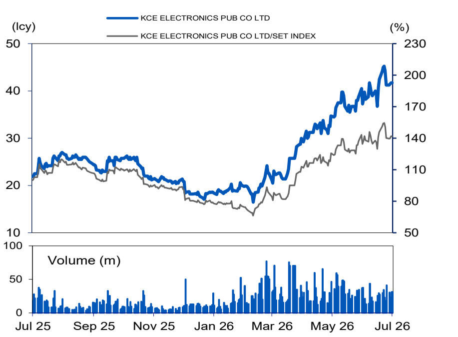
1mth	3mth	6mth	1yr	YTD
50.7	70.6	27.7	84.3	77.2

Major Shareholders	**%**
MR. Pitharn Ongkosit	15.83
Thai NVDR Company Limited	6.90
MR. ATHASIDH ONGKOSIT	6.31

Balance Sheet Metrics

FY26 NAV/Share (XX$)	11.3
FY26 Net Debt/Share (XX$)	(0.6)

Price Chart



Source: Bloomberg

Company Description

KCE Electronics manufactures and distributes printed circuit boards under the KCE trademark. The company mainly focuses on the automobile PCB segment.

- **Automotive PCB pricing power remains limited compared with AI PCB.** According to Reuters, prices of some AI-related PCBs have increased 30-40% mom since April in several PCB manufacturing earnings calls, driven by strong AI server demand and tight supplies of key raw materials (fiberglass, copper foil, laminate). Although we are positive that KCE is able to raise PCB prices by 10-12% in 2H26 after absorbing cost pressure in 1H26, we expect the increase to be at the lower end of the range, as the company primarily serves the automotive segment rather than the AI server market. While the PCB raw-material shortage is expected to ease in 2027-30 due to capacity expansions by several companies, downside risk remains, as stronger-than-expected input costs could pressure KCE's gross margin if the company is unable to fully offset them through automotive PCB price increases.
- **On the road of recovery in 2H26.** While 1H26 earnings are likely to be soft, we expect a strong earnings recovery in 2H26, with gross margin improving to around 21% following the implementation of PCB price increases. We forecast 2H26 earnings contributing 63% to our 2026 forecast, supported by KCE passing through higher costs to customers through 10-12% PCB price increases. Based on guidance, the price adjustment is expected to cover around 75% of customers in 3Q26, with the remaining 25% implemented in 4Q26.

Valuation/Recommendation

- **Downgrade to HOLD with a higher target price of Bt40.00.** Our higher target price is based on 39.5x 2026F PE (+1.00SD above its eight-year mean), as 2H26 earnings are strong, driven by passing through higher costs to customers through 10-12% PCB price increases, and positive momentum from KCE's Tier 1 customers and peers into 2027.
- **2H26 earnings recovery already priced in.** Despite our projected earnings CAGR of 25% during the 2025-28 earnings upcycle, we view valuations above +1.0SD as a stretched valuation zone in 2H26. Our forecast remains below the 35% earnings CAGR achieved during the 2019-22 upcycle, which benefitted from higher gross margins, whereas the current upcycle is constrained by higher raw material costs.
- We view valuations above Bt45 per share or 1.00SD (from average EPS of 2026 and 2027) as an unattractive zone in 2H26. We believe the next earnings catalyst is likely to emerge in 4Q26, when KCE negotiates 2027 PCB selling prices with customers.

Earnings Revision/Risk

- We revised up our 2026-28 earnings forecasts by 5%/7%/11% from our previous conservative assumptions, driven by: a) a higher USD/THB assumption of 33 (vs 32 previously), b) a higher gross margin assumption from passing through higher raw material costs to customers, and c) more stable copper prices in 3Q26.

Share Price Catalyst

- **Catalyst:** Stronger-than-expected gross margins and sales.

Environment, Social, Governance (ESG) Updates

Environmental

- **Reduce energy consumption.** The company set goals to reduce electricity purchased for consumption by 10% in 2030.

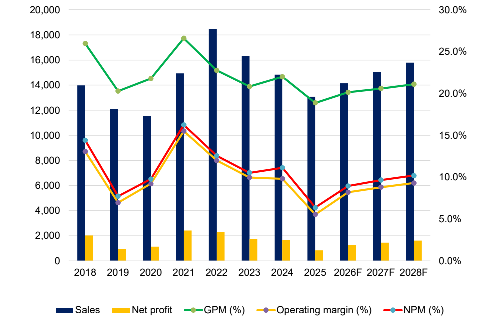
Social

- Employees at all levels receive regular training and development support, with clear initiatives in place to reduce the voluntary employee turnover rate.

Governance

- The company has set clear goals to conduct its business transparently and fairly, while maintaining responsibility toward all stakeholders.

Sales, Gross margin, Operating margin, Net Profit Margin



Source: UOB Kay Hian, Bloomberg

Cost Breakdown And Raw Material Shortage Issue

6 Bottlenecks for PCB shortage from raw material shortage	Problem	Forecast recovery
1) PPE/ PPO resin	Production disruption at the largest single PPE source SABIC is 70% of global PPE supplier	6-9 months (H2 2026 – H1 2027
*PPE = PPO (polyphenylene oxide) is the resin backbone for the mid-loss and low-loss laminate systems Use in 5G infrastructure, AI servers, automotive radar and high-speed networking.		
2) T-Glass and Q-Glass	Nittobo (Nitto Boseki / 日東紡, Tokyo Stock Exchange 3110) holds approximately 90% of the global T-glass market and 60-70% of NE-glass per TrendForce industry analysis. Glass fiber increase 20% in Aug 2025, 20-30% in April	New facilities slated to come online from late 2026, with full impact by 2028.
3) HVLP / HVLP5 copper foil	AI demand pre-booking output. Mitsui Kinzoku >90% premium premium grade.	Structural price shift firm through 2027+.
*Standard copper foil prices rose with the metal: Mitsui Kinzoku +12%, Mitsubishi Gas Chemical +30% on resin-coated foil, both effective April 2026.		
4) Tungsten carbide drills	PCB mechanical drilling uses Tungsten as raw material, but Tungsten market repricing 2025-2026.	Higher floor through 2030.
5) Electronic-grade chemistry	Sulfuric acid and feedstock tightening.	Through 2026 minimum.
6) CCL plant equipment	Small set of Japanese/German tool makers Expansion demand exceeds toolmaker output.	Equipment lead times ~2 years.

KCE cost	% of COGS
Raw materials and consumables used	54%
Laminate 20%, Prepreg, 9%, Copper foil 8% which included copper content	
Other is Copper Anode, Gold, Chemical	
Employee benefit expenses	19%
Utility expenses	8%
Depreciation of PPE, Investment properties and ROU	8%
Repair and maintenance expenses	3%
Commission expense	0%
Freight charge	1%
Others	8%
	100%
*Copper and Fiber glass content	**22%**
* Every 10% increase in copper price, GPM decrease 1.8%	

Source: UOB Kay Hian, Highleap Electronics Report.

Peer Comparison

		PE			EPS			GPM (%)	
		Current	2026F	2027F	2025	2026F	2027F	2025	2026F
DELTA TB	DELTA ELECTRONICS THAI PCL	131.5	96.8	73.5	1.99	3.0	4.1	27.1	31.2
						53%	*34%*		
KCE TB	KCE ELECTRONICS PUB CO LTD	59.3	44.9	35.2	0.7	0.9	1.2	18.9	19.8
						31%	*29%*		
HANA TB	HANA MICROELECTRONICS PCL	111.4	36.3	24.3	0.76	1.0	1.6	7.8	9.8
						36%	*51%*		
CCET TB	CAL-COMP ELECTRONICS THAILAN	47.2	34.4	28.1	0.2	0.3	0.3	5.1	5.2
						30%	*23%*		
KCE closest peers (PCB and automotive)									
6958 JT	CMK CORP	11.3	24.6	17.5	56.5	26.0	36.5	14.9	
						-54%	*40%*		
6787 JT	MEIKO ELECTRONICS CO LTD	31.0	22.1	16.6	758.6	1,064.4	1,416.3	21.0	21.4
						40%	*33%*		
2355 TT	CHIN-POON INDUSTRIAL CO LTD	25.0	25.7	19.7	1.6	1.7	2.2	11.5	10.7
						3%	*31%*		
SCE GR	SCHWEIZER ELECTRONIC AG	3.2		24.7	1.3	(1.2)	0.2	4.4	6.9
						-190%	*118%*		
Other PCB manufacturing peers									
ATS AV	AUSTRIA TECHNOLOGIE & SYSTEM		21.7	18.9	(1.1)	7.4	8.5	11.4	25.0
						766%	*15%*		
TTMI US	TTM TECHNOLOGIES	70.5	33.1	25.1	1.7	4.0	5.3	20.7	22.6
						133%	*32%*		
KCE's Tier 1 Customer									
AMV0 GY	AUMOVIO SE		13.6	7.3	(6.5)	2.6	4.7	18.5	19.3
						139%	*82%*		
FR FP	VALEO	15.5	9.7	6.9	0.8	1.3	1.8	20.2	20.5
						61%	*40%*		
6902 JT	DENSO CORP	12.2	12.1	10.6	163.0	164.6	187.9	15.5	15.6
						1%	*14%*		

Source: UOB Kay Hian, Highleap Electronics Report.

Five-Year Forward PE Band

Source: UOB Kay Hian, Bloomberg

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	13,075	14,150	15,022	15,790
EBITDA	1,857	2,393	2,594	2,786
Deprec. & amort.	1,132	1,234	1,272	1,317
EBIT	725	1,159	1,322	1,468
Total other non-operating income	264	310	346	379
Associate contributions	12	13	13	13
Net interest income/(expense)	(36)	(42)	(42)	(45)
Pre-tax profit	965	1,440	1,638	1,815
Tax	(106)	(148)	(163)	(180)
Minorities	(26)	(26)	(26)	(26)
Net profit	833	1,265	1,450	1,609
Net profit (adj.)	833	1,265	1,450	1,609

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	8,819	9,089	8,753	9,129
Other LT assets	534	517	525	533
Cash/ST investment	1,969	1,986	2,427	2,754
Other current assets	6,608	6,574	7,580	7,810
Total assets	17,930	18,165	19,286	20,225
ST debt	1,055	882	1,082	1,082
Other current liabilities	2,618	2,872	3,049	3,079
LT debt	415	415	415	415
Other LT liabilities	646	548	559	571
Shareholders' equity	13,136	13,382	14,122	15,022
Minority interest	60	66	58	56
Total liabilities & equity	17,930	18,165	19,286	20,225

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	2,537	2,645	2,072	2,863
Pre-tax profit	965	879	1,638	1,815
Tax	(90)	(87)	(163)	(180)
Deprec. & amort.	1,132	1,350	1,272	1,317
Working capital changes	393	314	(843)	(212)
Non-cash items	127	201	180	136
Other operating cashflows	11	(13)	(13)	(13)
Investing	(936)	(232)	(1,094)	(1,800)
Capex (growth)	(603)	(1,508)	(961)	(1,712)
Investments	28	0	0	0
Others	(361)	1,276	(132)	(88)
Financing	(1,198)	(1,519)	(537)	(737)
Dividend payments	(1,447)	(1,418)	(709)	(709)
Issue of shares	0	0	0	0
Proceeds from borrowings	306	(173)	200	0
Others/interest paid	(57)	72	(28)	(27)
Net cash inflow (outflow)	403	893	441	327
Beginning cash & cash equivalent	1,566	1,093	1,986	2,427
Ending cash & cash equivalent	1,969	1,986	2,427	2,754

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.2	16.9	17.3	17.6
Pre-tax margin	7.4	10.2	10.9	11.5
Net margin	6.4	8.9	9.6	10.2
Growth				
Net profit (adj.)	(49.5)	52.0	14.6	11.0
Leverage				
Debt to total capital	11.1	9.6	10.6	9.9
Debt to equity	11.2	9.7	10.6	10.0
Net debt/(cash) to equity	(3.8)	(5.1)	(6.6)	(8.4)
Interest cover	50.9	57.6	61.9	62.0

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