UOBKayHian

Country Daily | Thailand

Friday, 14 August 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53840.0	0.1	(0.1)	2.6	12.0
S&P 500	7799.0	0.7	1.2	3.8	13.9
FTSE 100	10772.7	(0.6)	(0.9)	2.3	8.5
AS30	9381.4	(0.2)	(0.7)	4.2	4.0
CSI 300	4664.0	(0.6)	0.3	(2.8)	0.7
FSSTI	5720.1	(0.0)	2.5	4.1	23.1
HSCEI	8426.5	(0.2)	(0.9)	4.0	(5.5)
HSI	25396.5	(0.2)	(0.5)	4.9	(0.9)
JCI	6301.8	(1.1)	(0.7)	4.3	(27.1)
KLCI	1734.7	(0.4)	(0.1)	0.9	3.2
KOSPI	6813.3	3.6	8.2	(0.6)	61.7
Nikkei 225	68308.6	1.2	3.0	0.8	35.7
SET	1614.4	0.1	0.3	(0.7)	28.2
TWSE	46021.5	1.1	3.7	2.9	58.9
BDI	2844	(3.2)	(7.0)	(3.9)	51.5
CPO (RM/mt)	4519	(0.6)	(0.3)	0.8	14.9
Brent Crude (US$/bbl)	87	(2.1)	5.6	4.5	43.1

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Meeting on Indonesia Economic Outlook by Mr. Enrico Tanuwidjaja	Indonesia	19 Aug	19 Aug
Analyst Marketing by Julia Pan on Greater China Internet Sector	Singapore	07 Sep	08 Sep
Analyst Marketing by Julia Pan on Greater China Internet Sector	Malaysia	09 Sep	11 Sep

Corporate and Macro Calendar

Economic Indicator/Event		Date
2Q GDP YoY	Thailand	17 Aug
July. Customs Trade Balance (Export-Import)	Thailand	21-26 Aug

Top Stories

Company Results | AP (Thailand) (AP TB/**BUY**/Bt8.40/Target: Bt9.25) Page 4→

- AP reported 2Q26 net profit of Bt1.063b (+17.7% yoy, +5.7% qoq), beating consensus by around 4% due to higher gross margin from a better high-rise product mix. Transfers met expectations at Bt10.506b. 3Q26 is set to peak with 17 launches (Bt17.9b) and JV transfers. Despite the absence of an interim dividend, we upgrade AP to BUY with a Bt9.25 target price (6.0x 2027F PE), reflecting stronger transfer momentum and enhanced earnings visibility.

Company Results | BTG (BTG TB/**BUY**/Bt21.00/Target: Bt24.80) Page 7 →

- BTG reported a 2Q26 core profit of Bt708m (-73% yoy and -26% qoq). The results are in line with our and the market's forecasts. We remain optimistic on BTG's 3Q26 earnings outlook and expect a strong yoy and qoq recovery, driven by higher profitability from the upward trend in domestic livestock prices. Maintain BUY with a target price of Bt24.80.

Company Results | CP ALL (CPALL TB/**BUY**/Bt48.75/Target: Bt62.00) Page 10 →

- CPALL reported net profit of Bt7.5b (+11% yoy, -17% qoq), in line with our and consensus forecasts. The strong earnings were supported by the convenience store business. 3Q26 earnings are expected to gradually improve, as Jul 26 SSSG increased by 1% yoy, with management noting that the copayment scheme had only a mild impact on 7-Eleven convenience stores. Maintain BUY with a target price of Bt62.00.

Company Update | KCE (Thailand) (KCE TB/**BUY**/Bt47.75/Target: Bt60.00) Page 13 →

- Positive surprise came from a second round of PCB price increases in 4Q26-2027 and strong volume outlook in 2H26-2027. Management guided for aggressive PCB sales growth of 20% yoy in 2027, driven by a second 9-10% increase in PCB prices and 10% volume growth from market share gain. We upgrade KCE to BUY with a higher target price of Bt60.0 as we roll forward our valuation to 2027 and turn positive on stronger 2H26-2027 earnings outlook.

What's Inside

Company Results | Amata Corporation (AMATA TB/**BUY**/Bt28.50/Target: Bt38.00) Page 16 →

- AMATA reported 2Q26 net profit of Bt1.58b (+1,032% yoy, +14% qoq), driven by a stronger gross margin of 51%, supported by higher-margin land transfers in Chonburi and improved margins in Vietnam, along with a Bt366m one-off gain from the sale of investment. Excluding the gain, core profit was Bt1.2b (+770% yoy, +11.7% qoq). Land transfers reached 594 rai in 1H26, up 32% hoh. We roll over our valuation to 2027 and maintain BUY with a target price of Bt38.00.

Company Results | Berli Jucker (BJC TB/**BUY**/Bt16.00/Target: Bt18.00) Page 19→

- BJC report 2Q26 core profit of Bt1.27b, up 17% yoy and 8% qoq, in line with our forecast and consensus forecast. Growth was driven by sales growth, gross margin expansion, higher other income, but partly offset by increasing of SG&A. Maintain BUY with a target price of Bt18.00..

Company Results | GFPT Plc. (GFPT TB/**BUY**/Bt9.70/Target: Bt11.40) Page 22→

- GFPT reported a 2Q26 core profit of Bt582m (-12% yoy, but +20% qoq). The results were in line with our and market expectations. We expect positive earnings momentum in 3Q26, supported by seasonality and higher chicken prices. Upgrade to BUY with a target price of Bt11.40.

Company Results | Tidlor Holdings Pcl (TIDLOR TB/**BUY**/Bt19.20/Target: Bt25.00) Page 25→

- TIDLOR reported 2Q26 net profit of Bt1.53b, up 18.3% yoy but down 5.0% qoq, broadly in line with our and consensus estimates. NII grew 9.6% yoy, supported by higher lending yields and lower funding costs. Loan growth remained within the company's 5-10% target, while asset quality remained well controlled despite a slight increase in NPLs. However, higher provisions pushed credit costs to 206bp. We maintain BUY with an unchanged target price of Bt25.00, supported by resilient earnings growth..

Company Results | OSOTSPA (OSP TB/**BUY**/Bt17.50/Target: Bt22.00) Page 28 →

- OSP reported a 2Q26 record-high core profit of Bt1.2b (+19.2% yoy, +40.7% qoq). The results were in line with our estimate and market consensus. Gross profit margin reached a record high amid higher raw and packaging costs from geopolitical tensions in the Middle East. Maintain BUY with a higher target price of Bt22.00.

Company Results | Plan B Media (PLANB TB/**BUY**/Bt5.50/Target: Bt6.80) Page 31→

- PLANB reported a 2Q26 net profit of Bt297m (+10% yoy, +43% qoq). Results exceeded our forecast and the market consensus by 6% and 4%, respectively, mainly driven by a higher-than-expected gross profit margin. We expect 2H26 earnings to increase hoh and yoy, supported by seasonal strength in OOH and continued momentum in engagement marketing revenue, particularly boxing, with further upside from the COM7 investment. Maintain BUY with a target price of Bt6.80.

Company Results | PTT (PTT TB/**BUY**/Bt39.25/Target: Bt45.00) Page 34 →

- PTT reported 2Q26 net profit of Bt52.53b, up strongly both qoq and yoy, in line with our estimate and 29% above consensus. The strong earnings were mainly driven by higher EBITDA from the gas and trading businesses, together with increased contributions from the E&P and utility businesses. For dividends, we estimate PTT's interim dividend at Bt1.10/share, implying a 2.80% simple yield. Maintain BUY; target price: Bt45.00..

Company Results | Ratch Group (RATCH TB/**BUY**/Bt39.25/Target: Bt44.00) Page 37→

- RATCH reported softer 2Q26 earnings, with net profit of Bt1.4b (+14% yoy, -32% qoq) and core profit of Bt1.3b (-33% yoy, -7% qoq), bringing 1H26 core profit to 39% of our full-year forecast. However, we expect earnings to improve in 2H26. We also see upside from potential value creation at the RG site through PPA extension and rising DC power demand, supporting RATCH's transition from a defensive dividend play toward a more growth-oriented utility.

Company Results | The Erawan Group (ERW TB/**BUY**/Bt3.64/Target: Bt4.40) Page 40→

- ERW delivered solid 2Q26 earnings, with net profit of Bt72m (+14.3% yoy), supported by stronger occupancy and Chinese tourist recovery. Declining interest costs should further support 2H26 earnings, while renovation impacts appear manageable. We believe ERW's 2026 revenue growth target remains achievable, backed by major events in 2H26. With Naka Phuket reopening and lower funding costs, we have become more positive on ERW and added it to our top picks. Upgrade to BUY, with a target price of Bt4.40.

Company Update | Bangkok Commercial Asset Management (BAM TB/**HOLD**/Bt6.65/Target: Bt7.20) Page 43→

- We came away from BAM's analyst meeting with a slightly positive view. The CEO guided that four medium-sized debts are currently in the process of cash collection. The CEO is quite confident that BAM will be capable of achieving its net profit target of Bt2b in 2026. BAM committed to a dividend payout ratio in the range of 85-90%, including the interim payment. Maintain HOLD with a target price of Bt7.20.

Company Update | Minor International (MINT TB/**HOLD**/Bt23.20/Target: Bt24.00) Page 46 →

- MINT's earnings outlook remains pressured by high interest rates and the postponed REIT, which limits deleveraging and adds more interest expenses. The acquisition of Bonchon provides expansion potential, but its outlook remains uncertain amid the weakening K-pop trend in Asia. With 1H26 core earnings growing only 5.7% yoy, the 2026 growth target appears challenging. Asset-light expansion should help, but may not offset the rising interest burden. Maintain HOLD with a target price of Bt24.00.

Company Update | Muangthai Capital (MTC TB/**BUY**/Bt33.75/Target: Bt50.00) Page 49 →

- We came away from MTC's meeting with a slightly negative view. The CEO addressed concerns over economic conditions due to the impact of Middle East tensions and higher oil prices. MTC cut its loan growth target for this year to below a double-digit level and be more cautious with monitoring asset quality. We believe MTC will choose to raise funds domestically, easing market concerns regarding foreign bond issuances. Maintain BUY with an unchanged target price of Bt50.00.

Company Update | Thai Oil (TOP TB/**HOLD**/Bt67.75/Target: Bt64.00) Page 52 →

- We expect net profit in 3Q26 to decline qoq, pressured by lower accounting GRM, rising crude premium, and the government's diesel price intervention, which could have a similar impact to 2Q26. TOP reported 2Q26 net profit of Bt8.28b, down 57% qoq, but above our estimate due to higher-than-expected market GRM. Meanwhile, the CFP project continues to progress, with management maintaining its full COD target by 3Q28. Maintain HOLD. Target price: Bt64.00.

AP (Thailand) (AP TB)

2Q26: Results Exceeded Expectations Due To Better-than-expected Gross Margin While Lower JV Income And Cost Offset Gross Profit Margin

Analyst(s)

Kitpon Praipaisarnkit
kitpon@uobkayhian.co.th
662 090 3352

Assistant Analyst(s)
Natthida Chuaysong

Highlights

- AP reported a net profit of Bt1.063b in 2Q26, around 4% higher than our and market consensus estimates.
- Gross profit margin was higher than expected due to a better product mix; however, lower-than-expected JV income and costs offset the positive impact.
- 3Q26 transfers and margin are expected to accelerate during the peak season.
- We upgrade AP to BUY from HOLD with a higher target price of Bt9.45.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26	yoy ppt	qoq ppt
Sales and services	9,939	9,545	10,777	8.4	12.9
Operating EBIT	1,206	1,224	1,438	19.3	17.5
Equity income	86	48	14	(83.9)	(71.1)
Core profit	946	913	1,028	8.7	12.6
Net profit	1,006	903	1,063	5.7	17.8
Percent	**2Q25**	**1Q26**	**2Q26**	**yoy ppt**	**qoq ppt**
Gross margin	30.7	29.6	30.9	0.2	1.3
SG&A to sales	18.5	16.8	17.5	(1.0)	0.8
EBIT margin	12.1	12.8	13.3	1.2	0.5
Net margin	10.1	9.5	9.9	(0.3)	0.4

Source: AP (Thailand), UOB Kay Hian

Analysis

- **AP reported a net profit of Bt1.063b in 2Q26, around 4% higher than our and market consensus estimates.** AP (Thailand) (AP) reported a net profit of Bt1.063b (+17.7% yoy, +5.7% qoq), slightly higher than our and market consensus by 4.2% and 3.4% respectively. This compares with our forecast of Bt1.020b and market consensus of Bt1.028b.
- **Revenue from transfers totalled Bt10.506b in 2Q26, in line with our and market consensus.** Revenue from transfers totalled Bt10.506b in 2Q26 (+8.4% yoy, +13.2% qoq), in line with our and market consensus. The company continued to deliver resilient earnings growth even against a high base of property transfers in 2Q25. This growth was particularly prominent in high-rise transfers with AP having secured over 81% of its full-year condominium revenue target for 2026. The qoq increase in transfers follows normal seasonality while AP managed to grow yoy despite a high-based transfer in 2Q25.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	36,988	37,345	39,115	40,513	41,235
EBITDA	5,774	5,166	5,059	5,443	5,743
Operating profit	5,499	4,930	4,802	5,180	5,455
Net profit (rep./act.)	5,020	4,316	4,542	4,856	5,087
Net profit (adj.)	5,020	4,316	4,542	4,856	5,087
EPS	1.60	1.37	1.44	1.54	1.62
PE (x)	5.3	6.2	5.5	5.1	4.8
P/B (x)	0.6	0.6	0.5	0.5	0.5
EV/EBITDA (x)	9.9	10.8	10.3	9.5	8.9
Dividend yield (%)	7.1	6.2	6.3	7.3	7.7
Net margin (%)	13.6	11.6	12.6	13.0	13.5
Net debt/(cash) to equity(%)	70.0	64.0	60.0	56.4	53.0
Interest cover (x)	8.5	8.4	8.8	9.4	9.8
ROE (%)	11.9	9.6	10.2	10.3	10.2
Consensus net profit	n.a	n.a	4,524.5	4,901.1	5,252.7
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.0

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

BUY (Upgraded)

Share Price	Bt8.40
Target Price	Bt9.25
Upside	10.11%
Previous TP	Bt8.50

Stock Data

Sector	Real Estate
Bloomberg ticker	AP TB
Shares issued (m)	3,145.9
Market cap (Btm)	26,425.6
Market cap (US$m)	797.5
3-mth avg daily t'over (US$m)	2.6

Price Performance (%)

52-week high/low: Bt9.6/Bt7.0

1mth	3mth	6mth	1yr	YTD
9.8	12.8	(8.7)	9.8	(2.3)

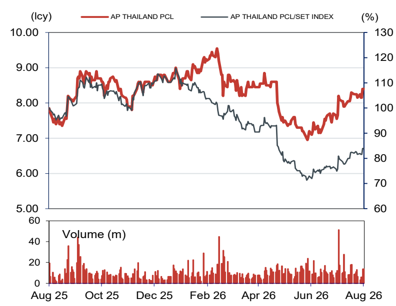
Major Shareholders (%)

Mr. Anuphong Assavabhokhin	21.5
NORTRUST NOMINEES LIMITED-NTC-RE IEDU UCITS 10 PCT CLIENTS ACCOUNT	10.0

Balance Sheet Metrics

FY26 NAV/Share (Bt)	15.6
FY26 Net Debt/Share (Bt)	9.3

Price Chart



Source: Bloomberg

Company Description

AP is a residential property developer with a portfolio spanning condominiums, townhouses, and detached housing, primarily concentrated in Bangkok and surrounding areas. The company frequently engages in joint development of condominium projects..

- **Gross profit margin is higher than expected due to better product mix**. Gross profit margin came in at 30.9% in 2Q26, exceeding our expectation of 30.2% and market expectation of 30.3% (vs 29.6 % in 1Q26 and 30.7% in 2Q25). This is largely similar to 1Q26 despite pricing pressure from a better product mix of high-rise condominium projects despite the promotional campaigns, amid tight mortgage lending conditions.
- **Lower-than-expected JV income and costs offset the positive impact.** SG&A-to-revenue improved qoq to 17.5% but dropped yoy. However, the share of profit from JVs decreased both yoy and qoq to Bt14m (vs Bt48m in 1Q26 and Bt86m in 2Q25). This was due to an absence of new JV condos in 1H26, which offset the impact of an improved gross profit margin. A slightly higher corporate income tax — typically paid in 2Q — offsets the benefits gained from the higher gross margins.
- **3Q26 outlook**. AP guided that 3Q26 will be the peak season with 17 project launches worth over Bt17.900b, mainly driven by new project launches in upcountry market, particularly five Apitown projects. In addition, ownership transfers from major JV projects like Rhythm will contribute to 3Q26's results. Supported by a product mix from accelerated new project launches, overall gross profit margin is expected to remain stable and recover to the 30% level.

Valuation/Recommendation

- **Upgrade to BUY and raise target price to Bt9.25**, based on a PE of 6.0x with our valuation rolled forward to 2027F EPS of Bt1.54 (from Bt1.53). Despite the absence of an interim dividend (AP pays a single annual dividend, with the ex-dividend date typically falling in May), we upgrade AP to BUY from HOLD. We finetune 2026 and 2027 earnings forecasts to reflect stronger-than-expected transfer momentum and improved earnings visibility.

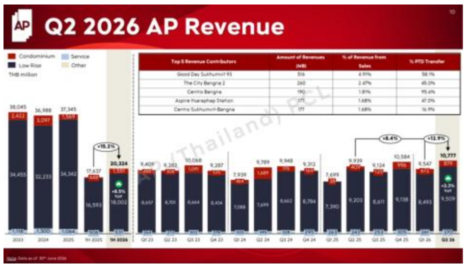
Earnings Revision/Risk

- We fine-tune 2026-27 earnings by 1.0% and 0.7% respectively to reflect the slightly stronger-than-expected transfer momentum and improved earnings visibility.
- Risks: a) Presales, property transfers, and gross margins falling short of our expectations; and b tighter mortgage lending policies by commercial banks, which could further weigh on housing demand and transfer activity.

Share Price Catalyst

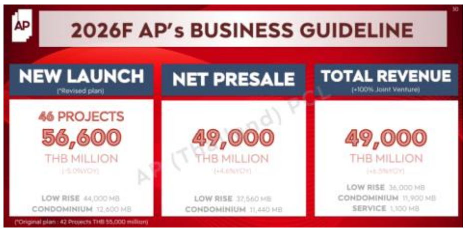
- Potential upside risks: a) Presales exceeding our expectations, with unit transfers being completed faster than anticipated; b) gross margin improves beyond our forecasts; and c) equity income from JVs coming in above our expectations.

2Q26 AP Revenue



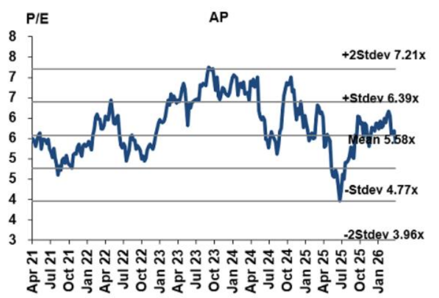
Source: AP (Thailand), UOB Kay Hian

Bu



Source: AP (Thailand), UOB Kay Hian

PE Band



Source: Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**36,988**	**37,345**	**39,115**	**40,513**
EBITDA	5,774	5,166	5,059	5,443
Deprec. & amort.	236	257	262	288
EBIT	4,930	5,197	5,648	6,008
Total other non-operating income	251	285	285	285
Associate contributions	690	969	988	1,008
Net interest income/(expense)	(613)	(621)	(631)	(641)
Pre-tax profit	**5,258**	**5,830**	**6,291**	**6,661**
Tax	(942)	(972)	(1,061)	(1,131)
Minorities	1	0	0	0
Net profit	**4,316**	**4,542**	**4,856**	**5,087**
Net profit (adj.)	4,316	4,542	4,856	5,087

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	491	594	587	564
Other LT assets	8,906	9,022	9,167	9,202
Cash/ST investment	1,856	2,414	2,741	3,151
Other current assets	74,408	77,147	80,938	84,704
Total assets	**85,661**	**89,177**	**93,432**	**97,621**
ST debt	9,744	10,244	9,244	9,244
Other current liabilities	7,478	7,334	7,631	7,766
LT debt	21,604	21,545	23,045	23,545
Other LT liabilities	757	772	803	817
Shareholders' equity	46,094	48,958	52,385	55,924
Minority interest	(16)	(16)	(16)	(16)
Total liabilities & equity	**85,661**	**88,837**	**93,092**	**97,281**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**2,583**	**2,232**	**1,999**	**2,187**
Pre-tax profit	5,258	5,830	6,291	6,661
Tax	(942)	(972)	(1,061)	(1,131)
Deprec. & amort.	236	257	262	288
Working capital changes	(1,781)	(714)	(634)	(695)
Non-cash items	(188)	(2,169)	(2,859)	(2,936)
Other operating cashflows	0	0	0	0
Investing	**384**	**(461)**	**(369)**	**(286)**
Capex (growth)	(146)	(360)	(255)	(265)
Investments	545	(116)	(145)	(35)
Others	(15)	15	31	14
Financing	**(3,676)**	**(1,213)**	**(1,303)**	**(1,491)**
Dividend payments	(1,888)	(1,654)	(1,803)	(1,991)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,793)	441	500	500
Others/interest paid	5	0	0	0
Net cash inflow (outflow)	**(709)**	**558**	**327**	**410**
Beginning cash & cash equivalent	**2,565**	**1,856**	**2,414**	**2,741**
Ending cash & cash equivalent	**1,856**	**2,414**	**2,741**	**3,151**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	13.8	14.1	14.7	15.4
Pre-tax margin	14.1	15.1	15.7	16.3
Net margin	11.6	12.6	13.0	13.5
ROA	5.1	5.6	5.7	5.8
ROE	9.6	10.2	10.3	10.2
Growth				
Turnover	1.0	3.4	4.0	1.8
EBITDA	(10.5)	5.6	8.4	6.5
Pre-tax profit	(14.8)	10.9	7.9	5.9
Net profit	(14.0)	12.5	7.7	5.7
Net profit (adj.)	(13.9)	12.5	7.7	5.7
EPS	(13.9)	12.5	7.7	5.7
Leverage				
Debt to total capital	68.0	65.0	61.7	58.6
Debt to equity	68.0	64.9	61.6	58.6
Net debt/(cash) to equity	64.0	60.0	56.4	53.0
Interest cover	8.4	8.8	9.4	9.8

Betagro (BTG TB)

2Q26: Earnings Sluggish As Expected; Strong Recovery Expected In 3Q26

Highlights

- BTG reported a 2Q26 core profit of Bt708m (-73% yoy and -26% qoq). The results are in line with our and the market's forecasts.
- We remain optimistic on BTG's 3Q26 earnings outlook and expect a strong qoq and yoy recovery, driven by higher profitability from the upward trend in domestic livestock prices. Maintain BUY with a target price of Bt24.80.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	yoy%	qoq%	1H26	1H25	yoy%
Sales	29,348.2	31,481.6	28,302.1	-6.8%	3.7%	57,650.3	61,734.2	-6.6%
Gross Profit	4,140.1	6,184.8	4,222.0	-33.1%	-1.9%	8,362.1	11,547.5	-27.6%
SGA	3,241.7	2,889.1	3,122.3	12.2%	3.8%	6,239.2	6,363.9	-2.0%
Pre-tax Profit	1,038.2	2,875.5	1,220.2	-63.9%	-14.9%	2,258.4	5,128.4	-56.0%
Net Profit	598.4	2,594.0	1,003.0	-76.9%	-40.3%	1,601.4	4,491.8	-64.3%
Core Profit	708.3	2,618.1	959.4	-72.9%	-26.2%	1,667.7	4,454.5	-62.6%
EPS (Bt)	0.31	1.34	0.52	-76.9%	-40.3%	0.83	2.32	-64.3%
(%)	2Q26	1Q26	2Q25	yoy%	qoq%	1H26	1H25	yoy%
Gross Margin (%)	14.1%	19.6%	14.9%	-5.5%	-0.8%	14.5%	18.7%	-4.2%
SG&A/revenue (%)	10.7%	10.2%	10.7%	0.5%	0.0%	10.7%	10.2%	0.5%
Net Margin (%)	2.0%	8.2%	3.5%	-6.2%	-1.5%	2.8%	7.3%	-4.5%

Source: BTG, UOB Kay Hian

Analysis

- **Earnings in line.** Betagro (BTG) reported a 2Q26 net profit of Bt598m (-77% yoy and -40% qoq). Excluding one-off items and written-off tax credit in Cambodia of Bt128m, core profit for 2Q26 would have been Bt708m (-73% yoy and -26% qoq). The results are in line with our and the market's forecasts.
- **Gross profit declines on lower domestic livestock prices.** BTG's reported 2Q26 gross profit margin of 14.1% (vs 19.6% in 2Q25 and 14.9% in 1Q26) The decline in gross profit margin was mainly due to a weaker margin of the food business at 10.8% (vs 21.9% in 2Q25 and 14.0% in 1Q26) due to: a) lower domestic livestock prices, and b) higher average raw material costs. SG&A in 2Q26 reported at 10.8% (up yoy, flat qoq).
- **Revenue down yoy, pressured by food business.** BTG's 2Q26 revenue came in at Bt29b (-7% y, +4% qoq). The yoy decline was driven by lower food business sales, which came in at Bt14.5b (-14% yoy, flat qoq), due to weaker livestock prices yoy. However, we saw the improvement in international sales (+7% yoy, +13% qoq) and pet business (+29% yoy, +7% qoq).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	114,231.7	122,370.4	126,184.4	130,899.3	135,514.6
EBITDA	9,041.8	13,666.5	9,116.8	9,798.0	10,513.3
Operating profit	4,069.7	8,285.3	6,059.6	6,512.7	6,943.7
Net profit (rep./act.)	2,466.2	6,684.6	4,807.8	5,205.3	5,654.9
Net profit (adj.)	2,413.3	6,607.5	4,807.8	5,205.3	5,654.9
EPS	1.2	3.4	2.5	2.7	2.9
PE (x)	18.4	6.7	9.3	8.6	7.9
P/B (x)	1.6	1.4	1.3	1.1	1.0
EV/EBITDA (x)	7.2	4.4	6.3	5.6	4.9
Dividend yield (%)	2.2	6.5	3.2	3.5	3.5
Net margin (%)	2.2	5.5	3.8	4.0	4.2
Net debt/(cash) to equity(%)	70.5	38.9	31.9	21.0	12.6
Interest cover (x)	11.3	19.1	14.6	16.6	20.9
ROE (%)	8.9	22.0	15.1	15.4	15.8
Consensus net profit	n.a	n.a	4,779.0	5,413.6	5,546.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: BTG, Bloomberg, UOB Kay Hian

Analyst(s)

Nichapa Ratchabandit

nichapa@uobkh.co.th

+662 090 3366

BUY (Maintained)

Share Price	Bt21.00
Target Price	Bt24.80
Upside	18.10%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	BTG TB
Shares issued (m)	1,906.0
Market cap (Btm)	40,598.9
Market cap (US$m)	1,207.1
3-mth avg daily t'over (US$m)	3.2

Price Performance (%)

52-week high/low: Bt25.0/Bt15.5

1mth	3mth	6mth	1yr	YTD
6.5	(8.2)	13.9	18.3	17.0

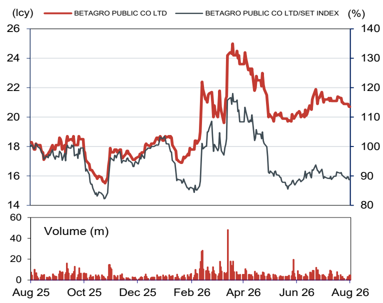
Major Shareholders (%)

Betagro Holding Co., Ltd	37.83
TAE HK Investment Limited	20.67

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.2
FY26 Net Debt/Share (Bt)	5.8

Price Chart



Source: Bloomberg

Company Description

BTG TB manufactures agricultural food products, animal feed, livestoc, animal health products, and offers meat products for human..

- **Positive tone from analyst meeting.**
  a) The company expects livestock prices (swine, chicken, and eggs) to recover in 2H26, supported by: a) stronger domestic consumption demand in 2H26, and b) a slight decline in supply following herd reductions implemented since the beginning of the year and disease outbreaks during 2Q26. Domestic swine supply in 2H26 is expected to decline to below 20m heads, compared with 20m–21m heads at the beginning of 2026. As a result, it should provide further support to livestock prices and sustain the upward pricing trend into 2H26.
  b) Feed costs update: Corn prices are projected to decline qoq following the harvest season, while soybean meal and wheat prices are expected to increase qoq. Overall, BTG expects raw material costs to increase by 1.0–1.5% qoq in 3Q26.
  c) US corn import update: Thailand has an import quota of 1m tonnes for 2026, with imports expected to begin in 4Q26. In the initial phase, BTG expects to import 40,000–60,000 tonnes of US corn in 2026. US corn prices are around Bt9.80/kg, (compared with Bt11.90/kg for domestic corn). Although domestic corn prices are trending downward, there remains a benefit price gap between US and domestic corn.
  d) Export momentum remains positive, due to strong demand from EU, the UK, and Japan markets. The company expects export volumes to rise hoh in 2H26.
- **Brighter outlook for 3Q26.** We are more positive on the 3Q26 earnings outlook, supported by the upward trend in livestock prices, in line with our assumption that domestic livestock prices will be higher in 2H26 than in 1H26. We expect earnings to show a stronger recovery in 3Q26, both yoy and qoq. While feed costs are expected to increase slightly qoq in 3Q26, we believe the higher livestock prices should more than offset the cost pressure. In addition, the resumption of US corn imports should help reduce feed costs going forward.
- **Update on livestock prices.** In Aug 26, livestock prices are rising due to higher demand brought about by the government's stimulus programmes. Domestic swine prices increased to Bt70–72/kg (+9% mom and +9% vs the 2Q26 average). Chicken prices remained at Bt43–44/kg (flat mom and +10% vs the 2Q26 average).

Valuation/Recommendation

- **Maintain BUY with a target price of Bt24.80.** Using the PE valuation method, we value BTG at mean to its five-year PE band, implying a multiple of 10x. We expect BTG's earnings to bottom out in 2Q26 and recover in 3Q26 and 4Q26, supported by the upward trend in domestic swine prices and its ability to pass on higher raw material costs.

Share Price Catalyst

- Increase in domestic swine and poultry selling prices, decreasing costs of animal feed production, demand-side stimulus measures.

Environment, Social, Governance (ESG) Updates

CG Report: 5, SET ESG Rating: AAA

Environmental

- Net zero. BTG aims to be a net-zero company by 2050 and plans to reduce its greenhouse gas emissions by 20% in 2030 from the baseline in 2022.
- Sustainable packaging. BTG plans to achieve 100% eco-friendly packaging by 2030 (reusable, recyclable, and compostable).

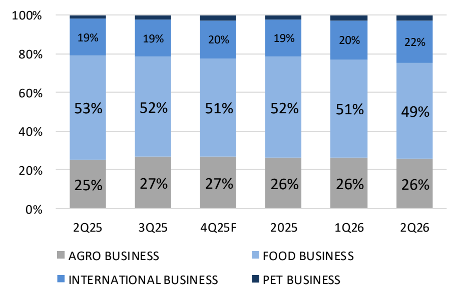
Social

- BTG's S-Pure product is the first brand in the world to receive a Raised without Antibiotics RWA certification from NSF International.

Governance

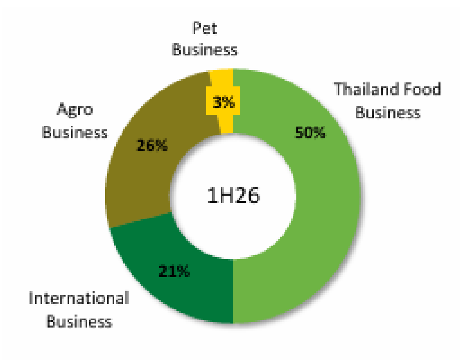
- Good governance practice. BTG is committed to operating its business in accordance with good corporate governance policy and management excellence. BTG received the Collective Action Against Corruption (CAC) declaration in 2023 and was elevated to 3-star status, certified by the Thailand Private Sector CAC in 1Q25.

Sales Contribution



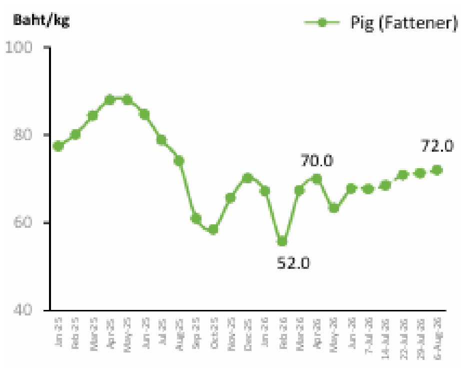
Source: BTG, UOB Kay Hian

1H26 Revenue By Business



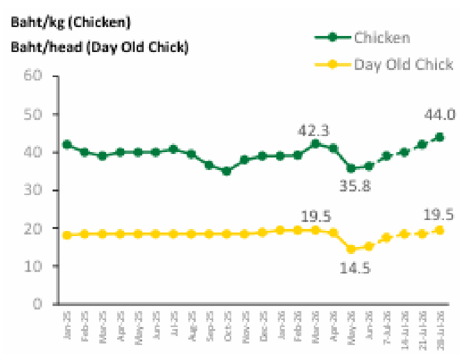
Source: BTG

Domestic Swine Prices Trend



Source: BTG

Domestic Chicken Prices Trend



Source: BTG

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**122,370**	**126,184**	**130,899**	**135,515**
EBITDA	13,666	9,117	9,798	10,513
Deprec. & amort.	5,381	3,057	3,285	3,570
EBIT	8,285	6,060	6,513	6,944
Total other non-operating income	0	0	0	0
Associate contributions	192	192	192	202
Net interest income/(expense)	(714)	(627)	(590)	(503)
Pre-tax profit	**7,763**	**5,625**	**6,114**	**6,643**
Tax	(1,028)	(739)	(803)	(872)
Minorities	(116)	(79)	(106)	(115)
Preferred dividends	0	0	0	0
Net profit	**6,685**	**4,808**	**5,205**	**5,655**
Net profit (adj.)	6,607	4,808	5,205	5,655

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	22,472	25,533	26,080	27,170
Other LT assets	12,056	11,426	11,485	11,543
Cash/ST investment	1,270	1,574	2,889	2,935
Other current assets	31,122	32,818	33,634	34,457
Total assets	**66,920**	**71,351**	**74,087**	**76,105**
ST debt	7,814	7,315	7,315	7,315
Other current liabilities	11,735	10,828	10,758	11,147
LT debt	5,990	5,490	3,790	1,090
Other LT liabilities	6,322	10,468	11,031	11,077
Shareholders' equity	32,245	35,245	39,114	43,323
Minority interest	868	0	0	0
Total liabilities & equity	**66,920**	**71,351**	**74,087**	**76,105**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**14,114**	**5,908**	**7,937**	**9,049**
Pre-tax profit	6,801	5,625	6,114	6,643
Tax	1,028	739	803	872
Deprec. & amort.	5,381	3,057	3,285	3,570
Associates	0	0	0	0
Working capital changes	222	(3,086)	(1,711)	(1,295)
Non-cash items	0	0	0	0
Other operating cashflows	682	(427)	(555)	(741)
Investing	**(4,373)**	**(2,053)**	**(3,490)**	**(4,288)**
Capex (growth)	(2,437)	(2,731)	(3,490)	(4,288)
Capex (maintenance)	0	0	0	0
Investments	(2,032)	0	0	0
Proceeds from sale of assets	62	0	0	0
Others	34	678	0	0
Financing	**(11,407)**	**(3,552)**	**(3,133)**	**(4,714)**
Dividend payments	(967)	(2,902)	(1,442)	(1,562)
Issue of shares	0	0	0	0
Proceeds from borrowings	(8,767)	(1,171)	(2,100)	(3,150)
Loan repayment	0	0	0	0
Others/interest paid	(1,673)	521	410	(3)
Net cash inflow (outflow)	**(1,666)**	**304**	**1,315**	**46**
Beginning cash & cash equivalent	**2,882**	**1,270**	**1,574**	**2,889**
Ending cash & cash equivalent	**1,217**	**1,574**	**2,889**	**2,935**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	11.2	7.2	7.5	7.8
Pre-tax margin	6.3	4.5	4.7	4.9
Net margin	5.5	3.8	4.0	4.2
ROA	10.1	7.0	7.5	8.0
ROE	22.0	15.1	15.4	15.8
Growth				
Turnover	7.1	3.1	3.7	3.5
EBITDA	51.2	(33.3)	7.5	7.3
Pre-tax profit	126.7	(27.5)	8.7	8.6
Net profit	171.0	(28.1)	8.3	8.6
Net profit (adj.)	173.8	(27.2)	8.3	8.6
EPS	173.8	(27.2)	8.3	8.6
Leverage				
Debt to total capital	41.7	36.3	28.4	19.4
Debt to equity	42.8	36.3	28.4	19.4
Net debt/(cash) to equity	38.9	31.9	21.0	12.6
Interest cover	19.1	14.6	16.6	20.9

CP ALL (CPALL TB)

2Q26: Results In Line; Strong CVS performance.

Highlights

- CPALL reported a net profit of Bt7.5b (+11% yoy, -17% qoq), in line with our and consensus forecasts. Earnings were supported by the CVS business.
- 3Q26 earnings are expected to gradually improve, as Jul 26 SSSG increased by 1% yoy.
- Management noting that the copayment scheme had only a mild impact on 7-Eleven convenience stores.
- Maintain BUY with a target price of Bt62.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26	yoy (%)	qoq (%)	2025	2026	yoy (%)
Sales and services	248,865	259,355	257,098	3.3	(0.9)	990,663	1,014,740	2.4
Cost of sales	192,170	200,386	198,429	3.3	(1.0)	765,546	783,137	2.3
Gross profit	56,695	58,969	58,669	3.5	(0.5)	225,117	231,603	2.9
SG&A	51,115	51,309	53,803	5.3	4.9	203,279	208,472	2.6
Other income	7,703	8,125	8,543	10.9	5.1	28,737	31,480	9.5
EBIT	13,141	15,670	13,299	1.2	(15.1)	52,764	56,221	6.6
EBITDA	22,432	24,981	22,863	1.9	(8.5)	90,540	94,368	4.2
Interest expense	3,803	3,594	3,605	(5.2)	0.3	14,894	14,649	(1.6)
Core profit	7,006	8,926	7,399	5.6	(17.1)	24,623	26,889	9.2
Net profit	**6,768**	**9,118**	**7,512**	**11.0**	**(17.6)**	**28,206**	**30,931**	**9.7**
Percent	**2Q25**	**1Q26**	**2Q26**	**(ppts)**	**(ppts)**	**2025**	**2026**	**(ppts)**
Gross margin	22.8	22.7	22.8	0.04	0.08	22.7	22.8	0.1
SG&A to sales	20.5	19.8	20.9	0.39	1.14	20.5	20.5	0.0
Net profit margin	2.7	3.5	2.9	0.20	(0.59)	2.8	3.0	0.2

Source: Bloomberg, UOB Kay Hian

Analysis

- **Results in line.** CP ALL (CPALL) reported a net profit of Bt7.5b (+11% yoy, -17% qoq), in line with our and consensus forecasts. The strong earnings were supported by the convenience store (CVS) business, which saw profit grow 13% yoy, leading to consolidated results of: a) revenue growth of 3% yoy, b) gross margin remaining flat yoy at 22.8%, c) other income growing 11% yoy, and d) interest expenses falling 5% yoy, which were offset by a 40bp yoy increase in SG&A-to-sales. 1H26 earnings accounted for 54% of our full-year forecast (vs 51% in 1H25), suggesting no downside risk to our earnings estimate.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	987,143.0	1,021,588.0	1,047,830.2	1,078,528.6	1,112,133.4
EBITDA	87,269.0	90,540.2	94,367.8	97,801.2	101,331.9
Operating profit	50,064.2	52,763.7	56,221.4	57,309.2	58,467.9
Net profit (rep./act.)	25,345.8	28,206.1	30,930.9	31,714.1	32,575.8
Net profit (adj.)	24,613.6	27,711.8	30,350.8	31,128.2	31,984.0
EPS	2.7	3.1	3.4	3.5	3.6
PE (x)	17.1	15.2	13.8	13.5	13.1
P/B (x)	3.3	3.0	2.6	2.4	2.2
EV/EBITDA (x)	11.3	11.1	10.4	10.0	9.7
Dividend yield (%)	2.9	3.5	3.9	4.0	4.1
Net margin (%)	2.6	2.8	3.0	2.9	2.9
Net debt/(cash) to equity(%)	291.6	281.4	234.4	212.6	191.4
Interest cover (x)	5.9	6.3	6.7	7.0	7.3
ROE (%)	21.3	21.3	20.9	17.5	17.2
Consensus net profit	n.a	n.a	31,038.6	33,764.9	36,799.4
UOBKH/Consensus (x)	n.a	n.a	1.0	0.9	0.9

Source: CP ALL, Bloomberg, UOB Kay Hian

Analyst(s)

Tanapon Cholkadidamrongkul
tanapon.c@uobkh.co.th
662 0903359

BUY (Maintained)

Share Price	Bt48.75
Target Price	Bt62.00
Upside	27.18%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	CPALL TB
Shares issued (m)	8,911.5
Market cap (Btm)	414,384.9
Market cap (US$m)	12,380.8
3-mth avg daily t'over (US$m)	45.6

Price Performance (%)

52-week high/low				Bt54.5/Bt41.0
1mth	3mth	6mth	1yr	YTD
2.8	(1.6)	8.1	2.8	6.9

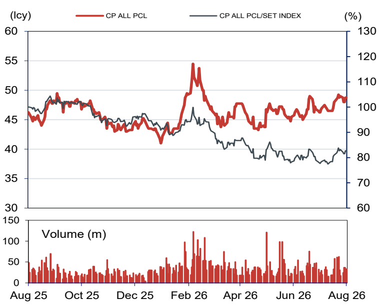
Major Shareholders (%)

CPF	30.78
NVDR	13.20
SOUTH EAST EUROPE LIMITED	3.13

Balance Sheet Metrics

FY26 NAV/Share (Bt)	17.6
FY26 Net Debt/Share (Bt)	41.3

Price Chart



Source: Bloomberg

Company Description

Operator of Thai 7-Eleven stores, controlling more than 50% share of convenience store market in Thailand.

- **CVS business earnings surged impressively.** The CVS business delivered a strong performance, with earnings reaching Bt10.4b, up 14% yoy. The key drivers were: a) positive SSSG of 0.8% yoy, driven by stronger performance in April–May, supported by improving tourist arrivals, hot weather, and the long holiday period, but softened in June mainly due to the Thai Help Thai Plus copayment scheme, b) store expansion, c) an 8% increase in other income; and d) flat yoy gross margin, as improved product margins were offset by the impact of higher oil prices.
- **Weak 2Q26 contribution from CP AXTRA.** CP Axtra (CPAXT) reported 2Q26 net profit of Bt1.87b, down 18% yoy and 33% qoq, reflecting weaker wholesale and retail operations. **Wholesale EBIT fell 8% yoy to Bt1.6b**, as sales grew 3.5% to Bt71.2b but SSSG declined 0.9%; gross margin fell 23bp to 11.2% and SG&A-to-sales rose 34bp to 10.6%. **Retail EBIT declined 18% yoy** to Bt2.2b, with sales up 0.4% to Bt55.3b and SSSG down 3.9%; gross margin was broadly stable at 17.7%, but SG&A-to-sales rose 249bp to 17.7% due to higher Omni Channel, IT and Happitat costs. Service and other income increased from data monetisation and promotional income, partly cushioning weaker operations.
- **Expect a strong recovery in 4Q26.** 3Q26 earnings are expected to gradually improve, as Jul 26 SSSG increased by 1% yoy, with management noting that the copayment scheme had only a mild impact on 7-Eleven convenience stores. Moreover, we expect gross margins to expand yoy in 2H26 as pressure from high diesel prices gradually eases. This strong recovery in 4Q26 will be driven by improved consumer spending since the copayment scheme ended, alongside a low base in 4Q25.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt62.00.** Our target price is based on 18x 2026F PE, or -1SD to its five-year average. The stock is trading at an undemanding 14x PE, below sector peers, while CPALL's long-term outlook remains strong. The company is less affected by the Thai Help Thai Plus scheme than hypermarket operators. We therefore maintain our BUY call.

Earnings Revision/Risk

- **No earnings revision.**

Share Price Catalyst

- Positive SSSG, strong CVS performance.

Environment, Social, Governance (ESG) Updates

CG Report: 5 | SET ESG Rating: AAA

Environment

- **7 Go Green.** CPALL plans to achieve carbon neutrality by 2030 and to achieve net zero greenhouse gas emissions by 2050.
- CPALL is keen to improve sustainable developments such as green packaging management and food waste management.

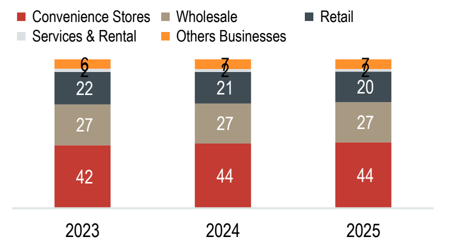
Social

- **7 Go Together.** CPALL supports social development through various initiatives, such as supporting SMEs and increasing the number of new health and nutrition products and services.

Governance

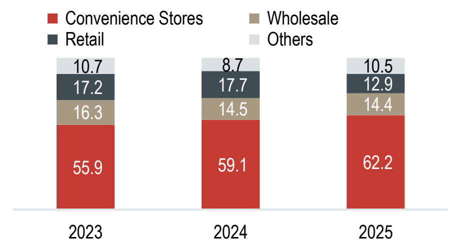
- **7 Go Right.** CPALL was certified for renewed membership in Thailand's Private Sector Collective Action Coalition Against Corruption for 2023-26.

Sales Contribution Before Elimination



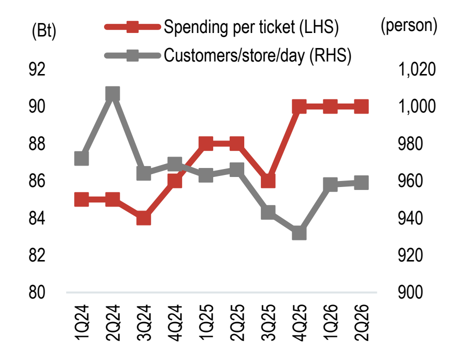
Source: UOB Kay Hian

EBIT Contribution Before Elimination



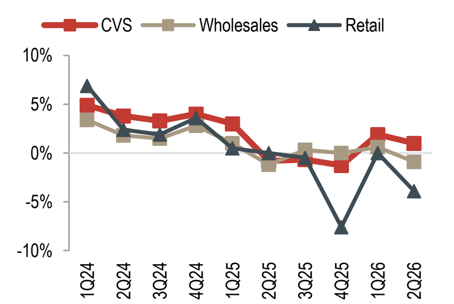
Source: UOB Kay Hian

Ticket Size And Foot Traffic



Source: CPALL, UOB Kay Hian

Same-store Sales growth



Source: CPALL, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**1,021,588**	**1,047,830**	**1,078,529**	**1,112,133**
EBITDA	90,540	94,368	97,801	101,332
Deprec. & amort.	37,777	38,146	40,492	42,864
EBIT	52,764	56,221	57,309	58,468
Total other non-operating income	9	0	0	0
Associate contributions	580	580	586	592
Net interest income/(expense)	(14,347)	(14,022)	(13,980)	(13,937)
Pre-tax profit	**38,919**	**42,780**	**43,915**	**45,123**
Tax	(7,045)	(7,807)	(8,016)	(8,238)
Minorities	(3,669)	(4,042)	(4,185)	(4,309)
Net profit	**28,206**	**30,931**	**31,714**	**32,576**
Net profit (adj.)	27,712	30,351	31,128	31,984

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	803,684	816,376	827,584	837,490
Other LT assets	26,572	26,993	32,691	38,745
Cash/ST investment	53,561	70,526	71,870	77,881
Other current assets	98,997	91,803	96,301	101,553
Total assets	**982,814**	**1,005,699**	**1,028,445**	**1,055,669**
ST debt	75,885	75,885	75,885	75,885
Other current liabilities	174,694	180,592	184,007	190,628
LT debt	366,454	365,754	365,054	364,354
Other LT liabilities	34,236	35,826	36,372	37,619
Shareholders' equity	138,141	158,304	173,604	189,350
Minority interest	193,403	189,338	193,523	197,832
Total liabilities & equity	**982,814**	**1,005,699**	**1,028,445**	**1,055,669**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**74,255**	**86,210**	**75,308**	**81,119**
Pre-tax profit	38,919	42,780	43,915	45,123
Tax	(7,045)	(7,807)	(8,016)	(8,238)
Deprec. & amort.	37,777	38,146	40,492	42,864
Working capital changes	(8,655)	13,118	(1,381)	1,230
Non-cash items	89	(27)	297	140
Other operating cashflows	13,170	0	0	0
Investing	**(37,017)**	**(26,723)**	**(33,904)**	**(34,631)**
Capex (growth)	(59,493)	(50,838)	(51,699)	(52,770)
Investments	111	(232)	(234)	(237)
Others	22,366	24,348	18,030	18,376
Financing	**(38,370)**	**(42,522)**	**(40,061)**	**(40,476)**
Dividend payments	(12,128)	(18,876)	(16,414)	(16,830)
Issue of shares	0	0	0	0
Proceeds from borrowings	17,751	(700)	(700)	(700)
Others/interest paid	(43,993)	(22,947)	(22,947)	(22,947)
Net cash inflow (outflow)	**(1,131)**	**16,965**	**1,344**	**6,011**
Beginning cash & cash equivalent	**54,628**	**53,561**	**70,526**	**71,870**
Ending cash & cash equivalent	**53,497**	**70,526**	**71,870**	**77,881**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.9	9.0	9.1	9.1
Pre-tax margin	3.8	4.1	4.1	4.1
Net margin	2.8	3.0	2.9	2.9
ROE	21.3	20.9	17.5	17.2
Growth				
Net profit (adj.)	12.6	9.5	2.6	2.8
Leverage				
Debt to total capital	133.4	127.0	120.1	113.7
Debt to equity	320.2	279.0	254.0	232.5
Net debt/(cash) to equity	281.4	234.4	212.6	191.4
Interest cover	6.3	6.7	7.0	7.3

KCE (Thailand) (KCE TB)

Stronger Volume Momentum And A Second Round Of PCB Price increases To Support 2H26-2027 Earnings

Highlights

- Positive surprise from a second round of PCB price increases in 4Q26-2027 and strong volume outlook in 2H26-2027.
- Management guided for aggressive PCB sales growth of 20% yoy in 2027, driven by a second 9-10% increase in PCB prices and 10% volume growth from market share gain.
- We upgrade KCE to BUY with a higher target price of Bt60.0, as we roll over our valuation to 2027 and turn positive on stronger 2H26-2027 earnings outlook.

Analysis

- **Stronger-than-expected 2Q26 earnings driven by sales beat and higher prepreg & laminate contribution**. KCE (Thailand) (KCE) reported a net profit of Bt275.9m (+51% yoy, +18% qoq) on 11 Aug 26, above our and Bloomberg estimates by 30% and 28%, respectively. Sales of Bt3.58b (+8.8% yoy, +15% qoq) were 8% and 6% above our and Bloomberg estimates, supported by special-grade High-Density Interconnect (HDI) printed circuit boards (PCBs) and prepreg & laminate sales of Bt446m (+155% yoy, +140% qoq) from Panasonic orders. Prepreg & laminate contributed 12% of 2Q26 sales, but growth is expected to slow after the sharp increase in 2Q26.
- **Gross margin beat expectations despite elevated raw material costs**. Gross margin came in at 18.9%, above our and Bloomberg estimates of 18.0-18.2%, supported by a better special-grade PCB mix, earlier-than-guided partial PCB price pass-through, and internal laminate sourcing from Thai Laminate Manufacturer Co. (TLM) of 70% of KCE needs.
- **Stronger volume momentum and PCB price increases to support 2H26-2027 earnings**. Overall, we expect KCE's 2H26 earnings to be stronger than previously expected, particularly 19% qoq growth in PCB sales in 3Q26 (9-10% PCB price increase and 8-9% qoq shipment volume growth), before remaining broadly flat qoq in 4Q26 due to the usual seasonal slowdown from factory closures during the Christmas period. Although 4Q sales have typically declined qoq, KCE expects PCB shipment volumes to remain strong in October-November. For 2027, we expect KCE's sales to grow 15% yoy, driven by around 17% growth in PCB sales, supported by market share gains as KCE offers price increases at the lower end of the industry range.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	14,832.8	13,074.7	15,148.8	17,411.0	17,701.4
EBITDA	2,566.7	1,856.6	2,679.2	3,139.8	3,076.6
Operating profit	1,455.0	725.0	1,445.2	1,775.9	1,593.1
Net profit (rep./act.)	1,648.5	832.7	1,594.0	1,903.4	1,766.3
Net profit (adj.)	1,648.5	832.7	1,594.0	1,903.4	1,766.3
EPS	1.4	0.7	1.4	1.6	1.5
PE (x)	30.1	59.6	31.2	26.1	28.1
P/B (x)	3.6	3.8	3.7	3.4	3.2
EV/EBITDA (x)	11.8	16.3	11.2	10.1	10.0
Dividend yield (%)	2.9	2.9	2.9	2.9	2.9
Net margin (%)	11.1	6.4	10.5	10.9	10.0
Net debt/(cash) to equity (%)	(2.9)	(3.8)	(5.6)	7.0	0.8
Interest cover (x)	49.6	50.9	64.5	74.9	68.5
Consensus net profit	n.a	n.a	1,173.2	1,533.5	1,815.3
UOBKH/Consensus (x)	n.a	n.a	1.4	1.2	1.0

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

Analyst(s)

Kitpon Praipaisarnkit
kitpon@uobkh.co.th
+662 659 8154

Assistant Analyst(s)

Sirithat Prasertwuti

BUY (Upgraded)

Share Price	Bt47.75
Target Price	Bt60.00
Upside	25.65%
Previous TP	Bt40.00

Stock Data

Sector	Information Technology
Bloomberg ticker	KCE TB
Shares issued (m)	1,182.1
Market cap (Btm)	56,444.7
Market cap (US$m)	1,703.5
3-mth avg daily t'over (US$m)	32.7

Price Performance (%)

52-week high/low				Bt47.8/Bt16.5
1mth	**3mth**	**6mth**	**1yr**	**YTD**
7.9	48.1	152.6	85.4	162.4

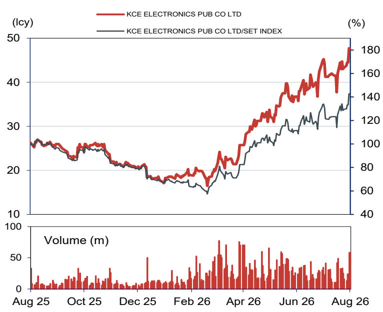
Major Shareholders (%)

Mr. **Pitharn Ongkosit**	15.83
Thai NVDR Company Limited	6.90

Balance Sheet Metrics

FY26 NAV/Share (Bt)	11.3
FY26 Net Debt/Share (Bt)	(0.6)

Price Chart



Source: Bloomberg

Company Description

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

- Strong 2H26-2027 earnings outlook despite raw material shortage. We forecast 2H26 earnings to contribute 68% of our 2026 full-year forecast, reflecting very strong earnings momentum outlook driven by robust shipment volumes guidance, gross margin improving toward management's 25% guidance (vs 18.4% in 1H26), and higher PCB prices. KCE expects customer order fulfilment to remain stable, despite having only 1-2 months of fibreglass inventory and about three months of copper inventory. Utilisation rates are expected to increase from 65% to about 70% in 2H26.
- Second-round PCB price increases and AI-driven fibreglass shortages support KCE's 2H26-2027 outlook. We are positive on the second round of PCB price increases, particularly as KCE mainly serves the automotive segment rather than the AI segment amid a soft automotive outlook in 2026. KCE expects strong volume growth in 3Q26-2027 from market share gains, as its PCB price increase remains at the lower end of the industry range, while TLM, its subsidiary, helps secure copper-clad laminate (CCL) amid the global fibreglass shortage. The shortage has been driven partly by suppliers shifting capacity toward AI-related fibreglass demand, reducing traditional non-AI fibreglass capacity from about 100% to 60%. While industry supply is expected to gradually ease in 2027-30 as new capacity comes online, we remain conservative on 2028 earnings due to potential normalisation in fibreglass tightness. As a result, KCE should continue to benefit from the AI-related supply imbalance in 2H26-2027 from gaining market shares and already absorb some raw material costs (low gross margin base in 1H26) before rising PCB prices in 2H26-2027.

Valuation/Recommendation

- We upgraded KCE to BUY again, with a higher target price of Bt60.00 (from Bt40.00). Our higher target price is based on 36.5x 2027F PE, near +1.0SD above its five-year mean, as we roll forward our valuation to 2027. While we are less bullish on valuations re-rating above +1.0SD of KCE's PE band and maintain the same PE multiple, the stronger-than-expected 2H26-2027 earnings outlook should provide additional upside in 2H26-1H27.
- We turn positive again on the earnings outlook, as: a) KCE is able to implement a second round of PCB price increases in 4Q26-2027; and b) we raise our gross margin assumption as KCE guides for strong PCB shipment volumes, supported by market share gains from offering PCB price increases at the lower end of the industry range.
- 2027 valuations at or above +1.25SD to +1.50SD (Bt62.00-64.00/share) appear expensive. These levels were last justified during the 2019-22 earnings upcycle, when KCE a three-year earnings CAGR of 35% for 2019-22, compared with our current projection of a three-year earnings CAGR of 28% for 2025-28.

Earnings Revision/Risk

- We revised up our 2026-2028 earnings forecast by 26%/31%/21% respectively, due to strong volume shipment and higher PCB prices.

Share Price Catalyst

- Stronger-than-expected sales and gross margin.

Environment, Social, Governance (ESG) Updates

Environmental

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

Social

- Employees at all levels receive 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.

2Q26 Earnings Results

(Bt)	2Q26	2Q25	1Q26	yoy (%)	qoq (%)
Revenue	3,575	3,285	3,107	8.8	15.0
Gross profit	676	595	550	13.6	22.8
Operating profit	226	160	177	41.6	27.6
Other income	90	50	101	79.7	(10.9)
Operating EBITDA	226	438	439	(48.4)	(48.5)
Net profit	276	182	234	51.5	17.8
EPS	0.24	0.16	0.20	51.5	17.8
%				ppts	ppts
Gross margin	18.9	18.1	17.7	0.8	1.2
EBITDA margin	6.3	13.3	14.1	(7.0)	(7.8)
Operating margin	6.3	4.9	5.7	1.5	0.6
SG&A to sales	11.8	12.8	13.6	(1.0)	(1.8)
Net profit margin	7.7	5.5	7.5	2.2	0.2

Source: UOB Kay Hian

S&P Global Light Vehicle Forecast Production (Monthly Update)

June 2026 forecast					
Region	2024	2025	2026F	2027F	2028F
Europe	17,174,845	17,047,600	16,757,315	16,769,240	17,010,525
		-1%	-2%	0%	1%
Greater China	30,087,168	33,095,001	31,784,660	32,166,163	32,058,009
		10%	-4%	1%	0%
Japan/Korea	11,980,053	12,102,526	11,787,663	11,347,893	11,240,654
		1%	-3%	-4%	-1%
Middle East/Africa	2,350,009	2,430,967	1,850,298	2,167,055	2,423,304
		3%	-24%	17%	12%
North America	15,449,571	15,265,165	14,994,373	15,016,726	15,281,755
		-1%	-2%	0%	2%
South America	2,961,973	3,056,800	3,103,254	3,339,217	3,480,327
		3%	2%	8%	4%
South Asia	9,590,255	10,100,266	10,401,107	10,807,516	11,726,382
		5%	3%	4%	9%
Total	89,593,874	93,098,325	90,678,670	91,613,810	93,220,956
yoy		4%	-3%	1%	2%

Source: UOB Kay Hian

PCB Sales Breakdown By Layer

Sales Breakdown (Btm)	2023	2024	2025	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Layer (Rev : USDm)									
Sales - 02 Layer	39	35	32	8.1	8.1	8.7	7.2	7.4	7.1
Sales - 04 Layer	142	129	122	31.6	31.3	30.8	28.0	30.8	32.2
Sales - 06+ Layer	99	81	79	21.0	20.2	21.3	16.7	19.6	19.7
Sales - Special Grade	114	116	94	23.4	22.3	26.8	21.9	25.3	26.7
Total Sales (USD)	**393**	**360**	**327**	**84**	**82**	**88**	**74**	**83**	**86**
yoy (%)	-9%	-9%	-9%	-11%	-14%	-4%	-8%	-1%	5%
qoq (%)				5%	-3%	7%	-16%	13%	3%
Volume (m SQFT)									
Volume - 02 Layer	4.1	3.7	3.49	0.9	0.9	0.9	0.8	0.8	0.8
Volume - 04 Layer	12.1	11.2	10.85	2.9	2.8	2.7	2.5	2.7	2.9
Volume - 06+ Layer	6.0	5.2	5.23	1.4	1.3	1.4	1.1	1.3	1.3
Volume - Special Grade	6.2	6.7	5.33	1.4	1.3	1.4	1.2	1.4	1.5
Total volume (m SQFT)	**28**	**27**	**24.9**	**6.5**	**6.3**	**6.5**	**5.6**	**6.3**	**6.4**
yoy	-10%	-5%	-7%	-7%	-12%	-3%	-6%	-4%	1%
qoq				11%	-3%	3%	-14%	13%	2%
Price per SQFT (USD/SQFT)									
Price - 02 Layer	9.5	9.3	9.2	9.0	9.1	9.3	9.2	9.3	9.2
Price - 04 Layer	11.7	11.4	11.2	11.0	11.2	11.3	11.3	11.3	11.3
Price - 06+ Layer	16.4	15.6	15.1	14.8	15.2	15.2	15.4	14.6	15.1
Price - Special Grade	18.5	17.3	17.7	17.3	17.1	18.5	17.7	18.1	18.3
Total USD/SQFT	**13.85**	**13.40**	**13.14**	**12.9**	**13.0**	**13.5**	**13.3**	**13.3**	**13.4**
Sales Breakdown (Btm)	**2023**	**2024**	**2025**	**1Q25**	**2Q25**	**3Q25**	**4Q25**	**1Q26**	**2Q26**
Sales by Country (Rev : USDm)									
Europe	194	189	161	41	42	44	34	41	43
America	90	77	76	20	17	20	19	22	21
Asia (ex. China)	20	17	17	4	5	4	4	4	5
China	49	36	29	8	7	7	7	5	5
Local	40	41	44	11	10	12	11	12	12
Sales (US$m)	**393**	**360**	**327**	**84**	**82**	**88**	**74**	**83**	**86**

Source: UOB Kay Hian

Bottlenecks For PCB shortage

6 Bottlenecks for PCB shortage from raw material	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.

Source: UOB Kay Hian, Highleap Electronics Report.

Eight-Year Forward PE Band

Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**13,075**	**15,149**	**17,411**	**17,701**
EBITDA	1,857	2,679	3,140	3,077
Deprec. & amort.	1,132	1,234	1,364	1,483
EBIT	725	1,445	1,776	1,593
Total other non-operating income	264	390	396	429
Associate contributions	12	13	13	13
Net interest income/(expense)	(36)	(42)	(42)	(45)
Pre-tax profit	**965**	**1,807**	**2,142**	**1,990**
Tax	(106)	(187)	(213)	(198)
Minorities	(26)	(26)	(26)	(26)
Net profit	**833**	**1,594**	**1,903**	**1,766**
Net profit (adj.)	833	1,594	1,903	1,766

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	8,819	9,089	11,833	11,415
Other LT assets	534	527	550	553
Cash/ST investment	1,969	2,047	483	1,371
Other current assets	6,608	7,796	8,438	8,578
Total assets	**17,930**	**19,459**	**21,304**	**21,917**
ST debt	1,055	882	1,082	1,082
Other current liabilities	2,618	4,166	4,614	4,160
LT debt	415	415	415	415
Other LT liabilities	646	548	559	571
Shareholders' equity	13,136	13,382	14,576	15,633
Minority interest	60	66	58	56
Total liabilities & equity	**17,930**	**19,459**	**21,304**	**21,917**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**2,537**	**2,701**	**3,231**	**2,799**
Pre-tax profit	965	879	2,142	1,990
Tax	(90)	(87)	(213)	(198)
Deprec. & amort.	1,132	1,350	1,364	1,483
Working capital changes	393	370	(229)	(599)
Non-cash items	127	201	180	136
Other operating cashflows	11	(13)	(13)	(13)
Investing	**(936)**	**(227)**	**(4,258)**	**(1,175)**
Capex (growth)	(603)	(1,508)	(4,133)	(1,085)
Investments	28	0	0	0
Others	(361)	1,282	(125)	(90)
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**	**955**	**(1,564)**	**887**
Beginning cash & cash equivalent	**1,566**	**1,093**	**2,047**	**483**
Ending cash & cash equivalent	**1,969**	**2,047**	**483**	**1,371**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.2	17.7	18.0	17.4
Pre-tax margin	7.4	11.9	12.3	11.2
Net margin	6.4	10.5	10.9	10.0
Growth				
Net profit (adj.)	(49.5)	91.4	19.4	(7.2)
Leverage				
Debt to total capital	11.1	9.6	10.2	9.5
Debt to equity	11.2	9.7	10.3	9.6
Net debt/(cash) to equity	(3.8)	(5.6)	7.0	0.8
Interest cover	50.9	64.5	74.9	68.5

Amata Corporation (AMATA TB)

2Q26: Stronger Gross Margin And One-off Gain

Highlights

- AMATA reported its 2Q26 net profit of Bt1.58b, up yoy and qoq.
- Stronger gross margin and a one-off gain boosted 2Q26 earnings, with gross margin rising to 51% and a Bt366m gain from the sale of investment.
- We roll over our target price to 2027 while maintaining BUY with a higher target price of Bt38.00 (previously Bt35.00).

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq%	yoy%
Net turnover	3,627	3,945	2,322	-8.1%	56.2%
Gross profit	1,864	1,872	869	-0.4%	114.5%
EBIT	1,420	1,460	502	-2.8%	182.6%
EBITDA	1,574	1,561	617	0.9%	155.4%
Net profit	1,584	1,379	140	14.9%	1032.2%
Core profit	1,217	1,379	140	-11.7%	770.3%
Ratio (%)					
Gross margin	51.4%	47.5%	37.4%		
SG&A to sales	12.2%	10.4%	15.8%		
Net profit margin	43.7%	34.9%	6.0%		

Source: AMATA Corporation, UOB Kay Hian

Analysis

- **Earnings beat our and consensus estimates.** Amata Corporation (AMATA) delivered a 2Q26 net profit of Bt1.58b (+1,032% yoy, +14% qoq), beating our and consensus estimates by 53% and 40%, respectively. The beat was mainly driven by a better-than-expected gross margin, along with a Bt366m gain from the sale of its investment in Amata Service City Long Thanh 2. Excluding this gain, core profit came in at Bt1.2b, up 770.3% yoy and 11.7% qoq, beating our and consensus forecasts by 18% and 8% respectively.
- **Revenue grew yoy but declined qoq.** Total revenue came in at Bt3.63b (+56% yoy, -8% qoq). The yoy growth was mainly driven by higher revenue across all businesses, while the qoq decline was primarily due to lower land transfers in 2Q26. Overall, recurring income accounted for around 39% of total revenue in 1H26, down from 49% in 1H25.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	14,723.6	14,281.5	16,025.1	15,527.0	16,649.6
EBITDA	3,972.6	5,070.4	5,755.7	5,427.5	5,805.5
Operating profit	3,521.5	4,608.0	5,269.3	4,921.4	5,279.8
Net profit (rep./act.)	2,482.9	3,148.7	4,176.3	3,895.6	4,145.0
Net profit (adj.)	2,482.9	3,148.7	4,176.3	3,895.6	4,145.0
EPS	2.2	2.7	3.6	3.4	3.6
PE (x)	13.2	10.4	7.8	8.4	7.9
P/B (x)	1.5	1.4	1.2	1.1	1.0
EV/EBITDA (x)	9.9	8.7	6.0	6.1	5.6
Dividend yield (%)	2.8	3.9	4.8	4.5	4.8
Net margin (%)	16.9	22.0	26.1	25.1	24.9
Net debt/(cash) to equity(%)	58.2	69.5	22.2	13.2	7.0
Interest cover (x)	6.4	8.9	10.3	11.6	12.7
Consensus net profit	n.a	n.a	3,391.5	3,399.7	3,659.7
UOBKH/Consensus (x)	n.a	n.a	1.2	1.2	1.1

Source: Amata Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

Arsit Pamaranont

arsit@uobkh.co.th

+662 090 3354

Assistant Analyst(s)

Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt28.50
Target Price	Bt38.00
Upside	33.33%
Previous TP	Bt35.00

Stock Data

Sector	Real Estate
Bloomberg ticker	AMATA TB
Shares issued (m)	1,150.0
Market cap (Btm)	32,487.5
Market cap (US$m)	965.8
3-mth avg daily t'over (US$m)	10.8

Price Performance (%)

52-week high/low				Bt28.5/Bt14.1
1mth	**3mth**	**6mth**	**1yr**	**YTD**
6.6	39.2	79.9	87.1	70.2

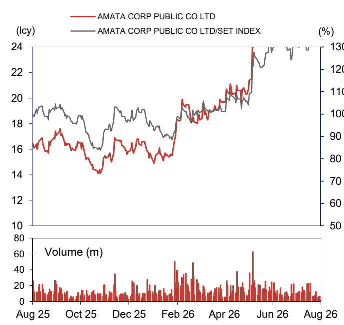
Major Shareholders (%)

Mr. Vikrom Kromadit	26.23
Thai NVDR	16.86

Balance Sheet Metrics

FY26 NAV/Share (Bt)	22.9
FY26 Net Debt/Share (Bt)	5.9

Price Chart



Source: Bloomberg

Company Description

AMATA is Thailand's leading industrial estate developer. It operates two industrial estates in Eastern Thailand, which are Amata Nakorn and Amata City, and one in Vietnam, Amata City Bien Hoa.

- **Revenue from industrial estate development grew yoy but declined qoq.** The company reported revenue from real estate sales of Bt2.2b, up 131% yoy but down 11% qoq. The yoy growth was driven by a higher volume of land transfers, along with a higher average selling price (ASP) from AMATA Smart City, which has the highest ASP among AMATA's industrial estates. The qoq decline was mainly due to a lower number of land transfers, while ASP edged up slightly qoq from Bt8.12m/rai to Bt8.14m/rai. As a result, 1H26 land transfers totalled 594 rai, up 32% hoh.
- **Recurring income improved yoy.** AMATA's rental business increased 4% yoy and 3% qoq, driven by an increase in leased areas. Meanwhile, revenue from utility services increased 4% yoy, supported by higher utility and service revenues in Thailand, while Vietnam revenue declined slightly due to exchange rate pressure from the appreciation of the Thai baht against the Vietnam dong.
- **Extra item from gain from sale of investment.** AMATA recognised a one-off gain from the disposal of its investment in Amata Township Long Thanh Co. (ATLT) in 2Q26. The transaction was conducted through Amata VN Public Company (AVN), AMATA's 72.84%-owned subsidiary, which directly and indirectly held a 93.4% stake in ATLT. AVN sold its entire stake in ATLT for VND492.2b, equivalent to approximately Bt632m, with the transaction completed on 30 Jul 26.
- **Gross margin improved yoy and qoq.** 2Q26 gross margin stood at 51%, up from 47.5% in 1Q26 and 37.4% in 2Q25. The improvement was mainly driven by a higher gross margin from the industrial estate development business, which increased to 66.16% from 46.87%. This was supported by a higher contribution from land transfers in Chonburi and improved margins at the Vietnam sites.
- **Higher interim dividend payment.** AMATA announced an interim dividend of Bt0.60/share for its 1H26 operating period, up from Bt0.35/share paid for 1H25. The ex-dividend date is set for 26 Aug 26.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt38.00 (previously Bt35.00),** as we roll over our valuation to 2027. Our target price is based on the SOTP methodology. We value the core businesses (industrial land development and logistics) at Bt29.25/share. The industrial estate business is valued at 12.6x 2027F PE, while the logistics business is valued using the GNAV method. Investments in associate companies are valued at Bt11.3/share, based on 14x 2027F PE. We believe AMATA's strong backlog will continue to support earnings. In addition, continued FDI inflows from the high-technology and AI-related industries should continue to support AMATA's land sales momentum.

Earnings Revision/Risk

- We revised our 2026-28 earnings forecasts up by 12.4%, 3.7%, 3.6% respectively to reflect the 2Q26 results and an improvement in gross margin.

Share Price Catalyst

- a) Higher-than-expected land presales volume, and b) continued FDI momentum driven by the relocation theme.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AAA

Environmental

Minimises social and environmental impact to protect and restore natural resources, transparently disclosing natural resources and implementing environmental management practices through various channels.

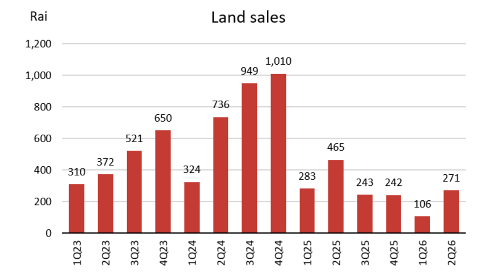
Social

The business operation plays a crucial role in promoting positive human rights impacts by contributing to the local economy, creating employment opportunities, and enhancing overall community wellbeing.

Governance

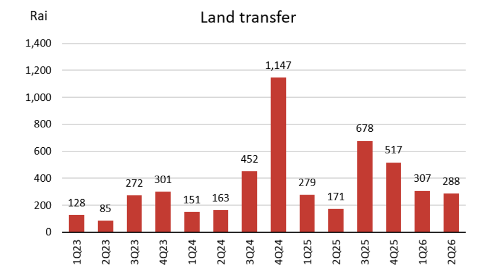
Places a strong emphasis on transparency, integrity, and compliance with laws and regulations, as well as the principles of good corporate governance and a business code of ethics.

Land Sales



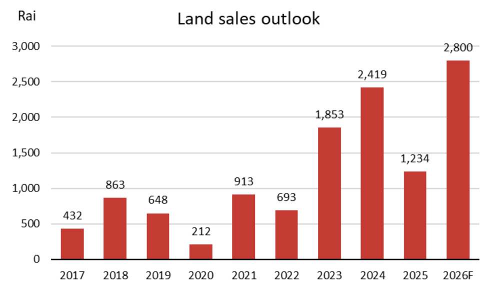
Source: AMATA, UOB Kay Hian

Land Transfer



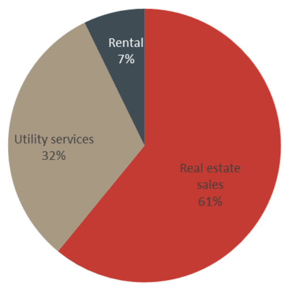
Source: AMATA, UOB Kay Hian

Land Sales Outlook



Source: AMATA, UOB Kay Hian

Revenue Contribution



Source: AMATA, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**14,281**	**16,025**	**15,527**	**16,650**
EBITDA	5,070	5,756	5,427	5,806
Deprec. & amort.	462	486	506	526
EBIT	4,608	5,269	4,921	5,280
Total other non-operating income	148	125	138	141
Associate contributions	927	796	940	931
Net interest income/(expense)	(570)	(559)	(466)	(456)
Pre-tax profit	**5,113**	**5,631**	**5,533**	**5,895**
Tax	(884)	(802)	(892)	(950)
Minorities	(949)	(1,019)	(746)	(800)
Net profit	**3,149**	**4,176**	**3,896**	**4,145**
Net profit (adj.)	3,149	4,176	3,896	4,145

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	9,935	10,213	10,470	10,708
Other LT assets	30,965	32,945	34,461	35,518
Cash/ST investment	4,038	14,487	16,516	18,103
Other current assets	24,716	16,381	16,222	17,445
Total assets	**69,654**	**74,025**	**77,670**	**81,774**
ST debt	5,693	5,693	5,693	5,693
Other current liabilities	14,468	14,744	14,722	14,931
LT debt	14,708	14,708	14,708	14,708
Other LT liabilities	4,363	4,363	4,363	4,363
Shareholders' equity	23,531	26,606	29,528	32,623
Minority interest	6,891	7,910	8,656	9,456
Total liabilities & equity	**69,654**	**74,025**	**77,670**	**81,774**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**(5,182)**	**14,293**	**5,284**	**4,456**
Pre-tax profit	4,982	5,997	5,533	5,895
Tax	(884)	(802)	(892)	(950)
Deprec. & amort.	462	486	506	526
Working capital changes	(10,354)	8,611	136	(1,014)
Other operating cashflows	612	0	0	0
Investing	**2,556**	**(2,257)**	**(1,774)**	**(1,294)**
Capex (growth)	2,870	(1,778)	(1,257)	(738)
Investments	(445)	(479)	(516)	(557)
Others	130	0	0	0
Financing	**894**	**(1,587)**	**(1,480)**	**(1,575)**
Dividend payments	(1,265)	(1,587)	(1,480)	(1,575)
Issue of shares	0	0	0	0
Proceeds from borrowings	1,927	0	0	0
Others/interest paid	232	0	0	0
Net cash inflow (outflow)	**(1,733)**	**10,449**	**2,029**	**1,587**
Beginning cash & cash equivalent	**5,770**	**4,038**	**14,487**	**16,516**
Ending cash & cash equivalent	**4,038**	**14,487**	**16,516**	**18,103**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	35.5	35.9	35.0	34.9
Pre-tax margin	35.8	35.1	35.6	35.4
Net margin	22.0	26.1	25.1	24.9
Growth				
Turnover	218.0	256.8	245.7	270.7
EBITDA	171.6	208.3	190.7	211.0
Pre-tax profit	141.4	165.9	161.3	178.4
Net profit	123.4	196.3	176.4	194.1
Net profit (adj.)	26.8	32.6	(6.7)	6.4
EPS	107.2	174.9	156.4	172.8
Leverage				
Debt to total capital	67.1	59.1	53.4	48.5
Debt to equity	86.7	76.7	69.1	62.5
Net debt/(cash) to equity	69.5	22.2	13.2	7.0
Interest cover	8.9	10.3	11.6	12.7

Berli Jucker (BJC TB)

2Q26; Results In Line; Packaging Earnings Spike

Highlights

- BJC reported 2Q26 core profit of Bt1.27b, up 17% yoy and 8% qoq, in line with our and consensus forecasts.
- Growth was driven by sales growth, gross margin expansion, higher other income, but partly offset by increased SG&A.
- Maintain BUY with a target price of Bt18.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q25	2Q26	yoy (%)	qoq (%)
Sales and services	42,626	43,570	43,744	2.7	0.4
Sales - Packaging	5,744	6,527	7,452	29.7	14.2
Sales – Consumer	5,638	5,486	5,670	0.6	3.4
Sales – HTSC	2,289	2,247	2,215	(3.2)	(1.4)
Sales – Modern retail	29,454	29,867	28,928	(1.8)	(3.1)
Sales – Other	(499)	(557)	(521)	4.4	(6.5)
Gross profit	**8,418**	**8,770**	**8,822**	**5.0**	**0.6**
SG&A	(8,525)	(9,308)	(8,876)	4.2	(4.6)
Other income	3,260	3,680	5,228	60.4	42.1
Interest expense	(1,374)	(1,332)	(1,375)	0.1	3.2
Equity income	29	32	44	52.9	38.6
Tax	(376)	(442)	(645)	74.4	46.0
Net profit	1,089	1,057	2,882	191.1	172.6
Core profit	**990**	**1,180**	**1,273**	**16.9**	**7.8**
Gross margin	19.7	20.1	20.2	0.45	0.04
SG&A to sales	20.0	21.4	20.3	0.29	(1.07)
Core profit margin	2.6	2.7	2.9	0.35	0.20

Source: Berli Jucker, UOB Kay Hian

Analysis

- **Results in line.** Berli Jucker (BJC) reported 2Q26 core profit of Bt1.27b (+17% yoy, +8% qoq), marking the first positive yoy growth since 4Q24. Growth was driven by 3% yoy sales growth, 45bps gross margin expansion, higher other income and a lower effective tax rate, but partly offset by a 30bps increase yoy in SG&A-to-sales. A gain from asset sales lifted net profit to Bt2.88b, (+191%yoy, +173% qoq), in line with our and consensus forecasts.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	170,814	166,542	181,170	188,520	190,215
EBITDA	22,292	21,005	22,820	23,342	23,704
Operating profit	12,904	11,795	12,704	13,166	13,459
Net profit (rep./act.)	4,001	4,011	4,675	5,075	5,306
Net profit (adj.)	4,771	4,373	4,675	5,075	5,306
EPS	1.0	1.0	1.2	1.3	1.3
PE (x)	12.9	14.0	13.1	12.1	11.6
P/B (x)	0.5	0.5	0.5	0.5	0.5
EV/EBITDA (x)	10.0	10.6	9.6	9.3	9.1
Dividend yield (%)	4.6	3.3	3.9	4.2	4.4
Net margin (%)	2.3	2.4	2.6	2.7	2.8
Net debt/(cash) to equity(%)	129.9	129.6	123.0	117.2	112.5
Interest cover (x)	4.0	3.9	4.2	4.3	4.4
ROE (%)	3.2	3.2	3.6	3.8	3.9
Consensus net profit	n.a.	n.a.	4,635	4,770	5,146
UOBKH/Consensus (x)	n.a.	n.a.	1.0	1.1	1.0

Source: Berli Jucker, Bloomberg, UOB Kay Hian

Analyst(s)

Tanapon Cholkadidamrongkul

Tanapon.c@uobkayhian.co.th

662 090 3359

BUY (Maintained)

Share Price	Bt16.00
Target Price	Bt18.00
Upside	12.50%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	BJC TB
Shares issued (m)	4,007.8
Market cap (Btm)	61,319.3
Market cap (US$m)	1,819.5
3-mth avg daily t'over (US$m)	2.4

Price Performance (%)

52-week high/low				Bt21.0/Bt13.3
1mth	**3mth**	**6mth**	**1yr**	**YTD**
8.5	4.1	7.8	(22.7)	6.2

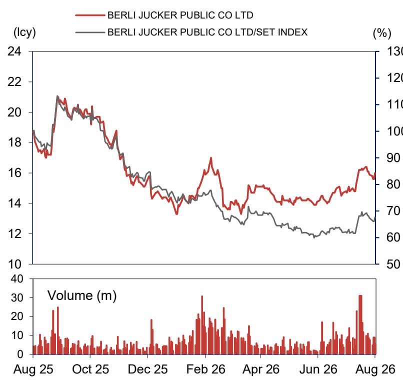
Major Shareholders (%)

TCC Corporation	45.68
TCC Holding (1995)	29.32
RAFFLES NOMINEES (PTE) LIMITED	4.07

Balance Sheet Metrics

FY26 NAV/Share (Bt)	n.a
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

Berli Jucker Pcl (BJC) is a conglomerate that operates: a) packaging supply chain, b) consumer supply chain, c) healthcare and technical supply chains, and d) modern retail supply chain.

- **Packaging business has boosted 2Q26 earnings.** Packaging sales, which contribute 36% of EBIT, grew 30% yoy in 2Q26, driven by: a) yoy growth in Thailand glass sales, supported by higher volumes and selling prices as BJC gains market share from key competitors and operates at full capacity; b) stronger can sales, supported by market share gains with key customers; and c) a full quarter's contribution from the international glass business. Higher sales volumes should support gross margin expansion through economies of scale. The 2H26 outlook remains positive, supported by strong orders from existing and new customers, while Nestlé's capacity expansion should directly benefit BJC, given the latter's position as its top supplier.
- **MMVN supports modern retail segment.** Modern retail (MSC) sales are expected to decline by 2% yoy in 2Q26. This is mainly due to a 3-4% decline in Big C sales, which contribute 36% of EBIT, pressured by negative SSSG of around 2.5% yoy and store closures, partly offset by better gross margins. On the positive side, BJC began consolidating Mega Market Vietnam (MMVN), a pure-play cash-and-carry retailer in Vietnam, from 1 May 26. MMVN's 2Q26 performance is expected to be strong, with sales increasing 8-9% yoy, driven by positive SSSG and a new store opening, alongside better gross margins. We expect MMVN, with a forecast EBIT contribution of 4% in 2026 and 6% in 2027, to become a new earnings driver.
- **CSC and HTSC.** The healthcare and technical business (HTSC), which contributes 10% of EBIT, is expected to see 2Q26 sales decline 3% yoy due to weaker medical equipment sales, while gross margin should expand by 190bps. The consumer business (CSC), which contributes 15% of EBIT, is expected to record 0.6% yoy sales growth, driven by a yoy growth in food and non-food, offsetting weaker sales from the low-margin Thailand logistics business following its restructuring into a JV with DHL. Exclude the effect from the reclassification of Thailand logistics business, like-for-like gross margin may decline by 80bps yoy.
- **Qtd Big C SSSG improved to negative 1-2% yoy,** with July at -2% yoy and turning positive in the first 10 days of August.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt18.00.** We peg our target price to a 2026F PE of 15x, equivalent to -2SD to BJC's and -1.5SD to peers' five-year averages. BJC's earnings are expected to turn positive in 2Q26 and continue growing in 2H26 after five consecutive quarters of negative yoy growth, driven by the strong packaging business and MMVN contribution.

Earnings Revision/Risk

- **No earnings revision.**

Environment, Social, Governance (ESG) Updates

CG Report: 5, SET ESG Rating: AA

Environmental

- BJC aims to become a net zero company by 2050. It is committed to developing the business to be sustainable in accordance with sustainable development frameworks, to comply with Sustainable Development Goals.

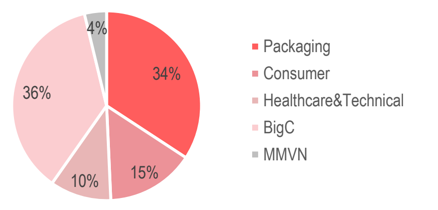
Social

- The company emphasises business operations with social responsibility in every operation by treating every stakeholder with respect for human rights as a basis, emphasises fair and equal treatment of workers, and strictly complies with relevant laws.

Governance

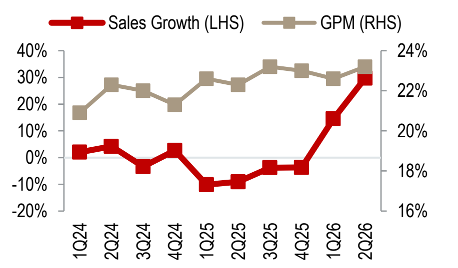
- BJC is committed to operating its business in accordance with good corporate governance policy and management excellence. BJC received the "Excellent" rating on good corporate governance from the Thai Institute of Directors.

Estimated 2026 EBIT Contribution Before Intercompany Transactions



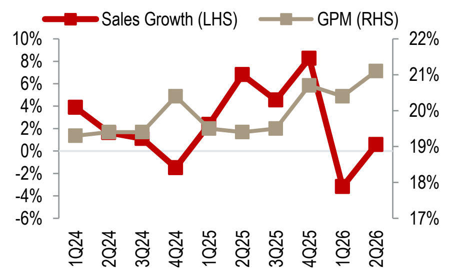
Source: Berli Jucker, UOB Kay Hian

Packaging Supply Chain



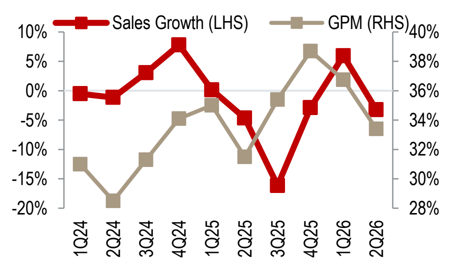
Source: Berli Jucker, UOB Kay Hian

Consumer Supply Chain



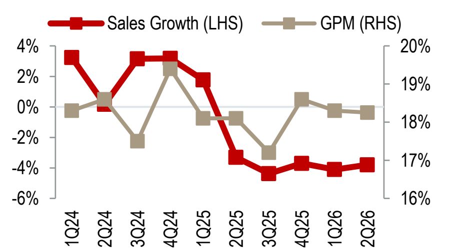
Source: Berli Jucker, UOB Kay Hian

Healthcare And Technical Supply Chain



Source: Berli Jucker, UOB Kay Hian

Big C



Source: Berli Jucker, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**1,021,588**	**1,047,830**	**1,078,529**	**1,112,133**
EBITDA	90,540	94,368	97,801	101,332
Deprec. & amort.	37,777	38,146	40,492	42,864
EBIT	52,764	56,221	57,309	58,468
Total other non-operating income	9	0	0	0
Associate contributions	580	580	586	592
Net interest income/(expense)	(14,347)	(14,022)	(13,980)	(13,937)
Pre-tax profit	**38,919**	**42,780**	**43,915**	**45,123**
Tax	(7,045)	(7,807)	(8,016)	(8,238)
Minorities	(3,669)	(4,042)	(4,185)	(4,309)
Net profit	**28,206**	**30,931**	**31,714**	**32,576**
Net profit (adj.)	27,712	30,351	31,128	31,984

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	803,684	816,376	827,584	837,490
Other LT assets	26,572	26,993	32,691	38,745
Cash/ST investment	53,561	70,526	71,870	77,881
Other current assets	98,997	91,803	96,301	101,553
Total assets	**982,814**	**1,005,699**	**1,028,445**	**1,055,669**
ST debt	75,885	75,885	75,885	75,885
Other current liabilities	174,694	180,592	184,007	190,628
LT debt	366,454	365,754	365,054	364,354
Other LT liabilities	34,236	35,826	36,372	37,619
Shareholders' equity	138,141	158,304	173,604	189,350
Minority interest	193,403	189,338	193,523	197,832
Total liabilities & equity	**982,814**	**1,005,699**	**1,028,445**	**1,055,669**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**74,255**	**86,210**	**75,308**	**81,119**
Pre-tax profit	38,919	42,780	43,915	45,123
Tax	(7,045)	(7,807)	(8,016)	(8,238)
Deprec. & amort.	37,777	38,146	40,492	42,864
Working capital changes	(8,655)	13,118	(1,381)	1,230
Non-cash items	89	(27)	297	140
Other operating cashflows	13,170	0	0	0
Investing	**(37,017)**	**(26,723)**	**(33,904)**	**(34,631)**
Capex (growth)	(59,493)	(50,838)	(51,699)	(52,770)
Investments	111	(232)	(234)	(237)
Others	22,366	24,348	18,030	18,376
Financing	**(38,370)**	**(42,522)**	**(40,061)**	**(40,476)**
Dividend payments	(12,128)	(18,876)	(16,414)	(16,830)
Issue of shares	0	0	0	0
Proceeds from borrowings	17,751	(700)	(700)	(700)
Others/interest paid	(43,993)	(22,947)	(22,947)	(22,947)
Net cash inflow (outflow)	**(1,131)**	**16,965**	**1,344**	**6,011**
Beginning cash & cash equivalent	**54,628**	**53,561**	**70,526**	**71,870**
Ending cash & cash equivalent	**53,497**	**70,526**	**71,870**	**77,881**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.9	9.0	9.1	9.1
Pre-tax margin	3.8	4.1	4.1	4.1
Net margin	2.8	3.0	2.9	2.9
ROE	21.3	20.9	17.5	17.2
Growth				
Net profit (adj.)	12.6	9.5	2.6	2.8
Leverage				
Debt to total capital	133.4	127.0	120.1	113.7
Debt to equity	320.2	279.0	254.0	232.5
Net debt/(cash) to equity	281.4	234.4	212.6	191.4
Interest cover	6.3	6.7	7.0	7.3

UOBKayHian

Company – Results | Thailand

Friday, 14 August 2026

GFPT Plc. (GFPT TB)

2Q26: Results In Line; Higher Chicken Prices And Seasonality To Support Earnings

Highlights

- GFPT reported a 2Q26 core profit of Bt582m (-12% yoy, but +20% qoq). The results were in line with our and market expectations.
- We expect positive earnings momentum in 3Q26, supported by seasonality and higher chicken prices.
- Upgrade to BUY with a higher target price of Bt11.40.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	qoq%	yoy%
Revenue	4,648	4,881	4,268	-4.8%	8.9%
Gross profit	786	816	625	-3.7%	25.8%
SG&A	349	344	316	1.5%	10.6%
EBIT	538	564	399	-4.6%	34.8%
Net profit	601	642	517	-6.5%	16.1%
Core profit	582	664	486	-12.3%	19.8%
Core EPS (Bt)	0.48	0.51	0.41	-6.5%	16.1%
(%)	**2Q26**	**1Q26**	**2Q25**	**qoq%**	**yoy%**
Gross Margin (%)	16.9%	16.7%	14.6%	0.2%	2.3%
%SG&A/revenue	7.5%	7.0%	7.4%	0.5%	0.1%
Net Margin (%)	12.9%	13.2%	12.1%	-0.2%	0.8%

Source: GFPT Plc., UOB Kay Hian

Analysis

- **Earnings in line.** GFPT Plc (GFPT) reported a 2Q26 net profit of Bt600m (-6% yoy, but +16% qoq). Excluding one-off items, the core profit for 2Q26 came in at Bt582m (-12% yoy, but +20% qoq). The results were in line with our and market expectations.
- **Food business pressure top-line sales.** The top-line for 2Q26 was reported at Bt4.6b (-5% yoy, but +9% qoq). The yoy revenue decline was driven by weaker performance across all business segments: a) the food business (-4.7% yoy, +16% qoq), b) the farm business (-5.1% yoy, flat qoq), and c) the feed business (-4.3% yoy, +7%).
- **Direct export volume declined yoy but increased qoq.** The decline in food business sales was attributable to lower chicken export volumes, mainly reflecting weaker demand from the China market. Direct export volume in 2Q26 totalled 8,100 tonnes, down from 8,500 tonnes in 2Q25 but up from 7,500 tonnes in 1Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	19,314.1	18,840.1	18,383.4	18,832.2	19,177.9
EBITDA	2,781.9	3,345.5	3,292.6	3,420.7	3,560.7
Operating profit	1,099.0	1,612.1	1,495.3	1,526.8	1,574.1
Net profit (rep./act.)	1,973.8	2,439.4	2,155.6	2,196.3	2,262.3
Net profit (adj.)	1,877.3	2,440.9	2,105.6	2,196.3	2,262.3
EPS	1.5	2.0	1.7	1.8	1.8
PE (x)	6.2	4.8	5.6	5.3	5.2
P/B (x)	0.6	0.5	0.5	0.5	0.4
EV/EBITDA (x)	5.2	3.9	3.4	2.9	2.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Net margin (%)	10.2	13.0	11.7	11.7	11.8
Net debt/(cash) to equity(%)	13.2	4.9	(2.4)	(8.1)	(13.6)
Interest cover (x)	23.3	32.8	38.8	28.6	29.8
ROE (%)	12.4	14.3	12.0	11.6	11.3
Consensus net profit	n.a	n.a	2,162.0	2,249.4	2,392.3
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: GFPT Plc., Bloomberg, UOB Kay Hian

Analyst(s)

Nichapa Ratchabandit

nichapa@uobkayhian.co.th

+662 090 3366

BUY (Upgraded)

Share Price	Bt9.70
Target Price	Bt11.40
Upside	17.53%
Previous TP	Bt10.00

Stock Data

Sector	Consumer Staples
Bloomberg ticker	GFPT TB
Shares issued (m)	1,253.8
Market cap (Btm)	11,347.1
Market cap (US$m)	346.6
3-mth avg daily t'over (US$m)	0.9

Price Performance (%)

52-week high/low				Bt10.7/Bt8.4
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(3.2)	(7.6)	(13.8)	(12.1)	(14.6)

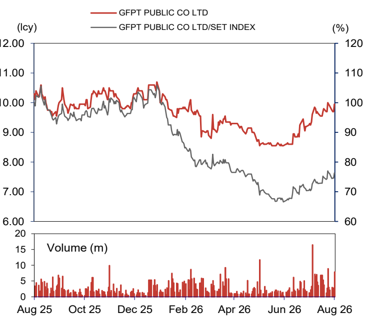
Major Shareholders (%)

Sirimongkolsasem Family	50.83
Nichirei Food	4.52

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.5
FY26 Net Debt/Share (Bt)	(0.3)

Price Chart



Source: Bloomberg

Company Description

GFPT produces and distributes frozen and cooked chicken products. Subsidiaries are engaged in broiler farms, and produce and distribution of feed mill.

- **Profitability increases yoy and qoq.** Gross profit margin in 1Q26 was at 16.9%, up from 16.7% in 2Q25 and up from 14.6% in 1Q26. SG&A/sales came in at 7.5%, up from 7.0% in 2Q25 and 7.4% in 1Q26.
- **Lower equity income.** Equity income from GFN and McKey declined to Bt135m in 2Q26, compared with Bt197m in 2Q25 and Bt147m in 1Q26. The decline was mainly attributable to: a) lower domestic selling prices of chicken parts and by-products, and b) forex losses.
- **Positive tone from the analyst meeting.**

  a) The company expects domestic chicken prices to increase qoq in 3Q26, supported by stronger demand following the government's stimulus measures and the pass-through of higher production costs. In Aug 26, chicken prices are at Bt43-44/kg (flat mom and +10% vs the 2Q26 average). Similarly, product prices maintained an upward trend qoq.

  b) On the cost side, GFPT expects corn prices to decline in 3Q26 due to the harvest season. In addition, imports of US corn, which are expected in 4Q26, should further ease raw material cost pressures.

  c) Export volumes are expected to increase qoq, supported by the high season for exports and a recovery in sales to the Japan market, where products typically carry higher margins.

  d) YOY volume growth should normalise in 2H26, following the low base from the absence of China exports in 2H25.
- **Revised down 2026 guidance.** GFPT has lowered 2026 sales growth guidance from +2-3% yoy to flat yoy, reflecting weaker-than-expected sales performance in 1H26. The company maintained its gross profit margin target of 15-16% and SG&A-to-sales ratio of 7-8%. We have no changes to our forecasts, as our 2026F sales assumption projects a -2.3% yoy, which remains more conservative than the company's revised guidance.
- **New slaughterhouse to commence operations in 1Q27.** The new slaughterhouse is expected to commence commercial operations in 1Q27, which should support the company's direct export sales and sales to McKey.

Valuation/Recommendation

- **Upgrade to BUY with a higher target price of Bt11.40,** We rollover our target price to 2027F. Using the PE valuation method, we value GFPT at -1SD, implying a multiple of 6.5x. We expect positive earnings momentum in 3Q26 qoq, supported by seasonality and higher chicken prices.

Earnings Revision/Risk

- We have fine-tuned our 2026-2027 earnings projections up by 4% and 2%, respectively to reflect the upward trend of domestic livestock prices and expect the higher volume export.

Share Price Catalyst

- Lower commodity costs.
- Stronger-than-expected chicken export volume.
- Increase in domestic chicken prices, economic recovery.

Environment, Social, Governance (ESG) Updates

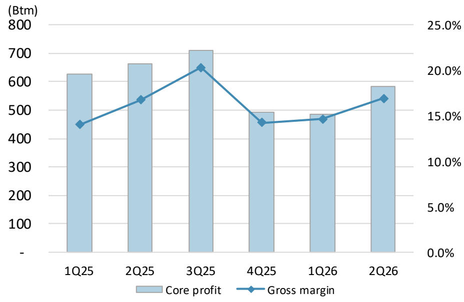
CG Report: 5
SET ESG Rating: AA

Environmental: Zero greenhouse gas target. GFPT aims to be a carbon neutral organisation by 2030 and achieve net zero carbon emissions by 2050.

Social: GFPT complies with the sustainability targets for the Sustainable Development Goals which include gender equality, quality education, and decent work and economic growth.

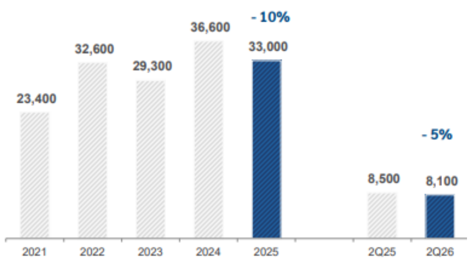
Governance: GFPT has taken strong action against corruption, declaring its intent to join the Private Sector Collective Action Coalition Against Corruption (PCA) on 26 Sep 14. The company was certified as a member of the (Thai Private Sector Collective Action Against Corruption: CAC) in 2017 and has been renewed twice, in 2020 and 2023. The certification is valid for three years, expiring on 31 Dec 26.

Earnings Performance



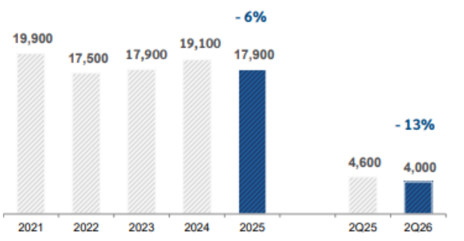
Source: GFPT, UOB Kay Hian

Chicken Meat Direct Export (MT)



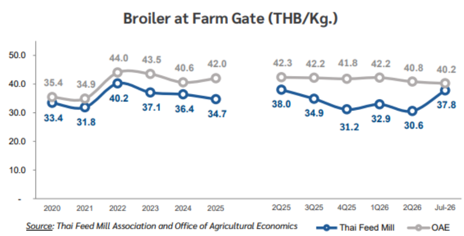
Source: GFPT

Chicken Meat Indirect Export (MT)



Source: GFPT

Chicken Prices



Source: GFPT

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**18,840**	**18,383**	**18,832**	**19,178**
EBITDA	3,345	3,293	3,421	3,561
Deprec. & amort.	1,733	1,797	1,894	1,987
EBIT	1,612	1,495	1,527	1,574
Total other non-operating income	365	383	377	384
Associate contributions	825	568	680	700
Net interest income/(expense)	(102)	(85)	(119)	(119)
Pre-tax profit	**2,701**	**2,361**	**2,464**	**2,538**
Tax	(245)	(239)	(251)	(258)
Minorities	(15)	(16)	(17)	(18)
Net profit	**2,439**	**2,156**	**2,196**	**2,262**
Net profit (adj.)	2,441	2,106	2,196	2,262

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	13,176	13,628	13,984	14,247
Other LT assets	6,230	6,230	6,230	6,230
Cash/ST investment	3,530	5,153	6,636	8,297
Other current assets	4,927	4,981	5,097	5,186
Total assets	**27,863**	**29,992**	**31,947**	**33,960**
ST debt	1,118	1,118	1,118	1,118
Other current liabilities	819	1,093	1,109	1,120
LT debt	3,470	3,470	3,470	3,470
Other LT liabilities	760	760	760	760
Shareholders' equity	21,536	23,375	25,297	27,280
Minority interest	160	177	194	212
Total liabilities & equity	**27,863**	**29,992**	**31,947**	**33,960**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**3,140**	**2,923**	**2,739**	**2,922**
Pre-tax profit	2,701	2,361	2,464	2,538
Tax	(245)	(239)	(251)	(258)
Deprec. & amort.	1,733	1,797	1,894	1,987
Associates	825	568	680	700
Working capital changes	(263)	220	(102)	(77)
Non-cash items	(342)	(1,250)	(1,250)	(1,250)
Other operating cashflows	(1,269)	(534)	(697)	(718)
Investing	**(758)**	**(1,000)**	**(1,000)**	**(1,000)**
Capex (growth)	(807)	(1,000)	(1,000)	(1,000)
Investments	0	0	0	0
Others	49	0	0	0
Financing	**(953)**	**(300)**	**(257)**	**(261)**
Dividend payments	(251)	(317)	(274)	(279)
Loan repayment	(625)	0	0	0
Others/interest paid	(77)	16	17	18
Net cash inflow (outflow)	**1,429**	**1,623**	**1,482**	**1,661**
Beginning cash & cash equivalent	**2,101**	**3,530**	**5,153**	**6,636**
Ending cash & cash equivalent	**3,530**	**5,153**	**6,636**	**8,297**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.8	17.9	18.2	18.6
Pre-tax margin	14.3	12.8	13.1	13.2
Net margin	13.0	11.7	11.7	11.8
ROA	10.6	9.0	8.8	8.7
ROE	14.3	12.0	11.6	11.3
Growth				
Turnover	13.2	10.4	13.1	15.2
EBITDA	46.0	43.7	49.3	55.4
Pre-tax profit	107.6	81.5	89.4	95.2
Net profit	135.0	107.7	111.6	118.0
Net profit (adj.)	30.0	(13.7)	4.3	3.0
EPS	135.2	102.9	111.6	118.0
Leverage				
Debt to total capital	21.2	19.5	18.0	16.7
Debt to equity	21.3	19.6	18.1	16.8
Net debt/(cash) to equity	4.9	(2.4)	(8.1)	(13.6)
Interest cover	32.8	38.8	28.6	29.8

Tidlor Holdings Pcl (TIDLOR TB)

2Q26: Results In Line; Loan Growth On Track

Highlights

- TIDLOR reported a net profit of Bt1.53, up 18.3% yoy but down 5% qoq.
- Loan growth remained at 6% yoy, within the company's 5-10% target range, while we expect TIDLOR to maintain prudent loan expansion amid the uncertain economic environment.
- Maintain BUY with an unchanged target price of Bt25.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Total gross loans	112,538	109,926	105,906	2.4	6.3
Net interest income	4,511	4,376	4,118	3.1	9.6
Non-interest income	1,046	1,100	994	(5.0)	5.2
Loan loss provision	(572)	(468)	(692)	22.2	(17.4)
Non-Interest Expenses	(3,064)	(2,981)	(2,789)	2.8	9.9
Pre-provision operating profit	2,103	2,079	1,988	1.1	5.8
Net income	1,533	1,614	1,296	(5.0)	18.3
EPS (Bt)	0.53	1	0.44	(5.0)	19.6
Ratio (%)					
NPL ratio (%)	1.54	1.47	1.78		
Loan loss coverage ratio (%)	322	340	262		
Net interest margin (NIM %)	16.2	15.9	15.6		
Credit cost (bp)	206	171	263		
Cost to income (%)	55.1	54.4	54.6		
Number of network store	1,918	1,892	1,832		
Baseline Total Loans/Store	58.7	58.1	57.8		

Source: TIDLOR, UOB Kay Hian

Analysis

- **2Q26 results in line with estimates.** Tidlor Holdings (TIDLOR) reported a net profit of Bt1.53b in 2Q26, up 18.3% yoy but down 5.0% qoq. The results were in line with our expectations and consensus forecasts. Excluding provision expenses, TIDLOR's pre-provision operating profit (PPOP) increased 5.8% yoy and 1.1% qoq.
- **Loan portfolio grew yoy and qoq.** TIDLOR's outstanding loan portfolio expanded by 6% yoy and 2% qoq to Bt112b in 2Q26, in line with the company's target loan growth of 5-10%. Given the current uncertain economic environment, we expect TIDLOR to maintain its loan growth target, while continuing to pursue prudent loan growth, particularly in its truck portfolio. During the quarter, TIDLOR operated 1,918 branches, with 26 new branches opened during the quarter.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	15,945.1	16,809.0	17,818.3	19,424.9	20,966.3
Non-Interest Income	3,791.8	4,189.0	4,611.5	4,993.9	5,332.3
Net profit (rep./act.)	4,216.7	5,035.7	5,904.5	6,328.1	7,209.3
Net profit (adj.)	4,216.7	5,035.7	5,904.5	6,328.1	7,209.3
EPS (Bt)	1.5	1.7	2.0	2.2	2.5
PE (x)	13.2	11.1	9.5	8.8	7.8
P/B (x)	1.8	1.6	1.5	1.4	1.2
Dividend yield (%)	2.6	1.8	5.2	5.2	5.2
Net int margin (%)	15.8	15.7	15.7	16.0	16.1
Cost/income Ratio (%)	55.9	55.5	55.0	55.0	54.7
Loan loss cover (%)	242.7	325.0	280.0	300.0	300.0
Consensus net profit	n.a	n.a	5,639.2	6,143.6	6,758.9
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.1

Source: Tidlor Holdings Pcl, Bloomberg, UOB Kay Hian

Analyst(s)

Thanawat Thangchadakorn
thanawat@uobkh.co.th
(662) 090 3360

Assistant Analyst(s)
Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt19.30
Target Price	Bt25.00
Upside	29.53%

Stock Data

Sector	Financials
Bloomberg ticker	TIDLOR TB
Shares issued (m)	2,877.0
Market cap (Btm)	55,525.3
Market cap (US$m)	1,674.5
3-mth avg daily t'over (US$m)	14.0

Price Performance (%)

52-week high/low				Bt22.5/Bt13.8
1mth	**3mth**	**6mth**	**1yr**	**YTD**
0.0	16.37	2.1	9.7	13.5

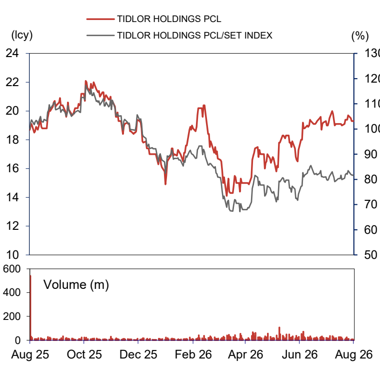
Major Shareholders (%)

Bank of Ayudhya (BAY)	46.51
Thai NVDR	4.87

Balance Sheet Metrics

FY26 NAV/Share (Bt)	12.9
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

The non-bank company provides auto-title loans, hire purchase financing services for second-hand used trucks, and other types of non-lending products including life and non-life insurance brokerage services under the brand Ngern Tid Lor.

- **NII increased yoy and qoq.** The company reported net interest income (NII) of Bt4.5b, up 9.6% yoy and 3.1% qoq, driven by the changes toward higher contribution from higher yield loan mix and the application of risk-based pricing. This was supported by both an improvement in lending yield to 18.7% (1Q26: 18.1%; 2Q25: 18.5%) and a lower cost of funds declined to 2.1% (1Q26: 2.2% 2Q25:2.4%). However, we expect the downtrend in funding costs to be limited, given that the interest rate trend has now stabilised.
- **Non-II grew yoy but declined qoq.** TIDLOR's non-interest income (non-II) was Bt1.05b, up 5.2% yoy but down 5.0% qoq. The yoy growth was mainly driven by the insurance brokerage business, supported by a broader product offering and enhancements to its sales and service channels. However, amid intensifying competition in the insurance brokerage market, we expect the insurance brokerage business to face a more challenging growth environment. Insurance brokerage accounted for approximately 66% of TIDLOR's fee and service income in 2Q26.
- **Credit cost and NPL increased qoq.** TIDLOR set aside Bt572m in provisions during the quarter, down 17% yoy but up 22% qoq, equivalent to a credit cost of 206bp. The yoy decline was mainly due to lower provisions and write-offs. However, credit costs increased by 35bp qoq, and we expect them to remain elevated amid the uncertain economic environment. The NPL ratio increased slightly to 1.54%, from 1.47% in 1Q26.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt25.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). Our target price implies a 2026F P/B of 1.9x, broadly in line with its five-year average.

Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- Government stimulus packages to boost economic recovery.

Environment, Social, Governance (ESG) Updates

CG Report: 4
SET ESG Rating: N/A

Environmental

- Lighting control systems are implemented to adjust the amount of light suitable for each work area.

Social

- TIDLOR started a financial literacy programme in 2013 after launching nano-finance.

Governance

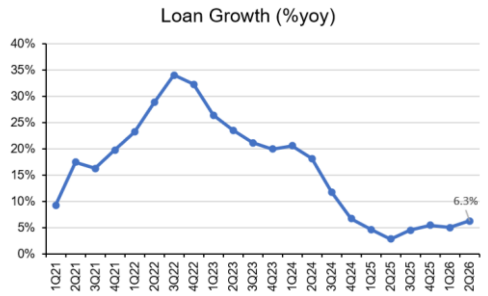
- The company also adheres to a notion of "sustainability" towards all stakeholders.

2026 Financial Targets

	1H26 Actual	2026 Target	2025 Target
Loan growth	2.7% ytd	5-10%	> 6.6%
Cost to income	54.8%	Mid 50s	
NPL ratio	1.54%	1.5-1.8%	< 2.0%
Credit cost	187 bp	220-280 bp	< 300 bp

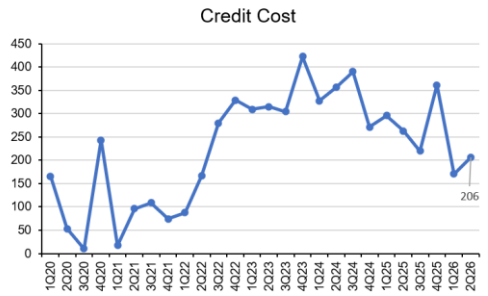
Source: TIDLOR, UOB Kay Hian

Loan Growth (%yoy)



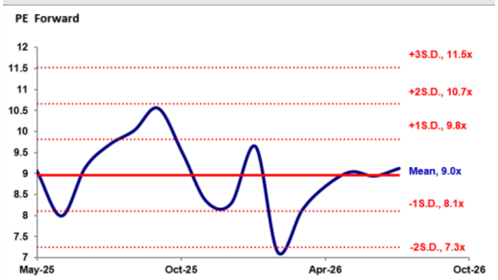
Source: TIDLOR, UOB Kay Hian

Credit Cost (bp)



Source: TIDLOR, UOB Kay Hian

PE Band



Source: TIDLOR, UOB Kay Hian

P/B Band

Source: TIDLOR, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	19,344	20,259	21,930	23,528
Interest expense	(2,535)	(2,441)	(2,505)	(2,562)
Net interest income/(expense)	16,809	17,818	19,425	20,966
Fees & Commissions	4,024	4,414	4,796	5,135
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	165	197	197	197
Non-Interest Income	4,189	4,611	4,994	5,332
Total Income	20,998	22,430	24,419	26,299
Staff Costs	(11,648)	(12,343)	(13,436)	(14,376)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	9,350	10,086	10,983	11,923
Loan Loss Provision	(3,031)	(2,691)	(3,071)	(2,909)
Pre-tax profit	**6,319**	**7,396**	**7,912**	**9,014**
Tax	(1,246)	(1,481)	(1,584)	(1,805)
Minorities	(38)	(10)	0	0
Net profit	**5,036**	**5,905**	**6,328**	**7,209**
Net profit (adj.)	5,036	5,905	6,328	7,209

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,060	3,517	4,043	4,368
Customer Loans	104,086	112,250	120,174	128,708
Properties & Other Fixed Assets	1,944	1,599	1,399	1,324
Goodwill & Intangible Assets	600	587	587	587
Other Assets	3,106	3,087	3,199	3,314
Total assets	**112,797**	**121,040**	**129,401**	**138,300**
Customer Deposits	41,061	40,793	42,640	44,049
Debts Securities Issued	32,286	38,689	41,591	44,573
Other Liabilities	4,986	2,931	3,151	3,377
Total liabilities	78,334	82,413	87,383	91,999
Shareholders' funds	34,255	37,276	40,668	44,951
Minority interest	208	1,351	1,351	1,351
Total Equity & Liabilities	112,797	121,040	129,401	138,301

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	3	3	3	3
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
NPL Ratio	2	2	2	2
Loan Loss Coverage	325	280	300	300
Loan Loss Reserve/Gross Loans	5	4	5	5
Increase in NPLs	0	0	0	0
Credit Cost (bp)	284	237	252	223
Liquidity				
Liquid Assets/Short-Term Liabilities	7	9	9	10
Liquid Assets/Total Assets	3	3	3	3

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	5	6	9	8
Fees & Commissions, yoy Chg	8	10	10	7
Pre-Provision Profit, yoy Chg	7	8	9	9
Net Profit, yoy Chg	19	17	7	14
Customer Loans, yoy Chg	5	8	7	7
Profitability				
Net Interest Margin	16	16	16	16
Cost/Income Ratio	55	55	55	55
Adjusted ROA	5	5	5	6
Reported ROE	16	17	17	18
Adjusted ROE	16	17	17	18
Valuation				
P/BV	2	2	1	1
P/NTA	2	2	1	1
Adjusted P/E	11	9	9	8
Dividend Yield	2	5	5	5

OSOTSPA (OSP TB)

2Q26: Record-High Margins

Highlights

- OSP reported a 2Q26 record-high core profit of Bt1.2b (+19.2% yoy, +40.7% qoq).
- The results were in line with our estimate and market consensus.
- Gross profit margin reached a record high amid higher raw and packaging costs from geopolitical tensions in the Middle East.
- Maintain BUY with a higher target price of Bt22.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	qoq%	yoy%
Sales	6,115	6,807	6,345	-10.2%	-3.6%
Gross Profit	2,617	2,854	2,697	-8.3%	-3.0%
SG&A	1,377	1,660	1,389	-17.1%	-0.9%
EBIT	1,319	1,242	1,386	6.2%	-4.9%
Net Profit	1,100	1,010	1,157	8.9%	-5.0%
Core Profit	1,100	1,010	1,157	8.9%	-5.0%
EPS (Bt)	0.37	0.34	0.39	8.9%	-5.0%
(%)	**2Q26**	**1Q26**	**2Q25**	**qoq%**	**yoy%**
Gross Margin (%)	42.8%	41.9%	42.5%	0.9%	0.3%
SG&A/revenue (%)	22.5%	24.4%	21.9%	-1.9%	0.6%
Net Margin (%)	18.0%	14.8%	18.2%	3.1%	-0.3%

Source: OSOTSPA, UOB Kay Hian

Analysis

- **Expect 2Q26 earnings to rise yoy.** OSOTSPA (OSP) reported a 2Q26 record-high core profit of Bt1.2b (+19.2% yoy, +40.7% qoq). The results were in line with our estimate and market consensus.
- **New record-high profitability.** Gross profit margin reached a record high of 42.8% in 2Q26, improving from 41.9% in 2Q25 and 42.5% in 1Q26. In 2Q26, gross profit margin expanded despite higher raw material and packaging costs related to geopolitical tensions in the Middle East, reflecting the company's ongoing cost management.
- **Effective cost control.** SG&A-to-sales in 2Q26 reported at 22.5%, compared with 24.4% in 2Q25 and 21.9% in 1Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	27,069.5	25,560.9	24,095.4	24,844.3	25,631.7
EBITDA	4,950.5	5,685.4	6,005.5	6,140.6	6,318.5
Operating profit	3,462.4	4,184.2	4,629.0	4,833.3	5,048.0
Net profit (rep./act.)	1,638.1	3,666.6	3,725.8	3,886.6	4,055.4
Net profit (adj.)	3,035.5	3,501.6	3,725.8	3,886.6	4,055.4
EPS	1.0	1.2	1.2	1.3	1.4
PE (x)	13.8	11.9	11.2	10.7	10.3
P/B (x)	2.7	2.5	2.3	2.1	2.0
EV/EBITDA (x)	8.5	6.9	6.3	5.9	5.5
Dividend yield (%)	4.3	5.8	5.8	6.1	6.4
Net margin (%)	6.0	14.3	15.5	15.6	15.8
Net debt/(cash) to equity (%)	0.4	(17.7)	(25.8)	(33.3)	(39.8)
Interest cover (x)	42.1	52.0	145.9	152.2	159.2
ROE (%)	9.3	20.0	19.6	19.7	19.8
Consensus net profit	n.a	n.a	3,661.3	3,829.0	3,962.0
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: OSOTSPA, Bloomberg, UOB Kay Hian

Analyst(s)

Nichapa Ratchabandit

nichapa@uobkh.co.th

+662 090 3366

BUY (Maintained)

Share Price	Bt17.50
Target Price	Bt22.00
Upside	25.71%
Previous TP	Bt20.50

Stock Data

Sector	Consumer Staples
Bloomberg ticker	OSP TB
Shares issued (m)	3,003.8
Market cap (Btm)	51,964.9
Market cap (US$m)	1,545.2
3-mth avg daily t'over (US$m)	5.3

Price Performance (%)

52-week high/low				Bt19.5/Bt14.0
1mth	**3mth**	**6mth**	**1yr**	**YTD**
8.8	14.6	(2.3)	4.2	7.4

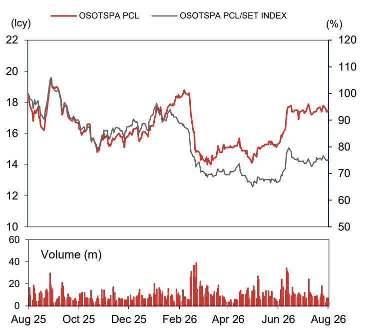
Major Shareholders (%)

Mr. Niti Osathanugrah	24.07
Bank Julius Baer & Co., Ltd, Singapore	8.69

Balance Sheet Metrics

FY26 NAV/Share (Bt)	6.0
FY26 Net Debt/Share (Bt)	(1.6)

Price Chart



Source: Bloomberg

Company Description

Osotspa core business is divided into three segments: 1) beverages, 2) personal care, and 3) healthcare and confectionery. In addition, Osotspa engages in non-core businesses such as providing OEM services for contract products and packaging manufacturing..

- **Domestic beverage sales remained resilient despite weak international sales.** 2Q26 sales came in at Bt6.1b (-10.2% yoy, -3.6% qoq). Excluding the accounting adjustment of changes in fx rates, sales +0.3% yoy, but -3.6% qoq. Domestic beverage sales were reported at Bt3.9b (+6% yoy, -1.3% qoq). The yoy increase is from the expansion of the energy drinks segment and functional drinks. Inter beverage sales were reported at Bt1.2b (-41.9% yoy, -16.3% qoq). Excluding the accounting adjustment of changes in fx rates, inter beverage sales came in at -12.6% yoy, and -16.3% qoq. The yoy and qoq decrease were caused by import license restrictions in Myanmar. Personal care sales were reported at Bt785m (+8.3% yoy, +9.8% qoq).
- OSP announced a dividend of Bt0.45/share, implying a dividend yield of 2.6%. The ex-dividend date will be on 27 Aug 26.

Sales Breakdown

OSP sales breakdown	2Q25	3Q25	4Q25	1Q26	2Q26
Domestic	**4,713**	**4,650**	**4,918**	**4,853**	**4,877**
Energy drinks + Functional	3,686	3,774	3,918	3,958	3,906
Personal care	641	592	685	619	715
Others	386	284	315	276	256
International	**2,095**	**954**	**1,401**	**1,492**	**1,238**
Energy drinks	2,011	882	1,331	1,396	1,168
Personal care	84	72	70	96	70
Total sales	**6,808**	**5,604**	**6,319**	**6,345**	**6,115**

Source: OSP, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt22.00.** We have rolled over our target price to 2027F. Using the PE valuation method, we value OSP at -1SD to its five-year PE band, implying a multiple of 18x.

Earnings Revision/Risk

- None. Our 1H26 earnings forecast accounts for about 61% of our 2026 earnings projection. We see limited downside risk to our forecast, as 1H typically accounts for about 57-58% of full-year earnings.

Share Price Catalyst

- Lower costs of raw materials such as sugar, natural gas, and aluminium coil.
- Government stimulus measures to support domestic consumption.
- The import licence issue in Myanmar is easing.

Environment, Social, Governance (ESG) Updates

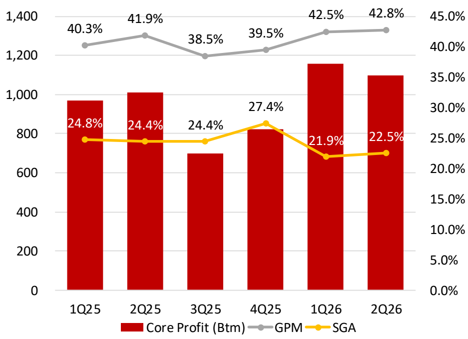
CG Report: 5
SET ESG Rating: AAA

Environmental: OSP embeds packaging sustainability in its environmental strategy through its “Zero Packaging Waste” ambition, focusing on circular packaging design and eco-friendly materials while setting KPIs to monitor and engage business partners on environmental performance.

Social: OSP supports local communities through charitable donations, community engagement, and commercial initiatives to enhance quality of life and enable sustainable business growth.

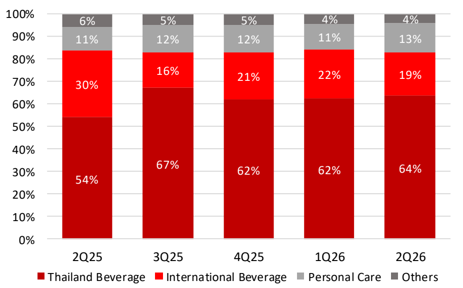
Governance: The company aims to conduct its business with transparency and fairness, while continuously improving operational efficiency to ensure long-term business sustainability.

Earnings Performance



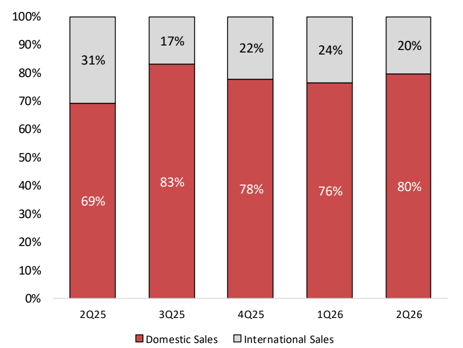
Source: OSP, UOB Kay Hian

Sales Breakdown By Product



Source: OSP, UOB Kay Hian

Domestic And International Sales



Source: OSP, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**25,561**	**24,095**	**24,844**	**25,632**
EBITDA	5,685	6,006	6,141	6,319
Deprec. & amort.	1,501	1,377	1,307	1,270
EBIT	4,184	4,629	4,833	5,048
Total other non-operating income	0	0	0	0
Associate contributions	146	166	166	166
Net interest income/(expense)	(109)	(41)	(40)	(40)
Pre-tax profit	**4,221**	**4,754**	**4,959**	**5,174**
Tax	(532)	(832)	(868)	(906)
Minorities	(187)	(196)	(205)	(213)
Net profit	**3,667**	**3,726**	**3,887**	**4,055**
Net profit (adj.)	3,502	3,726	3,887	4,055

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	11,471	10,895	10,587	10,317
Other LT assets	1,373	1,385	1,397	1,410
Cash/ST investment	3,321	5,020	6,826	8,659
Other current assets	8,419	8,708	8,992	9,290
Total assets	**24,584**	**26,008**	**27,802**	**29,675**
ST debt	114	103	92	83
Other current liabilities	6,255	6,180	6,376	6,581
LT debt	219	219	219	219
Other LT liabilities	204	204	204	204
Shareholders' equity	16,871	18,175	19,567	21,020
Minority interest	459	655	860	1,073
Total liabilities & equity	**24,584**	**26,011**	**27,808**	**29,684**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**6,193**	**4,945**	**5,322**	**5,457**
Pre-tax profit	4,386	4,754	4,959	5,174
Tax	(532)	(832)	(868)	(906)
Deprec. & amort.	1,501	1,377	1,307	1,270
Associates	0	0	0	0
Working capital changes	1,405	(345)	(68)	(73)
Non-cash items	(159)	(8)	(9)	(9)
Other operating cashflows	(409)	0	0	0
Investing	**(1,267)**	**(812)**	**(1,012)**	**(1,012)**
Capex (growth)	(764)	(812)	(1,012)	(1,012)
Capex (maintenance)	0	0	0	0
Investments	(1,260)	0	0	0
Proceeds from sale of assets	445	0	0	0
Others	312	0	0	0
Financing	**(4,205)**	**(2,434)**	**(2,505)**	**(2,612)**
Dividend payments	(2,102)	(2,422)	(2,494)	(2,602)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,665)	(11)	(10)	(9)
Loan repayment	(330)	0	0	0
Others/interest paid	(109)	0	0	0
Net cash inflow (outflow)	**720**	**1,699**	**1,805**	**1,833**
Beginning cash & cash equivalent	**2,190**	**3,321**	**5,020**	**6,826**
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	**2,910**	**5,020**	**6,826**	**8,659**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	22.2	24.9	24.7	24.6
Pre-tax margin	16.5	19.7	20.0	20.2
Net margin	14.3	15.5	15.6	15.8
ROA	14.2	14.0	14.2	14.3
ROE	20.0	19.6	19.7	19.8
Growth				
Turnover	(5.6)	(5.7)	3.1	3.2
EBITDA	14.8	5.6	2.2	2.9
Pre-tax profit	18.8	12.6	4.3	4.3
Net profit	123.8	1.6	4.3	4.3
Net profit (adj.)	15.4	6.4	4.3	4.3
EPS	15.4	6.4	4.3	4.3
Leverage				
Debt to total capital	1.9	1.7	1.5	1.4
Debt to equity	2.0	1.8	1.6	1.4
Net debt/(cash) to equity	(17.7)	(25.8)	(33.3)	(39.8)
Interest cover	52.0	145.9	152.2	159.2

Plan B Media (PLANB TB)

2Q26: Earnings Beat; Robust Gross Profit Margin With Strong Engagement Marketing Growth

Highlights

- PLANB reported a 2Q26 net profit of Bt297m (+10% yoy, +43% qoq).
- Results exceeded our forecast and the market consensus by 6% and 4%, respectively, mainly driven by a higher-than-expected gross profit margin.
- We expect 2H26 earnings to increase hoh and yoy, supported by seasonal strength in OOH and continued momentum in engagement marketing revenue, particularly boxing, with further upside from the COM7 investment.
- Maintain BUY with a target price of Bt6.80.

2Q26 Results

Year to 31 Dec (S$m)	2Q26	2Q25	1Q26	yoy%	qoq%
Net turnover	2,571	2,252	2,484	14.2	3.5
Gross profit	860	731	777	17.6	10.6
EBIT	505	448	438	12.8	15.3
Net profit	297	270	207	10.0	43.4
EPS	0.06	0.06	0.05	2.6	43.4
Core profit	297	270	207	10.0	43.4
(%)	2Q26	2Q25	1Q26	yoy%	qoq%
Gross Margin (%)	33.4	32.5	31.3	1.0	2.2
%SG&A/revenue	14.2	12.9	14.0	1.3	0.2
Net Margin (%)	11.6	12.0	8.3	(0.4)	3.2

Source: PLANB, UOB Kay Hian

Analysis

- **Earnings beat.** Plan B Media (PLANB) reported a 2Q26 net profit of Bt297m (+10% yoy, +43% qoq). Results exceeded our forecast and the market consensus by 6% and 4%, respectively, mainly driven by a higher-than-expected gross profit margin.
- **Revenue growth driven by sports marketing.** Revenue reached Bt2.5b (+14% yoy, +4% qoq) in 2Q26. The qoq increase was driven by seasonal strength in the OOH segment, while the yoy growth was underpinned by strong engagement marketing revenue growth of 72% yoy.
- **Out-of-home business remained resilient.** Out-of-home revenue totalled Bt1.9b (+3% yoy, +6.3% qoq) in 2Q26, including Bt18m (+54.4% yoy, -10.7% qoq) of revenue from managing VGI media assets. The utilisation rate improved to 74.2% in 2Q26, compared with 72.9% in 2Q25 and 69.9% in 1Q26, and came in above our expectation.

Key Financials

Year to 31 Dec (S$m)	2024	2025	2026F	2027F	2028F
Net turnover	9,138	9,528	10,023	10,307	10,572
EBITDA	4,163	4,470	4,899	5,279	5,656
Operating profit	1,629	1,891	1,964	2,039	2,100
Net profit (rep./act.)	1,050	1,105	1,195	1,381	1,436
Net profit (adj.)	1,062	1,105	1,195	1,381	1,436
EPS (x)	0.2	0.2	0.3	0.3	0.3
PE (x)	24.6	25.4	23.5	20.3	19.5
P/B (x)	2.7	2.4	2.4	2.3	2.2
EV/EBITDA (x)	7.3	6.8	6.2	5.7	5.4
Dividend yield (%)	1.9	3.5	2.6	3.0	3.1
Net margin (%)	11.5	11.6	11.9	13.4	13.6
Net debt/(cash) to equity (%)	35.8	14.5	10.1	5.1	2.1
Consensus net profit	1,192	1,351	1,503	1,192	1,351
UOBKH/Consensus (x)	1.00	1.02	1.00	1.00	1.02

Source: PLANB, Bloomberg, UOB Kay Hian

Analyst(s)

Nichapa Ratchabandit

nichapa@uobkh.co.th

+662 090 3366

BUY (Maintained)

Share Price	Bt5.50
Target Price	Bt6.80
Upside	23.64%

Stock Data

Sector	Communication Services
Bloomberg ticker	PLANB TB
Shares issued (m)	4,600.3
Market cap (Btm)	26,451.6
Market cap (US$m)	798.8
3-mth avg daily t'over (US$m)	5.6

Price Performance (%)

52-week high/low				Bt6.25/Bt3.00
1mth	3mth	6mth	1yr	YTD
6.5	36.3	45.2	12.7	47.4

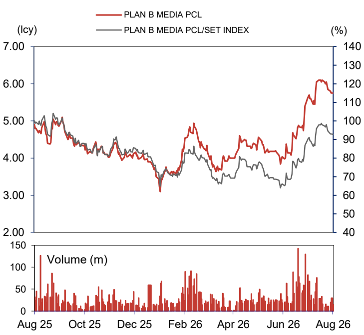
Major Shareholders (%)

Palin Lojanagosin	22.43
VGI Public Company Limited	19.51

Balance Sheet Metrics

FY26 NAV/Share (Bt)	2.59
FY26 Net Debt/Share (Bt)	0.26

Price Chart



Source: Bloomberg

Company Description

PLANB is a leading provider in out-of-home advertising media covering a range of media formats and operates engagement marketing businesses to leverage its platform and enhance advertising reach.

- **Strong growth in engagement marketing revenue.** Engagement marketing revenue in 2Q26 was Bt626m (+72.1% yoy and -4.3% qoq), driven by growth in the sports marketing business, particularly football and boxing events.
- **Profitability expanded on stronger business mix.** Gross profit margin expanded to 33.5% in 2Q26 from 32.5% in 2Q25 and 31.3% in 1Q26, supported by stronger contributions from the out-of-home media and sports marketing businesses. SG&A-to-sales rose to 14.2% in 2Q26 from 12.9% in 2Q25 and 14.0% in 1Q26, mainly due to higher selling expenses, particularly commission expenses.
- **Strong 2H26 earnings outlook.** We expect 2H26 earnings to increase hoh, supported by the seasonal strength of the OOH business, which typically peaks in 3Q and 4Q, respectively. In addition, engagement marketing revenue, particularly from the boxing business, is expected to maintain its positive momentum. Further upside could come from the company's investment in COM7, which should support long-term growth.
- PLANB announced a dividend of Bt0.0435/share, implying a dividend yield of 1%. The ex-dividend date will be on 27 Aug 26.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt6.80.** Our target price is based on the DCF methodology and corresponds to 22x 2027F PE (equivalent to PLANB's five-year average PE at -1SD).
- We remain positive on PLANB's outlook, as we believe it will continue to be the most resilient player in the media sector, supported by: a) its leading position in the OOH media market, particularly in prime locations; b) strong revenue growth from its engagement marketing segment, driven by its boxing business, which carries higher profitability than the overall business; and c) potential media capacity expansion following the investment in COM7, which could provide upside risk to earnings.

Earnings Revision/Risk

- Our 1H26 earnings forecast accounts for around 42% of our 2026 earnings projection. We see limited downside risk to our forecast, as 2H is typically the high season and historically accounts for around 60% of full-year earnings.

Share Price Catalyst

- Improvement in utilisation rate, expansion in media capacity, economic growth, the synergy deal with COM7.

Environment, Social, Governance (ESG) Updates

Environmental

- The company has established a standard framework for the company's environmental management, complying with relevant laws, rules, regulations, and environmental agreements.

Social

- PLANB has established an Occupational Health and Safety (OHS) policy for all employees, contractors, suppliers, and relevant stakeholders. Occupational health and safety at the company are overseen by the Safety Committee and appointed Safety Officers.

Governance

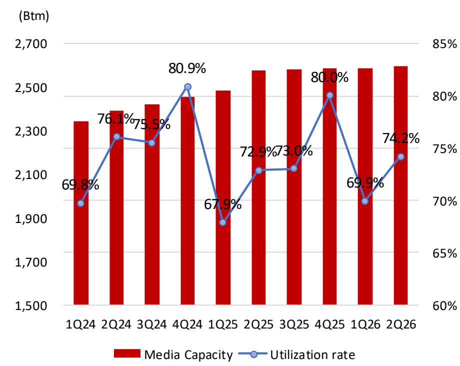
- PLANB has established a business structure, management system, and governance framework that align with the good governance principles of the Stock Exchange of Thailand.

DCF Valuation

Business(es)	Value (Btm)	Note
OOH and Engagement Marketing	32,275	DCF; WACC 8.4%, growth 1.0%
- Net Debt	(933)	
Total Value	**31,342**	
number of shares - basic (m)	4,600	
Fair Value (Bt)	**6.80**	

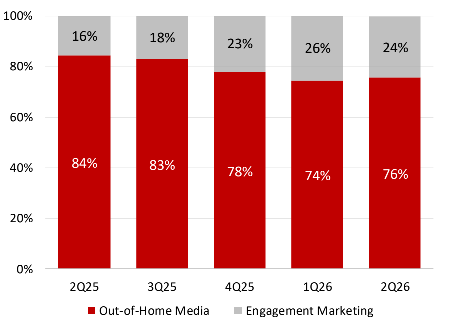
Source: PLANB, UOB Kay Hian

Media Utilisation Rate



Source: PLANB, UOB Kay Hian

Engagement Marketing Revenues



Source: PLANB, UOB Kay Hian

Profit & loss

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Net turnover	9,528	10,023	10,307	10,572
EBITDA	4,470	4,899	5,279	5,656
Deprec. & amort.	2,579	2,934	3,240	3,556
EBIT	1,891	1,964	2,039	2,100
Total other non-op. income	23	0	310	320
Associate contributions	13	0	0	0
Net interest income/(expense)	(230)	(288)	(436)	(436)
Pre-tax profit	1,697	1,676	1,913	1,984
Tax	(363)	(361)	(412)	(427)
Minorities	(229)	(120)	(120)	(120)
Net profit	1,105	1,195	1,381	1,436
Net profit (adj.)	1,105	1,195	1,381	1,436

Balance Sheet

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Fixed assets	12,344	12,398	12,450	12,729
Other LT assets	1,623	1,637	1,679	1,718
Cash/ST investment	1,792	8,083	8,652	9,019
Other current assets	3,712	3,627	3,739	3,842
Total assets	19,471	25,746	26,520	27,308
ST debt	1,037	1,037	1,037	1,037
Other current liabilities	3,020	3,177	3,267	3,351
LT debt	2,449	8,249	8,249	8,249
Other LT liabilities	373	392	404	414
Shareholders' equity	11,706	11,885	12,437	13,012
Minority interest	886	1,006	1,126	1,246
Total liabilities & equity	19,471	25,746	26,520	27,308

Cash flow

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Operating	6,556	4,192	4,719	5,092
Pre-tax profit	1,697	1,676	1,913	1,984
Tax	(363)	(361)	(412)	(427)
Deprec. & amort.	2,579	2,934	3,240	3,556
Associates	(13)	0	0	0
Working capital changes	530	(66)	(26)	(24)
Non-cash items	176	8	5	4
Other operating cashflows	1,950	0	0	0
Investing	(4,128)	(2,983)	(3,322)	(3,864)
Capex (growth)	(4,730)	(2,989)	(3,291)	(3,835)
Investment	223	164	164	164
Others	379	(158)	(194)	(192)
Financing	(590)	10,883	(828)	(862)
Dividend payments	(748)	(717)	(828)	(862)
Proceeds from borrowings	0	5,800	0	0
Loan repayment	(746)	0	0	0
Others/interest paid	905	5,800	0	0
Net cash inflow (outflow)	1,838	12,091	569	367
Beginning cash & cash equivalent	754	1,792	8,083	8,652
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	2,591	13,883	8,652	9,019

Key Metric

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	46.9	48.9	51.2	53.5
Pre-tax margin	17.8	16.7	18.6	18.8
Net margin	11.6	11.9	13.4	13.6
ROA	6.1	5.3	5.3	5.3
ROE	10.3	10.1	11.4	11.3
Growth (% yoy)				
Turnover	4.3	5.2	2.8	2.6
EBITDA	7.4	9.6	7.8	7.2
Pre-tax profit	20.2	(1.2)	14.1	3.7
Net profit	5.2	8.1	15.5	4.0
Net profit (adj.)	4.0	8.1	15.5	4.0
EPS	(3.0)	8.1	15.5	4.0
Leverage				
Debt to total capital	21.7	41.9	40.6	39.4
Debt to equity	29.8	78.1	74.7	71.4
Net debt/(cash) to equity	14.5	10.1	5.1	2.1
Interest cover (x)	19.5	17.0	12.1	13.0

PTT (PTT TB)

2Q26: Earnings In Line with Our Estimate

Highlights

- PTT reported strong 2Q26 earnings, with net profit increasing both qoq and yoy, in line with our estimate and 29% above consensus, driven by the strong gas business and significantly higher profits from subsidiaries and affiliates.
- Interim dividend: We estimate an interim dividend of Bt1.10/share, implying a 2.80% simple yield.
- Maintain BUY with a target price of Bt45.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26	%yoy	%qoq	6M25	6M26	%yoy
Revenue	676,754	718,729	830,389	23%	16%	1,376,977	1,549,118	13%
Gross profit	57,948	158,522	128,871	122%	-19%	132,133	287,393	118%
EBITDA	74,445	160,146	136,793	84%	-15%	165,953	296,939	79%
EBITDA - Gas business	13,381	16,431	24,691	85%	50%	27,182	41,122	51%
--- S&T	3,713	2,624	3,174	-15%	21%	6,858	5,798	-15%
--- TSO	7,144	6,601	6,611	-7%	0%	14,299	13,212	-8%
--- GSP	-221	4,374	11,976	n.a.	174%	547	16,350	n.a.
--- NGV	-306	-268	-670	n.a.	n.a.	-737	-938	n.a.
--- Others	3,051	3,100	3,600	18%	16%	6,215	6,700	8%
EBIT	27,604	118,134	94,781	243%	-20%	74,312	212,915	187%
Core Profit	17,290	28,589	53,952	212%	89%	40,832	82,541	102%
Net Profit	21,533	25,738	52,525	144%	104%	44,848	78,263	75%
EPS	0.75	0.90	1.84			1.57	2.74	
Financial ratio (%)								
Gross Profit Margin	8.6%	22.1%	15.5%			9.6%	18.6%	
EBITDA Margin	4.1%	16.4%	11.4%			5.4%	13.7%	
Net profit margin	2.6%	4.0%	6.5%			3.0%	5.3%	

Note: S&T: Natural Gas supply and trading business / TSO: Transmission pipeline business / GSP: Gas separation plant business / NGV: Natural gas for vehicles business

Source: PTTGC, UOB Kay Hian

Analysis

- **2Q26 net profit in line with our estimate.** PTT reported 2Q26 net profit of Bt52.53b, up 104% qoq and 144% yoy, in line with our estimate and 29% above consensus, driven by improved performance across all core businesses. Gas was the key contributor, supported by higher sales volume, while profit contributions from subsidiaries and affiliates also improved significantly both qoq and yoy, particularly from the E&P and utilities businesses. 1H26 net profit accounted for 64% of our 2026E net profit of Bt123b, up 37% yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	3,090,453	2,662,145	3,182,751	3,038,011	3,103,477
EBITDA	424,492	374,281	455,294	430,338	431,733
Operating profit	238,574	188,363	273,094	251,782	256,748
Net profit (rep./act.)	90,072	90,166	123,110	106,386	104,402
Net profit (adj.)	94,480	75,786	125,961	106,386	104,402
EPS (x)	3.3	2.7	4.4	3.7	3.7
PE (x)	11.9	14.9	9.0	10.6	10.8
P/B (x)	0.9	1.0	0.9	0.9	0.9
EV/EBITDA (x)	1.8	1.9	1.4	1.1	0.8
Dividend yield (%)	5.3	5.8	6.3	6.3	6.3
Net margin (%)	2.9	3.4	3.9	3.5	3.4
Net debt/(cash) to equity (%)	48.8	45.4	39.5	26.5	15.7
Consensus net profit	-	-	99,180	99,926	109,640
UOBKH/Consensus (x)	-	-	1.24	1.06	0.95

Source: PTT, Bloomberg, UOB Kay Hian

Analyst(s)

Tanaporn Visaruthaphong
tanaporn@uobkh.co.th
662 0903350

Benjaphol Suthwanish
benjaphol@uobkh.co.th
662 0903361

BUY (Maintained)

Share Price	Bt39.25
Target Price	Bt45.00
Upside	+14.65%

Stock Data

Sector	Energy
Bloomberg ticker	PTT TB
Shares issued (m)	28,563.00
Market cap (Btm)	1,128,098
Market cap (US$m)	33,973
3-mth avg daily t'over (US$m)	46.87

Price Performance (%)

52-week high/low: Bt40.00 / Bt30.00

1mth	3mth	6mth	1yr	YTD
+0.65	+3.33	+6.16	+9.15	+21.09

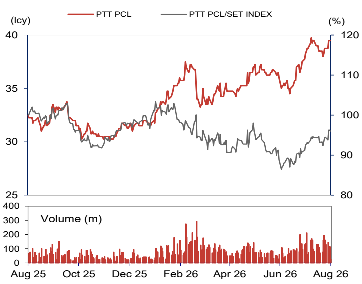
Major Shareholders (%)

MOF	51.38%
Vayupak Fund 1	7.83%
Thai NVDR	5.95%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt41.78
FY26 Net Debt/Share (Bt)	Bt61.06

Price Chart



Source: Bloomberg

Company Description

The company's operated businesses consist of natural gas, gas transmission, international trading, new business and sustainability business; the rest are invested through subsidiaries and/or joint operations, joint ventures and associates, and PTT Group, namely exploration and production, liquefied natural gas, petrochemical and refining, oil and retail, power and utilities, and service businesses.

- **Gas EBITDA grew strongly both qoq and yoy.** Gas EBITDA was up 50% qoq and 85% yoy to Bt24.69b, driven by recovery across core businesses. The natural gas and trading business (S&T) saw gas sales volume increase to 4,220 m cubic feet per day (MMSCFD), up 5% qoq and 9% yoy on higher gas demand, while average pool gas price rose 15.4% qoq with stable gas costs, lifting S&T EBITDA 21% qoq to Bt3.17b. GSP EBITDA rose to Bt11.98b, supported by a high 97% utilisation rate (vs 96.1% in 1Q26 and 90% in 2Q25) and improved petrochemical product prices, resulting in significantly higher EBITDA margins both qoq and yoy. Trading margin also surged to Bt0.31/litre (vs Bt0.03/litre in 1Q26), driven by wider product spreads in both domestic and international trading, turning EBITDA to Bt5.98b (vs Bt151m loss in 1Q26).
- **Subsidiaries and affiliates' profit contribution rebounded strongly.** Profit contribution was at Bt50.66b, up 20% qoq and 174% yoy, driven by: a) stronger exploration and production (E&P) earnings, supported by higher sales volumes from domestic and Algeria projects and higher average selling price in line with crude oil and gas prices; and b) strong utilities performance, with PTT recognising a Bt1.82b profit from Global Power Synergy (GPSC) in 2Q26, up 25% qoq, driven by a full-quarter operation of the GHECO-One power plant and higher seasonal contributions from the Avaada project.
- **Expect an interim dividend of Bt1.10/share.** We forecast an interim dividend of Bt1.10/share, implying a 2.8% simple yield. We maintain our 2026 dividend forecast at Bt2.50/share, implying a 6.37% simple yield. However, PTT paid a total dividend of Bt2.30/share for 2025, including a special dividend of Bt0.20/share.

Valuation/Recommendation

- **Maintain BUY with SOTP-based 2027 target price of Bt45.00.** Despite lower earnings in 2H26, in line with weaker crude oil prices and petrochemical and refinery (P&R) margins, we believe PTT remains attractive for its solid dividend yield. In the oil and gas sector, we prefer PTT Global Chemical (PTTGCTB/BUY/Target Bt46.00) and Siam Cement (SCC TB/BUY/Target: Bt330.00).

Earnings Revision/Risk

- **Earnings revision.** None.

Environment, Social, Governance (ESG) Updates

Environmental

a) Business growth: Refining the energy investment portfolio with an emphasis on low carbon businesses, b) new growth: Enhancing the profitability of the future energy & beyond segment to at least 30%, and c) clean growth: PTT targets to achieve carbon neutrality by 2040, with the ultimate aim of attaining net zero emissions by 2050.

Social

- **PTT Group Innovation for Community Project.** a) Smart farming: Developed integrated models in 45 areas, across 29 provinces, b) smart marketing: Developed 45 community products and six community-based tourism destinations, and c) community knowledge management.
- The Human Capital Index (HCI) has achieved its target of 80%

Governance

- No cases of non-compliance with significant legal implications in operations.
- The assessment result for the National Anti-Corruption Commission's Integrity and Transparency Assessment (ITA) are at a PASSED, Good level.

Key Statistics

	2Q25	1Q26	2Q26	%yoy	%qoq
Dubai (US$/bbl)	66.91	86.30	96.10	44%	11%
Gas Business					
NG sales volume (MMSCFD)	3,866	4,019	4,220	9%	5%
GSP sales volume (Kton)	1,746	1,909	1,892	8%	-1%
Trading Business					
EBITDA (MB)	208	-151	5,975	2773%	n.a.
Sales Volume (m Litre)	25,884	27,468	28,018	8%	2%
Gross Margin (Bt/Litre)	0.04	0.03	0.31	675%	933 %

Source: PTT, UOB Kay Hian

Subsidiaries and Affiliates' Performance

	2Q25	1Q26	2Q26	%yoy	%qoq
PTTEP	13,515	8,896	27,197	101%	206%
TOP	6,476	19,000	8,284	28%	-56%
PTTGC	(3,616)	3,232	12,208	n.a.	278%
IRPC	(2,132)	7,100	2,921	n.a.	-59%
OR	2,232	2,551	(1,775)	n.a.	n.a.
GPSC	2,019	1,450	1,819	-10%	25%
Total	18,494	42,229	50,655	174%	20%

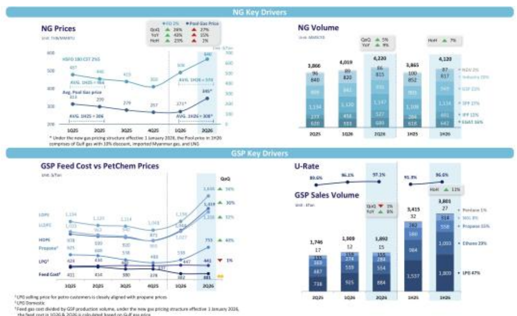
Source: PTT, UOB Kay Hian

Subsidiaries and Affiliates' Performance by business

	2Q25	1Q26	2Q26	%yoy	%qoq
E&P	13,515	8,896	27,197	101%	206%
P&R	727	29,332	23,414	3119%	-20%
Oil Station	2,232	2,551	-1,775	n.a.	n.a.
Utilities	2,019	1,450	1,819	-10%	25%
Total	**18,494**	**42,229**	**50,655**	**174%**	**20%**

Source: PTT, UOB Kay Hian

Gas Key Driver



Source: PTT

SOTP Valuation

	Share Holding	Fair Value (Bt/share)	Value (Btm)	Value (Bt/share)	Methodology
Gas Business (PTT's Operations)	100.0%		863,983	30.2	DCF @ WACC 7.5% G =1%
(-) Net Debt (PTT Only)			-190,286	-6.7	
1) PTT - Equity Value			**673,697**	**23.6**	
2) Associates and Subsidiaries					
PTTEP	63.79%	160.00	405,193	14.2	5-yrs forward PE mean of 8.70x
TOP	45.03%	64.00	64,377	2.3	Forward PE at mean of 8.0x
IRPC	45.05%	2.30	21,173	0.7	Forward PBV -2.0 SD of 0.6x
PTTGC	45.18%	48.00	97,781	3.4	Forward PBV mean of 0.70x
GPSC	47.27%	60.00	79,973	2.8	DCF Valuation
OR	75.00%	12.60	113,400	4.0	Forward PE -1.0 SD of 15.10x
3) Affiliates					
Others Affiliates			**153,719**	**5**	
Total				**56**	
Discount to NAV				-20%	
PTT's TP (UOB Kay Hian)				**45**	

Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	2,662,145	3,182,751	3,038,011	3,103,477
EBITDA	374,281	455,294	430,338	431,733
Deprec. & amort.	185,918	182,200	178,556	174,984
EBIT	188,363	273,094	251,782	256,748
Associate contributions	13,031	3,183	6,076	7,759
Net interest income/(expense)	-40,448	-47,339	-48,519	-49,953
Pre-tax profit	175,326	226,087	209,339	214,554
Tax	-57,600	-67,826	-62,802	-64,366
Minorities	-27,559	-35,151	-40,151	-45,786
Net profit	90,166	123,110	106,386	104,402
Net profit (adj.)	75,786	125,961	106,386	104,402

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	1,513,937	1,469,374	1,423,142	1,377,195
Other LT assets	850,525	952,787	889,025	915,277
Cash/ST investment	346,817	354,277	503,424	625,615
Other current assets	135,193	176,125	167,703	160,085
Total assets	3,269,660	3,497,658	3,506,296	3,611,243
ST debt	217,934	171,613	177,614	160,615
Other current liabilities	131,674	181,149	158,916	158,277
LT debt	666,425	665,429	658,430	668,431
Other LT liabilities	384,993	412,222	384,695	404,400
Shareholders' equity	1,185,196	1,221,950	1,254,470	1,295,041
Total liabilities & equity	3,269,660	3,497,658	3,506,296	3,611,243

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	299,366	324,571	320,101	328,604
Pre-tax profit	175,326	226,087	209,339	214,554
Tax	-57,600	-67,826	-62,802	-64,366
Deprec. & amort.	185,918	182,200	178,556	174,984
Working capital changes	12,630	-15,871	-4,992	3,432
Other operating cashflows	-16,907	-19	0	0
Investing	-164,156	-212,668	-96,089	-135,584
Investments	-227,089	-137,636	-132,324	-129,037
Others	62,933	-75,032	36,235	-6,547
Financing	-188,365	-104,443	-74,864	-70,830
Dividend payments	-83,285	-57,126	-73,866	-63,832
Proceeds from borrowings	-105,080	-47,317	-998	-6,998
Net cash inflow (outflow)	-53,155	7,459	149,147	122,191
Beginning cash & cash equiv.	405,139	346,817	354,277	503,424
Changes due to forex impact	-5,167	0	0	0
Ending cash & cash equiv.	346,817	354,277	503,424	625,615

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.1	14.3	14.2	13.9
Pre-tax margin	6.6	7.1	6.9	6.9
Net margin	3.4	3.9	3.5	3.4
ROA	3.3	4.3	3.7	3.6
ROE	9.0	12.1	10.3	9.9
Growth (% yoy)				
Turnover	-13.9	19.6	-4.5	2.2
EBITDA	-11.8	21.6	-5.5	0.3
Pre-tax profit	-3.0	29.0	-7.4	2.5
Net profit	0.1	36.5	-13.6	-1.9
Net profit (adj.)	-19.8	66.2	-15.5	-1.9
EPS	-19.8	66.2	-15.5	-1.9
Leverage				
Debt to total capital	53.5	47.7	45.8	43.3
Debt to equity	74.6	68.5	66.6	64.0
Net debt/(cash) to equity	45.4	39.5	26.5	15.7
Interest cover (x)	9.3	9.6	8.9	8.6

Ratch Group (RATCH TB)

2Q26: A Soft Quarter, But Recovery Intact

Analyst(s)

Arsit Pamaranont

arsit@uobkayhian.co.th

(66 2) 659-8317

Highlights

- RATCH reported weaker 2Q26 performance with a net profit of Bt1.4b (+14%yoy, -32% qoq). Excluding extra items, core profit was reported at Bt1.3b (33% yoy and -7% qoq). 1H26 core profit was down 17% yoy to Bt2.7b.
- Earnings expected to improve in 2H26.
- Maintain BUY. We roll over our target price to 2027F at Bt44.00

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	qoq %	yoy %	1H26	1H25	yoy
Revenue	12,168	6,614	11,038	84	10	23,206	12,369	88
Equity Income	1,600	2,287	1,284	(30)	25	2,884	3,847	(25)
EBITDA (ex. Fx)	3,868	4,199	3,752	(8)	3	7,620	7,536	1
Net income	1,400	2,057	1,228	(32)	14	2,628	3,277	(20)
NNP	1,322	1,981	1,421	(33)	(7)	2,744	3,322	(17)
EPS	0.64	0.95	0.56	(32)	14	1.2	1.51	(20)

Source: Ratch Group, UOB Kay Hian

Analysis

- **A soft quarter.** RATCH Group (RATCH) reported weaker 2Q26 performance with a net profit of Bt1.4b (+14%yoy, -32% qoq). Excluding extra items, core profit was reported at Bt1.3b (-33% yoy and -7% qoq), 30% below our estimate. This brought 1H26 core profit to Bt2.7b, accounting for 39% of our full-year forecast.
- **Weaker operating stat.** The soft yoy and qoq 2Q26 core profit mainly reflects RG Power Plant's PPA expiry, a stronger Thai baht weighing on Hongsa Power Plant's (HPC) contribution and the lower stake in Paiton (PE) following its divestment, rather than weaker underlying operations. On a qoq basis, HPC and Paiton contributions improved following planned maintenance in 1Q26 and stronger dispatch. HPC's CAF recovered to 90.2% from 86.2% in 1Q26, while EGAT dispatch remained strong at 103.4%, providing a better operational base heading into 2H26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	42,226.9	36,803.5	53,981.3	55,020.2	55,239.7
EBITDA	15,703.4	15,482.4	17,515.4	18,326.6	18,623.6
Operating profit	11,675.4	11,774.9	13,445.1	14,256.4	14,553.3
Net profit (rep./act.)	6,126.8	6,220.4	7,059.3	7,879.0	8,228.1
Net profit (adj.)	6,126.8	6,220.4	7,059.3	7,879.0	8,228.1
EPS	2.8	2.9	3.2	3.6	3.8
PE (x)	13.8	13.6	12.0	10.8	10.3
P/B (x)	0.9	0.9	0.9	0.9	1.0
EV/EBITDA (x)	9.3	10.8	7.7	7.6	7.9
Dividend yield (%)	4.1	4.1	4.2	4.4	4.5
Net margin (%)	14.5	16.9	13.1	14.3	14.9
Net debt/(cash) to equity(%)	83.3	103.5	75.6	81.9	93.4
Interest cover (x)	3.5	3.6	3.8	4.0	4.2
ROE (%)	7.8	8.1	9.3	10.4	11.1
Consensus net profit	n.a	n.a	6,788.2	7,124.3	6,940.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.1	1.2

Source: Ratch grouo, Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt39.25
Target Price	Bt44.00
Upside	12.10%
Previous TP	Bt35.00

Stock Data

Sector	Utilities
Bloomberg ticker	RATCH TB
Shares issued (m)	2,175.0
Market cap (Btm)	64,162.5
Market cap (US$m)	1,959.6
3-mth avg daily t'over (US$m)	3.2

Price Performance (%)

52-week high/low				Bt32.2/Bt24.1
1mth	3mth	6mth	1yr	YTD
(1.7)	(4.8)	8.3	11.3	0.0

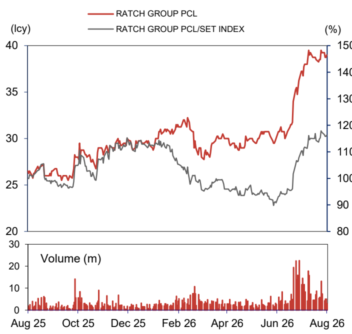
Major Shareholders (%)

EGAT	45.0
EGAT Saving and Credit Cooperative Limited	6.2

Balance Sheet Metrics

FY26 NAV/Share (Bt)	42.7
FY26 Net Debt/Share (Bt)	32.3

Price Chart



Source: Bloomberg

Company Description

RATCH is a leading IPP in Thailand. RATCH has a total equity installed capacity of 7,379MW. Capacity can be broken down into 6,495MW under commercial operations and 884MW under development and construction.

- **Earnings expected to improve in 2H26.** While 2Q26 earnings came in below our expectation, we see the shortfall largely as a timing issue and maintain our 2026F earnings forecast of Bt7.0b. We expect a stronger earnings recovery in 2H26, supported by the normalisation of HPC and Paiton following maintenance, together with potential improvement at HKP from a relatively low availability factor in 2Q26.
- **New PDP 2026 is the key driver.** We believe Thailand may need to open Independent Power Producer (IPP) bidding as existing reserve margins could be consumed faster than expected by rising data centre demand and several existing IPPs are gradually approaching PPA expiry. In addition, the country will likely require more firm power and flexible gas-fired generation to support higher renewable penetration under the new PDP.
- **Key projects remain on track in 2026.** Nava Nakorn Phase 3 (30MW) already achieved COD in Apr 26. Song Giang 1 hydro (Vietnam), NPSI solar (Philippines), and Motorway M6 are all more than 83% complete and expected to achieve COD within 2026, supporting gradual earnings growth.

Earnings Revision/Risk

- We maintain our 2026F earnings forecast, but we revised up our 2027F and 2028F earnings forecasts by 11% and 16% to Bt7.8b and Bt8.2b mainly to reflect contributions from HKP as well as additional earnings from new renewable projects. We also see potential upside from the possible PPA extension of the RG power plant, which is not yet fully reflected in our earnings forecasts.

Valuation/Recommendation

- **Maintain BUY with a roll-over target price to 2027F at Bt44.00 (previously Bt35.00),** reflecting our earnings upgrades for 2027-28F and higher strategic value assigned to RATCH's existing power infrastructure. We believe the market should increasingly price in potential value creation from the RG site, supported by potential PPA extension and potential from DC power demand. Despite the recent share price rally, we see further upside from improving earnings visibility and RATCH's transition from a defensive dividend play toward a growth-oriented company.

Share Price Catalyst

- Oct 26: New PDP announcement.
- Y3Q26 Super El Nino supports power demand.

Environment, Social, Governance (ESG) Updates

Environmental

- RATCH is committed to reducing GHG emissions by 20% in 2030 from the base year 2020 (0.8% per annum) and is targeting net zero emissions in 2050. The company is also focused on clean energy development, with a plan to increase the proportion of renewable energy from 15% to 25% by 2025, and to 40% by 2035

Social

- RATCH is committed to promoting health and safety in a good working environment, while also encouraging all stakeholder groups to work together to develop communities and society, as well as respecting human rights and treating workers fairly.

Governance

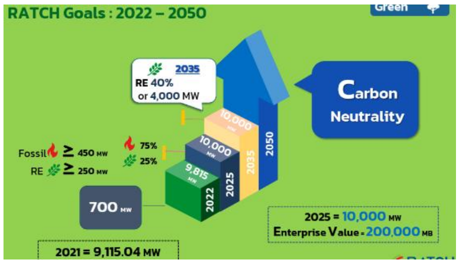
- RATCH received an "Excellent - 5 Star" CG score by the Thai Institute of Directors

Major Contributions - 2Q26

	2Q26	2Q25	1Q26	yoy	qoq
SEAN	60	117	65	(49)	(9)
HPC	774	1,005	468	(23)	66
PNPC	77	(9)	46	(953)	66
RW COGEN	13	47	48	(73)	(74)
Berk prai	25	28	25	(12)	1
RIAU	38	25	23	53	63
Paiton	638	820	408.13	(22)	56

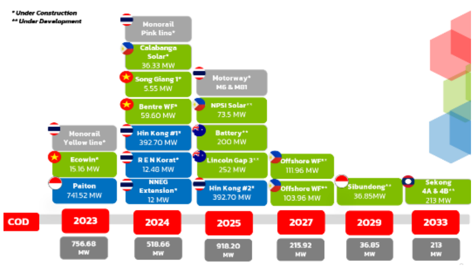
Source: UOB Kay Hian

2026 Target



Source: UOB Kay Hian

Projects In Pipeline



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**36,803**	**53,981**	**55,020**	**55,240**
EBITDA	15,482	17,515	18,327	18,624
Deprec. & amort.	3,708	4,070	4,070	4,070
EBIT	11,775	13,445	14,256	14,553
Net interest income/(expense)	(4,332)	(4,646)	(4,550)	(4,425)
Pre-tax profit	**7,443**	**8,799**	**9,706**	**10,128**
Tax	(575)	(704)	(747)	(810)
Minorities	(647)	(1,036)	(1,080)	(1,090)
Net profit	**6,220**	**7,059**	**7,879**	**8,228**
Net profit (adj.)	6,220	7,059	7,879	8,228

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	46,472	47,402	48,332	49,262
Other LT assets	155,194	127,955	130,296	133,945
Cash/ST investment	14,253	29,496	19,714	8,343
Other current assets	22,084	20,299	22,054	24,755
Total assets	**238,004**	**225,152**	**220,396**	**216,305**
ST debt	23,321	19,028	19,028	19,028
Other current liabilities	6,408	9,901	10,400	10,500
LT debt	87,650	80,650	75,650	72,650
Other LT liabilities	12,978	15,245	16,245	17,410
Shareholders' equity	93,451	92,825	91,569	89,212
Minority interest	14,195	7,502	7,503	7,504
Total liabilities & equity	**238,004**	**225,152**	**220,396**	**216,305**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**15,066**	**28,135**	**11,693**	**9,569**
Pre-tax profit	7,443	8,799	9,706	10,128
Tax	(575)	(704)	(747)	(810)
Deprec. & amort.	3,708	4,070	4,070	4,070
Associates	(647)	(1,036)	(1,080)	(1,090)
Working capital changes	(3,273)	7,728	(256)	44
Other operating cashflows	8,411	9,277	0	(2,773)
Investing	**(25,681)**	**12,779**	**(7,341)**	**(7,356)**
Capex (growth)	(3,595)	(5,000)	(5,000)	(5,000)
Investments	(22,998)	21,102	(1,313)	(1,612)
Others	911	(3,324)	(1,028)	(744)
Financing	**15,939**	**(25,671)**	**(14,134)**	**(13,584)**
Dividend payments	(3,480)	(7,685)	(9,135)	(10,585)
Issue of shares	0	0	0	0
Loan repayment	19,419	(17,986)	(4,999)	(2,999)
Net cash inflow (outflow)	**5,324**	**15,242**	**(9,782)**	**(11,371)**
Beginning cash & cash equivalent	**8,930**	**14,253**	**29,496**	**19,714**
Ending cash & cash equivalent	**14,253**	**29,496**	**19,714**	**8,343**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	42.1	32.4	33.3	33.7
Pre-tax margin	20.2	16.3	17.6	18.3
Net margin	16.9	13.1	14.3	14.9
ROA	3.7	4.3	4.9	5.2
ROE	8.1	9.3	10.4	11.1
Growth				
Turnover	(14.6)	25.3	27.7	28.2
EBITDA	66.8	88.7	97.4	100.6
Pre-tax profit	8.9	28.8	42.0	48.2
Net profit	4.3	18.4	32.1	38.0
Net profit (adj.)	1.5	13.5	11.6	4.4
EPS	(34.4)	(25.5)	(16.9)	(13.2)
Leverage				
Debt to total capital	103.1	99.4	95.6	94.8
Debt to equity	118.8	107.4	103.4	102.8
Net debt/(cash) to equity	103.5	75.6	81.9	93.4
Interest cover	3.6	3.8	4.0	4.2

The Erawan Group (ERW TB)

2Q26: Decent yoy Earnings Growth As Expected

Highlights

- ERW reported a net profit of Bt72m (+14.3% yoy, -80.8% qoq) in 2Q26, which is in line with our and consensus forecasts.
- We have become more positive on ERW as 2Q26 has shown that the impact from the Grand Hyatt renovation is manageable.
- We upgrade ERW to BUY with a target price of Bt4.40 (previously Bt3.30), as we see more supporting factors in 2H26 such as declining interest cost, the reopening of Naka Phuket and the traffic boost from large events in 2H26.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26	yoy (%)	qoq (%)	1H25	1H26	yoy (%)
Total revenue	1,744	2,241	1,820	4.4	(18.8)	3,871	4,062	4.9
Gross profit	694	1,110	727	4.7	(34.5)	1,733	1,837	6.0
SG&A	466	563	513	10.1	(8.9)	981	1,076	9.8
Operating EBITDA	492	834	501	1.9	(39.9)	1,275	1,335	4.7
Core profit	63	376	72	14.3	(80.8)	408	448	9.6
Net profit	63	376	72	14.3	(80.8)	408	448	9.6
(%)	**2Q25**	**1Q26**	**2Q26**	**yoy (ppt)**	**qoq (ppt)**	**1H25**	**1H26**	**yoy (ppt)**
Gross margin	39.8	49.5	39.9	0.1	(9.6)	44.8	45.2	0.4
SG&A to sales	26.7	25.1	28.2	1.5	3.1	25.3	26.5	1.2
EBITDA margin	28.2	37.2	27.5	(0.7)	(9.7)	32.9	32.9	(0.1)
Net profit margin	3.6	16.8	4.0	0.3	(12.8)	10.6	11.0	0.5

Source: ERW, UOB Kay Hian

Analysis

- **Decent growth yoy in 2Q26 as expected.** The Erawan Group (ERW) reported a net profit of Bt72m (+14.3% yoy, -80.8% qoq) in 2Q26, which is in line with our and consensus forecasts. The growth is mainly contributed by a strong yoy increase in occupancy rate of ERW's luxury and economy hotels, as the Chinese arrivals recovery continues to intensify and the low base effect in 2Q25. This led to a 4.3% yoy growth in RevPar of the total portfolio (excluding Hop Inns). Meanwhile, the RevPar of Hop Inn hotels, excluding new openings, declined around 2% yoy due to foreign exchange impact. A prepayment expense of Bt11m is included into the interest expense, though the interest expense still fell 8.3% yoy and 5.7% qoq. EBITDA margin declined slightly by 0.7 ppts yoy. 1H26 net profit accounts for 50% of our 2026 earnings forecast.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	7,917.3	7,930.5	8,782.0	9,447.1	10,096.9
EBITDA	2,644.3	2,613.5	2,906.9	3,133.6	3,258.6
Operating profit	1,649.5	1,565.3	1,654.9	1,797.8	1,837.7
Net profit (rep./act.)	1,280.7	838.1	903.2	971.5	1,017.4
Net profit (adj.)	939.7	836.4	873.2	940.6	985.5
EPS (Bt)	0.2	0.2	0.2	0.2	0.2
PE (x)	18.9	21.3	20.4	18.9	18.1
P/B (x)	2.0	2.0	2.0	1.9	1.8
EV/EBITDA (x)	12.3	12.4	11.1	10.3	9.9
Dividend yield (%)	2.5	1.9	2.3	2.5	2.6
Net margin (%)	16.2	10.6	10.3	10.3	10.1
Net debt/(cash) to equity (%)	149.8	141.6	160.8	155.8	150.0
Interest cover (x)	3.8	4.3	5.0	5.5	5.9
ROE (%)	17.0	9.5	10.1	10.5	10.3
Consensus net profit (Btm)	-	-	904	981	1,084
UOBKH/Consensus (x)	-	-	0.97	0.96	0.91

Source: The Erawan Group, Bloomberg, UOB Kay Hian

Analyst(s)

Benjaphol Suthwanish

+662 659 8301

Benjaphol@uobkh.co.th

Assistant Analyst(s)

Nonpawit Vathanadachakul

BUY (Upgraded)

Share Price	Bt3.64
Target Price	Bt4.40
Upside	+20.9%
Previous TP	Bt3.30

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	ERW TB
Shares issued (m)	4,886.9
Market cap (Btm)	17,788.4
Market cap (US$m)	537.2
3-mth avg daily t'over (US$m)	2.9

Price Performance (%)

52-week high/low				Bt3.80/Bt2.02
1mth	**3mth**	**6mth**	**1yr**	**YTD**
19.7	26.4	29.1	50.4	49.2

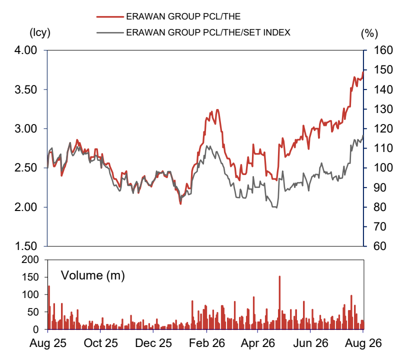
Major Shareholders (%)

Wattanavekin family	28.2
Vongkusolkit family	28.4

Balance Sheet Metrics

FY26 NAV/Share (Bt)	1.84
FY26 Net Debt/ Share (Bt)	2.95

Price Chart



Source: Bloomberg

Company Description

The Erawan Group is a leading hotel investment company in Thailand. Its hotel portfolio ranges from luxury to mid-scale and economy across Thailand's major tourist destinations.

- **Downtrend of interest to support earnings**. Following management's plan to refinance some of their loans to further lowering their interest cost, the prepayment fee paid in 2Q26 should be the last expense for the current plan. From now on, ERW should fully benefit from the declining interest cost. ERW's average cost of fund has been decreasing for each quarter, partially due to the floating rate that follows the declining trend of the market. ERW will aim to refinance its loans into more fixed rate portions as it sees that the current rate is attractive. The IBD/E ratio is at 1.2x, remaining constant qoq as there will be more new loans taken with more expansions awaiting in 2026. We see that the declining interest cost will be a key supporting factor to ERW's earnings outlook for 2H26.
- **The impact from renovation is manageable.** The renovation commenced in Apr 26 and is scheduled for completion by 4Q27, with allocated capex of Bt500m-600m. The ballroom renovation is expected to be completed in Aug 26 to capture MICE demand from Sep 26 onwards. Management plans to pause room renovations during the high travel season in 4Q26-1Q27 and operate with full room inventory. Although there are room renovations that will still take place in 3Q26 or be postponed to 2Q27, ERW has proven with its earnings growth in 2Q26 that the impact is manageable. The reopening of Naka Phuket should also provide a positive contribution to the luxury hotel portfolio. Hence, we have decided to upgrade ERW earlier than previously expected.
- **2026 growth guidance is still achievable.** ERW targets total revenue growth of 9% yoy, driven by luxury-economy (+7% yoy) and budget (+14% yoy) segments. In the luxury segment, growth will be supported by about 80% occupancy and 3-4% ADR expansion. Budget growth will come from new Hop Inn openings in Thailand and a new launch in Korea. So far, 1H26 has shown 5% yoy growth in revenue. Though achieving that target growth of 9% yoy requires a very strong 2H26 performance, we are starting to see several supporting factors such as the persistent recovery of Chinese arrivals and the large events in 2H26 that will provide traffic boost.

Valuation/Recommendation

- **Upgrade to BUY with a target price of Bt4.40.** Our valuation is rolled over to 2027 with an EV/EBITDA multiplier of 12x, based on 1 SD above its three-year mean. We have become more positive on ERW and added to our top picks, given its ability to show growth despite the pressure from renovation and the Middle East war. We are starting to see more supporting factors such as the declining interest cost, the reopening of Naka Phuket and the traffic boost from large events in 2H26. Hence, we have upgraded ERW earlier than previously planned.

Environment, Social, Governance (ESG) Updates

Environmental

- **Prioritising effective and balanced use of resources** as well as taking into account the reduction of greenhouse gas generation, including management of ecosystems and biodiversity.

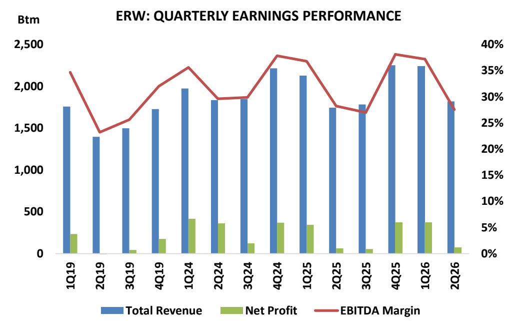
Social

- **Respecting human rights** based on the principles of international criteria, equality, fairness, and non-discrimination.
- **Focusing on enhancing quality of life** and potential of employees by cultivating social and environmental responsibility.

Governance

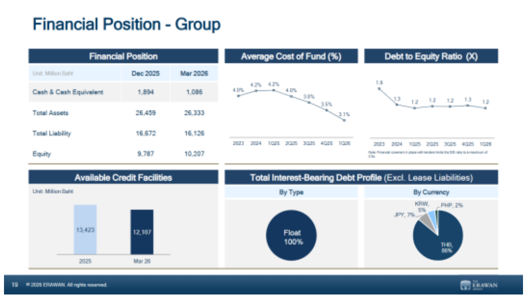
- **Board gender diversity.** Male to female ratio of 3:1.
- **Board balance and composition.** Four board members are independent directors, amounting to 33% of the board members.

QUARTERLY PERFORMANCE



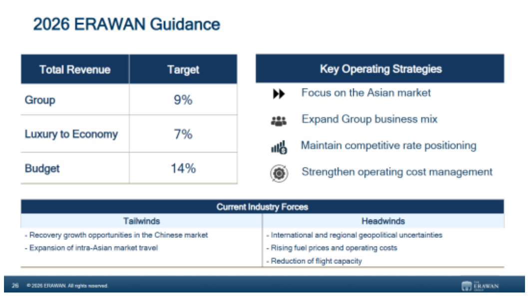
Source: ERW, UOB Kay Hian

ERW'S DEBT PROFILE



Source: ERW

2026 GUIDANCE



Source: ERW

ERW SOURCE MARKETS IN THAILAND

Source: ERW

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	7,930	8,782	9,447	10,097
EBITDA	2,613	2,907	3,134	3,259
Deprec. & amort.	1,048	1,252	1,336	1,421
EBIT	1,565	1,655	1,798	1,838
Total other non-op. income	2	0	0	0
Associate contributions	0	30	31	32
Net interest income/(expense)	(612)	(583)	(571)	(553)
Pre-tax profit	956	1,102	1,257	1,317
Tax	(51)	(161)	(245)	(257)
Minorities	(67)	(38)	(40)	(42)
Net profit	838	903	972	1,017
Net profit (adj.)	836	873	941	986

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	23,417	24,310	25,422	26,498
Other LT assets	640	483	528	587
Cash/ST investment	1,894	3,043	2,363	1,605
Other current assets	509	700	767	833
Total assets	**26,460**	**28,536**	**29,079**	**29,522**
ST debt	2,690	1,765	1,765	1,765
Other current liabilities	1,224	1,252	1,373	1,506
LT debt	11,899	15,720	15,475	15,032
Other LT liabilities	859	642	703	834
Shareholders' equity	8,967	8,982	9,547	10,127
Minority interest	820	175	216	258
Total liabilities & equity	**26,460**	**28,536**	**29,079**	**29,522**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**2,007**	**2,028**	**2,403**	**2,548**
Pre-tax profit	956	1,102	1,257	1,317
Tax	(51)	(161)	(245)	(257)
Deprec. & amort.	1,048	1,252	1,336	1,421
Associates	0	(30)	(31)	(32)
Working capital changes	(16)	7	(1)	6
Non-cash items	70	(171)	56	61
Other operating cashflows	0	30	31	32
Investing	**(1,010)**	**(2,204)**	**(2,433)**	**(2,425)**
Capex (growth)	(2,072)	(2,145)	(2,448)	(2,497)
Investment	0	12	25	38
Others	1,062	(72)	(9)	35
Financing	(716)	1,325	(651)	(881)
Dividend payments	(440)	(342)	(406)	(437)
Proceeds from borrowings	(71)	2,896	(244)	(444)
Others/interest paid	(204)	(1,228)	0	0
Net cash inflow (outflow)	282	1,149	(681)	(758)
Beginning cash & cash equiv.	1,612	1,894	3,043	2,363
Ending cash & cash equiv.	**1,894**	**3,043**	**2,363**	**1,605**

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	33.0	33.1	33.2	32.3
Pre-tax margin	12.1	12.5	13.3	13.0
Net margin	10.6	10.3	10.3	10.1
ROA	3.2	3.3	3.4	3.5
ROE	9.5	10.1	10.5	10.3
Growth (% yoy)				
Turnover	0.2	10.7	7.6	6.9
EBITDA	(1.2)	11.2	7.8	4.0
Pre-tax profit	(27.7)	15.3	14.1	4.7
Net profit	(34.6)	7.8	7.6	4.7
Net profit (adj.)	(11.0)	4.4	7.7	4.8
EPS	(11.0)	4.3	7.7	4.8
Leverage				
Debt to total capital	59.8	65.6	63.8	61.8
Debt to equity	162.7	194.7	180.6	165.9
Net debt/(cash) to equity	141.6	160.8	155.8	150.0
Interest cover (x)	4.3	5.0	5.5	5.9

UOBKayHian

Company – Update | Thailand

Friday, 14 August 2026

Bangkok Commercial Asset Management (BAM TB)

CEO Reiterates Achieving Bottom Line Target Of Bt2b In 2026

Highlights

- Slightly positive tone during the analyst meeting.
- Guide for five JV AMCs to support BAM's bottom line.
- Maintain HOLD with a target price of Bt7.20.

Analysis

- **A slightly positive tone during the analyst meeting.** We came away from Bangkok Commercial Asset Management's (BAM) analyst meeting on 13 Aug 26 with a slightly positive view.
- **Target to complete cash collection for medium-size debts.** The CEO guided that four medium-sized debts are currently in the process of cash collection. These consist of two non-performing assets (NPAs) and two NPLs. The CEO stated that the remaining cash collection target of Bt11.36b in 2H26 should be filled by these four debt pieces to achieve the overall target of Bt17.9b in 2026.
- **Reiterated 2026 net profit target at Bt2b.** The CEO expects this cash collection to translate to a bottom line of around Bt510m with an approximate margin of 90%. Meanwhile, the company expects a net profit from normal operations of Bt150m a month, totalling Bt900m for 2H26. Summing this with 1H26's bottom line of Bt451m, the CEO forecasts an approximate net profit of Bt1.86b in 2026. This rough estimation does not yet include the share of profit from the two JV AMCs. As a result, the CEO is confident BAM will be capable of achieving its net profit target of Bt2b in 2026.
- **NPL investments in line with the plan.** BAM invested Bt10.68b in NPLs in 2Q26, +338% yoy and +2,158% qoq, accounting for 52% of actual market sales in 2Q26. Meanwhile, BAM invested Bt11.2b in 1H26, compared to its 2026 target of Bt15b. The investment portfolio reached Bt592b in 2H26, compared to the 2026 investment portfolio target of Bt600b. The cost of investing in NPLs is about 26%, lower than the previous level of around 40%.
- **Reiterated expectation for the funding cost to reach 3% level in 2026.** The CEO expects the funding cost to reach 3% in 2026 (vs 3.06% in 2Q26). The CEO said in the previous meeting that if the funding cost reaches approximately 3.1% and 3.0% in 2Q26 and 3Q26, respectively, the probability of achieving a funding cost below 3% in 2026 should increase.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net Interest Income	6,967	6,651	5,241	5,617	5,808
Non-Interest Income	2,612	3,586	1,914	1,997	2,013
Net profit	1,602	1,812	1,641	1,736	1,729
Net profit (adj.)	1,602	1,812	1,641	1,736	1,729
EPS (Bt)	0.5	0.6	0.5	0.5	0.5
PE (x)	13.4	11.9	13.1	12.4	12.4
P/B (x)	0.5	0.5	0.5	0.5	0.5
Dividend yield (%)	5.3	7.5	6.8	7.2	7.2
Net Int margin (%)	0.0	0.0	0.0	0.0	0.0
Cost/income ratio (%)	30.4	32.6	40.9	43.4	45.8
Loan loss cover (%)	n.a.	n.a.	n.a.	n.a.	n.a.
Consensus net profit	-	-	1,765	1,966	2,095
UOBKH/Consensus (x)	-	-	0.93	0.88	0.83

Source: Bangkok Commercial Asset Management, Bloomberg, UOB Kay Hian

Analyst(s)

Thanawat Thangchadakorn

thanawat@uobkayhian.co.th

+662 090 3360

HOLD (Maintained)

Share Price	Bt6.65
Target Price	Bt7.20
Upside	8.3%

Stock Data

Sector	
Bloomberg ticker	BAM TB
Shares issued (m)	3,232.0
Market cap (Btm)	21,493.1
Market cap (US$m)	648.7
3-mth avg daily t'over (US$m)	2.8

Price Performance (%)

52-week high/low				Bt8.6/Bt6.2
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(5.0)	1.5	(11.3)	(20.8)	(16.9)

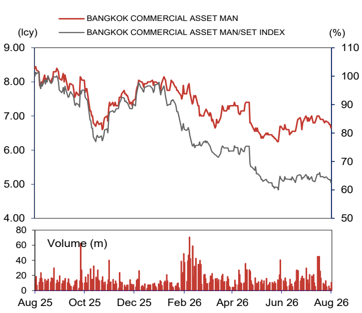
Major Shareholders (%)

FIDF Funds	45.79
Thai NVDR	2.93
South East Asia UK (Type C) Nominees	2.11

Balance Sheet Metrics

FY26 NAV/Share (Bt)	13.7
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

Management of NPLs and non-performing assets (NPA).

- **Guided for five JV AMCs to support BAM's bottom line.** Management guided that we should see the establishment of a new JV AMC – the third one – in Oct-Nov 26. During the waiting process, the partner in the third JV AMC, which is a commercial bank, would continue to sell NPLs to BAM. Meanwhile, the CEO guided that there are five JV AMCs at the end of pipeline. The CEO stated that each JV AMC is expected to generate a net profit of Bt150m a year, totalling almost Bt1b annually. The JV AMCs' contribution will be one of the key growth engines for BAM in the future.
- **Stabilised high dividend payout ratio with an interim dividend payment.** The CEO guided in the previous meeting that BAM would pay an interim dividend from 2027 onward, with a DPS of approximately Bt0.25. At this time, the CEO said BAM can commit to a dividend payout ratio in the range of 85-90%, but this includes the interim payment. The CEO would like to see BAM as a sustainable investment target for investors.
- **2Q26 results recap.** BAM posted a 2Q26 net profit of Bt234m, down 82% yoy but up 8% qoq. The results were lower than consensus estimates by 19%. BAM reported a total cash collection of Bt3.5b in 2Q26 (-50% yoy, +16% qoq).

2Q26 Results Recap

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Total Cash Collection (NPLs+NPAs)	3,513	3,026	6,962	16.1	(49.5)
Cash Collection (NPLs)	2,161	2,040	4,260	6.0	(49.3)
Cash Collection (NPAs)	1,351	987	2,702	37.0	(50.0)
Interest Income - Collected	1,054	954	1,734	10.5	(39.2)
Interest Income - Accrued	537	610	132	(12.0)	306.8
Net Interest Income	1,197	1,258	1,442	(4.9)	(17.0)
Non-Interest Income	439	348	1,900	25.9	(76.9)
Provision Expenses	(667)	(726)	(784)	(8.1)	(15.0)
Total Operating Expenses	(721)	(669)	(926)	7.8	(22.1)
Net income	234	217	1,294	8.0	(81.9)
EPS (Bt)	0.07	0.07	0.40	8.0	(81.9)
Ratio (%)					
Cash collection to total port (%)	9.9	8.6	19.4	132bp	-948bp
Gain on loans purchased Loans % Cash Collection	12.7	17.7	8.2	-5ppt	5ppt
NPA margin (%)	29.0	30.0	69.7	-1ppt	-41ppt
Credit Cost (bp)	336	365	370	-29bp	-34bp
Cost to income (%)	43.2	40.7	27.5	258bp	1570bp

Source: BAM, UOB Kay Hian

Valuation/Recommendation

- **Maintain HOLD with an unchanged target price of Bt7.20,** based on the Gordon Growth Model (cost of equity: 12.0%, long-term growth: 3%). This implies 2026F P/B of 0.52x, which is nearly -0.5SD to its five-year mean. Although the valuation is cheap, there is no catalyst to drive the share price up in the near term.

Earnings Revision/Risk

- We revised BAM's 2026-28 earnings forecasts upward by 28.1%, 24.3%, and 24.3% respectively, as the CEO reiterated the high probability of achieving its 2026 net profit target of Bt2b, coupled with its line-up of targeted debt collection.

Share Price Catalyst

- A strong momentum of cash collection.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AAA

Environmental

- BAM is committed to environmental management.

Social

- BAM is committed to mitigating potential social impacts Your text here.

Governance

- BAM is committed to conducting its business with integrity and a fairness framework

2026 Financial Targets

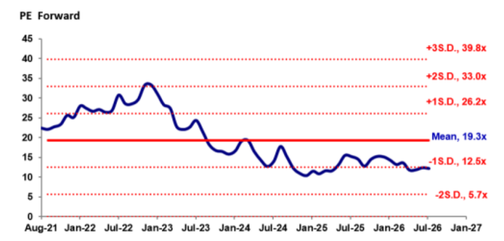
	1H26 Actual	2026 Targets
Total Collection	Bt6.5b	Bt17.9b
Net Profit	Bt451m	Bt2b
Investment portfolio (AUM)	Bt592b	Bt600b

Source: BAM, UOB Kay Hian

Gross Purchased Loans (2Q26)

Source: BAM, UOB Kay Hian

PE Band



Source: UOB Kay Hian

P/B Band

Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest Income	9,812	7,997	8,180	8,188
Interest Expense	(3,161)	(2,756)	(2,563)	(2,380)
Net Interest Income	6,651	5,241	5,617	5,808
Fees & Commissions	3,586	1,914	1,997	2,013
Other Income	0	0	0	0
Non-Interest Income	3,586	1,914	1,997	2,013
Total Income	10,237	7,155	7,613	7,821
Staff Costs	(1,643)	(1,329)	(1,456)	(1,497)
Other Operating Expense	(1,691)	(1,597)	(1,851)	(2,089)
Pre-Provision Profit	6,903	4,230	4,307	4,236
Loan Loss Provision	(4,639)	(2,342)	(2,305)	(2,243)
Pretax profit	2,264	1,888	2,002	1,992
Tax	(452)	(246)	(266)	(263)
Minorities	0	0	0	0
Net profit (adj.)	**1,812**	**1,641**	**1,736**	**1,729**

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	2,121	1,374	1,279	1,267
Govt Treasury Bills & Securities	0	0	0	0
Interbank Loans	0	0	0	0
Customer Loans	69,190	68,078	67,828	67,671
Investment Securities	689	430	430	430
Derivative Receivables	0	0	0	0
Associates & JVs	763	804	804	804
Fixed assets (incl. prop.)	41,764	43,905	49,621	55,253
Other assets	21,500	21,495	21,433	21,373
Total Assets	136,028	136,087	141,397	146,799
Interbank Deposits	0	0	0	0
Customer Deposits	0	0	0	0
Derivative Payables	0	0	0	0
Debt equivalents	88,076	88,750	93,852	99,085
Other Liabilities	3,038	2,548	2,483	2,468
Total Liabilities	91,114	91,298	96,335	101,553
Shareholders' equity	44,914	44,789	45,062	45,246
Minority interest	0	0	0	0
Total liabilities & equity	**136,028**	**136,087**	**141,397**	**146,799**

Operating Ratios

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Capital Adequacy				
Tier-1 CAR	n.a.	n.a.	n.a.	n.a.
Total CAR	n.a.	n.a.	n.a.	n.a.
Total assets/equity (x)	3.0	3.0	3.1	3.2
Tangible assets/tangible common	3.0	3.0	3.1	3.3
Asset Quality				
NPL ratio	n.a.	n.a.	n.a.	n.a.
Loan loss coverage	n.a.	n.a.	n.a.	n.a.
Loan loss reserve/gross loans	32.5	23.4	23.4	23.4
Increase in NPLs	n.a.	n.a.	n.a.	n.a.
Liquidity				
Loan/deposit ratio	n.a.	n.a.	n.a.	n.a.
Liquid assets/short-term liabilities	n.a.	n.a.	n.a.	n.a.
Liquid assets/total assets	1.6	1.0	0.9	0.9

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net interest income, yoy chg	(4.5)	(21.2)	7.2	3.4
Fees & commissions, yoy chg	37.3	(46.6)	4.3	0.8
Pre-provision profit, yoy chg	3.6	(38.7)	1.8	(1.7)
Net profit, yoy chg	13.2	(9.4)	5.8	(0.4)
Net profit (adj.), yoy chg	13.2	(9.4)	5.8	(0.4)
Customer loans, yoy chg	(11.3)	(1.6)	(0.4)	(0.2)
Profitability				
Cost/income ratio	32.6	40.9	43.4	45.8
Adjusted ROA	1.3	1.2	1.3	1.2
Reported ROE	4.1	3.7	3.9	3.9
Adjusted ROE	4.1	3.7	3.9	3.9
Valuation				
P/BV (x)	0.5	0.5	0.5	0.5
P/NTA (x)	15.8	15.8	15.2	14.7
Adjusted P/E (x)	11.9	13.1	12.4	12.4
Dividend Yield	7.5	6.8	7.2	7.2
Payout ratio	89	89	89	89

Minor International (MINT TB)

Earnings Growth Outlook In 2H26 Remains Questionable

Highlights

- We attended MINT's analyst meeting to review its 2Q26 results and the tone was neutral.
- The management guides that the interest rate will not go down further, which is a negative for MINT as its debt amount remains high.
- We are cautious with MINT as the interest rate will remain flattish which, coupled with the REIT postponement, will be a headwind to MINT's earnings growth. Maintain HOLD with a target price of Bt24.00.

Analysis

- **Neutral tone during analyst meeting.** We attended Minor International's (MINT) analyst meeting to review its 2Q26 results and the tone was neutral.
- **Interest rate will not go down further.** Management guided that the current interest rate at 4.1% in 2Q26 will not be trending down for the remaining period of this year. Moreover, management expects that the interest rate could rise slightly in 2027, mainly due to the interest trend in Europe. We see that this interest trend is a negative for MINT as its debt level should remain at a high level as the REIT launch is postponed. MINT's earnings growth has already been hampered by the high interest burden and hence will not receive any support from the cost of debt reduction unlike other hotel operators.
- **Acquisition of Bonchon.** MINT will finalise its deal to fully acquire Bonchon's intellectual properties in every country excluding the US by the end of Aug 26. This transaction amounting to Bt1.6b will be funded fully by additional loans. This acquisition is based on an IRR of high double-digit %. Management aims to expand from 345 outlets currently to 500+ outlets within the next five years with the main focus in Asia. Despite this acquisition, capex for 2026 remains at the same level as MINT cut down on other expenses to reciprocate. Bonchon has been one of the best performers in MINT's food business from the booming K-pop trend. However, K-pop is currently on a declining trend in Asia, especially in Thailand, as T-pop starts to eat into market share of K-pop. This forces K-pop to shift its interest to the market in the US instead. Hence, it remains questionable whether Bonchon will be able to sustain the current performance going forward.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	164,224	165,936	173,871	182,220	190,979
EBITDA	42,684	44,396	41,481	43,842	45,907
Operating profit	21,236	22,844	22,255	24,232	25,909
Net profit (rep./act.)	7,750	9,009	9,633	10,315	11,202
Net profit (adj.)	8,391	9,699	9,633	10,315	11,202
EPS (Bt)	1.5	1.7	1.6	1.7	1.9
PE (x)	15.5	13.4	14.3	13.3	12.3
P/B (x)	1.5	1.5	1.3	1.2	1.2
EV/EBITDA (x)	6.9	6.6	7.1	6.7	6.4
Dividend yield (%)	2.5	2.8	3.1	3.3	3.6
Net margin (%)	4.7	5.4	5.5	5.7	5.9
Net debt/(cash) to equity (%)	187.6	195.3	159.8	142.2	123.4
Interest cover (x)	4.1	5.0	5.0	4.7	4.8
ROE (%)	9.4	10.2	10.3	10.2	10.4
Consensus net profit (Btm)	-	-	9,910	10,982	12,271
UOBKH/Consensus (x)	-	-	0.97	0.94	0.91

Source: Minor International, Bloomberg, UOB Kay Hian

Analyst(s)
Benjaphol Suthwanish
+662 659 8301
Benjaphol@uobkh.co.th
Assistant Analyst(s)
Nonpawit Vathanadachakul

HOLD (Maintained)

Share Price	Bt22.90
Target Price	Bt24.00
Upside	+4.8%

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	MINT TB
Shares issued (m)	5,624.6
Market cap (Btm)	128,802.8
Market cap (US$m)	3,889.6
3-mth avg daily t'over (US$m)	27.3

Price Performance (%)

52-week high/low: Bt27.00/Bt19.60

1mth	3mth	6mth	1yr	YTD
(2.6)	5.5	(11.1)	(6.5)	(5.8)

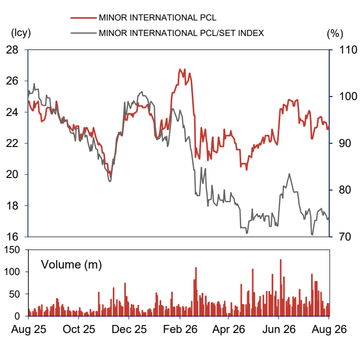
Major Shareholders (%)

Minor Group & Heinecke Family	34.0
Foreign Fund	27.0

Balance Sheet Metrics

FY26 NAV/Share (Bt)	17.29
FY26 Net Debt/ Share (Bt)	27.62

Price Chart



Source: Bloomberg

Company Description

MINT is one of the largest hospitality companies in the Asia-Pacific region. It also operates restaurants in Thailand and overseas and is involved in residential property development and retail trading.

- **REIT postponement adds to the interest burden.** MINT has decided to postpone its REIT launch, initially targeted for 2H26, due to weak demand and unfavourable market conditions. We view the delay as a significant negative for MINT's earnings outlook, as it limits the company's ability to meaningfully deleverage in the near term. MINT's net IBD/E increased from 0.88x at end-1Q26 to 1.10x in 2Q26 following the conversion of slightly over Bt10b of perpetual bonds into a long-term loan. As a result, MINT will incur additional interest expenses of around Bt300m annually, creating a meaningful headwind to earnings growth. The REIT remains in MINT's pipeline and could be revisited once market conditions improve. In the meantime, MINT will focus on its food IPO and asset rotation initiatives, although the food IPO remains uncertain and is not included in our assumptions.
- **2026 growth guidance is unlikely to be achieved.** Management has maintained its guidance of high single-digit annual revenue growth and 15-20% p.a. profit growth. However, 1H26 core earnings have grown only 5.7% yoy, significantly below the target. With the increasing interest burden following the conversion of perpetual bonds into long-term loans, we believe achieving the 15-20% core profit growth target in 2026 will be challenging. Moreover, around Bt13b of additional perpetual bonds are scheduled to be converted into loans in Sep 27, followed by another Bt10.5b in Feb 28. We believe the resulting increase in interest expenses could remain a long-term overhang if MINT is unable to launch its REIT.
- **MINT continues to prioritise asset-light expansion.** Given its relatively high leverage, MINT is focusing on asset-light hotel expansion to ease pressure on its balance sheet. Although the revenue contribution from each contract is relatively modest, the model offers attractive margins as it requires limited capital investment, operating expenses, and ramp-up costs. As of 2Q26, MINT operates 651 hotels with 225 projects in the pipeline, targeting an asset-light share of 51% of total rooms by 2028, up from 34% currently. MINT aims to sign more than 50 hotel contracts in 2026, including 30 in 1H26. In its food business, MINT is also accelerating franchising to increase the franchise mix to 56% of total outlets, while continuing to expand in high-growth markets such as Indonesia and India. However, we believe the asset-light strategy alone will not be sufficient to offset the increasing interest burden.

Valuation/Recommendation

- **Maintain HOLD with a target price of Bt24.00.** Our valuation is based on 2026 EV/EBITDA multiple at 7.0x, 1SD below the three-year mean. We are cautious with MINT as the interest rate will remain flattish which, coupled with the REIT postponement, will be a headwind to MINT's earnings growth. Meanwhile, the performance of Bonchon remains questionable going forward due to the declining K-pop trend in Asia.

Environment, Social, Governance (ESG) Updates

Environmental

- **Pledge Net Zero by 2050.**
- **Strategy to conserve resources.** To reduce emissions and waste and protect biodiversity across the operations and supply chains.

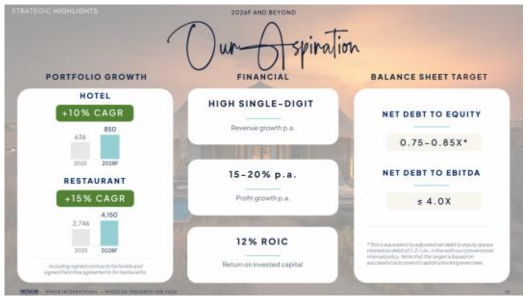
Social

- **Strict occupational health and safety guidelines.** Ensures supplier compliance with the safety guidelines.

Governance

- **CEO & senior management KPI.** Also based on non-financial KPI such as internal control compliance, sustainability and human resource management.
- **The guidelines are reviewed annually** to incorporate changes in governance requirements, business operations, and applicable laws.

MINT'S GROWTH TARGET

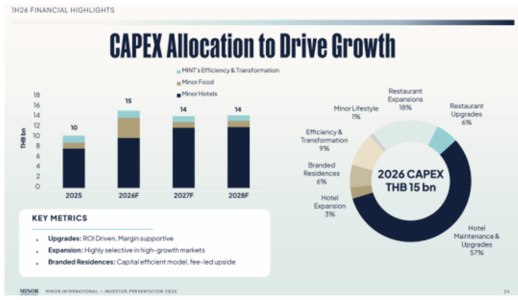


Source: MINT

MINT'S DEBT PROFILE

Source: MINT

CAPEX PROJECTION



Source: MINT

MARGINS TREND

Source: MINT

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	165,936	173,871	182,220	190,979
EBITDA	44,396	41,481	43,842	45,907
Deprec. & amort.	21,553	19,226	19,610	19,998
EBIT	22,844	22,255	24,232	25,909
Total other non-op. income	(2,242)	3	3	3
Associate contributions	1,436	932	1,025	1,127
Net interest income/(expense)	(8,817)	(8,231)	(9,255)	(9,664)
Pre-tax profit	**13,221**	**14,959**	**16,005**	**17,375**
Tax	(3,381)	(4,489)	(4,794)	(5,199)
Minorities	(830)	(838)	(897)	(974)
Net profit	9,009	9,633	10,315	11,202
Net profit (adj.)	**9,699**	**9,633**	**10,315**	**11,202**

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	283,129	277,104	277,311	275,481
Other LT assets	36,208	37,009	38,116	39,309
Cash/ST investment	9,596	35,961	52,822	67,898
Other current assets	28,397	30,165	31,609	33,144
Total assets	**357,330**	**380,239**	**399,858**	**415,832**
ST debt	24,346	37,149	53,649	63,649
Other current liabilities	38,162	40,537	42,478	44,542
LT debt	159,625	155,394	147,463	141,463
Other LT liabilities	38,211	40,590	42,534	44,600
Shareholders' equity	89,270	98,014	104,283	111,153
Minority interest	7,716	8,553	9,450	10,424
Total liabilities & equity	**357,330**	**380,238**	**399,858**	**415,831**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**34,563**	**30,304**	**31,318**	**32,702**
Pre-tax profit	13,221	14,959	16,005	17,375
Tax	(3,381)	(4,489)	(4,794)	(5,199)
Deprec. & amort.	21,553	19,226	19,610	19,998
Associates	(1,436)	(932)	(1,025)	(1,127)
Working capital changes	(1,485)	184	150	160
Non-cash items	4,656	424	346	368
Other operating cashflows	1,436	932	1,025	1,127
Investing	**(36,141)**	**(8,826)**	**(18,981)**	**(17,294)**
Capex (growth)	(36,620)	(6,201)	(19,818)	(18,168)
Investment	22,501	22,449	22,859	23,310
Others	(22,022)	(25,075)	(22,023)	(22,436)
Financing	**(2,145)**	**4,887**	**4,523**	**(332)**
Dividend payments	(3,227)	(3,685)	(4,046)	(4,332)
Proceeds from borrowings	5,846	8,572	8,569	4,000
Others/interest paid	(4,764)	-	-	-
Net cash inflow (outflow)	(3,722)	26,365	16,860	15,076
Beginning cash & cash equiv.	13,319	9,596	35,961	52,822
Ending cash & cash equiv.	**9,596**	**35,961**	**52,822**	**67,898**

Key Metric

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	26.8	23.9	24.1	24.0
Pre-tax margin	8.0	8.6	8.8	9.1
Net margin	5.4	5.5	5.7	5.9
ROA	2.6	2.6	2.6	2.7
ROE	10.2	10.3	10.2	10.4
Growth (% yoy)				
Turnover	1.0	4.8	4.8	4.8
EBITDA	4.0	(6.6)	5.7	4.7
Pre-tax profit	18.1	13.1	7.0	8.6
Net profit	16.2	6.9	7.1	8.6
Net profit (adj.)	15.6	(0.7)	7.1	8.6
EPS	15.6	(6.1)	7.1	8.6
Leverage				
Debt to total capital	65.5	64.4	63.9	62.8
Debt to equity	206.1	196.4	192.9	184.5
Net debt/(cash) to equity	195.3	159.8	142.2	123.4
Interest cover (x)	5.0	5.0	4.7	4.8

Muangthai Capital (MTC TB)

Cut Loan Growth Target To 8-10% In 2026

Highlights

- Slightly negative tone during the meeting.
- More cautious monitoring of asset quality.
- Maintain BUY with an unchanged target price of Bt50.00.

Analysis

- **A slightly negative tone during meeting.** We attended Muangthai Capital's (MTC) analyst meeting and earnings call (OPPDAY) on 13 Aug 26 and came away with a slightly negative view. The CEO addressed concerns over economic conditions due to the impact of Middle East tensions and higher oil prices. The CEO elaborated that they are concerned about both weak loan demand and the need to be more cautious on lending to maintain steady asset quality. Therefore, the company cut its loan growth target for this year to below a double-digit level. However, the CEO was quite satisfied with the 2Q26 performance.
- **Cut loan growth target in 2026.** The CEO announced a cut in the 2026 loan growth target from 10-15% to 8-10%. The CEO stated that key concerns stem from two main factors: a) weakened loan demand, and b) a more conservative lending policy. MTC is tightening big-ticket loans — specifically car title loans and land title loans — as the probability of repayment on big-ticket items has decreased. Meanwhile, MTC remains cautious on hire-purchase loans and will not repeat the vicious cycle seen in 2023. The key difference from that time is that down payments are now required from borrowers. MTC noted that the loan portfolio in Jul-Aug 26 grew approximately 8% yoy, aligning with the new loan growth target.
- **More cautious monitoring of asset quality.** We can sense from the CEO's tone that MTC is quite concerned about economic conditions. The CEO said that the qoq increase in gross NPL amount was aligned with the current economic situation. They saw some difficulties in repayment from borrowers due to higher oil prices. However, MTC guided that current collection efficiency has improved yoy. MTC maintains its 2026 credit cost target at 2.6%, despite reporting 2.23% in 1H26. The CEO stated they need a buffer for a conservative approach **in** the current situation.
- **Funding cost will achieve 2026 target.** MTC set its cost of funds (COF) target at below 4.45% in 2026. Meanwhile, the COF in 1H26 was 4.36%. Management guided that there will be a replacement of funding with lower rates, and we should see a continuous downward trend in COF in 2H26 and the beginning of 2027. Therefore, MTC is confident that the company will achieve its COF target in 2026.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	21,814.4	23,842.9	26,721.2	29,489.4	30,571.5
Non-Interest Income	946.1	729.4	749.4	780.0	793.6
Net profit (rep./act.)	5,867.3	6,723.3	7,552.6	8,325.2	9,043.7
Net profit (adj.)	5,867.3	6,723.3	7,552.6	8,325.2	9,043.7
EPS (Bt)	2.8	3.2	3.6	3.9	4.3
PE (x)	12.2	10.6	9.5	8.6	7.9
P/B (x)	1.9	1.7	1.4	1.2	1.1
Dividend yield (%)	0.5	0.9	1.0	1.1	1.2
Net int margin (%)	14.4	13.9	14.2	14.8	15.1
Cost/income Ratio (%)	47.4	47.9	46.9	46.9	46.8
Loan loss cover (%)	135.3	143.0	136.0	142.0	144.0
Consensus net profit	n.a	n.a	7,466.5	8,230.4	9,048.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Muangthai Capital, Bloomberg, UOB Kay Hian

Analyst(s)

Thanawat Thangchadakorn

thanawat@uobkayhian.co.th

+662 090 3360

BUY (Maintained)

Share Price	Bt33.75
Target Price	Bt50.00
Upside	40.2%

Stock Data

Sector	Financials
Bloomberg ticker	MTC TB
Shares issued (m)	2,120.0
Market cap (Btm)	71,550.0
Market cap (US$m)	2,159.6
3-mth avg daily t'over (US$m)	14.6

Price Performance (%)

52-week high/low: Bt44.00/Bt26.75

1mth	3mth	6mth	1yr	YTD
2.3	17.4	(10.0)	(9.4)	7.1

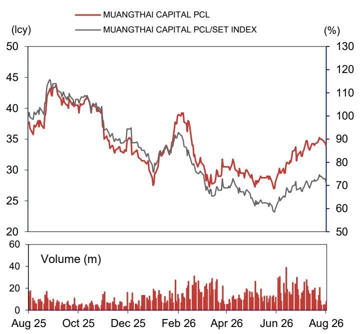
Major Shareholders (%)

Daonapa Petampai	33.96
Parithad Petampai	14.34
Suksit Patcharachai	14.15

Balance Sheet Metrics

FY26 NAV/Share (Bt)	23.5
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

The company provides motorcycle, commercial/passenger cars, agriculture cars, and title deed, personal, and nano loans to individuals.

- **No concerns about issuing foreign bonds.** The CEO stated clearly that the company currently has bargaining power in choosing its funding sources and will select relatively cheaper options. MTC previously issued foreign bonds, which received negative market feedback due to concerns over higher COF. Therefore, we believe MTC will choose to raise funds domestically, easing market concerns regarding foreign bond issuances.
- **2Q26 results recap.** MTC reported a 2Q26 net profit of Bt1.9b, in line with market expectations but beating our forecast by 8%. The company's net profit jumped 16% yoy and 5% qoq, and credit costs increased qoq. The NPL ratio increased slightly qoq in 2Q26. Excluding provision expenses, the company's pre-provision operating profit rose 11% yoy and 7% qoq in 2Q26.

2Q26 Results Recap

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Total gross loans	188,699	183,986	174,807	2.6	7.9
Net interest income	6,394	6,168	5,885	3.7	8.6
Non-interest income	184	181	188	1.9	(2.1)
Loan loss provision	(1,091)	(971)	(1,061)	12.4	2.8
Non-Interest Expenses	(3,095)	(3,099)	(2,953)	(0.1)	4.8
Pre-provision operating profit	2,996	2,794	2,708	7.2	10.6
Net income	1,905	1,823	1,647	4.5	15.7
EPS (Bt)	0.90	0.86	0.78	4.5	15.7
Ratio (%)					
NPL ratio (%)	2.61	2.57	2.6		
Loan loss coverage ratio (%)	132	144	139		
Net interest margin (NIM %)	13.8	13.5	13.8		
Credit cost (bp)	234	211	248		
Cost to income (%)	47.1	48.8	48.6		
Number of network store	8,906	8,754	8,433		
Baseline Total Loans/Store	20.9	20.7	20.5		

Source: MTC, UOB Kay Hian

2026 Financial Targets

	1H26 Actual	Revised 2026 Targets	2026 Targets
Loan Growth	3%	8-10%	10-15%
Cost to Income	47.9%	47-48%	47-48%
Cost of Fund	4.36%	4.45%	4.45%
Coverage Ratio	132%	140%	140%
NPL Ratio	2.61%	<2.55%	<2.55%
Credit Cost	2.23%	< 2.6%	< 2.6%

Source: MTC, UOB Kay Hian

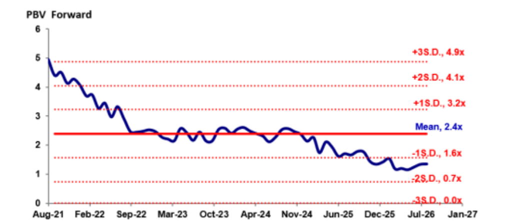
Loan Growth (% yoy)

Source: MTC, UOB Kay Hian

Credit Cost (bp)

Source: MTC, UOB Kay Hian

P/B Band



Source: MTC, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt50.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). Our target price implies 2.1x 2026F P/B, which is nearly -0.5SD to its five-year average.

Earnings Revision/Risk

- We fine-tune MTC's earnings forecasts for 2026-28 by -0.2%, -1.4%, and -2.8%, respectively, reflecting the slightly negative tone and guidance from meeting.

Share Price Catalyst

- Government stimulus packages.
- Higher dividend payout ratio.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

- Climate change. Creating a TCFD-aligned information disclosure guide.
- Net-zero emissions. Planning for net-zero emissions.

Social

- Prioritise customers. Feedback forms for better efficiency and satisfaction.
- Protect human rights. Implementing policies to protect human rights.
- Health and safety. Embracing a culture of safety and health in the workplace.

Governance

- Good corporate governance. Building investor confidence and competitiveness

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	30,010	32,905	35,558	36,544
Interest expense	(6,167)	(6,184)	(6,068)	(5,972)
Net interest income/(expense)	23,843	26,721	29,489	30,572
Fees & Commissions	572	612	642	655
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	157	138	138	139
Non-Interest Income	729	749	780	794
Total Income	24,572	27,471	30,269	31,365
Staff Costs	(11,759)	(12,893)	(14,203)	(14,668)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	12,813	14,577	16,067	16,697
Loan Loss Provision	(4,404)	(5,126)	(5,660)	(5,393)
Pre-tax profit	**8,409**	**9,451**	**10,407**	**11,305**
Tax	(1,685)	(1,899)	(2,081)	(2,261)
Minorities	0	0	0	0
Net profit	**6,723**	**7,553**	**8,325**	**9,044**
Net profit (adj.)	6,723	7,553	8,325	9,044

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	4,995	5,742	13,163	19,355
Customer Loans	176,605	191,832	196,602	199,883
Properties & Other Fixed Assets	2,115	2,081	2,097	2,124
Goodwill & Intangible Assets	5,473	6,754	6,931	7,049
Other Assets	3,194	3,211	3,246	3,269
Total assets	**192,382**	**209,621**	**222,039**	**231,680**
Customer Deposits	36,991	46,624	46,605	45,009
Debts Securities Issued	105,890	108,241	112,925	115,846
Other Liabilities	6,583	4,403	4,519	4,596
Total liabilities	149,464	159,268	164,049	165,451
Shareholders' funds	42,919	49,841	57,478	65,717
Minority interest	0	0	0	0
Total Equity & Liabilities	192,382	209,109	221,527	231,168

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	4	4	4	4
Tangible Assets/Tangible Common Equity	5	5	4	4
Asset Quality				
NPL Ratio	3	3	3	3
Loan Loss Coverage	143	136	142	144
Loan Loss Reserve/Gross Loans	4	3	4	4
Credit Cost (bp)	254	268	281	262
Liquidity				
Liquid Assets/Short-Term Liabilities	14	12	28	43
Liquid Assets/Total Assets	3	3	6	8

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	9	12	10	4
Fees & Commissions, yoy Chg	(27)	7	5	2
Pre-Provision Profit, yoy Chg	7	14	10	4
Net Profit, yoy Chg	15	12	10	9
Customer Loans, yoy Chg	12	9	2	2
Profitability				
Net Interest Margin	14	14	15	15
Cost/Income Ratio	48	47	47	47
Adjusted ROA	4	4	4	4
Reported ROE	17	16	16	15
Adjusted ROE	17	16	16	16
Valuation				
P/BV	2	1	1	1
P/NTA	2	2	1	1
Adjusted P/E	11	9	9	8
Dividend Yield	1	1	1	1

UOBKayHian

Company – Update | Thailand

Friday, 14 August 2026

Thai Oil (TOP TB)

High Crude Premium And Stock Loss Drag Down 2Q26 Earnings

Highlights

- We expect 3Q26 net profit to decline qoq, pressured by lower accounting GRM, continued increases in crude premium, and the impact of the government's diesel price intervention, which could be similar to what we saw in 2Q26.
- The CFP project continues to progress, with TOP management maintaining its full COD target by 3Q28.
- Maintain HOLD. Target price: Bt64.00.

Analysis

- **The tone from meeting with Thai Oil (TOP) was neutral.**
- **CFP remains on track.** As of end-Jul 26, the CFP project was 35% complete, with Crude Distillation Unit 4 (CDU-4) start-up targeted for 2Q27 and full COD in 3Q28. TOP continues to accelerate construction to meet its targets. However, TOP booked Bt1.00b in impairment losses from CFP in 2Q26.
- **Government intervention remains a key risk.** The Energy Policy Management Committee (EPMC) approved a Bt2.40/litre cut in diesel retail and refinery-gate prices from 16 August to 15 September, marking the third intervention in 3Q26. The first and second rounds reduced diesel prices by Bt1.40/litre (9-23 July) and Bt2.40/litre (24 July-15 August), respectively. TOP management estimates the three measures will reduce 3Q26 earnings by Bt1.93b, vs the Bt2.3b impact from government intervention in 2Q26.
- **Crude prices remain volatile.** Crude currently trades at US$80/bbl-US$90/bbl, as oil flows through the Hormuz and Bab Al-Mandeb straits remain below normal. TOP expects both straits to reopen in Sep 26, potentially bringing year-end 2026 crude prices down to US$70.00/bbl-US$80.00/bbl. This supports our 2026 crude assumption of US$85.00/bbl. However, the timing of the reopening of both straits remains uncertain and warrants close monitoring.
- **High crude premium to pressure 3Q26 market GRM.** Middle East tensions kept crude premium elevated at US$15/bbl-US$20/bbl from late-2Q26 to early-3Q26. TOP expects crude premium at US$17.5/bbl in 3Q26 and US$17.3/bbl in 4Q26 (vs US$16.9/bbl in 2Q26). Higher crude premium and rising Chinese petroleum product exports should weigh on market gross refinery margin (GRM), which TOP expects to normalise to US$15.80/bbl in 3Q26 (vs US$21.20/bbl in 2Q26) and US$10.60/bbl in 4Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	466,777	395,682	412,701	477,260	490,069
EBITDA	38,252	15,842	54,253	35,712	31,983
Operating profit	12,264	16,769	43,885	20,507	16,814
Net profit (rep./act.)	9,959	14,584	38,258	17,851	14,627
Net profit (adj.)	16,808	11,470	35,806	17,851	14,627
EPS (x)	7.5	5.1	16.0	8.0	7.2
PE (x)	9.0	13.2	4.2	8.5	9.4
P/B (x)	0.9	0.9	0.73	0.7	0.6
EV/EBITDA (x)	9.0	11.3	3.2	4.9	5.2
Dividend yield (%)	2.8	2.7	7.4	4.4	4.4
Net margin (%)	2.1	3.7	9.3	3.7	3.0
Net debt/(cash) to equity (%)	79.5	36.6	15.8	11.2	7.4
Consensus net profit	-	-	30,457	15,252	16,419
UOBKH/Consensus (x)	-	-	1.26	1.17	0.89

Source: Thai Oil, Bloomberg, UOB Kay Hian

Analyst(s)

Tanaporn Visaruthaphong
tanaporn@uobkh.co.th
662 0903350

Benjaphol Suthwanish
benjaphol@uobkh.co.th
662 0903361

HOLD (Maintained)

Share Price	Bt67.75
Target Price	Bt64.00
Upside	-5.54%
Previous TP	Bt66.00

Stock Data

Sector	Energy
Bloomberg ticker	TOP TB
Shares issued (m)	2,233.84
Market cap (Btm)	69,360.95
Market cap (US$m)	2,134.18
3-mth avg daily t'over (US$m)	15.67

Price Performance (%)

52-week high/low				Bt66.00 / Bt29.75
1mth	3mth	6mth	1yr	YTD
-0.38	+31.00	+38.62	+30.35	+81.94

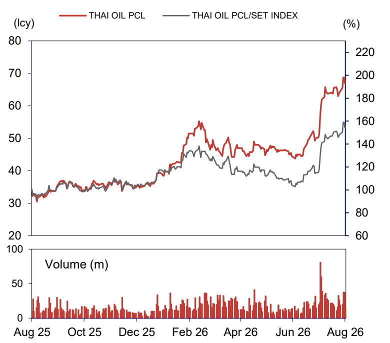
Major Shareholders (%)

PTT	45.03%
Thai NVDR	11.51%
Southeast asia uk (type c) nominees limited	3.37%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt91.40
FY26 Net Debt/Share (Bt)	Bt83.32

Price Chart



Source: Bloomberg

Company Description

TOP is an oil refinery company. It also produces oil related products including LPG, kerosene, fuel oil and chemicals.

- **Petrochemical outlook in 3Q26 remains relatively supportive.** Aromatics demand is gradually recovering, driven by Polyethylene Terephthalate (PET) demand from packaging and textiles, while lower gasoline prices support spreads. Paraxylene and Benzene spreads increased qoq in 3Q26 qtd. Olefins spreads declined from 1H26 but remain above pre-war levels, supported by producers' cost cuts, delayed new investments, and a shift toward high-value product (HVP), partly offsetting higher Chinese PE/PP exports. The polyethylene and polypropylene (PE and PP) spreads declined 20-30% qoq but remain 10-20% above pre-war levels.
- **Interim dividend.** We expect TOP to announce an interim dividend of Bt2.00/share – Bt2.50/share, implying a 3.00%-3.70% simple yield. The announcement is likely to come in late-August. For 2026, we estimate a total dividend of Bt5.00/share, implying a 7.40% simple yield.

2Q26 Results

Year to 31 Dec	2Q25	1Q26	2Q26	%yoy	%qoq	6M25	6M26	%yoy
Revenue	**99,440**	**122,458**	**134,970**	**36%**	**10%**	**206,227**	**257,428**	**25%**
EBITDA	1,093	13,977	14,346	1212%	3%	6,314	28,323	349%
Operating Profit	-878	11,928	12,322	n.a.	3%	2,384	24,249	917%
Core Profit	**2,828**	**6,340**	**18,947**	**570%**	**199%**	**5,542**	**25,287**	**356%**
Net Income	**6,476**	**19,481**	**8,284**	**28%**	**-57%**	**9,979**	**27,765**	**178%**
EPS	**2.90**	**8.72**	**3.71**			**4.47**	**12.43**	
Financial Ratio								
Gross Profit Margin	0.1%	10.7%	10.5%			2.0%	10.6%	
EBITDA Margin	1.1%	11.4%	10.6%			3.1%	11.0%	
Net profit margin	6.5%	15.9%	6.1%			4.8%	10.8%	

Source: TOP, UOB Kay Hian

- **Strong GRM supports better-than-expected 2Q26 earnings.** TOP reported 2Q26 net profit of Bt8.28b, down 57% qoq but up 28% yoy, which was 10% and 15% above our and consensus estimates, respectively, mainly due to a stronger-than-expected market GRM. Extra items in 2Q26 resulted in a Bt10.66b loss, mainly comprising a Bt1.41b hedging loss, Bt7.60b stock loss, and Bt1.00b impairment related to the CFP project. Excluding these extra items, core profit was Bt18.92b, showing a significant improvement both qoq and yoy, driven by the recovery in market GRM and stronger lube base performance. As a result, TOP reported a market gross integrated margin (GIM) of US$23.9/bbl, (vs US$14.8/bbl in 1Q26 and US$7.0/bbl in 2Q25). 1H26 net profit accounted for 71% of our 2026 earnings estimate of Bt37.51b, up 157% yoy.

Valuation/Recommendation

- **Maintain HOLD with a 2027 target price of Bt64.00 (previously Bt66.00).** We have rolled over our target price to 2027, based on refinery regional core forward PE at mean of 8.0x. In the oil & gas sector, we prefer PTT Global Chemical (PTTGCTB/BUY/Target Bt46.00) and Siam Cement (SCC TB/BUY/Target: Bt330.00).

Earnings Revision/Risk

- **We raise our 2027 earnings estimate.** We revised up our 2027 core profit forecast by 26%, bringing our estimate to Bt17.85b, down 52% yoy. The upward revision mainly reflects our higher assumptions for aromatics spreads, particularly Paraxylene and Benzene spreads.

Environment, Social, Governance (ESG) Updates

Environmental

Net zero GHG reduction. Reduce greenhouse gas (GHG) emissions by 15% in 2035 from the base year of 2026 to achieve carbon neutrality in 2050 and net zero GHG emissions target in 2060 through the implementation of net zero GHG emissions.

Social

Creating social value. To develop the quality of life in society in alignment with the company's strategic direction to become a petrochemical and innovative business and contribute to net zero GHG emissions.

Governance

Zero cases of non-compliance and fraud incidents. No cases of non-compliance with laws, regulations and the company's code of conduct.

Good governance recognition. Being a recognised organisation for good corporate governance.

Key Statistics

	2Q25	1Q26	2Q26	%yoy	%qoq
Avg. Fx (Bt per US$)	33.3	31.8	32.8	-2%	3%
Dubai Crude oil price (US$/bbl)	66.9	86.3	96.1	44%	11%
Singapore GRM (US$ per bbl)	6.90	6.79	21.29	209%	214%
Actual Capacity (KBD)	311	311	294	-5%	-5%
Refinery Utilization	113%	113%	107%	-5%	-5%
Market GRM (US$/bbl)	5.2	12.7	21.2	308%	67%
Market GIM (US$/bbl)	7.0	14.8	23.9	241%	61%
Murban Crude Premium	2.0	1.8	11.5	472%	539%

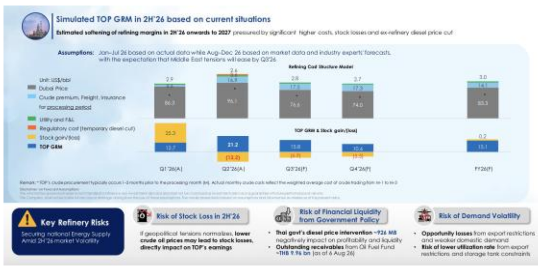
Source: UOB Kay Hian

Key Assumptions

	2027F		
	Old	New	%Diff
Market GRM (US$/bbl)	**8.00**	**8.00**	**0%**
Curde run	110%	110%	0%
Petrochemical spread (US$/tonne)			
PX-ULG95	150	250	67%
BZ-ULG95	50	100	100%
Earnings revision (Btm)			
Core profit	14,158	17,851	26%
Net Profit	14,158	17,851	26%

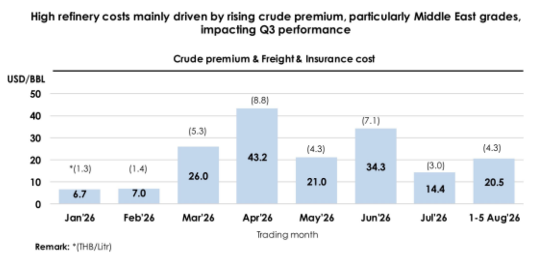
Source: UOB Kay Hian

TOP Guidance: Market GRM



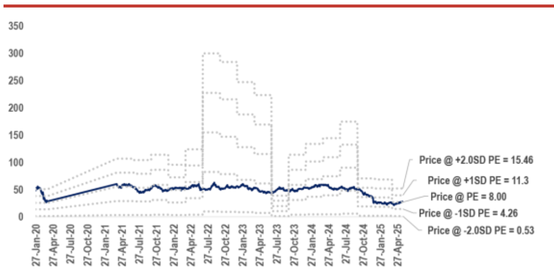
Source: TOP

Crude Premium



Source: TOP

Refinery Regional Core Forward PE



Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	395,682	412,701	477,260	490,069
EBITDA	15,842	54,253	35,712	31,983
Deprec. & amort.	8,065	12,703	12,692	12,681
EBIT	7,777	41,550	23,020	19,302
Associate contributions	2,090	2,180	2,521	2,588
Net interest income/(expense)	-3,494	-2,869	-2,814	-2,788
Pre-tax profit	16,769	43,885	20,507	16,814
Tax	-2,131	-5,577	-2,606	-2,137
Minorities	-54	-50	-50	-51
Net profit	14,584	38,258	17,851	14,627
Net profit (adj.)	11,470	35,806	17,851	14,627

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	218,461	218,258	218,066	217,885
Other LT assets	34,865	34,865	34,865	34,865
Cash/ST investment	68,601	95,729	103,678	109,944
Other current assets	49,566	7,841	9,068	9,311
Total assets	427,284	412,147	432,142	440,618
ST debt	3,834	1,176	1,176	1,179
Other current liabilities	10,163	8,254	9,545	9,801
LT debt	128,483	127,307	126,132	124,954
Other LT liabilities	15,381	4,127	4,773	4,901
Shareholders' equity	174,187	207,136	210,664	217,947
Total liabilities & equity	427,285	412,149	432,145	440,622

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	48,809	25,237	35,947	27,081
Pre-tax profit	16,769	43,885	20,507	16,814
Tax	-2,131	-5,577	-2,606	-2,137
Deprec. & amort.	8,065	12,703	12,692	12,681
Working capital changes	33,892	-24,486	5,354	-277
Other operating cashflows	-7,786	-1,288	0	0
Investing	48,809	25,237	35,947	27,081
Investments	-10,429	-12,500	-12,500	-12,500
Others	19,361	28,278	0	0
Financing	-23,095	-7,855	-15,498	-8,315
Dividend payments	-3,351	-4,021	-14,322	-7,140
Proceeds from borrowings	-19,744	-3,834	-1,176	-1,175
Net cash inflow (outflow)	34,646	33,161	7,949	6,267
Beginning cash & cash equiv.	35,075	62,568	95,729	103,678
Changes due to forex impact	-1,120	0	0	0
Ending cash & cash equiv.	68,601	95,729	103,678	109,944

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	4.8	13.7	7.5	6.5
Pre-tax margin	4.3	3.4	0.0	0.0
Net margin	3.7	9.3	3.7	3.0
ROA	4.5	12.1	5.5	4.4
ROE	10.3	24.2	11.2	9.0
Growth (% yoy)				
Turnover	-15.2	4.3	15.6	2.7
EBITDA	-58.6	242.5	-34.2	-10.4
Pre-tax profit	36.7	161.7	-53.3	-18.0
Net profit	46.4	162.3	-53.3	-18.1
Net profit (adj.)	-31.8	212.2	-50.1	-18.1
EPS	-31.8	212.2	-50.1	-18.1
Leverage				
Debt to total capital	68.5	56.8	55.4	53.2
Debt to equity	76.0	62.0	60.4	57.9
Net debt/(cash) to equity	36.6	15.8	11.2	7.4
Interest cover (x)	5.4	19.8	12.7	11.5