UOBKayHian

Country Daily | Thailand

Monday, 17 August 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53732.4	(0.2)	(0.6)	3.0	11.8
S&P 500	7785.8	(0.2)	0.4	4.4	13.7
FTSE 100	10750.1	(0.2)	(1.4)	1.4	8.2
AS30	9313.2	(0.7)	(1.4)	3.7	3.3
CSI 300	4665.9	0.0	(0.6)	3.0	0.8
FSSTI	5743.6	0.4	1.9	4.3	23.6
HSCEI	8340.8	(1.0)	(2.2)	2.5	(6.4)
HSI	25116.9	(1.1)	(2.1)	2.3	(2.0)
JCI	6401.9	1.6	(0.1)	3.7	(26.0)
KLCI	1727.4	(0.4)	(0.5)	(0.2)	2.8
KOSPI	6977.9	2.4	11.5	2.3	65.6
Nikkei 225	68713.8	0.6	4.6	7.1	36.5
SET	1609.1	(0.3)	(0.3)	(1.8)	27.7
TWSE	45811.0	(0.5)	3.6	7.4	58.2
BDI	2863	0.7	(7.3)	4.0	52.5
CPO (RM/mt)	4520	0.0	0.1	1.2	14.9
Brent Crude (US$/bbl)	89	0.2	1.1	0.7	45.8

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 | Central Pattana (CPN TB/**BUY**/Bt67.75/Target: Bt80.00)

Page 4 →

- We attended CPN's analyst meeting and came away with a more positive view on CPN's outlook. Foot traffic improved in July, which should support a healthy performance in 3Q26. Moreover, we believe CPN's performance is likely to exceed management's targets. The transfer of assets into CPNREIT has been postponed to mid-27. Maintain BUY with a target price of Bt80.00, based on SOTP methodology.

Company Results | Charoen Pokphand Foods Plc. (CPF TB/**BUY**/Bt21.80/Target: Bt25.00)

Page 7 →

- CPF reported a 2Q26 core profit of Bt4.6b (-58% yoy, +6% qoq), which exceeded both our and consensus expectations of Bt3.4b and Bt4.0b respectively. We expect a strong earnings momentum in 2H26. We remain positive on CPF's outlook, supported by the qoq and yoy recovery in domestic livestock prices Maintain BUY with a target price of Bt25.00.

Company Results | Stecon Group (STECON TB/**BUY**/Bt16.80/Target: Bt20.00)

Page 10 →

- 2Q26 net profit rose 77.8% yoy and 159.8% qoq to Bt911m, in line with our and consensus expectations, mainly driven by Bt736m in dividend income from GULF. Core profit rose 89.7% yoy and 13.8% qoq, supported by stronger construction revenue and better expense control. We remain positive on STECON's earnings outlook and growth opportunities in DCs and energy. Given the recent share price pullback, we see attractive upside potential. Upgrade to BUY with an unchanged target price of Bt20.00.

Company Update | Airports of Thailand (AOT TB/**BUY**/Bt65.00/Target: Bt85.00)

Page 13 →

- The tone during AOT's 3QFY26 analyst meeting was positive. AOT remains optimistic on earnings, supported by improving passenger traffic in early 4QFY26. Potential upside comes from new concessions on 723 rai of land near Suvarnabhumi Airport and the possible return of inbound duty-free shops. Lower employee expenses should also support margin expansion, while potential credit loss reversals from THAI provide further upside. We maintain BUY with a Bt85.00 target price and AOT as our top tourism pick.

What's Inside

Company Results | CARABAO GROUP (CBG TB/BUY/Bt54.75/Target: Bt66.00)

Page 16 →

- CBG reported a 2Q26 net profit of Bt736m (-8% yoy, +21% qoq). The results beat consensus estimates by 8%. We are more positive on CBG's 3Q26 earnings, driven by stronger domestic sales momentum, a normalised international sales base yoy, and lower cost pressure. We expect earnings to increase both qoq and yoy. Upgrade to BUY with a higher target price of Bt66.00.

Company Results | Central Retail Corporation (CRC TB/BUY/Bt25.75/Target: Bt31.00) Page 19 →

- CRC reported 2Q26 core profit of Bt2.1b, up 57% yoy, beating our and consensus forecasts by 42% and 48% respectively. Operations improved strongly across all businesses, with SSSG turning positive for the first time in the past eight quarters since 1Q24. Maintain BUY with a higher target price of Bt31.00 (from Bt30.00), following the 6-9% earnings revision.

Company Results | CH. Karnchang (CK TB/BUY/Bt18.10/Target: Bt27.00) Page 22 →

- CK reported 2Q26 net profit of Bt800m, down 7.2% yoy but up 143.1% qoq, driven by a better-than-expected gross margin. Core profit rose 26.6% yoy to Bt191m, supported by higher construction revenue and stronger BEM contribution. Construction revenue grew 5.7% yoy, while 1H26 revenue reached Bt23.5b. We expect backlog growth to resume if CK secures new projects in 2H26. We maintain BUY with a target price of Bt27.00.

Company Results | Electricity Generating Company (EGCO TB/HOLD/Bt130.5/Target: Bt135) Page 25 →

- EGCO reported weak 2Q26 earnings with net profit of Bt663m and core earnings of Bt46m, below our and market forecasts, pressured by weaker contributions from key assets. We expect earnings to recover in 2H26, supported by seasonally stronger Laos hydropower contributions and improving US assets. However, the recovery should not offset the weak 1H26. We cut 2026 and 2027 earnings estimates to Bt4.0b and Bt5.7b respectively, and downgrade to HOLD after the recent share price rally, while maintaining our DDM-based target price at Bt135.00.

Company Results | Star Petroleum Refining (SPRC TB/**HOLD**/Bt11.40/Target: Bt12.00) Page 28 →

- SPRC reported a strong 2Q26 with core profit of Bt7.2b (+1,363% yoy, +315% qoq), driven by stronger refining margins and higher utilisation. This lifted 1H26 core profit to Bt8.9b (+776% yoy), accounting for 67% of our full-year forecast. Looking ahead, earnings should remain supported by healthy middle-distillate cracks and high utilisation, although GRM may normalise from the exceptional 2Q26 level. We have a cautious view on SPRC given its limited valuation upside after the recent share price rally. Downgrade to HOLD. Target price: Bt12.00.

Company Results | Thaifoods Group Plc (TFG TB/BUY/Bt9.50/Target: Bt12.40) Page 31 →

- TFG reported a 2Q26 core profit of Bt1.4b (-46.6% yoy, -27% qoq), with the key pressure being a lower gross profit margin. We expect 2H26 earnings to strongly recover yoy and qoq, on the back of rising domestic livestock prices, healthy margins in Vietnam, and ongoing retail expansion. Maintain BUY with a target price of Bt12.40.

Company Update | Plan B Media (PLANB TB/BUY/Bt5.50/Target: Bt6.80) Page 34 →

- We remain positive on PLANB's 2H26 outlook as it will be the high season for advertising media, supported by both the OOH and engagement marketing businesses. PLANB could see significant earnings upside from recognising COM7's profit under the equity method. Maintain BUY with a target price of Bt6.80.

Company Update | Praram 9 Hospital (PR9 TB/BUY/Bt17.90/Target: Bt24.60) Page 37 →

- The tone during the meeting was positive. PR9's strong Jul 26 performance reinforces management's confidence in achieving the upper end of its 2026 revenue growth guidance, supported by double-digit foreign patient growth and a recovery in Thai patients. Middle Eastern patient revenue remains robust, with Kuwait potentially resuming referrals soon. We expect significantly stronger 2H26 earnings, supported by robust revenue, higher treatment prices, and improving margins. PR9 remains one of our top picks. Maintain BUY with a Bt24.60 target price.

Company Update | PTT Oil and Retail (OR TB/**HOLD**/Bt12.40/Target: Bt12.50) Page 40 →

- Although we expect 3Q26 earnings to return to profit, domestic petroleum demand remains weak and is likely to slow further in 2026. Volatile marketing margins are continuing to pressure mobility earnings, prompting OR to seek more investment opportunities in the lifestyle business to strengthen its ecosystem and reduce reliance on the highly volatile mobility business. However, government intervention could affect marketing margins, and remains a key factor limiting the stock's investment appeal. Maintain HOLD. Target price: Bt12.50.

Company Update | Srisawad Corporation (SAWAD TB/**BUY**/Bt24.50/Target: Bt35.00) Page 43 →

- We attended SAWAD's analyst meeting and came away with a slightly positive view. Management stated that the company has been cleaning up its loan portfolio for some time, and the current loan portfolio is quite healthy. SAWAD maintains its loan growth target of 10-15% for 2026, and is confident in achieving a 10% loan expansion. SAWAD expects funding costs to start trending down from now till mid-27. Maintain BUY with an unchanged target price of Bt35.00.

Company Update | WHA Corporation (WHA TB/**BUY**/Bt4.86/Target: Bt6.10) Page 46 →

- WHA maintains its 2026 targets, with land sales supported by demand from electrical appliances, electronics and automotive customers, while DC projects remain under discussion. ESIE 5 should support 2H26 land transfers, while the impact from lower-margin WHA IER sales should gradually ease. Vietnam momentum is improving, supported by logistics and industrial estate development. Recurring income remains resilient, while new DC regulations should have limited impact on WHA. We maintain BUY with an unchanged target price of Bt6.10.

Central Pattana (CPN TB)

Earnings Momentum To Continue; New Assets To Drive 2H26 Growth

Highlights

- Slightly positive tone from the analyst meeting.
- Foot traffic improved in July, which should support healthy performance in 3Q26. Moreover, we believe CPN's performance is likely to exceed management's targets.
- The transfer of assets into CPNREIT has been postponed to mid-27.
- Maintain BUY with a target price of Bt80.00, based on SOTP methodology.

Analysis

- **Takeaways from analyst meeting.** We attended Central Pattana's (CPN) analyst meeting and came away with a more positive view on CPN's outlook.
  - **Foot traffic improved in Jul 26.** July traffic accelerated to +3-4% yoy (vs +1-3% yoy in 2Q26), driven by strong growth in tourist-zone shopping malls and long holidays in late-July. This should support positive tenant sales momentum in 3Q26.
  - **Performance is likely to beat management's target.** Management maintains its rental revenue growth target of 8-9% yoy, with 1H26 performance remaining on track. For the hotel and residential businesses, the target remains flat yoy, although there is potential upside given their strong 1H26 performance.
  - **Asset transfers to CPNREIT have been postponed to mid-27**, with further progress expected by late-26. While there will be no asset divestment in the near term, we have no concerns over CPN's liquidity given its strong balance sheet, with net debt-to-equity at just 0.4x.

Essential

- **Promising outlook for 2H26**, Earnings should be supported by the ramp-up of newly opened assets and continued growth from existing malls. Key catalysts include the ongoing ramp-up of Central Park and Central Krabi, as well as the upcoming openings of Central Northville and new hotel projects. We are confident that management's target of 5-8% yoy growth in rental and service income in 2026 is achievable, while occupancy should remain at healthy levels. We also expect operating leverage from mature assets to partly offset the initial margin dilution from new projects. Overall, strong 2Q26 rental performance, healthy occupancy and an expanding asset base should support continued earnings growth in 2H26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	50,184.2	50,034.1	52,816.8	55,837.0	57,878.0
EBITDA	28,039.5	29,517.4	32,477.0	34,723.7	36,376.5
Operating profit	18,831.8	20,313.6	22,029.5	23,502.6	24,431.8
Net profit (rep./act.)	16,729.0	18,841.3	19,593.6	21,060.0	22,001.2
Net profit (adj.)	15,594.0	16,721.3	19,201.6	20,668.0	21,609.2
EPS	3.5	3.7	4.3	4.6	4.8
PE (x)	19.4	18.1	15.8	14.7	14.0
P/B (x)	3.0	2.8	2.6	2.4	2.2
EV/EBITDA (x)	13.4	12.4	11.4	10.8	10.3
Dividend yield (%)	3.1	3.6	3.7	4.0	4.2
Net margin (%)	33.3	37.7	37.1	37.7	38.0
Net debt/(cash) to equity(%)	63.8	48.3	50.0	47.2	44.0
Interest cover (x)	7.5	8.0	8.3	8.6	8.8
ROE (%)	17.4	17.9	17.2	17.1	16.5
Consensus net profit	n.a	n.a	19,343.9	20,977.1	22,198.8
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Central Pattana, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt67.75
Target Price	Bt80.00
Upside	18.52%

Stock Data

Sector	Real Estate
Bloomberg ticker	CPN TB
Shares issued (m)	4,488.0
Market cap (Btm)	304,062.0
Market cap (US$m)	9,077.0
3-mth avg daily t'over (US$m)	13.7

Price Performance (%)

52-week high/low: Bt70.0/Bt50.2

1mth	3mth	6mth	1yr	YTD
0.7	8.8	17.3	30.9	22.6

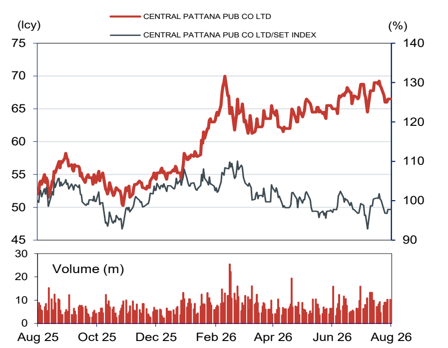
Major Shareholders (%)

Central Holding	26.21
Thai NVDR Company Limited	7.97
Social Security Office	2.71

Balance Sheet Metrics

FY26 NAV/Share (Bt)	26.4
FY26 Net Debt/Share (Bt)	13.2

Price Chart



Source: Bloomberg

Company Description

CPN is a real estate developer and operator of retail properties, primarily shopping malls, under the "Central" brand across Thailand. Its portfolio also includes office buildings, hotels, and mixed-use developments integrated with its retail assets.

2Q26 Results Recap

Year to 31 Dec (Btm)	2Q25	1Q26	2Q26	yoy %	qoq %	2025	2026	yoy %
Sales and services	11,661	12,590	12,634	8.3	0.3	50,034	52,817	5.6
Gross profit	6,778	7,640	7,492	10.5	(1.9)	28,999	31,114	7.3
SG&A	1,994	2,181	2,148	7.7	(1.5)	8,685	9,084	4.6
EBIT	4,784	5,459	5,343	11.7	(2.1)	20,314	22,030	8.4
EBITDA	7,034	7,834	7,755	10.3	(1.0)	29,517	32,477	10.0
Other income	486	762	471	(3.1)	(38.2)	2,975	2,054	(30.9)
Interest expense	880	1,004	1,017	15.5	1.2	3,705	3,922	5.9
Equity income	507	794	741	46.1	(6.6)	2,414	3,283	36.0
Net profit	4,305	4,971	4,750	10.3	(4.4)	18,841	19,594	4.0
Core profit	**3,902**	**4,873**	**4,652**	**19.2**	**(4.5)**	**14,087**	**16,307**	**15.8**
Percent	**2Q25**	**1Q26**	**2Q26**	**yoy ppt**	**qoq ppt**	**2025**	**2026**	**yoy ppt**
Gross margin	58.1	60.7	59.3	1.2	(1.4)	58.0	58.9	1.0
SG&A to sales	17.1	17.3	17.0	(0.1)	(0.3)	17.4	17.2	(0.2)
EBIT margin	41.0	43.4	42.3	1.3	(1.1)	40.6	41.7	1.1
Net margin	36.9	39.5	37.6	0.7	(1.9)	37.7	37.1	(0.6)

Source: Central Pattana, UOB Kay Hian

- **Results recap.** CPN reported 2Q26 net profit of Bt4.75b (+10% yoy, -4% qoq) and core profit of Bt4.65b (+19% yoy, -5% qoq). The solid earnings growth was driven by strong operating performance across all business segments, with total revenue rising 8% yoy to Bt13.1b. Gross margin remained healthy at around 59.3%, while SG&A-to-revenue was broadly stable yoy. Interest expense declined yoy, supported by lower borrowing costs, while equity income also increased yoy, providing additional support to core profit. On a 1H26 basis, core profit reached around Bt9.6b, accounting for approximately 50% of our full-year forecast.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt80.00.** We use a SOTP methodology, valuing CPN's core business at Bt79.8/share based on DCF, with a WACC of 7.0% and terminal growth of 1.5%. The residential business is valued at Bt0.2/share based on 5x 2026F PE. Our target price implies a 2026F PE of 18x and EV/EBITDA of 11x. We maintain an optimistic outlook on CPN, underpinned by its long-term strategic expansion and growing asset base.

Earnings Revision/Risk

- **No earnings revision.**

Share Price Catalyst

- New shopping mall launch, strong foot traffic, gross margin expansion.

Environment, Social, Governance (ESG) Updates

Environmental

- CPN is committed to reducing energy consumption and promoting renewable energy. The company also practices effective waste management by recycling, segregating waste, and minimising single-use plastics.

Social

- CPN prioritises community engagement and green spaces. It provides educational programmes, health campaigns, and support for underprivileged groups. CPN also creates parks and gardens to provide recreational areas for visitors.

Governance

- CPN prioritises ethical, transparent, and auditable business conduct for sustainable growth through a Code of Conduct and CG Principles handbook.

2026 Management Target

Revenue growth	2026	1H26	Status
Rental and services	+8-9%	+6.7%	On track
Hotel and Resi	Flat	+9.7%	Potential beat
Cost of debt reduction	-10-20bp	n.a.	On track

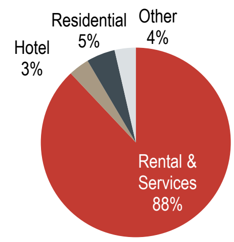
Source: Central Pattana, UOB Kay Hian

Shopping Mall Pipeline

Shopping Mall	Expected	NLA (sq.m.)
Central Northville	Jul 26	40,000
Central Phuket - Luxury	4Q26	10,000
The Central	1Q27	100,000
CenTRal cENtrAL		
- Retail	2Q27	100,000
- Office	4Q27	n.a.
- Hotel	1Q29	n.a.
Central GR9	Mid 28	34,000
Mega Bangna – Phase 2	3Q28	n.a.

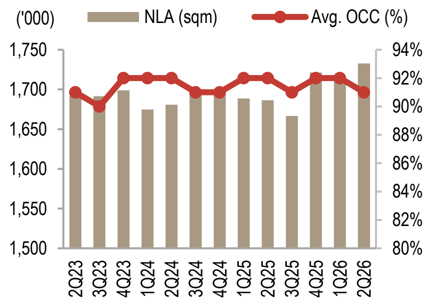
Source: Central Pattana, UOB Kay Hian

2Q26 Revenue Contributions



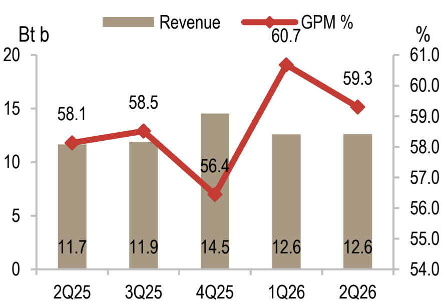
Source: Central Pattana, UOB Kay Hian

Shopping Mall NLA and Occupancy.



Source: Central Pattana, UOB Kay Hian

Impressive Gross Margin Expansion



Source: Central Pattana, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**50,034**	**52,817**	**55,837**	**57,878**
EBITDA	29,517	32,477	34,724	36,377
Deprec. & amort.	9,204	10,448	11,221	11,945
EBIT	20,314	22,030	23,503	24,432
Total other non-operating income	4,545	2,706	2,788	2,871
Associate contributions	2,414	3,283	3,611	3,792
Net interest income/(expense)	(3,705)	(3,922)	(4,054)	(4,116)
Pre-tax profit	**23,561**	**24,096**	**25,847**	**26,979**
Tax	(4,385)	(4,163)	(4,447)	(4,637)
Minorities	(335)	(340)	(340)	(340)
Net profit	**18,841**	**19,594**	**21,060**	**22,001**
Net profit (adj.)	16,721	19,202	20,668	21,609

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	196,352	210,292	220,833	230,150
Other LT assets	74,309	75,841	77,508	79,248
Cash/ST investment	8,806	6,718	7,730	8,528
Other current assets	23,156	23,573	24,014	24,368
Total assets	**302,623**	**316,424**	**330,085**	**342,294**
ST debt	19,980	17,880	13,880	22,580
Other current liabilities	18,939	19,457	20,290	20,742
LT debt	41,940	48,044	54,257	46,601
Other LT liabilities	102,504	103,016	103,531	104,049
Shareholders' equity	109,881	118,307	128,067	137,923
Minority interest	9,380	9,720	10,060	10,400
Total liabilities & equity	**302,623**	**316,424**	**330,085**	**342,294**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**37,194**	**30,482**	**33,013**	**34,385**
Pre-tax profit	23,561	24,096	25,847	26,979
Tax	(4,385)	(4,163)	(4,447)	(4,637)
Deprec. & amort.	9,204	10,448	11,221	11,945
Working capital changes	(1,564)	(207)	68	(15)
Non-cash items	10,378	308	324	113
Other operating cashflows	0	0	0	0
Investing	**(16,265)**	**(25,408)**	**(22,913)**	**(22,485)**
Capex (growth)	(12,289)	(24,388)	(21,762)	(21,262)
Investments	1,837	(1,313)	(1,444)	(1,517)
Others	(5,813)	293	293	294
Financing	**(17,416)**	**(7,163)**	**(9,088)**	**(11,102)**
Dividend payments	(9,531)	(10,771)	(11,300)	(12,146)
Issue of shares	0	(396)	0	0
Proceeds from borrowings	(7,590)	4,005	2,212	1,044
Others/interest paid	(296)	0	0	0
Net cash inflow (outflow)	**3,514**	**(2,088)**	**1,012**	**798**
Beginning cash & cash equivalent	**5,292**	**8,806**	**6,718**	**7,730**
Ending cash & cash equivalent	**8,806**	**6,718**	**7,730**	**8,528**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	59.0	61.5	62.2	62.8
Pre-tax margin	47.1	45.6	46.3	46.6
Net margin	37.7	37.1	37.7	38.0
ROA	6.2	6.3	6.5	6.5
ROE	17.9	17.2	17.1	16.5
Growth				
Turnover	(0.3)	5.6	5.7	3.7
EBITDA	5.3	10.0	6.9	4.8
Pre-tax profit	14.1	2.3	7.3	4.4
Net profit	12.6	4.0	7.5	4.5
Net profit (adj.)	7.2	14.8	7.6	4.6
EPS	7.2	14.8	7.6	4.6
Leverage				
Debt to total capital	51.9	51.5	49.3	46.6
Debt to equity	56.4	55.7	53.2	50.2
Net debt/(cash) to equity	48.3	50.0	47.2	44.0
Interest cover	8.0	8.3	8.6	8.8

Charoen Pokphand Foods Plc. (CPF TB)

2Q26: Earnings Drop Due To Decrease Of Livestock Price; Strong Earnings Momentum In 2H26, Livestock Prices To Trend Up

Highlights

- CPF reported a 2Q26 core profit of Bt4.6b (-58% yoy, +6% qoq), which exceeded both our and consensus expectations of Bt3.4b and Bt4.0b, respectively.
- We expect a strong earnings momentum in 2H26. We remain positive on CPF's outlook, supported by the qoq and yoy recovery in domestic livestock prices
- Maintain BUY with a target price of Bt25.00.

2Q26 Results

Year to 31 Dec (S$m)	2Q26	2Q25	1Q26	yoy%	qoq%	1H26	1H25	yoy%
Revenue	147,186	147,595	136,697	-0.3%	7.7%	283,883	291,770	-2.7%
Gross profit	22,051	29,210	21,289	-24.5%	3.6%	43,340	55,877	-22.4%
SG&A/Sales	12,497	13,042	11,868	-4.2%	5.3%	24,365	25,283	-3.6%
EBIT	9,554	16,168	9,421	-40.9%	1.4%	18,975	30,594	-38.0%
Net profit	4,076	10,377	4,875	-60.7%	-16.4%	8,951	18,926	-52.7%
Core profit	4,574	10,994	4,317	-58.4%	5.9%	8,891	19,569	-54.6%
Core EPS (Bt)	0.54	1.31	0.51	-58.4%	5.9%	1.06	2.33	-54.6%
Ratio (%)	**2Q26**	**2Q25**	**1Q26**	**yoy%**	**qoq%**	**1H26**	**1H25**	**yoy%**
Gross margin	15.0%	19.8%	15.6%	-4.8%	-0.6%	15.3%	19.1%	-3.9%
SG&A/Sales	8.5%	8.8%	8.7%	-0.3%	-0.2%	8.6%	8.7%	-0.1%
Net profit margin	2.8%	7.0%	3.6%	-4.3%	-0.8%	3.2%	6.5%	-3.3%

Source: Charoen Pokphand Foods Plc., UOB Kay Hian

Analysis

- **Earnings beat expectations.** Charoen Pokphand Foods (CPF) reported a 2Q26 net profit of Bt4.1b (-61% yoy, -16% qoq). Excluding one-off items (fx and biological assets), 2Q26 core profit came in at Bt4.6b (-58% yoy, +6% qoq). The core profit exceeded both our and consensus expectations of Bt3.4b and Bt4.0b respectively. The earnings beat was due to: a) higher-than-expected gross profit margin and sales, and b) lower-than-expected SGA.
- **2Q26 gross profit margin came in better than expected.** Gross profit margin for 2Q26 came in at 15.0%, down from 19.8% in 2Q25 and 15.6% in 1Q26. The decrease in gross profit margin was mainly attributable to the lower gross profit margin of its Thai and oversea livestock businesses. SGA-to-sales for 2Q26 was 8.5%, down yoy and qoq.
- **China swine prices remain a key driver of profit share and earnings recovery.** Share of profit in 2Q26 was reported at Bt1.2b (-66% yoy and -11% qoq), mainly pressured by losses from CTI, following the decline in China's swine prices in 2Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	580,747.2	571,134.5	581,155.9	592,846.1	604,970.6
EBITDA	60,354.9	71,175.5	60,049.5	60,704.6	61,162.2
Operating profit	34,608.8	46,078.7	35,160.0	36,568.0	37,707.6
Net profit (rep./act.)	19,558.1	25,197.5	21,499.4	22,959.6	24,064.1
Net profit (adj.)	17,631.6	24,275.9	20,093.8	22,959.6	24,064.1
EPS	2.1	2.9	2.4	2.6	2.7
PE (x)	9.7	7.1	8.5	8.0	7.6
P/B (x)	0.8	0.8	0.8	0.7	0.7
EV/EBITDA (x)	10.8	9.1	10.3	9.8	9.4
Dividend yield (%)	4.8	5.6	4.5	4.5	4.6
Net margin (%)	3.4	4.4	3.7	3.9	4.0
Net debt/(cash) to equity(%)	175.0	195.4	172.3	154.8	138.6
Interest cover (x)	2.5	3.0	2.5	2.5	2.5
ROE (%)	9.4	12.6	10.4	10.8	10.9
Consensus net profit	n.a	n.a	18,767.2	21,602.4	22,185.5
UOBKH/Consensus (x)	n.a	n.a	1.1	1.0	1.0

Source: Charoen Pokphand Foods Plc., Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt21.80
Target Price	Bt25.00
Upside	14.68%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	CPF TB
Shares issued (m)	8,159.4
Market cap (Btm)	178,690.4
Market cap (US$m)	5,387.6
3-mth avg daily t'over (US$m)	19.8

Price Performance (%)

52-week high/low Bt24.4/Bt18.6

1mth	3mth	6mth	1yr	YTD
(0.4)	14.1	2.8	(9.5)	0.5

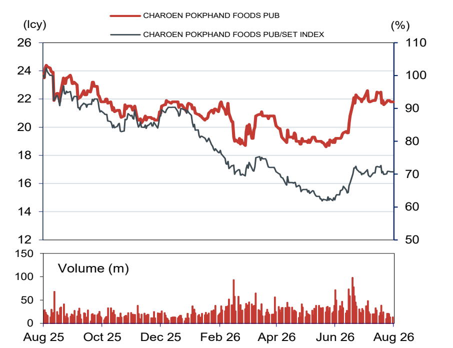
Major Shareholders (%)

Charoen Pokphand Group Co., Ltd.	25.02
Thai NVDR	10.40

Balance Sheet Metrics

FY26 NAV/Share (Bt)	25.9
FY26 Net Debt/Share (Bt)	50.2

Price Chart



Source: Bloomberg

Company Description

CPF, which is Thailand's leading conglomerate, engages in the agro-industrial processing of feed, farm and food..

- **CPF expands into Vietnam's premium beverage business.** CPF announced that its subsidiary, C.P. Vietnam Corporation, has entered into a Share Purchase Agreement to acquire shares in Les Vergers Du Mekong (LVDM). LVDM is a Vietnam-based company engaged in the manufacturing and distribution of premium non-alcoholic beverages and fruit-based food products. The transaction amount will be around VND235m (Bt336m) or 76.57% of the total issued shares of LVDM. This will be funded by internal cash flow of CPV.
- CPF announced a dividend of Bt0.45/share, implying a dividend yield of 2.06%. The ex-dividend date will be 31 Aug 26.
- **Strong earnings momentum in 2H26**. We remain positive on CPF's outlook, supported by the qoq and yoy recovery in domestic livestock prices in 3Q26. Domestic swine prices increased to Bt70-72/kg (+9% mom and +9% vs the 2Q26 average), while chicken prices remained at Bt43-44/kg (flat mom and +10% vs the 2Q26 average). We expect the recovery in livestock prices to support an improvement in CPF's bottom line earnings. We also expect CPF's China swine business to recover in 2H26. China swine prices improved to Rmb10.87/kg in Aug 26 (flat mom and +9% vs the 2Q26 average). We expect China swine prices to have bottomed in 2Q26 and recover in 3Q26, which should support share of profit earnings in 3Q26. On the cost side, we expect corn prices to soften in 3Q26, supported by the domestic corn harvesting season. In addition, US corn, which is expected to commence imports in 4Q26, should also help put downward pressure on domestic corn prices. Overall, we expect CPF's earnings momentum to strengthen in 2H26, following the sluggish performance in 1H26.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt25.00** based on 2026 EPS. We use the forward PE to industry's five-year mean, at 10x. We expect domestic livestock prices to continue trending upward, supported by ongoing supply constraints and strong demand consumption. In China, swine prices are projected to increase in 2H26 following the government's measures to control and reduce supply.

Earnings Revision/Risk

- None. 1H26 core profit accounted for 44% of 2026 earnings forecasts.

Share Price Catalyst

- a) Increase in China and Vietnam swine prices, b) recovery of domestic swine and chicken prices, and c) a decline in raw material prices.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: Non-rated.

Environmental

- CPF aims to be a net zero company by 2050 and plans to reduce its greenhouse gas emissions from land use and fossil fuels by 30.3% and 42.0% respectively by 2030. The company plans to reduce its greenhouse gas emissions from land use and fossil fuels by 72% and 90% by 2050.

Social

- The company focuses on personnel development to train both ethical and talented employees. It pledges to improve employees' skills through lifelong learning.

Governance

- Good governance practices. CPF is committed to operating its business in accordance with good corporate governance policies. It received the "Excellent" rating on good corporate governance from the Thai Institute of Directors (IOD).

Domestic Livestock Price Trend

Source: CPF

Raw Material Price Trend

Source: CPF

China Swine Price Trend

Source: Pig333

Vietnamese Swine Price Trend

Source: Pig333

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**571,135**	**581,156**	**592,846**	**604,971**
EBITDA	71,176	60,049	60,705	61,162
Deprec. & amort.	25,097	24,890	24,137	23,455
EBIT	46,079	35,160	36,568	37,708
Total other non-operating income	5,034	4,778	4,927	5,082
Associate contributions	11,121	14,439	14,910	15,446
Net interest income/(expense)	(24,089)	(23,991)	(23,955)	(24,225)
Pre-tax profit	**37,279**	**30,386**	**32,450**	**34,011**
Tax	(8,635)	(6,077)	(6,490)	(6,802)
Minorities	(3,447)	(2,809)	(3,000)	(3,144)
Net profit	**25,197**	**21,499**	**22,960**	**24,064**
Net profit (adj.)	24,276	20,094	21,484	22,514

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	251,750	244,134	237,236	230,987
Other LT assets	418,293	421,603	424,995	428,464
Cash/ST investment	23,371	52,098	76,666	107,070
Other current assets	168,383	160,322	159,753	159,174
Total assets	**861,796**	**878,158**	**898,650**	**925,696**
ST debt	213,220	241,829	271,077	300,901
Other current liabilities	72,738	80,104	83,914	87,898
LT debt	264,920	232,402	205,636	184,046
Other LT liabilities	59,059	59,746	60,448	61,164
Shareholders' equity	232,752	244,969	258,467	272,580
Minority interest	19,108	19,108	19,108	19,108
Total liabilities & equity	**861,796**	**878,158**	**898,650**	**925,696**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**71,565**	**61,901**	**51,569**	**52,184**
Pre-tax profit	37,279	30,386	32,450	34,011
Tax	(8,635)	(6,077)	(6,490)	(6,802)
Deprec. & amort.	25,097	24,890	24,137	23,455
Associates	11,121	14,439	14,910	15,446
Working capital changes	(13,600)	15,512	4,473	4,665
Other operating cashflows	20,304	(17,248)	(17,910)	(18,590)
Investing	**(9,550)**	**(19,982)**	**(20,022)**	**(20,062)**
Capex (growth)	(16,329)	(16,895)	(16,895)	(16,895)
Others	6,779	(3,087)	(3,127)	(3,167)
Financing	**(61,834)**	**(13,191)**	**(6,979)**	**(1,718)**
Dividend payments	(21,604)	(9,282)	(9,461)	(9,952)
Issue of shares	200	0	0	0
Proceeds from borrowings	45,556	(32,518)	(26,766)	(21,590)
Loan repayment	(50,481)	0	0	0
Others/interest paid	(35,506)	28,609	29,248	29,823
Net cash inflow (outflow)	**181**	**28,727**	**24,568**	**30,404**
Beginning cash & cash equivalent	**24,032**	**23,371**	**52,098**	**76,666**
Changes due to forex impact	(1,252)	0	0	0
Ending cash & cash equivalent	**22,962**	**52,098**	**76,666**	**107,070**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	12.5	10.3	10.2	10.1
Pre-tax margin	6.5	5.2	5.5	5.6
Net margin	4.4	3.7	3.9	4.0
ROA	3.5	2.9	3.1	3.2
ROE	12.6	10.4	10.8	10.9
Growth				
Turnover	(1.7)	1.8	2.0	2.0
EBITDA	17.9	(15.6)	1.1	0.8
Pre-tax profit	33.3	(18.5)	6.8	4.8
Net profit	28.8	(14.7)	6.8	4.8
Net profit (adj.)	37.7	(17.2)	6.9	4.8
EPS	37.8	(17.2)	6.9	4.8
Leverage				
Debt to total capital	189.8	179.6	171.7	166.3
Debt to equity	205.4	193.6	184.4	177.9
Net debt/(cash) to equity	195.4	172.3	154.8	138.6
Interest cover	3.0	2.5	2.5	2.5

Stecon Group (STECON TB)

2Q26: Results In Line; Dividend Income Supported Earnings While Core Profit Continued To Improve

Highlights

- STECON reported 2Q26 net profit of Bt911m, +77.8% yoy and +159.8% qoq.
- STECON is positioning for new growth through DCs and energy-related investments.
- Upgrade to BUY with an unchanged target price of Bt20.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq%	yoy%
Revenue from construction	9,345	7,217	8,719	29.5%	7.2%
Total revenue	9,494	7,294	8,789	30.2%	8.0%
Gross profit	700	571	632	22.5%	10.6%
Dividend income	736	0	0	n.a.	n.a.
Equity income	(29)	(30)	(22)	3.0%	-33.0%
Extraordinary items	(1)	196	430	-100.3%	-100.1%
Core profit	198	174	104	13.8%	89.7%
Net profit	911	351	512	159.8%	77.8%
Ratio (%)					
Gross margin	7.4%	7.8%	7.2%		
SG&A % to sales	3.2%	4.1%	4.2%		
EBIT margin	4.2%	3.8%	2.9%		
Net profit margin	9.6%	4.8%	5.8%		

Source: Stecon Group, UOB Kay Hian

Analysis

- **2Q26 results grew yoy and qoq.** Stecon Group (STECON) reported a net profit of Bt911m, up 77.8% yoy and 159.8% qoq. The results are in line with our and consensus expectations. The significant improvement was mainly driven by Bt736m in dividend income from Gulf Energy Development (GULF). Excluding this, core profit was Bt198m, up 89.7% yoy and 13.8% qoq.
- **Revenue rose yoy and qoq.** 2Q26 revenue came in at Bt9.49b, up 8% yoy and 30% qoq, led by revenue from construction contracts, driven by DC and clean energy projects. Meanwhile, revenue from sales and services increased significantly by 155% yoy and 221% qoq respectively, driven by new projects secured by the company's subsidiaries and the subsequent revenue recognition.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	30,004.9	33,473.0	36,393.7	38,284.7	40,110.7
EBITDA	(5.2)	2,300.8	2,977.4	2,662.8	2,890.0
Operating profit	(760.7)	1,557.9	2,139.7	1,846.3	2,012.1
Net profit (rep./act.)	(2,357.4)	1,948.1	1,639.5	1,391.0	1,490.6
Net profit (adj.)	(2,357.4)	1,557.9	1,639.5	1,846.3	1,490.6
EPS	(1.6)	1.3	1.1	0.9	1.0
PE (x)	(10.7)	13.0	15.4	18.2	17.0
P/B (x)	1.4	1.5	1.4	1.3	1.3
EV/EBITDA (x)	(5,895.4)	13.5	10.2	11.5	10.6
Dividend yield (%)	n.a	n.a	n.a	n.a	n.a
Net margin (%)	(7.9)	5.8	4.5	3.6	3.7
Net debt/(cash) to equity(%)	29.5	31.6	26.2	26.4	25.6
Interest cover (x)	0.0	9.6	13.6	11.3	11.2
Consensus net profit	n.a	n.a	1,657.2	1,362.5	1,388.9
UOBKH/Consensus (x)	n.a	n.a	1.0	1.4	1.1

Source: Stecon Group, Bloomberg, UOB Kay Hian

Analyst(s)

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Panjarat Thaweesriprasert

BUY (Upgraded)

Share Price	Bt16.80
Target Price	Bt20.00
Upside	20.48%

Stock Data

Sector	Industrials
Bloomberg ticker	STECON TB
Shares issued (m)	1,519.1
Market cap (Btm)	25,216.7
Market cap (US$m)	760.3
3-mth avg daily t'over (US$m)	11.9

Price Performance (%)

52-week high/low				Bt19.8/Bt5.4
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(6.7)	23.9	64.4	157.4	161.4

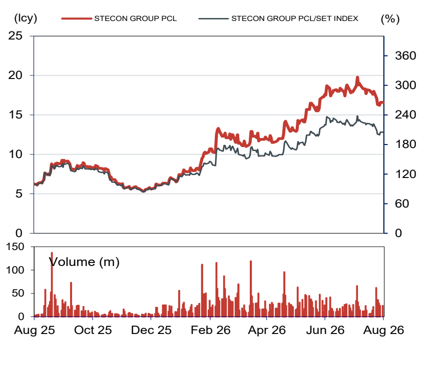
Major Shareholders (%)

C.T. Venture Company Limited	19.62
UBS AG SINGAPORE BRANCH	10.53

Balance Sheet Metrics

FY26 NAV/Share (Bt)	11.7
FY26 Net Debt/Share (Bt)	3.1

Price Chart



Source: Bloomberg

Company Description

STECON operates as a holding company, with core businesses in construction contracting, utilities and power, and logistics and transportation.

- **SG&A-tosales dropped yoy and qoq.** Administrative expenses were Bt301m, down 19% yoy but up 2% qoq. The yoy decline was mainly due to lower JV project management expenses and personnel expenses. As a result, SG&A-to-sales ratio declined to 3.2% from 4.1% in 1Q26 and 4.2% in 2Q25, reflecting better expense control.
- **Gross margin declined qoq but remained within the company's target**. STECON's 2Q26 gross margin declined to 7.37% from 7.83% in 1Q26, mainly due to lower margins in both the construction and rental businesses. Gross margin of the construction business declined to 7.16% from 7.64% in 1Q26, while the rental business' margin fell to 69% from 73%. However, we expect STECON to maintain its gross margin target above 7%, supported by its construction business's gross margin remaining above 7%.
- **Equity loss dropped yoy but picked up slightly qoq.** Share of loss from investments in associates and JVs was Bt29m in 2Q26, down yoy, mainly due to the adjustment of Northern Bangkok Monorail Co., Ltd. (NBM) and Eastern Bangkok Monorail Co., Ltd. (EBM) to equity-method investments.
- **Preparatory activities for upcoming project.** During 2Q26, STECON undertook preparatory activities for investments in the DC business, including jointly developing projects on its land holdings and assessing investment opportunities. The company also commenced construction on selected projects to shorten the development timeline. In addition, STECON is in the preparatory phase for energy-related projects, focusing on power generation and electricity supply projects for both government agencies and private-sector customers.

Valuation/Recommendation

- **Upgrade to BUY with an unchanged target price of Bt20.00.** The target price is based on a 2026F PE of 18.9x, in line with its historical average. We remain positive on STECON's outlook and believe the recent share price pullback presents an opportunity to buy the stock. We see that STECON is well positioned to secure new projects, with a strong pipeline of projects awaiting bidding providing potential catalysts for earnings growth. We expect the company to benefit from a higher number of project wins from 2027 onwards, supporting earnings growth and providing upside to the share price. We therefore upgrade our recommendation to BUY.

Earnings Revision/Risk

- We slightly increase our 2026-28 earnings forecasts by 1.4%, 0.6%, and 1.1%, respectively. Key downside risks include delays in project bidding, which could limit backlog replenishment, and higher construction costs, which could put pressure on construction margins.

Share Price Catalyst

- Additional backlog from both private and project biddings.

Environment, Social, Governance (ESG)

CG Report: 5
SET ESG Rating: AAA

Environmental

- STECON follows environmental laws and regulations. The company prioritises reducing gas emissions and using sustainable technology. STECON also trains its employees to participate in environmental operations and conservation.

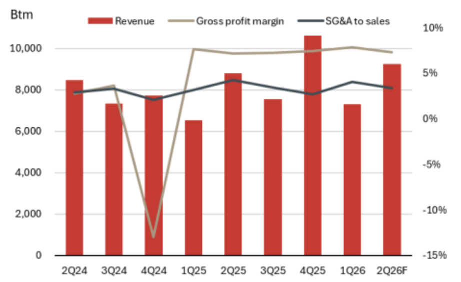
Social

- STECON is committed to social responsibility. The company supports education, disaster relief, community engagement, and environmental conservation.

Governance

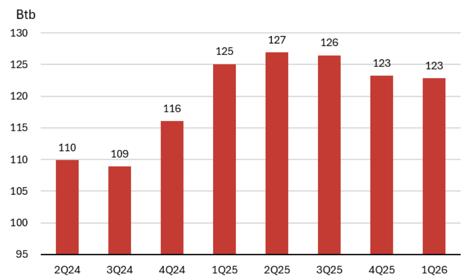
- STECON focuses on enterprise risk management to integrate risk management into strategic planning. STECON follows Thai and international standards for risk management.

Revenue, Gross Margin, and SG&A to sales



Source: STECON, UOB Kay Hian

Backlog



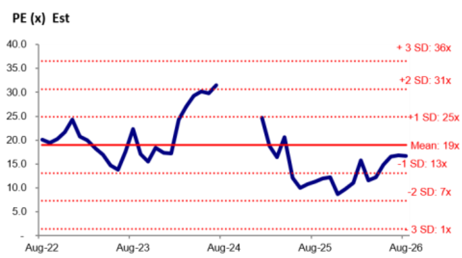
Source: STECON, UOB Kay Hian

2026 Company Target

	2026 Target	2025 Actual	2025 Target
Revenue	>Bt35b	33.47	>Bt32b
GPM	>7%	7.36%	7%
New backlog	Bt50b	40,251	Bt50b
Backlog	>Bt100b	123,264	>Bt100b
NPM	at least 4%	5.8%	

Source: STECON, UOB Kay Hian

PE



Source: STECON, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**33,473**	**36,394**	**38,285**	**40,111**
EBITDA	2,301	2,977	2,663	2,890
Deprec. & amort.	743	838	817	878
EBIT	1,558	2,140	1,846	2,012
Total other non-operating income	96	92	109	108
Associate contributions	(212)	(120)	(120)	(120)
Net interest income/(expense)	(240)	(219)	(235)	(258)
Pre-tax profit	**2,229**	**1,892**	**1,600**	**1,743**
Tax	(282)	(272)	(226)	(265)
Minorities	1	19	17	13
Net profit	**1,948**	**1,640**	**1,391**	**1,491**
Net profit (adj.)	1,558	1,640	1,846	1,491

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	11,457	11,639	12,600	13,429
Other LT assets	18,583	20,170	20,170	20,170
Cash/ST investment	4,119	5,583	6,093	6,844
Other current assets	22,090	23,169	23,149	24,151
Total assets	**56,249**	**59,501**	**62,011**	**64,594**
ST debt	8,284	8,253	8,258	8,265
Other current liabilities	27,042	28,178	28,918	29,603
LT debt	1,100	2,010	2,820	3,678
Other LT liabilities	2,773	2,773	2,773	2,773
Shareholders' equity	16,634	17,889	18,863	19,906
Minority interest	417	397	380	368
Total liabilities & equity	**56,249**	**59,501**	**62,011**	**64,594**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**3,609**	**2,030**	**1,888**	**2,028**
Pre-tax profit	2,229	1,892	1,600	1,743
Tax	(282)	(272)	(226)	(265)
Deprec. & amort.	743	838	817	878
Working capital changes	(180)	(470)	(301)	(316)
Non-cash items	1,099	42	(2)	(13)
Investing	**(338)**	**(182)**	**(961)**	**(829)**
Capex (growth)	(1,165)	(182)	(961)	(829)
Investments	1,060	0	0	0
Others	(232)	0	0	0
Financing	**(1,875)**	**(385)**	**(417)**	**(447)**
Dividend payments	(6)	(492)	(417)	(447)
Issue of shares	(107)	107	0	0
Proceeds from borrowings	847	0	0	0
Others/interest paid	(2,609)	0	0	0
Net cash inflow (outflow)	**1,396**	**1,464**	**510**	**751**
Beginning cash & cash equivalent	**2,723**	**4,119**	**5,583**	**6,093**
Ending cash & cash equivalent	**4,119**	**5,583**	**6,093**	**6,844**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	6.9	8.2	7.0	7.2
Pre-tax margin	6.7	5.2	4.2	4.3
Net margin	5.8	4.5	3.6	3.7
Growth				
Net profit (adj.)	0.0	5.2	12.6	(19.3)
Leverage				
Debt to total capital	55.0	56.1	57.6	58.9
Debt to equity	56.4	57.4	58.7	60.0
Net debt/(cash) to equity	31.6	26.2	26.4	25.6
Interest cover	9.6	13.6	11.3	11.2

UOBKayHian

Company – Update | Thailand

Monday, 17 August 2026

Airports of Thailand (AOT TB)

Several Tailwinds In Addition To New PSC Rate

Highlights

- We attended AOT's analyst meeting to review its 3QFY26 results and the tone was positive.
- AOT is actively adding more routes of revenue while cutting down major expenses, which will be a good earnings driver in addition to the new PSC rate.
- We see an improving trend of passenger arrivals in 4QFY26 which will be positive to AOT's earnings outlook. AOT remains one of our tourism sector top picks. Maintain BUY with a higher target price of Bt85.00. (previously Bt80.00).

Analysis

- **Positive tone during analyst meeting.** We attended Airports of Thailand's (AOT) analyst meeting to review its 3QFY26 results and the tone was positive.
- **Potential interest in new concessions on land near BKK.** AOT disclosed that a logistics player has shown interest in its 723-rai landbank near Suvarnabhumi Airport (BKK). Currently, they are in negotiations for the terms and fee of the concession. If this deal goes through, it will provide AOT with additional concession revenue, and the logistic player's business will also synergise well with AOT's cargo business. This logistics player provides both air mail services as well as shipping which will help in connecting AOT's cargo business with more customers.
- **Bringing back inbound duty-free shops.** AOT previously reclaimed the area and closed the inbound duty-free shops in Aug 24, which caused a reduction in AOT's concession revenue. AOT has received requests from passengers to bring back the inbound duty-free shops. AOT will still need to discuss with the related officials and King Power on the details and timeline. The concession revenue model is unlikely to be same as previously, which was based on the area used by the duty-free shops. So far, King Power Duty Free (KPD) has been paying their concession fee on time and even paying their receivables ahead of schedule.
- **Reversal of credit loss from debt repayment of THAI.** AOT had previously declared around Bt5b of credit loss during THAI's rehabilitation procedure. THAI has admitted and repaid AOT the amount of Bt994m. There is still Bt4b of expected credit loss remaining that will be pursued and predicated by the court in 2027. If the court rules in AOT's favour, AOT will receive a larger reversal of credit loss.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	67,121	66,679	70,261	84,825	89,853
EBITDA	41,777	40,286	42,086	55,140	58,229
Operating profit	30,373	28,244	30,565	43,501	45,870
Net profit (rep./act.)	19,182	18,125	19,368	28,956	31,263
Net profit (adj.)	19,182	18,125	19,368	28,956	31,263
EPS (Bt)	1.3	1.3	1.4	2.0	2.2
PE (x)	39.5	41.8	39.1	26.1	24.2
P/B (x)	6.1	5.8	5.4	4.8	4.4
EV/EBITDA (x)	22.7	23.5	22.5	17.2	16.3
Dividend yield (%)	1.5	1.5	1.5	2.3	2.5
Net margin (%)	28.6	27.2	27.6	34.1	34.8
Net debt/(cash) to equity (%)	26.0	20.5	12.3	5.8	3.7
Interest cover (x)	15.7	23.6	16.1	21.1	31.0
ROE (%)	16.3	14.2	14.3	19.5	19.1
Consensus net profit (Btm)	-	-	21,991	29,078	31,256
UOBKH/Consensus (x)	-	-	0.88	1.00	1.00

Source: AOT, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt65.00
Target Price	Bt85.00
Upside	+30.8%
Previous TP	Bt80.00

Stock Data

Sector	Industrials
Bloomberg ticker	AOT TB
Shares issued (m)	14,285.7
Market cap (Btm)	928,570.5
Market cap (US$m)	28,017.1
3-mth avg daily t'over (US$m)	59.0

Price Performance (%)

52-week high/low				Bt65.00/Bt35.00
1mth	3mth	6mth	1yr	YTD
3.2	22.1	15.0	62.5	22.6

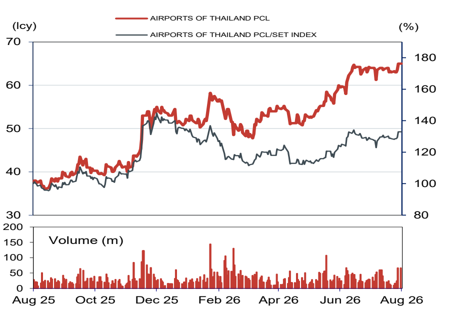
Major Shareholders (%)

Ministry of Finance	70.0
THAI NVDR Co Ltd	4.1

Balance Sheet Metrics

FY26 NAV/Share (Bt)	9.76
FY26 Net Debt/ Share (Bt)	1.21

Price Chart



Source: Bloomberg

Company Description

AOT operates 6 of the 38 airports in Thailand, but collectively these 6 airports account for 83% of the total pax throughput. As the leading airport operator in the country, AOT manages domestic and international services, providing the main aviation hub at Suvarnabhumi Airport.

- **Reduction in employee expenses. AOT's e**mployee expense declined by 13.3% yoy and 17.2% qoq in 3QFY26. This drop was mainly due to AOT's negotiations with employees to reduce bonuses. Moreover, this is the period when AOT has the fewest employees, reflecting the low expense amount. AOT aims to maintain employee expenses at the current level. AOT is also aiming to reduce its total number of employees in the long term by recruiting a smaller number than those who have retired. AOT targets to improve efficiency by assigning more tasks to one employee. This strategy will apply both full-time employees and outsourced workers. However, once the terminal expansions are completed, AOT's employee base will increase accordingly but in a leaner proportion. We still see this as a good strategy in improving AOT's margins.
- **Positive momentum in passenger numbers.** Management currently targets 2027 total passengers at 128.5m, which is up 2% yoy from the projected total passengers for 2026. The impact from the war is mainly reflected in operational statistics in 3QFY26. Airlines have cancelled flights to preserve their fuel usage and increased ticket prices to protect operating margins. This has resulted in a drop in passenger volume and impacted AOT's earnings. However, in Aug 26, we are starting to see a significant mom improvement in passenger volume. As of 8 Aug 26, total passenger arrivals have grown 2.2% yoy, while foreign passengers have increased by a strong 3.7%. This is a significant improvement mom vs Jun-Jul 26 when total passenger arrivals dropped by 8% and 4% yoy respectively. We note that airfares are gradually normalising as jet fuel prices have recently come down. Several airlines started to increase their fuel hedges in 2H26 as fuel prices fell in Jun 26. Thailand will be hosting large events in 2H26 eg Gastech, IMF-World Bank Group Annual Meetings, and Tomorrowland, which will give a strong boost to tourist arrival traffic. Hence, we remain positive on AOT's earnings outlook from 4QFY26 to 1QFY27.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt85.00.** Our valuation is rolled over to 2027 EV/EBITDA of 22x, 1SD above the five-year mean (excluding COVID-19 years). We maintain AOT as our top pick in the tourism sector as we see an improving trend in passenger arrivals in early 4QFY26. We remain optimistic on AOT's growth prospects for the following: a) the new passenger service charge (PSC) rate, b) AOT will also seek additional revenue streams such as the new concession in its 723 rai of land, and c) the return of inbound duty-free shops.

Environment, Social, Governance (ESG) Updates

Environmental

- **Increased efficiency of energy consumption.** Design, construct, and operate airports and related facilities to maximise efficiency in resource utilisation.

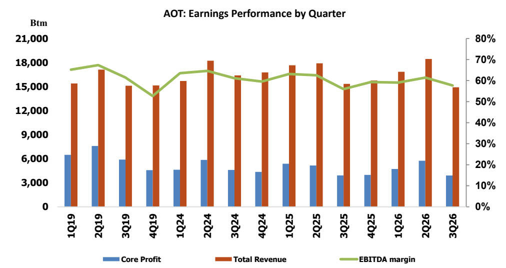
Social

- **Established an Aerodrome Safety Policy.** Enhancing aerodrome safety management and operational standards while giving responsibility to management from all levels for airport safety.
- **Provides safety training.** Organises sessions to train and ensure that AOT personnel are equipped with the knowledge to comply with the Safety Policy.

Governance

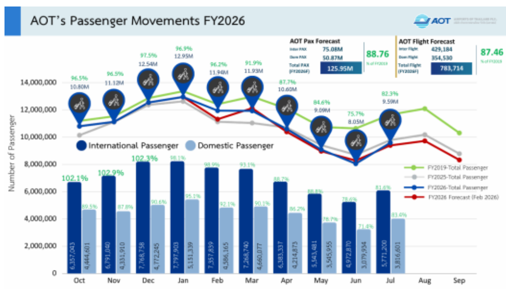
- **Board operates under corporate governance principles** and relevant laws, regulations and guidelines on good corporate governance.

Quarterly Performance



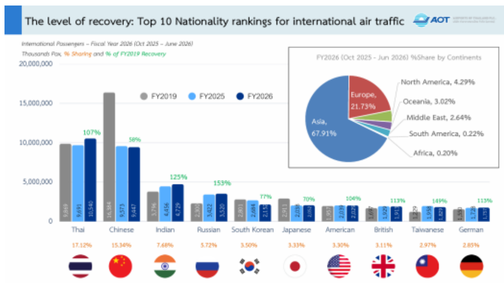
Source: AOT

2026 Passenger Forecast



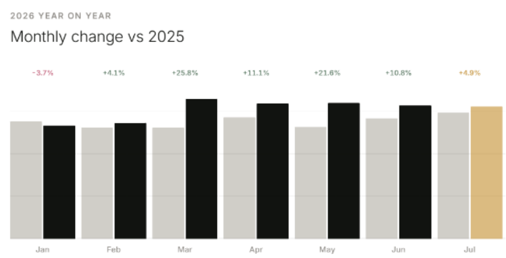
Source: AOT

Passenger Recovery By Nationality



Source: AOT

Airfare Monthly Prices In 2025 Vs 2026



Source: Official Airline Guide (OAG)

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**66,679**	**70,261**	**84,825**	**89,853**
EBITDA	40,286	42,086	55,140	58,229
Deprec. & amort.	12,042	11,521	11,639	12,359
EBIT	28,244	30,565	43,501	45,870
Total other non-op. income	(3,197)	(3,118)	(3,764)	(3,909)
Associate contributions	(3)	0	0	0
Net interest income/(expense)	(1,704)	(2,616)	(2,614)	(1,881)
Pre-tax profit	**23,341**	**24,831**	**37,123**	**40,080**
Tax	(4,787)	(4,966)	(7,425)	(8,016)
Minorities	(429)	(497)	(742)	(802)
Net profit	18,125	19,368	28,956	31,263
Net profit (adj.)	**18,125**	**19,368**	**28,956**	**31,263**

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	158,971	165,304	174,213	183,611
Other LT assets	13,632	17,666	19,698	20,404
Cash/ST investment	19,401	38,207	43,454	33,119
Other current assets	17,929	4,938	5,903	6,255
Total assets	**209,932**	**226,116**	**243,268**	**243,389**
ST debt	1,740	2,834	737	737
Other current liabilities	21,255	24,803	26,359	24,334
LT debt	44,520	52,592	51,869	38,774
Other LT liabilities	7,986	9,366	9,834	10,325
Shareholders' equity	130,898	139,473	156,863	170,810
Minority interest	1,943	2,439	3,182	3,983
Total liabilities & equity	**208,341**	**231,506**	**248,844**	**248,965**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**25,689**	**45,009**	**40,369**	**44,370**
Pre-tax profit	23,341	24,831	37,123	40,080
Tax	(4,787)	(4,966)	(7,425)	(8,016)
Deprec. & amort.	12,042	11,521	11,639	12,359
Associates	(4,256)	19,758	(166)	700
Working capital changes	(651)	(6,136)	(802)	(754)
Non-cash items	(3)	0	0	0
Other operating cashflows	**(17,968)**	**(14,295)**	**(21,295)**	**(21,758)**
Investing	(16,140)	(16,863)	(20,358)	(21,565)
Capex (growth)	2,444	1,419	2,342	2,402
Investment	(4,272)	1,148	(3,279)	(2,595)
Others	**(16,268)**	**(1,131)**	**(13,642)**	**(29,609)**
Financing	(11,286)	(11,571)	(11,621)	(17,374)
Dividend payments	(4,584)	9,166	(2,819)	(13,095)
Proceeds from borrowings	0	0	0	0
Others/interest paid	(399)	1,274	797	859
Net cash inflow (outflow)	(8,547)	29,582	5,432	(6,997)
Beginning cash & cash equiv.	18,487	18,880	38,207	43,454
Changes due to forex impact	9,461	(10,255)	(185)	(3,339)
Ending cash & cash equiv.	**19,401**	**38,207**	**43,454**	**33,119**

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	60.4	59.9	65.0	64.8
Pre-tax margin	35.0	35.3	43.8	44.6
Net margin	27.2	27.6	34.1	34.8
ROA	8.7	8.9	12.3	12.8
ROE	14.2	14.3	19.5	19.1
Growth (% yoy)				
Turnover	(0.7)	5.4	20.7	5.9
EBITDA	(3.6)	4.5	31.0	5.6
Pre-tax profit	(4.9)	6.4	49.5	8.0
Net profit	(5.5)	6.9	49.5	8.0
Net profit (adj.)	(5.5)	6.9	49.5	8.0
EPS	(5.5)	6.9	49.5	8.0
Leverage				
Debt to total capital	25.8	28.1	24.7	18.4
Debt to equity	35.3	39.7	33.5	23.1
Net debt/(cash) to equity	20.5	12.3	5.8	3.7
Interest cover (x)	23.6	16.1	21.1	31.0

Carabao Group (CBG TB)

2Q26: Earnings Beat, Led by Strong Domestic Sales

Highlights

- CBG reported a 2Q26 net profit of Bt736m (-8% yoy, but +21% qoq). The results beat consensus estimates by 8%.
- We are more positive on CBG's 3Q26 earnings, driven by stronger domestic sales momentum, a normalised international sales base yoy, and lower cost pressure. We expect earnings to increase both qoq and yoy.
- Upgrade to BUY with a higher target price of Bt66.00.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	yoy%	qoq%
Sales	5,829	5,577	5,321	4.5%	9.6%
Gross Profit	1,538	1,504	1,378	2.3%	11.7%
SG&A	636	553	624	15.0%	1.9%
EBIT	950	1,001	806	-5.1%	17.8%
Net Profit	736	800	611	-8.0%	20.6%
Core Profit	736	800	611	-8.0%	20.6%
EPS (Bt)	0.74	0.80	0.61	-8.0%	20.6%
(%)	**2Q26**	**2Q25**	**1Q26**	**yoy%**	**qoq%**
Gross Margin	26.4%	27.0%	25.9%	-0.6%	0.5%
SG&A/revenue	10.9%	9.9%	11.7%	1.0%	-0.8%
Net Margin	12.6%	14.4%	11.5%	-1.7%	1.2%

Source: CARABAO GROUP, UOB Kay Hian

Analysis

- **Earnings beat expectation.** Carabao Group (CBG) reported a 2Q26 net profit of Bt736m (-8% yoy, but +21% qoq). The results beat consensus estimates by 8%.
- **Top-line improved yoy and qoq. 2Q26 t**op-line came in at Bt5.8b (+4.5 yoy, +9.6% qoq). Domestic sales came in at Bt4.8b (+16% yoy, +7% qoq). We note an improvement in both domestic energy drinks at Bt2.0b (+13% yoy, +13% qoq) and third-party distribution sales at Bt2.6b (+23% yoy, +5% qoq). International beverage sales came in at Bt988m (-30% yoy, +26% qoq). The yoy decline was mainly driven by weaker Cambodia sales.
- **Gross profit margin dropped yoy.** Gross profit margin came in at 26.4% in 2Q26 (vs 27% in 2Q25 and 25.9% in 1Q26). The yoy decrease was driven by a higher contribution from distribution sales of other products. SG&A/sales in 2Q26 was 10.9% (up yoy but down qoq).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	20,964.5	22,041.8	23,320.7	25,098.8	27,032.2
EBITDA	4,390.0	3,885.5	4,519.6	4,835.9	5,165.7
Operating profit	3,572.2	3,087.9	3,709.0	4,013.0	4,331.1
Net profit (rep./act.)	2,842.7	2,319.6	2,806.2	3,038.5	3,292.4
Net profit (adj.)	2,842.7	2,837.2	2,806.2	3,038.5	3,292.4
EPS	2.8	2.8	2.8	3.0	3.3
PE (x)	13.4	13.4	13.5	12.5	11.5
P/B (x)	2.9	2.7	2.4	2.2	2.0
EV/EBITDA (x)	8.9	9.8	8.2	7.5	6.7
Dividend yield (%)	2.9	3.7	3.4	3.7	4.0
Net margin (%)	13.6	10.5	12.0	12.1	12.2
Net debt/(cash) to equity(%)	9.8	0.7	(6.2)	(10.5)	(16.5)
Interest cover (x)	31.4	51.1	75.5	84.3	127.2
ROE (%)	23.8	18.7	21.3	21.7	22.1
Consensus net profit	n.a	n.a	2,760.9	3,032.5	3,228.0
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: CARABAO GROUP, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Upgrade)

Share Price	Bt54.75
Target Price	Bt66.00
Upside	20.55%
Previous TP	Bt42.00

Stock Data

Sector	Consumer Staples
Bloomberg ticker	CBG TB
Shares issued (m)	1,000.0
Market cap (Btm)	36,250.0
Market cap (US$m)	1,107.1
3-mth avg daily t'over (US$m)	5.3

Price Performance (%)

52-week high/low				Bt62.8/Bt34.2
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(4.6)	(15.2)	(12.1)	(41.3)	(16.7)

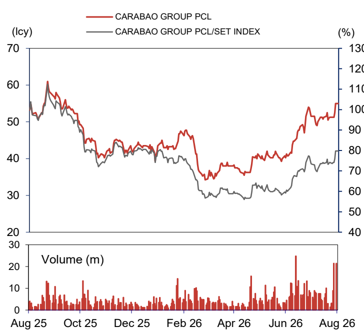
Major Shareholders (%)

Sathienthamholding Company	25.01
Miss Nutchamai Thanombooncharoen	21.00

Balance Sheet Metrics

FY26 NAV/Share (Bt)	15.5
FY26 Net Debt/Share (Bt)	(1.0)

Price Chart



Source: Bloomberg

Company Description

CBG operates a fully integrated business covering the production, marketing, and distribution management of energy drinks and other beverages, both domestically and internationally..

- CBG announced a dividend of Bt1.00/share, implying a dividend yield of 1.83%. The ex-dividend date is 27 Aug 26.
- **3Q26 outlook.** We are more positive on CBG's 3Q26 earnings outlook. We expect domestic sales from both the energy drink and third-party distribution businesses to improve qoq and yoy, supported by the Thai Chuay Thai Plus campaign in 3Q26. We are also expecting a more normalised international sales base following the absence of Cambodia sales yoy. On the cost side, lower aluminium and energy costs should support margins, with aluminium coil prices easing to US$3,200/tonne in Aug 26 from US$3,800/tonne in Jun 26. Overall, we expect 3Q26 earnings to increase both qoq and yoy.

Sales Breakdown

CBG sales breakdown	2Q25	3Q25	4Q25	1Q26	2Q26
Domestic	4,173	4,769	4,961	4,537	4,841
Energy drinks	1,812	2,145	2,068	1,823	2,053
Total 3rd parties (Alcohol)	2,104	2,357	2,424	2,478	2,598
Brand OEM-Drinking water and Coffee	68	60	58	62	80
Others	189	207	411	174	110
International	1,404	727	680	784	988
Energy drinks	1,404	727	680	784	988
Total sales	5,577	5,496	5,641	5,321	5,829

Source: CBG, UOB Kay Hian

Valuation/Recommendation

- **Upgrade to BUY with a higher target price of B66.00.** We roll over target prices to 2027 and re-rate the PE valuation method and peg the stock at -1SD from -1.5SD to its five-year historical PE band, equivalent to 22x.
- We turn positive on CBG, supported by strong domestic sales in 1H26 across both the energy drink and third-party distribution businesses.
- Looking ahead, we expect domestic energy drink sales to continue growing, while stronger seasonal sales from the third-party distribution business in 2H26 should improve economies of scale and profitability. Lower raw material costs, following the easing of Middle East tensions, should also support margin expansion. In addition, a more normalised international sales base yoy, with recovery in other markets offsetting the absence of Cambodia sales, should support 3Q26 earnings growth both qoq and yoy.

Earnings Revision/Risk

- We have revised up our 2026-27 earnings projections by 10% and 12%, respectively, on the back of:
  a) We raise our sales growth assumptions to +6% yoy for 2026 and +8% yoy for 2027, driven by stronger-than-expected performance in the domestic beverage and third-party distribution businesses in 1H26.
  b) higher gross profit margin assumptions of 26.2% in 2026 and 26.3% in 2027.

Share Price Catalyst

- Lower raw material costs; increase in CBG's share of the domestic energy drink market; improved stability in Cambodia's market; positive development of third-party distribution sales.

Environment, Social, Governance (ESG) Updates

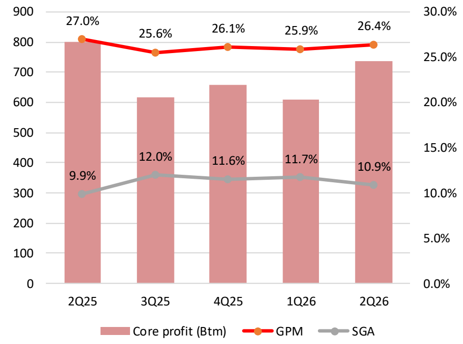
CG Report: 5
SET ESG Rating: AAA

Environmental: Carbon neutral. CBG has committed to achieving carbon neutrality by 2050.

Social: Social responsibility. The company places a strong emphasis on human capital development, as well as the health of consumers and the well-being of communities.

Governance: Good governance. The company is committed to sustainability and operates in accordance with best practices in corporate governance, as established by the Stock Exchange of Thailand and the Institute of Directors of Thailand.

Core Earnings And Growth

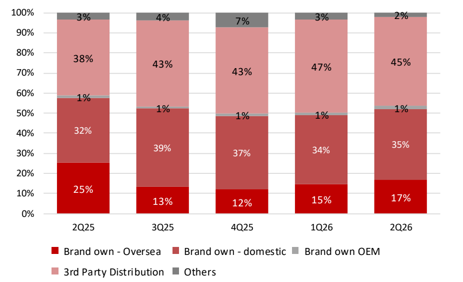


Source: CBG, UOB Kay Hian

Sales By Product

Source: UOB Kay Hian

Beverage Sales



Source: CBG, UOB Kay Hian

Aluminium Prices

Source: LME

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**22,042**	**23,321**	**25,099**	**27,032**
EBITDA	3,885	4,520	4,836	5,166
Deprec. & amort.	798	811	823	835
EBIT	3,088	3,709	4,013	4,331
Total other non-operating income	0	0	0	0
Associate contributions	15	15	15	15
Net interest income/(expense)	(76)	(60)	(57)	(41)
Pre-tax profit	**3,027**	**3,664**	**3,971**	**4,306**
Tax	(736)	(887)	(961)	(1,042)
Minorities	29	29	29	29
Net profit	**2,320**	**2,806**	**3,039**	**3,292**
Net profit (adj.)	2,837	2,806	3,039	3,292

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	12,389	12,578	12,755	12,920
Other LT assets	1,268	1,279	1,290	1,302
Cash/ST investment	1,483	2,751	3,256	3,986
Other current assets	3,906	4,105	4,643	4,989
Total assets	**19,046**	**20,712**	**21,944**	**23,198**
ST debt	1,166	891	864	843
Other current liabilities	2,361	2,335	2,274	2,369
LT debt	418	885	578	(7)
Other LT liabilities	737	737	737	737
Shareholders' equity	14,103	15,623	17,270	19,053
Minority interest	(36)	(65)	(94)	(123)
Total liabilities & equity	**19,046**	**20,712**	**21,944**	**23,198**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**3,004**	**3,372**	**3,242**	**3,858**
Pre-tax profit	3,027	3,664	3,971	4,306
Tax	(736)	(929)	(999)	(1,076)
Deprec. & amort.	798	811	823	835
Associates	0	0	0	0
Working capital changes	(78)	(173)	(553)	(206)
Non-cash items	(11)	0	0	0
Other operating cashflows	5	0	0	0
Investing	**(1,080)**	**(1,010)**	**(1,011)**	**(1,012)**
Capex (growth)	(1,064)	(1,010)	(1,011)	(1,012)
Capex (maintenance)	0	0	0	0
Investments	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	(16)	0	0	0
Financing	**(2,512)**	**(1,094)**	**(1,726)**	**(2,115)**
Dividend payments	(1,400)	(1,286)	(1,392)	(1,509)
Issue of shares	0	0	0	0
Proceeds from borrowings	1,789	(542)	0	0
Loan repayment	(2,910)	733	(333)	(607)
Others/interest paid	9	0	0	0
Net cash inflow (outflow)	**(588)**	**1,268**	**505**	**730**
Beginning cash & cash equivalent	**1,384**	**1,483**	**2,751**	**3,256**
Changes due to forex impact	8	0	0	0
Ending cash & cash equivalent	**804**	**2,751**	**3,256**	**3,986**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.6	19.4	19.3	19.1
Pre-tax margin	13.7	15.7	15.8	15.9
Net margin	10.5	12.0	12.1	12.2
ROA	11.9	13.8	14.5	15.2
ROE	18.7	21.3	21.7	22.1
Growth				
Turnover	5.1	5.8	7.6	7.7
EBITDA	(11.5)	16.3	7.0	6.8
Pre-tax profit	(12.2)	21.0	8.4	8.4
Net profit	(18.4)	21.0	8.3	8.4
Net profit (adj.)	(0.2)	(1.1)	8.3	8.4
EPS	(0.2)	(1.1)	8.3	8.4
Leverage				
Debt to total capital	11.3	11.4	8.4	4.4
Debt to equity	11.2	11.4	8.4	4.4
Net debt/(cash) to equity	0.7	(6.2)	(10.5)	(16.5)
Interest cover	51.1	75.5	84.3	127.2

Central Retail Corporation (CRC TB)

2Q26: Huge Beat; The Best Results Since IPO

Highlights

- CRC reported 2Q26 core profit of Bt2.1b, up 57% yoy, beating our and consensus forecasts by 42% and 48% respectively.
- Operations improved strongly across all businesses, with SSSG turning positive for the first time in the past eight quarters since 1Q24.
- Maintain BUY with a higher target price of Bt31.00 (from 30.00), following the 4-6% earnings revision.

2Q26 Results

Year to 31 Dec (Btm)	2Q25	3Q25	4Q25	1Q26	2Q26	yoy (%)	qoq (%)
Sales	53,953	54,260	59,141	61,932	55,501	2.9	(10.4)
Gross profit	14,076	14,478	16,116	16,081	15,333	8.9	(4.7)
SG&A - core	(16,272)	(15,896)	(17,201)	(16,350)	(16,492)	1.4	0.9
Other income - core	4,113	4,143	5,346	4,581	4,609	12.1	0.6
EBIT	2,037	2,615	4,968	4,260	3,073	50.9	(27.9)
Interest expense	(975)	(991)	(907)	(783)	(812)	(16.7)	3.7
Equity income	103	80	158	165	116	12.9	(30.0)
Core profit from continuing operations	**944**	**1,192**	**2,729**	**2,888**	**2,114**	**123.9**	**(26.8)**
Core profit	**1,350**	**1,298**	**3,011**	**2,888**	**2,114**	**56.6**	**(26.8)**
Net profit	**1,142**	**1,301**	**2,630**	**2,789**	**2,044**	**79.0**	**(26.7)**
Core EBITDA - Total CRC	**6,326**	**6,708**	**8,479**	**8,421**	**7,595**	**20.1**	**(9.8)**
Core EBITDA – Food	1,347	1,648	2,194	2,560	1,717	27.5	(32.9)
Core EBITDA - Hardline	2,246	2,146	2,355	2,533	2,427	8.1	(4.2)
Core EBITDA - Fashion	2,733	2,914	3,930	3,328	3,451	26.3	3.7
Gross margin (%)	26.1	26.7	27.3	26.0	27.6	1.5	1.7
SG&A to sales (%)	28.0	27.2	26.7	24.6	27.4	(0.6)	2.9

Source: Central Retail Corporation, UOB Kay Hian

Analysis

- **Recorded the best results since IPO, with SSSG turning positive and margins expanding across all segments.** Central Retail Corporation (CRC) reported 2Q26 net profit of Bt2.04b, while core profit, excluding extraordinary items, came in at Bt2.1b (+57%yoy, -27%qoq), beating our and consensus forecasts by 42% and 48%, respectively. The strong beat was driven by better-than-expected gross margin, other income, and lower-than-expected SG&A. Operations improved strongly across all businesses, with SSSG turning positive for the first time in the past eight quarters since 1Q24.

Key Financials

Year to 31 Dec (Bt m)	2024	2025	2026F	2027F	2028F
Net turnover	226,713.4	228,376.8	234,489.1	244,434.0	256,084.5
EBITDA	32,102.4	31,786.7	31,250.9	32,980.0	34,678.5
Operating profit	14,002.9	13,722.0	14,433.1	15,265.2	16,061.2
Net profit (rep./act.)	8,136.3	7,411.9	9,280.7	9,772.2	10,384.5
Net profit (adj.)	8,869.6	8,122.9	9,280.7	9,772.2	10,384.5
EPS	1.5	1.4	1.5	1.6	1.7
PE (x)	17.5	19.1	16.7	15.9	15.0
P/B (x)	2.2	2.4	2.3	2.2	2.0
EV/EBITDA (x)	5.2	4.1	4.0	3.7	3.3
Dividend yield (%)	2.1	5.0	4.3	2.6	2.7
Net margin (%)	3.6	3.2	4.0	4.0	4.1
Net debt/(cash) to equity(%)	190.8	147.8	133.9	116.1	98.2
Interest cover (x)	7.4	8.7	10.4	10.9	11.4
Consensus net profit	n.a	n.a	7,855.5	8,696.4	9,357.1
UOBKH/Consensus (x)	n.a	n.a	1.2	1.1	1.1

Source: Central Retail Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt25.75
Target Price	Bt31.00
Upside	20.39%
Previous TP	Bt30.00

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	CRC TB
Shares issued (m)	6,031.0
Market cap (Btm)	155,300.0
Market cap (US$m)	4,780.0
3-mth avg daily t'over (US$m)	11.6

Price Performance (%)

52-week high/low				Bt23.3/Bt15.2
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(4.3)	(5.3)	(3.8)	(18.2)	3.1

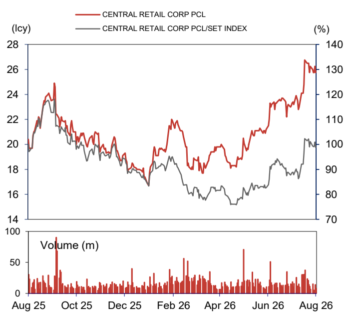
Major Shareholders (%)

Harng Central Department Store	35.06
Deutsche Bank AG Singapore PWM	4.61
Social Security Office	3.01

Balance Sheet Metrics

FY26 NAV/Share (Bt)	11.0
FY26 Net Debt/Share (Bt)	14.9

Price Chart



Source: Bloomberg

Company Description

Central Retail Corporation is a leading retail and wholesale player in Thailand and Vietnam, operating a multi-format, multi-category, omnichannel platform through its subsidiaries and associated companies.

- **Core EBITDA skyrocketed across all segments.** Food retail EBITDA skyrocketed, increasing 27% yoy, supported by: a) SSSG of +3% yoy, with the Thailand food retail segment at +5% yoy and Vietnam food retail segment at -1% yoy, and b) EBITDA margin expansion following higher gross margin. Operations improved across Tops, GO Wholesale, and Vietnam. Tops benefitted from effective marketing campaigns, while GO Wholesale improved asset utilisation through initiatives such as reducing shrinkage and improving operational efficiency, resulting in double-digit sales growth and margin expansion. Vietnam operations remained healthy.
- **Hardline retail EBITDA increased 8% yoy**, supported by: a) SSSG of +0.5% yoy and b) gross margin expansion. The divestment of Nguyen Kim on 23 Apr 26 diluted EBITDA but was positive for net profit. The strong Hardline retail performance was mainly driven by Thai Watsadu, which accounts for approximately 65% of Hardline retail sales and gained positive momentum from consumer stockpiling and higher product prices.
- **Fashion retail EBITDA surged 26% yoy**, despite SSSG declining 1% yoy, supported by strong online sales growth and gross margin expansion. The margin improvement was driven by reduced promotional activity, which helped improve profitability.
- **Other key stats.** SG&A-to-sales decreased by 60bp yoy, reflecting well-managed expenses. Interest expenses declined 17% yoy, following debt repayment and lower interest rates. Other income increased 12% yoy, mainly due to non-recurring items, including: a) Bt230m after-tax dividend income from an associate, b) Bt48m after-tax insurance claims, and c) Bt70m after-tax gain from derivatives.
- **Outlook remains firmly bullish.** July SSSG turned positive at around +2% yoy, driven by the food retail business at +5–6% yoy and the fashion retail business at +1-2% yoy, supported by FIFA World Cup campaigns, effective marketing initiatives, and improved product merchandising. Hardline retail SSSG declined 2-3% yoy, in line with the industry trend. In addition, the cessation of losses from Nguyen Kim, contribution from JD Sports, and a low cost of debt should support strong 2H26 earnings. We remain confident that CRC is in a recovery phase in 2026, with stronger growth expected in 2027.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt31.00 (from Bt30.00),** following the earnings revision. We base our target price on 12-month forward EPS and maintain a 20x PE multiple, equivalent to -1SD below the peers' five-year average, in line with our existing valuation methodology.

Earnings Revision/Risk

- **Revise up earnings.** We revise our 2026–27 earnings estimates up by 6% and 4%, respectively, following the stronger-than-expected 2Q26 results. We raise our SSSG, gross margin, and other income assumptions. 1H26 core earnings already accounted for 52% of our full-year 2026 core earnings forecast, reinforcing our confidence in the earnings recovery.

Environment, Social, Governance (ESG) Updates

CG Report: 5 / SET ESG Rating: AA

Environmental

- Ensures energy-efficient operations and waste reduction across retail formats.

Social

- Prioritises diversity, inclusion, and fair labour practices across its regional workforce.

Governance

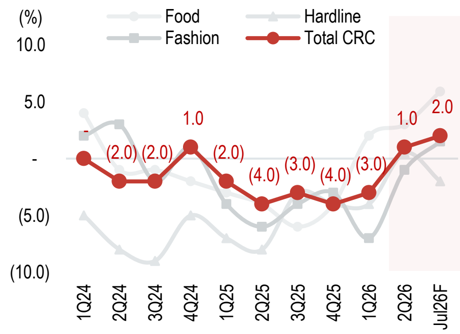
- Adheres to high governance standards under CRC's compliance framework.

Key Operating Statistics

Percent	2Q25	3Q25	4Q25	1Q26	2Q26
SSSG					
SSSG – Total	**(6.0)**	**(4.0)**	**(4.0)**	**(2.0)**	**1.0**
SSSG – Food	(4.0)	(6.0)	(4.0)	2.0	3.0
SSSG – Hardline	(8.0)	(3.0)	(4.0)	(4.0)	0.5
SSSG – Fashion	(6.0)	(4.0)	(3.0)	(7.0)	(1.0)
EBITDA Margin					
EBITDA (%) – Total	14.4	14.2	12.2	12.9	14.9
EBITDA (%) – Food	6.7	8.6	6.1	7.4	9.2
EBITDA (%) - Hardline	12.8	13.8	12.7	12.4	13.1
EBITDA (%) - Fashion	29.3	25.7	23.0	23.7	26.2

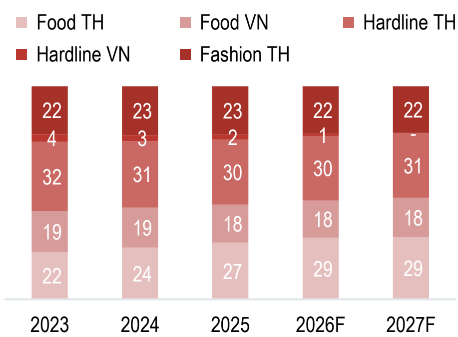
Source: UOB Kay Hian

SSSG Turn Positive Since 2Q26



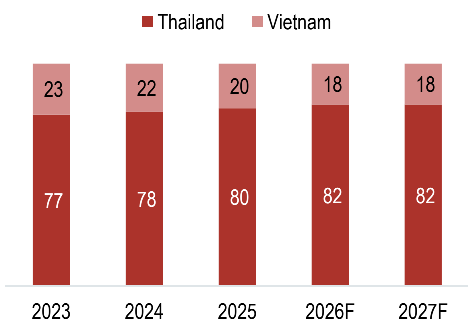
Source: UOB Kay Hian

Sales Breakdown By Segment



Source: UOB Kay Hian

Sales Breakdown By Countries



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**228,377**	**234,489**	**244,434**	**256,085**
EBITDA	31,787	31,251	32,980	34,678
Deprec. & amort.	18,065	16,818	17,715	18,617
EBIT	13,722	14,433	15,265	16,061
Total other non-operating income	11	248	11	11
Associate contributions	483	573	631	662
Net interest income/(expense)	(3,638)	(3,007)	(3,019)	(3,036)
Pre-tax profit	**10,578**	**12,247**	**12,888**	**13,698**
Tax	(3,482)	(2,627)	(2,758)	(2,933)
Minorities	(374)	(340)	(358)	(380)
Net profit	**7,412**	**9,281**	**9,772**	**10,385**
Net profit (adj.)	8,123	9,281	9,772	10,385

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	158,804	154,231	154,610	154,570
Other LT assets	17,750	19,598	20,399	20,975
Cash/ST investment	10,004	67,593	72,732	79,611
Other current assets	60,290	65,882	67,533	69,474
Total assets	**246,848**	**307,304**	**315,274**	**324,630**
ST debt	49,761	67,761	67,761	67,761
Other current liabilities	57,748	64,301	65,477	67,859
LT debt	56,978	88,978	88,978	88,978
Other LT liabilities	13,073	14,052	14,718	15,142
Shareholders' equity	65,469	66,599	72,369	78,539
Minority interest	3,819	5,613	5,971	6,351
Total liabilities & equity	**246,848**	**307,304**	**315,275**	**324,630**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**32,216**	**27,399**	**27,370**	**29,822**
Pre-tax profit	10,578	12,247	12,888	13,698
Tax	(3,482)	(2,627)	(2,758)	(2,933)
Deprec. & amort.	18,065	16,818	17,715	18,617
Working capital changes	(128)	3,309	(2,374)	239
Non-cash items	921	(2,348)	1,900	201
Other operating cashflows	6,263	0	0	0
Investing	**1,669**	**(13,114)**	**(18,229)**	**(18,729)**
Capex (growth)	14,677	(12,244)	(18,094)	(18,577)
Investments	4,078	(229)	(252)	(265)
Others	(17,086)	(640)	117	113
Financing	**(32,834)**	**43,304**	**(4,002)**	**(4,214)**
Dividend payments	(8,225)	(6,696)	(4,002)	(4,214)
Issue of shares	(615)	0	0	0
Proceeds from borrowings	(34,845)	50,000	0	0
Others/interest paid	10,851	0	0	0
Net cash inflow (outflow)	**1,051**	**57,589**	**5,139**	**6,879**
Beginning cash & cash equivalent	**9,275**	**9,797**	**67,386**	**72,525**
Ending cash & cash equivalent	**10,326**	**67,386**	**72,525**	**79,404**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	13.9	13.3	13.5	13.5
Pre-tax margin	4.6	5.2	5.3	5.4
Net margin	3.2	4.0	4.0	4.1
Growth				
Net profit (adj.)	(8.4)	14.2	5.3	6.3
Leverage				
Debt to total capital	154.0	217.1	200.1	184.6
Debt to equity	163.0	235.4	216.6	199.6
Net debt/(cash) to equity	147.8	133.9	116.1	98.2
Interest cover	8.7	10.4	10.9	11.4

UOBKayHian

Company – Results | Thailand

Monday, 17 August 2026

CH. Karnchang (CK TB)

2Q26: Results Beat: Core Profit Growth; New Awards To Drive Backlog

Highlights

- CK reported 2Q26 net profit of Bt800m, down 7.2% yoy but up 143.1% qoq.
- New project awards in 2H26 will be key for CK to resume growing its backlog.
- Maintain BUY with a higher target price of Bt27.00 (previously Bt22.00).

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq%	yoy%
Revenue from construction	11,339	12,163	10,730	-6.8%	5.7%
Operating income	102	100	107	1.3%	-5.2%
Profit from investments in associates	467	296	594	58.0%	-21.4%
Extraordinary items	-	-	-	n.a.	n.a.
Core profit	191	98	151	94.6%	26.6%
Net profit	800	329	863	143.1%	-7.2%
Ratio (%)					
Gross margin	8.1%	7.4%	7.9%		
SG&A % to sales	5.0%	4.7%	4.9%		
EBIT margin	4.0%	3.5%	3.8%		
Net profit margin	7.0%	2.7%	8.0%		

Source: CH. Karnchang, UOB Kay Hian

Analysis

- **2Q26 core earnings rise yoy and qoq.** CH. Karnchang (CK) reported 2Q26 net profit of Bt800m, down 7.2% yoy but up 143.1% qoq, beating our and consensus estimates by 15% and 17%, respectively, driven by a better-than-expected gross profit margin. Core profit came in at Bt191m, up 26.6% yoy and 94.6% qoq.
- **Revenue from construction rose yoy but dropped qoq.** 2Q26 construction revenue grew 5.7% yoy but declined 6.8% qoq. 1H26 construction revenue came in at Bt23.5b, up 4% hoh, driven by continued revenue recognition from major construction projects, led by the Luang Prabang Hydroelectric Power Project and MRT Purple Line Tao Poon–Rat Burana Section.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	37,457.9	43,967.3	45,716.0	46,688.1	51,303.4
EBITDA	1,748.5	2,671.6	2,452.7	2,680.3	2,765.1
Operating profit	894.7	1,721.8	1,677.8	1,919.9	2,017.7
Net profit (rep./act.)	1,445.9	3,328.2	2,447.2	2,600.6	2,799.0
Net profit (adj.)	1,445.9	2,666.5	2,447.2	2,600.6	2,799.0
EPS	0.8	1.6	1.4	1.5	1.6
PE (x)	21.2	11.5	12.5	11.8	11.0
P/B (x)	1.2	1.1	1.0	0.9	0.8
EV/EBITDA (x)	46.6	28.2	28.1	24.6	23.6
Dividend yield (%)	1.7	2.5	2.4	2.5	2.7
Net margin (%)	3.9	7.6	5.4	5.6	5.5
Net debt/(cash) to equity(%)	170.8	135.0	101.0	82.8	73.2
Interest cover (x)	1.1	1.6	1.7	2.0	2.1
Consensus net profit	n.a	n.a	2,294.0	2,418.8	2,619.8
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.1

Source: CH. Karnchang, Bloomberg, UOB Kay Hian

Analyst(s)

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Assistant Analyst(s)
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BUY (Maintained)

Share Price	Bt18.10
Target Price	Bt27.00
Upside	49.18%
Previous TP	Bt22.00

Stock Data

Sector	Industrials
Bloomberg ticker	CK TB
Shares issued (m)	1,680.4
Market cap (Btm)	30,582.5
Market cap (US$m)	921.0
3-mth avg daily t'over (US$m)	6.9

Price Performance (%)

52-week high/low				Bt20.2/Bt11.2
1mth	**3mth**	**6mth**	**1yr**	**YTD**
(6.7)	2.8	43.3	35.8	52.9

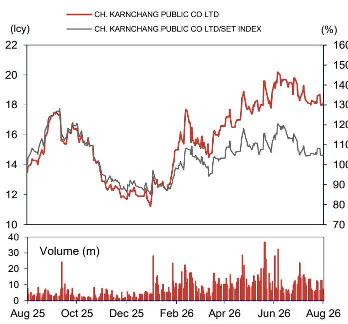
Major Shareholders (%)

Mahasiri Siam Company Limited	14.40
Ch. Karnchang Holding Co., Ltd.	10.12

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.5
FY26 Net Debt/Share (Bt)	18.6

Price Chart



Source: Bloomberg

Company Description

CK is the leading contractor in Thailand with experience in building mass transit systems, water treatment and hydro-electric dams. The company has equity stakes in many infrastructure companies to diversity its long-term revenue..

- **Gross margin improved yoy and qoq.** 2Q26 gross margin improved to 8.1%, from 7.4% in 1Q26 and 7.9% in 2Q25. However, due to the lower margin in 1Q26 and higher construction costs, 1H26 gross margin edged down to 7.7% from 7.8% in 1H25. Overall, gross margin remained in line with the company's guidance of 7-8%.
- **Profit from associates supported 2Q26 earnings.** CK's share of profit from associates came in at Bt467m, declining qoq, mainly due to a lower profit contribution from CK Power (CKP), with CK's share of profit from CKP at Bt63.2m, down from Bt200m in 2Q25. However, profit contribution from BEM increased significantly to Bt404m from Bt276m in 2Q25, supported by effective cost management in SG&A and finance costs.
- **Stable interim dividend payment.** The company announced an interim dividend of Bt0.20/share for 1H26, unchanged from 1H25's payment. The ex-dividend date is set for 11 Sep 26.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt27.00 (previously Bt22.00). We** change our valuation methodology from P/B to PE to better reflect CK's business fundamentals. The target price is based on 18.7x 2026F PE, in line with its five-year historical average. We remain positive on CK's outlook, supported by its strong backlog and resilient cost management, which should help limit the impact of higher construction costs. In addition, the current political environment along with the continued approval of mega projects by the Cabinet should provide further support for long-term growth.

Earnings Revision/Risk

- We fine tune 2026-28 earnings by 3.5%, 0.1%, and 0.2% respectively to reflect the better-than-expected 2Q26 performance.

Share Price Catalyst

- Better-than-expected gross margin from a higher proportion of high-margin works.
- If CK secures new project awards in 2H26, we expect its backlog to resume growth.
- Continued success in securing new project awards.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

- CK is committed to being environmentally responsible and complying with laws while continuously improving its environmental management systems. CK prioritises the use of environmentally friendly materials and disposes of unused materials properly.

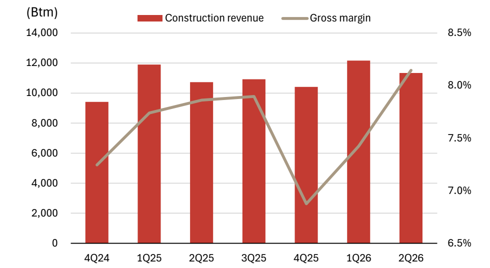
Social

- CK has social policies and practices that focus on economic operations, community engagement, and development. It is committed to social stewardship and showcases the company's efforts towards beneficial CSR activities and employee management.

Governance

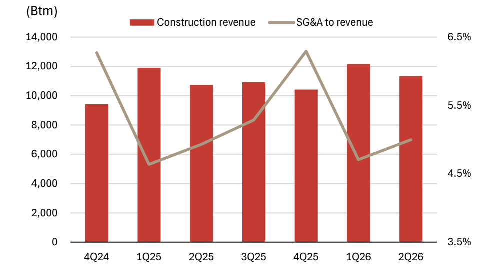
- CK has social policies and practices that focus on economic operations, community engagement, and development.

Revenue And Gross Margin



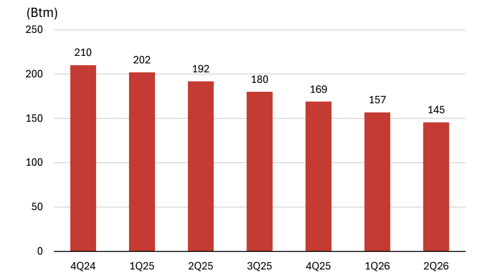
Source: CH. Karnchang, UOB Kay Hian

Revenue And SG&A to revenue



Source: CH. Karnchang, UOB Kay Hian

Backlog



Source: CH. Karnchang, UOB Kay Hian

PE

Source: CH. Karnchang, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**43,967**	**45,716**	**46,688**	**51,303**
EBITDA	2,672	2,453	2,680	2,765
Deprec. & amort.	950	775	760	747
EBIT	1,722	1,678	1,920	2,018
Total other non-operating income	465	465	465	465
Associate contributions	2,160	1,956	1,797	1,871
Net interest income/(expense)	(1,710)	(1,477)	(1,349)	(1,308)
Pre-tax profit	**3,464**	**2,621**	**2,833**	**3,046**
Tax	(109)	(149)	(206)	(221)
Minorities	(27)	(26)	(26)	(26)
Net profit	**3,328**	**2,447**	**2,601**	**2,799**
Net profit (adj.)	2,666	2,447	2,601	2,799

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	10,650	10,492	10,352	10,227
Other LT assets	56,213	56,213	56,213	56,213
Cash/ST investment	9,770	14,614	15,640	14,392
Other current assets	40,443	37,596	38,354	41,969
Total assets	**117,075**	**118,914**	**120,560**	**122,800**
ST debt	12,407	12,407	12,407	12,407
Other current liabilities	37,517	37,758	37,891	38,557
LT debt	35,358	33,794	31,920	29,921
Other LT liabilities	3,103	3,103	3,103	3,103
Shareholders' equity	28,148	31,283	34,644	38,191
Minority interest	544	569	595	621
Total liabilities & equity	**117,075**	**118,914**	**120,560**	**122,800**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**(4,011)**	**6,250**	**2,762**	**624**
Pre-tax profit	3,464	2,621	2,833	3,046
Tax	(109)	(149)	(206)	(221)
Deprec. & amort.	950	775	760	747
Working capital changes	2,095	(1,124)	(626)	(2,948)
Non-cash items	(10,358)	4,127	0	0
Other operating cashflows	(53)	0	0	0
Investing	**(3,006)**	**158**	**139**	**126**
Capex (growth)	709	157	139	125
Investments	(688)	0	0	0
Others	(3,028)	1	0	0
Financing	**6,531**	**(1,564)**	**(1,874)**	**(1,998)**
Dividend payments	(588)	0	0	0
Issue of shares	0	0	0	0
Proceeds from borrowings	(3,176)	(1,564)	(1,874)	(1,998)
Loan repayment	(322)	0	0	0
Others/interest paid	10,618	0	0	0
Net cash inflow (outflow)	**(487)**	**4,844**	**1,027**	**(1,249)**
Beginning cash & cash equivalent	**10,256**	**9,770**	**14,614**	**15,640**
Ending cash & cash equivalent	**9,770**	**14,614**	**15,640**	**14,392**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	6.1	5.4	5.7	5.4
Pre-tax margin	7.9	5.7	6.1	5.9
Net margin	7.6	5.4	5.6	5.5
Growth				
Net profit (adj.)	84.4	(8.2)	6.3	7.6
Leverage				
Debt to total capital	166.5	145.0	125.8	109.1
Debt to equity	169.7	147.7	128.0	110.8
Net debt/(cash) to equity	135.0	101.0	82.8	73.2
Interest cover	1.6	1.7	2.0	2.1

Electricity Generating Company (EGCO TB)

2Q26: Disappointing Earnings; Limited Upside

Highlights

- EGCO reported a net profit of Bt663m for 2Q26 (-69% yoy, -24% qoq), while core earnings (Bt46m) was well below our and market forecasts, dragged by a) weaker earnings of QPL, Paju and SBPL, and b) lower contribution from the Yunlin wind farm.
- 2H26 earnings should improve on seasonally stronger Laos hydropower during the rainy season, together with improving US assets.
- Downgrade to HOLD, with a target price of Bt135.00. EGCO's share price has risen by around 11% since our Jun 26 BUY upgrade, with upside having narrowed.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	yoy %	qoq %	1H26	1H25	Yoy %
Net turnover	9,670	11,360	9,509	(15)	2	19,179	22,198	(14)
Equity income	1,625	2,243	1,519	(28)	7	3,144	4,397	(28)
Forex gain/(loss)	395	995	209	(60)	89	604	337	79
Net profit	663	2,157	875	(69)	(24)	1,538	5,734	(73)
Core profit	46	1,895	970	(98)	(95)	1,016	3,504	(71)
EPS	1.26	4.10	1.66	(69)	(24)	3	10.89	(73)

Source: Electricity Generating Company, UOB Kay Hian

Analysis

- **Weaker-than-expected 2Q26 earnings.** Electricity Generating Company (EGCO) reported 2Q26 net profit of Bt663m (-69% yoy, -24% qoq), while core profit of just Bt46m was significantly below our Bt650m estimate and market expectations, mainly due to weaker contributions from QPL, Paju, SBPL and Yunlin. 1H26 core earnings declined 71% yoy to Bt1.0b.
- **Several key assets reported weaker contributions.** Despite improving contributions from Linden, Xayaburi Hydro power plant (XPCL) and BLCP power plant (BLCP), EGCO's 2Q26 earnings were pressured by the lower tariff under Quezon Power's (QPL) new power supply agreement (PSA), which commenced in Oct 25,lower electricity sales at Paju and SBPL, and disappointing contribution from Yunlin wind farm in Taiwan (a loss of Bt671m, below management's guidance of Bt500m).

Key Financials

Year to 31 Dec (Bt m)	2024	2025	2026F	2027F	2028F
Net turnover	40,317.0	32,085.7	34,755.8	26,970.0	27,220.0
EBITDA	11,041.9	4,486.1	6,100.4	7,227.0	7,939.2
Operating profit	7,887.2	1,960.7	3,875.0	4,382.0	5,093.2
Net profit (rep./act.)	5,411.5	4,727.4	3,951.4	5,696.9	6,264.2
Net profit (adj.)	9,283.5	4,439.4	3,951.4	5,696.9	6,264.2
EPS	17.6	8.4	7.5	10.8	11.9
PE (x)	7.4	15.5	17.4	12.1	11.0
P/B (x)	0.7	0.7	0.7	0.7	0.6
EV/EBITDA (x)	14.0	32.5	26.5	22.3	21.2
Dividend yield (%)	5.0	5.0	5.0	5.0	5.0
Net margin (%)	13.4	14.7	11.4	21.1	23.0
Net debt/(cash) to equity(%)	81.6	77.2	92.2	90.1	94.4
Interest cover (x)	1.6	1.5	1.3	1.5	1.5
ROE (%)	5.3	4.7	3.9	5.6	6.1
Consensus net profit	n.a	n.a	6,229.1	6,586.7	6,877.7
UOBKH/Consensus (x)	n.a	n.a	0.6	0.9	0.9

Source: Electricity Generating Company, Bloomberg, UOB Kay Hian

Analyst(s)

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HOLD (Maintained)

Share Price	Bt130.50
Target Price	Bt135.00
Upside	3.4%
Previous TP	Bt135

Stock Data

Sector	Utilities
Bloomberg ticker	EGCO TB
Shares issued (m)	526.5
Market cap (Btm)	62,386.1
Market cap (US$m)	1,920.3
3-mth avg daily t'over (US$m)	3.0

Price Performance (%)

52-week high/low: Bt138.0/Bt100.0

1mth	3mth	6mth	1yr	YTD
1.7	9.7	1.7	12.9	4.0

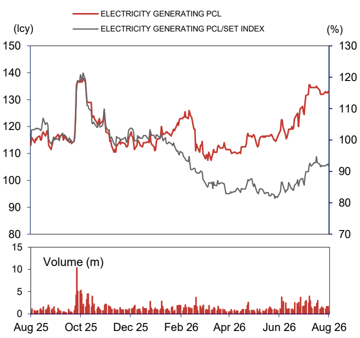
Major Shareholders (%)

EGAT	25.41
TEPDIA Generating B.V.	22.42

Balance Sheet Metrics

FY26 NAV/Share (Bt)	190.6
FY26 Net Debt/Share (Bt)	175.8

Price Chart



Source: Bloomberg

Company Description

EGCO is the first independent power producer in Thailand to be established on May 1992, through the partial privatisation of the state enterprise, the Electricity Generating Authority of Thailand (EGAT). EGCO now operates 4,260MW power plant in Thailand an.

- **Expect a recovery in 2H26.** We expect earnings to recover from the low 2Q26 base, supported by seasonally stronger contributions from Laos hydropower plants, particularly XPCL and NT1PC on higher rainy-season water flows, together with improving contributions from US assets
- **Long-term investment thesis remains intact.** We remain positive on EGCO's contracted asset base, particularly QPL and SBPL, while strong Philippine power demand and limited policy-driven coal retirement support their long-term utilisation. We believe the 2Q26 earnings weakness does not materially change our longer-term view.

Valuation/Recommendation

- **Downgrade to HOLD with an unchanged price target of Bt135.00..** Since our BUY upgrade on 17 Jun 26, EGCO's share price has risen by around 11%, narrowing upside to our target price. Despite our earnings cuts, we maintain our target price as our DDM valuation is based on the long-term dividend outlook, which remains intact. Despite the near-term earnings downgrade, EGCO continues to offer an attractive dividend yield of around 5.0%, providing downside support.

Earnings Revision/Risk

- **Cut 2026-27 earnings forecasts**. We lower our 2026 net profit forecast by 36% to Bt4.0b from Bt6.2b, mainly to reflect the weak 1H26 performance and slower-than-expected recovery across several assets. We also trim 2027 earnings forecast by 8% to Bt5.7b.

Share Price Catalyst

- 2H26 seasonal recovery in Laos hydropower earnings.
- Yunlin offshore wind turnaround.
- Earnings contribution/asset recycling from new investments

Environment, Social, Governance (ESG) Updates

Environmental

- EGCO has goals to become carbon neutral by 2040 and to curb carbon emission intensity by 10% by 2030. The company plans to increase electricity generated from renewable energy to 30% by 2030.

Social

- EGCO is a prominent Thai company committed to sustainability, with a strong focus on communities and the environment. The company aims to create a positive impact and foster mutual growth between its power plants, the environment and local communities. EGCO undertakes various initiatives to enhance the quality of life in surrounding communities, including special projects, educational materials on energy and environmental conservation, and open house events at its power plant

Governance

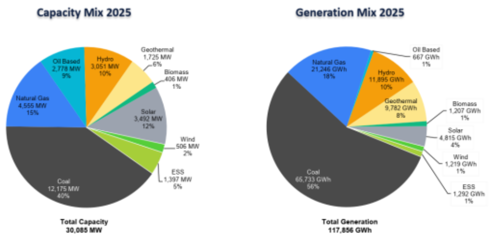
- EGCO received an "Excellent - 5 Star" CG score by the Thai Institute of Directors our text here

2Q26 Equity Income

	2Q26 (Btm)	2Q25 (Btm)	1Q26 (Btm)	yoy %Chg	qoq %Chg
BLCP	246	219	14	12	1,657
KPG	293	270	260	9	13
NED	17	20	20	(15)	(15)
NTPC	536	520	441	3	22
Paju	(132)	291	184	(145)	(172)
SBPL	236	340	253	(31)	(7)
XPCL	108	74	165	46	(35)
Liden	131	196	325	(33)	(60)
yunlijn	(671)	-419	(174)	60	286
Apex	362	304	(363)	19	(200)
NT1PC	71	(110)	(294)	(165)	(124)
Compass	147	152	305	(3)	(52)
CDI	3	404	90	(99)	(97)
MME	3	(7)	(12)	(143)	(125)

Source: UOB Kay Hian

Philippines Electricity Capacity



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**32,086**	**34,756**	**26,970**	**27,220**
EBITDA	4,486	6,100	7,227	7,939
Deprec. & amort.	2,525	2,225	2,845	2,846
EBIT	1,961	3,875	4,382	5,093
Associate contributions	4,961	5,733	7,564	7,865
Net interest income/(expense)	(2,917)	(4,650)	(4,800)	(5,200)
Pre-tax profit	**4,005**	**4,958**	**7,146**	**7,758**
Tax	(1,454)	(992)	(1,429)	(1,474)
Minorities	2	(15)	(20)	(20)
Net profit	**4,727**	**3,951**	**5,697**	**6,264**
Net profit (adj.)	4,439	3,951	5,697	6,264

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	37,473	35,248	32,403	29,557
Other LT assets	134,363	145,896	148,941	160,427
Cash/ST investment	30,482	16,321	17,720	11,963
Other current assets	19,389	24,453	26,889	28,465
Total assets	**221,707**	**221,917**	**225,953**	**230,412**
ST debt	24,109	25,453	26,797	28,140
Other current liabilities	6,624	5,258	5,358	5,575
LT debt	83,401	83,401	83,401	83,401
Other LT liabilities	7,527	7,215	7,512	7,548
Shareholders' equity	99,793	100,322	102,597	105,439
Minority interest	253	268	288	308
Total liabilities & equity	**221,707**	**221,917**	**225,953**	**230,412**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**8,093**	**(10,013)**	**5,051**	**(1,768)**
Pre-tax profit	4,005	4,958	7,146	7,758
Tax	(1,454)	(992)	(1,429)	(1,474)
Deprec. & amort.	2,525	2,225	2,845	2,846
Associates	2	(15)	(20)	(20)
Working capital changes	3,818	(6,742)	(2,039)	(1,323)
Other operating cashflows	(804)	(9,448)	(1,452)	(9,555)
Investing	**7,200**	**(2,085)**	**(1,593)**	**(1,931)**
Capex (growth)	4,636	0	0	0
Investments	817	(1,524)	(1,484)	(2,131)
Others	1,747	(561)	(109)	200
Financing	**(22,423)**	**(2,063)**	**(2,058)**	**(2,059)**
Dividend payments	(3,422)	(3,422)	(3,422)	(3,422)
Loan repayment	(18,987)	1,344	1,344	1,343
Others/interest paid	(14)	15	20	20
Net cash inflow (outflow)	**(7,130)**	**(14,162)**	**1,400**	**(5,758)**
Beginning cash & cash equivalent	**35,438**	**30,482**	**16,321**	**17,720**
Ending cash & cash equivalent	**28,308**	**16,321**	**17,720**	**11,963**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.0	17.6	26.8	29.2
Pre-tax margin	12.5	14.3	26.5	28.5
Net margin	14.7	11.4	21.1	23.0
ROA	2.2	1.8	2.6	2.9
ROE	4.7	3.9	5.6	6.1
Growth				
Turnover	(9.7)	(2.2)	(24.1)	(23.4)
EBITDA	(53.1)	(36.2)	(24.4)	(17.0)
Pre-tax profit	(49.2)	(37.1)	(9.3)	(1.5)
Net profit	(77.6)	(81.2)	(73.0)	(70.3)
Net profit (adj.)	(52.2)	(11.0)	44.2	10.0
EPS	(51.7)	(57.0)	(38.0)	(31.9)
Leverage				
Debt to total capital	107.5	108.2	107.1	105.5
Debt to equity	107.7	108.5	107.4	105.8
Net debt/(cash) to equity	77.2	92.2	90.1	94.4
Interest cover	1.5	1.3	1.5	1.5

UOBKayHian

Company – Results | Thailand

Monday, 17 August 2026

Star Petroleum Refining (SPRC TB)

2Q26: Strong Rally Leaves Limited Upside

Highlights

- 2Q26 core profit rose 315% yoy to Bt7.2b, in line with our forecast, supported by strong market GRM of US$23.73/bbl and normalised refinery operations.
- GRM should normalise in 2H26 amid high crude premiums and rising Chinese product exports while government diesel intervention remains a headwind.
- Downgrade to HOLD with a target price of Bt12.00. SPRC has rallied 59% since our BUY upgrade on 18 May, leaving limited upside despite solid fundamentals.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	yoy %	qoq%	1H26	1H25	yoy %
Net turnover	83,417	58,509	51,987	43	60	135,403	122,806	10
Core EBITDA	9,947	1,486	2,989	569	233	12,936	3,094	318
Inventory gain/(loss)	(324)	(1,683)	5,640	(81)	(106)	5,316	(1,450)	N/A
Net Profit	6,917	(812)	7,367	(951)	(6)	14,284	(99)	N/A
EPS	1.6	(0.2)	1.7	N/A	(6)	3.3	(.0)	N/A
Core profit/(loss)	7,175	490	1,728	1,363	315	8,903	1,016	776

Source: Star Petroleum Refining, UOB Kay Hian

Analysis

- **2Q26 core profit in line with expectations.** Core profit (excluding inventory/LCM) came in at Bt7.2b, in line with our and market forecasts, while reported net profit was Bt6.9b. 1H26 core profit was Bt8.9b, up 776% yoy, accounting for 67% of our full-year forecast. All operating numbers were in line with our estimates.
- **Strong operations.** Market GRM surged to US$23.70/bbl from US$12.80/bbl in 1Q26, in line with our assumption. Utilisation of 85.4% (up from 63% in 1Q26) while opex also normalised sharply to US$1.60/bbl from US$4.80/bbl following the turnaround in 1Q26. Stock gain of US$10.60/bbl was largely offset by an LCM loss of US$11.40/bbl, while diesel price intervention and export restrictions had a combined impact of US$48.4m (Bt1.6b) in 2Q26.

Key Financials

Year to 31 Dec (Bt m)	2024	2025	2026F	2027F	2028F
Net turnover	270,605.5	241,882.2	265,252.7	303,565.6	316,023.2
EBITDA	5,058.7	5,807.5	20,207.0	10,262.3	10,441.3
Operating profit	1,474.3	2,366.3	16,557.0	6,462.3	6,641.3
Net profit (rep./act.)	2,234.9	2,416.3	13,141.6	5,099.8	5,275.0
Net profit (adj.)	2,170.9	4,130.3	13,141.6	5,099.8	5,275.0
EPS	0.5	1.0	3.0	1.2	1.2
PE (x)	22.8	12.0	3.8	9.7	9.4
P/B (x)	1.3	1.3	1.0	0.9	0.9
EV/EBITDA (x)	11.2	8.9	2.1	4.2	4.0
Dividend yield (%)	3.5	3.5	9.6	5.3	4.4
Net margin (%)	0.8	1.0	5.0	1.7	1.7
Net debt/(cash) to equity(%)	18.0	5.6	(15.6)	(11.6)	(14.4)
Interest cover (x)	11.9	22.5	53.2	25.7	29.0
ROE (%)	5.8	6.3	29.6	11.2	11.2
Consensus net profit	n.a	n.a	12,271.5	5,535.2	6,999.1
UOBKH/Consensus (x)	n.a	n.a	(0.1)	0.0	0.0

Source: Star Petroleum Refining, Bloomberg, UOB Kay Hian

Analyst(s)

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HOLD (Downgraded)

Share Price	Bt11.40
Target Price	Bt12.00
Upside	5.4%
Previous TP	Bt12.00

Stock Data

Sector	Energy
Bloomberg ticker	SPRC TB
Shares issued (m)	4,335.9.
Market cap (Btm)	30,784.9
Market cap (US$m)	920.8
3-mth avg daily t'over (US$m)	5.2

Price Performance (%)

52-week high/low Bt11.40)/Bt4.38)

1mth	3mth	6mth	1yr	YTD
25.3	59.4	54.1	143.6	91.5

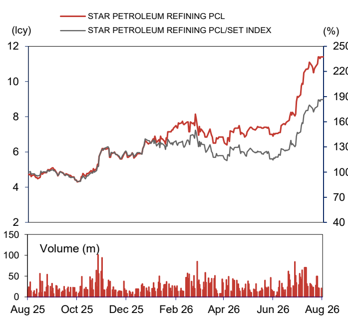
Major Shareholders (%)

CHEVRON SOUTH ASIA HOLDINGS	60.6
NVDR	4.1

Balance Sheet Metrics

FY26 NAV/Share (Bt)	11.6
FY26 Net Debt/Share (Bt)	(1.8)

Price Chart



Source: Bloomberg

Company Description

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

- **Interim dividend of Bt0.50/share**. SPRC announced an interim DPS of Bt0.50, implying a 4.4% yield (XD on 28 Aug 26). This number is in line with our expectation.
- **Earnings to normalise from an exceptional 2Q26.** SPRC's 2Q26 market GRM reached an exceptionally strong US$23.730/bbl. We expect earnings to normalise qoq in 3Q26 at Bt4.0b as crude premiums remain strong and Chinese product exports increase. Nevertheless, we expect refining margins to remain healthy by historical standards, supported by limited new refining capacity and continued supply discipline. We also expect a minimal impact of Bt1.2b in 3Q26 from the second round of the diesel cap (July - 15 Sep 26)
- **Fundamentals remain healthy, but catalysts are increasingly priced in.** We continue to expect market GRM to remain above US$10/bbl in 2H26 and at healthy levels in 2027, supported by limited new refining capacity and continued supply discipline. The Bt0.50/share interim dividend also provides near-term support. However, we believe these positives have already priced in the current valuation.

Valuation/Recommendation

- **Downgrade to HOLD with an unchanged target price of Bt12.00.** We downgrade SPRC to HOLD from BUY while maintaining our target price at Bt12.00. The share price has risen 59% since our BUY upgrade on 18 May and is now only 5% below our target price. While we remain constructive on refining fundamentals, we believe most near-term positives are already priced in.
- **GRM sensitivity** Every US$1/bbl change in GRM would impact SPRC's annual core earnings by Bt700m-900m, highlighting strong earnings leverage to refining margins.

Earnings Revision/Risk

- None.

Share Price Catalyst

- 3Q26: Strong diesel and jet crack spreads

Environment, Social, Governance (ESG) Updates

Environmental

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

Social

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

Governance

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

Key Statistics

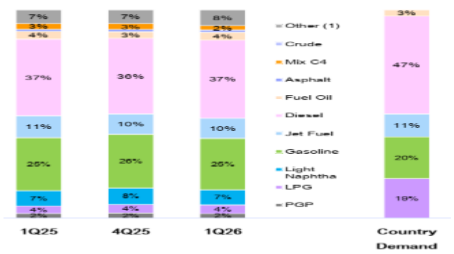
	2Q26	2Q25	1Q26
US$/bbl			
GRM	23.73	5.14	12.81
Inventory gain/(loss)	(0.73)	(3.44)	22.30
Total GRM	**23.0**	**1.7**	**35.1**

Source: SPRC, UOB Kay Hian

SINGAPORE GRM

Source: UOB Kay Hian

Production Yield



Source: SPRC

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**241,882**	**265,253**	**303,566**	**316,023**
EBITDA	5,807	20,207	10,262	10,441
Deprec. & amort.	3,441	3,650	3,800	3,800
EBIT	2,366	16,557	6,462	6,641
Total other non-operating income	851	250	350	350
Net interest income/(expense)	(258)	(380)	(400)	(360)
Pre-tax profit	**2,960**	**16,427**	**6,412**	**6,631**
Tax	(544)	(3,285)	(1,312)	(1,356)
Minorities	0	0	0	0
Net profit	**2,416**	**13,142**	**5,100**	**5,275**
Net profit (adj.)	4,130	13,142	5,100	5,275

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	21,037	19,887	18,587	17,287
Other LT assets	4,688	5,108	5,182	5,431
Cash/ST investment	976	10,938	9,242	11,156
Other current assets	33,179	36,998	43,417	46,944
Total assets	**59,880**	**72,931**	**76,428**	**80,818**
ST debt	1,356	1,356	1,356	1,356
Other current liabilities	17,095	18,179	18,979	20,112
LT debt	1,750	1,750	1,750	1,750
Other LT liabilities	3,176	2,950	2,999	2,999
Shareholders' equity	37,915	50,113	52,762	56,019
Total liabilities & equity	**61,293**	**74,349**	**77,846**	**82,236**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**10,626**	**13,192**	**3,416**	**6,602**
Pre-tax profit	3,113	16,427	6,562	6,781
Tax	(544)	(3,285)	(1,312)	(1,356)
Deprec. & amort.	3,441	3,650	3,800	3,800
Working capital changes	3,787	(2,735)	(5,619)	(2,394)
Other operating cashflows	828	(864)	(15)	(229)
Investing	**(1,983)**	**(2,287)**	**(2,510)**	**(2,520)**
Capex (growth)	(2,179)	(2,500)	(2,500)	(2,500)
Others	195	213	(10)	(20)
Financing	**(8,242)**	**(943)**	**(2,602)**	**(2,168)**
Dividend payments	(1,301)	(4,769)	(2,602)	(2,168)
Proceeds from borrowings	(4,486)	0	0	0
Others/interest paid	(2,455)	3,826	0	0
Net cash inflow (outflow)	**401**	**9,962**	**(1,696)**	**1,914**
Beginning cash & cash equivalent	**575**	**976**	**10,938**	**9,242**
Ending cash & cash equivalent	**976**	**10,938**	**9,242**	**11,156**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	2.4	7.6	3.4	3.3
Pre-tax margin	1.2	6.2	2.1	2.1
Net margin	1.0	5.0	1.7	1.7
ROA	4.2	20.5	7.8	7.8
ROE	6.3	29.6	11.2	11.2
Growth				
Turnover	15.6	26.8	45.1	51.1
EBITDA	23.2	328.8	117.8	121.6
Pre-tax profit	5.6	485.9	128.7	136.5
Net profit	6.8	480.6	125.3	133.1
Net profit (adj.)	90.3	218.2	(61.2)	3.4
EPS	27.1	304.5	57.0	62.4
Leverage				
Debt to total capital	8.2	6.2	5.9	5.6
Debt to equity	8.2	6.2	5.9	5.6
Net debt/(cash) to equity	5.6	(15.6)	(11.6)	(14.4)
Interest cover	22.5	53.2	25.7	29.0

Thaifoods Group Plc (TFG TB)

2Q26: Brighter Outlook Ahead

Highlights

- TFG reported a 2Q26 core profit of Bt1,380m (-46.6% yoy, -27% qoq), mainly pressured by a lower gross profit margin.
- We expect 2H26 earnings to strongly recover yoy and qoq, on the back of rising domestic livestock prices, healthy margins in Vietnam, and ongoing retail expansion. Maintain BUY with a target price of Bt12.40.

2Q26 Results

Year to 31 Dec (Btm)	2Q26	2Q25	1Q26	yoy%	qoq%
Sales	18,351	18,776	17,588	-2.3%	4.3%
Gross Profit	3,386	4,511	3,813	-24.9%	-11.2%
Pre-tax Profit	1,693	3,051	2,347	-44.5%	-27.9%
Net Profit	1,474	2,552	2,047	-42.2%	-28.0%
Core Profit	1,380	2,587	1,891	-46.6%	-27.0%
EPS (Bt)	0.25	0.44	0.35	-42.2%	-28.0%
(%)	**2Q26**	**2Q25**	**1Q26**	**yoy%**	**qoq%**
Gross Margin (%)	18.5%	24.0%	21.7%	-5.6%	-3.2%
SG&A/revenue (%)	9.7%	6.9%	8.8%	2.8%	0.9%
Net Margin (%)	7.9%	13.5%	11.5%	-5.5%	-3.5%

Source: Thaifoods Group Plc, UOB Kay Hian

Analysis

- **Earnings declined yoy and qoq as expected.** Thaifoods Group (TFG) reported a 2Q26 net profit of Bt1.5b (-42.2% yoy, -28% qoq). Excluding one-off items, 2Q26 core profit came in at Bt1.4b (-46.6% yoy, -27% qoq). The key pressure was a lower gross profit margin. The earnings are in line with our estimates and the market.
- **Strong growth in retail business sales.** 2Q26 revenue came in at Bt18,351m (-2.3% yoy but +4.3% qoq). Sales from the poultry and swine businesses declined both yoy and qoq, driven by: a) lower ASPs in both Thailand and Vietnam, and b) lower sales volumes as a greater proportion of production was allocated to the retail business. Feed sales increased to Bt2,904m (+4% yoy and +12% qoq), and feed volume sales rose by 3.6% yoy and 7.2% qoq. Retail sales increased strongly to Bt8,756m (+29.5% yoy and +8.2% qoq), driving the retail sales contribution to 47.7% of total revenue. The number of branches reached 748 in 2Q26, vs 462 and 690 stores in 2Q25 and 1Q26, respectively.
- **Profitability declined due to lower livestock prices.** Gross profit margin came in at 18.5% in 2Q26 (vs 24% in 2Q25 and 21.7% in 1Q26). The key pressure was declining livestock prices.
- TFG announced a dividend of Bt0.225/share, implying a dividend yield of 2.3%. The ex-dividend date is 24 Aug 26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	65,481.7	72,810.4	79,974.8	83,582.2	86,570.0
EBITDA	8,374.4	13,308.0	13,449.5	13,979.1	14,551.6
Operating profit	4,755.7	9,689.6	9,501.1	10,019.6	10,475.2
Net profit (rep./act.)	3,143.8	7,440.8	7,439.6	7,911.4	8,330.1
Net profit (adj.)	3,465.5	7,577.7	7,231.8	7,703.6	8,122.2
EPS	0.6	1.3	1.2	1.3	1.4
PE (x)	16.8	7.7	8.0	7.6	7.2
P/B (x)	3.5	2.9	2.3	1.9	1.6
EV/EBITDA (x)	8.8	5.2	4.9	4.6	4.2
Dividend yield (%)	0.8	6.2	3.8	4.1	4.3
Net margin (%)	4.8	10.2	9.3	9.5	9.6
Net debt/(cash) to equity(%)	93.5	56.5	32.4	19.7	8.6
Interest cover (x)	8.3	17.3	13.9	15.0	16.3
ROE (%)	19.6	41.7	36.5	34.2	32.0
Consensus net profit	n.a	n.a	7,328.0	8,118.4	8,651.9
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	0.9

Analyst(s)

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BUY (Maintained)

Share Price	Bt9.50
Target Price	Bt12.40
Upside	30.5%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	TFG TB
Shares issued (m)	5,823.7
Market cap (Btm)	58,819.2
Market cap (US$m)	1,745.3
3-mth avg daily t'over (US$m)	6.5

Price Performance (%)

52-week high/low Bt11.3/Bt4.4

1mth	3mth	6mth	1yr	YTD
5.2	14.1	114.9	105.3	126.5

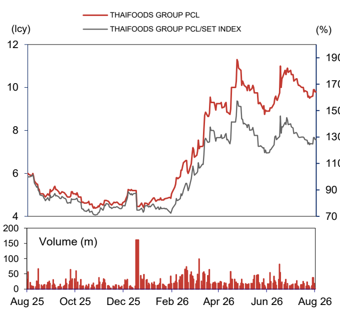
Major Shareholders (%)

New Star Victor CO LTD	31.74
BNP Parisbas (HK Branch)	20.01

Balance Sheet Metrics

FY26 NAV/Share (Bt)	4.3
FY26 Net Debt/Share (Bt)	1.4

Price Chart



Source: Bloomberg

Company Description

TFG operates an integrated operation, producing and distributing frozen and chilled chicken products, as well as animal feed, in both the domestic and international markets.

- **Positive tone from analyst meeting; maintaining a positive outlook for 2H26.**
  a) Revenue growth target is maintained at 10% yoy in 2026 and 10% yoy in 2027.
  b) Livestock prices are expected to bottom in 2Q26 and trend upward in 2H26, supported by improving demand and tighter supply. Swine prices are expected to reach Bt75–76/kg, while chicken prices are also expected to increase.
  c) Corn prices have been trending down qoq, while the expected increase in US corn imports at a competitive price of Bt9–9.50/kg should further dilute domestic corn prices. In addition, TFG has locked in soybean meal supply through to 3Q27.
  d) Retail business: TFG raised its 2026 retail shop target to 875 shops from 850 previously, and expects to add another 200–250 shops in 2027. Management expects retail revenue to account for more than 50% of total revenue in 2H26. Retail profitability should also improve as the company expands its SKU mix toward higher-margin products,
  e) Export sales remain positive, with stronger demand expected from the EU and Japan markets. Chicken production is expected to increase hoh in 2H26, while capacity is projected to expand by another 15% in 2027. The company will continue to focus on expanding processed chicken products, which carry higher margins.
  f) Its Vietnam business should provide longer-term upside. The feed factory in Vietnam is expected to commence operations in 3Q26, which should support gross profit margin improvement. The chicken farming business has also started operations, although its contribution remains insignificant at this stage and should be more meaningful over the longer term. Vietnam swine prices are expected to recover in 4Q26, supported by seasonality and still-low supply.

  Overall, we remain positive on TFG's 2H26 outlook, driven by the upward trend in livestock prices in both Thailand and Vietnam, higher production capacity, and lower raw material costs, which should support wider spreads. The retail business remains the key growth driver, while higher livestock prices should provide additional support to both retail SSSG and margins.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt12.40.** We adopt the PE valuation method and peg the stock to 10x 2026F PE, the forward PE of industry's five-year mean.

Share Price Catalyst

- Recovery in domestic swine and broiler ASPs, and lower raw material costs, resumption of the retail expansion plan.
- Supportive government stimulus measures, particularly the Thai Chuay Thai copayment scheme, which is expected to boost domestic consumption, sustain livestock demand and prices, and support overall spending on food products.

Environment, Social, Governance (ESG) Updates

CG Report: 5

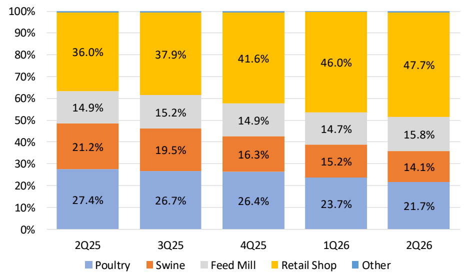
SET ESG Rating: Non-rated.

Environmental: Net zero. TFG aims to be a Net Zero company by 2065. It conducts business with a commitment to the efficient use of resources, ensuring operations are environmentally friendly and comply with legal requirements.

Social: TFG is working to improve many dimensions of social responsibility.

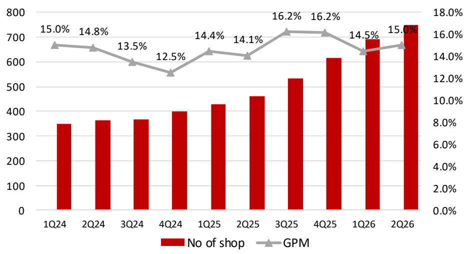
Governance: The company has established a governance committee to ensure that its operations comply with applicable laws and international standards, while maintaining regular communication with stakeholders

Sales Contribution



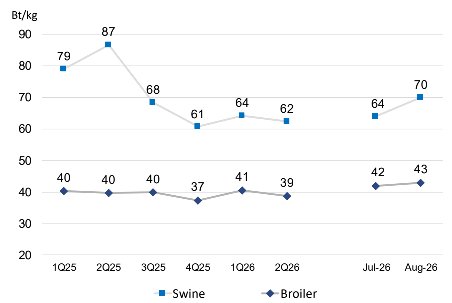
Source: TFG, UOB Kay Hian

Retail Business



Source: UOB Kay Hian

Domestic Livestock Prices Trend



Source: UOB Kay Hian

Swine Prices In Vietnam

Source: PIG333

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**72,810**	**79,975**	**83,582**	**86,570**
EBITDA	13,308	13,449	13,979	14,552
Deprec. & amort.	3,618	3,948	3,960	4,076
EBIT	9,690	9,501	10,020	10,475
Total other non-operating income	0	0	0	0
Associate contributions	20	20	20	20
Net interest income/(expense)	(771)	(971)	(931)	(891)
Pre-tax profit	**8,939**	**8,550**	**9,109**	**9,604**
Tax	(1,364)	(1,366)	(1,452)	(1,529)
Minorities	(4)	(5)	(5)	(5)
Preferred dividends	0	0	0	0
Net profit	**7,441**	**7,440**	**7,911**	**8,330**
Net profit (adj.)	7,578	7,232	7,704	8,122

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	17,132	16,320	16,360	17,284
Other LT assets	8,848	9,876	9,964	10,037
Cash/ST investment	4,818	3,961	6,124	9,109
Other current assets	17,050	22,488	25,316	27,726
Total assets	**47,848**	**52,645**	**57,763**	**64,155**
ST debt	11,922	7,555	7,626	7,698
Other current liabilities	8,162	10,292	9,577	9,892
LT debt	4,251	4,558	4,558	4,558
Other LT liabilities	3,322	4,935	5,150	5,315
Shareholders' equity	20,086	25,189	30,730	36,565
Minority interest	(2)	(2)	(2)	(2)
Total liabilities & equity	**47,848**	**52,645**	**57,763**	**64,155**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**13,315**	**8,553**	**9,140**	**11,092**
Pre-tax profit	7,445	8,810	9,369	9,864
Tax	1,364	1,366	1,452	1,529
Deprec. & amort.	3,657	3,948	3,960	4,076
Associates	0	0	0	0
Working capital changes	(1,668)	(5,186)	(5,119)	(3,739)
Non-cash items	0	(395)	(521)	(638)
Other operating cashflows	2,517	10	0	0
Investing	**(3,250)**	**(4,000)**	**(4,000)**	**(5,000)**
Capex (growth)	(2,990)	(4,000)	(4,000)	(5,000)
Capex (maintenance)	0	0	0	0
Investments	0	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	(259)	0	0	0
Financing	**(9,776)**	**(5,410)**	**(2,977)**	**(3,106)**
Dividend payments	(3,636)	(2,233)	(2,375)	(2,501)
Issue of shares	49	(108)	0	0
Proceeds from borrowings	(662)	307	0	0
Loan repayment	(621)	416	132	123
Others/interest paid	(4,907)	(3,792)	(735)	(728)
Net cash inflow (outflow)	**290**	**(857)**	**2,163**	**2,986**
Beginning cash & cash equivalent	**4,907**	**4,818**	**3,961**	**6,124**
Changes due to forex impact	(330)	0	0	0
Ending cash & cash equivalent	**4,867**	**3,961**	**6,124**	**9,109**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	18.3	16.8	16.7	16.8
Pre-tax margin	12.3	10.7	10.9	11.1
Net margin	10.2	9.3	9.5	9.6
ROA	15.9	15.1	15.3	15.2
ROE	41.7	36.5	34.2	32.0
Growth				
Turnover	39.2	52.8	59.7	65.4
EBITDA	44.9	46.5	52.2	58.5
Pre-tax profit	47.1	40.7	49.9	58.0
Net profit	57.6	57.6	67.5	76.4
Net profit (adj.)	118.7	(4.6)	6.5	5.4
EPS	43.1	36.6	45.5	53.4
Leverage				
Debt to total capital	80.5	48.1	39.6	33.5
Debt to equity	80.5	48.1	39.6	33.5
Net debt/(cash) to equity	56.5	32.4	19.7	8.6
Interest cover	17.3	13.9	15.0	16.3

UOBKayHian

Company – Update | Thailand

Monday, 17 August 2026

Plan B Media (PLANB TB)

Brighter 2H26 Outlook Driven by High Season

Highlights

- We remain positive on PLANB's 2H26 outlook as it will be the high season for advertising media, supported by both the OOH and engagement marketing businesses.
- PLANB could see significant earnings upside from recognising COM7's profit under the equity method.
- Maintain BUY with a target price of Bt6.80.

Analysis

- **Analyst meeting after 2Q26 results.** The tone during the meeting was neutral.
  - a) **Engagement marketing to drive 3Q26 growth.** Plan B Media (PLANB) is expected to deliver modest revenue growth of Bt2.7b in 3Q26 (+18% yoy, +6% qoq), driven primarily by its engagement marketing business. Out-of-home (OOH) revenue is projected at Bt2.0b (+4% yoy, +3% qoq), with a utilisation rate of around 75%, while engagement marketing revenue is expected to reach Bt730m (+78% yoy, +17% qoq). Gross profit margin is anticipated to remain stable at 32-33%. Hence, we expect to 3Q26 earnings to increase yoy and qoq.
  - b) **COM7 synergy investment update.** PLANB expects synergies from its investment in COM7 to start emerging in 4Q26, driven by advertising media opportunities across COM7's business, including retail shops fort BaNANA IT and EV7 cars. The company expects the partnership to expand its media capacity and create cross-selling opportunities, while also enhancing data analytics capabilities through access to COM7's customer base.
  - c) **COM7 investment offers potential earnings upside.** PLANB has nominated two directors to COM7's board, with the EGM scheduled for 17 Sep 26. If the nominations are approved, PLANB is expecting a significant earnings increase because PLANB will be able to recognise its share of COM7's earnings under the equity method, subject to meeting the relevant accounting requirements. The potential contribution from COM7 has not yet been factored into our valuation.

Key Financials

Year to 31 Dec (Btm)	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)

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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

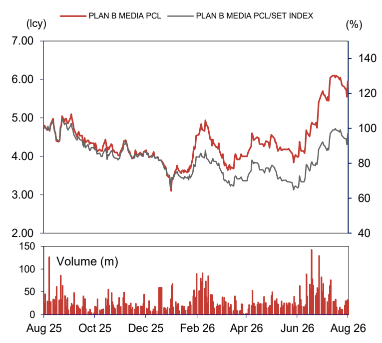
Major Shareholders (%)

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 2H26 earnings outlook.** We remain positive on PLANB's 2H26 outlook, supported by both the OOH and engagement marketing businesses. OOH revenue is expected to increase qoq in both 3Q26 and 4Q26, in line with seasonal advertising demand and expanding media capacity, which should support profitability through operating leverage from a higher utilisation rate. In addition, the boxing business is expected to maintain its positive momentum, supported by a higher utilisation rate at Rajadamnern Muay Thai Stadium.

2Q26 Results Recap

Year to 31 Dec (Btm)	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

- **Results recap.** 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 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.
- PLANB announced a dividend of Bt0.0435/share, implying a dividend yield of 0.8%. The ex-dividend date is 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).

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

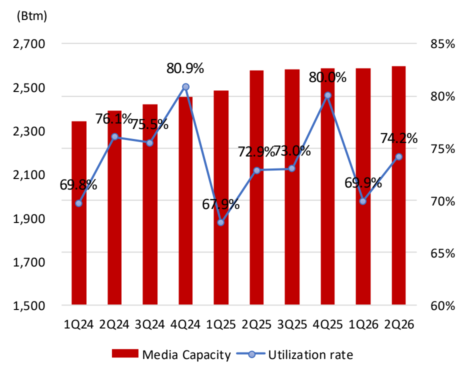
- PLANB has established a business structure, management system, and governance framework that align with the good governance principles of the Stock Exchange of Thailand.

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**	

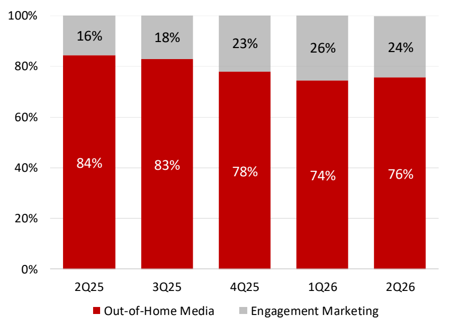
Source: PLANB, UOB Kay Hian

Media Utilisation Rate



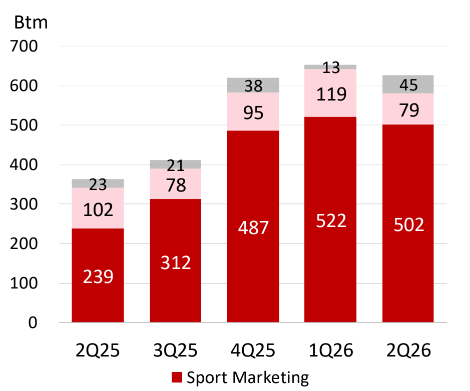
Source: PLANB, UOB Kay Hian

Revenue Breakdown



Source: PLANB, UOB Kay Hian

Engagement Marketing Revenue



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

Praram 9 Hospital (PR9 TB)

Clearer Positive Signs On 2H26 Outlook

Analyst(s)

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Assistant Analyst(s)

Nonpawit Vathanadachakul

BUY (Maintained)

Share Price	Bt17.90
Target Price	Bt24.60
Upside	+37.4%

Stock Data

Sector	Health Care
Bloomberg ticker	PR9 TB
Shares issued (m)	786.3
Market cap (Btm)	14,074.8
Market cap (US$m)	424.7
3-mth avg daily t'over (US$m)	1.7

Price Performance (%)

52-week high/low: Bt25.25/Bt15.70

1mth	3mth	6mth	1yr	YTD
2.9	13.3	(8.7)	(27.8)	(4.3)

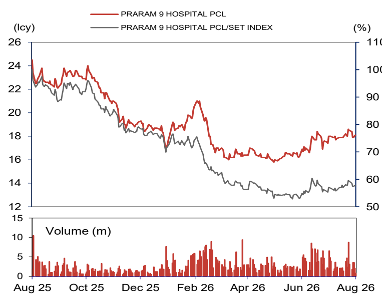
Major Shareholders (%)

Damapong Family	37.3
Thai NVDR	3.3

Balance Sheet Metrics

FY26 NAV/Share (Bt)	8.07
FY26 Net Debt/ Share (Bt)	1.12

Price Chart



Source: Bloomberg

Company Description

Praram 9 Hospital provides medical services that include check-ups, diagnoses, skincare, rehabilitation, X-rays, and surgeries, as well as treatment of joint diseases, kidneys, high blood pressure, cancer, diabetes, neurology, vertigo, and headaches. The hospital serves patients mostly from Thailand.

Highlights

- We attended PR9's analyst meeting to review its 2Q26 results and the tone was positive
- PR9's performance in Jul 26 was very strong across all segments, which has resulted in management revising up the 2026 growth guidance.
- We remain optimistic on PR9 for its strong 2H26 earnings outlook with its robust performance in Jul 26 affirming our view. PR9 remains one of our top picks. Maintain BUY with a target price of Bt24.60.

Analysis

- **Positive tone during analyst meeting.** We attended Praram 9 Hospital's (PR9) analyst meeting to review its 2Q26 results and the tone was positive.
- **Outstanding performance in Jul 26.** Management noted strong positive momentum from all patient segments in Jul 26. Foreign patient revenue continued show a double-digit growth yoy, while Thai patients have started to return, resuming a yoy revenue growth. After the insurance payor revenue dropped in 1Q26, we have seen a strong rebound in 2Q26 at +20.2% yoy, and the strong growth momentum has continued into Jul 26. The epidemic which emerged in Jul 26 is also a strong supporting factor. Hence, management is satisfied with the earnings outlook for 3Q26.
- **More confident with 2026 guidance.** PR9 previously guided for low- to mid-single-digit yoy top-line growth in 2026, reflecting the impact of the Middle East war. After seeing an exceptional performance in Jul 28, management now believes top-line growth should come in at the upper bound of its guidance. The key driver will be foreign patient revenue which should show double-digit growth yoy, while Thai patient revenue should show low single-digit growth yoy. Foreign patient revenue grew a promising 10.8% yoy in 2Q26, driven mainly by Middle Eastern patients (+7.6% yoy) and CLMV patients (+31.5% yoy), with growth in the latter primarily driven by Myanmar patients. Moreover, management expects 2H26 earnings to be significantly stronger than 1H26's as: a) revenue drivers remain robust, and b) there will be no recurrence of the one-off SG&A items recorded in 2Q26. 1H26 net profit accounts for 44.8% of our full-year earnings forecast.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	4,635	5,277	5,574	6,021	6,516
EBITDA	1,114	1,276	1,399	1,544	1,710
Operating profit	808	963	1,067	1,198	1,345
Net profit (rep./act.)	713	823	880	987	1,107
Net profit (adj.)	713	823	880	987	1,107
EPS (Bt)	0.9	1.0	1.1	1.3	1.4
PE (x)	19.7	17.1	16.0	14.3	12.7
P/B (x)	2.6	2.4	2.2	2.0	1.9
EV/EBITDA (x)	11.8	10.3	9.4	8.5	7.7
Dividend yield (%)	2.2	2.8	3.1	3.5	3.9
Net margin (%)	15.4	15.6	15.8	16.4	17.0
Net debt/(cash) to equity (%)	(7.2)	(11.0)	(13.9)	(19.3)	(23.6)
Interest cover (x)	2,265.9	1,669.8	3,123.8	3,379.7	3,669.4
ROE (%)	13.6	14.5	14.4	14.8	15.2
Consensus net profit (Btm)	-	-	856	946	1,026
UOBKH/Consensus (x)	-	-	1.03	1.04	1.08

Source: Praram 9 Hospital, Bloomberg, UOB Kay Hian

- **Swift return of Middle Eastern patients.** The Middle East conflict in early--Mar 26 and the temporary closure of the Strait of Hormuz disrupted patient

QUARTERLY PERFORMANCE

travel to Thailand. Nevertheless, PR9's Middle East patient revenue grew a solid 10% yoy in 1Q26, supported by patients who remained in Thailand and were unable to return home. The recovery in 2Q26 was supported by the rapid resumption of Middle Eastern airline operations. As a result, Middle Eastern patient revenue in 2Q26 still grew by 7.6% yoy despite all the headwinds. Management indicated that Middle Eastern patient revenue continued to grow strongly yoy in Jul 26, marking a strong start to the seasonal peak in 3Q26.

- **Kuwait offers an opportunity in the budget-premium segment.** PR9 is positioned as a budget-premium healthcare provider, offering complex tertiary care comparable to BH and BDMS at 20-30% lower prices. As Middle Eastern governments tighten Guarantee of Payment (GOP) budgets and prioritise cost-effective healthcare providers, we believe PR9 is well positioned to capture additional referral volumes. Kuwait stands out as the most promising opportunity following reforms to its referral system aimed at improving cost efficiency. Kuwait has recently re-engaged with PR9 and resumed consultations on some cases, although official referrals remain on hold. We view this as a good sign of Kuwait referrals resuming soon.
- **Strong competitiveness through specialty care offerings.** PR9 is well recognised for its expertise in diabetic wound care and kidney transplantation, particularly among Middle Eastern patients. The number of kidney transplant cases increased both yoy and qoq in 2Q26, further underscoring the hospital's clinical excellence. PR9 also continues to enhance its capabilities in complex care through investments in advanced technologies, including the Da Vinci robotic surgical system introduced in 1Q26, which supports minimally invasive procedures across multiple specialties, including cancer surgery and hysterectomy.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt24.60.** Our valuation for PR9 is based on 2027 EV/EBITDA multiple of 12.0x (around the historical five-year mean multiple). We maintain PR9 as one of our top picks in the healthcare sector, with our optimism on a stronger 2H26 earnings outlook being affirmed by the robust performance in Jul 26. We see strong upside supported by several catalysts: a) Middle Eastern patient arrivals continued to gain momentum in Jul 26, with Kuwait poised to resume referrals, b) PR9 is also looking to raise treatment prices in 3Q26 to mitigate ongoing cost pressures, and c) margins should trend stronger in 2H26.

Environment, Social, Governance (ESG) Updates

Environmental

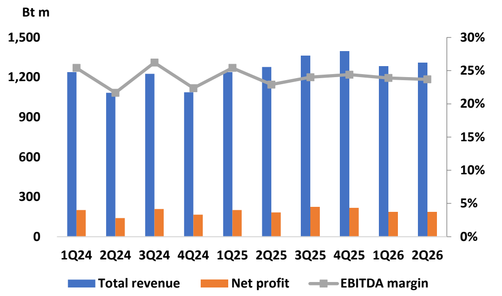
- **Energy efficiency and resource management.** PR9 continues to improve energy efficiency through the use of energy-saving equipment.
- **Waste management.** Follows strict medical waste disposal standards and promotes efficient use of water and other resources.

Social

- **Quality healthcare.** Focuses on specialized tertiary care and continues investing in advanced medical technologies to enhance patient outcomes.
- **People and community.** Provides continuous staff training and supports community health screening and education programs.

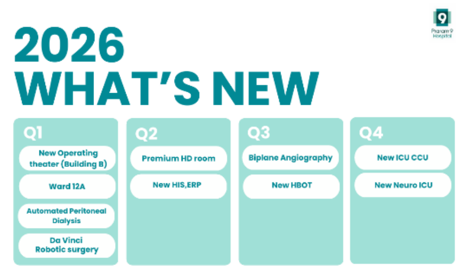
Governance

- **Corporate governance.** Maintains an independent board structure with dedicated committees overseeing governance, audit, and risk management.
- **Risk and compliance.** Implements enterprise risk management, anti-corruption policies, and transparent corporate disclosure practices.



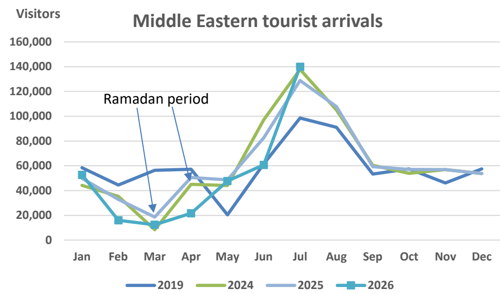
Source: PR9

2026 EXPANSION PIPELINE



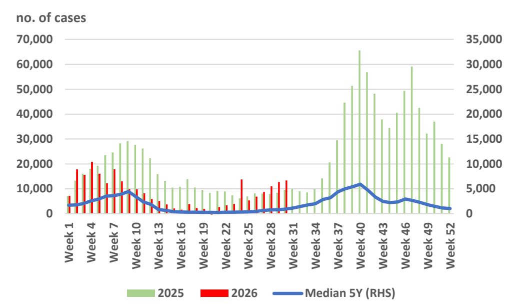
Source: PR9

MIDDLE EAST ARRIVALS



Source: Ministry of Tourism and Sports, UOB Kay Hian

NO. OF INFLUENZA CASES (1 JAN-25 JUL 26)



Source: Department of Disease Control, UOB Kay Hian

Profit & Loss

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	5,277	5,574	6,021	6,516
EBITDA	1,276	1,399	1,544	1,710
Deprec. & amort.	313	333	346	365
EBIT	963	1,067	1,198	1,345
Total other non-op. income	51	21	21	22
Associate contributions	0	0	0	0
Net interest income/(expense)	(1)	(0)	(0)	(0)
Pre-tax profit	**1,013**	**1,087**	**1,218**	**1,367**
Tax	(191)	(206)	(232)	(260)
Minorities	0	0	0	0
Net profit	823	880	987	1,107
Net profit (adj.)	**823**	**880**	**987**	**1,107**

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	3,475	3,626	3,668	3,716
Other LT assets	190	200	213	226
Cash/ST investment	661	888	1,352	1,794
Other current assets	2,702	2,839	3,036	3,252
Total assets	**7,027**	**7,553**	**8,268**	**8,988**
ST debt	7	5	6	6
Other current liabilities	873	923	997	1,078
LT debt	9	4	4	4
Other LT liabilities	262	277	299	324
Shareholders' equity	5,876	6,344	6,963	7,577
Minority interest	0	0	0	0
Total liabilities & equity	**7,027**	**7,553**	**8,268**	**8,988**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**816**	**1,088**	**1,211**	**1,337**
Pre-tax profit	1,013	1,087	1,218	1,367
Tax	(191)	(206)	(232)	(260)
Deprec. & amort.	313	333	346	365
Associates	(179)	20	38	43
Working capital changes	(140)	(107)	(161)	(178)
Non-cash items	0	(37)	0	0
Other operating cashflows	(176)	(479)	(378)	(402)
Investing	**(500)**	**(484)**	**(388)**	**(413)**
Capex (growth)	104	109	114	120
Investment	220	(104)	(105)	(109)
Others	(340)	(418)	(368)	(493)
Financing	**(351)**	**(411)**	**(440)**	**(493)**
Dividend payments	11	0	0	0
Proceeds from borrowings	0	(7)	0	0
Others/interest paid	0	0	72	0
Net cash inflow (outflow)	300	191	464	442
Beginning cash & cash equiv.	397	697	888	1,352
Ending cash & cash equiv.	**697**	**888**	**1,352**	**1,794**

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	24.2	25.1	25.6	26.2
Pre-tax margin	19.2	19.5	20.2	21.0
Net margin	15.6	15.8	16.4	17.0
ROA	12.3	12.1	12.5	12.8
ROE	14.5	14.4	14.8	15.2
Growth (% yoy)				
Turnover	13.8	5.6	8.0	8.2
EBITDA	14.5	9.7	10.4	10.7
Pre-tax profit	17.5	7.3	12.1	12.2
Net profit	15.4	7.0	12.1	12.2
Net profit (adj.)	15.4	7.0	12.1	12.2
EPS	15.4	7.0	12.1	12.2
Leverage				
Debt to total capital	0.3	0.1	0.1	0.1
Debt to equity	0.3	0.1	0.1	0.1
Net debt/(cash) to equity	(11.0)	(13.9)	(19.3)	(23.6)
Interest cover (x)	1,669.8	3,123.8	3,379.7	3,669.4

PTT Oil and Retail (OR TB)

Domestic Demand Weakness Remains A Major Earnings Headwind

Analyst(s)

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Highlights

- 3Q26 earnings are expected to turn profitable, but government intervention remains a key risk.
- Cambodia operations remain loss-making, while OR is evaluating its strategic options, with greater clarity expected in 2H26.
- Maintain HOLD with a target price of Bt12.50.

Analysis

- **The tone during the meeting with PTT Oil and Retail (OR) was neutral.**
- **OR–Minor Deal: Positive in the long term, but limited near-term earnings impact.** OR will partner with Minor Food to expand four brands - The Pizza Company, Dairy Queen, The Steak & More, and Chiho Ramen (Chiho Ramen, a new concept developed specifically for this partnership and an interesting potential upside). The target is to open >150 stores by 2030 through OR's PTT Station network and commercial areas, with da planned investment of around Bt2.00b through 2030 (Bt400mt500m/year), which is manageable relative to OR's size.
- We see strategic benefits from higher customer traffic and spending per visit, with potential spillover to Café Amazon, convenience stores, and fuel sales. This supports OR's strategy to reduce reliance on oil and increase the contribution from higher-margin non-oil businesses over the long term.
- **Domestic oil demand expected to contract in 2026.** The Department of Energy Business (DOEB) expects domestic oil demand to remain under pressure for the rest of 2026, particularly diesel and gasoline, which account for around 60% of total oil sales and are forecast to decline 2.6% yoy and 0.7%yoy, respectively. Key factors include weak economic growth, high household debt weighing on mobility, and accelerating battery electric vehicle (BEV) adoption, which has reached around 30% of new vehicle registrations.
- As a result, retail fuel sales are likely to remain subdued. Meanwhile, jet fuel, accounting for 17.8% of total sales, is expected to grow only 1.7% yoy on continued tourism recovery, insufficient to offset weaker demand for the key fuel products.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	723,958	658,723	882,741	816,408	851,891
EBITDA	19,717	20,333	19,815	21,975	21,826
Operating profit	11,153	12,753	10,718	12,547	12,396
Net profit (rep./act.)	7,650	11,304	4,484	9,924	9,972
Net profit (adj.)	8,361	10,022	8,870	9,924	9,972
EPS (x)	0.7	0.8	0.7	0.8	0.8
PE (x)	17.9	15.0	16.9	15.1	15.0
P/B (x)	0.7	0.6	0.6	0.6	0.6
EV/EBITDA (x)	6.7	6.6	7.6	6.4	6.3
Dividend yield (%)	3.2	3.2	2.4	3.2	3.2
Net margin (%)	1.1	1.7	0.5	1.2	1.2
Net debt/(cash) to equity (%)	26.4	20.7	14.3	11.6	9.4
Consensus net profit	-	-	10,499	11,860	12,887
UOBKH/Consensus (x)	-	-	0.43	0.84	0.77

Source: OR, Bloomberg, UOB Kay Hian

HOLD (Maintained)

Share Price	Bt12.40
Target Price	Bt12.50
Upside	+0.81%

Stock Data

Sector	Energy
Bloomberg ticker	OR TB
Shares issued (m)	12,000
Market cap (Btm)	148,800
Market cap (US$m)	4,509
3-mth avg daily t'over (US$m)	15.67

Price Performance (%)

52-week high/low: Bt15.6 / Bt10.40

1mth	3mth	6mth	1yr	YTD
-3.13	-2.36	+0.81	-10.79	-6.77

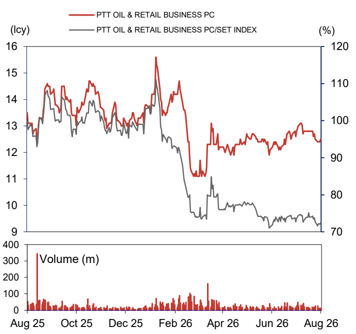
Major Shareholders (%)

PTT	75.00%
Thai NVDR	1.71%
Vayupak Fund 1	1.57%

Balance Sheet Metrics

FY26 NAV/Share (Bt)	Bt9.42
FY26 Net Debt/Share (Bt)	Bt7.97

Price Chart



Source: Bloomberg

Company Description

The company operates an integrated oil and non-oil retailing platform both in Thailand and abroad, including the sales and distribution of petroleum products and other products in retail and commercial marketing, coffee shops, other food and beverage outlets, convenience stores and space management offerings.

- **Accelerating non-oil growth is key to offset weaker fuel sales.** We believe OR will have to increasingly rely on its lifestyle business, particularly Café Amazon, as a key earnings driver to cushion the impact of slowing oil sales. OR should also maintain tight cost control and fuel margin management. In addition, accelerating the rollout of EV Station PluZ in line with rising BEV adoption will be crucial to maintaining customer traffic at PTT Stations and mitigating the long-term impact of the energy transition on OR's revenue.
- **Limited upside to 3Q26 earnings recovery.** We expect 3Q26 earnings to turn profitable, supported by lower stock loss pressure and a recovery in marketing margin toward a normalised Bt0.85/litre. However, the recovery will be limited by seasonally weaker oil sales, which should weigh on revenue from both the mobility and lifestyle businesses.
- **Strong balance sheet provides downside protection.** OR maintains a strong and low-risk financial position, with net interest-bearing debt (IBD)/equity of 0.1x (vs covenant limit of 1.0x), net IBD/EBITDA of 0.7x (vs covenant limit of 2.0x), and debt service coverage ratio (DSCR) of 5.8x (vs a minimum covenant of 1.2x). OR also held Bt32.57b in cash at end-2Q26, providing sufficient financial flexibility to support its operations and future investments.
- **Cambodia strategy to become clearer in 2H26.** Operations in Cambodia remained under pressure due to border tensions, with the business reporting a Bt190m loss in 2Q26, mainly due to weaker oil sales and a decline in Café Amazon outlets. As of end-2Q26, OR had 85 PTT Stations and 88 Café Amazon outlets in Cambodia. OR's investment book value stood at around US$85m, and management is evaluating two options: bringing in a strategic partner or exiting the investment. An exit could trigger an impairment loss, which we currently estimate at Bt1.5b in 2026.

Valuation/Recommendation

- **Maintain BUY with a 2027 target price of Bt12.50,** based on a three-year historical average PE at -1.0SD of 15.10x. Although we expect 3Q26 earnings to return to profit, supported by a recovery in marketing margin, we remain cautious and do not recommend increasing exposure due to the risk of government intervention measures affecting marketing margin if oil prices rise sharply again.
- 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

OR aims to cut greenhouse gas emissions (Scope 1 and 2) from its operations by over one-third by 2030 compared with 2022 levels, while also reducing its conventional fuel use intensity by more than one-third within the same timeframe.

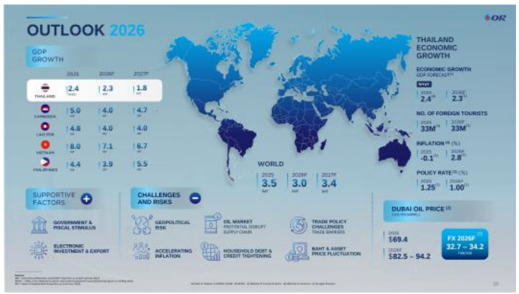
Social

OR aims to improve the quality of life in 17,000 communities, benefitting 13m people by 2030 in areas surrounding its operations. It also targets achieving a brand health score of 70 or higher among social and community stakeholders by 2030.

Governance

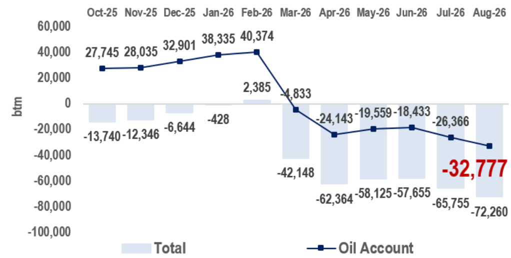
OR's board, management, and employees are committed to five core corporate governance principles – accountability, responsibility, equitable treatment, transparency, and vision – to foster long-term value and ethical conduct. It also implements a transparent and fair nomination process for selecting key management positions across all levels.

2026: Macro Economics Outlook



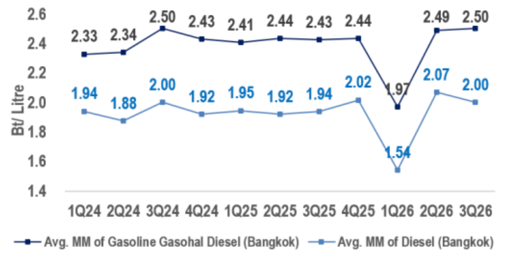
Source: OR

Oil Funds Status



Source: Oil Fuel Fund Office

Average Marketing Margin (Bangkok)

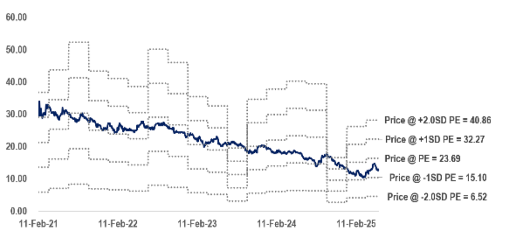


Source: UOB Kay Hian

Global Business Outlook

Source: UOB Kay Hian

Average Three-Year PE



Source: UOB Kay Hian

Profit & loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	658,723	882,741	816,408	851,891
EBITDA	20,333	19,815	21,975	21,826
Deprec. & amort.	7,580	9,098	9,428	9,430
EBIT	12,753	10,718	12,547	12,396
Associate contributions	690	725	761	799
Net interest income/(expense)	-943	-1,589	-1,207	-1,036
Pre-tax profit	13,785	5,468	12,101	12,159
Tax	-2,479	-984	-2,177	-2,187
Minorities	-1	0	0	0
Net profit	11,304	4,484	9,924	9,972
Net profit (adj.)	10,022	8,870	9,924	9,972

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	46,609	47,762	49,496	49,507
Other LT assets	42,469	53,221	50,037	51,740
Cash/ST investment	40,164	14,983	23,327	24,699
Other current assets	57,464	58,617	60,351	60,362
Total assets	197,931	208,815	208,581	215,436
ST debt	7,416	2,136	2,136	2,136
Other current liabilities	41,169	53,566	49,399	51,588
LT debt	16,149	14,013	11,878	9,743
Other LT liabilities	19,377	25,966	24,015	25,059
Shareholders' equity	113,821	113,133	121,153	126,911
Total liabilities & equity	197,931	208,816	208,583	215,439

Cash flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	10,253	8,373	22,313	17,820
Pre-tax profit	13,785	5,468	12,101	12,159
Tax	-2,479	-984	-2,177	-2,187
Deprec. & amort.	7,580	9,098	9,428	9,430
Working capital changes	-9,631	-4,837	2,961	-1,581
Other operating cashflows	998	-372	0	0
Investing	-11,223	-14,413	-9,929	-10,100
Investments	-4,502	-10,251	-11,162	-9,440
Others	(6,721)	(4,162)	1,232	(659)
Financing	-12,675	-12,216	-4,039	-6,349
Dividend payments	-5,149	-4,800	-1,904	-4,214
Proceeds from borrowings	-7,526	-7,416	-2,135	-2,135
Net cash inflow (outflow)	-13,645	-18,256	8,344	1,371
Beginning cash & cash equiv.	54,156	33,239	14,983	23,327
Changes due to forex impact	(347)	0	0	0
Ending cash & cash equiv.	40,164	14,983	23,327	24,699

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	3.1	2.2	2.7	2.6
Pre-tax margin	2.1	0.6	1.5	1.4
Net margin	1.7	0.5	1.2	1.2
ROA	1.5	1.0	1.2	1.2
ROE				
Growth (% yoy)	-9.0	34.0	-7.5	4.3
Turnover	3.1	-2.5	10.9	-0.7
EBITDA	45.8	-60.3	121.3	0.5
Pre-tax profit	47.8	-60.3	121.3	0.5
Net profit	19.9	-11.5	11.9	0.5
Net profit (adj.)	19.9	-11.5	11.9	0.5
EPS				
Leverage	20.7	14.3	11.6	9.4
Debt to total capital	10.1	6.9	5.8	4.8
Debt to equity	20.7	14.3	11.6	9.4
Net debt/(cash) to equity	21.6	12.5	18.2	21.1
Interest cover (x)	3.1	2.2	2.7	2.6

Srisawad Corporation (SAWAD TB)

10% Loan Growth Is Achievable With The Current Clean Loan Portfolio

Highlights

- A slightly positive tone during its analyst meeting.
- Expect funding costs to start trending down from now till mid-27.
- Maintain BUY with an unchanged target price of Bt35.00.

Analysis

- **Slightly positive tone during the analyst meeting.** We attended Srisawad Corporation's (SAWAD) analyst meeting on 14 Aug 26 and came away with a slightly positive view. Management stated that the company has been cleaning up its loan portfolio for some time, and the current loan portfolio is quite healthy. The loss on sales has trended down and remained low at the current level. Meanwhile, used-car prices remain stable qoq. There are no concerns about loss on sales and loan quality.
- **Maintains 2026 loan growth target.** SAWAD maintains its loan growth target of 10-15% for 2026. Management also guided that the 10% loan expansion target in 2026 should be achievable due to the low base in 2025. The company will maintain focus on loan expansion in the core portfolio which comprises car title loans and land title loans, which have collateral.
- **Focusing on staff efficiency over branch opening.** For branch expansion, SAWAD will focus more on efficiency rather than the number of openings. Management guides branch expansion of around 100 branches in 2026, despite having opened only nine branches in 1H26. The lower-than-targeted opening provides room to lower opex in 2026. However, the company does not yet have a branch closure policy like banks do.
- **Funding costs to start trending down from now till mid-27**. The company guided there is more room for cost of funds to decline. SAWAD will see cost of funds decline due to a change in its source of funds. Management guided for repricing costs to start declining from now till mid-27.
- **Impressive growth in "lock phone" business.** The development of this business has been quite impressive, but still has not made a significant contribution to the total loan portfolio. New lending accelerated in late-1Q26, and new lending is expected to be around Bt3.5b-4.0b in 2H26, with an ending balance of Bt1b in 2026. Meanwhile, the company will provide services for Android system phones across seven brands.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	14,846.1	13,593.4	14,197.6	15,043.8	15,836.2
Non-Interest Income	3,018.6	2,835.4	2,815.6	2,889.9	2,847.0
Net profit (rep./act.)	5,051.3	5,020.5	5,408.3	5,828.2	6,243.9
Net profit (adj.)	5,051.3	5,020.5	5,408.3	5,828.2	6,243.9
EPS (Bt)	3.2	3.0	3.3	3.5	3.8
PE (x)	7.7	8.2	7.6	7.0	6.6
P/B (x)	1.2	1.1	1.0	0.9	0.8
Dividend yield (%)	0.1	2.8	2.9	2.8	2.8
Net int margin (%)	15.1	14.2	14.7	14.9	14.9
Cost/income Ratio (%)	52.2	47.7	44.2	43.9	43.7
Loan loss cover (%)	67.0	58.7	57.0	57.0	53.0
Consensus net profit	n.a	n.a	5,428.0	6,042.8	6,546.2
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Srisawad Corporation, Bloomberg, UOB Kay Hian

- **"Lock phone" business has a low level of bad debts**. For the lock phone

Analyst(s)

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BUY (Maintained)

Share Price	Bt24.50
Target Price	Bt35.00
Upside	42.9%

Stock Data

Sector	Financials
Bloomberg ticker	SAWAD TB
Shares issued (m)	1,661.5
Market cap (Btm)	41,039.2
Market cap (US$m)	1,238.8
3-mth avg daily t'over (US$m)	14.5

Price Performance (%)

52-week high/low				Bt32.0/Bt19.9
1mth	**3mth**	**6mth**	**1yr**	**YTD**
0.4	12.3	(4.1)	12.3	(3.1)

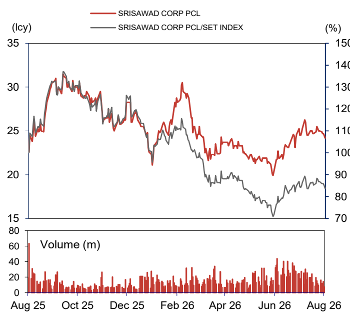
Major Shareholders (%)

Thida Kaewbootta	16.18
UBS AG Singapore Branch	11.74
Duangchai Kaewbootta	8.14

Balance Sheet Metrics

FY26 NAV/Share (Bt)	25.2
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

The company provides unsecured financial products, credit card products and services, and personal loans to consumers in Thailand.

Number Of Branches (2Q26)

business, the return on loan yield is 25-30% p.a. with a tenor of around 12 months, and in some cases, 18 months. This business operates under hire purchase contracts. The company always requires a downpayment of 30%, resulting in a loan-to-value of 70%. The NPL ratio is currently quite low. Management expects to lend Bt6b-7b in 2027, or around Bt600m monthly.

- **2Q26 results recap.** SAWAD reported 2Q26 earnings of Bt1.4b, up 10% yoy and 4% qoq. The results are in line with our and consensus estimates. Excluding provision expenses, the company's pre-provision operating profit increased by 9% yoy but was flat qoq in 2Q26.

2Q26 Results Recap

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq chg (%)	yoy chg (%)
Total gross loans	95,805	95,030	93,155	0.8	2.8
Net interest income	3,488	3,548	3,424	(1.7)	1.9
Non-interest income	666	697	659	(4.3)	1.2
Loan loss provision	(476)	(513)	(535)	(7.2)	(11.1)
Non-Interest Expenses	(1,758)	(1,848)	(1,878)	(4.8)	(6.4)
Pre-provision operating profit	2,396	2,397	2,204	(0.0)	8.7
Net income	1,401	1,342	1,269	4.4	10.3
EPS (Bt)	0.84	0.81	0.76	4.4	10.3
Ratio (%)					
NPL ratio (%)	4.0	4.0	3.8		
Loan loss coverage ratio (%)	57.1	58.5	63.1		
Net interest margin (NIM %)	14.8	15.1	14.8		
Credit cost (bp)	205	223	237		
Cost to income (%)	42.3	43.5	46.0		
Number of network store	5,815	5,823	5,760		
Baseline Total Loans/Store	16.3	16.2	16.0		

Source: SAWAD, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with a target price of Bt35.00.** SAWAD's target price is based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 3%). Our target price implies 1.4x 2026F P/B, which is -0.5SD to its five-year mean.

Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- A brighter credit cost and NPL outlook due to Thailand's economic recovery.
- A higher dividend payout ratio.

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

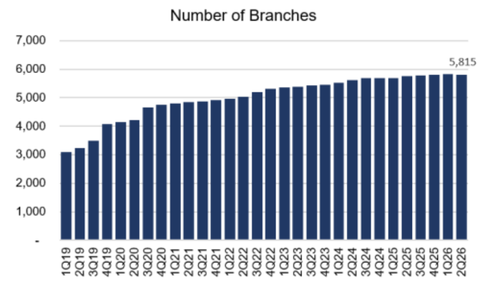
- Reducing greenhouse gas emissions to zero (net zero emissions). Committed to net zero greenhouse gas emissions by 2050, in line with the Paris Agreement.

Social

- Create access to financial services and provide financial knowledge.
- Ensure security and privacy of customers' information.
- Respect for human rights and diversity.

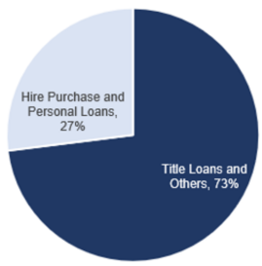
Governance

- Uphold the principles of good governance and provide fair service to customers.
- Comply with the regulations required by authorities in the country.
- Strengthening the credit review process with respect to ESG aspects.



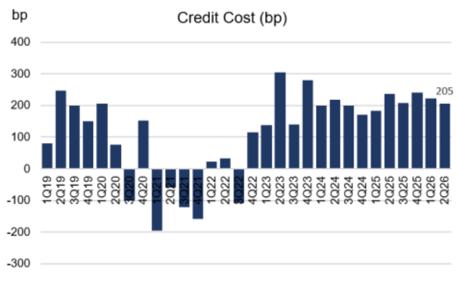
Source: SAWAD, UOB Kay Hian

Loan Composition (2Q26)



Source: SAWAD, UOB Kay Hian

Credit Cost (bp)

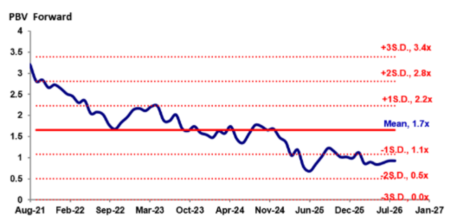


Source: SAWAD, UOB Kay Hian

PE Band

Source: UOB Kay Hian

P/B Band (bp)



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	16,459	16,754	17,346	18,063
Interest expense	(2,866)	(2,556)	(2,302)	(2,227)
Net interest income/(expense)	13,593	14,198	15,044	15,836
Fees & Commissions	2,835	2,816	2,890	2,847
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	0	0	0	0
Non-Interest Income	2,835	2,816	2,890	2,847
Total Income	16,429	17,013	17,934	18,683
Staff Costs	(7,835)	(7,511)	(7,874)	(8,156)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	8,594	9,502	10,059	10,527
Loan Loss Provision	(1,978)	(2,013)	(2,003)	(1,896)
Other Provisions	0	0	0	0
Associated Companies	0	0	0	0
Other Non-Operating Income	0	0	0	0
Pre-tax profit	**6,617**	**7,489**	**8,056**	**8,631**
Tax	(1,347)	(1,537)	(1,613)	(1,728)
Minorities	(250)	(544)	(615)	(659)
Net profit	**5,020**	**5,408**	**5,828**	**6,244**
Net profit (adj.)	5,020	5,408	5,828	6,244

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	6,046	4,878	5,142	5,414
Govt Treasury Bills & Securities	0	0	0	0
Interbank Loans	0	0	0	0
Customer Loans	92,850	96,262	101,506	107,043
Investment Securities	0	0	0	0
Derivative Receivables	0	0	0	0
Associates & JVs	0	0	0	0
Properties & Other Fixed Assets	687	329	203	188
Goodwill & Intangible Assets	2,712	3,799	3,936	4,076
Other Assets	5,379	6,387	6,632	6,885
Insurance Fund Investment Assets	0	0	0	0
Total assets	**107,674**	**111,655**	**117,419**	**123,607**
Interbank Deposits	0	0	0	0
Customer Deposits	14,937	14,361	11,417	10,941
Bills Payable	1,476	1,461	1,545	1,649
Derivative Payables	0	0	0	0
Debts Securities Issued	0	0	0	0
Subordinated Debts	47,466	47,951	52,372	54,341
Other Liabilities	3,036	2,927	3,085	3,248
Insurance Fund Liabilities	0	0	0	0
Total liabilities	66,915	66,700	68,420	70,179
Shareholders' funds	37,454	41,772	46,432	51,519
Minority interest	3,305	3,182	2,567	1,908
Total Equity & Liabilities	107,674	111,655	117,419	123,607

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	3	3	3	2
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
NPL Ratio	4	4	4	4
Loan Loss Coverage	59	57	57	53
Loan Loss Reserve/Gross Loans	1	1	0	0
Increase in NPLs	8	3	4	5
Credit Cost (bp)	209	210	200	180
Liquidity				
Liquid Assets/Short-Term Liabilities	37	31	40	43
Liquid Assets/Total Assets	6	4	4	4

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	(8)	4	6	5
Fees & Commissions, yoy Chg	(6)	(1)	3	(1)
Pre-Provision Profit, yoy Chg	1	11	6	5
Net Profit, yoy Chg	(1)	8	8	7
Customer Loans, yoy Chg	(1)	4	5	5
Profitability				
Net Interest Margin	14	15	15	15
Cost/Income Ratio	48	44	44	44
Adjusted ROA	19	20	20	21
Reported ROE	13	13	12	12
Adjusted ROE	13	13	12	12
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	8	8	7	7
Dividend Yield	3	3	3	3

UOBKayHian

Company – Update | Thailand

Monday, 17 August 2026

WHA Corporation (WHA TB)

Maintains 2026 Targets; Limited Impact From New DC Rules

Highlights

- The tone during WHA's 2Q26 analyst meeting was neutral.
- New DC regulations should have limited impact on WHA, as its hyperscaler customers already have stringent requirements for site selection, power reliability and utility infrastructure.
- Maintain BUY with an unchanged target price of Bt6.10.

Analysis

- **Neutral tone during the meeting.** We attended WHA Corporation's (WHA) 2Q26 analyst meeting and came away with a neutral view. The company is maintaining all of its 2026 financial targets across all businesses
- **Expects to achieve Thailand land sales of 2,300 rai.** Land sales demand remains resilient, supported by customers from electrical appliances, electronics, automotive, and some building materials clients. Despite tighter data centre (DC) regulations, most DC projects remain in discussions, with no material delays so far. WHA Eastern Seaboard Industrial Estate Rayong 5 (ESIE 5) is nearing land transfers, with higher land prices than in 1H26, and should be a key driver of 2H26 land-transfer revenue. Meanwhile, the impact from WHA Industrial Estate Rayong's (WHA IER) lower-margin land sales should gradually fade, easing pressure on gross margin. WHA is also developing a new industrial estate in Saraburi (WHAIES), with land prices expected to be around Rayong levels. Land sales are expected to start in 2028, following the EIA and Royal Gazette announcement of the new zoning plan. Land transfers and customer move-ins are expected from 2029.
- **Vietnam business to accelerate in 2H26.** For logistics, WHA's Hung Yen project has reached full occupancy, and the company is now ramping up development in Thanh Hoa, with completion expected by mid-27. WHA is also accelerating infrastructure development to enable customers to sign contracts faster. On the industrial estate side, management expects land sales to improve in 2H26 as the Vietnamese government accelerates investment to support double-digit GDP growth. WHA also noted that the size of new projects is smaller than those seen over the past 4-5 years, reflecting a shift in the customer mix.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	11,334.8	15,264.9	15,643.1	16,823.8	19,813.0
EBITDA	5,065.4	5,964.2	6,390.4	7,316.6	8,029.2
Operating profit	4,150.4	4,935.1	4,708.3	5,571.4	6,104.0
Net profit (rep./act.)	4,359.4	5,135.0	4,873.0	5,451.4	5,746.4
Net profit (adj.)	4,359.4	5,135.0	4,873.0	5,451.4	5,746.4
EPS	0.3	0.3	0.3	0.4	0.4
PE (x)	16.8	14.3	15.0	13.4	12.8
P/B (x)	2.1	2.0	1.9	1.8	1.7
EV/EBITDA (x)	21.3	18.5	16.4	14.3	13.4
Dividend yield (%)	3.9	4.3	4.0	4.6	4.9
Net margin (%)	38.5	33.6	31.2	32.4	29.0
Net debt/(cash) to equity(%)	88.4	89.8	69.7	64.9	67.8
Interest cover (x)	47.2	9.2	24.6	20.6	20.5
Consensus net profit	n.a	n.a	5,087.4	5,533.9	5,433.8
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.1

Source: WHA Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

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Assistant Analyst(s)

Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt4.86
Target Price	Bt6.10
Upside	24.49%

Stock Data

Sector	Real Estate
Bloomberg ticker	WHA TB
Shares issued (m)	14,946.8
Market cap (Btm)	80,712.9
Market cap (US$m)	2,387.0
3-mth avg daily t'over (US$m)	16.1

Price Performance (%)

52-week high/low				Bt5.4/Bt3.1
1mth	3mth	6mth	1yr	YTD
6.9	23.8	63.6	55.2	64.6

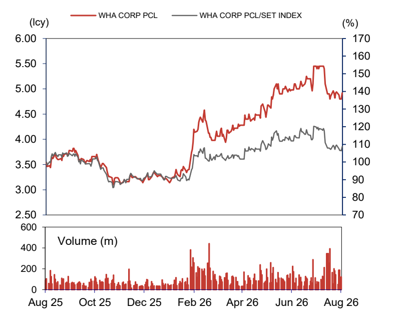
Major Shareholders (%)

Miss Jareeporn Jarukornsakul	23.49
Miss Chatchamol Anantaprayoon	9.07

Balance Sheet Metrics

FY26 NAV/Share (Bt)	2.6
FY26 Net Debt/Share (Bt)	1.8

Price Chart



Source: Bloomberg

Company Description

WHA is one of Thailand's leaders in integrated logistics services, operating through five core business units: logistics, industrial development, utilities and power, and digital and mobility. The company operates in Thailand and Southeast Asia.

- **Resilient recurring income to support 2026 revenue.** Recurring income accounted for 75% of total revenue in 1H26, mainly due to lower land-transfer revenue. Utility sales volumes continued to grow across most industries, with automotive demand improving as both EV and ICE customers ramp up production and expand capacity. In the power business, capacity stood at 1,070MW at end-1H26, with further projects moving toward COD. GHECO-One and IPP plants operated smoothly at full availability in 2Q26, while one of eight SPP plants experienced lower availability due to an operational incident. Management expects the 2026 revenue contribution to remain balanced between recurring and non-recurring income.
- **New DC regulations should provide greater clarity, with execution timing now the key uncertainty.** The Cabinet has approved a new framework covering four key areas: a) selecting projects based on their contribution to the Thai economy, including human capital, local supply chains and AI ecosystem development; b) power supply and tariff management; c) utility management to minimize the impact on households and agriculture; and d) environmental and zoning management. Management believes the framework itself is not a major concern, with the key uncertainty now being the timing of execution. We also believe the new rules should have limited impact on WHA's DC customers, as its hyperscaler clients already have stringent requirements for site selection, power reliability and utility infrastructure. Most customers remain in the discussion stage, rather than putting projects on hold.

2Q26 Results Recap

Year to 31 Dec (Btm)	2Q26	1Q26	2Q25	qoq%	yoy%
Net turnover	2,501	3,166	3,333	-21.0%	-25.0%
Gross profit	1,007	1,586	1,576	-36.5%	-36.1%
EBIT	550	1,092	1,058	-49.7%	-48.1%
EBITDA	821	1,352	1,315	-39.3%	-37.6%
Net profit	659	1,508	980	-56.3%	-32.7%
Core profit	602	771	1,164	-21.9%	-48.3%
Ratio (%)					
Gross margin	40.3%	50.1%	47.3%		
SG&A to sales	18.3%	15.6%	15.5%		
Net profit margin	26.4%	47.6%	29.4%		

Source: WHA Corporation, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt6.10.** Our target price is based on the SOTP methodology. We value its core businesses (industrial land development and logistics) at Bt7.05 per share, with the industrial estate business valued at 14.6x 2027F PE and the logistics business valued using the GNAV method. Meanwhile, its investments in associates are valued at Bt1.93 per share.

Earnings Revision/Risk

- We fine-tune 2026-28 earnings by +2.38%, +0.19%, and -0.94% respectively.

Share Price Catalyst

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

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AAA

Environmental

- Focuses on conducting business operations in harmony with surrounding communities and the environment, with an emphasis on sustainability.

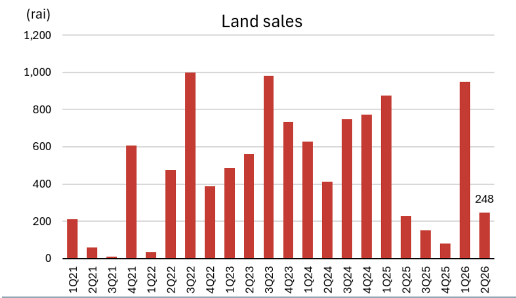
Social

- Starting to integrate the vision of "Future of Work" into its workforce strategy, to be inclusive, and to develop employees both personally and professionally, as well as prepare them for future challenges they may encounter.

Governance

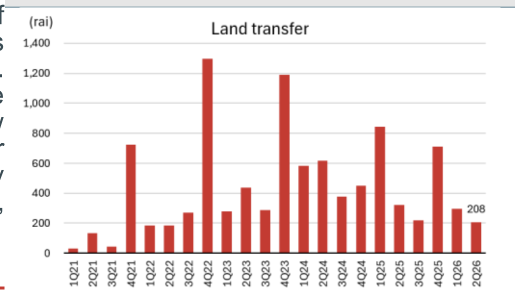
- Transparency, accountability, responsibility, and fairness serve as the foundation for the development of core corporate governance principles.

Land Sales



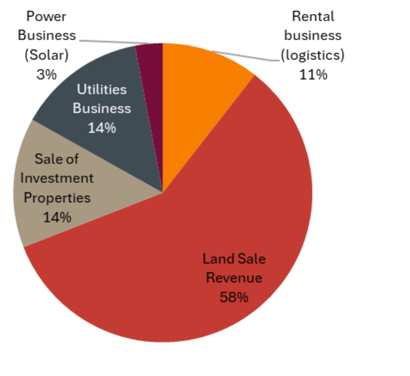
Source: WHA, UOB Kay Hian

Land Transfer



Source: WHA, UOB Kay Hian

Revenue Breakdown



Source: WHA, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**15,265**	**15,643**	**16,824**	**19,813**
EBITDA	5,964	6,390	7,317	8,029
Deprec. & amort.	1,029	1,682	1,745	1,925
EBIT	4,935	4,708	5,571	6,104
Associate contributions	1,800	780	1,135	912
Net interest income/(expense)	(646)	(260)	(354)	(392)
Pre-tax profit	**6,089**	**5,228**	**6,352**	**6,624**
Tax	(553)	(577)	(445)	(464)
Minorities	(401)	(515)	(456)	(414)
Net profit	**5,135**	**4,873**	**5,451**	**5,746**
Net profit (adj.)	5,135	4,873	5,451	5,746

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	25,456	25,641	26,410	26,998
Other LT assets	50,524	50,524	50,524	50,524
Cash/ST investment	3,561	8,148	8,110	8,434
Other current assets	21,863	19,985	21,724	27,882
Total assets	**101,404**	**104,298**	**106,768**	**113,839**
ST debt	1,150	1,150	1,150	1,150
Other current liabilities	16,653	18,599	19,091	20,565
LT debt	35,563	34,063	33,513	36,513
Other LT liabilities	7,439	7,439	7,439	7,439
Shareholders' equity	36,911	38,844	40,915	43,099
Minority interest	3,689	4,204	4,660	5,073
Total liabilities & equity	**101,404**	**104,298**	**106,768**	**113,839**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**(537)**	**10,894**	**6,405**	**3,401**
Pre-tax profit	6,089	5,228	6,352	6,624
Tax	(553)	(577)	(445)	(464)
Deprec. & amort.	1,029	1,682	1,745	1,925
Working capital changes	(6,369)	3,824	(1,247)	(4,684)
Non-cash items	(342)	0	0	0
Other operating cashflows	(391)	737	0	0
Investing	**(1,878)**	**(1,867)**	**(2,514)**	**(2,514)**
Capex (growth)	(1,570)	(1,867)	(2,514)	(2,514)
Investments	(230)	0	0	0
Others	(78)	0	0	0
Financing	**(2,201)**	**(4,440)**	**(3,930)**	**(563)**
Dividend payments	(2,849)	(2,940)	(3,380)	(3,563)
Issue of shares	0	0	0	0
Proceeds from borrowings	929	(1,500)	(550)	3,000
Loan repayment	(207)	0	0	0
Others/interest paid	(73)	0	0	0
Net cash inflow (outflow)	**(4,616)**	**4,588**	**(38)**	**324**
Beginning cash & cash equivalent	**8,176**	**3,561**	**8,148**	**8,110**
Ending cash & cash equivalent	**3,561**	**8,148**	**8,110**	**8,434**

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	39.1	40.8	43.5	40.5
Pre-tax margin	39.9	33.4	37.8	33.4
Net margin	33.6	31.2	32.4	29.0
Growth				
Turnover	60.4	64.4	76.8	108.3
EBITDA	81.7	94.7	122.9	144.6
Pre-tax profit	48.9	27.8	55.3	62.0
Net profit	57.2	49.2	66.9	75.9
Net profit (adj.)	17.8	(5.1)	11.9	5.4
EPS	50.7	43.0	59.9	68.6
Leverage				
Debt to total capital	90.4	81.8	76.1	78.2
Debt to equity	99.5	90.6	84.7	87.4
Net debt/(cash) to equity	89.8	69.7	64.9	67.8
Interest cover	9.2	24.6	20.6	20.5

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