



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52361.6	0.3	0.8	1.0	8.9
S&P 500	7676.8	0.7	(0.2)	(0.9)	12.1
FTSE 100	10767.3	0.7	0.0	0.7	8.4
AS30	8926.6	0.2	(0.5)	0.9	(1.0)
CSI 300	4103.5	(0.0)	(1.7)	(7.6)	(11.4)
FSSTI	5415.9	0.0	0.2	(5.2)	16.6
HSCEI	7802.1	0.6	(4.0)	(4.5)	(12.5)
HSI	23211.8	0.5	(4.0)	(5.3)	(9.4)
JCI	5373.1	(1.2)	7.5	(13.9)	(37.9)
KLCI	1604.4	(0.4)	0.5	(4.0)	(4.5)
KOSPI	5469.5	(1.5)	(5.2)	(22.8)	29.8
Nikkei 225	62189.7	(0.8)	(4.2)	(6.3)	23.5
SET	1579.0	1.0	0.4	(1.8)	25.4
TWSE	46041.4	(1.8)	(2.0)	(4.1)	59.0
BDI	2628	(1.2)	3.2	(23.3)	40.0
CPO (RM/mt)	4443	(0.2)	0.4	(3.7)	13.0
Brent Crude (US\$/bbl)	116	(0.8)	5.7	11.0	90.3

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Meeting with UUE Holdings Berhad (UUE MK)	Malaysia	10 Nov	10 Nov
1HFY27 Post Results briefing with Valuetronics Holdings Ltd (VALUE SP)	Singapore	11 Nov	11 Nov
Analyst Marketing by Johnny Yum on GC AI Sector	Taipei	17 Nov	18 Nov

Corporate and Macro Calendar

Economic Indicator/Event	Date
Oct. CPI	Thailand 5 Nov
Oct. Consumer Confidence	Thailand 9-13 Nov
3Q GDP YoY	Thailand 16 Nov
Oct. Customs Trade Balance (Export-Import)	Thailand 21-26 Nov

Top Stories

Sector Update | Banking

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- Banks under our coverage reported a net profit of Bt63.8b, down 10% yoy and flat qoq, in line with our and market expectations. We expect banks to continue to focus on growing the wealth business to boost non-II going forward. Banks have stated that they have adequate provisions to cushion against many uncertainties including the flooding in late-Sep 26. Maintain OVERWEIGHT. Our top picks are KBANK and KTB.

Company Update | HANA (Thailand) (HANA TB/BUY/Bt47.50/Target: Bt56.00)

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- We expect HANA to report a 3Q26 core profit of Bt303m (+697% yoy, +9% qoq), continuing its earnings recovery. Earnings recovery in 2H26 should be driven by narrowing losses at PMS, higher IC utilisation rates and resilient PCBA sales. HANA entered mass production for two AI-related projects in 3Q26, including solid-state cooling and high-density PCBA. Maintain BUY with a higher target price of Bt56.00, backed by a 38% earnings CAGR in 2026-28 and continued operational improvements at PMS in 2H26.

Company Update | i-Tail Corporation (ITC TB/BUY/Bt17.10/Target: Bt22.00)

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- ITC announced the acquisition of Phelps, which is a US-based manufacturer and distributor of pet food products. We view the acquisition positively for ITC's long-term US business, attributable to commercial expansion and operational synergies. Maintain BUY with a target price of Bt22.00.

Company Update | Praram 9 Hospital (PR9 TB/BUY/Bt19.00/Target: Bt24.60)

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- PR9 is expected to deliver a 3Q26 net profit of Bt232m (+3.7% yoy, +25.7% qoq), supported by Thai patient revenue growth, higher margins and cost control. The Bangkok floods temporarily disrupted hospital access, but deferred appointments should support 4Q26 revenue. The outlook remains positive, driven by recovering Middle Eastern patient arrivals, pent-up demand, and strict cost management. PR9 is expanding its specialty care market reach and investing in advanced technology. Maintain BUY with a target price of Bt24.60.

What's Inside

Company Update | AP (Thailand) (AP TB/BUY/Bt8.05/Target: Bt9.25)

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- AP will report its 3Q26 earnings on 12 November, with an expected net profit of Bt1.14b (+7.4% qoq, -1.1% yoy), supported by property transfers of Bt11.0b and presales of Bt13.40b. Gross margin is forecast at 29.9%, while JV profit contribution should recover to Bt121m, driven by new project transfers. Government housing stimulus may provide an additional upside, although near-term benefits remain limited. Maintain BUY with a target price of Bt9.25, supported by resilient operations and a strong competitive position in Thailand's property market.

Banking

3Q26: Results In Line; Continued Improvement In Asset Quality

Highlights

- Banks reported a combined net profit of Bt63.8b, down 10% yoy and flat qoq.
- Maintain OVERWEIGHT on the sector. Top picks: KBANK and KTB.

Analysis

- Results in line.** In 3Q26, banks under our coverage reported a combined net profit of Bt63.8b, down 10% yoy and flat qoq, in line with our and market's expectation. Net interest income (NII) dropped 5% yoy but was up 2% qoq. NIM widened from 3.42% in 2Q26 to 3.45% in 3Q26. Meanwhile, non-interest income (non-II) declined 14% yoy and 9% qoq. The banking sector's pre-provision operating profit (PPOP) declined 9% yoy and 3% qoq in 3Q26.
- An impressive improvement in NII.** In 3Q26, all banks under our coverage reported an increase of 2% qoq in NII. Only KBANK and KTB have reported a 1bp qoq reduction in NIM. However, many banks guided that there is limited room to decrease funding costs.
- Strong yoy increase in net fee and service income in 3Q26.** Banks under our coverage reported an increase of 7% yoy in net fee and service income but declined 1% qoq. Almost all banks reported an increase yoy in net fee and service income except TISCO, which reported a reduction 2% yoy. Banks attributed this mainly to the wealth business, which benefitted from favourable US and domestic stock markets. Meanwhile, some banks reported a reduction qoq in net fee and service income due to less favourable wealth management and capital market conditions and the impact from new standardised fee regulations. KKP reported a jump in net fee and service income by 47% yoy and 21% qoq, mainly driven by the wealth business. We expect banks to continue to focus on growing the wealth business to help boost non-II going forward.
- Continued improvement in asset quality for the banking sector.** The banking sector reported a 24bp yoy and 8bp qoq reduction in credit cost. Meanwhile, NPL ratio for the banking sector improved slightly by 2bp qoq in 3Q26. Banks said they have adequate provisions to cushion against many uncertainties including flooding in Bangkok in late-Sep 26. As banks are likely to remain cautious with lending, we still expect to see a further improvement in banking asset quality and credit cost in 4Q26.
- Rooms for capital management.** We reiterate our view that banks will at least maintain their dividend payout ratio (DPR) in 2026. TTB has just announced its fifth share buyback programme, with a total budget of Bt14b through a general offer. KBANK has utilised 40% of its total share buyback budget and ended the programme early. We expect to see an increase in dividend payment from the remaining buyback budget.

Peer Comparison

Ticker	Rec	Price 22 Oct 26 (Bt)	Target Price (Bt)	Upside To TP (%)	Net Profit 2026F (Btm)	2027F (Btm)	PE 2026F (x)	2027F (x)	Net EPS 2026F (%)	Yield 2026F (%)	ROE 2026F (%)	Market Cap. (US\$m)	Price/ NAV ps (x)
BAY TB	BUY	40.00	50.00	25.0	34,462	37,223	8.5	7.9	8.6	4.0	8.1	8,809	0.7
BBL TB	BUY	183.50	220.00	19.9	39,673	44,830	8.8	7.8	(13.8)	5.4	6.8	10,487	0.6
KBANK TB	BUY	242.00	285.00	17.8	52,851	55,949	10.8	10.2	7.3	5.8	9.0	17,167	1.0
KKP TB	BUY	117.00	150.00	28.2	8,713	9,127	11.5	11.0	39.6	6.8	12.6	3,047	1.4
KTB TB	BUY	43.00	52.00	20.9	49,672	52,469	12.1	11.5	3.0	6.3	10.7	17,993	1.3
SCB TB	BUY	151.50	180.00	18.8	42,906	46,578	11.9	11.0	(9.6)	7.4	8.7	15,273	1.0
TISCO TB	HOLD	125.50	120.00	(4.4)	7,000	7,386	14.4	13.6	5.1	6.4	16.0	3,008	2.3
TTB TB	HOLD	2.72	3.20	17.6	21,942	19,705	11.3	12.6	2.1	3.2	9.3	7,946	1.1
Avg					257,219	273,268	10.9	10.2	0.4	5.8	9.3	83,730	1.0

Source: Bloomberg, UOB Kay Hian

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**OVERWEIGHT
(Maintained)**

Sector Picks

Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
Kasikorn Bank	KBANK TB	BUY	242.00	285.00
Krungthai Bank	KTB TB	BUY	43.00	52.00

Source: Bloomberg, UOB Kay Hian

Returns: Banking vs SET Index



Source: UOB Kay Hian

- **BAY: 3Q26 results in line; credit costs down qoq.** BAY posted a 3Q26 net profit of Bt8.7b, down 1% yoy but up 4% qoq. The results were in line with our and consensus forecasts. The bank's NII increased 4% yoy and 1% qoq in 3Q26. NIM rose from 4.65% in 2Q26 to 4.66% in 3Q26. PPOP grew 5% yoy but was flat qoq in 3Q26.
- **BBL: 3Q26 results in line with consensus; showing clean loan portfolio.** BBL posted a 3Q26 net profit of B9.5b, down 31% yoy and flat qoq. The results missed our expectations by 10% but were in line with consensus forecasts. The key miss to our forecast was the higher-than-expected opex. PPOP dropped 25% yoy and 1% qoq in 3Q26.
- **KBANK: 3Q26 results in line; reiterate achieving 2026 credit cost targets.** KBANK posted a 3Q26 net profit of Bt12.7b (-2% yoy, -4% qoq). The actual results were in line with our and consensus estimates. PPOP declined 2% yoy and dropped 4% qoq in 3Q26. NII declined by 8% yoy but went up 1% qoq in 3Q26. NIM contracted from 2.90% in 2Q26 to 2.89% in 3Q26. Meanwhile, non-II increased by 6% yoy but was down 12% qoq. The gain on financial instruments measured at FVPL was reported at Bt3.5b in 3Q26.
- **KKP: 3Q26 results beat; a positive surprise from non-II.** KKP reported a net profit of Bt2.4b for 3Q26, increasing 43% yoy and 13% qoq. The results beat our and consensus expectations by 24% and 15% respectively. The key positive surprise was non-II coming in 43% higher than our expectation, mainly attributable to: a) an impressive fee and service income; and b) the gain on financial instruments measured at FVPL of Bt562m in 3Q26, which rose 98% qoq. PPOP jumped 33% yoy and 8% qoq.
- **KTB: 3Q26 results in line; credit costs decline qoq.** KTB reported a 3Q26 net profit of Bt12.6b, down 14% yoy but up 4% qoq. The results were in line with our and consensus forecasts. PPOP decreased 14% yoy and remained flat qoq in 3Q26. Loan portfolio grew 10% yoy and 2% qoq in 3Q26, primarily driven by retail, corporate, and government loans. In 9M26, the loan portfolio grew 5.1%, higher than its loan growth target of 0-2% in 2026.
- **SCB: 3Q26 results in line with consensus; investment and trading income are loss making.** SCB reported a 3Q26 net profit of Bt10.7b (-11% yoy, -4% qoq). The results were in line with consensus forecasts but below our expectation by 8% due to a lower-than-expected non-II. PPOP declined by 15% yoy and 8% qoq in 3Q26. Loan portfolio grew 2% yoy and flat qoq in 3Q26. In 9M26, loan portfolio grew 2.4% yoy.
- **TISCO: 3Q26 results in line; clean asset quality with a high buffer.** TISCO posted a 3Q26 net profit of Bt1.8b (+4% yoy, +2% qoq), in line with our and market expectations. PPOP declined by 8% yoy but was flat qoq. Management stated that there should be limited impact from the flooding in late-Sep 26.
- **TTB: 3Q26 results in line; share buybacks preferred over special dividends.** TTB posted a net profit of Bt5.46b (+3% yoy, +0.9% qoq). The results are in line with our and consensus estimates. PPOP stood at Bt9.14b, up 2.6% yoy but down 1.6% qoq. Management does not favour a special dividend, preferring buybacks and improved regular dividend payouts.

3Q26 Earnings Results: Actual vs Forecasts

	3Q26 Net profit (Btm)			Actual vs Forecast	
	Actual	UOBKH	Consensus	UOBKH	Consensus
BAY	8,660	8,328	8,636	In-line	In-line
BBL	9,489	10,535	9,967	Below	In-line
KBANK	12,720	12,203	12,195	In-line	In-line
KKP	2,388	1,925	2,071	Above	Above
KTB	12,582	12,121	12,667	In-line	In-line
SCB	10,677	11,620	10,913	Below	In-line
TISCO	1,805	1,780	1,786	In-line	In-line
TTB	5,457	5,448	5,410	In-line	In-line
Total	63,778	63,959	63,645	In-line	In-line

Source: Bloomberg, UOB Kay Hian

Earnings Revision

- No earnings revision.

Loan Breakdown in 3Q26

	Corporate	SME	Retail
BAY	37%	15%	48%
BBL	51%	15%	11%
KBANK	42%	23%	30%
KKP	16%	14%	55%
KTB	23%	9%	44%
SCB	40	14%	46%
TISCO	26%	6%	68%
TTB	30%	7%	63%

Source: Respective companies, UOB Kay Hian

2026 Financial Targets

	Loan	NIM	Credit Cost	NPL ratio
BAY	2-4%	4.0-4.3%	200-230bp	3.25-3.5%
BBL	2-3%	2.4-2.5%	1.0%	3.0%
KBANK	0-2%	2.75-2.95%	140-160bp	<3.25%
KKP	3%	4.5-4.6% (loan spread)	1.3-1.5%	3.5%
KTB	0-2%	2.35-2.5%	75-115bp	<3.1%
SCB	0-5%	3.0-3.2%	135-155bp	N/A
TISCO	0-5%	N/A	110bp	N/A
TTB	0-2%	3.0-3.1%	130-135bp	<3.2%

Source: Respective companies, UOB Kay Hian

9M26 Actual Results

	Loan	NIM	Credit Cost	NPL ratio
BAY	0.4%	4.58%	231bp	3.19%
BBL	3.2%	2.47%	1.27%	3.2%
KBANK	3.63%	2.89%	160bp	3.18%
KKP	3.7%	4.6% (loan spread)	1.45%	3.4%
KTB	5.1%	2.45%	98bp	2.93%
SCB	2.4%	3.05%	151bp	3.21%
TISCO	1.2%	4.98%	103bp	2.01%
TTB	-1.7%	3.04%	136bp	2.88%

Source: Respective companies, UOB Kay Hian

Dividend Payout Ratio

	2026F		2025		2024	
	Div Payout	Div Yield	Div Payout	Div Yield	Div Payout	Div Yield
BAY	34%	4.0%	30%	3.4%	21%	2.2%
BBL	48%	5.4%	42%	5.7%	36%	5.6%
KBANK	62%	5.8%	67%	7.1%	58%	7.7%
KKP	79%	6.8%	79%	7.7%	67%	7.6%
KTB	77%	6.3%	77%	7.9%	48%	7.2%
SCB	89%	7.4%	80%	8.2%	80%	8.9%
TISCO	91%	6.4%	93%	6.7%	90%	7.9%
TTB	64%	5.7%	61%	7.1%	60%	7.0%

Source: Respective companies, UOB Kay Hian

Valuation/Recommendation

- **Maintain OVERWEIGHT.** The sector trades at 0.92x 2027F P/B, which implies above +2.5SD to its historical five-year mean. We are optimistic on banks' asset quality. The potential rate hike will be a prominent catalyst in the future.

Sector Catalyst/Risk

- Government stimulus to boost domestic economy.
- Rate hike cycle.

3Q26 Earning Results

	3Q26	2Q26	3Q25	qoq (%)	yoy (%)	2026F	2025	yoy (%)
Net profit (Btm)								
BAY	8,660	8,294	8,783	4.4	(1.4)	34,462	31,738	8.6
BBL	9,489	9,498	13,789	(0.1)	(31.2)	39,673	46,007	(13.8)
KBANK	12,720	13,247	13,007	(4.0)	(2.2)	52,851	49,565	6.6
KKP	2,388	2,122	1,670	12.5	43.0	8,713	5,913	47.4
KTB	12,582	12,125	14,620	3.8	(13.9)	49,672	48,229	3.0
SCB	10,677	11,117	12,056	(4.0)	(11.4)	42,906	47,488	(9.6)
TISCO	1,805	1,764	1,730	2.3	4.3	7,000	6,659	5.1
TTB	5,457	5,513	5,299	(1.0)	3.0	21,942	20,639	6.3
Total	63,778	63,680	70,955	0.2	(10.1)	257,219	256,238	0.4
Pre-provision operating profit (Btm)								
BAY	22,717	22,801	21,711	(0.4)	4.6	91,365	84,950	7.6
BBL	20,157	20,386	26,966	(1.1)	(25.2)	82,635	92,136	(10.3)
KBANK	27,749	28,973	28,280	(4.2)	(1.9)	112,292	109,952	2.1
KKP	3,976	3,687	2,987	7.8	33.1	14,654	11,143	31.5
KTB	22,854	22,899	26,496	(0.2)	(13.7)	92,181	95,861	(3.8)
SCB	22,163	24,181	26,106	(8.3)	(15.1)	92,942	102,013	(8.9)
TISCO	2,743	2,740	2,986	0.1	(8.1)	11,054	10,642	3.9
TTB	9,142	9,292	8,910	(1.6)	2.6	36,928	36,144	2.2
Total	131,501	134,960	144,441	(2.6)	(9.0)	534,052	542,840	(1.6)
Total loans (Btb)								
BAY	1,950	1,950	1,962	(0.0)	(0.6)	1,959	1,943	0.8
BBL	2,708	2,696	2,628	0.4	3.0	2,717	2,627	3.4
KBANK	2,587	2,579	2,435	0.3	6.3	2,578	2,496	3.3
KKP	364	362	355	0.6	2.7	358	351	2.0
KTB	2,874	2,833	2,615	1.5	9.9	2,866	2,736	4.7
SCB	2,438	2,432	2,380	0.3	2.4	2,435	2,381	2.3
TISCO	238	236	230	1.1	3.5	243	236	3.1
TTB	1,196	1,192	1,206	0.3	(0.8)	1,222	1,213	0.8
Total	14,355	14,279	13,811	0.5	3.9	14,378	13,983	2.8
NIM (%)								
BAY	4.66	4.65	4.51	1bp	15bp	4.6	4.35	22bp
BBL	2.50	2.42	2.72	8bp	-22bp	2.5	2.75	-22bp
KBANK	2.89	2.90	3.24	-1bp	-35bp	3.0	3.23	-23bp
KKP	3.97	3.90	3.86	8bp	12bp	4.0	3.91	11bp
KTB	2.44	2.45	2.74	-1bp	-30bp	2.5	2.82	-35bp
SCB	3.07	3.04	3.44	3bp	-37bp	3.3	3.44	-19bp
TISCO	5.00	4.98	4.84	2bp	16bp	5.0	4.82	17bp
TTB	3.09	3.03	2.97	6bp	12bp	2.9	3.04	-12bp
Average	3.45	3.42	3.54	3bp	-9bp	3.47	3.55	-8bp
Credit cost (bp)								
BAY	221	235	231	-14bp	-10bp	224	227	-3bp
BBL	119	125	145	-7bp	-27bp	122	135	-13bp
KBANK	161	160	168	1bp	-7bp	152	163	-11bp
KKP	143	143	168	0bp	-25bp	133	162	-29bp
KTB	83	94	108	-11bp	-26bp	92	113	-20bp
SCB	137	158	182	-21bp	-45bp	154	174	-20bp
TISCO	84	94	143	-10bp	-59bp	98	100	-2bp
TTB	136	137	131	-1bp	5bp	129	136	-7bp
Average	135	143	160	-8bp	-24bp	138	151	-13bp
NPL ratio (%)								
BAY	3.2	3.1	3.5	11bp	-30bp	3.2	3.3	-10bp
BBL	3.2	3.3	3.3	-10bp	-10bp	3.2	3.0	15bp
KBANK	3.2	3.2	3.2	1bp	-1bp	3.1	3.2	-10bp
KKP	3.4	3.5	4.3	-10bp	-90bp	3.4	4.3	-93bp
KTB	2.9	2.9	2.9	1bp	5bp	2.9	2.9	-1bp
SCB	3.2	3.2	3.3	5bp	-8bp	3.2	3.3	-7bp
TISCO	2.0	2.1	2.3	-11bp	-30bp	2.0	2.3	-31bp
TTB	2.9	2.9	2.8	-5bp	7bp	2.9	2.9	2bp
Average	3.0	3.0	3.2	-2bp	-20bp	3.0	3.1	-17bp

Source: Respective companies, UOB Kay Hian

Sector PE Band



Sector P/B Band



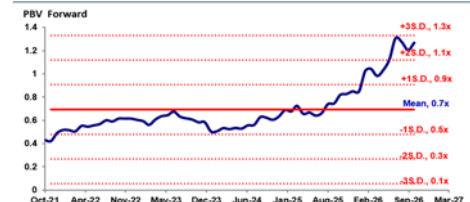
BBL's P/B Band



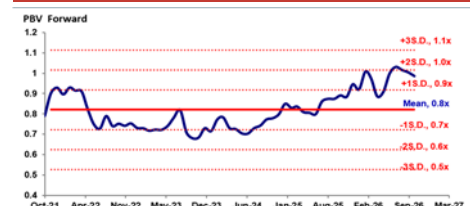
KBANK's P/B Band



KTB's P/B Band



SCB's P/B Band



HANA (Thailand) (HANA TB)

Earnings Expected To Recover, While AI-Related Mass Production Starts In 3Q26

Highlights

- We expect HANA to report a 3Q26 core profit of Bt303m (+697% yoy, +9% qoq), continuing its earnings recovery.
- Earnings recovery in 2H26 should be driven by narrowing losses at PMS, higher IC utilisation rates and resilient PCBA sales.
- HANA entered mass production for two AI-related projects in 3Q26, including solid-state cooling and high-density PCBA.
- Maintain BUY with a higher target price of Bt56.00, backed by a 37% earnings CAGR in 2025-28 and continued operational improvements at PMS in 2H26.

3Q26 Results Preview

Year to 31 Dec (Btm)	3Q26F	3Q25	2Q26	yoy (%)	qoq (%)
Revenue	5,776	5,295	5,365	9.1	7.6
Gross profit	635	318	576	99.7	10.3
Operating profit	287	10	250	2,837.2	14.9
Net profit	328	15	326	2,117.8	0.5
Core profit	303	38	278	696.6	9.0
EPS	0.37	0.02	0.37	2,117.8	0.5
Gross margin	11.0%	6.0%	10.7%	5.0	0.3
SG&A to sales	8.1%	7.2%	8.1%	0.9	(0.0)
Operating margin	5.0%	0.2%	4.7%	4.8	0.3
Net profit margin	5.7%	0.3%	6.1%	5.4	(0.4)

Source: Bloomberg, UOB Kay Hian

Analysis

- 3Q26 earnings are expected to remain on a recovery path, mainly driven by narrower losses at PMS, while PCBA and IC operations should continue to improve in 2H26.** We project that HANA (Thailand) (HANA) will report a core net profit of Bt303m (+697% yoy, +9% qoq), supported by higher sales and improving margins. We forecast revenue of Bt5.78b (+9% yoy, +8% qoq), driven by resilient printed circuit board assembly (PCBA) sales and improving integrated circuit (IC) sales, supported by higher utilisation rates in 2H26. We expect gross margin to continue recovering to 11.0% in 3Q26 (vs 9.5% in 1H26 and 10.7% in 2Q26), mainly driven by continued operational improvements at Power Master Semiconductor Co (PMS). Although PMS could remain loss-making in 2026, we expect its losses to continue narrowing in 2H26, supported by HANA's efforts to strengthen its operations in Korea and expand its presence in China, where marketing efforts have begun to deliver results since 2Q26. This includes cooperation with a Chinese foundry to penetrate China's silicon carbide market.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	24,801.3	20,563.4	22,329.9	25,629.7	28,198.3
EBITDA	2,279.6	1,558.9	2,176.0	2,651.4	3,094.4
Operating profit	503.0	33.0	415.3	793.8	1,144.0
Net profit (rep./act.)	(633.7)	537.0	1,116.7	1,414.8	1,802.5
Net profit (adj.)	(643.6)	670.3	904.7	1,414.8	1,802.5
EPS	(0.7)	0.8	1.0	1.6	2.0
PE (x)	(68.4)	65.7	48.7	31.1	24.4
P/B (x)	1.6	1.7	1.7	1.6	1.6
EV/EBITDA (x)	6.9	10.5	7.7	6.5	5.6
Dividend yield (%)	1.5	2.0	2.0	2.5	3.0
Net margin (%)	(2.6)	2.6	5.0	5.5	6.4
Net debt/(cash) to equity (%)	(20.2)	(18.3)	(16.4)	(14.2)	(13.6)
ROE (%)	(3.0)	2.6	5.3	6.6	8.3
Consensus net profit	n.a	n.a	905.4	1,421.6	1,797.2
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

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

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BUY (Maintained)

Share Price	Bt47.50
Target Price	Bt56.00
Upside	17.9%
Previous Price	Bt54.00

Stock Data

Sector	Information Technology
Bloomberg ticker	HANA TB
Shares issued (m)	885.4
Market cap (Btm)	41,390.9
Market cap (US\$m)	1,260.2
3-mth avg daily t'over (US\$m)	40.7

Price Performance (%)

52-week high/low				Bt49.0/Bt15.1
1mth	3mth	6mth	1yr	YTD
24.7	35.5	151.3	117.4	186.8

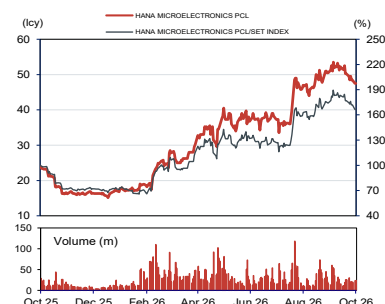
Major Shareholders (%)

OMAC (HK) LIMITED	19.48
Thai NVDR Company Limited	8.34

Balance Sheet Metrics

FY26 NAV/Share (Bt)	30.0
FY26 Net Debt/Share (Bt)	(4.9)

Price Chart



Source: Bloomberg

Company Description

HANA is an electronics manufacturing service company. Its major product groups are PCBA, IC, LED and LCE assembly.

- **HANA's expansion from traditional electronics manufacturing services (EMS) into the AI supply chain is expected to contribute more meaningfully to earnings in 2027.** HANA ramped up production for two AI-related projects starting in 3Q26. First, solid-state cooling, which provides targeted cooling for specific chip components, is likely to reach full production capacity by end-4Q26. In addition, HANA is working with Phononic to develop and qualify a more complex production process for co-packaged optics-related cooling solutions. We maintain our view that Phononic's five existing customers will contribute a low single-digit percentage of HANA's total sales in 2H26, before increasing to a mid-single-digit contribution in 2027. Second, high-density printed circuit board assembly (PCBA) for AI oscilloscopes, used to test 1.6T optical transceivers, could contribute more meaningfully in 2027. The high-density PCBA customer could potentially become one of HANA's top five customers, accounting for 5-6% of total sales in 2027. As a result, we expect HANA's two existing AI-related projects to account for 2% of total sales in 2026 and 9% in 2027, which are already incorporated into our earnings forecasts.

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt56.00 (from Bt54.00).** Our target price is based on 34.5x 2027F PE (+1.50SD above its five-year mean) or near 1.0SD above its five-year PBV mean).
- **AI-related projects remain on track, with mass production in 3Q26.** While updates on AI-related projects were less exciting than those in the previous two quarters as management update on AI-related project rather than new AI project, but mass production ramp-up began as planned in 3Q26. In addition, HANA's plans to revise up its 2027 capex (pending final disclosure) suggest management's confidence in the ongoing earnings upcycle.
- **Weak sentiment towards AI-related stocks provides an opportunity to accumulate.** HANA's current P/BV valuation is trading slightly higher than its historical mean, which we view as reasonable given its strong earnings growth outlook, with a three-year CAGR of 38% during 2025-28, improving PMS operations and the low D/E ratio. We recommend accumulating HANA on any share price correction between Bt40.00-48.00 (0 to 0.5SD above its five-year PBV band) due to current sector rotation or weaker sentiment toward AI-related stocks, as a lower entry price would provide a greater margin of safety against PMS execution risks.

Earnings Revision/Risk

- We fine-tune our 2026-27 earnings forecasts upward by 4-7% to reflect higher gross margin assumptions and narrower losses at PMS in 2027.

Share Price Catalyst

- Stronger-than-expected sales and operating margins.
- Better-than-expected recovery of PMS operating loss; higher-than-expected AI exposure as a PCBA assembler.

Environment, Social, Governance (ESG) Updates

Environmental

- HANA targets a 40% reduction in electricity purchasing and 45% reduction in water consumption by 2030 (vs 2020 baseline).

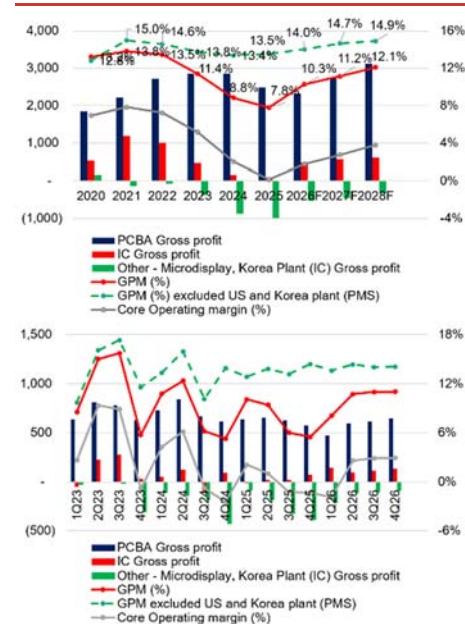
Social

- HANA focuses on employee health & safety, zero-accident culture, workforce development (regular training programmes) and technical skill enhancement.

Governance

- HANA adheres to high standards of corporate governance, emphasising board independence, transparency, and accountability.

Annual And Quarterly Operating Statistics



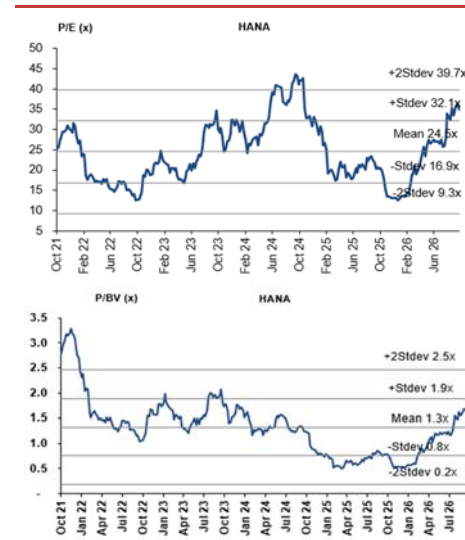
Source: UOB Kay Hian

3Q26 Outlook By Segment

3Q26 Outlook By Segment	
1) PCBA	HANA's major customer will change model from consignment to turnkey model (with higher sales, but lower margin).
PCBA - Lamphun (Thailand)	Mass production started in 3Q26 for two major AI projects (Phononic solid state cooling and High-density PCBA). Non-AI demand also remains strong.
PCBA - Jaxing (China)	1) Solid-state cooling production, with Phononic, ramp-up started in 3Q26, with five customers passing PCN qualification (Product change notification). Additional equipment for solid-state cooling will arrive throughout 3Q-4Q26 to support two contracts.
PCBA - Cambodia	HANA is working with Phononic to develop and qualify a more complex production process for Co-Packaged Optics (CPO)-related cooling solutions.
2) IC	2) High-density PCBA for AI oscilloscopes started production in 3Q26, with full capacity expected by end-4Q26 or earlier.
PCBA - Ayutthaya (Thailand)	Growth outlook remains weak due to geopolitical and tariff uncertainty. RFID loading expected to increase further in 3Q26.
PCBA - Jaxing (China)	Realizing and restructuring should support profitability despite weak revenue. Positive 2H26 outlook driven by new medical activity and product lines.
3) Microdisplay	Border closure remains a logistics cost challenge, although customers remain unconcerned unless the conflict escalates.
HTI (Ohio, USA)	2H26 sales and margin expected to improve from higher utilisation rate.
4) Korea Plant (IC)	Semiconductor cycle turns positive with strong demand is expected to continue.
Power Master	Utilisation recovery continues, with further growth expected in 2H26. Strong NPI (New product introduction) backlog supports future growth.
	Additional capex for 2027 under review as new projects move toward mass production. Equipment lead times remain extended.
	Transition from standard OSAT to power modules continues through 2027 and beyond. Profitability expected to remain weak in 2H26, with a brighter outlook in 2027. US customer demand expected to recover in early 2027.
	Tyre-lag demand remain weak from EU demand, but inlay sales is expected to improve while operation losses is expected to narrow.
	Continued improvement expected in 3Q26, supported by inlay capacity expansion. Management targets a return to operating profitability by 4Q26.
	Demand is expected to improve in 2H26. Marketing efforts in India and Korea started to deliver results.
	Revenue expected to continue improving in 2H26, reducing losses and cash burn. Operating losses continued but narrowed.
	China bundry partners for SIC planned for qualification by 3Q26.

Source: UOB Kay Hian

Five-Year Forward PE And PBV Bands



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	20,563	22,330	25,630	28,198
EBITDA	1,559	2,176	2,651	3,094
Deprec. & amort.	1,526	1,761	1,858	1,950
EBIT	33	415	794	1,144
Total other non-operating income	608	447	589	663
Associate contributions	(26)	(15)	(15)	(15)
Pre-tax profit	721	1,234	1,565	1,993
Tax	(51)	(112)	(150)	(191)
Minorities	0	0	0	0
Net profit	537	1,117	1,415	1,803
Net profit (adj.)	670	905	1,415	1,803

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	3,987	4,365	2,837	3,788
Pre-tax profit	721	1,234	1,565	1,993
Tax	(79)	(116)	(157)	(177)
Deprec. & amort.	1,526	1,761	1,858	1,950
Working capital changes	1,830	709	(891)	(412)
Non-cash items	0	0	0	0
Other operating cashflows	(11)	777	462	432
Investing	(3,713)	(3,250)	(1,928)	(2,396)
Capex (growth)	(650)	(2,457)	(1,991)	(2,133)
Investments	0	(47)	0	0
Others	(3,063)	(746)	64	(263)
Financing	(1,431)	(889)	(1,107)	(1,107)
Dividend payments	(664)	(885)	(1,107)	(1,107)
Issue of shares	0	0	0	0
Proceeds from borrowings	(753)	(3)	0	0
Others/interest paid	(14)	0	0	0
Net cash inflow (outflow)	(1,156)	227	(197)	285
Beginning cash & cash equivalent	6,689	4,936	4,843	4,300
Ending cash & cash equivalent	5,533	5,164	4,646	4,586

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	8,487	9,184	9,317	9,500
Other LT assets	336	406	414	420
Cash/ST investment	5,308	4,843	4,300	4,239
Other current assets	17,028	18,311	19,479	20,585
Total assets	31,159	32,743	33,510	34,744
ST debt	479	475	475	475
Other current liabilities	3,328	4,653	5,084	5,594
LT debt	1	2	2	2
Other LT liabilities	1,032	1,058	1,085	1,113
Shareholders' equity	26,319	26,556	26,864	27,560
Minority interest	0	0	0	0
Total liabilities & equity	31,159	32,743	33,510	34,744

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	7.6	9.7	10.4	11.0
Pre-tax margin	3.5	5.5	6.1	7.1
Net margin	2.6	5.0	5.5	6.4
ROA	1.6	3.3	4.1	5.1
ROE	2.6	5.3	6.6	8.3
Growth				
Turnover	(11.2)	(3.5)	10.7	21.8
EBITDA	(58.4)	(41.9)	(29.2)	(17.4)
Pre-tax profit	(77.8)	(61.9)	(51.7)	(38.5)
Net profit	(79.5)	(57.3)	(45.9)	(31.1)
Net profit (adj.)	0.0	35.0	56.4	27.4
EPS	(11.9)	18.9	86.0	137.0
Leverage				
Debt to total capital	1.8	1.8	1.8	1.7
Debt to equity	1.8	1.8	1.8	1.7
Net debt/(cash) to equity	(18.3)	(16.4)	(14.2)	(13.6)

i-Tail Corporation (ITC TB)

The Acquisition Of Phelps

Highlights

- ITC announced the acquisition of Phelps, which is a US-based manufacturer and distributor of pet food products.
- We view the acquisition positively for ITC's long-term US business, attributable to commercial expansion and operational synergies.
- Maintain BUY with a target price of Bt22.00.

Analysis

- **The acquisition of Phelps.** i-Tail Corporation (ITC) announced the acquisition by i-Tail Americas, Inc, a wholly owned subsidiary of ITC, of all issued and outstanding shares of Pet Treat Holdings, Inc (PTH). As a result, PTH and its wholly owned operating subsidiary, Phelps Industries (Phelps), become indirect wholly owned subsidiaries of ITC. The transaction amount is of US\$160m (approximately Bt5.3b). The acquisition was funded by ITC's working capital and proceeds from IPO. The transaction was completed on 22 Oct 26.
- **Phelps's company business.** Phelps is a US-based manufacturer and distributor of pet food products, specialising in dog treats, particularly jerky-sticks, strips, and tenders.
- Phelps' revenue is derived from three segments: a) core private label products, accounting for 58% of total revenue, b) private-label brands, contributing 41%; and c) own brands, representing the remaining 1%. The company operates two manufacturing facilities in the US, located in Rockford and Janesville, with an estimated capacity utilisation rate of around 50%.
- Phelps generated revenue of US\$57.6m and US\$70.3m in 2024 and 2025, respectively. Gross profit margin in 2024-25 was approximately 16.4%. Net profit margin was at 6.6% in 2025.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	17,729.0	18,223.4	21,099.3	23,594.9	25,477.6
EBITDA	4,517.6	3,849.6	4,427.7	5,050.9	5,520.5
Operating profit	3,977.0	3,181.4	3,629.5	4,119.3	4,489.0
Net profit (rep./act.)	3,597.3	2,977.9	3,443.8	3,908.0	4,257.8
Net profit (adj.)	3,830.4	2,933.4	3,443.8	3,908.0	4,257.8
EPS	1.3	1.0	1.2	1.3	1.4
PE (x)	13.6	17.7	15.1	13.3	12.2
P/B (x)	2.2	2.2	2.1	2.1	2.0
EV/EBITDA (x)	10.3	11.8	10.4	9.2	8.4
Dividend yield (%)	6.6	5.2	6.0	6.3	7.0
Net margin (%)	20.3	16.3	16.3	16.6	16.7
Net debt/(cash) to equity(%)	(22.4)	(27.2)	(23.8)	(22.5)	(22.4)
Interest cover (x)	749.6	375.3	974.0	888.9	777.2
ROE (%)	15.2	12.7	14.5	16.2	17.4
Consensus net profit	n.a	n.a	3,472.5	3,890.9	4,289.4
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: i-Tail Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt17.10
Target Price	Bt22.00
Upside	28.65%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	ITC TB
Shares issued (m)	3,000.0
Market cap (Btm)	50,100.0
Market cap (US\$m)	1,496.7
3-mth avg daily t'over (US\$m)	5.2

Price Performance (%)

52-week high/low				Bt18.0/Bt13.9
1mth	3mth	6mth	1yr	YTD
(6.2)	0.6	19.3	12.1	10.6

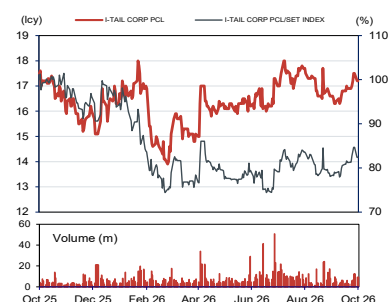
Major Shareholders (%)

Thai Union Group	79.30
Thai NVDR	2.68

Balance Sheet Metrics

FY26 NAV/Share (Bt)	8.2
FY26 Net Debt/Share (Bt)	(1.9)

Price Chart



Source: Bloomberg

Company Description

ITC manufactures and sell mid-priced to premium quality products pet food and treats for cats and dogs made from premium ingredient, primarily in fish and chicken. .

• **We view the deal positively for ITC's long-term growth.**

- a) **Cross-selling opportunities:** Phelps' customer base does not overlap with ITC's existing customers, creating opportunities to expand ITC's customer network by leveraging Phelps' established relationships. Furthermore, Phelps' customers primarily focus on pet treats and dog products. Therefore, ITC could capitalise on the relationships to cross-sell its wet pet food and cat food products.
- b) **Manufacturing optimisation:** Optimise the US production footprint and product allocation across facilities to mitigate geopolitical risks.
- c) **Operational synergies:** The synergies could improve operating leverage and profitability through economies of scale on the back of joint procurement, logistics integration, and supply chain optimisation.

In terms of earnings impact, we expect the acquisition to make a limited contribution to ITC's earnings in 4Q26. For 2027, we project a 5% upside to ITC's earnings based on our estimate that Phelps will generate earnings of Bt200m.

For valuation, implied EV/EBITDA of 11.5x is within the pet food industry range of 9-12x. However, the implied acquisition P/E of 25-26x represents a premium to ITC's current valuation of 13-14x.

Nevertheless, we are positive on the long-term outlook as the acquisition provides opportunities to leverage Phelps' existing customer base, expand cross-selling opportunities, and diversify ITC's market exposure, helping mitigate geopolitical risks.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt22.00.** Our valuation is based on 2027 EPS. We peg its PE target to its three-year mean, at 17x.

Earnings Revision/Risk

- **Earnings revision:** None.

Share Price Catalyst

- Better-than-expected premium product mix.
- Sales increase in the US and EU markets.
- Lower raw material costs.
- Depreciation of the Thai baht.

Environmental, Social, Governance (ESG)

CG Report: 5

SET ESG Rating: A

Environmental

- SeaChange sustainability strategy by 2030. To become a net-zero emission company, the company plans to: a) increase the biomass fuel usage to 70% of its steam production; b) expand solar panel contribution to 4.8 MW or 10%, with a plan to raise to 30% of electricity consumption by 2027 (additional 10% in 2026 and 10% in 2027); and c) reduce its GHG emissions by 42% by 2030 from 2021 baseline.

Social

- ITC aims to increase its OEM sales by increasing sustainable packaging to 60% by 2030.

Governance

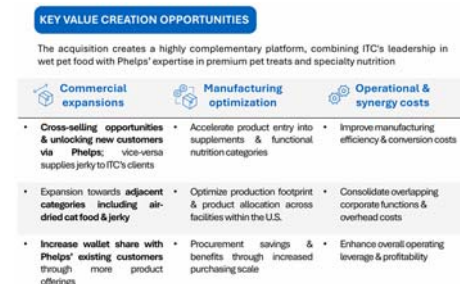
- ITC is committed to conducting its business with honesty, transparency, responsibility and business ethics. ITC's policies include anti-corruption, respect for human rights, fair treatment of labour, and responsibility to customers and consumers.

Phelps's Business



Source: ITC

Strategic Synergy and Key Benefits



Source: ITC

Phelps's Financial Performance

Metrics	2024	2025
Total revenue (USD mn)	57.6	70.3
GPM(%)	16.4%	16.4%
OPM(%)	8.8%	9.5%

Phelps' total revenue is expected to grow at **21.0% CAGR from 2023A to 2026E**

Source: ITC

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	18,223	21,099	23,595	25,478
EBITDA	3,850	4,428	5,051	5,521
Deprec. & amort.	668	798	932	1,032
EBIT	3,181	3,629	4,119	4,489
Total other non-operating income	0	0	0	0
Associate contributions	0	0	0	0
Net interest income/(expense)	(10)	(5)	(6)	(7)
Pre-tax profit	3,171	3,625	4,114	4,482
Tax	(149)	(181)	(206)	(224)
Minorities	0	0	0	0
Net profit	2,978	3,444	3,908	4,258
Net profit (adj.)	2,933	3,444	3,908	4,258

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	3,547	3,304	4,076	4,731
Pre-tax profit	3,127	3,625	4,114	4,482
Tax	(149)	(181)	(206)	(224)
Deprec. & amort.	570	798	932	1,032
Associates	0	0	0	0
Working capital changes	(1)	(938)	(764)	(559)
Non-cash items	0	0	0	0
Other operating cashflows	0	0	0	0
Investing	1,582	(1,000)	(1,000)	(1,000)
Capex (growth)	(1,124)	(1,000)	(1,000)	(1,000)
Others	2,706	0	0	0
Financing	(3,483)	(2,890)	(3,286)	(3,659)
Dividend payments	(3,450)	(2,890)	(3,286)	(3,659)
Issue of shares	0	0	0	0
Proceeds from borrowings	0	0	0	0
Loan repayment	0	0	0	0
Others/interest paid	(34)	0	0	0
Net cash inflow (outflow)	1,646	(586)	(210)	72
Beginning cash & cash equivalent	5,408	6,431	5,826	5,650
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	6,489	5,826	5,650	5,764

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	6,484	6,843	6,911	6,880
Other LT assets	362	391	423	457
Cash/ST investment	6,489	5,826	5,650	5,764
Other current assets	9,638	10,641	11,711	12,516
Total assets	26,973	27,701	28,695	29,617
ST debt	0	0	0	0
Other current liabilities	2,310	2,314	2,577	2,774
LT debt	0	0	0	0
Other LT liabilities	837	885	994	1,119
Shareholders' equity	23,826	24,502	25,124	25,723
Minority interest	0	0	0	0
Total liabilities & equity	26,973	27,701	28,695	29,617

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	21.1	21.0	21.4	21.7
Pre-tax margin	17.4	17.2	17.4	17.6
Net margin	16.3	16.3	16.6	16.7
ROA	11.4	13.0	14.4	15.5
ROE	12.7	14.5	16.2	17.4
Growth				
Turnover	2.8	15.8	11.8	8.0
EBITDA	(14.8)	15.0	14.1	9.3
Pre-tax profit	(20.1)	14.3	13.5	9.0
Net profit	(17.2)	15.6	13.5	9.0
Net profit (adj.)	(23.4)	17.4	13.5	9.0
EPS	(23.4)	17.4	13.5	9.0
Leverage				
Debt to total capital	0.0	0.0	0.0	0.0
Debt to equity	0.0	0.0	0.0	0.0
Net debt/(cash) to equity	(27.2)	(23.8)	(22.5)	(22.4)
Interest cover	375.3	974.0	888.9	777.2

Praram 9 Hospital (PR9 TB)

Expect A Record High Net Profit In 3Q26

Highlights

- PR9 is expected to report a strong net profit of Bt232m in 3Q26 (+3.7% yoy, +25.7% qoq).
- The main contributor is Thai patients, who could show a 9% yoy revenue growth driven by the epidemic and increasing revenue intensity.
- We remain optimistic about PR9 and maintain it as our top pick, given the positive earnings outlook for 4Q26, supported by improving patient arrivals from the Middle East and pent-up demand following the floods.
- Maintain BUY with a target price of Bt24.60.

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Total revenue	1,364	1,311	1,436	5.3%	9.5%	3,880	4,031	3.9%
Gross profit	498	468	533	7.0%	14.0%	1,417	1,453	2.5%
SG&A	(270)	(266)	(267)	-1.1%	0.2%	(765)	(782)	2.1%
Operating EBITDA	328	311	382	16.8%	23.1%	935	1,000	6.9%
Core profit	223	184	232	3.7%	25.7%	606	601	-0.9%
Net profit	223	184	232	3.7%	25.7%	606	601	-0.9%
EPS (Bt)	0.28	0.23	0.29	3.7%	25.7%	0.77	0.76	-0.9%
(%)	3Q25	2Q26	3Q26F	yoy (ppt)	qoq (ppt)	9M25	9M26F	yoy (ppt)
Gross margin	36.5%	35.7%	37.1%	0.6	1.5	36.5%	37.5%	0.9
SG&A to sales	19.8%	20.7%	18.6%	(1.2)	(2.1)	-19.7%	-20.1%	(0.4)
EBITDA margin	24.0%	23.7%	26.6%	2.6	2.9	24.1%	25.8%	1.7
Net profit margin	16.4%	14.1%	16.1%	(0.2)	2.1	15.6%	14.9%	(0.7)

Source: PR9, UOB Kay Hian

Analysis

- Expect robust yoy and qoq growth in 3Q26.** Praram 9 Hospital (PR9) is likely to report a strong net profit of Bt232m in 3Q26 (+3.7% yoy, +25.7% qoq). Top-line should reach Bt1.44b (+5.3% yoy, +9.5% qoq), primarily driven by Thai patients across both the self-pay and insured segments. The key drivers are the epidemic and increased revenue intensity per patient, which should drive Thai patient revenue in 3Q26 up by 9% yoy. On the other hand, we project that the foreign patient revenue will slightly decline in 3Q26 due to a drop in Middle Eastern patients' volume from the unrest situation. PR9 is actively controlling its SG&A expenses, hence we estimate that SG&A to sales will drop yoy. We foresee no tax benefit in 3Q26. At the same tax rate, earnings in 3Q26 should show a robust growth of 11.1% yoy. We expect both gross margins and EBITDA margins to expand significantly yoy and qoq.

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)	21.0	18.2	17.0	15.1	13.5
P/B (x)	2.7	2.5	2.4	2.1	2.0
EV/EBITDA (x)	12.6	11.0	10.0	9.1	8.2
Dividend yield (%)	2.1	2.6	2.9	3.3	3.7
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)	-	-	862	944	1,051
UOBKH/Consensus (x)	-	-	1.02	1.05	1.05

Source: Praram 9 Hospital, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt19.00
Target Price	Bt24.60
Upside	+29.5%

Stock Data

Sector	Health Care
Bloomberg ticker	PR9 TB
Shares issued (m)	786.3
Market cap (Btm)	14,939.7
Market cap (US\$m)	442.5
3-mth avg daily t'over (US\$m)	1.5

Price Performance (%)

52-week high/low				Bt22.90/Bt15.70
1mth	3mth	6mth	1yr	YTD
(1.6)	6.7	15.9	(16.3)	1.6

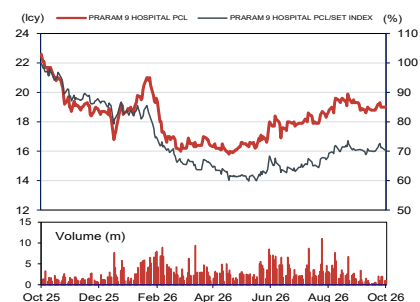
Major Shareholders (%)

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.

- **Slight impact from Bangkok flood.** There were flash floods in Bangkok during late-Sep 26 to early-Oct 26 due to heavy monsoon rainfall. Although there is no property damage at the hospital headquarters, the flood disrupted patient access to the hospital for around a week. Hence, some appointments between late-Sep 26 and early-Oct 26 were deferred. PR9 encourages patients to reschedule those appointments within Oct 26 hence, there should be no impact on this year's earnings. As a result of these delayed treatments, revenue growth in Sep 26 should be softer than Jul-Aug 26, which is still decent. Hence, there is no significant impact on 3Q26 earnings, and revenue from deferred appointments should be realised in 4Q26.
- **Remain confident in strong 4Q26 outlook.** Management updated that it remains confident on the performance in Oct 26; it should see a strong revenue growth yoy and a strong 4Q26 earnings outlook. Foreign patient revenue should revert back to an uptrend, as PR9 is seeing improving momentum in the return of Middle Eastern patients. The pent-up demand from the flood in late-Sep 26 should also provide strong support to 4Q26 earnings. Meanwhile, expenses in 4Q26 are being strictly monitored and some costs such as marketing costs are being cut. Therefore, we expect to see a yoy growth in 4Q26 earnings.
- **Actively exploring new markets for specialty care offerings.** PR9 has established a strong reputation for its expertise in diabetic wound care and kidney transplantation, particularly among Middle Eastern patients. Kidney transplant cases slightly softened in 3Q26, due to rising competition from rural public hospitals. As a result, PR9 has shifted its strategy towards actively penetrating foreign markets such as Bangladesh, Mongolia, and Kazakhstan. PR9 continues to strengthen its complex care services through investments in advanced medical technology, including the Da Vinci robotic surgical system launched in 1Q26. The system enables minimally invasive procedures across various 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 and remain positive on its 4Q26 earnings outlook. We see several supporting factors such as: a) the improving momentum of Middle Eastern patient arrivals in Oct 26, b) pent-up demand from cases postponed by the flood, and c) strict cost cutting measures in 4Q26.

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.

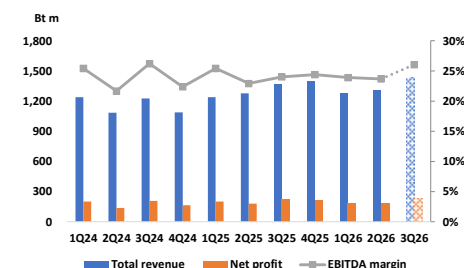
Social

- **Quality healthcare.** Focuses on specialised 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 programmes.

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.

Quarterly Performance



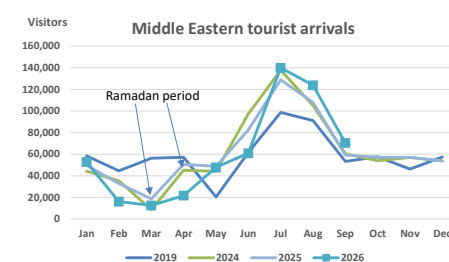
Source: PR9, UOB Kay Hian

Bangkok Flooded Area In Late-Sep 26



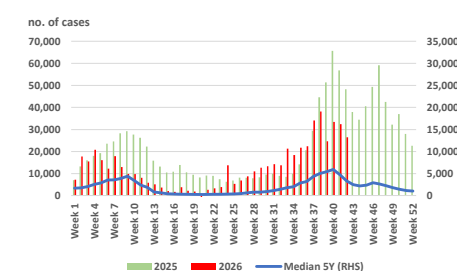
Source: Department of Disaster Prevention and Mitigation

Middle Eastern Patient Arrivals



Source: Ministry of Tourism and Sports, UOB Kay Hian

No. of Influenza Cases (1 Jan-17 Oct 26)



Source: Department of Disease Control, UOB Kay Hian

Profit & Loss

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

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

Balance Sheet

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

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

AP (Thailand) (AP TB)

3Q26 Results Preview: Strong Earnings Expected Despite Moderating Momentum

Highlights

- We expect AP to report 3Q26 net profit of Bt1.14b (+7.4% qoq, -1.1% yoy), with total property transfers of Bt11.0b (+5.6% qoq, +25.1% yoy). This is supported by strong 3Q26 presales of Bt13.40b (+12.4% qoq, +11.14% yoy), compared with Bt12.31b in 2Q26.
- Maintain BUY with a target price of Bt9.25.

Analysis

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26	yoy %	qoq %
Sales and services	9,124	10,777	11,360	24.5	5.4
Operating EBIT	1,161	1,438	1,379	18.8	(4.1)
Equity income	315	14	112	(64.4)	706.9
Core profit	1,118	1,028	1,110	(0.8)	7.9
Net profit	1,154	1,063	1,142	(1.1)	7.4
Percent	3Q25	2Q26	3Q26	yoy ppt	qoq ppt
Gross margin	32.0	30.9	29.9	(2.1)	(0.9)
SG&A to sales	19.3	17.5	17.8	(1.5)	0.3
EBIT margin	12.7	13.3	12.1	(0.6)	(1.2)
Net margin	12.7	9.9	10.1	(2.6)	0.2

Source: AP, UOB Kay Hian

- 3Q26 earnings expected to remain resilient, supported by strong property transfers.** We expect AP to report 3Q26 net profit of Bt1.14b (+7.4% qoq, -1.1% yoy), with total property transfers reaching Bt11.0b (+5.6% qoq, +25.1% yoy), supported by strong presales of Bt13.40b (+8.9% qoq, +11.14% yoy), compared with Bt12.31b in 2Q26. We expect AP's property transfers to outperform the industry, driven by seasonal demand during the high season, the launch of 17 new projects, and the commencement of transfers from JV projects.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	36,988.4	37,344.6	39,114.7	40,513.3	41,235.0
EBITDA	5,773.7	5,166.3	5,058.6	5,442.7	5,742.9
Operating profit	5,498.7	4,930.3	4,801.5	5,180.2	5,454.9
Net profit (rep./act.)	5,020.1	4,316.7	4,541.6	4,855.9	5,087.4
Net profit (adj.)	5,013.7	4,316.7	4,541.6	4,855.9	5,087.4
EPS	1.6	1.4	1.4	1.5	1.6
PE (x)	5.3	6.1	5.8	5.4	5.2
P/B (x)	0.6	0.6	0.5	0.5	0.5
EV/EBITDA (x)	8.9	9.7	9.9	9.3	8.9
Dividend yield (%)	7.1	6.2	6.4	6.8	7.1
Net margin (%)	13.6	11.6	11.6	12.0	12.3
Net debt/(cash) to equity(%)	70.0	64.0	60.4	57.8	55.1
Interest cover (x)	8.5	8.4	8.2	8.6	9.0
ROE (%)	11.9	9.6	9.6	9.6	9.5
Consensus net profit	n.a	n.a	4,556.8	4,892.5	5,223.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

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

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BUY (Maintained)

Share Price	Bt8.05
Target Price	Bt9.25
Upside	14.91%

Stock Data

Sector	Real Estate
Bloomberg ticker	AP TB
Shares issued (m)	3,145.9
Market cap (Btm)	25,324.5
Market cap (US\$m)	748.9
3-mth avg daily t'over (US\$m)	2.0

Price Performance (%)

52-week high/low				Bt9.6/Bt7.0
1mth	3mth	6mth	1yr	YTD
1.9	1.3	(5.3)	(7.5)	(6.4)

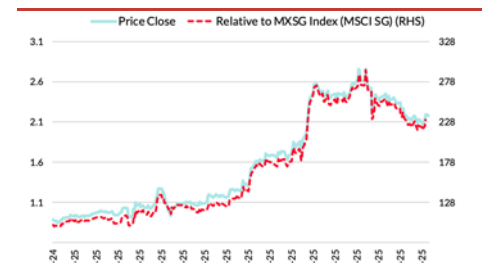
Major Shareholders (%)

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

Balance Sheet Metrics

FY26 NAV/Share (Bt)	15.6
FY26 Net Debt/Share (Bt)	9.4

Price Chart



Source: Bloomberg

Company Description

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

- **Gross margin expected to remain broadly stable, with gradual improvement ahead.** We forecast 3Q26 gross margin at 29.9%, slightly lower than 30.9% in 2Q26 but broadly in line with the 1H26 level. Looking ahead, we expect gross margin to gradually recover, supported by the launch of 17 new projects, which are anticipated to generate higher margins and improve the overall project mix.
- **JV profit contribution expected to recover from its annual low in 2Q26.** We expect AP's share of profit from JVs to improve in 3Q26 and continue recovering throughout 2H26, supported by the commencement of transfers from new JV projects, particularly Rhythm Charoen Nakhon Iconic. The project has achieved approximately 88% presales and began transferring units in August. We forecast 3Q26 JV profit contribution at Bt121m (+764% qoq, -61.6% yoy), compared with Bt14m in 2Q26 and Bt315m in 3Q25.
- **Awaiting the benefits from government housing stimulus measures.** The Cabinet recently approved the Government Housing Bank's (GHB) "Baan Khon La Lang PLUS" housing loan programme, with a total credit facility of Bt50b. The programme offers mortgage loans of up to Bt3m with repayment terms of up to 40 years, aiming to improve homeownership affordability for low- to middle-income households. We believe developers with significant exposure to residential properties priced below Bt3m will benefit the most. For AP, the relevant brands include Pleno, Pleno Town and Apitown. Nevertheless, we believe the near-term impact will remain limited, and we will continue monitoring presales momentum in 4Q26 to assess the effectiveness of these measures.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt9.25**, based on 6.0x 2027F PE and 2027F EPS of Bt1.54, compared with the previous estimate of Bt1.53. We continue to favour AP for its strong competitive position, resilient operating performance and leadership in Thailand's residential property sector.

Earnings Revision/Risk

- No changes to our earnings forecasts.
- Risks: a) Lower-than-expected presales, property transfers and gross margins; and b) tighter mortgage lending policies, which could further constrain residential demand and property transfer activity.

Share Price Catalyst

- a) Higher-than-expected presales and faster-than-anticipated property transfers; b) stronger-than-expected gross margin recovery; c) higher-than-forecast JV profit contributions; and d) positive impacts from government housing stimulus measures, particularly the "Baan Khon La Lang PLUS" programme.
- AP will report its results on 12 Nov 26.

Environment, Social, Governance (ESG) Updates

Environmental

- AP has policies and projects to achieve the national environmental mission, including climate change, pollution, resource conservation and waste management.

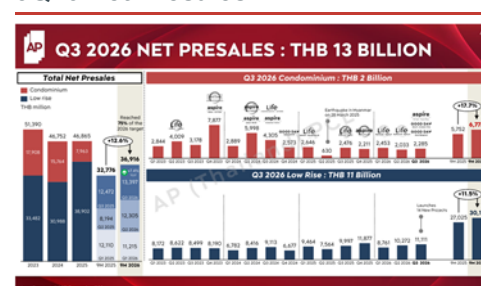
Social

- AP focuses on human resources, social activity, community development and environmentally friendly innovation. Its expertise has led it to prioritise knowledge sharing, improve society and develop environmental sustainability.

Governance

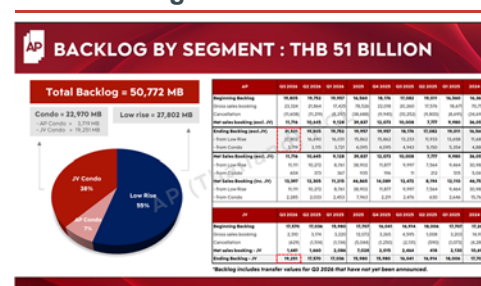
- The company has a strong corporate governance structure with a Board of Directors, an Audit Committee and sub-committees.

3Q26 Net Presales



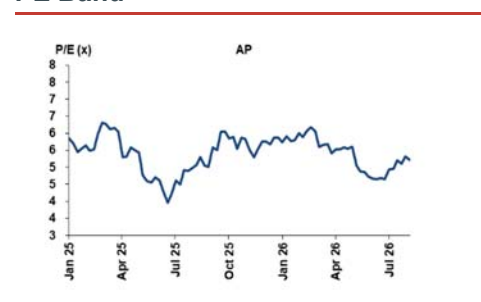
Source: AP, UOB Kay Hian

JV & Backlog



Source: AP, UOB Kay Hian

PE Band



Source: UOB Kay Hian

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	37,345	39,115	40,513	41,235
EBITDA	5,166	5,059	5,443	5,743
Deprec. & amort.	236	257	262	288
EBIT	4,930	4,802	5,180	5,455
Total other non-operating income	251	285	285	285
Associate contributions	690	969	988	1,008
Net interest income/(expense)	(613)	(621)	(631)	(641)
Pre-tax profit	5,258	5,435	5,823	6,107
Tax	(942)	(893)	(967)	(1,020)
Minorities	1	0	0	0
Net profit	4,317	4,542	4,856	5,087
Net profit (adj.)	4,317	4,542	4,856	5,087

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	2,583	1,996	1,599	1,746
Pre-tax profit	5,258	5,435	5,823	6,107
Tax	(942)	(893)	(967)	(1,020)
Deprec. & amort.	236	257	262	288
Working capital changes	(1,781)	(680)	(645)	(695)
Non-cash items	(188)	(2,123)	(2,874)	(2,935)
Other operating cashflows	0	0	0	0
Investing	384	(451)	(372)	(286)
Capex (growth)	(146)	(360)	(255)	(265)
Investments	545	(116)	(145)	(35)
Others	(15)	25	28	14
Financing	(3,676)	(1,217)	(1,239)	(1,340)
Dividend payments	(1,888)	(1,658)	(1,739)	(1,840)
Issue of shares	0	0	0	0
Proceeds from borrowings	(1,793)	441	500	500
Others/interest paid	5	0	0	0
Net cash inflow (outflow)	(709)	327	(11)	120
Beginning cash & cash equivalent	2,565	1,856	2,183	2,172
Ending cash & cash equivalent	1,856	2,183	2,172	2,292

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	491	594	587	564
Other LT assets	8,906	9,022	9,167	9,202
Cash/ST investment	1,856	2,183	2,172	2,292
Other current assets	74,408	77,165	80,950	84,717
Total assets	85,661	88,965	92,876	96,775
ST debt	9,744	10,244	9,244	9,244
Other current liabilities	7,478	7,432	7,698	7,835
LT debt	21,604	21,545	23,045	23,545
Other LT liabilities	757	782	810	825
Shareholders' equity	46,094	48,977	52,094	55,342
Minority interest	(16)	(16)	(16)	(16)
Total liabilities & equity	85,661	88,965	92,876	96,775

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	13.8	12.9	13.4	13.9
Pre-tax margin	14.1	13.9	14.4	14.8
Net margin	11.6	11.6	12.0	12.3
ROA	5.1	5.2	5.3	5.4
ROE	9.6	9.6	9.6	9.5
Growth				
Turnover	1.0	4.7	3.6	1.8
EBITDA	(10.5)	(2.1)	7.6	5.5
Pre-tax profit	(14.8)	3.4	7.1	4.9
Net profit	(14.0)	5.2	6.9	4.8
Net profit (adj.)	(13.9)	5.2	6.9	4.8
EPS	(13.9)	5.2	6.9	4.8
Leverage				
Debt to total capital	68.0	64.9	62.0	59.3
Debt to equity	68.0	64.9	62.0	59.2
Net debt/(cash) to equity	64.0	60.4	57.8	55.1
Interest cover	8.4	8.2	8.6	9.0

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