



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	52342.6	(0.3)	(1.0)	1.9	8.9
S&P 500	7720.4	(0.3)	0.7	0.6	12.8
FTSE 100	10722.1	0.3	(0.0)	0.8	8.0
AS30	9012.6	0.5	1.1	0.5	(0.1)
CSI 300	4041.8	(1.0)	0.1	(7.2)	(12.7)
FSSTI	5396.0	0.0	(0.5)	(4.9)	16.1
HSCEI	7755.7	(0.5)	0.9	(5.6)	(13.0)
HSI	22958.7	(0.6)	0.1	(6.4)	(10.4)
JCI	5098.1	(3.5)	(5.4)	(16.0)	(41.0)
KLCI	1611.2	(0.2)	0.2	(2.4)	(4.1)
KOSPI	5937.7	(1.2)	7.3	(13.2)	40.9
Nikkei 225	64659.5	1.1	2.8	(3.1)	28.4
SET	1544.6	(1.4)	(0.7)	(0.9)	22.6
TWSE	46368.3	(1.4)	0.2	(3.3)	60.1

BDI	2712	2.3	0.7	(14.7)	44.5
CPO (RM/mt)	4436	0.7	(0.3)	(0.8)	12.8
Brent Crude (US\$/bbl)	115	(0.4)	1.5	12.0	88.8

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
TNFD Conference: Nature Means Business – Navigating Nature-Related Risks with TNFD	Malaysia	05 Nov	05 Nov
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
Regional 1H2027 Strategy Conference	Malaysia	02 Dec	02 Dec

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 | Oil and Gas

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- While we remain cautious on the petrochemical sector and maintain an UNDERWEIGHT rating due to Chinese oversupply, we view the new JVCo as a win-win for PTTGC and SCGC. PTTGC stands to benefit more from significant asset expansion with limited financial burden, reasonable acquisition valuation, and stronger value-chain integration to accelerate its transition towards specialty chemicals. We maintain MARKET WEIGHT on the oil and gas sector, with TOP and SCGP as our top picks.

Company Update | Central Plaza Hotel (CENTEL TB/BUY/Bt46.50/Target: Bt58.00)

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- CENTEL should report 3Q26 net profit of Bt220m (+37.1% yoy, +32.1% qoq), driven by strong hotel performance in the Maldives and upcountry destinations, alongside improving food margins. Refinancing and new bond issuance should generate further interest savings from 4Q26. Strong forward bookings support positive 4Q26 RevPar growth across key markets. Food performance remains resilient despite headwinds, with seasonal demand expected to strengthen. Maintain BUY with a target price of Bt58.00, supported by strong bookings, lower financing costs and margin improvement.

Company Update | Minor International (MINT TB/HOLD/Bt20.50/Target: Bt19.50)

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- MINT's 3Q26 core profit is expected to grow 2.9% yoy to Bt2.85b, supported by hotel RevPar growth, but pressured by rising interest expenses and operating costs. The postponed REIT launch limits deleveraging, while European hotel disposals remain pending. Weak 4Q26 bookings across Thailand, Europe, and the Maldives suggest limited demand recovery. With interest rates unlikely to decline and debt remaining elevated, earnings growth faces continued headwinds. Maintain HOLD, with the target price reduced to Bt19.50.



Oil & Gas

Thailand's Petrochemical Mega Merger: PTTGC And SCGC Join Forces To Build A Global Top-10 National Champion

Highlights

- We view the New JVCo as a win-win strategy that will reduce duplicated investments, secure feedstock cost advantages, and significantly strengthen bargaining power in global markets.
- We see PTTGC as the key beneficiary of the new JVCo deal, driven by: a) significant asset expansion with limited financial burden, b) reasonable acquisition valuation, and c) stronger value-chain integration.
- Key timeline: a) EGM on 3 Dec 26, b) approval from the TCCT and other relevant regulators targeted for 1H27, and c) formal establishment of the NEW JVCO expected by 2H27.
- Maintain MARKET WEIGHT. Our top picks are TOP and SCGP.

Analysis

- **A game changer for Thai petrochemicals.** We have a positive view of the new JVCo between PTT Global chemical (PTTGC) and SCG Chemical (SCGC) in Thailand's olefins and polyolefins businesses, viewing it as a win-win strategy that will reduce duplicated investments, secure feedstock cost advantages, and significantly strengthen bargaining power in global markets. The deal combines complementary strengths, with PTTGC contributing upstream capabilities, feedstock flexibility and access to low-cost feedstock (eg gas and ethane), as well as refinery integration, while SCGC brings downstream expertise, a high-value-added (HVA) product portfolio, and global R&D capabilities, including the ideas to Products (i2P) Innovation Centre. The combination aims to create a regional player ranked among the world's top 10 and enhance resilience through petrochemical downcycles. Key factors to monitor include regulatory approval from Thailand's Trade Competition Commission (TCC) and the post-merger integration (PMI) plan, particularly the pace of synergy realisation.
- **Transaction structure: PTTGC to hold a 56% controlling stake.** PTTGC will establish a Special-Purpose Vehicle (GC SPV) to receive its olefins, polyethylene, utilities and infrastructure businesses, related liabilities, and investments in GC Marketing Solutions (GCM, 100%-owned) and HMC Polymer (HMC, 41.4%-owned) through a partial business transfer (PBT).

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MARKET WEIGHT (Maintained)

Segmental Rating

Segment Rating

Oil and Gas MARKET WEIGHT (Maintained)

Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
Thai oil	TOP TB	BUY	61.00	100.00
SCG Packaging	SCGP TB	BUY	27.00	43.00

Source: Bloomberg, UOB Kay Hian

Peer Comparison

Ticker	Rec*	Price 27 Oct 26 (Bt)	Target Price (Bt)	Upside To TP (%)	Net Profit 2026F (Btm)	2027F (Btm)	PE 2026F (x)	2027F (x)	Net EPS Growth 2027F (%)	Yield 2027F (%)	ROE 2027F (%)	Market Cap. (US\$m)	Price/ NAV ps (x)
BCP TB	BUY	51.50	65.00	26.2	39,507	20,175	1.9	3.8	(48.9)	4.7	14.2	2,271	0.6
IRPC TB	HOLD	2.92	3.00	2.7	19,437	5,030	3.1	11.9	(74.1)	1.7	6.1	1,786	0.7
IVL TB	BUY	27.50	27.00	(1.8)	7,713	7,925	20.0	19.5	2.8	2.7	5.8	4,623	1.2
OR TB	HOLD	12.80	12.50	(2.3)	7,884	9,924	19.5	15.5	25.9	3.1	4.1	4,599	0.6
PTT TB	BUY	42.00	45.00	7.1	123,110	106,386	9.7	11.3	(13.6)	6.0	8.6	35,918	1.0
PTTEP TB	BUY	166.50	170.00	2.1	80,519	76,374	8.2	8.7	(5.1)	6.0	12.6	19,790	1.1
PTTGC TB	HOLD	54.25	54.00	(0.5)	30,730	18,205	8.0	13.4	(40.8)	3.0	5.0	7,324	0.7
SCC TB	HOLD	278.00	278.00	-	27,184	13,298	12.3	25.1	(51.1)	1.8	3.3	9,988	0.8
SPRC TB	BUY	14.80	17.00	14.9	27,066	10,707	2.4	6.0	(60.4)	7.4	16.0	1,921	0.9
TOP TB	BUY	67.50	100.00	48.1	50,361	27,923	3.0	5.4	(44.6)	4.4	12.5	4,514	0.7
Avg					413,512	295,946	7.5	10.5	(28.4)	4.8	8.7	92,734	0.9

Source: UOB Kay Hian

- Meanwhile, SCGC will restructure its Thai petrochemical businesses by transferring its stakes in domestic subsidiaries — including the Map Ta Phut Olefins and Rayong Olefins (MOC and ROC) crackers, downstream operations and HVA businesses — to Thai Polyethylene (TPE). GC SPV will then amalgamate with TPE, with the surviving entity becoming the New JVCo. PTTGC will hold 56% and retain control and full consolidation of the New JVCo's financial statements, while SCGC will own the remaining 44%.
- **Target recurring synergies of US\$150m–US\$200m within three years.** Management from both companies expects the New JVCo to generate US\$150m–US\$200m in recurring synergies within three years, with no additional capex required. Synergies will be driven by three key pillars: a) feedstock and supply chain optimisation; b) portfolio leadership and marketing; and c) operational efficiency, including joint maintenance and procurement.
- **Strong financial structure and dividend potential.** Before the merger, the contributed businesses had combined assets of approximately Bt267b, with net debt of Bt26.3b for PTTGC's business and Bt23.0b for SCGC/TPE. The new JVCo is expected to have total assets of approximately Bt245b (US\$7.5b), a debt-to-equity ratio of around 0.26x, and committed credit facilities of approximately Bt30b to support liquidity and financial flexibility. The new JVCo also targets a dividend payout ratio of at least 60% of consolidated net profit after tax and legal reserves, subject to sufficient cash flow to support operations and long-term investment requirements.

Financial Position & Capital Structure: Standalone vs. New JVCo

Financial Metric	PTTGC (GC SPV) (Pre-Merger)	SCGC / TPE (Pre-Merger)	New JVCo (Post-Merger)
Shareholding Structure	100% (PTTGC)	100% (SCGC)	PTTGC 56% : SCGC 44%
Current Assets	Bt36.33b	Bt50.55b	n.a.
Non-current Assets	Bt96.93b	Bt83.15b	n.a.
Total Assets	Bt133.26b (~US\$3.90b)	Bt133.70b (~US\$3.60b)	~Bt245.00b (~US\$7.50b)
Total Liabilities	Bt47.48b	Bt46.72b	n.a.
Net Debt	Bt26.32b	Bt23.04b	n.a.
Debt-to-Equity Ratio	n.a.	n.a.	~0.26x (Reflecting a highly sustainable capital structure)
Credit Facilities	n.a.	n.a.	~Bt30.00b (In committed credit facilities for liquidity)
Dividend Policy	n.a.	n.a.	Minimum 60% of consolidated net profit

Note: SCGC/TPE's net debt is based on the assumption that capital restructuring has been completed to align with target financial structures (maintaining a Net Debt-to-EBITDA ratio below 4.0x).

Source: PTTGC and SCGC

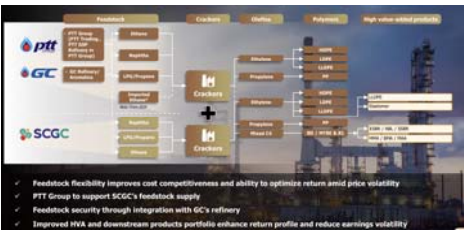
- **New JVCo formation expected in 2H27.** Key milestones include: a) an EGM on 3 Dec 26 to seek shareholder approval; b) obtaining approval from the Trade Competition Commission of Thailand (TCCT) and other relevant regulators, alongside completing internal restructuring, in 1H27; and c) fulfilling all conditions precedent and closing the transaction to formally establish the new JVCo by 2H27.
- **LSP remains a key growth driver for SCGC following the establishment of the new JVCo.** Following the new JVCo formation, SCGC will retain its 44% stake in the new JVCo, which will be accounted for as an associate. SCGC will continue to pursue growth through its remaining businesses, including the LSP project in Vietnam, the vinyl chain (PVC and downstream finished products such as pipes, windows and doors), plastics conversion and innovation, green polymers (advanced and mechanical recycling, as well as bio-PE through its partnership with Braskem), technology solutions and digital services. SCGC will also expand its European recycling business through Sirplaste and Recycling Holding Volendam B.V. (KRAS). These businesses are expected to support earnings growth and help reduce SCGC's debt burden.
- **LSP start-up brought forward to late-2Q27.** SCGC management indicated that the LSP project is expected to start operations in late-2Q27, ahead of

Transaction Overview



Source: PTTGC

The Partner Strengthens The Value Chain, With Improved Feedstock Position Driven By PTTGC



Source: PTTGC, SCGC

Synergistic Value



Source: PTTGC, SCGC

New JVCo's Asset



Source: PTTGC, SCGC

The Leading Thai Polyolefins Player On A Global Scale



Source: PTTGC, SCGC

the previous 4Q27 target. A key highlight is the shift towards low-cost US ethane, which is approximately US\$200/tonne cheaper than naphtha and is expected to account for around 70% of the feedstock mix. SCGC has secured a 15-year ethane supply agreement with Enterprise Products Partners, chartered five very large ethane carriers (VLEC) from Mitsui O.S.K. Lines, and signed an EPC contract for cryogenic storage tanks. Construction and modifications to prepare the olefins plant for ethane began in Mar 26, with an investment of only US\$500m, supporting a relatively short payback period.

Valuation/Recommendation

- **Maintain MARKET WEIGHT on the oil and gas sector.** In the O&G sector, we prefer Thai oil (TOP TB/BUY/Target: Bt100.00) and SCG Packaging (SCGP TB/BUY/Target: Bt43.00).
- While we remain cautious on the petrochemical sector and maintain an UNDERWEIGHT due to concerns over Chinese oversupply, we view the establishment of the new JVCo between PTTGC and SCGC as a win-win strategy for both parties. However, we believe PTTGC stands to benefit more significantly from the deal through a substantial expansion of its asset base and production capacity, as well as an accelerated shift toward higher-value products. Our positive view is supported by three key factors:

a) A step-change in asset expansion with limited financial burden.

PTTGC will hold a 56% stake in the new JVCo, making it the majority shareholder and allowing it to consolidate the new JVCo's financial statements. Meanwhile, the new JVCo has a strong financial position, with a low debt-to-equity ratio of just 0.26x, indicating a manageable debt burden relative to the scale of assets acquired. The transaction will enable PTTGC to significantly expand its asset base and production capacity without having to develop all the assets independently.

b) Reasonable acquisition valuation relative to regional transactions.

The acquired assets are valued at approximately 6.3x EV/EBITDA, in line with the 6–7x range observed in petrochemical M&A transactions across the region. This suggests that PTTGC is gaining access to a substantial asset base at a reasonable valuation, without paying an excessive premium relative to prevailing market benchmarks.

c) Strengthening value-chain integration and accelerating the transition to specialty chemicals.

A key strategic benefit of the deal is the complementary strengths of the two businesses. PTTGC has established upstream advantages, particularly in feedstock flexibility and refining, while SCGC brings strong downstream integration capabilities and a portfolio of HVA products, alongside its network of JVs and global partners, including Dow and Mitsubishi Chemical. Combining these assets and expertise will strengthen integration across the value chain, enhance the development of higher-value products, and accelerate PTTGC's progress toward its strategic target of increasing specialty products to 30% of its portfolio by 2030.

Sector Catalyst/Risk

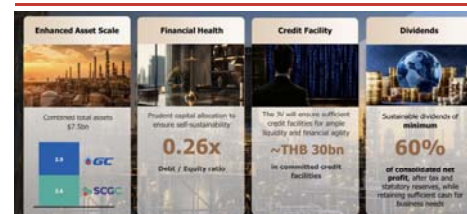
- Geopolitical risk: Middle East Conflict
- Fluctuations in crude oil prices, market gross refinery margin and petrochemical spreads.
- Global economic slowdown.

Key Timeline



Source: PTTGC, SCGC

The Balance Sheet Strengths And Prudent Capital Allocation



Source: PTTGC, SCGC

To-be: SCGC Overview



Source: SCGC

LSP In Vietnam



Source: SCGC

LSPE (Ethane Project) In Summary



Source: SCGC

Central Plaza Hotel (CENTEL TB)

Expect Robust 3Q26 Earnings, Supported By Strong RevPar Growth

Highlights

- We expect CENTEL to report a robust net profit of Bt220m (+37.1% yoy, +32.1% qoq) for 3Q26, with strong yoy RevPar growth being the key driver.
- Food business performance is resilient despite the pressure, and we expect gross margins to improve yoy in 3Q26 from several cost saving measures.
- Earnings outlook remains brilliant as the hotel bookings are strong and interest expense should continue to decline in 4Q26. CENTEL remains our top pick. Maintain BUY with a target price of Bt58.00 (previously Bt50.00).

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Hotel revenue	2,415	2,464	2,575	6.6	4.5	8,021	8,562	6.7
Food revenue	3,207	3,314	3,336	4.0	0.7	9,623	9,843	2.3
Total revenue	5,622	5,779	5,911	5.1	2.3	17,644	18,405	4.3
Gross profit	2,407	2,420	2,545	5.7	5.2	7,679	8,352	8.8
SG&A	2,081	2,127	2,176	4.6	2.3	6,331	7,145	12.8
Core profit	160	166	220	37.1	32.1	1,019	1,463	43.6
Net profit	160	166	220	37.1	32.1	1,019	2,529	148.3
(%)	3Q25	2Q26	3Q26F	yoy (ppt)	qoq (ppt)	9M25	9M26F	yoy (ppt)
Gross margin	42.8	41.9	43.1	0.2	1.2	43.5	45.4	1.9
SG&A to sales	37.0	36.8	36.8	(0.2)	0.0	35.9	38.8	2.9
EBITDA margin	24.2	22.6	24.1	(0.0)	1.5	25.8	23.6	(2.2)
Net profit margin	2.9	2.9	3.7	0.9	0.8	5.8	13.7	8.0

Source: CENTEL, UOB Kay Hian

Analysis

- **Robust earnings growth expected in 3Q26.** We expect Central Plaza Hotel (CENTEL) to report a net profit of Bt220m (+37.1% yoy, +32.1% qoq) for 3Q26. Top-line should be at Bt5.9b (+5.1% yoy, +2.3% qoq), supported by strong performance from both the hotel and food businesses. The earnings growth is expected to be mainly driven by continuously strong performance at the Maldives, which should show a robust 37% yoy growth in RevPar. Another strong contributor is the upcountry hotels which should show a robust 16% yoy growth in RevPar, with Pattaya, Samui, and Phuket as the main contributors. As a result, the portfolio RevPar should show very strong growth yoy at 11%. Meanwhile, the food business should also show decent performance, and we expect food gross margins to expand yoy, attributable to strict cost control measures and new high-margin product launches. As a result, we expect EBITDA margins to remain flat yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	23,950	25,051	28,056	30,542	34,712
EBITDA	6,100	6,727	7,423	7,956	8,725
Operating profit	2,810	3,146	3,467	3,814	4,425
Net profit (rep./act.)	1,753	1,993	3,668	2,523	3,010
Net profit (adj.)	1,753	1,993	2,246	2,523	3,010
EPS (Bt)	1.3	1.5	1.7	1.9	2.2
PE (x)	36.6	32.2	28.6	25.4	21.3
P/B (x)	3.1	2.9	2.5	2.5	2.3
EV/EBITDA (x)	14.9	13.5	12.2	11.4	10.4
Dividend yield (%)	1.2	1.4	2.6	1.8	2.1
Net margin (%)	7.3	8.0	13.1	8.3	8.7
Net debt/(cash) to equity (%)	137.7	128.7	103.0	103.3	95.0
Interest cover (x)	8.0	7.4	11.1	10.0	11.2
ROE (%)	8.7	9.2	15.4	9.9	11.2
Consensus net profit (Btm)	-	-	2,780	2,521	2,743
UOBKH/Consensus (x)	-	-	0.81	1.00	1.10

Source: Central Plaza Hotel, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt46.50
Target Price	Bt58.00
Upside	+24.7%
Previous TP	Bt50.00

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	CENTEL TB
Shares issued (m)	1,350.0
Market cap (Btm)	64,125.0
Market cap (US\$m)	1,898.9
3-mth avg daily t'over (US\$m)	3.8

Price Performance (%)

52-week high/low		Bt47.50/Bt29.50		
1mth	3mth	6mth	1yr	YTD
8.6	24.2	53.2	48.4	38.7

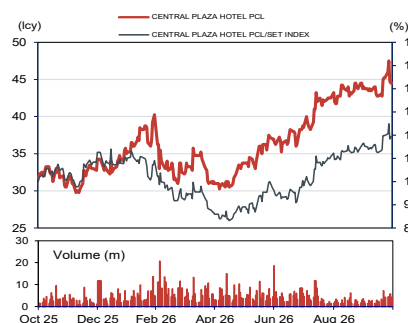
Major Shareholders (%)

Chirathivat Family	64.0
Local Investors	26.0

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.66
FY26 Net Debt/ Share (Bt)	19.22

Price Chart



Source: Bloomberg

Company Description

CENTEL is a leading hotel operator both in Thailand and overseas, as well as in the quick service restaurant industry in Thailand. CENTEL is part of the Central Group.

- Lower interest expenses from refinancing.** CENTEL's interest expenses declined by 4.0% qoq and 12.4% yoy in 2Q26, despite a higher outstanding loan balance, reflecting a lower cost of debt following refinancing. For 6M26, its cost of debt stood at 2.9%, down significantly from the 2025 average of 3.4%. By end-Sep 26, CENTEL aims to refinance an additional Bt2.5b loan, reducing its borrowing cost from around 3.0% to 2.0% and generating annual interest savings of approximately Bt16m. Management confirmed that no prepayment fees would be incurred. There were new tranches of bonds issued in Sep 26, amounting to Bt2.6b, which are expected to provide an additional savings of Bt24m p.a.. The interest savings from this bond will be reflected in 4Q26's performance onwards and we view the declining cost of debt as a positive catalyst for CENTEL's future earnings.
- Forward bookings in 4Q26 remain strong.** Bangkok hosted the IMF and World Bank Annual Meetings, a major global event, in mid-Oct 26, which brought together around 15,000 participants from 191 countries. Centara Central World significantly benefitted from an uplifted room rate as well as strong occupancy during the event period. We are looking forward to seeing the positive impact from Tomorrowland Pattaya and expect hotels to benefit from strong event-driven demand, with some visitors potentially extending their stays beyond the event. Based on current bookings, Bangkok hotels are expected to deliver robust high single-digit yoy RevPar growth in 4Q26. Upcountry hotels should also benefit in the high-travel season, which should result in mid-single-digit RevPar growth yoy. Meanwhile, Maldives RevPar growth should remain strong at mid-20s yoy, while the improving occupancy of Centara Dubai should narrow its net loss. If we exclude Dubai and a new hotel in Japan, the overall portfolio RevPar in 4Q26 is expected to show a robust low-teens growth yoy.
- Resilient food performance despite headwinds.** The "Thais Help Thais Plus" (60/40) scheme, which originally ran from Jun-Sep 26 and has now been extended to end-Nov 26, has been a key headwind for CENTEL's food business, as only small businesses are eligible to participate, diverting consumer spending away from larger operators. Despite this pressure, CENTEL's food business is expected to remain resilient, with SSSG only declining slightly, which is a notable improvement compared with the sharp contraction seen during a similar stimulus campaign in the past. We also expect gross margins in 3Q26 to improve from several strict cost control measures. Meanwhile, in 4Q26, we expect the performance to be stronger as we approach the festive season and the Thais Help Thais Plus spending quota should run out by end-Oct 26.

Valuation/Recommendation

- Maintain BUY with a target price of Bt58.00 (previously Bt50.00).** Our valuation is based on 2027 EV/EBITDA multiple of 13x, 1SD above its five-year historical mean trading level. CENTEL remains one of our top picks in the sector due to: a) the strong hotel bookings in 4Q26, b) lower cost of debt from refinancing, and c) improving margins of food business.

Environment, Social, Governance (ESG) Updates

Environmental

- Pledged to achieve net zero emissions by 2050.
- Targeting 20% reduction in greenhouse gas emissions by 2029.
- To eliminate single-use plastics by 2025.

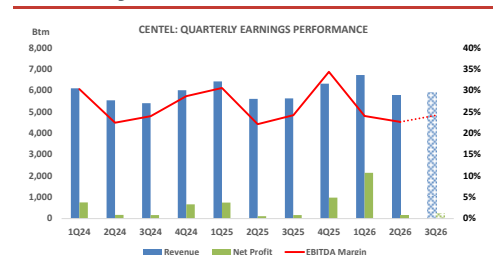
Social

- Conducts human rights assessment of the company, covering the hotel and food businesses.

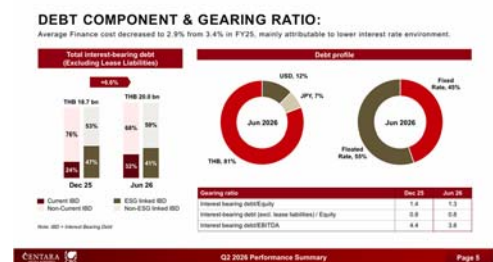
Governance

- Risk and governance management committee meets every three months.
- Strictly adheres to requirements and regulations, conducting business with transparency and accountability.

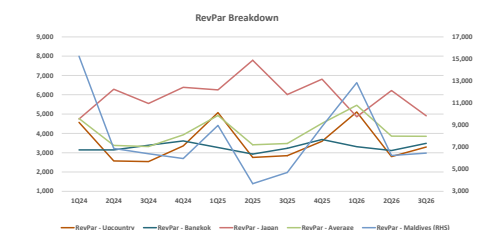
Quarterly Performance



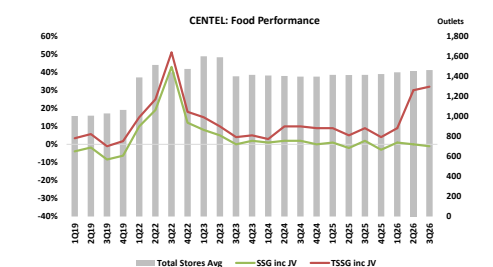
CENTEL'S Debt Profile



Hotel Business Performance



Food Business Performance



Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	25,051	28,056	30,542	34,712
EBITDA	6,727	7,423	7,956	8,725
Deprec. & amort.	3,580	3,956	4,141	4,300
EBIT	3,146	3,467	3,814	4,425
Total other non-op. income	0	1,778	0	0
Associate contributions	243	161	210	221
Net interest income/(expense)	(909)	(670)	(792)	(780)
Pre-tax profit	2,481	4,736	3,233	3,865
Tax	(517)	(915)	(605)	(729)
Minorities	29	(153)	(105)	(125)
Net profit	1,993	3,668	2,523	3,010
Net profit (adj.)	1,993	2,246	2,523	3,010

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	5,372	7,257	6,816	7,611
Pre-tax profit	2,481	4,736	3,233	3,865
Tax	(517)	(915)	(605)	(729)
Deprec. & amort.	3,580	3,956	4,141	4,300
Associates	(211)	(579)	110	277
Working capital changes	40	(152)	(63)	(102)
Non-cash items	242	371	210	221
Other operating cashflows	(5,394)	(3,469)	(6,105)	(6,066)
Investing	(4,357)	(3,284)	(6,214)	(6,400)
Capex (growth)	6,243	6,307	6,391	6,480
Investment	(7,280)	(6,492)	(6,282)	(6,145)
Others	309	(3,787)	(426)	596
Financing	(797)	(906)	(1,667)	(1,146)
Dividend payments	607	(2,882)	1,241	1,743
Proceeds from borrowings	498	0	0	0
Others/interest paid	287	1	285	2,141
Net cash inflow (outflow)	2,677	2,964	2,965	3,250
Beginning cash & cash equiv.	2,964	2,965	3,250	5,391
Ending cash & cash equiv.	5,372	7,257	6,816	7,611

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	49,382	48,709	50,783	52,883
Other LT assets	7,354	7,692	7,913	8,222
Cash/ST investment	2,964	2,965	3,250	5,391
Other current assets	3,029	3,569	3,949	4,575
Total assets	62,728	62,935	65,894	71,071
ST debt	6,090	5,117	5,117	5,617
Other current liabilities	4,707	4,517	4,944	5,745
LT debt	25,708	23,800	25,041	26,283
Other LT liabilities	3,608	3,761	4,091	4,735
Shareholders' equity	22,408	25,184	26,041	27,905
Minority interest	207	556	661	786
Total liabilities & equity	62,728	62,935	65,894	71,071

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	26.9	26.5	26.0	25.1
Pre-tax margin	9.9	16.9	10.6	11.1
Net margin	8.0	13.1	8.3	8.7
ROA	3.2	5.8	3.9	4.4
ROE	9.2	15.4	9.9	11.2
Growth (% yoy)				
Turnover	4.6	12.0	8.9	13.7
EBITDA	10.3	10.4	7.2	9.7
Pre-tax profit	13.6	90.9	(31.7)	19.6
Net profit	13.7	84.1	(31.2)	19.3
Net profit (adj.)	13.7	12.7	12.3	19.3
EPS	13.7	12.7	12.3	19.3
Leverage				
Debt to total capital	58.4	52.9	53.0	52.6
Debt to equity	141.9	114.8	115.8	114.3
Net debt/(cash) to equity	128.7	103.0	103.3	95.0
Interest cover (x)	7.4	11.1	10.0	11.2

Minor International (MINT TB)

Soft Core Growth Expected In 3Q26 Due To Margin Weakness

Highlights

- MINT is expected to report a weak core profit of Bt2.85b in 3Q26 (+2.9% yoy, -18.9% qoq), mainly pressured by several costs.
- We will closely monitor the progress of its asset rotation plan which is a backup plan to the postponed REIT launch.
- We remain cautious on MINT as the interest expense remains high and the forward bookings are still not very promising in 4Q26. Maintain HOLD with a target price of Bt19.50 (previously Bt24.00).

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Total revenue	40,362	43,335	42,405	5.1	(2.1)	118,013	123,086	4.3
Operating EBITDA	11,628	12,538	11,195	(3.7)	(10.7)	33,150	31,105	(6.2)
Core profit	2,768	3,513	2,848	2.9	(18.9)	6,229	6,506	4.4
Net profit	2,553	3,308	2,848	11.5	(13.9)	6,056	6,805	12.4
EPS (Bt)	0.45	0.58	0.50	11.5	(13.9)	1.07	1.20	12.4
(%)	3Q25	2Q26	3Q26F	yoy (ppt)	qoq (ppt)	9M25	9M26F	yoy (ppt)
Gross margin	43.3	45.3	41.9	(1.4)	(3.4)	28.3	30.4	2.1
SG&A to sales	30.0	30.6	30.0	0.0	(0.6)	22.1	21.1	(1.0)
EBITDA margin	28.8	28.9	26.4	(2.4)	(2.5)	28.1	25.3	(2.8)
Core profit margin	6.9	8.1	6.7	(0.1)	(1.4)	5.3	5.3	0.0
Net profit margin	6.3	7.6	6.7	0.4	(0.9)	18.1	18.2	0.1

Source: MINT, UOB Kay Hian

Analysis

- We expect a soft yoy core profit growth in 3Q26.** Minor International (MINT) is forecast to report a core profit of Bt2.85b in 3Q26 (+2.9% yoy, -18.9% qoq). There are no notable extra items, thus its net profit should be at the same level at Bt2.85b (+11.5% yoy, -13.9% qoq). Top-line should come in at Bt42.4b (+5.1% yoy, -2.1% qoq). The overall RevPar from MINT's hotels is expected to show a strong yoy growth of 8%. RevPar in Europe grew 7% yoy in euros and RevPar in Thailand rose 16% yoy, driven by the increased room rate after the renovation. Interest expense in 3Q26 should increase yoy and also slightly qoq from the new syndicated loan. We project that gross margins will significantly decline yoy as MINT will be facing cost pressure from hotel business due to indirect impact of surging energy costs. Costs such as labour, leases, packaging and plastics are the key pressures.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	164,224	165,936	173,871	182,220	190,979
EBITDA	42,684	44,396	41,481	43,842	45,907
Operating profit	21,236	22,844	22,255	24,232	25,909
Net profit (rep./act.)	7,750	9,009	9,633	10,315	11,202
Net profit (adj.)	8,391	9,699	9,633	10,315	11,202
EPS (Bt)	1.5	1.7	1.6	1.7	1.9
PE (x)	13.9	12.0	12.8	11.9	11.0
P/B (x)	1.3	1.3	1.2	1.1	1.0
EV/EBITDA (x)	6.6	6.3	6.8	6.4	6.1
Dividend yield (%)	2.8	3.2	3.5	3.7	4.0
Net margin (%)	4.7	5.4	5.5	5.7	5.9
Net debt/(cash) to equity (%)	187.6	195.3	159.8	142.2	123.4
Interest cover (x)	4.1	5.0	5.0	4.7	4.8
ROE (%)	9.4	10.2	10.3	10.2	10.4
Consensus net profit (Btm)	-	-	9,754	10,763	11,704
UOBKH/Consensus (x)	-	-	0.99	0.96	0.96

Source: Minor International, Bloomberg, UOB Kay Hian

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HOLD (Maintained)

Share Price	Bt20.50
Target Price	Bt19.50
Upside	-4.9%
Previous TP	Bt24.00

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	MINT TB
Shares issued (m)	5,624.6
Market cap (Btm)	115,303.8
Market cap (US\$m)	3,418.1
3-mth avg daily t'over (US\$m)	17.2

Price Performance (%)

52-week high/low			Bt27.00/Bt19.60	
1mth	3mth	6mth	1yr	YTD
(5.1)	(10.9)	(5.1)	(8.9)	(15.6)

Major Shareholders (%)

Minor Group & Heinecke Family	34.0
Foreign Fund	27.0

Balance Sheet Metrics

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

Price Chart



Source: Bloomberg

Company Description

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

- **Backup plan for the REIT still in progress.** MINT has postponed its REIT launch, initially planned for 2H26, due to weak demand and unfavourable market conditions. We view the delay as a significant negative to MINT's earnings outlook, as it limits the company's ability to deleverage meaningfully in the near term. Net IBD/E rose from 0.88x at end-1Q26 to 1.10x in 2Q26, following the conversion of slightly over Bt10b in perpetual bonds into long-term debt. This will add approximately Bt300m in annual interest expenses, weighing on earnings growth. Currently, MINT is actively negotiating the sale of three of its hotels in Europe and aims to sign back management contracts for them. Once the transaction is completed, the proceeds are expected to be prioritised for repaying the loans. The deal is planned to be concluded between 4Q26 and 1Q27.
- **On-the-book bookings in 4Q26 remain fairly weak.** Despite large events such as the IMF World Bank Meeting and Tomorrowland Pattaya that will attract tourists to Thailand, on-the-book bookings of Thailand in 4Q26 remain weak at low-to-mid single-digit yoy growth in RevPar. We expected the RevPar growth to be stronger than this given that its hotels in Thailand have just completed renovations and operate on an elevated room rate level. Meanwhile, the bookings in Europe and Maldives are showing low-to-mid single-digit yoy growth and a slight yoy decline in RevPar respectively. In our view, the current bookings still indicate weak demand and do not reflect a strong outlook for 4Q26.
- **Interest rates are unlikely to decline further.** Management expects the interest rate, which stood at 4.1% in 2Q26, to remain stable for the rest of 2026, with a slight increase possible in 2027, mainly reflecting interest rate trends in Europe. We view this outlook as negative for MINT, as its debt level is likely to remain elevated following the postponement of its REIT launch. MINT's earnings growth is already constrained by its high interest burden, and unlike other hotel operators, it is unlikely to benefit from further reductions in financing costs.

Valuation/Recommendation

- **Maintain HOLD with a target price of Bt19.50 (previously Bt24.00).** Our valuation is rolled over to 2027 EV/EBITDA multiple at 6.0x, 2SD below the five-year mean. We remain cautious on MINT, as stable interest rates and the postponement of its REIT launch are likely to weigh on earnings growth. Meanwhile, the progress of asset rotation remains to be observed.

Environment, Social, Governance (ESG) Updates

Environmental

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

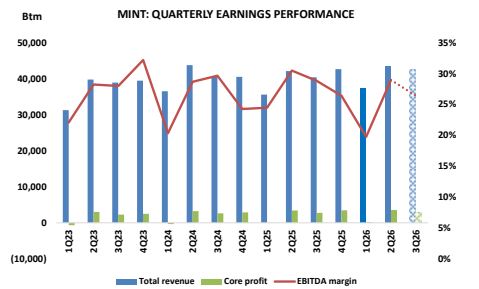
Social

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

Governance

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

Quarterly Performance



Source: MINT, UOB Kay Hian

Growth Target



Source: MINT

Debt Profile



Source: MINT

Margins Target



Source: MINT

Key 3Q26 Operational Statistics

Hotel Stats	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)
Occupancy rate (%)	72%	73%	73%	1.0 ppt	0.0 ppt
ADR (Bt/night)	5,947	6,489	6,304	6.0%	-2.9%
RevPar (Bt/night)	4,259	4,743	4,600	8.0%	-3.0%
Food Stats	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)
SSSG - Portfolio	-0.8%	-0.3%	1.6%	+ 2.4 ppts	+ 1.9 ppts
SSSG - Thailand	-0.1%	1.6%	4.3%	+ 4.4 ppts	+ 2.7 ppts
SSSG - China	0.2%	7.7%	2.1%	+ 1.9 ppts	-5.6 ppts
SSSG - Australia	1.5%	-3.7%	-2.1%	-3.6 ppts	+ 1.6 ppts

Source: MINT, UOB Kay Hian

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

Cash Flow

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

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

Key Metric

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

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