UOBKayHian

Country Daily | Thailand

Thursday, 05 November 2026



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	53356.1	3.0	1.7	4.3	11.0
S&P 500	7688.6	1.6	(0.7)	(0.4)	12.3
FTSE 100	10829.2	1.8	1.3	3.5	9.0
AS30	8954.9	(0.6)	(0.2)	1.1	(0.7)
CSI 300	4101.3	2.3	0.4	(5.9)	(11.4)
FSSTI	5268.6	(0.0)	(2.4)	(7.0)	13.4
HSCEI	8057.6	1.4	3.4	0.1	(9.6)
HSI	23919.5	1.7	3.6	(0.2)	(6.7)
JCI	4919.8	0.3	(6.9)	(19.6)	(43.1)
KLCI	1616.6	(0.3)	0.2	(0.9)	(3.8)
KOSPI	5683.8	0.6	(5.5)	(18.8)	34.9
Nikkei 225	62188.6	(1.4)	(1.7)	(11.1)	23.5
SET	1502.1	0.7	(4.1)	(4.7)	19.2
TWSE	42948.9	(0.8)	(8.7)	(13.6)	48.3
BDI	2694	4.0	1.6	(14.4)	43.5
CPO (RM/mt)	4366	(0.6)	(0.9)	0.0	11.0
Brent Crude (US$/bbl)	95	(8.7)	(18.0)	(7.5)	55.5

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
Corporate Roadshow with NTT DC REIT (NTTDCR SP)	Bangkok	23 Nov	23 Nov
Corporate Roadshow with NTT DC REIT (NTTDCR SP)	Kuala Lumpur	25 Nov	25 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 | Retail Page 2→

- Upgrade to OVERWEIGHT, with BJC as our top picks. The easing of competition in the modern grocery segment, margin enhancement in home improvement, and attractive valuations in lifestyle retail underpin our positive outlook for the retail sector. In Oct 26, SSSG turned positive in almost all segments, with 4Q26 expected to be promising. We raise BJC's 2027 core earnings by 13% to reflect the structural recovery in the modern retail business and raise its target price to Bt24.50.

Company Update | Asset World Corporation (AWC TB/**BUY**/Bt3.24/Target: Bt3.90) Page 6→

- AWC is expected to deliver a strong 3Q26 core profit of Bt448m, driven by a 25% yoy RevPar growth, recovery in Chinese arrivals, and expanding EBITDA margins. Lower financing costs following debt refinancing should reduce interest expense by 17.6% yoy. Momentum is expected to continue into 4Q26, with forward bookings indicating a robust 20% yoy room revenue growth, supported by major events and continuous strong Chinese demand. Maintain BUY with a higher target price of Bt3.90.



Retail

A Sign Of Structural Improvement In The Thai Retail Industry

Highlights

- Upgrade to OVERWEIGHT; we favour BJC, CPN and GLOBAL, with BJC as our top pick on the back of a structural recovery.
- The easing of competition in the modern grocery segment, margin enhancement in home improvement, and attractive valuations in lifestyle retail underpin our positive outlook for the retail sector.
- In Oct 26, SSSG turned positive in almost all segments, with 4Q26 expected to be promising.
- We raise BJC's 2027 core earnings by 13% to reflect the structural recovery in the modern retail business and raise target price to Bt24.50.

Analysis

- **The top performing sector over the past 30 days.** The retail sector's share prices rose 2.3% in Oct 26, outperforming the SET Index (-5.7%) and making it the top performing sector over the past 30 days. Fund flows rotated out of growth and cyclical stocks, such as electronics (-27.6%) and petrochemicals (-11.1%), into laggard sectors, including retail (+2.3%). Outperforming stocks included our top picks BJC (+13.6%), GLOBAL (+8.3%), and CRC (+6.7%), supported by specific structural improvements. Foreign ownership in the retail sector also increased by 13bp to 19.9%. The sector's outperformance was supported by fund flows and improving fundamentals.
- **In Oct 26, SSSG turned positive in almost all segments, with 4Q26 expected to be promising.** For modern grocery, supermarket- and hypermarket-based retailers such as BJC and CRC outperformed convenience store-based CPALL in Oct 26. Supply chain disruptions following the Bangkok floods had a less severe impact on hypermarkets and supermarkets, given their significantly higher inventory levels. Food categories were the key outperformers, while non-food categories, particularly home-related products, also performed well on stronger demand for home repairs. We expect modern grocery same-store sales growth (SSSG) to remain strong throughout 4Q26, supported by a low base in 4Q25 following the Half-Half Plus co-payment scheme, which diverted spending from modern trade to traditional mom-and-pop stores. Home improvement retailers saw SSSG surge in Oct 26, driven by post-flood demand for home repairs and renovations, with HMPRO being the key beneficiary. Lifestyle retailers' SSSG improved in Oct 26 following the disruption caused by the Bangkok floods in Sep 26. With continued gross margin expansion and lower interest expenses, we expect 4Q26 core earnings to improve.

Analyst(s)

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OVERWEIGHT (Upgraded)

Segmental Rating

Segment	Rating
Grocery Retail	MARKETWEIGHT (Maintained)
Home Improvement Retail	OVERWEIGHT (Maintained)
Lifestyle Retail	OVERWEIGHT (Maintained)

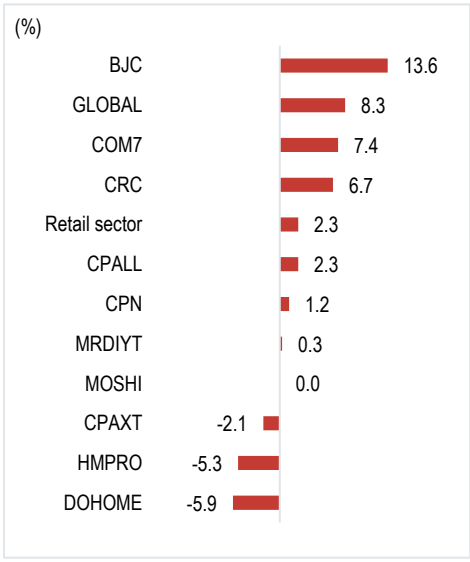
Source: Bloomberg, UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
Berli Jucker	BJC TB	BUY	19.70	24.50
Central Patana	CPN TB	BUY	64.75	80.00

Source: Bloomberg, UOB Kay Hian

Last 30 Days Price Performance



Source: Bloomberg, UOB Kay Hian

Peer Comparison

Ticker	Rec	Price 3 Oct 26 (Bt)	Target Price (Bt)	Upside To TP (%)	Net Profit 2026F (Btm)	Net Profit 2027F (Bt m)	PE 2026F (x)	PE 2027F (x)	Net EPS Growth 2026F (%)	Yield 2026F (%)	ROE 2026F (%)	Market Cap. (US$m)	Price/ NAV ps (x)
BJC TB	BUY	19.70	24.50	24.4	7,258	5,711	10.9	13.8	80.9	4.7	5.6	2,364	0.6
CPALL TB	BUY	44.00	62.00	40.9	30,931	31,714	12.8	12.5	9.7	4.2	9.1	11,834	2.5
CPAXT TB	HOLD	14.00	14.50	3.6	7,649	10,194	19.1	14.3	(18.2)	4.0	2.5	4,371	0.5
CPN TB	BUY	64.75	80.00	23.6	20,024	21,825	14.5	13.3	6.3	4.0	16.2	8,701	2.4
CRC TB	BUY	32.25	35.00	8.5	9,757	10,490	19.9	18.5	31.6	3.4	13.7	5,823	2.9
DOHOME TB	BUY	3.52	4.50	27.8	774	783	15.4	15.2	28.7	0.2	5.6	357	0.8
GLOBAL TB	BUY	7.15	9.00	25.9	2,828	2,857	13.7	13.5	44.0	3.7	10.6	1,156	1.4
HMPRO TB	BUY	6.40	8.00	25.0	6,021	6,319	14.0	13.3	0.2	5.9	22.6	2,520	3.1
MOSHI TB	BUY	34.75	50.00	43.9	790	866	14.5	13.2	17.8	4.1	27.0	343	3.7
MRDIYT TB	BUY	8.45	10.00	18.3	3,094	3,531	16.4	14.4	17.6	2.9	29.1	1,522	4.4
Avg					**89,125**	**94,291**	**14.6**	**13.8**	**11.8**	**4.0**	**12.3**	**38,991**	**2.3**

Source: Bloomberg, UOB Kay Hian

Key Events And Outlook, By Segment

Timeline	Events	Modern Grocery	Home Improvement	Lifestyle Retail
2Q26	**Iran war drove inflation.** Home improvement retailers raised selling prices, driving strong margin expansion. **THB appreciated.**	Neutral	👍	👍
3Q26	**Thai Help Thai Plus co-payment** shifted demand to traditional trade, with panic buying after the **Bangkok flood. THB depreciated.**	Neutral	Neutral	👎
4Q26	**Very low base** in 4Q25 due to the Half-Half Plus co-payment scheme. Home improvement also benefits from **post-flood demand** and **margin expansion.**	👍	👍	Neutral
1Q27	Purchasing power may stay supported in 1Q27. The home improvement earnings base normalizes, as last year had no e-receipt tax rebate scheme.	👍	👍	Neutral
2Q27	Base effects normalize. Stocks with structural change and organic operational improvement will be the survivors.	Neutral	👎	Neutral

Source: UOB Kay Hian

- **Modern grocery: Competition is becoming less intense, with structural changes emerging across the sector.** Competition in the modern grocery segment is expected to become less intense as: a) CPAXT decided to aggressively close more than 500 non-performing Lotus's Go Fresh stores in 3Q26, accounting for 7% of its retail net selling area; b) BJC has also closed more than 10 non-performing Big C Hypermarkets and over 183 Mini Big C stores since 2025; and c) CRC acquired Aeon Thailand. Rather than pursuing aggressive store expansion, all retailers are focusing on improving store efficiency through store renovations, optimising store formats to increase rental area, reducing shrinkage and maintaining promotions at appropriate levels. These initiatives have already contributed to improved gross margins across the sector since 3Q26. Moreover, all operators are seeking new growth engines by aggressively expanding into higher-growth markets, particularly Vietnam for BJC and CRC and Malaysia for CPAXT.
- **Home improvement: Earnings recovery, better margins and attractive valuations. W**e see signs of recovery in the home improvement retail segment, supported by: a) a strong recovery in farm income, and b) normalised rebar prices, which should improve steel margins. Beyond the favourable macro environment, internal improvements are also driving better gross margins, tighter SG&A control and lower interest expenses. Gross margins are expected to expand across all retailers as they push higher-margin private brands sale contributions to increasing each quarter. GLOBAL and DOHOME have also made good progress in streamlining operating expenses, resulting in improved EBITDA margins. Interest expenses are also declining following debt repayments. GLOBAL is our preferred stock in the segment, as it offers the strongest earnings growth.
- **Lifestyle retail: Deep discount valuation.** MOSHI risk being removed from SET100 index in Dec 26, following share price underperformance amid an uninspiring outlook However, valuations are already near their lowest PE levels since IPO. MOSHI trades at 13.2x 2027F PE, with a 4% dividend yield, 27% ROE and 18% EPS growth, while MRDIYT trades at 14.4x PE, with 29% ROE and a 3% dividend yield.

Valuation/Recommendation

- **Upgrade the retail sector to OVERWEIGHT (from MARKET WEIGHT), with BJC as our top picks.** Easing competition in modern grocery, margin expansion in home improvement, and attractive valuations in lifestyle retail underpin our positive sector outlook. We favour BJC, CPN and GLOBAL, with BJC as our top pick on the back of a structural recovery in its modern retail business.
- For CRC, we maintain our BUY rating but remove it from our top picks following a 62% share price gain since our upgrade in Nov 25. We would like to see clearer evidence to support the earnings upgrade.

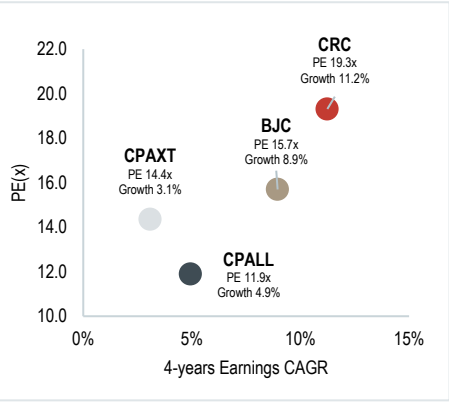
Quarterly SSSG

3Q26 Core Earnings Forecast

(Btm)	3Q25	2Q26	3Q26F	yoy	qoq
BJC	639	1,245	891	40%	-28%
CPALL	6,597	7,512	7,078	7%	-6%
CPAXT	1,931	1,900	1,544	-20%	-19%
CPN	4,186	4,652	4,690	12%	1%
CRC	1,298	2,114	1,769	36%	-16%
DOHOME	102	306	112	9%	-63%
GLOBAL	392	955	551	41%	-42%
HMPRO	1,304	1,594	1,317	1%	-17%
MOSHI	137	162	153	12%	-5%
MRDIYT	605	757	648	7%	-14%
Total	**17,190**	**21,198**	**18,754**	**9%**	**-12%**

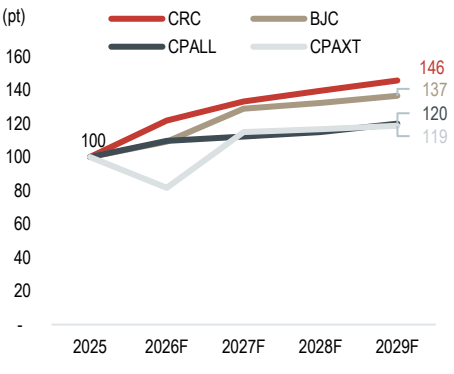
Source: Respective companies, UOB Kay Hian

Valuation Matrix



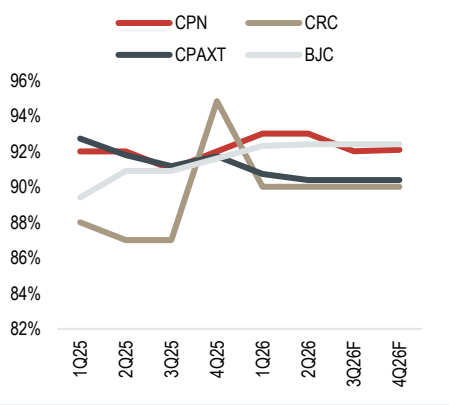
Source: UOB Kay Hian

Sales Index – Modern Grocery



Source: UOB Kay Hian

Mall Occupancy Rate



Source: Respective companies, UOB Kay Hian

	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26F	Oct26F
Modern Grocery										
CPALL (7-Eleven)	3.3%	4.0%	3.0%	-0.8%	-0.7%	-1.5%	1.9%	0.8%	2.0%	0.0%
CPAXT (Makro)	1.5%	2.8%	1.0%	-1.2%	0.3%	0.0%	0.6%	-0.9%	1.2%	0.0%
CPAXT (Lotus's)	1.9%	3.6%	0.5%	0.0%	-0.5%	-7.6%	0.0%	-3.9%	-5.3%	0.0%
BJC (Big C)	-0.4%	2.2%	2.1%	-3.2%	-3.8%	-3.3%	-3.3%	-3.5%	0.5%	1.5%
CRC (Tops & Go TH)	1.0%	2.0%	2.0%	1.0%	-3.0%	-2.0%	6.0%	5.0%	8.3%	8.0%
Average	**1.5%**	**2.9%**	**1.7%**	**-0.8%**	**-1.5%**	**-2.9%**	**1.0%**	**-0.5%**	**1.3%**	**1.9%**
Home Improvement										
HMPRO (HomePro TH)	-5.8%	-0.7%	-3.3%	-8.8%	-5.7%	-7.8%	-12.7%	-1.0%	-2.9%	6.5%
HMPRO (Mega Home)	-3.9%	4.5%	0.2%	-1.6%	0.9%	-6.9%	-3.7%	1.4%	-0.2%	11.5%
GLOBAL	-3.5%	-3.5%	-10.0%	-10.5%	-0.9%	-4.9%	-2.8%	-4.0%	-6.9%	-2.0%
DOHOME	-4.5%	1.5%	2.0%	-9.3%	-11.0%	-10.4%	-4.1%	1.8%	5.0%	6.0%
CRC (TWD//PWB/B2S)	-7.0%	-5.1%	-6.0%	-7.0%	-3.0%	-4.0%	-5.0%	0.5%	-2.0%	8.0%
Average	**-4.9%**	**-0.7%**	**-3.4%**	**-7.4%**	**-3.9%**	**-6.8%**	**-5.7%**	**-0.3%**	**-1.4%**	**6.0%**
CRC										
CRC (Food)	-1.0%	-2.0%	-3.0%	-4.0%	-5.0%	-4.0%	2.0%	3.0%	6.1%	5.6%
CRC (Hardline)	-9.0%	-5.0%	-7.0%	-8.0%	-3.0%	-4.0%	-4.0%	0.5%	-2.0%	8.0%
CRC (Fashion)	-2.0%	1.0%	-4.0%	-6.0%	-3.0%	-3.0%	-7.0%	-1.0%	1.7%	-2.0%
Average	**-3.0%**	**-1.0%**	**-4.0%**	**-6.0%**	**-4.0%**	**-3.0%**	**-2.0%**	**1.0%**	**2.5%**	**4.0%**
Lifestyle Retail										
MRDIYT	4.4%	1.6%	0.4%	4.0%	2.5%	1.4%	0.1%	-1.2%	0.8%	5.0%
MOSHI	5.7%	15.4%	7.9%	15.0%	6.0%	1.6%	3.8%	4.0%	4.1%	2.5%
Average	**5.1%**	**8.5%**	**4.2%**	**9.5%**	**4.2%**	**1.5%**	**2.0%**	**1.4%**	**2.4%**	**3.8%**

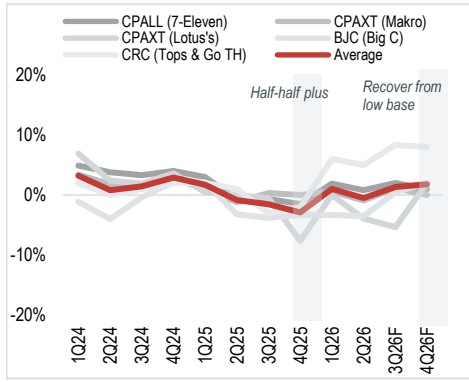
Source: Respective companies, UOB Kay Hian

Monthly SSSG

	Jan26F	Feb26F	Mar26F	Apr26F	May26F	Jun26F	Jul26F	Aug26F	Sep26F	Oct26F
Modern Grocery										
CPALL (7-Eleven)	0.9%	2.5%	1.5%	1.5%	1.5%	0.0%	2.0%	1.0%	3.0%	0.0%
CPAXT (Makro)	0.0%	-0.5%	2.0%	1.0%	-0.5%	-1.0%	0.5%	1.0%	2.0%	0.0%
CPAXT (Lotus's)	-2.0%	-1.0%	2.0%	0.0%	-2.0%	-7.0%	-6.0%	-5.0%	-5.0%	0.0%
BJC (Big C)	-3.5%	-4.0%	-1.5%	-3.3%	-1.5%	-2.8%	-2.2%	1.8%	2.5%	1.5%
CRC (Tops & Go TH)	2.5%	5.0%	9.0%	7.8%	6.0%	1.2%	8.0%	8.0%	9.0%	8.0%
Average	**-0.4%**	**0.4%**	**2.6%**	**1.4%**	**0.7%**	**-1.9%**	**0.5%**	**1.4%**	**2.3%**	**1.9%**
Home Improvement										
HMPRO (HomePro TH)	-10.0%	-19.0%	-7.0%	2.5%	-1.5%	-3.5%	-1.8%	-3.7%	-2.6%	6.5%
HMPRO (Mega Home)	-3.0%	-8.0%	0.0%	4.5%	-0.5%	-0.5%	0.8%	-1.8%	0.0%	11.5%
GLOBAL	-3.5%	-5.0%	1.0%	3.0%	-4.0%	-5.0%	-6.0%	-7.5%	-6.0%	-2.0%
DOHOME	-8.0%	-5.0%	4.5%	4.5%	1.0%	2.0%	8.0%	5.0%	2.0%	6.0%
CRC (TWD//PWB/B2S)	-6.0%	-10.0%	1.0%	5.5%	1.0%	-5.0%	-2.0%	-2.0%	-2.0%	8.0%
Average	**-6.1%**	**-9.4%**	**-0.1%**	**4.0%**	**-0.8%**	**-2.4%**	**-0.2%**	**-2.0%**	**-1.7%**	**6.0%**
CRC										
CRC (Food)	1.0%	5.0%	1.5%	6.2%	3.5%	-2.2%	5.9%	5.9%	6.6%	5.6%
CRC (Hardline)	-6.0%	-8.0%	2.0%	5.5%	1.0%	-5.0%	-2.0%	-2.0%	-2.0%	8.0%
CRC (Fashion)	-8.0%	-9.0%	-3.0%	-3.0%	2.0%	-2.0%	1.5%	1.5%	2.0%	-2.0%
Average	**-4.0%**	**-4.0%**	**1.0%**	**3.9%**	**2.4%**	**-3.0%**	**2.0%**	**2.0%**	**2.7%**	**4.0%**
Lifestyle Retail										
MRDIYT	-0.5%	4.0%	0.0%	1.5%	0.0%	0.0%	-1.5%	0.0%	-2.0%	5.0%
MOSHI	-9.8%	2.0%	9.0%	8.0%	0.3%	0.7%	0.0%	6.5%	5.0%	2.5%
Average	**-5.2%**	**3.0%**	**4.5%**	**4.8%**	**0.1%**	**0.4%**	**-0.8%**	**3.3%**	**1.5%**	**3.8%**

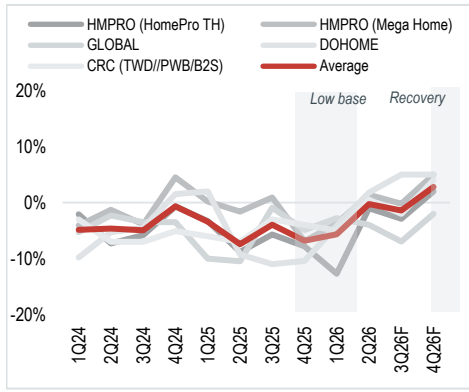
Source: Respective companies, UOB Kay Hian

Modern Grocery SSSG



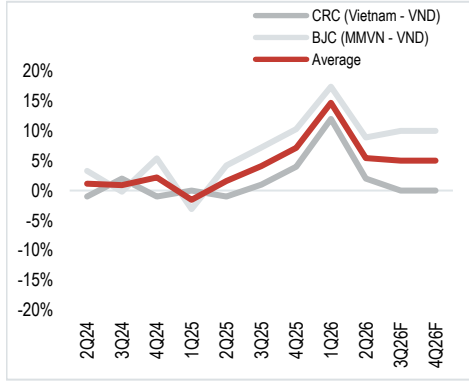
Source: Respective companies, UOB Kay Hian

Home Improvement Retail SSSG



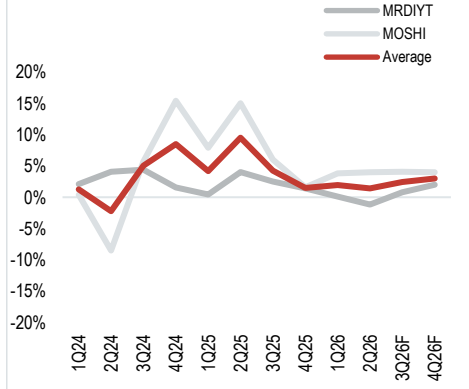
Source: Respective companies, UOB Kay Hian

Vietnam Retail SSSG



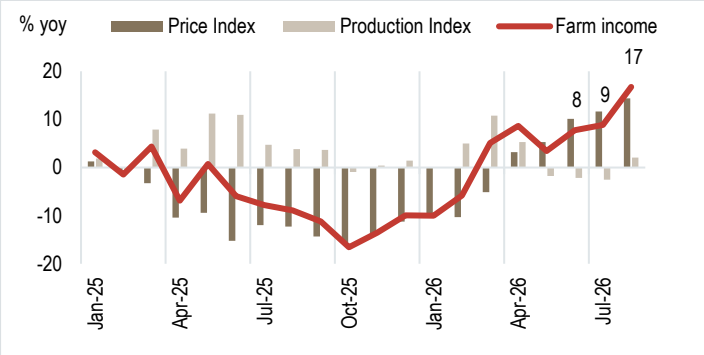
Source: Respective companies, UOB Kay Hian

Lifestyle Retail SSSG



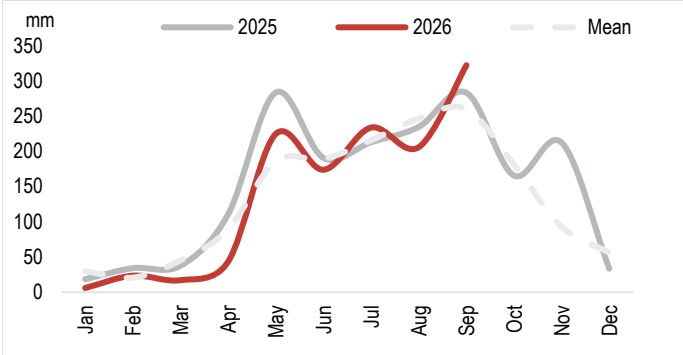
Source: Respective companies, UOB Kay Hian

Surging Farm Income



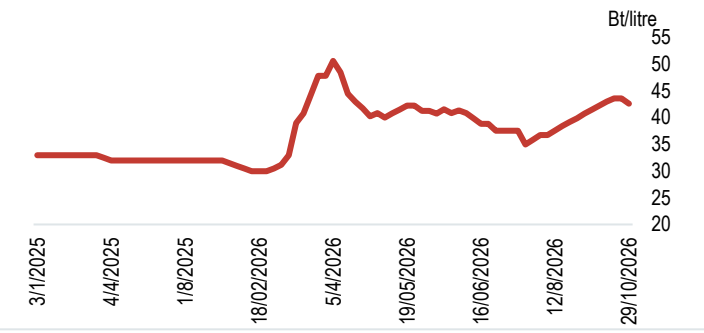
Source: Office of Agricultural Economics, UOB Kay Hian

Thailand's YTD Rainfall Remains Below 2025 Levels



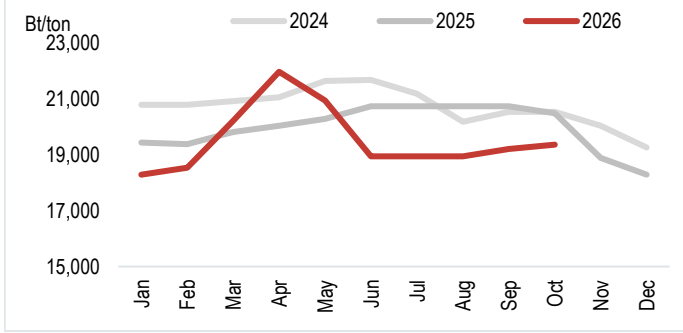
Source: Thai Meteorological Department, UOB Kay Hian

Diesel Price Remain Elevated



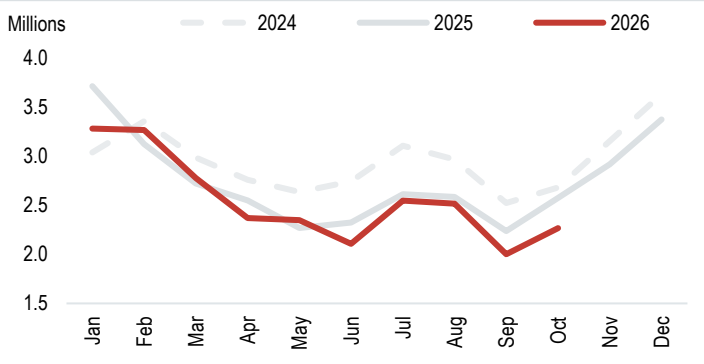
Source: Bangchak, UOB Kay Hian

Rebar Prices Increased MoM since Sep 26



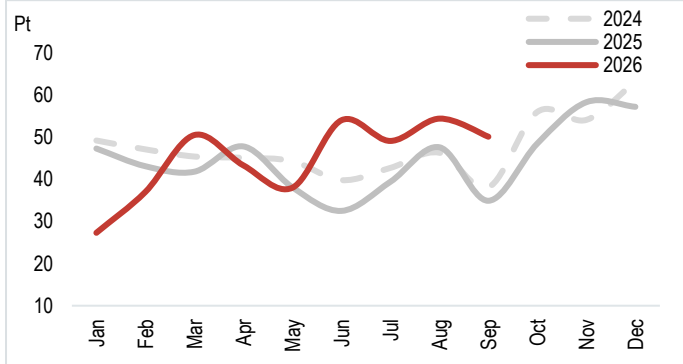
Source: Ministry Of Commerce, UOB Kay Hian

International Tourist Arrivals Weaken



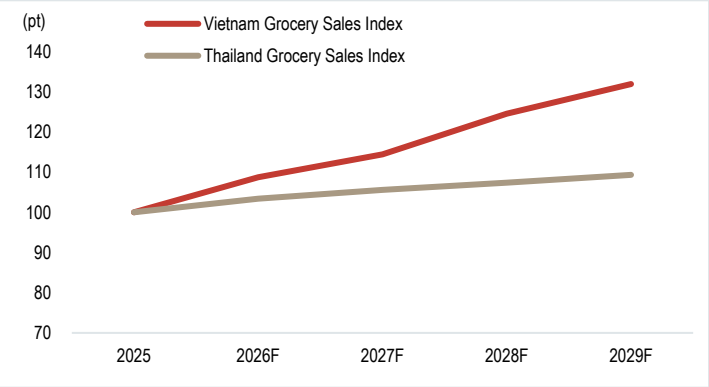
Source: Ministry of Tourism and Sports, UOB Kay Hian

Retail Sentiment Index Improves yoy



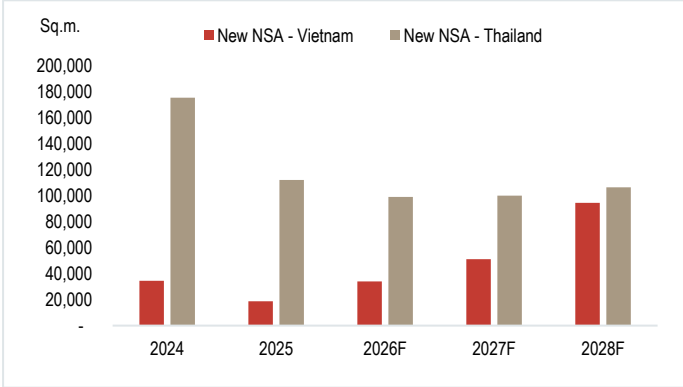
Source: Thai Retailer Association, UOB Kay Hian

Vietnam Sales Are Expected To Outpace Thailand's



Source: UOB Kay Hian

New Big-Format Retail Net Sellable Area



Source: UOB Kay Hian

Asset World Corporation (AWC TB)

Expect Outstanding Earnings In 3Q26

Highlights

- AWC is expected to report a robust 3Q26 core profit of Bt448m (up from Bt265m in 3Q25 and Bt177m in 2Q26).
- RevPar growth in 3Q26 is expected to be strong across all hotel segments, boosted by traffic from large events and Chinese arrival recovery.
- We expect to see the strong hotel performance to continue into 4Q26 as there are large events being held in Bangkok and Pattaya. AWC remains our top pick, maintain BUY with a target price of Bt3.90 (previously Bt3.70).

3Q26 Earnings Preview

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26F	yoy (%)	qoq (%)	9M25	9M26F	yoy (%)
Hotel sales	2,806	2,748	3,271	16.6	19.0	8,969	10,073	12.3
Retail sales	1,091	1,060	1,093	0.2	3.1	2,978	3,234	8.6
Total Revenue	4,080	3,879	4,435	8.7	14.3	12,388	13,516	9.1
Operating EBITDA	1,376	1,203	1,581	15.0	31.5	4,390	4,716	7.4
Core profit	265	177	448	69.4	153.7	1,174	1,355	15.4
Net profit	1,148	1,468	1,372	19.5	(6.6)	4,522	4,827	6.7
EPS (Bt)	0.04	0.05	0.04	19.5	(6.6)	0.14	0.15	6.7
(%)	**2Q25**	**1Q26**	**2Q26F**	**yoy (ppt)**	**qoq (ppt)**	**9M25**	**9M26F**	**yoy (ppt)**
Gross margin	49.6	48.1	50.2	0.6	2.1	51.8	52.1	0.3
SG&A to sales	29.7	32.3	28.1	(1.6)	(4.2)	29.0	30.4	1.4
EBITDA margin	33.7	31.0	35.7	1.9	4.6	35.4	34.9	(0.5)
Core profit margin	6.5	4.6	10.1	3.6	5.6	9.5	10.0	0.5

Source: AWC, UOB Kay Hian

Analysis

- **Expect outstanding core earnings growth in 3Q26.** Asset World Corporation (AWC) is expected to report a robust 3Q26 core profit of Bt448m (up from Bt265m in 3Q25 and Bt177m in 2Q26). Total revenue should be at Bt4.44b (+8.7% yoy, +14.3% qoq) with the hotel segment's revenue expected to show strong growth of 16.6% yoy. This is attributable to the overall RevPar, which is expected to surge by 25% yoy, supported by all hotel segments, contributed by the recovery of Chinese arrivals. The RevPar growth yoy for MICE hotels, Bangkok City, luxury resorts, and non-Bangkok hotels is expected to go up massively by 23%, 17%, 21%, and 35% respectively. This is expected to be a result of the increase in Chinese visitors' revenue of 46% yoy in 3Q26. Interest expense should drop yoy but go up qoq due to increasing loan amounts. The EBITDA margins should expand yoy, supported by margin expansion of both hotel and retail businesses.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	15,902.3	17,356.2	21,219.0	23,590.1	26,368.1
EBITDA	5,688.5	6,344.9	7,800.2	8,822.8	9,886.7
Operating profit	3,805.7	4,107.4	5,662.5	6,422.2	7,386.1
Net profit (rep./act.)	5,850.3	6,388.0	6,665.1	7,260.4	8,090.0
Net profit (adj.)	1,696.8	1,842.4	2,693.0	3,288.2	3,991.3
EPS (Bt)	0.1	0.1	0.1	0.1	0.1
PE (x)	61.1	56.3	38.5	31.5	26.0
P/B (x)	1.1	1.1	1.0	1.0	0.9
EV/EBITDA (x)	33.7	30.2	24.5	21.7	19.4
Dividend yield (%)	2.3	2.5	2.6	2.8	3.1
Net margin (%)	36.8	36.8	31.4	30.8	30.7
Net debt/(cash) to equity (%)	84.5	93.8	87.9	80.2	71.7
Interest cover (x)	3.0	3.3	3.2	3.6	4.1
ROE (%)	6.5	6.8	6.8	7.1	7.6
Consensus net profit (Btm)	-	-	5,537	6,080	5,488
UOBKH/Consensus (x)	-	-	0.49	0.54	0.73

Source: AWC, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt3.24
Target Price	Bt3.90
Upside	+20.4%
Previous TP	Bt3.70

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	AWC TB
Shares issued (m)	32,026.5
Market cap (Btm)	103,766.0
Market cap (US$m)	3,076.7
3-mth avg daily t'over (US$m)	6.1

Price Performance (%)

52-week high/low				Bt3.34/Bt1.90
1mth	3mth	6mth	1yr	YTD
3.2	9.5	54.3	47.3	52.8

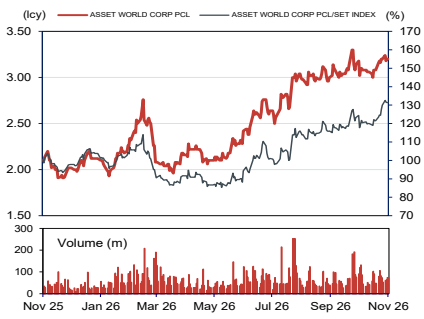
Major Shareholders (%)

TCC Business Management Company	45.0
TCC Retail Co. Ltd.	30.0

Balance Sheet Metrics

FY26 NAV/Share (Bt)	3.12
FY26 Net Debt/ Share (Bt)	2.74

Price Chart



Source: Bloomberg

Company Description

Asset World Corp Public Company focuses on real estate development and investment services. The company offers property management. Asset World Corp serves customers in Thailand.

- **Interest rate downtrend to boost earnings.** Despite an increase in outstanding loans, AWC's interest expense is expected to decline by 17.6% yoy in 3Q26, reflecting the benefit of refinancing at lower interest rates. Its cost of debt fell significantly to 2.46% in 2Q26 from an average of 3.35% in 2Q25. As AWC has completed the refinancing of most of its debt, further interest savings are expected throughout the year. Management also confirmed that no prepayment fees were incurred, as most refinancing activities were carried out close to the original debt maturity dates. We view the lower cost of debt as a strong tailwind for AWC's earnings in 2H26, supporting further declines in interest expense both qoq and yoy. Meanwhile, AWC's debt-to-equity ratio remains relatively low at 0.92x, with management targeting a long-term reduction to 0.60x.
- **Strong bookings momentum continues in 4Q26.** We expect the positive impact from the Gastech event to be one of the vital factors contributing to the robust hotel performance expected in 3Q26. From our channel check, the current bookings in 4Q26 remain very strong and are now showing 20% yoy room revenue growth. Like Gastech, we expect the 4Q26 hotel performance to be supported by several large events such as IMF–World Bank Group Annual Meetings and Tomorrowland Pattaya. We view AWC as a key beneficiary of Tomorrowland Pattaya in 4Q26, with JW Marriott Pattaya and Melia Pattaya already recording a combined 283% yoy increase in room revenue in 2H26. In addition, hotels in Bangkok, Chiang Mai, Pattaya, and Krabi are expected to show strong room revenue growth in 4Q26 of 39%, 31%, 30%, and 20% yoy, respectively. These positive trends reinforce our optimistic outlook for AWC's growth prospects in 4Q26.
- **Chinese tourists remain a key growth driver, with arrivals continuing to recover strongly.** Following a 33.4% yoy decline in 2025, Chinese tourist arrivals have rebounded since early-26, rising 10% yoy on a YTD basis and signalling sustained recovery momentum. With long-haul travel demand still subdued, the Chinese tourists, as a key short-haul market, are playing an important role in supporting hotel operators' performance, particularly at upcountry hotels in 3Q26. AWC's room revenue from Chinese guests is expected to rise by a robust 30-40% yoy in 9M26, making Chinese guests the company's largest revenue contributor once again.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt3.90 (previously Bt3.70).** Our valuation is based on 2027 earnings and 1SD above the three-year historical average EV/EBITDA multiple of 24.2x. We maintain our optimistic view with AWC due to: a) several major events expected to boost hotel traffic; b) a strong recovery in Chinese tourist arrivals, AWC's largest revenue contributor; and c) sustained strength in forward bookings, underpinning a positive outlook.

Environment, Social, Governance (ESG) Updates

Environmental

- Sustainable building design & operations: AWC integrates energy-efficient and eco-friendly designs in its hotels, retail spaces, and office buildings.
- Carbon neutrality goal: Aiming to reduce greenhouse gas emissions in line with Thailand's sustainability targets.

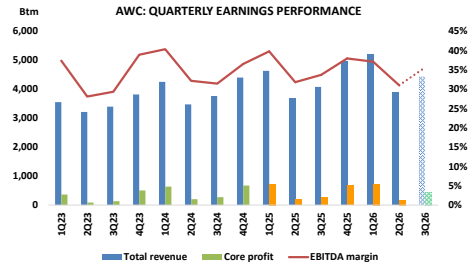
Social

- Community engagement: Supporting local communities through CSR projects, education initiatives, and tourism development.

Governance

- Strong corporate governance: Adopting transparent management policies to ensure ethical business practices.
- Risk management: Robust frameworks to mitigate financial, operational, and environmental risks.

Quarterly Performance



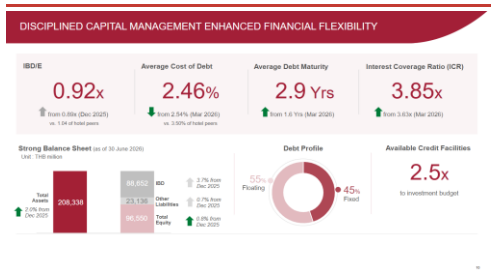
Source: AWC, UOB Kay Hian

Forward Bookings For 2H26



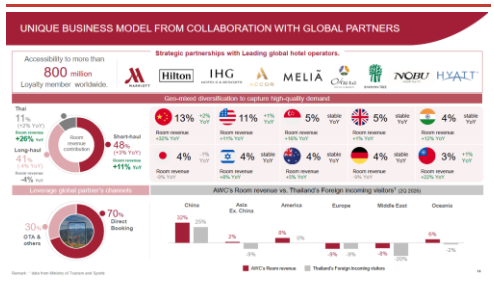
Source: AWC

Debt Profile



Source: AWC

Market Source



Source: AWC

No. Of Chinese Arrivals vs Non-Chinese

1 Jan - 31 Oct	2025	2026	yoy growth
No. arrival ex. Chinese	22,857,228	21,410,854	-6%
No. of Chinese	3,856,480	4,244,376	10%

Source: Ministry of Tourism and Sports, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	**17,356**	**21,219**	**23,590**	**26,368**
EBITDA	6,345	7,800	8,823	9,887
Deprec. & amort.	2,238	2,138	2,401	2,501
EBIT	4,107	5,662	6,422	7,386
Total other non-op. income	5,679	5,092	5,107	5,123
Associate contributions	2	0	0	0
Net interest income/(expense)	(1,945)	(2,424)	(2,453)	(2,397)
Pre-tax profit	**7,844**	**8,331**	**9,076**	**10,112**
Tax	(1,456)	(1,666)	(1,815)	(2,022)
Minorities	0	0	0	0
Net profit	6,388	6,665	7,260	8,090
Net profit (adj.)	**1,842**	**2,693**	**3,288**	**3,991**

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	194,638	193,583	195,271	196,822
Other LT assets	6,874	5,664	5,829	6,030
Cash/ST investment	386	5,553	10,645	13,636
Other current assets	2,299	2,143	2,429	2,698
Total assets	**204,197**	**206,943**	**214,174**	**219,186**
ST debt	41,497	42,537	41,687	37,518
Other current liabilities	4,226	3,265	3,566	4,173
LT debt	48,713	50,713	52,713	54,713
Other LT liabilities	14,022	10,610	11,795	13,184
Shareholders' equity	95,739	99,818	104,412	109,598
Minority interest	0	0	0	0
Total liabilities & equity	**204,197**	**206,943**	**214,173**	**219,186**

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	**8,190**	**7,972**	**9,676**	**10,928**
Pre-tax profit	7,844	8,331	9,076	10,112
Tax	(1,456)	(1,666)	(1,815)	(2,022)
Deprec. & amort.	2,238	2,138	2,401	2,501
Working capital changes	(537)	(202)	28	334
Non-cash items	142	(603)	(13)	4
Other operating cashflows	(38)	(26)	0	0
Investing	**(18,077)**	**(3,286)**	**(3,067)**	**(2,864)**
Capex (growth)	(17,581)	(1,083)	(4,088)	(4,052)
Investment	4,344	4,344	4,344	4,344
Others	(4,840)	(6,547)	(3,323)	(3,156)
Financing	**9,801**	**480**	**(1,517)**	**(5,073)**
Dividend payments	(2,400)	(2,560)	(2,666)	(2,904)
Proceeds from borrowings	12,188	3,040	1,149	(2,169)
Loan repayment	0	0	0	0
Others/interest paid	13	0	0	0
Net cash inflow (outflow)	**(85)**	**5,167**	**5,091**	**2,992**
Beginning cash & cash equivalent	**472**	**387**	**5,553**	**10,645**
Ending cash & cash equivalent	**387**	**5,553**	**10,645**	**13,636**

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	36.6	36.8	37.4	37.5
Pre-tax margin	45.2	39.3	38.5	38.4
Net margin	36.8	31.4	30.8	30.7
ROA	3.3	3.2	3.4	3.7
ROE	6.8	6.8	7.1	7.6
Growth (% yoy)				
Turnover	9.1	22.3	11.2	11.8
EBITDA	11.5	22.9	13.1	12.1
Pre-tax profit	10.3	6.2	8.9	11.4
Net profit	9.2	4.3	8.9	11.4
Net profit (adj.)	8.6	46.2	22.1	21.4
EPS	8.6	46.2	22.1	21.4
Leverage				
Debt to total capital	48.5	48.3	47.5	45.7
Debt to equity	94.2	93.4	90.4	84.2
Net debt/(cash) to equity	93.8	87.9	80.2	71.7
Interest cover (x)	3.3	3.2	3.6	4.1

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