UOBKayHian

Country Daily | Thailand

Tuesday, 17 November 2026



Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	51608.2	(1.4)	(1.5)	(0.8)	7.4
S&P 500	7416.6	(1.9)	(1.8)	(3.2)	8.3
FTSE 100	10881.6	(0.2)	0.9	(0.0)	9.6
AS30	9165.4	(0.4)	0.0	2.5	1.6
CSI 300	3979.8	(0.9)	(1.9)	(4.6)	(14.0)
FSSTI	5183.2	(0.9)	0.1	(4.3)	11.6
HSCEI	7981.5	0.6	(3.4)	(1.8)	(10.5)
HSI	23753.8	0.5	(2.8)	(1.8)	(7.3)
JCI	5321.0	(0.4)	4.9	2.6	(38.5)
KLCI	1588.0	0.3	(1.8)	(1.2)	(5.5)
KOSPI	5100.5	(3.6)	1.6	(10.0)	21.0
Nikkei 225	59662.0	(2.4)	1.5	(8.7)	18.5
SET	1499.5	(0.4)	1.8	(4.7)	19.0
TWSE	41040.1	(6.0)	(1.5)	(12.9)	41.7
BDI	2921	(2.0)	2.3	16.3	55.6
CPO (RM/mt)	4130	(0.7)	0.7	(6.2)	5.0
Brent Crude (US$/bbl)	92	(4.2)	(0.8)	(16.4)	50.9

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
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
Virtual Analyst Presentation by Jonathan Koh on S-REITs Results Wrap	Singapore	25 Nov	25 Nov
Regional 1H2027 Strategy Conference	Malaysia	02 Dec	02 Dec

Corporate and Macro Calendar

Economic Indicator/Event		Date
Oct. Customs Trade Balance (Export-Import)	Thailand	21-26 Nov

Top Stories

Company Results | Amata Corporation (AMATA TB/**BUY**/Bt27.10/Target: Bt38.00)

Page 3 →

- AMATA reported 3Q26 net profit of Bt1.28b (+12% yoy, -19% qoq), beating consensus by 47%. Revenue declined 15% yoy to Bt3.6b due to lower land transfers. Gross margin improved to 53.5%, supported by higher ASPs and a favourable land transfer mix. Earnings also benefitted from a Bt112m gain on investment disposal. AMATA exchanged its Bien Hoa commercial complex for 18 hectares of industrial land. Maintain BUY with an unchanged target price of Bt38.00.

Company Results | Srisawad Corporation (SAWAD TB/**BUY**/Bt22.30/Target: Bt35.00)

Page 6 →

- SAWAD reported 3Q26 earnings of Bt1.43b, up 8% yoy and 2% qoq. The results were in line with consensus estimates but beat our forecasts by 9% due to the lower-than expected opex. In 9M26, the loan portfolio grew only 3% yoy. SAWAD's provision expenses increased 39% yoy and 38% qoq in 3Q26 in order to support the expansion of the title loan portfolio. NPL ratio stablised qoq at 4.0% in 3Q26. Maintain BUY with a target price of Bt35.00.

Company Update | Central Pattana (CPN TB/**BUY**/Bt61.75/Target: Bt80.00)

Page 9→

- CPN's announcement of additional investment in Central Embassy is slightly positive. The total project value of Central Embassy is Bt83b, and will be financed through 70% debt and 30% equity. We estimate this could bring 0.4% upside to CPN's earnings in 2028 and 0.6% in 2029. Maintain BUY with a target price of Bt80.00.

Company Update | OSOTSPA (OSP TB/**BUY**/Bt18.75/Target: Bt22.00)

Page 12 →

- OSP reported a 3Q26 core profit of Bt875m (+24.9% yoy, -20.5% qoq). International energy drink and personal care sales continued to show a positive momentum, while gross profit margin remained resilient. We expect 4Q26 earnings to increase yoy but remain broadly flat qoq, supported by seasonal strength in personal care sales and a recovery in international markets, which should partially offset the impact of higher raw material costs. Maintain BUY with a target price of Bt22.00.

What's Inside

Company Results | Bangkok Chain Hospital (BCH TB/**BUY**/Bt11.00/Target: Bt13.00)

Page 15 →

- BCH reported core profit of Bt409m (+28.2% yoy, +19.2% qoq), beating expectations on stronger patient volumes and improved margins. The SSO's 3-4% capitation rate increase from Jan 27 should support 2027 earnings. Flooding had minimal impact, while newly acquired KIH Ubon has turned profitable. We expect solid 4Q26 earnings, supported by a low base in 4Q25, higher SSO reimbursement and continued improvement at KIH Ubon. Maintain BUY with a target price of Bt13.00.

Company Results | CH. Karnchang (CK TB/**BUY**/Bt17.80/Target: Bt28.00) Page 18 →

- CK reported 3Q26 net profit of Bt1.29b (-26% yoy, +61% qoq), in line with expectations. Construction revenue grew 6% yoy and 2% qoq to Bt11.6b, while overall gross margin declined to 7.68% due to higher construction costs. Share of profit from associates improved 54% qoq to Bt720m. CK also recognised a Bt300m gain from the disposal of BEM shares. We maintain BUY with an unchanged target price of Bt28.00.

Company Results | Electricity Generating Company (EGCO TB/**HOLD**/Bt132.50/Target: Bt135.00) Page 21 →

- EGCO reported 3Q26 net profit of Bt5.99b, supported by a Bt1.67b gain from asset disposals. Core profit rebounded to Bt1.62b (+92% yoy), driven by stronger contributions from Paju and other power assets. However, 9M26 core profit declined 39% yoy. We expect earnings to stabilise in 4Q26, with potential upside from asset acquisitions in 2027. Maintain HOLD with a target price of Bt135.00.

Company Results | Supalai (SPALI TB/**BUY**/Bt15.50/Target: Bt16.25) Page 24 →

- SPALI reported 3Q26 net profit of Bt833m, in line with consensus but below our forecast, pressured by weaker property transfers and persistent margin pressure. 9M26 earnings accounted for 60% of our previous full-year forecast. We cut our 2026-27 earnings estimate by 9.9% and 8.6%, respectively, reflecting softer margins and delayed transfers. Nevertheless, we maintain BUY with a lower target price of Bt16.25, (from Bt17.50), supported by strong fundamentals, a healthy balance sheet, Australian operations, and an attractive 8.4% dividend yield.

Company Update | Muangthai Capital (MTC TB/**BUY**/Bt30.50/Target: Bt50.00) Page 28 →

- We came away from MTC's meeting with a neutral view. The CEO guided that loan growth should be around 7% yoy in 2026 and expects the loan portfolio to grow around 8% yoy in 2027. MTC expects the company to achieve its 2026 credit cost target of 260bp. Meanwhile, the CEO guided that the 2027 credit cost should be around 260bp due to the slow economic recovery outlook. Maintain BUY with an unchanged target price of Bt50.00.

Company Update | Tidlor Holdings (TIDLOR TB/**BUY**/Bt16.90/Target: Bt25.00) Page 31 →

- We attended TIDLOR's 3Q26 analyst meeting on 9 Nov 26 and came away with a neutral view with no changes in key financial targets. Management expects loan growth momentum in Oct-Nov 26 to remain stable qoq and annual loan growth of 5-10% over the next 1-2 years. Management expects credit costs to increase qoq in 4Q26, potentially reaching around 2.5%, reflecting prudent provisioning. We maintain BUY with an unchanged target price of Bt25.00.

Company Update | The Erawan Group (ERW TB/**BUY**/Bt3.68/Target: Bt4.80) Page 34 →

- ERW hosted a positive analyst meeting, targeting high single-digit RevPar growth in 2027, driven by ADR improvement after the Grand Hyatt renovation. For 4Q26, room revenue is expected to grow 6% yoy, supported by high-season demand, recovering Chinese arrivals and long-haul tourists. The 2026 revenue growth target remains at 6% yoy. Lower financing costs should further support earnings. We maintain BUY with a target price of Bt4.80, with declining interest expenses as key catalysts.

Amata Corporation (AMATA TB)

3Q26: Results Beat On Stronger Margins And Disposal Gain

Highlights

- AMATA reported a 3Q26 net profit of Bt1.28b (+12% yoy, -19% qoq).
- Gross margin improved to 53.5% in 3Q26, supported by a higher proportion of high-margin land transfers and better ASPs.
- Maintain BUY with an unchanged target price of Bt38.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q26F	2Q26	3Q25	qoq%	yoy%
Net turnover	3,648	3,627	4,281	0.6%	-14.8%
Gross profit	1,952	1,864	1,810	4.7%	7.8%
EBIT	1,570	1,420	1,384	10.6%	13.4%
EBITDA	1,695	1,574	1,500	7.7%	13.1%
Net profit	1,277	1,584	1,139	-19.4%	12.1%
Core profit	1,165	1,217	1,139	-4.3%	2.3%
Ratio (%)					
Gross margin	53.5%	51.4%	42.3%		
SG&A to sales	10.5%	12.2%	9.9%		
Net profit margin	35.0%	43.7%	26.6%		

Source: AMATA Corporation, UOB Kay Hian

Analysis

- **Earnings beat expectation.** Amata Corporation (AMATA) reported 3Q26 net profit of Bt1.28b (+12% yoy, -19% qoq), beating consensus expectations by 47%, driven by an improvement in gross margin and sales of investment. Excluding extraordinary items, core profit stood at Bt1.17b (+2.3% yoy, -4.3% qoq).
- **Gross margin improved yoy and qoq.** 3Q26 gross margin rose to 53.5% from 51.4% in 2Q26 and 42.3% in 3Q25. The stronger-than-expected margin was driven by improvements across all businesses. For the industrial estate business, the yoy improvement was supported by a higher proportion of land transfers from high-margin sites in Chonburi. Meanwhile, the qoq improvement was driven by a higher ASP for its land transfers in which increased from Bt7.68m/rai in 2Q26 to Bt8.73m/rai in 3Q26.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	14,723.6	14,281.5	15,715.0	15,724.3	16,933.8
EBITDA	3,972.6	5,070.4	6,113.5	5,724.2	6,130.3
Operating profit	3,521.5	4,608.0	5,627.1	5,218.2	5,604.6
Net profit (rep./act.)	2,482.9	3,148.7	4,789.4	4,020.6	4,321.9
Net profit (adj.)	2,482.9	3,148.7	4,789.4	4,020.6	4,321.9
EPS	2.2	2.7	4.2	3.5	3.8
PE (x)	12.6	9.9	6.5	7.8	7.2
P/B (x)	1.4	1.3	1.2	1.0	0.9
EV/EBITDA (x)	9.9	8.7	5.5	5.7	5.2
Dividend yield (%)	3.0	4.1	5.8	4.9	5.3
Net margin (%)	16.9	22.0	30.5	25.6	25.5
Net debt/(cash) to equity(%)	58.2	69.5	18.9	12.6	6.4
Interest cover (x)	6.4	8.9	12.2	12.4	11.1
Consensus net profit	n.a	n.a	4,326.9	4,060.1	4,191.3
UOBKH/Consensus (x)	n.a	n.a	1.1	1.0	1.0

Source: Amata Corporation, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt27.10
Target Price	Bt38.00
Upside	40.22%

Stock Data

Sector	Real Estate
Bloomberg ticker	AMATA TB
Shares issued (m)	1,150.0
Market cap (Btm)	31,280.0
Market cap (US$m)	922.4
3-mth avg daily t'over (US$m)	9.2

Price Performance (%)

52-week high/low				Bt34.2/Bt14.9
1mth	3mth	6mth	1yr	YTD
(15.7)	(13.0)	27.1	77.8	63.9

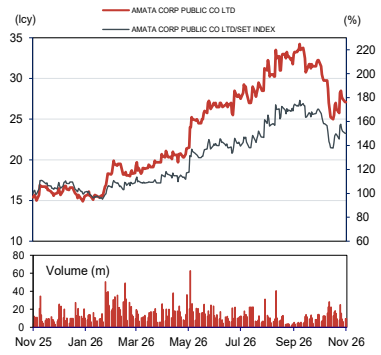
Major Shareholders (%)

Mr. Vikrom Kromadit	26.23
Thai NVDR	16.86

Balance Sheet Metrics

FY26 NAV/Share (Bt)	23.5
FY26 Net Debt/Share (Bt)	4.4

Price Chart



Source: Bloomberg

Company Description

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

- **Revenue declined yoy but remained stable qoq**. Total revenue came in at Bt3.6b (-15% yoy), remaining broadly stable qoq. The yoy decline was mainly due to lower land transfers of 258 rai in 3Q26 compared with 677 rai in 3Q25. As a result, industrial estate revenue declined 23% yoy but increased 2% qoq to Bt2.25b. Meanwhile, utility services revenue reached Bt1.4b (+4% yoy, -1% qoq), supported by higher water sales volumes and selling prices. Recurring revenue accounted for 38% of total revenue in 3Q26. We expect recurring income to contribute approximately 37% of 2026's full-year income.
- **Gain from disposal of investment.** AMATA recognised a gain of Bt112m in 3Q26 from the disposal of its investment in Amata Township Long Thanh (ATLT) to Long Thanh Riverside Investment. The gain provided additional support to quarterly earnings alongside the improvement in gross margin.
- **Bien Hoa commercial complex removed from backlog.** AMATA has exchanged its commercial complex in Bien Hoa with the Vietnamese government in return for approximately 18 hectares of industrial land following changes to the city zoning plan. The complex had previously been put up for sale for 2-3 years but the transaction was delayed due to the buyer's pending licence approval. AMATA has removed around Bt1.5b from its Vietnam backlog as compensation has yet to be finalised. The exchange has no impact on its income statement.

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt38.00.** Our target price is based on the SOTP methodology. We value the core businesses (industrial land development and logistics) at Bt28.66/share. The industrial estate business is valued at 12x 2027F PE, in line with its historical average. The logistics business is valued using the GNAV method with an 8% capitalisation rate based on the average for warehouses in Thailand. Meanwhile, investments in associate companies are valued at Bt12.65/share based on 14x 2027F PE (-0.5SD to the utility and power business historical average).
- We maintain our view that AMATA's 2026 land sales are likely to fall short of management's target amid slower land sales momentum. However, the improvement in ASPs should partly offset the impact of weaker land sales on earnings. We maintain BUY as its existing backlog provides some earnings visibility, although slower-than-expected land sales remain a key downside risk.

Earnings Revision/Risk

- We raise our 2026 earnings forecast by 13% to reflect stronger-than-expected 3Q26 results. We also fine-tune our 2027-28 earnings forecasts upward by 1.5% and 1.0%, respectively.

Share Price Catalyst

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

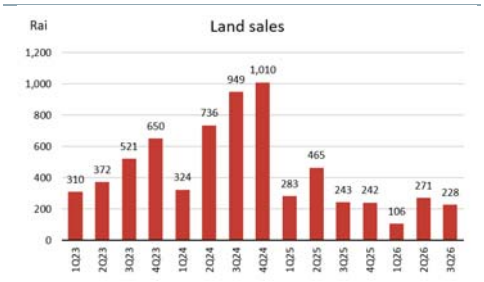
Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AAA

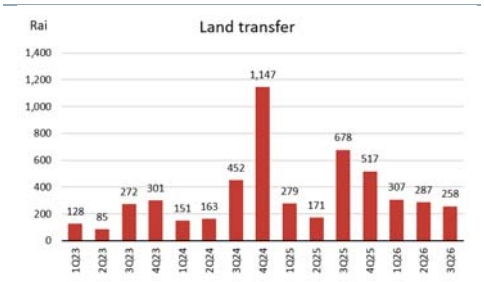
- **Environmental:** Minimises social and environmental impact to protect and restore natural resources, transparently disclosing natural resources and implementing environmental management practices through various channels.
- **Social:** The business operation plays a crucial role in promoting positive human rights impacts by contributing to the local economy, creating employment opportunities, and enhancing overall community wellbeing.
- **Governance:** Places a strong emphasis on transparency, integrity, and compliance with laws and regulations, as well as the principles of good corporate governance and a business code of ethics.

Land Sales



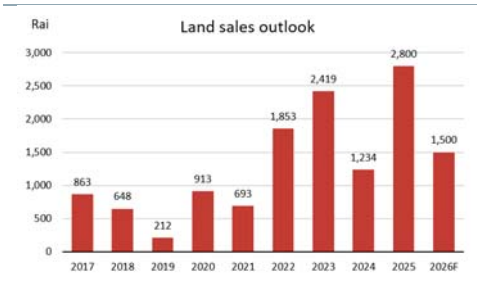
Source: AMATA, UOB Kay Hian

Land Transfer



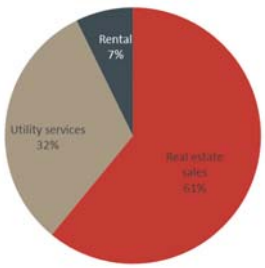
Source: AMATA, UOB Kay Hian

Land Sales Outlook



Source: AMATA, UOB Kay Hian

Revenue Contribution



Source: AMATA, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	14,281	15,715	15,724	16,934
EBITDA	5,070	6,114	5,724	6,130
Deprec. & amort.	462	486	506	526
EBIT	4,608	5,627	5,218	5,605
Total other non-operating income	148	126	142	146
Associate contributions	927	816	981	970
Net interest income/(expense)	(570)	(500)	(462)	(553)
Pre-tax profit	5,113	6,068	5,879	6,169
Tax	(884)	(1,016)	(1,150)	(1,085)
Minorities	(949)	(741)	(708)	(762)
Net profit	3,149	4,789	4,021	4,322
Net profit (adj.)	3,149	4,789	4,021	4,322

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	9,935	10,213	10,470	10,708
Other LT assets	30,965	32,945	34,461	35,518
Cash/ST investment	4,038	15,302	16,635	18,269
Other current assets	24,716	15,513	16,246	17,497
Total assets	69,654	73,972	77,813	81,992
ST debt	5,693	5,693	5,693	5,693
Other current liabilities	14,468	14,590	14,724	14,936
LT debt	14,708	14,708	14,708	14,708
Other LT liabilities	4,363	4,363	4,363	4,363
Shareholders' equity	23,531	26,986	29,985	33,190
Minority interest	6,891	7,631	8,339	9,101
Total liabilities & equity	69,654	73,972	77,813	81,992

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	(5,182)	15,341	4,635	4,571
Pre-tax profit	4,982	6,546	5,879	6,169
Tax	(884)	(1,016)	(1,150)	(1,085)
Deprec. & amort.	462	486	506	526
Working capital changes	(10,354)	9,324	(600)	(1,038)
Other operating cashflows	612	0	0	0
Investing	2,556	(2,257)	(1,774)	(1,294)
Capex (growth)	2,870	(1,778)	(1,257)	(738)
Investments	(445)	(479)	(516)	(557)
Others	130	0	0	0
Financing	894	(1,820)	(1,528)	(1,642)
Dividend payments	(1,265)	(1,820)	(1,528)	(1,642)
Issue of shares	0	0	0	0
Proceeds from borrowings	1,927	0	0	0
Others/interest paid	232	0	0	0
Net cash inflow (outflow)	(1,733)	11,264	1,333	1,634
Beginning cash & cash equivalent	5,770	4,038	15,302	16,635
Ending cash & cash equivalent	4,038	15,302	16,635	18,269

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	35.5	38.9	36.4	36.2
Pre-tax margin	35.8	38.6	37.4	36.4
Net margin	22.0	30.5	25.6	25.5
Growth				
Turnover	218.0	249.9	250.1	277.0
EBITDA	171.6	227.4	206.6	228.4
Pre-tax profit	141.4	186.6	177.6	191.3
Net profit	123.4	239.8	185.2	206.6
Net profit (adj.)	26.8	52.1	(16.0)	7.5
EPS	107.2	215.2	164.6	184.5
Leverage				
Debt to total capital	67.1	58.9	53.2	48.2
Debt to equity	86.7	75.6	68.0	61.5
Net debt/(cash) to equity	69.5	18.9	12.6	6.4
Interest cover	8.9	12.2	12.4	11.1

Srisawad Corporation (SAWAD TB)

3Q26: Results In Line With Consensus; Credit Costs Jump QOQ

Highlights

- SAWAD reported a net profit of Bt1.43b in 3Q26, up 8% yoy and 2% qoq.
- Increased buffer by adding provisions in 3Q26.
- Maintain BUY with an unchanged target price of Bt35.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq%	yoy%
Total gross loans	97,840	95,805	93,831	2.1	4.3
Net interest income	3,624	3,488	3,408	3.9	6.3
Non-interest income	799	666	764	19.9	4.6
Loan loss provision	(655)	(476)	(470)	37.6	39.4
Non-Interest Expenses	(1,769)	(1,758)	(1,932)	0.6	(8.4)
Pre-provision operating profit	2,654	2,396	2,240	10.8	18.4
Net income	1,432	1,401	1,323	2.2	8.2
EPS (Bt)	0.86	0.84	0.80	2.2	8.2
Ratio (%)					
NPL ratio (%)	4.0	4.0	3.9		
Loan loss coverage ratio (%)	60.5	57.1	62.4		
Net interest margin (NIM %)	15.1	14.8	14.7		
Credit cost (bp)	278	205	208		
Cost to income (%)	40.0	42.3	46.3		

Source: Srisawad Corporation, UOB Kay Hian

Analysis

- **3Q26: Results in line with consensus.** Srisawad Corporation (SAWAD) reported 3Q26 earnings of Bt1.43b, up 8% yoy and 2% qoq. The results were in line with consensus estimates but beat our forecasts by 9% due to the lower-than-expected operating expenses (opex). Excluding provision expenses, the company's pre-provision operating profit increased by 18% yoy and 11% in 3Q26.
- **Loan portfolio grew yoy and qoq.** SAWAD's outstanding loan portfolio grew 4% yoy and 2% qoq at Bt97.8b in 3Q26. SAWAD had 5,815 branches as of end-2Q26. In 9M26, the loan portfolio grew only 3% yoy. Meanwhile, SAWAD set a 2026 loan growth target of 10-15%. Although we have seen some expansion in its loan portfolio in 9M26, we expect SAWAD to miss its 2026 loan growth target due to the company's need to be continuously prudent in its lending policy to preserve good asset quality.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	14,846.1	13,593.4	14,410.1	15,490.1	16,306.0
Non-Interest Income	3,018.6	2,835.4	2,893.1	2,915.7	2,881.4
Net profit (rep./act.)	5,051.3	5,020.5	5,558.0	5,925.1	6,326.1
Net profit (adj.)	5,051.3	5,020.5	5,558.0	5,925.1	6,326.1
EPS (Bt)	3.2	3.0	3.4	3.6	3.8
PE (x)	7.0	7.4	6.7	6.2	5.8
P/B (x)	1.1	1.0	0.9	0.8	0.7
Dividend yield (%)	0.1	2.8	3.3	3.3	3.6
Net int margin (%)	15.1	14.2	14.8	15.2	15.2
Cost/income Ratio (%)	52.2	47.7	42.6	42.4	42.1
Loan loss cover (%)	67.0	58.7	61.0	62.0	60.0
Consensus net profit	n.a	n.a	5,537.8	6,022.8	6,637.9
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Srisawad Corporation, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt22.30
Target Price	Bt35.00
Upside	57.0%

Stock Data

Sector	Financials
Bloomberg ticker	SAWAD TB
Shares issued (m)	1,661.5
Market cap (Btm)	37,383.9
Market cap (US$m)	1,141.7
3-mth avg daily t'over (US$m)	11.0

Price Performance (%)

52-week high/low				Bt31.5/Bt14.9
1mth	3mth	6mth	1yr	YTD
0.4	(14.3)	(18.2)	(17.5)	(11.8)

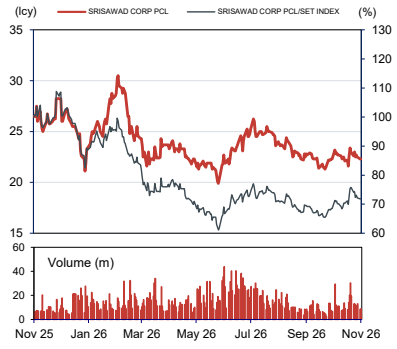
Major Shareholders (%)

Thida Kaewbootta	16.18
UBS AG Singapore Branch	11.74
Duangchai Kaewbootta	8.14

Balance Sheet Metrics

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

Price Chart



Source: Bloomberg

Company Description

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

- **Maintained a relatively stable opex qoq.** SAWAD reported opex of Bt1.77b in 3Q26 (-8% yoy, +1% qoq). This was lower than our forecast by 10%, as we expected to see a qoq increase in opex. SAWAD disclosed that the opex remains quite stable qoq due to the reductions across major expense categories, including marketing expenses and losses on the sale of foreclosed assets, reflecting continued cost management efficiency and the effects of the branch restructuring carried out since the prior year.
- **Strong recovery momentum in foreclosed asset management.** SAWAD reported a loss on the sale of foreclosed assets of Bt39m in 3Q26, which stayed at a low level comparable to that of 2Q26. In 9M26, losses totalled Bt1/6m, representing a 71% yoy decrease, demonstrating the better loan portfolio quality and efficient foreclose asset management procedures. This performance continues the positive trajectory observed since 2025, driven by ongoing enhancements in loan portfolio quality.
- **Credit costs increased qoq from adding buffer.** SAWAD's provision expenses increased 39% yoy and 38% qoq in 3Q26. This resulted in the company's credit costs increasing by 70bp yoy and 73bp qoq to 278bp in 3Q26. NPL ratio stablised qoq at 4.0% in 3Q26. Loan-loss coverage ratio rose 3.4ppt qoq from 57.1% in 2Q26 to 60.5% in 3Q26. The company said the increase in provisioning was to support the expansion of the title loan portfolio, which grew at a faster pace this quarter.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt35.00.** SAWAD's target price is based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 3%). We roll over our target price to 2027. Our target price implies 1.3x 2027F P/B, which is -0.5SD to its five-year mean.

Earnings Revision/Risk

- We fine-tune SAWAD's 2026-28 earnings forecasts by +2.7%, +1.5% and +1.2%, respectively, to reflect the decent 3Q26 earnings.

Share Price Catalyst

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

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AA

Environmental

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

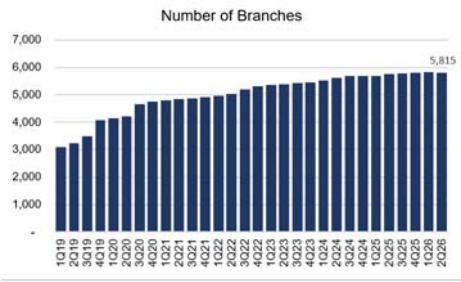
Social

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

Governance

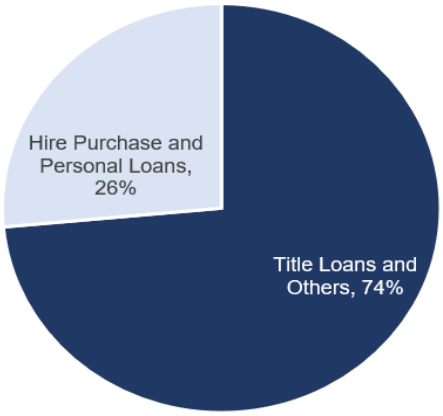
- Uphold the principles of good governance and provide fair service to customers.
- Comply with the regulations required by authorities in the country.
- Strengthening the credit review process with respect to ESG aspects.

Number Of Branches (2Q26)



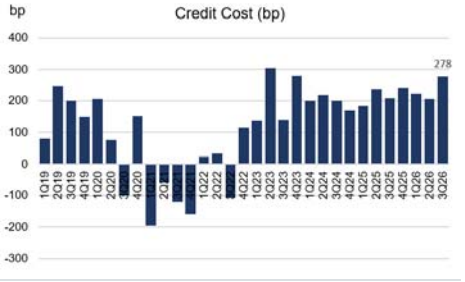
Source: SAWAD, UOB Kay Hian

Loan Composition (3Q26)



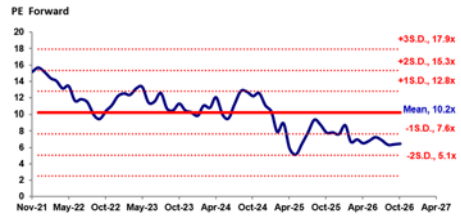
Source: SAWAD, UOB Kay Hian

Credit Cost (bp)



Source: SAWAD, UOB Kay Hian

PE Band



Source: UOB Kay Hian

P/B Band



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	16,459	16,941	17,774	18,510
Interest expense	(2,866)	(2,531)	(2,284)	(2,204)
Net interest income/(expense)	13,593	14,410	15,490	16,306
Fees & Commissions	2,835	2,893	2,916	2,881
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	0	0	0	0
Non-Interest Income	2,835	2,893	2,916	2,881
Total Income	16,429	17,303	18,406	19,187
Staff Costs	(7,835)	(7,373)	(7,795)	(8,078)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	8,594	9,930	10,611	11,110
Loan Loss Provision	(1,978)	(2,210)	(2,402)	(2,346)
Other Provisions	0	0	0	0
Associated Companies	0	0	0	0
Other Non-Operating Income	0	0	0	0
Pre-tax profit	6,617	7,720	8,209	8,764
Tax	(1,347)	(1,594)	(1,642)	(1,753)
Minorities	(250)	(568)	(642)	(685)
Net profit	5,020	5,558	5,925	6,326
Net profit (adj.)	5,020	5,558	5,925	6,326

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	6,046	4,913	5,178	5,451
Govt Treasury Bills & Securities	0	0	0	0
Interbank Loans	0	0	0	0
Customer Loans	92,850	96,777	101,957	107,416
Investment Securities	0	0	0	0
Derivative Receivables	0	0	0	0
Associates & JVs	0	0	0	0
Properties & Other Fixed Assets	687	370	109	74
Goodwill & Intangible Assets	2,712	3,712	3,843	3,979
Other Assets	5,379	5,462	5,652	5,847
Insurance Fund Investment Assets	0	0	0	0
Total assets	107,674	111,234	116,739	122,767
Interbank Deposits	0	0	0	0
Customer Deposits	14,937	13,688	10,444	9,830
Bills Payable	1,476	1,471	1,556	1,661
Derivative Payables	0	0	0	0
Debts Securities Issued	0	0	0	0
Subordinated Debts	47,466	48,299	52,740	54,712
Other Liabilities	3,036	2,948	3,107	3,271
Insurance Fund Liabilities	0	0	0	0
Total liabilities	66,915	66,407	67,847	69,474
Shareholders' funds	37,454	41,353	46,060	51,146
Minority interest	3,305	3,474	2,832	2,147
Total Equity & Liabilities	107,674	111,234	116,739	122,766

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	3	3	3	2
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
NPL Ratio	4	4	4	4
Loan Loss Coverage	59	61	62	60
Loan Loss Reserve/Gross Loans	1	1	1	0
Increase in NPLs	8	5	5	5
Credit Cost (bp)	209	230	238	221
Liquidity				
Liquid Assets/Short-Term Liabilities	37	32	43	47
Liquid Assets/Total Assets	6	4	4	4

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	(8)	6	8	5
Fees & Commissions, yoy Chg	(6)	2	1	(1)
Pre-Provision Profit, yoy Chg	1	16	7	5
Net Profit, yoy Chg	(1)	11	7	7
Customer Loans, yoy Chg	(1)	4	5	5
Profitability				
Net Interest Margin	14	15	15	15
Cost/Income Ratio	48	43	42	42
Adjusted ROA	19	20	21	21
Reported ROE	13	13	13	12
Adjusted ROE	13	13	13	12
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	7	7	6	6
Dividend Yield	3	3	3	4

Central Pattana (CPN TB)

Acquisition Of Additional Stake In Central Embassy

Highlights

- CPN's announcement of its additional investment in Central Embassy is slightly positive.
- The total project value of Central Embassy is Bt83b, and will be financed through 70% debt and 30% equity.
- We estimate upside to CPN's earnings of 0.4% in 2028 and 0.6% in 2029.
- Maintain BUY with a target price of Bt80.00.

Analysis

- **Transaction is slightly positive.** We see CPN's announcement of additional investment in the Central Embassy project as slightly positive.
- **Transaction details.** The first transaction involves CE Holding, a JV between CPN (49%) and Central Group (51%), acquiring a 49% stake in Central and Hongkong Land (CHKL) from Hongkong Land (HKL). Following the transaction, CE Holding will own 100% of CHKL and the Central Embassy 2 (CE2) project. The second transaction involves CHKL entering into a 30-year lease for the Central Embassy shopping mall portion of Central Embassy 1 (CE1), with the lease agreement transaction expected to be executed in 2Q27. Following both transactions, CPN's effective stake in CE1 will increase from 0% to 49%, while its effective stake in CE2 will increase from 25% to 49%.
- **Project value and funding.** The total project value of Central Embassy, comprising CE1 (the shopping mall under the lease, excluding Park Hyatt) and CE2, is estimated at Bt83b, financed through 70% debt and 30% equity. The project IRR is estimated at around 9%, while the equity IRR is expected to reach double-digits.
- **Valuation.** a) CE1: The company did not disclose the lease agreement value. However, based on our preliminary assessment, we estimate the lease value at around Bt27.8b, assuming a value equivalent to 1.5x the project's initial investment cost. The premium reflects CE1's proven success as an established brownfield project, lower execution risk, and project IRR comparable to previous M&A transactions; b) CE2: CE Holding acquired the stake at a price equivalent to HKL's historical investment, which we estimate at approximately Bt10b.
- **Slightly positive to earnings.** CPN will continue to recognise its investment in CE Holding under the equity method, with no impact on its IBD/E ratio. We estimate upside to CPN's earnings of 0.4% in 2028 and 0.6% in 2029, based on the following assumptions: a) project value of Bt27.8b for CE1 and Bt55.2b for CE2, approximately 3x the land value, and b) CE1 revenue growth of 10% and EBIT margin of 45%.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	50,184.2	50,034.1	53,104.2	57,344.6	59,500.3
EBITDA	28,039.5	29,517.4	32,689.8	35,465.5	37,172.6
Operating profit	18,831.8	20,313.6	22,242.3	24,244.4	25,227.9
Net profit (rep./act.)	16,729.0	18,841.3	20,023.8	21,825.4	22,807.0
Net profit (adj.)	15,594.0	16,721.3	19,631.8	21,433.4	22,415.0
EPS	3.5	3.7	4.4	4.8	5.0
PE (x)	17.8	16.6	14.1	12.9	12.4
P/B (x)	2.8	2.5	2.3	2.2	2.0
EV/EBITDA (x)	12.5	11.5	10.6	9.8	9.3
Dividend yield (%)	3.4	3.9	4.2	4.5	4.8
Net margin (%)	33.3	37.7	37.7	38.1	38.3
Net debt/(cash) to equity(%)	63.8	48.3	49.5	45.8	42.4
Interest cover (x)	7.5	8.0	8.3	8.8	9.0
ROE (%)	17.4	17.9	17.5	17.6	17.0
Consensus net profit	n.a	n.a	19,332.6	20,817.3	21,912.0
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Central Pattana, Bloomberg, UOB Kay Hian

Analyst(s)

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662 090 3359

BUY (Maintained)

Share Price	Bt61.75
Target Price	Bt80.00
Upside	29.55%

Stock Data

Sector	Real Estate
Bloomberg ticker	CPN TB
Shares issued (m)	4,488.0
Market cap (Btm)	277,134.0
Market cap (US$m)	8,258.4
3-mth avg daily t'over (US$m)	15.6

Price Performance (%)

52-week high/low				Bt70.0/Bt50.2
1mth	3mth	6mth	1yr	YTD
(4.6)	(8.5)	(0.8)	11.8	11.8

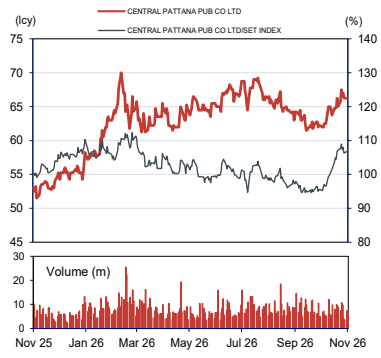
Major Shareholders (%)

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

Balance Sheet Metrics

FY26 NAV/Share (Bt)	26.5
FY26 Net Debt/Share (Bt)	13.1

Price Chart

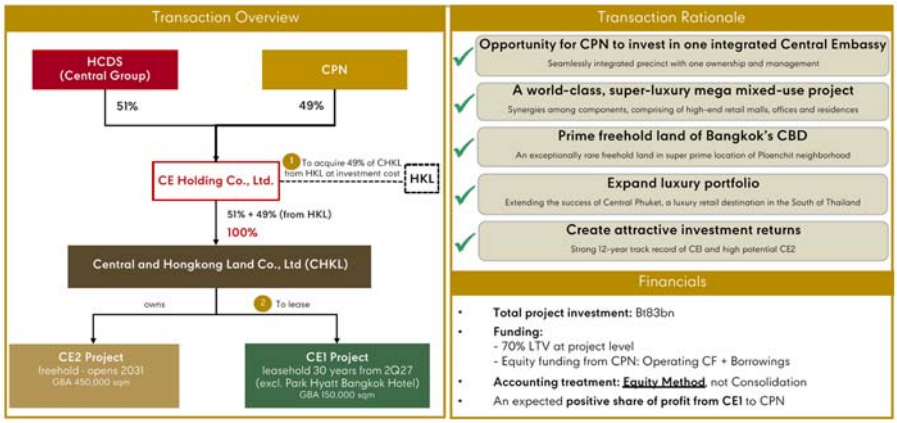


Source: Bloomberg

Company Description

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

Central Embassy Transaction



Source: Central Pattana, UOB Kay Hian

- **Project overview.** a) CE1 refers to the existing Central Embassy shopping mall, excluding the Park Hyatt hotel. The project has a gross building area (GBA) of 450,000 sqm and net leasable area (NLA) of over 40,000 sqm. Originally owned by Central Group, the CE1 mall commenced operations in 2014 and has delivered satisfactory operating performance, with an occupancy rate of over 90% and revenue growth of more than 10% CAGR over the past five years. Luxury brands contribute approximately 50% of total revenue, supporting rental rates of around 2x CPN's portfolio average; b) CE2 is a mixed-use development currently under construction, comprising a shopping mall extension, office space, and condominium units. The project is expected to commence operations in 2031.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt80.00.** We use a SOTP methodology, valuing CPN's core business at Bt79.8/share based on DCF, with a WACC of 7.0% and terminal growth of 1.5%. The residential business is valued at Bt0.20/share based on 5x 2026F PE. Our target price implies a 2027F PE of 12.9x and EV/EBITDA of 9.8x. We maintain an optimistic outlook on CPN, underpinned by its long-term strategic expansion and growing asset base.

Earnings Revision/Risk

- **No earnings revision.**

Share Price Catalyst

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

Environment, Social, Governance (ESG) Updates

CG Report: 5, SET ESG Rating: AAA

Environmental

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

Social

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

Governance

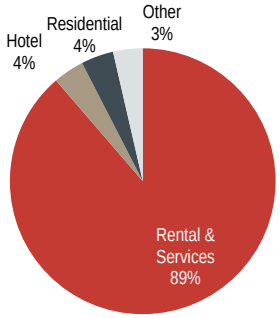
- CPN prioritises ethical, transparent, and auditable business conduct for sustainable growth through a Code of Conduct and CG Principles handbook.

Central Embassy (CE1)



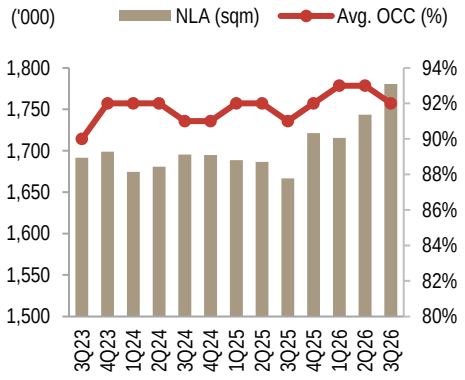
Source: Central Pattana, UOB Kay Hian

3Q26 Revenue Contributions



Source: Central Pattana, UOB Kay Hian

Shopping Mall NLA and Occupancy



Source: Central Pattana, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	50,034	53,104	57,345	59,500
EBITDA	29,517	32,690	35,466	37,173
Deprec. & amort.	9,204	10,448	11,221	11,945
EBIT	20,314	22,242	24,244	25,228
Total other non-operating income	4,545	2,875	2,828	2,898
Associate contributions	2,414	3,428	3,771	3,959
Net interest income/(expense)	(3,705)	(3,922)	(4,054)	(4,116)
Pre-tax profit	23,561	24,623	26,789	27,969
Tax	(4,385)	(4,239)	(4,604)	(4,802)
Minorities	(335)	(360)	(360)	(360)
Net profit	18,841	20,024	21,825	22,807
Net profit (adj.)	16,721	19,632	21,433	22,415

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	196,352	210,292	220,833	230,150
Other LT assets	74,309	75,899	77,629	79,437
Cash/ST investment	8,806	7,189	9,005	10,143
Other current assets	23,156	23,599	24,153	24,517
Total assets	302,623	316,980	331,620	344,248
ST debt	19,980	17,880	13,880	22,580
Other current liabilities	18,939	19,562	20,838	21,324
LT debt	41,940	48,044	54,257	46,601
Other LT liabilities	102,504	103,016	103,531	104,049
Shareholders' equity	109,881	118,737	129,015	139,234
Minority interest	9,380	9,740	10,100	10,460
Total liabilities & equity	302,623	316,980	331,620	344,248

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	37,194	31,012	34,128	35,234
Pre-tax profit	23,561	24,623	26,789	27,969
Tax	(4,385)	(4,239)	(4,604)	(4,802)
Deprec. & amort.	9,204	10,448	11,221	11,945
Working capital changes	(1,564)	(183)	169	(5)
Non-cash items	10,378	363	553	127
Other operating cashflows	0	0	0	0
Investing	(16,265)	(25,466)	(22,977)	(22,552)
Capex (growth)	(12,289)	(24,388)	(21,762)	(21,262)
Investments	1,837	(1,371)	(1,508)	(1,584)
Others	(5,813)	293	293	294
Financing	(17,416)	(7,163)	(9,336)	(11,543)
Dividend payments	(9,531)	(10,771)	(11,548)	(12,587)
Issue of shares	0	(396)	0	0
Proceeds from borrowings	(7,590)	4,005	2,212	1,044
Others/interest paid	(296)	0	0	0
Net cash inflow (outflow)	3,514	(1,617)	1,815	1,139
Beginning cash & cash equivalent	5,292	8,806	7,189	9,005
Ending cash & cash equivalent	8,806	7,189	9,005	10,143

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	59.0	61.6	61.8	62.5
Pre-tax margin	47.1	46.4	46.7	47.0
Net margin	37.7	37.7	38.1	38.3
ROA	6.2	6.5	6.7	6.8
ROE	17.9	17.5	17.6	17.0
Growth				
Turnover	(0.3)	6.1	8.0	3.8
EBITDA	5.3	10.8	8.5	4.8
Pre-tax profit	14.1	4.5	8.8	4.4
Net profit	12.6	6.3	9.0	4.5
Net profit (adj.)	7.2	17.4	9.2	4.6
EPS	7.2	17.4	9.2	4.6
Leverage				
Debt to total capital	51.9	51.3	49.0	46.2
Debt to equity	56.4	55.5	52.8	49.7
Net debt/(cash) to equity	48.3	49.5	45.8	42.4
Interest cover	8.0	8.3	8.8	9.0

OSOTSPA (OSP TB)

Gradual Revenue Growth In 2027

Highlights

- OSP reported 3Q26 core profit of Bt875m (+24.9% yoy, -20.5% qoq). International energy drink and personal care sales continued to show positive momentum, while gross profit margin remained resilient.
- We expect 4Q26 earnings to increase yoy but remain broadly flat qoq, supported by seasonal strength in personal care sales and a recovery in international markets, which should partially offset the impact of higher raw material costs.
- Maintain BUY with a target price of Bt22.00.

Analysis

- **We attended OSOTSPA's (OSP) analyst meeting after its 3Q26 results, and the tone of the meeting was neutral.**
- **2027 revenue is expected to gradually increase, driven primarily by growth in the personal care segment.** The company did not provide specific guidance for 2027 but indicated that revenue is expected to grow yoy. We maintain our forecast of 3% yoy revenue growth in 2027, primarily driven by the personal care segment, while the energy drink segment is expected to continue focusing on premiumisation. Nevertheless, we will continue to monitor competitive intensity in the Bt10 and premium segments, as well as the company's ability to expand its presence in the premium energy drink market.
- **International business has shown signs of improvement.** In the Myanmar market, progress in obtaining import licences has improved since 3Q26, although the recovery is expected to remain gradual. The company also plans to establish local production of glass-bottled energy drinks in Myanmar, which should help alleviate cost pressures and improve cost efficiency.
- **4Q26 earnings outlook.** We expect 4Q26 earnings to increase yoy but remain broadly flat qoq, due to an anticipated decline in gross profit margin from higher raw material costs. Looking ahead, we expect profitability to improve as raw material costs gradually ease following the post-war normalisation. This should allow OSP to capture further benefits from cost restructuring, providing greater earnings visibility going forward.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	27,069.5	25,560.9	24,095.4	24,844.3	25,631.7
EBITDA	4,950.5	5,685.4	6,005.5	6,140.6	6,318.5
Operating profit	3,462.4	4,184.2	4,629.0	4,833.3	5,048.0
Net profit (rep./act.)	1,638.1	3,666.6	3,725.8	3,886.6	4,055.4
Net profit (adj.)	3,035.5	3,501.6	3,725.8	3,886.6	4,055.4
EPS	1.0	1.2	1.2	1.3	1.4
PE (x)	13.8	11.9	11.2	10.7	10.3
P/B (x)	2.7	2.5	2.3	2.1	2.0
EV/EBITDA (x)	8.5	6.9	6.3	5.9	5.5
Dividend yield (%)	4.3	5.8	5.8	6.1	6.4
Net margin (%)	6.0	14.3	15.5	15.6	15.8
Net debt/(cash) to equity(%)	0.4	(17.7)	(25.8)	(33.3)	(39.8)
Interest cover (x)	42.1	52.0	145.9	152.2	159.2
ROE (%)	9.3	20.0	19.6	19.7	19.8
Consensus net profit	n.a	n.a	3,716.0	3,874.9	4,024.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: OSOTSPA, Bloomberg, UOB Kay Hian

Analyst(s)

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BUY (Maintained)

Share Price	Bt18.75
Target Price	Bt22.00
Upside	17.33%

Stock Data

Sector	Consumer Staples
Bloomberg ticker	OSP TB
Shares issued (m)	3,003.8
Market cap (Btm)	49,862.2
Market cap (US$m)	1,482.7
3-mth avg daily t'over (US$m)	5.2

Price Performance (%)

52-week high/low				Bt18.8/Bt14.0
1mth	3mth	6mth	1yr	YTD
3.1	(7.3)	9.9	2.5	3.1

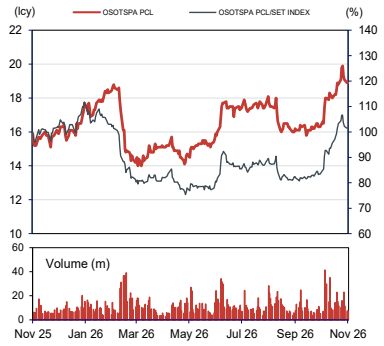
Major Shareholders (%)

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

Balance Sheet Metrics

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

Price Chart



Source: Bloomberg

Company Description

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

3Q26 Results

Year to 31 Dec (Btm)	3Q26	3Q25	2Q26	yoy%	qoq%
Sales	5,741	5,604	6,115	2.5%	-6.1%
Gross Profit	2,325	2,157	2,617	7.8%	-11.2%
SG&A	1,359	1,367	1,377	-0.6%	-1.3%
EBIT	1,103	850	1,319	29.7%	-16.3%
Net Profit	946	700	1,100	35.1%	-14.0%
Core Profit	875	700	1,100	24.9%	-20.5%
EPS (Bt)	0.29	0.23	0.37	24.9%	-20.5%
(%)	3Q26	3Q25	2Q26	yoy%	qoq%
Gross Margin (%)	40.5%	38.5%	42.8%	2.0%	-2.3%
%SG&A/revenue	23.7%	24.4%	22.5%	-0.7%	1.2%
Net Margin (%)	16.5%	12.5%	18.0%	4.0%	-1.5%

Source: OSOTSPA, UOB Kay Hian

- **3Q26 results recap: Results in line.** OSP reported a 3Q26 net profit of Bt946m (+35.1% yoy, -14.0% qoq), Excluding one-off items (Bt71m from the clearance of its former factory site), 3Q26 core profit came in at Bt875m (+24.9% yoy, -20.5% qoq). The results are in line with both our expectations and consensus estimates. 3Q26 sales came in at Bt5.7b (+2.5% yoy, -6.1% qoq). Domestic beverage sales was Bt3.8b (+0.9% yoy, -2.5% qoq), while international beverage sales was Bt859m (-2.6% yoy, -26.5% qoq). Personal care sales came in at at796m (+19.8% yoy, +1.3% qoq). Gross profit margin was 40.5% in 3Q26 (vs 38.5% in 3Q25 and 42.8% in 2Q26). SG&A/sales in 3Q26 was 23.7%, up qoq, but down yoy.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt22.00.** based on 2027 EPS. Using the PE valuation method, we value OSP at -1SD to its five-year PE band, implying a multiple of 18x.

Earnings Revision/Risk

- None. 9M26 earnings accounted for 84% of full-year earnings. We maintain our full-year earnings estimate, reflecting a conservative outlook for 4Q26 given the anticipated further pressure on gross profit margin.

Share Price Catalyst

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

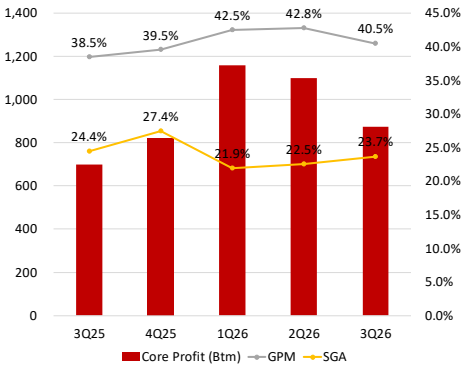
Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AAA

- **Environmental:** OSP embeds packaging sustainability in its environmental strategy through its “Zero Packaging Waste” ambition, focusing on circular packaging design and eco-friendly materials while setting KPIs to monitor and engage business partners on environmental performance.
- **Social:** OSP supports local communities through charitable donations, community engagement, and commercial initiatives to enhance quality of life and enable sustainable business growth.
- **Governance:** The company aims to conduct its business with transparency and fairness, while continuously improving operational efficiency to ensure long-term business sustainability

Earnings Performance



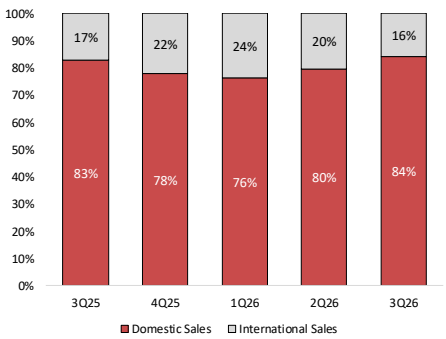
Source: OSP, UOB Kay Hian

9M Sales Breakdown By Product



Source: OSP

Domestic and International Sales



Source: OSP, UOB Kay Hian

Profit & Loss

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

Balance Sheet

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

Cash Flow

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

Key Metric

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

Bangkok Chain Hospital (BCH TB)

3Q26: Earnings Beat Due To Stronger-Than-Expected Margins

Highlights

- BCH reported a net profit of Bt508m in 3Q26. The core profit is at Bt409m (+28.2% yoy, +19.2% qoq), which is above our forecast and the consensus.
- We can see decent growth from all patient segments while the stronger-than-expected margin is the key reason for the earnings beat.
- We remain positive on BCH's 4Q26 outlook, supported by KIH Ubon which is expected to deliver a swift improvement in performance and a low earnings base in 4Q26 due to the AdRW>2 item. Maintain BUY with a target price of Bt13.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26	yoy (%)	qoq (%)	9M25	9M26	yoy (%)
Total revenue	3,034	2,980	3,195	5.3%	7.2%	8,957	9,081	1%
Gross profit	837	856	951	13.7%	11.1%	2,561	2,568	0%
SG&A	(395)	(406)	(443)	12.1%	9.2%	(1,173)	(1,255)	7%
Operating EBITDA	727	751	813	11.9%	8.4%	2,241	2,210	-1%
Core profit	319	343	409	28.2%	19.2%	1,029	1,020	-1%
Net profit	347	343	508	46.3%	48.1%	1,057	1,119	6%
EPS (Bt)	0.14	0.14	0.20	46.3%	48.1%	0.42	0.45	6%
(%)	3Q25	2Q26	3Q26	yoy (ppt)	qoq (ppt)	9M25	9M26	yoy (ppt)
Gross margin	27.6%	28.7%	29.8%	2.2	1.0	28.6%	28.3%	(0.3)
SG&A to sales	13.0%	13.6%	13.9%	0.8	0.3	13.1%	13.8%	0.7
EBITDA margin	24.0%	25.2%	25.5%	1.5	0.3	25.0%	24.3%	(0.7)
Net profit margin	11.4%	11.5%	15.9%	4.5	4.4	11.8%	12.3%	0.5

Source: BCH, UOB Kay Hian

Analysis

- **Strong earnings beat in 3Q26.** Bangkok Chain Hospital (BCH) reported a net profit of Bt508m in 3Q26 (+46.3% yoy, +48.1% qoq). If we exclude a gain from business acquisition of Bt124m, the core profit comes in at Bt409m (+28.2% yoy, +19.2% qoq) which is above our forecast and the consensus. The beat is attributable to stronger-than-expected gross margins from the increasing volume of foreign patients and reduction of several expenses, with the strong contributor being Thai patient revenue growth from seasonal outbreaks. Middle East patient revenue continues to grow yoy and qoq due to new referrals from Qatar and UAE. All patient segments are showing decent revenue growth yoy. Foreign patient revenue continues to show growth with main contributors such as Saudi Arabia, Laos, Myanmar and Libya. As a result, the EBITDA margins expanded 1.5 ppt yoy and 0.3 ppt qoq.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	11,725	11,913	12,123	12,787	13,180
EBITDA	2,709	2,881	2,946	3,150	3,293
Operating profit	1,711	1,815	1,936	2,104	2,209
Net profit (rep./act.)	1,282	1,316	1,364	1,486	1,564
Net profit (adj.)	1,217	1,275	1,364	1,486	1,564
EPS (Bt)	0.5	0.5	0.5	0.6	0.6
PE (x)	22.5	21.5	20.1	18.5	17.5
P/B (x)	2.1	2.1	2.0	1.8	1.7
EV/EBITDA (x)	10.1	9.5	9.3	8.7	8.3
Dividend yield (%)	2.5	2.7	2.9	3.1	3.3
Net margin (%)	10.9	11.1	11.2	11.6	11.9
Net debt/(cash) to equity (%)	(3.7)	(6.2)	(8.8)	(13.8)	(16.0)
Interest cover (x)	49.6	58.1	37.9	40.5	42.8
ROE (%)	10.0	10.1	10.1	10.3	10.1
Consensus net profit (Btm)	-	-	1,307	1,396	1,440
UOBKH/Consensus (x)	-	-	1.04	1.06	1.09

Source: Bangkok Chain Hospital, Bloomberg, UOB Kay Hian

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Assistant Analyst(s)

Nonpawit Vathanadachakul

BUY (Maintained)

Share Price	Bt11.00
Target Price	Bt13.00
Upside	+18.2%

Stock Data

Sector	Health Care
Bloomberg ticker	BCH TB
Shares issued (m)	2,493.7
Market cap (Btm)	27,431.2
Market cap (US$m)	809.6
3-mth avg daily t'over (US$m)	3.2

Price Performance (%)

52-week high/low				Bt12.10/Bt9.10
1mth	3mth	6mth	1yr	YTD
(2.7)	0.0	19.6	0.9	5.8

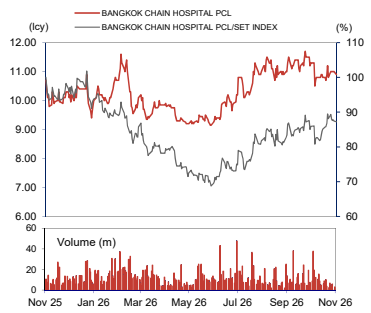
Major Shareholders (%)

Harnphanich family	50.0
Thai NVDR	11.5

Balance Sheet Metrics

FY26 NAV/Share (Bt)	5.57
FY26 Net Debt/ Share (Bt)	0.49

Price Chart



Source: Bloomberg

Company Description

The company operates a group of mid-sized hospitals in Bangkok and suburban areas with middle-income locals and patients registered under the government-sponsored social security scheme as primary customer targets.

- **Conclusion on the SSO reimbursement rate increase.** The SSO's decision to raise the wage ceiling effective in 2026 has strengthened the case for higher treatment fees. Following its latest meeting, the SSO and medical board have agreed on a 3-4% increase in the basic capitation rate, effective 1 Jan 27. Although this is below the previously guided 10% increase, based on the adjustment made four years ago, it remains broadly in line with our assumption of a 5% increase. We continue to view the higher reimbursement rate as a positive earnings catalyst for BCH in 2027.
- **Limited impact from flooding.** Flash floods affected Bangkok and several surrounding provinces from late-Sep 26 to mid-Oct 26 due to heavy monsoon rainfall. BCH's hospitals in Ramkhamhaeng, Prachinburi, and Chachoengsao experienced temporary disruptions, restricting patient access for approximately two weeks and resulting in some deferred appointments. We estimate the revenue impact at around Bt23m, representing only 0.7% of our 2026 forecast. Consequently, revenue growth in Sep 26 is expected to moderate to low single-digit yoy from the stronger growth in Jul-Aug 26, which remains decent. Overall, we expect no significant impact on 3Q26 earnings.
- **New acquisition in Ubon Ratchathani turns profitable.** BCH recently agreed to acquire a private hospital in Ubon Ratchathani for a total investment of up to Bt490m. Following rebranding and renovation, the hospital resumed operations under its new identity in Sep 26. Through various cost-saving initiatives, BCH has improved operational efficiency at Kasemrad International Hospital Ubon Ratchathani (KIH Ubon), turning it from a loss-making operation into a profitable one. Strategically located near the Laos and Cambodia borders, KIH Ubon will serve as an important part of BCH's hospital network. The hospital generates annual revenue of approximately Bt188m, entirely from self-pay patients. Management sees further upside from adjusting treatment prices to align with other Kasemrad hospitals and implementing additional cost optimisations to enhance net profit margins. We view this acquisition positively, as it strengthens BCH's presence in a strategically important border market.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt13.00.** Our valuation is based on a 2027 EV/EBITDA multiple of 10.0x, in line with its three-year historical average. We expect BCH to deliver another solid quarter in 4Q26, supported by: a) a low earnings base in 4Q25 due to the extra AdjRW>2 payment item, b) potential upside from the SSO treatment fee increase in 2027, and c) the rapid turnaround in the newly acquired KIH Ubon.

Environment, Social, Governance (ESG) Updates

Environmental

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

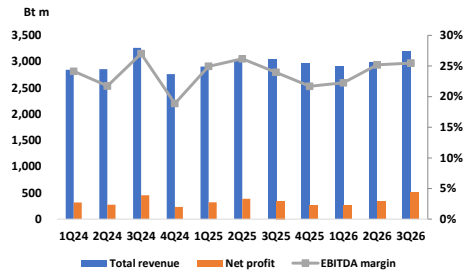
Social

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

Governance

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

Quarterly Performance



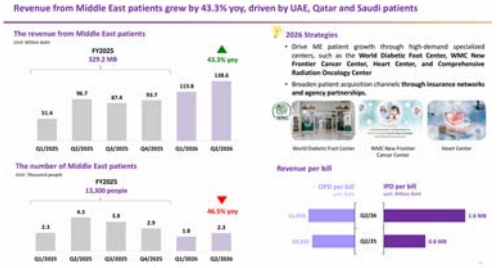
Source: BCH, UOB Kay Hian

Patient Growth Breakdown



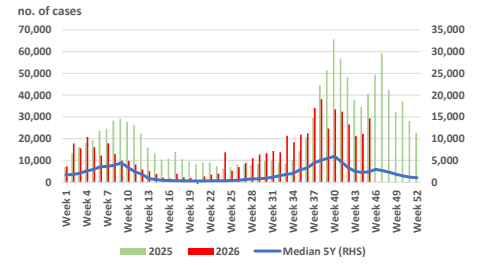
Source: BCH

Middle East Patient Breakdown



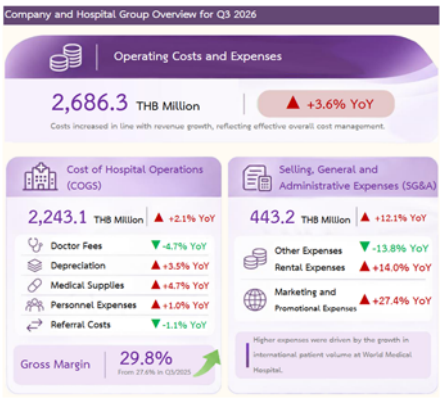
Source: BCH

No. Of Influenza Cases (1 Jan-7 Nov 26)



Source: Department of Disease Control, UOB Kay Hian

Expenses Breakdown



Source: BCH

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	11,913	12,123	12,787	13,180
EBITDA	2,881	2,946	3,150	3,293
Deprec. & amort.	1,067	1,011	1,046	1,084
EBIT	1,815	1,936	2,104	2,209
Total other non-op. income	62	21	21	22
Associate contributions	2	1	1	1
Net interest income/(expense)	(50)	(78)	(78)	(77)
Pre-tax profit	1,829	1,880	2,049	2,156
Tax	(403)	(414)	(451)	(474)
Minorities	(109)	(103)	(112)	(118)
Net profit	1,316	1,364	1,486	1,564
Net profit (adj.)	1,275	1,364	1,486	1,564

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	12,858	12,839	13,199	13,617
Other LT assets	830	837	851	862
Cash/ST investment	1,694	2,774	3,634	4,080
Other current assets	2,103	2,221	2,340	2,457
Total assets	17,486	18,671	20,024	21,017
ST debt	633	132	149	850
Other current liabilities	2,207	1,855	1,956	2,017
LT debt	238	1,421	1,406	690
Other LT liabilities	201	249	262	270
Shareholders' equity	13,186	13,891	15,016	15,836
Minority interest	1,021	1,124	1,235	1,353
Total liabilities & equity	17,486	18,671	20,024	21,017

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	2,740	2,007	2,627	2,708
Pre-tax profit	1,829	1,880	2,049	2,156
Tax	(403)	(414)	(451)	(474)
Deprec. & amort.	1,067	1,011	1,046	1,084
Working capital changes	285	(365)	(59)	(82)
Non-cash items	(37)	(104)	42	25
Other operating cashflows	2	1	1	1
Investing	(1,155)	(951)	(1,407)	(1,504)
Capex (growth)	(1,172)	(992)	(1,406)	(1,502)
Investment	596	599	603	607
Others	(579)	(558)	(604)	(610)
Financing	(681)	(729)	(360)	(757)
Dividend payments	(641)	(658)	(682)	(743)
Proceeds from borrowings	0	682	2	0
Loan repayment	(26)	0	0	(14)
Others/interest paid	(14)	(753)	320	0
Net cash inflow (outflow)	903	327	860	446
Beginning cash & cash equivalent	1,544	2,447	2,774	3,634
Ending cash & cash equivalent	2,447	2,774	3,634	4,080

Key Metric

Year to 31 Dec (S$m)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	24.2	24.3	24.6	25.0
Pre-tax margin	15.3	15.5	16.0	16.4
Net margin	11.1	11.2	11.6	11.9
ROA	7.6	7.5	7.7	7.6
ROE	10.1	10.1	10.3	10.1
Growth (% yoy)				
Turnover	1.6	1.8	5.5	3.1
EBITDA	6.4	2.3	6.9	4.5
Pre-tax profit	4.4	2.8	9.0	5.2
Net profit	2.7	3.6	9.0	5.2
Net profit (adj.)	4.8	7.0	9.0	5.2
EPS	4.8	7.0	9.0	5.2
Leverage				
Debt to total capital	5.8	9.4	8.7	8.2
Debt to equity	6.6	11.2	10.4	9.7
Net debt/(cash) to equity	(6.2)	(8.8)	(13.8)	(16.0)
Interest cover (x)	58.1	37.9	40.5	42.8

CH. Karnchang (CK TB)

3Q26: Results In Line: Construction Revenue Continues To Improve

Highlights

- CK reported 3Q26 earnings of Bt1.29b (-26% yoy, +61% qoq).
- Construction revenue grew 6% yoy and 2% qoq to Bt11.6b, supported by continued progress on major infrastructure projects.
- Maintain BUY with an unchanged target price of Bt28.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq%	yoy%
Revenue from construction	11,573	11,339	10,922	2.1%	6.0%
Operating income	100	102	101	-1.4%	-0.6%
Profit from investments in associates	720	467	743	54.2%	-3.1%
Extraordinary items	300	-	814	n.a.	-63.2%
Core profit	184	191	107	-3.7%	72.6%
Net profit	1,292	800	1,739	61.4%	-25.7%
Ratio (%)					
Construction gross margin	7.50%	8.15%	7.90%		
Gross margin	7.68%	7.77%	7.83%		
SG&A % to sales	5.0%	5.0%	5.3%		
EBIT margin	3.3%	4.0%	3.5%		
Net profit margin	11.1%	7.0%	15.8%		

Source: CH. Karnchang, UOB Kay Hian

Analysis

- **3Q26 earnings declined yoy but improved qoq.** CH Karnchang (CK) reported 3Q26 net profit of Bt1.29b (-26% yoy, +61% qoq). The results were in line with our and consensus expectations. Excluding extraordinary items, core profit stood at Bt184m (+73% yoy, -4% qoq).
- **Construction revenue increased yoy and qoq.** 3Q26 construction revenue grew 6% yoy and 2% qoq to Bt11.6b. Growth was driven by progress on ongoing projects including the Luang Prabang Hydroelectric Power Project, MRT Purple Line and railway projects.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	37,457.9	43,967.3	46,851.3	46,546.9	50,703.9
EBITDA	1,748.5	2,671.6	2,316.1	2,478.7	2,538.7
Operating profit	894.7	1,721.8	1,541.1	1,718.4	1,791.2
Net profit (rep./act.)	1,445.9	3,328.2	2,698.3	2,581.6	2,711.2
Net profit (adj.)	1,445.9	2,666.5	2,458.4	2,581.6	2,711.2
EPS	0.8	1.6	1.4	1.5	1.6
PE (x)	20.8	11.3	12.3	11.7	11.1
P/B (x)	1.2	1.1	1.0	0.9	0.8
EV/EBITDA (x)	46.6	28.2	30.0	26.5	25.5
Dividend yield (%)	1.7	2.5	2.7	2.6	2.7
Net margin (%)	3.9	7.6	5.8	5.6	5.4
Net debt/(cash) to equity(%)	170.8	135.0	101.6	81.2	71.4
Interest cover (x)	1.1	1.6	1.5	1.8	1.8
Consensus net profit	n.a	n.a	2,305.4	2,415.8	2,651.5
UOBKH/Consensus (x)	n.a	n.a	1.1	1.1	1.0

Source: CH. Karnchang, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt17.80
Target Price	Bt28.00
Upside	57.30%

Stock Data

Sector	Industrials
Bloomberg ticker	CK TB
Shares issued (m)	1,680.4
Market cap (Btm)	32,094.8
Market cap (US$m)	970.2
3-mth avg daily t'over (US$m)	6.7

Price Performance (%)

52-week high/low				Bt20.2/Bt11.2
1mth	3mth	6mth	1yr	YTD
3.2	9.1	17.9	35.5	60.5

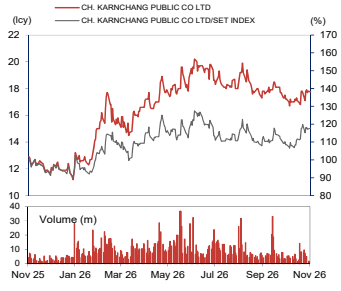
Major Shareholders (%)

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

Balance Sheet Metrics

FY26 NAV/Share (Bt)	18.6
FY26 Net Debt/Share (Bt)	18.9

Price Chart



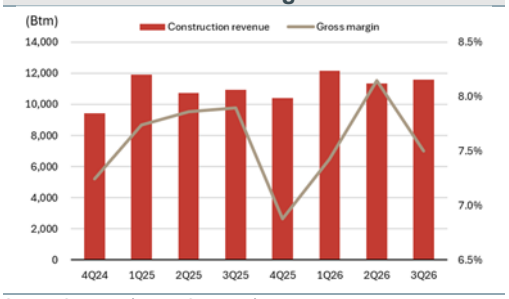
Source: Bloomberg

Company Description

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

- **Gross margin declined yoy and qoq.** CK's 3Q26 construction gross margin declined to 7.50% from 8.15% in 2Q26 and 7.90% in 3Q25. The decline was mainly due to construction costs increasing at a faster pace than revenue. As a result, overall gross margin softened to 7.68% from 7.77% in 2Q26 and 7.83% in 3Q25.
- **Share of profit improved qoq.** Share of profit from associates reached Bt720m (-3% yoy, +54% qoq). The yoy decline was mainly due to a lower contribution from CK Power (CKP), which fell to Bt243m from Bt398m in 3Q25 following lower electricity sales volume. This was partly offset by a higher contribution from Bangkok Expressway and Metro (BEM), which increased to Bt476m from Bt331m in 3Q25 due to better cost management.
- **Recognised a Bt300m gain from BEM share disposal.** CK recognised a gain of Bt300m from the disposal of BEM shares to institutional investors in 3Q26. Management explained that the transaction was driven by institutional investor demand for BEM shares. The company reiterated that the disposal was not related to financial difficulties or negative developments at BEM.

Revenue And Gross Margin



Source: CH. Karnchang, UOB Kay Hian

Revenue And SG&A To Revenue

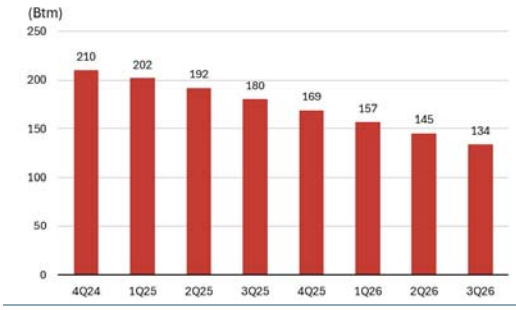


Source: CH. Karnchang, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt28.00.** Our target price is based on 18x 2027F PE, in line with its five-year historical average.
- Despite the postponement of public projects' bidding to 2027, we maintain our positive view on CK. Its sizeable backlog should provide revenue visibility and support construction activity over the coming quarters. We expect continued progress on existing projects and earning contributions from associates to support profitability.

Backlog



Source: CH. Karnchang, UOB Kay Hian

Earnings Revision/Risk

- We fine-tune our 2026-28 earnings forecasts downward by 3.9%, 2.0% and 2.4%, respectively, following the 3Q26 results.

Share Price Catalyst

- Improving gross margins from a higher proportion of high-margin projects and better cost management.
- Continued success in securing new project awards to further strengthen backlog.

PE



Source: CH. Karnchang, UOB Kay Hian

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: AA

Environmental

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

Social

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

Governance

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

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	43,967	46,851	46,547	50,704
EBITDA	2,672	2,316	2,479	2,539
Deprec. & amort.	950	775	760	747
EBIT	1,722	1,541	1,718	1,791
Total other non-operating income	465	465	465	465
Associate contributions	2,160	2,024	1,820	1,901
Net interest income/(expense)	(1,710)	(1,541)	(1,350)	(1,376)
Pre-tax profit	3,464	2,789	2,653	2,782
Tax	(109)	(76)	(51)	(53)
Minorities	(27)	(14)	(21)	(17)
Net profit	3,328	2,698	2,582	2,711
Net profit (adj.)	2,666	2,458	2,582	2,711

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	10,650	10,492	10,352	10,227
Other LT assets	56,213	56,213	56,213	56,213
Cash/ST investment	9,770	14,138	15,967	14,915
Other current assets	40,443	38,490	38,256	41,511
Total assets	117,075	119,333	120,788	122,866
ST debt	12,407	12,407	12,407	12,407
Other current liabilities	37,517	37,938	37,904	38,504
LT debt	35,358	33,794	31,920	29,921
Other LT liabilities	3,103	3,103	3,103	3,103
Shareholders' equity	28,148	31,534	34,876	38,335
Minority interest	544	558	578	596
Total liabilities & equity	117,075	119,333	120,788	122,866

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	(4,011)	5,774	3,564	821
Pre-tax profit	3,464	2,789	2,653	2,782
Tax	(109)	(76)	(51)	(53)
Deprec. & amort.	950	775	760	747
Working capital changes	2,095	(1,840)	201	(2,656)
Non-cash items	(10,358)	4,127	0	0
Other operating cashflows	(53)	0	0	0
Investing	(3,006)	158	139	126
Capex (growth)	709	157	139	125
Investments	(688)	0	0	0
Others	(3,028)	1	0	0
Financing	6,531	(1,564)	(1,874)	(1,998)
Dividend payments	(588)	0	0	0
Issue of shares	0	0	0	0
Proceeds from borrowings	(3,176)	(1,564)	(1,874)	(1,998)
Loan repayment	(322)	0	0	0
Others/interest paid	10,618	0	0	0
Net cash inflow (outflow)	(487)	4,368	1,829	(1,052)
Beginning cash & cash equivalent	10,256	9,770	14,138	15,967
Ending cash & cash equivalent	9,770	14,138	15,967	14,915

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	6.1	4.9	5.3	5.0
Pre-tax margin	7.9	6.0	5.7	5.5
Net margin	7.6	5.8	5.6	5.4
Growth				
Net profit (adj.)	84.4	(7.8)	5.0	5.0
Leverage				
Debt to total capital	166.5	144.0	125.0	108.7
Debt to equity	169.7	146.5	127.1	110.4
Net debt/(cash) to equity	135.0	101.7	81.3	71.5
Interest cover	1.6	1.5	1.8	1.8

Electricity Generating Company (EGCO TB)

3Q26: Strong Recovery, But Limited Upside

Highlights

- EGCO's 3Q26 net profit surged to Bt5,995m (+804% qoq), including a Bt1,667m gain from the disposal of BPU and KLU investments. Core operating profit recovered to Bt1,620m (+92% yoy), driven by stronger contributions from Paju, Linden and hydropower assets.
- We expect operating earnings to stabilise in 4Q26, while additional US investments, Linden and Astoria Energy II, could support 2027 growth.
- Maintain HOLD; target price: Bt135.00.

3Q26 Results

Year to 31 Dec (Btm)	3Q26	3Q25	2Q25	yoy %	qoq %	9M26	9M25	Yoy %
Net turnover	9,827	6,928	9,670	42	2	29,006	29,126	(0)
Equity income	2,361	2,342	1,625	1	45	5,505	6,739	(18)
Forex gain/(loss)	605	(735)	395	N/A	53	1,209	(368)	N/A
Net profit	**5,995**	**(656)**	**663**	**Turnaround**	**804**	**7,533**	**5,078**	**48**
Core profit	**1,620**	**844**	**46**	**92**	**3,422**	**2,636**	**4,348**	**Turnaround**
EPS	**11.39**	**(1.25)**	**1.26**	**Turnaround**	**804**	**14.31**	**9.65**	**48**

Source: Electricity Generating Company, UOB Kay Hian

Analysis

- **Strong earnings recovery as expected.** Electricity Generating Company (EGCO) reported 3Q26 net profit of Bt5,995m (+804% qoq and turned from a loss of Bt656m in 3Q25), supported by a Bt1,667m gain from the disposal of its investments in BPU and KLU. Core operating profit rebounded to Bt1.6b (+92% yoy, +3,422% qoq), driven by improved power plant operations. Core profit was in line with our expectation and brought its 9M26 core profit to Bt2.6b, -39% yoy, accounting for 67% of our 2026 forecast.
- **Paju led the recovery.** Paju's operating profit rose 60% yoy and reversed from a loss of Bt132m to a profit of Bt544m, benefitting from higher electricity tariffs and the completion of scheduled maintenance. NT1PC, Linden and domestic IPPs also contributed to the qoq improvement, while Apex recorded lower project sales. The Yunlin wind farm in Taiwan posted a loss of Bt400m (vs a loss of Bt671m in 2Q26) from insurance claims.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	40,317.0	32,085.7	34,755.8	26,970.0	27,220.0
EBITDA	11,041.9	4,486.1	6,100.4	7,227.0	7,939.2
Operating profit	7,887.2	1,960.7	3,875.0	4,382.0	5,093.2
Net profit (rep./act.)	5,411.5	4,727.4	8,848.7	5,696.9	6,264.2
Net profit (adj.)	9,283.5	4,439.4	3,950.7	5,696.9	6,264.2
EPS	17.6	8.4	7.5	10.8	11.9
PE (x)	7.5	15.6	17.6	12.2	11.1
P/B (x)	0.7	0.7	0.7	0.6	0.6
EV/EBITDA (x)	14.0	32.7	25.8	21.8	20.7
Dividend yield (%)	4.9	4.9	4.9	4.9	4.9
Net margin (%)	13.4	14.7	25.5	21.1	23.0
Net debt/(cash) to equity(%)	81.6	77.2	83.3	81.5	85.8
Interest cover (x)	1.6	1.5	1.4	1.5	1.5
ROE (%)	5.3	4.7	8.6	5.5	6.0
Consensus net profit	n.a	n.a	4,083.4	5,964.1	6,447.9
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Electricity Generating Company, Bloomberg, UOB Kay Hian

Analyst(s)

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HOLD (Maintained)

Share Price	Bt132.50
Target Price	Bt135.00
Upside	2.3%

Stock Data

Sector	Utilities
Bloomberg ticker	EGCO TB
Shares issued (m)	526.5
Market cap (Btm)	69,756.6
Market cap (US$m)	2,057.9
3-mth avg daily t'over (US$m)	4.4

Price Performance (%)

52-week high/low				Bt135.5/Bt107.5
1mth	3mth	6mth	1yr	YTD
6.4	(0.4)	13.7	8.6	16.2

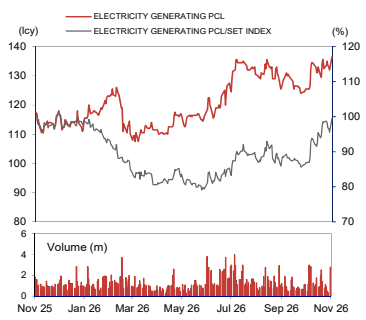
Major Shareholders (%)

EGAT	25.41
TEPDIA Generating B.V.	22.42

Balance Sheet Metrics

FY26 NAV/Share (Bt)	199.9
FY26 Net Debt/Share (Bt)	166.5

Price Chart



Source: Bloomberg

Company Description

EGCO is the first independent power producer in Thailand to be established in May 92, through the partial privatisation of the state enterprise, the Electricity Generating Authority of Thailand (EGAT). EGCO now operates 4,260MW power plant in Thailand.

- **Expect earnings stabilisation with potential acquisition upside in 2027.** We expect recurring earnings to improve in 4Q26, supported by Paju's recovery. US investments, including Linden and Astoria Energy II, could provide additional earnings upside in 2027. With healthy net D/E of 1.0x in 3Q26, we expect potential upside from asset acquisitions in 2027.

Valuation/Recommendation

- **Maintained HOLD with a target price of Bt135.00.** Despite the strong 3Q26 recovery, 9M26 core profit declined 39% yoy, highlighting continued pressure on underlying earnings. With only 2.3% upside to our target price, we believe the current valuation offers limited room for re-rating until there is clearer evidence of sustainable earnings improvement.

Earnings Revision/Risk

- We maintain our core profit forecast of Bt3.9b, but revised up our 2026 net profit forecast to Bt8.8b, reflecting a one-time gain in 3Q26.

Share Price Catalyst

- Yunlin offshore wind turnaround.
- Earnings contribution/asset recycling from new investments.

Environment, Social, Governance (ESG) Updates

Environmental

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

Social

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

Governance

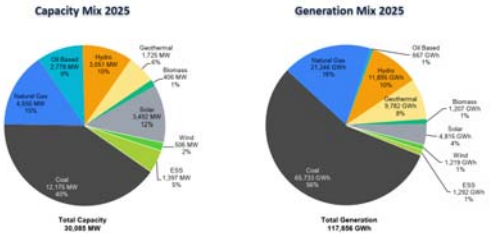
- EGCO received an “Excellent - 5 Star” CG score by the Thai Institute of Directors

3Q26 Equity Income

	3Q26 (Btm)	3Q25 (Btm)	2Q26 (Btm)	yoy %Chg	qoq %Chg
BLCP	59	186	246	(68)	(76)
KPG	311	263	293	18	6
NED	11	12	17	(8)	(35)
NTPC	271	379	536	(28)	(49)
Paju	544	340	(132)	60	(512)
SBPL	384	308	236	25	63
XPCL	231	272	108	(15)	114
Liden	302	311	131	(3)	131
yunlijn	(400)	-378	(671)	6	(40)
Apex	(172)	20	362	(960)	(148)
NT1PC	370	282	71	31	421
Compass	216	280	147	(23)	47
CDI	99	125	3	(21)	3,200
MME	80	-41	3	(295)	2,567

Source: UOB Kay Hian

Philippines Electricity Capacity



Source: UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	32,086	34,756	26,970	27,220
EBITDA	4,486	6,100	7,227	7,939
Deprec. & amort.	2,525	2,225	2,845	2,846
EBIT	1,961	3,875	4,382	5,093
Associate contributions	4,961	6,683	7,564	7,865
Net interest income/(expense)	(2,917)	(4,300)	(4,800)	(5,200)
Pre-tax profit	4,005	6,258	7,146	7,758
Tax	(1,454)	939	(1,429)	(1,474)
Minorities	2	(15)	(20)	(20)
Net profit	4,727	8,849	5,697	6,264
Net profit (adj.)	4,439	3,951	5,697	6,264

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	37,473	35,248	32,403	29,557
Other LT assets	134,363	145,896	148,941	160,427
Cash/ST investment	30,482	21,218	22,618	16,860
Other current assets	19,389	24,453	26,889	28,465
Total assets	221,707	226,815	230,850	235,309
ST debt	24,109	25,453	26,797	28,140
Other current liabilities	6,624	5,258	5,358	5,575
LT debt	83,401	83,401	83,401	83,401
Other LT liabilities	7,527	7,215	7,512	7,548
Shareholders' equity	99,793	105,219	107,494	110,336
Minority interest	253	268	288	308
Total liabilities & equity	221,707	226,815	230,850	235,309

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	8,093	(6,783)	5,051	(1,768)
Pre-tax profit	4,005	6,258	7,146	7,758
Tax	(1,454)	939	(1,429)	(1,474)
Deprec. & amort.	2,525	2,225	2,845	2,846
Associates	2	(15)	(20)	(20)
Working capital changes	3,818	(6,742)	(2,039)	(1,323)
Other operating cashflows	(804)	(9,448)	(1,452)	(9,555)
Investing	7,200	(2,085)	(1,593)	(1,931)
Capex (growth)	4,636	0	0	0
Investments	817	(1,524)	(1,484)	(2,131)
Others	1,747	(561)	(109)	200
Financing	(22,423)	(2,063)	(2,058)	(2,059)
Dividend payments	(3,422)	(3,422)	(3,422)	(3,422)
Loan repayment	(18,987)	1,344	1,344	1,343
Others/interest paid	(14)	15	20	20
Net cash inflow (outflow)	(7,130)	(10,931)	1,400	(5,758)
Beginning cash & cash equivalent	35,438	30,482	21,218	22,618
Ending cash & cash equivalent	28,308	19,551	22,618	16,860

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	14.0	17.6	26.8	29.2
Pre-tax margin	12.5	18.0	26.5	28.5
Net margin	14.7	25.5	21.1	23.0
ROA	2.2	4.1	2.6	2.8
ROE	4.7	8.6	5.5	6.0
Growth				
Turnover	(9.7)	(2.2)	(24.1)	(23.4)
EBITDA	(53.1)	(36.2)	(24.4)	(17.0)
Pre-tax profit	(49.2)	(20.6)	(9.3)	(1.5)
Net profit	(77.6)	(58.0)	(73.0)	(70.3)
Net profit (adj.)	(52.2)	(11.0)	44.2	10.0
EPS	(51.7)	(57.0)	(38.0)	(31.9)
Leverage				
Debt to total capital	107.5	103.2	102.2	100.8
Debt to equity	107.7	103.4	102.5	101.1
Net debt/(cash) to equity	77.2	83.3	81.5	85.8
Interest cover	1.5	1.4	1.5	1.5

Supalai (SPALI TB)

9M26: Earnings At 65% Of 2026 Forecast; Margin Pressure Persists, While Attractive Dividend Yield Provides Support

Highlights

- SPALI reported a 3Q26 net profit of Bt832.7mn (-28.7% yoy, -49.4% qoq), broadly in line with market expectations of Bt832.9m but 29% below our estimate.
- Gross profit margin has not improved. While lower contributions from joint ventures weighed on earnings, a lower tax rate provided support.
- Maintain BUY with a lower target price of Bt16.30 (from Bt17.50), based on 2027F EPS of Bt2.30 and a target P/E of 7.08x. We also roll forward our valuation base to 2027F and lower our target price to Bt16.30 from Bt17.50 with an attractive yield of 8.4%.

3Q26 Results

Year to 31 Dec (Btm)	3Q25	2Q26	3Q26	yoy ppt	qoq ppt
Gross margin	35.3	30.3	30.1	(5.2)	(0.2)
Residential gross margin	35.8	30.3	30.2	(5.6)	(0.2)
Service gross margin	6.7	27.7	27.6	20.9	(0.1)
SG&A to sales	15.3	14.5	15.9	0.6	1.4
EBIT margin	20.0	15.8	14.2	(5.8)	(1.5)
EBITDA margin	21.1	15.8	15.3	(5.8)	(0.5)
Core net margin	14.6	23.5	12.4	(2.2)	(11.1)
Net margin	18.3	24.0	16.1	(2.3)	(8.0)

Source: Supalai, UOB Kay Hian

Analysis

- **3Q26 net profit was in line with market expectations but below our forecast.** Supalai (SPALI) reported a 3Q26 net profit of Bt832.7mn (-28.7% yoy, -49.4% qoq), broadly in line with market expectations of Bt832.9m but 29% below our estimate. Lower-than-expected property transfers and gross profit margin weighed on earnings, while lower finance costs and a reduced effective tax rate provided some support.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	31,194.4	24,124.3	24,518.7	26,024.6	26,814.8
EBITDA	7,664.6	4,680.3	4,022.0	5,253.1	6,099.5
Operating profit	7,461.5	4,467.0	3,793.9	5,022.7	5,866.8
Net profit (rep./act.)	6,189.5	4,015.0	4,294.6	4,483.9	5,134.5
Net profit (adj.)	6,189.5	4,015.0	4,294.6	4,483.9	5,134.5
EPS	3.2	2.1	2.2	2.3	2.6
PE (x)	4.9	7.5	7.0	6.8	5.9
P/B (x)	0.6	0.6	0.5	0.5	0.5
EV/EBITDA (x)	6.6	12.0	14.4	11.0	9.5
Dividend yield (%)	9.4	8.1	8.0	8.4	9.6
Net margin (%)	19.8	16.6	17.5	17.2	19.2
Net debt/(cash) to equity(%)	54.7	63.6	64.8	62.6	59.8
Interest cover (x)	10.8	6.5	6.4	7.4	8.5
ROE (%)	11.9	7.5	7.9	7.9	8.7
Consensus net profit	n.a	n.a	4,432.6	4,643.9	5,012.5
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Supalai, Bloomberg, UOB Kay Hian

Analyst(s)

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Assistant Analyst(s)

Natthida Chuaysong

BUY (Maintained)

Share Price	Bt15.50
Target Price	Bt16.25
Upside	5.16%
Previous TP	Bt17.50

Stock Data

Sector	Real Estate
Bloomberg ticker	SPALI TB
Shares issued (m)	1,902.0
Market cap (Btm)	30,052.0
Market cap (US$m)	891.8
3-mth avg daily t'over (US$m)	2.4

Price Performance (%)

52-week high/low				Bt18.8/Bt14.9
1mth	3mth	6mth	1yr	YTD
(1.9)	(1.9)	(4.2)	(12.2)	(7.1)

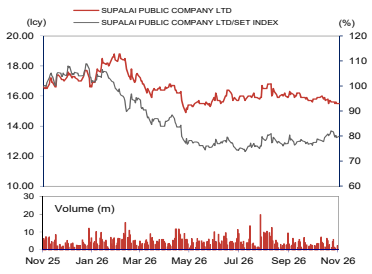
Major Shareholders (%)

Dr. Prateep Tangmatitham	35.7
Mrs. Ajchara Tangmatitham	6.3

Balance Sheet Metrics

FY26 NAV/Share (Bt)	28.6
FY26 Net Debt/Share (Bt)	18.1

Price Chart



Source: Bloomberg

Company Description

SPALI is a nationwide residential developer with a portfolio of low-rise housing and condominiums. The company is known for a decentralised project expansion approach across major provincial cities in addition to Bangkok.

- **Property transfers declined due to the timing of condominium revenue recognition and a slowdown in the low-rise housing market.** Revenue from property transfers in 3Q26 stood at Bt5,081m (-19.1% yoy, -25.6% qoq), compared with Bt6,279m in 3Q25 and Bt6,831m in 2Q26. Two newly completed condominium projects began transferring units only toward the end of the quarter, resulting in limited revenue recognition during 3Q26. In contrast, condominium projects in the previous year started transferring units in late-2Q25, allowing revenue to be recognised throughout 3Q25. Meanwhile, low-rise property transfers softened in line with sluggish market conditions. Low-rise projects accounted for 72% of total property transfers in 3Q26, while condominiums contributed the remaining 28%.
- **Gross profit margin has not improved.** Gross profit margin from sales and services stood at 30.14%, compared with 30.31% in 2Q26 and 35.34% in 3Q25, representing declines of 0.17ppt qoq and 5.20ppt yoy, respectively. The contraction reflected intensifying price competition in the property market.
- **Lower contributions from joint ventures weighed on earnings, but a lower tax rate provided support.** Share of profit from joint ventures and associates declined to Bt119.0m (-22.1% yoy, -86.6% qoq), largely due to a high base in 2Q26, when SPALI recognised substantial contributions from its Australian joint ventures. This was another key factor behind the sharp qoq decline in net profit. Nevertheless, finance costs decreased 10.1% yoy to Bt159.6m, supported by lower debenture funding costs. Meanwhile, the effective tax rate fell to 10.3% from 23.4% in 3Q25, partially offsetting the pressure on net profit.

Earning Revision

	----------	2025F	----------	----------	2026F	----------	----------	2027F	----------
Year to 31 Dec (Btm)	New	Old	Chg.	New	Old	Chg.	New	Old	Chg.
Revenue from sales	23,714	23,916	-0.8%	24,065	25,207	-4.5%	25,549	25,549	0.0%
Revenue from services	411	393	4.5%	453	413	9.9%	476	433	9.9%
Sales and services	24,124	24,309	-0.8%	24,519	25,620	-4.3%	26,025	25,982	0.2%
Gross profit	8,271	8,406	-1.6%	7,667	8,871	-13.6%	8,848	9,455	-6.4%
Operating profit	4,467	4,531	-1.4%	3,794	5,053	-24.9%	2,023	5,636	-64.1%
Core Profit	3,497	3,475	0.6%	3,794	4,382	-13.4%	5,023	4,562	10.1%
Net profit	4,015	3,917	2.5%	4,295	4,822	-10.9%	4,484	4,962	-9.6%
Percent	New	Old	Chg.	New	Old	Chg.	New	Old	Chg.
Residential gross margin	34.4	34.9	-0.5	31.2	34.7	-3.5	34.1	36.5	-2.4
Service gross margin	30.2	15.1	15.1	32.5	30.0	2.5	30.0	30.0	0.0
Gross margin	34.3	34.6	-0.3	31.3	34.6	-3.3	34.0	36.4	-2.4
SG&A to sales	15.8	15.9	-0.2	15.8	14.9	0.9	14.7	14.7	0.0
EBIT margin	18.5	18.6	-0.1	15.5	19.7	-4.2	19.3	21.7	-2.4
Net margin	16.6	16.1	0.5	15.2	18.8	-3.6	15.9	19.1	-3.2

Source: UOB Kay Hian

- **9M26 earnings accounted for 65% of our revised full-year 2026 forecast.** SPALI reported a 9M26 net profit of Bt2,881.5m, representing 65% of our revised 2026 earnings forecast of Bt4,294.6m. This compares with 9M25 earnings, which accounted for 66.7% of actual full-year 2025 net profit.

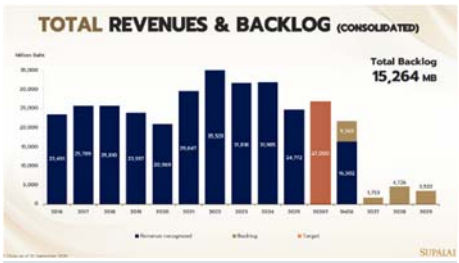
Valuation/Recommendation

- **Maintain BUY with a lower target price of Bt16.25 (from Bt17.50),** based on 2027F EPS of Bt2.30 and a target P/E of 7.08x. We also roll forward our valuation base to 2027F and lower our target price to Bt16.30 from Bt17.50 with an attractive yield of 8.4%.

Earnings Revision/Risk

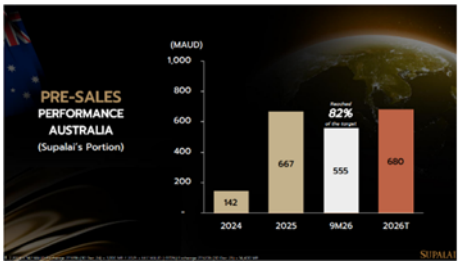
- We revise down our 2026-27 earnings forecasts by 9.9% and 8.6%, respectively, with our revised 2026 net profit forecast at Bt4,347m, equivalent to EPS of Bt2.20. The downward revision primarily reflects a reduction in our 2026F gross profit margin assumption to 31.2% from 34.7%, amid intensifying price competition and delays in property transfers caused by flooding in Bangkok.

Total Revenue & Backlog



Source: SPALI, UOB Kay Hian

Presales Target From Australia



Source: SPALI, UOB Kay Hian

Ongoing Project Status



Source: SPALI, UOB Kay Hian

- Nevertheless, we continue to like SPALI for its strong fundamentals and healthy financial position, as well as its solid yield of 8.4%. Its Australian operations should also provide additional earnings support and help offset pressure from the domestic property market.

Share Price Catalyst

- Better-than-expected presales; property transfers being recognised earlier than expected.
- Improvements in gross margin and SG&A-to-sales ratio.
- Equity income coming in above expectations.

Environment, Social, Governance (ESG) Updates

Environmental

- SPALI aims to reduce Scope 1 and 2 greenhouse gas emissions by **40%** by 2030 and has installed solar panels across **100%** of its low-rise project sales offices.
- The company recycles **30%** of construction waste in pilot high-rise projects and maintains a 51**%** ratio of environmentally friendly procurement.

Social

- SPALI conducts comprehensive Human Rights Due Diligence and enforces strict construction site safety standards for both employees and contractor workers.

Governance

- Strict anti-corruption policies are enforced across the organization, with ESG metrics directly tied to executive performance evaluations.

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	24,124	24,519	26,025	26,815
EBITDA	4,680	4,022	5,253	6,099
Deprec. & amort.	213	228	230	233
EBIT	4,467	3,794	5,023	5,867
Total other non-operating income	648	788	500	500
Associate contributions	730	1,312	1,000	1,000
Net interest income/(expense)	(725)	(630)	(710)	(720)
Pre-tax profit	5,121	5,264	5,813	6,647
Tax	(1,057)	(917)	(1,279)	(1,462)
Minorities	(48)	(52)	(50)	(50)
Net profit	4,015	4,295	4,484	5,134
Net profit (adj.)	4,015	4,295	4,484	5,134

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	3,280	3,278	3,268	3,249
Other LT assets	13,635	14,443	15,256	16,062
Cash/ST investment	3,788	2,494	2,938	3,629
Other current assets	78,582	81,275	82,963	84,639
Total assets	99,285	101,490	104,424	107,579
ST debt	25,246	19,246	18,246	17,246
Other current liabilities	5,761	5,843	6,202	6,390
LT debt	12,742	19,242	20,742	22,242
Other LT liabilities	750	490	520	536
Shareholders' equity	53,728	55,559	57,554	59,955
Minority interest	1,058	1,110	1,160	1,210
Total liabilities & equity	99,285	101,490	104,424	107,579

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	473	1,964	3,435	3,930
Pre-tax profit	5,121	5,264	5,813	6,647
Tax	(1,057)	(917)	(1,279)	(1,462)
Deprec. & amort.	213	228	230	233
Working capital changes	(3,361)	(2,483)	(1,419)	(1,535)
Non-cash items	(443)	(128)	90	47
Other operating cashflows	0	0	0	0
Investing	(2,111)	(1,295)	(1,002)	(1,005)
Capex (growth)	977	(226)	(220)	(214)
Investments	(3,105)	(956)	(800)	(800)
Others	18	(113)	18	9
Financing	303	(1,964)	(1,989)	(2,234)
Dividend payments	(2,701)	(2,434)	(2,489)	(2,734)
Issue of shares	0	0	0	0
Proceeds from borrowings	3,801	500	500	500
Others/interest paid	(797)	(30)	0	0
Net cash inflow (outflow)	(1,335)	(1,294)	444	691
Beginning cash & cash equivalent	5,123	3,788	2,494	2,938
Ending cash & cash equivalent	3,788	2,494	2,938	3,629

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	19.4	16.4	20.2	22.8
Pre-tax margin	21.2	21.5	22.3	24.8
Net margin	16.6	17.5	17.2	19.2
ROA	4.1	4.3	4.4	4.8
ROE	7.5	7.9	7.9	8.7
Growth				
Turnover	(22.7)	1.6	6.1	3.0
EBITDA	(38.9)	(14.1)	30.6	16.1
Pre-tax profit	(35.5)	2.8	10.4	14.4
Net profit	(35.1)	7.0	4.4	14.5
Net profit (adj.)	(35.1)	7.0	4.4	14.5
EPS	(35.1)	7.0	4.4	14.5
Leverage				
Debt to total capital	69.3	67.9	66.4	64.6
Debt to equity	70.7	69.3	67.7	65.9
Net debt/(cash) to equity	63.6	64.8	62.6	59.8
Interest cover	6.5	6.4	7.4	8.5

Muangthai Capital (MTC TB)

Guiding For Single-Digit Loan Growth In 2027

Highlights

- Neutral tone during the meeting.
- Credit cost should be within the 2026 target level.
- Maintain BUY with an unchanged target price of Bt50.00.

Analysis

- **Neutral tone during meeting.** We attended Muangthai Capital's (MTC) analyst meeting and earnings call (OPPDAY) on 12 Nov 26 and came away with a neutral view. MTC remains cautious about its lending policy to preserve good asset quality.
- **Guiding for single-digit loan growth in 2026 and 2027.** MTC posted loan growth of 6% yoy and 3% qoq in 3Q26. Meanwhile, the loan portfolio grew 5% yoy in 9M26. The CEO guided that loan growth should be around 7% yoy in 2026, compared with the company's target of 8-10% in 2026. Moreover, the company expects the loan portfolio to grow around 8% yoy in 2027 due to its strict lending policy amid the ongoing sluggish economic conditions.
- **Credit cost should be within the 2026 target level.** The NPL ratio increased qoq from 2.61% in 2Q26 to 2.63% in 3Q26. Meanwhile, the NPL amount increased by Bt132m qoq in 3Q26. The coverage ratio improved to 143% in 3Q26 from 132% in 2Q26. The company's credit cost decreased 12bp yoy but increased 20bp qoq to 254bp in 3Q26. However, credit costs were reported at 233bp in 9M26, below the 2026 target of 260bp. MTC expects the company to achieve its 2026 credit cost target of 260bp. Meanwhile, the CEO guided that the 2027 credit cost should be around 260bp due to the slow economic recovery outlook. Looking ahead to 4Q26, asset quality is expected to remain stable due to strong agricultural prices and good collections in Oct 26. We expect to see impressive asset quality improvement in 4Q26.
- **Room to decrease funding costs in 4Q26.** MTC set its cost of funds (COF) target at below 4.45% in 2026. Meanwhile, the COF in 9M26 was 4.3%. The company guided that debentures amounting to Bt4.8b matured in 4Q26, with an average cost of 3.9%, and were refinanced at a cost of 3.3% (60bp lower). This would lower finance costs in 4Q26. In 2027, debentures amounting to Bt30b are due for refinancing. If there is no change in the policy rate, we expect funding costs to decrease by 60bp for refinanced debentures.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	21,814.4	23,842.9	26,385.9	29,787.3	30,876.5
Non-Interest Income	946.1	729.4	740.8	779.8	793.0
Net profit (rep./act.)	5,867.3	6,723.3	7,608.1	8,397.6	9,172.0
Net profit (adj.)	5,867.3	6,723.3	7,608.1	8,397.6	9,172.0
EPS (Bt)	2.8	3.2	3.6	4.0	4.3
PE (x)	11.0	9.6	8.5	7.7	7.0
P/B (x)	1.8	1.5	1.3	1.1	1.0
Dividend yield (%)	0.5	0.9	1.1	1.2	1.4
Net int margin (%)	14.4	13.9	13.9	14.8	15.0
Cost/income Ratio (%)	47.4	47.9	47.3	47.0	46.9
Loan loss cover (%)	135.3	143.0	140.0	145.0	146.0
Consensus net profit	n.a	n.a	7,466.5	8,230.4	9,048.6
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Muangthai Capital, Bloomberg, UOB Kay Hian

Analyst(s)

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Assistant Analyst(s)
Panjarat Thaweesriprasert

BUY (Maintained)

Share Price	Bt30.50
Target Price	Bt50.00
Upside	63.9%

Stock Data

Sector	Financials
Bloomberg ticker	MTC TB
Shares issued (m)	2,120.0
Market cap (Btm)	73,140.0
Market cap (US$m)	2,213.1
3-mth avg daily t'over (US$m)	14.5

Price Performance (%)

52-week high/low				Bt43.8/Bt27.0
1mth	3mth	6mth	1yr	YTD
6.2	19.0	(11.0)	(7.4)	9.5

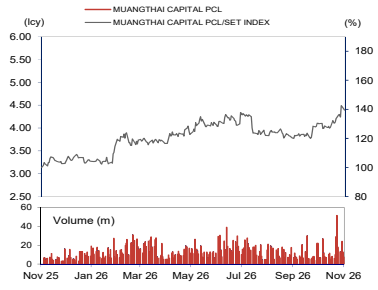
Major Shareholders (%)

Daonapa Petampai	33.96
Parithad Petampai	14.34
Suksit Patcharachai	14.15

Balance Sheet Metrics

FY26 NAV/Share (Bt)	23.4
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

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

- **Maintaining dividend payout ratio.** MTC has a dividend payout ratio of less than 10%, compared with other finance companies that have already increased their dividend payout ratios. However, the CEO reiterated that the company would maintain its dividend payout ratio at the current level, as it prefers to retain capital in preparation for future loan portfolio growth.
- **3Q26 results recap.** MTC reported a 3Q26 net profit of Bt1.94b, in line with our and market expectations. The company's net profit jumped 13% yoy and 2% qoq, and credit costs increased qoq. The NPL ratio increased slightly qoq in 3Q26. Excluding provision expenses, the company's pre-provision operating profit rose 9% yoy and 5% qoq in 3Q26.

3Q26 Results Recap

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq chg (%)	yoy chg (%)
Total gross loans	192,420	188,699	180,453	2.0	6.6
Net interest income	6,696	6,394	6,109	4.7	9.6
Non-interest income	182	184	173	(1.5)	4.8
Loan loss provision	(1,211)	(1,091)	(1,181)	11.0	2.5
Non-Interest Expenses	(3,241)	(3,095)	(2,945)	4.7	10.0
Pre-provision operating profit	3,152	2,996	2,905	5.2	8.5
Net income	1,941	1,905	1,724	1.9	12.6
EPS (Bt)	0.92	0.90	0.81	1.9	12.6
Ratio (%)					
NPL ratio (%)	2.63	2.61	2.6		
Loan loss coverage ratio (%)	143	132	140		
Net interest margin (NIM %)	14.2	13.8	13.8		
Credit cost (bp)	254	234	266		
Cost to income (%)	47.1	47.1	46.9		
Number of network store	8,964	8,906	8,609		
Baseline Total Loans/Store	21.1	20.9	20.7		

Source: MTC, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt50.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). We roll over our target price to 2027. Our target price implies 1.8x 2027F P/B, which is nearly -0.5SD to its five-year average.

Earnings Revision/Risk

- We fine-tune MTC's earnings forecasts for 2026-28 by +0.7%, +0.9%, and +1.4%, respectively, reflecting the slightly negative tone and guidance from the meeting.

Share Price Catalyst

- Government stimulus packages.
- Higher dividend payout ratio.

Environment, Social, Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AA

Environmental

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

Social

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

Governance

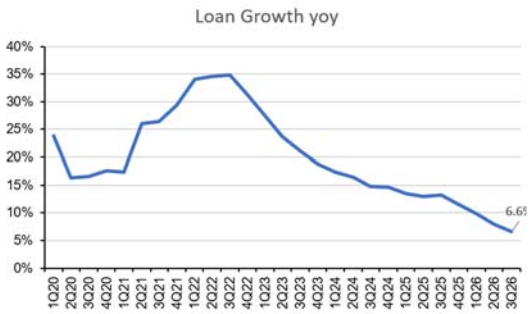
- Good corporate governance. Building investor confidence and competitiveness

2026 Financial Targets

	9M26 Actual	Revised 2026 Targets	2026 Targets
Loan Growth	5%	8-10%	10-15%
Cost to Income	47.7%	47-48%	47-48%
Cost of Fund	4.3%	4.45%	4.45%
Coverage Ratio	142.6%	140%	140%
NPL Ratio	2.63%	<2.55%	<2.55%
Credit Cost	2.33%	< 2.6%	< 2.6%

Source: MTC, UOB Kay Hian

Loan Growth (% yoy)



Source: MTC, UOB Kay Hian

Credit Cost (bp)



Source: MTC, UOB Kay Hian

P/B Band



Source: MTC, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	30,010	32,533	35,957	36,942
Interest expense	(6,167)	(6,147)	(6,169)	(6,065)
Net interest income/(expense)	23,843	26,386	29,787	30,876
Fees & Commissions	572	606	645	658
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	157	135	135	135
Non-Interest Income	729	741	780	793
Total Income	24,572	27,127	30,567	31,669
Staff Costs	(11,759)	(12,825)	(14,376)	(14,856)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	12,813	14,302	16,191	16,813
Loan Loss Provision	(4,404)	(4,781)	(5,694)	(5,349)
Pre-tax profit	8,409	9,521	10,497	11,465
Tax	(1,685)	(1,913)	(2,099)	(2,293)
Minorities	0	0	0	0
Net profit	6,723	7,608	8,398	9,172
Net profit (adj.)	6,723	7,608	8,398	9,172

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	4,995	5,814	13,311	19,530
Customer Loans	176,605	193,860	198,654	202,018
Properties & Other Fixed Assets	2,115	2,034	2,062	2,100
Goodwill & Intangible Assets	5,473	6,832	7,009	7,125
Other Assets	3,194	3,332	3,367	3,390
Total assets	192,382	211,871	224,402	234,164
Customer Deposits	36,991	48,205	48,225	46,620
Debts Securities Issued	105,890	109,584	114,284	117,203
Other Liabilities	6,583	4,457	4,573	4,650
Total liabilities	149,464	162,246	167,082	168,473
Shareholders' funds	42,919	49,625	57,320	65,691
Minority interest	0	0	0	0
Total Equity & Liabilities	192,382	211,871	224,402	234,164

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	4	4	4	4
Tangible Assets/Tangible Common Equity	5	5	4	4
Asset Quality				
NPL Ratio	3	3	3	3
Loan Loss Coverage	143	140	145	146
Loan Loss Reserve/Gross Loans	4	4	4	4
Credit Cost (bp)	254	249	279	257
Liquidity				
Liquid Assets/Short-Term Liabilities	14	12	28	42
Liquid Assets/Total Assets	3	3	6	8

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	9	11	13	4
Fees & Commissions, yoy Chg	(27)	6	6	2
Pre-Provision Profit, yoy Chg	7	12	13	4
Net Profit, yoy Chg	15	13	10	9
Customer Loans, yoy Chg	12	10	2	2
Profitability				
Net Interest Margin	14	14	15	15
Cost/Income Ratio	48	47	47	47
Adjusted ROA	4	4	4	4
Reported ROE	17	16	16	15
Adjusted ROE	17	16	16	16
Valuation				
P/BV	2	1	1	1
P/NTA	2	2	1	1
Adjusted P/E	10	8	8	7
Dividend Yield	1	1	1	1

Tidlor Holdings (TIDLOR TB)

Credit Costs To Increase QOQ But Within Targets

Highlights

- Neutral tone from the analyst meeting.
- Credit costs and asset quality remain under control.
- Maintain BUY with an unchanged target price of Bt25.00.

Analysis

- **Neutral tone from the meeting.** We attended Tidlor Holdings' (TIDLOR) 3Q26 analyst meeting on 9 Nov 26 and came away with a neutral view with no changes in key financial targets.
- **Expect slight momentum in loan growth in 4Q26.** TIDLOR's loan portfolio expanded 3% qoq and 8% yoy in 3Q26 and 5.9% in 9M26, mainly driven by motorcycle and car title loans, while truck lending remained subdued. Growth was partly supported by the relaxation of lending restrictions in flooding areas in Hatyai, which began in 2Q26. Looking ahead, management expects loan growth momentum in Oct-Nov 26 to remain relatively stable qoq in 4Q26. The company will continue to adopt selective lending through risk-based pricing to maintain good asset quality while supporting sustainable growth. Management expects annual loan growth of 5-10% over the next 1-2 years, depending on macroeconomic conditions.
- **Insurance brokerage business is growing impressively.** Insurance premiums grew 10% in 3Q26, outperforming the industry, supported by strong contributions from traditional distribution channels and growing demand through online platforms such as HeyGoody, particularly for travel insurance. Management attributed the strong performance to its diversified product offerings, omnichannel distribution strategy and after-sales services. Looking ahead, management expects insurance brokerage momentum to strengthen further in 4Q26, which is the high season for insurance sales.
- **Credit costs and asset quality remains under control.** Management expects credit costs to increase qoq in 4Q26, potentially reaching around 2.5%, reflecting prudent provisioning amid economic uncertainties. Nevertheless, full-year credit costs are expected to remain within the 2.0-2.5% guidance range. Meanwhile, management expects the NPL ratio to remain broadly stable from 1.63% in 3Q26 through 4Q26, supported by continued selective lending and disciplined risk management. Existing overlays established in 2025 should provide an adequate buffer against flooding risks, with no additional flood-related overlays currently expected. Looking ahead to 2027, management expects both credit costs and the NPL ratio to remain comparable to 2026.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net interest income	15,945.1	16,809.0	18,196.6	19,568.3	21,111.4
Non-Interest Income	3,791.8	4,189.0	4,447.0	4,972.1	5,307.1
Net profit (rep./act.)	4,216.7	4,933.0	6,103.0	6,507.6	7,229.3
Net profit (adj.)	4,216.7	4,933.0	6,103.0	6,507.6	7,229.3
EPS (Bt)	1.5	1.7	2.1	2.2	2.5
PE (x)	11.6	9.9	8.0	7.5	6.8
P/B (x)	1.6	1.4	1.3	1.2	1.1
Dividend yield (%)	2.6	2.0	6.0	6.4	7.0
Net int margin (%)	15.8	15.7	16.0	16.0	16.1
Cost/income Ratio (%)	55.9	55.4	55.8	55.2	55.0
Loan loss cover (%)	242.7	325.0	295.0	305.0	308.0
Consensus net profit	n.a	n.a	5,955.4	6,448.4	6,962.0
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Tidlor Holdings, Bloomberg, UOB Kay Hian

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BUY (Maintained)

Share Price	Bt16.90
Target Price	Bt25.00
Upside	47.9%

Stock Data

Sector	Financials
Bloomberg ticker	TIDLOR TB
Shares issued (m)	2,877.0
Market cap (Btm)	48,045.2
Market cap (US$m)	1,426.6
3-mth avg daily t'over (US$m)	10.1

Price Performance (%)

52-week high/low				Bt22.1/Bt14.1
1mth	3mth	6mth	1yr	YTD
(12.1)	(13.5)	11.3	(17.3)	(1.8)

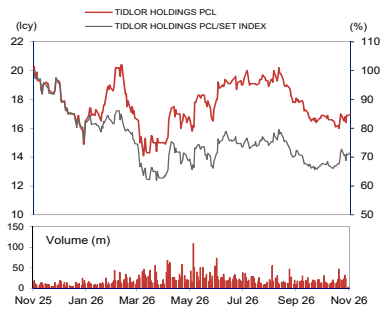
Major Shareholders (%)

Bank of Ayudhya (BAY)	46.51
Thai NVDR	4.87
Vayupak Fund 1	3.49

Balance Sheet Metrics

FY26 NAV/Share (Bt)	12.8
FY26 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

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

- **Rooms to decrease funding costs.** Management expects funding costs to decline by 5-10bp over the next six months, supported by refinancing maturing debentures at lower interest rates. Approximately Bt4.6b of debentures will mature in 4Q26, followed by another Bt5b in 1H27, providing opportunities for further funding cost reductions. The company plans to maintain a balanced funding mix of approximately 50% debentures and 50% financial institution borrowings. Management also remains committed to its matched-funding strategy through fixed-rate funding and forex hedging.
- **Focus on growth opportunities in the used motorcycle HP segment.** TIDLOR continues to explore growth opportunities in the used motorcycle HP segment, which currently accounts for less than 1% of its total loan portfolio. Management sees potential in this segment as more than half of motorcycle HP financing is currently provided by dealers, indicating opportunities to capture underserved demand. The company aims to leverage its existing expertise in motorcycle financing to expand into this market. However, management has not established a specific growth target as it continues to evaluate the business model.

3Q26 Results Recap

Year to 31 Dec (Btm)	3Q26	2Q26	3Q25	qoq chg (%)	yoy chg (%)
Total gross loans	116,011	112,538	107,324	3.1	8.1
Net interest income	4,682	4,511	4,267	3.8	9.7
Non-interest income	1,114	1,046	1,016	6.5	9.6
Loan loss provision	(656)	(572)	(587)	14.7	11.7
Non-Interest Expenses	(3,269)	(3,064)	(2,925)	6.7	11.8
Pre-provision operating profit	2,141	2,103	1,993	1.8	7.4
Net income	1,488	1,533	1,406	(2.9)	5.8
EPS (Bt)	0.52	1	0.48	(2.9)	7.0
Ratio (%)					
NPL ratio (%)	1.63	1.54	1.66		
Loan loss coverage ratio (%)	305	321.54	284		
Net interest margin (NIM %)	16.4	16.22	16.0		
Credit cost (bp)	230	206	220		
Cost to income (%)	56.4	55.1	55.4		
Number of network store	1,940	1,918	1,865		
Baseline Total Loans/Store	59.8	58.7	57.5		

Source: TIDLOR, UOB Kay Hian

Valuation/Recommendation

- **Maintain BUY with an unchanged target price of Bt25.00** based on the Gordon Growth Model (cost of equity: 13%, long-term growth: 4%). We rolled over our target price to 2027, implying a 2027F P/B of 1.8x, broadly in line with its five-year average.

Environment, Social, Governance (ESG) Updates

CG Report: 4

SET ESG Rating: N/A

Environmental

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

Social

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

Governance

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

2026 Financial Targets

	9M26 Actual	2026 Target	2025 Target
Loan growth	5.9%	5-10%	> 6.6%
Cost to income	55.3%	Mid 50s	
NPL ratio	1.63%	1.5-1.8%	< 2.0%
Credit cost	200 bp	220-280	< 300 bp

Source: TIDLOR, UOB Kay Hian

Loan Growth (%yoy)



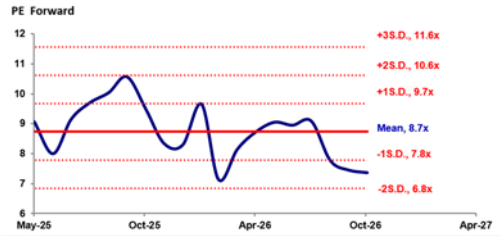
Source: TIDLOR, UOB Kay Hian

Credit Cost (bp)



Source: TIDLOR, UOB Kay Hian

PE Band



Source: TIDLOR, UOB Kay Hian

P/B Band



Source: TIDLOR, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Interest income	19,344	20,575	22,039	23,622
Interest expense	(2,535)	(2,378)	(2,470)	(2,510)

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Cash With Central Bank	3,060	7,289	6,994	7,033
Customer Loans	104,086	112,061	120,155	128,683

Net interest income/(expense)	16,809	18,197	19,568	21,111
Fees & Commissions	4,024	4,255	4,809	5,144
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	165	192	163	163
Non-Interest Income	4,189	4,447	4,972	5,307
Total Income	20,998	22,644	24,540	26,418
Staff Costs	(11,635)	(12,626)	(13,557)	(14,519)
Other Operating Expense	0	0	0	0
Pre-Provision Profit	9,363	10,018	10,983	11,899
Loan Loss Provision	(3,031)	(2,362)	(2,841)	(2,854)
Pre-tax profit	(123)	7	0	0
Tax	6,209	7,663	8,142	9,045
Minorities	(1,246)	(1,532)	(1,634)	(1,816)
Net profit	(30)	(28)	0	0
Net profit (adj.)	4,933	6,103	6,508	7,229

Properties & Other Fixed Assets	1,944	2,254	1,774	1,546
Goodwill & Intangible Assets	600	558	558	558
Other Assets	3,106	3,238	3,354	3,474
Total assets	112,797	125,400	132,835	141,296
Customer Deposits	41,061	40,111	41,063	42,104
Debts Securities Issued	32,286	38,812	41,685	44,638
Other Liabilities	4,986	2,940	3,158	3,382
Total liabilities	78,334	81,863	85,907	90,124
Shareholders' funds	34,255	37,031	40,423	44,666
Minority interest	208	206	206	206
Total Equity & Liabilities	112,797	119,100	126,536	134,996

Operating Ratios

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Capital Adequacy				
Total Assets/Equity	3	3	3	3
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
NPL Ratio	2	2	2	2
Loan Loss Coverage	325	295	305	308
Loan Loss Reserve/Gross Loans	5	5	5	5
Increase in NPLs	0	0	0	0
Credit Cost (bp)	284	208	233	218
Liquidity				
Liquid Assets/Short-Term Liabilities	7	18	17	17
Liquid Assets/Total Assets	3	6	5	5

Key Metric

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Growth				
Net Interest Income, yoy Chg	5	8	8	8
Fees & Commissions, yoy Chg	8	6	6	7
Pre-Provision Profit, yoy Chg	8	7	10	8
Net Profit, yoy Chg	17	24	7	11
Customer Loans, yoy Chg	5	8	7	7
Profitability				
Net Interest Margin	16	16	16	16
Cost/Income Ratio	55	56	55	55
Adjusted ROA	4	5	5	6
Reported ROE	15	17	17	18
Adjusted ROE	15	17	17	18
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	10	8	8	7
Dividend Yield	2	6	6	7

The Erawan Group (ERW TB)

Resilient Growth Outlook In 4Q26

Highlights

- We attended ERW's analyst meeting to review its 3Q26 results and the tone was positive.
- Growth outlook in 4Q26 remains decent given the revenue growth expected despite the ongoing renovation at Grand Hyatt.
- We remain optimistic with ERW and it remains one of our top picks in the hotel sector. The declining interest expense remains the key growth driver and the 2027 growth outlook is strong. Maintain BUY with a target price of Bt4.80.

Analysis

- **Positive tone from the analyst meeting.** We attended The Erawan Group's (ERW) analyst meeting to review its 3Q26 results and the tone was positive.
- **Early guidance for 2027.** Management provided an early view for the hotel business in 2027, targeting RevPar growth of high single-digit yoy, mainly driven by average daily rate (ADR) after the Grand Hyatt renovation is completed in 1Q27. The growth momentum could be on the soft side in 1Q27 but will accelerate from 2Q27 onwards. The renovation at Grand Hyatt is currently on track to be completed by 1Q27 or 2Q27 at the latest. ERW remains committed in operating the Grand Hyatt and has already paid the lease for 2027 while the contract extension remains in progress. ERW also targets 10 new openings for Hop Inn in 2027 while remaining keen on new hotels in Japan and Korea. Meanwhile, debt cost is expected to increase slightly yoy due to the rising interest rate in foreign loans.
- **Decent 4Q26 guidance.** The management provided ERW's 4Q26 guidance, expecting 4Q26 room revenue to show a strong growth yoy of 6%. Meanwhile, RevPar for the whole portfolio is expected to show 1% yoy growth, with main contribution coming from the economy and luxury hotel portfolios. The key driver in 4Q26 is expected to be the increase in ADR from high booking demand. The demand in the high travel season in 4Q26 is driven by large events such as the IMF World Bank Annual Meeting and Tomorrowland Pattaya. Meanwhile, the debt cost in 4Q26 is expected to increase slightly to 2.8% due to the rising interest rates in Japan and the Philippines. The key markets in 4Q26 will continue to be the Chinese and recovery of long-haul demand from the Europeans and Americans. Given the growth outlook, we can see that the impact from Grand Hyatt renovation remains manageable.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	7,917.3	7,930.5	8,740.0	9,401.8	10,228.2
EBITDA	2,644.3	2,613.5	2,944.5	3,205.5	3,403.7
Operating profit	1,649.5	1,565.3	1,727.1	1,904.2	2,017.2
Net profit (rep./act.)	1,280.7	838.1	964.8	1,050.1	1,147.9
Net profit (adj.)	939.7	836.4	964.8	1,050.1	1,147.9
EPS (Bt)	0.2	0.2	0.2	0.2	0.2
PE (x)	19.1	21.5	18.7	17.1	15.7
P/B (x)	2.1	2.0	2.0	1.9	1.7
EV/EBITDA (x)	12.4	12.6	11.1	10.2	9.6
Dividend yield (%)	2.4	1.9	2.4	2.6	2.9
Net margin (%)	16.2	10.6	11.0	11.2	11.2
Net debt/(cash) to equity (%)	149.8	141.6	162.1	155.9	147.9
Interest cover (x)	3.8	4.3	5.4	6.0	6.5
ROE (%)	17.0	9.5	10.7	11.2	11.5
Consensus net profit (Btm)	-	-	973	1,054	1,135
UOBKH/Consensus (x)	-	-	0.99	1.00	1.01

Source: The Erawan Group, Bloomberg, UOB Kay Hian

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Assistant Analyst(s)

Nonpawit Vathanadachakul

BUY (Maintained)

Share Price	Bt3.68
Target Price	Bt4.80
Upside	+30.4%

Stock Data

Sector	Consumer Discretionary
Bloomberg ticker	ERW TB
Shares issued (m)	4,886.9
Market cap (Btm)	17,983.9
Market cap (US$m)	530.8
3-mth avg daily t'over (US$m)	1.9

Price Performance (%)

52-week high/low				Bt3.94/Bt2.02
1mth	3mth	6mth	1yr	YTD
4.5	(0.5)	39.4	61.4	50.8

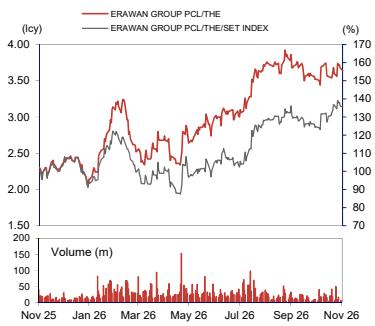
Major Shareholders (%)

Wattanavekin family	28.2
Vongkusolkit family	28.4

Balance Sheet Metrics

FY26 NAV/Share (Bt)	1.85
FY26 Net Debt/ Share (Bt)	3.00

Price Chart



Source: Bloomberg

Company Description

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

- **Flexibility in strategy.** ERW is flexible in shifting between strategies either to drive growth by ADR or by guest volume through occupancy rate. The forward bookings are the key indicator of the room demand and hence ERW can prepare accordingly on which strategy to utilise. For example, if booking demand during Chinese New Year in 1Q27 remains weak, ERW can slightly reduce the ADR to attract more guest volume and fill up its hotel occupancy with corporate guests who usually come in large groups within the same quarter. We see this resilience in strategy as a strong feature that can drive RevPar growth no matter the disruptions that may occur.
- **Expect the currently low interest expense to support earnings growth.** Following management's plan to refinance part of its loans to further reduce interest costs, the prepayment fee incurred in 2Q26 should be the last significant expense under the current refinancing plan. Going forward, ERW should fully benefit from lower interest costs, which are currently at a low level of 2.7% by end-3Q26. Its average cost of funds has declined each quarter, partly due to floating-rate loans tracking the downward trend in market rates. ERW now plans to increase the fixed-rate portion of its debt, either by converting the existing floating loans or taking new loans in fixed-rate. Management insists that there will be no further prepayment fees from the loan conversion. The IBD/E ratio remained at 1.3x in 3Q26, as additional borrowings will be required to support planned expansions in 2026. We view declining interest costs as a key earnings catalyst for ERW going forward.
- **2026 growth guidance maintained.** ERW targets total revenue growth of 6% yoy, driven by the luxury-economy (+5% yoy) and budget (+10% yoy) segments. Growth in the luxury segment will be supported by a strong improvement in occupancy rates in early-26, followed by ADR increases toward late-26. Meanwhile, the budget segment will benefit from new Hop Inn openings in Thailand and the launch of a new property in Korea. Revenue grew 5.7% yoy in 9M26, and we believe the 6% yoy full-year target is achievable given the positive outlook for 4Q26. Key supporting factors are already emerging, including the sustained recovery of Chinese tourists and major events scheduled for 4Q26, which should help drive tourist traffic.

Valuation/Recommendation

- **Maintain BUY with a target price of Bt4.80.** Our valuation is based on 2027 EV/EBITDA multiplier of 12x, 1 SD above its three-year mean. We remain optimistic with ERW and it remains one of our top picks, as it demonstrates resilience in driving growth in 4Q26. Moreover, the declining interest expense is a robust catalyst to ERW's earnings.

Environment, Social, Governance (ESG) Updates

Environmental

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

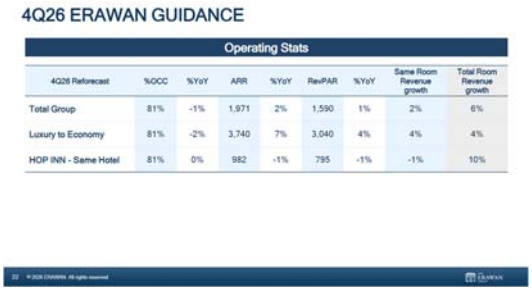
Social

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

Governance

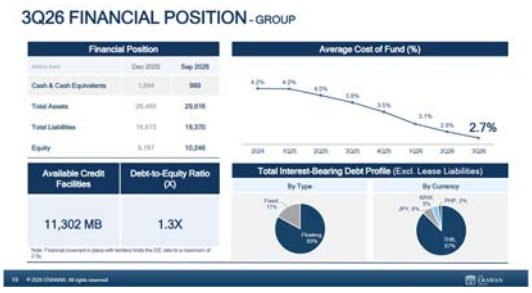
- **Board gender diversity.** Male to female ratio of 3:1.
- **Board balance and composition.** Four board members are independent directors, amounting to 33% of the board members.

4Q26 Guidance



Source: ERW

Debt Profile



Source: ERW

Revenue Breakdown By Nationality



Source: ERW

2026 GUIDANCE



Source: ERW

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	7,930	8,740	9,402	10,228
EBITDA	2,613	2,945	3,205	3,404
Deprec. & amort.	1,048	1,217	1,301	1,386
EBIT	1,565	1,727	1,904	2,017
Total other non-op. income	2	0	0	0
Associate contributions	0	0	0	0
Net interest income/(expense)	(612)	(545)	(537)	(523)
Pre-tax profit	956	1,182	1,367	1,495
Tax	(51)	(177)	(273)	(299)
Minorities	(67)	(40)	(44)	(48)
Net profit	838	965	1,050	1,148
Net profit (adj.)	836	965	1,050	1,148

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	23,417	24,600	25,746	26,857
Other LT assets	640	469	501	557
Cash/ST investment	1,894	2,826	2,177	1,514
Other current assets	509	697	763	843
Total assets	26,460	28,591	29,188	29,772
ST debt	2,690	1,765	1,765	1,765
Other current liabilities	1,224	1,245	1,366	1,525
LT debt	11,899	15,720	15,475	15,032
Other LT liabilities	859	639	699	845
Shareholders' equity	8,967	9,044	9,660	10,335
Minority interest	820	178	221	269
Total liabilities & equity	26,460	28,591	29,188	29,772

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	2,007	2,055	2,450	2,661
Pre-tax profit	956	1,182	1,367	1,495
Tax	(51)	(177)	(273)	(299)
Deprec. & amort.	1,048	1,217	1,301	1,386
Associates	0	0	0	0
Working capital changes	(16)	7	(1)	6
Non-cash items	70	(174)	55	73
Other operating cashflows	0	0	0	0
Investing	(1,010)	(2,448)	(2,420)	(2,407)
Capex (growth)	(2,072)	(2,400)	(2,448)	(2,497)
Investment	0	0	0	0
Others	1,062	(49)	27	89
Financing	(716)	1,325	(679)	(916)
Dividend payments	(440)	(342)	(434)	(473)
Proceeds from borrowings	(71)	2,896	(244)	(444)
Others/interest paid	(204)	(1,228)	0	0
Net cash inflow (outflow)	282	932	(649)	(663)
Beginning cash & cash equiv.	1,612	1,894	2,826	2,177
Ending cash & cash equiv.	1,894	2,826	2,177	1,514

Key Metric

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	33.0	33.7	34.1	33.3
Pre-tax margin	12.1	13.5	14.5	14.6
Net margin	10.6	11.0	11.2	11.2
ROA	3.2	3.5	3.6	3.9
ROE	9.5	10.7	11.2	11.5
Growth (% yoy)				
Turnover	0.2	10.2	7.6	8.8
EBITDA	(1.2)	12.7	8.9	6.2
Pre-tax profit	(27.7)	23.7	15.6	9.3
Net profit	(34.6)	15.1	8.8	9.3
Net profit (adj.)	(11.0)	15.3	8.8	9.3
EPS	(11.0)	15.2	8.8	9.3
Leverage				
Debt to total capital	59.8	65.5	63.6	61.3
Debt to equity	162.7	193.3	178.5	162.5
Net debt/(cash) to equity	141.6	162.1	155.9	147.9
Interest cover (x)	4.3	5.4	6.0	6.5

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