

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	47909.9	2.8	3.4	0.9	(0.3)
S&P 500	6782.8	2.5	3.9	0.6	(0.9)
FTSE 100	10608.9	2.5	4.7	3.2	6.8
AS30	9165.7	2.7	5.9	3.9	1.6
CSI 300	4595.6	3.5	3.3	(0.4)	(0.7)
FSSTI	4996.1	0.8	2.3	5.0	7.5
HSCEI	8677.3	2.6	2.6	1.1	(2.7)
HSI	25893.0	3.1	3.8	0.5	1.0
JCI	7279.2	4.4	3.3	(0.8)	(15.8)
KLCI	1696.3	1.2	(0.7)	1.3	1.0
KOSPI	5872.3	6.9	7.2	11.8	39.3
Nikkei 225	56308.4	5.4	4.8	6.8	11.9
SET	1485.0	1.4	2.5	7.4	17.9
TWSE	34761.4	4.6	6.9	8.3	20.0
BDI	2139	2.1	6.0	6.4	14.0
CPO (RM/mt)	4777	0.4	1.6	13.9	21.4
Brent Crude (US\$/bbl)	95	(13.3)	(19.9)	2.2	55.7

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Malaysia Gems Conference	Malaysia	09 Apr	09 Apr
Post-results Virtual Meeting with Nexteer (1316 HK)	Hong Kong	13 Apr	13 Apr
Hybrid Small & Mid-Caps Corporate Day	Singapore	16 Apr	16 Apr

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Mar. Manufacturing PMI	Thailand	1 Apr
Mar. CPI	Thailand	7 Apr
Mar. Consumer Confidence	Thailand	7-16 Apr
Mar. Customs Trade Balance (Export-Import)	Thailand	21-26 Apr
BoT Benchmark Interest Rate	Thailand	29 Apr

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Top Stories

Company Update | Bumrungrad Hospital (BH TB/**BUY**/Bt173.00/Target: Bt196.00)

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BH is expected to report 1Q26 net profit of Bt1.65b (-4.6% yoy, -12.3% qoq), pressured by the Middle East conflict disrupting patient flows. Revenue should fall to Bt5.9b, with margin pressure from fewer high-margin Middle East patients partly offset by cost controls. Middle East patients, contributing 22-24% of revenue exposure, drive a cut in 2026 forecasts. BIH Phuket's opening is delayed to 2H27, easing cost pressure. Maintain BUY with a Bt196.00 target price, supported by recovery prospects and valuation.

Company Update | Charoen Pokphand Foods (CPF TB/**BUY**/Bt20.80/Target: Bt25.00)

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CPF is expected to report core earnings of Bt3,108m, an increase from Bt178m in 4Q25, but down from Bt8,314m in 1Q25. We are positive on CPF, as earnings have been projected to continue improving qoq in 2Q26, supported by the positive momentum in livestock prices and the gradual stabilisation of China's swine prices. We believe the negative news has been priced in. Upgrade to BUY; target price: Bt25.00.

Company Update | Delta (Thailand) (DELTA TB/**HOLD**/Bt284.00/Target: Bt280.00)

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We expect DELTA to report a 1Q26 net profit of Bt7.55b (+38% yoy, +4% qoq). 1Q is typically a softer quarter due to the long holiday period. We revised up our 2026-2028 earnings forecasts by 3%/6%/8% in view of stronger liquid cooling contribution in 2H26 and strong demand visibility in power supply over 2026-28. Hence, we maintain HOLD with a higher target price of Bt280. DELTA's valuation already reflects strong fundamentals and is relatively expensive compared with DELTA Taiwan (2308.TT).

Company Update | Thai Union Group (TU TB/**HOLD**/Bt11.70/Target: Bt12.80)

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We expect TU to report a core profit of Bt804m, up 27% yoy, but down 13% qoq. Looking ahead, we remain cautious on the ambient business due to potential cost pressures. We expect price adjustments in the ambient segment to be insufficient to fully offset rising costs and could negatively impact volumes. Maintain HOLD with a lower target price of Bt12.80.

What's Inside

Company Update | Aeon Thana Sinsap (Thailand) (AEONTS TB/**HOLD**/Bt89.00/Target: Bt100.00)

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We came away from AEONTS' analyst meeting with a neutral view. Management will tighten credit policy to preserve good asset quality in FY27. However, AEONTS intends to prevent three consecutive years of loan contraction by setting a double-digit loan growth target in FY27. The company set some buffers for the uncertainties from Middle East tensions, but we might see additional provisioning in FY27. Maintain HOLD with a target price of Bt100.00.

Bumrungrad Hospital (BH TB)

Expect Weaker Net Profit yoy In 1Q26

Highlights

- BH is expected to report a -5% yoy weakened earnings of Bt1.65b in 1Q26, caused by the conflict in the Middle East.
- We have revised down our 2026 earnings forecast by 9% to reflect the negative impact from the conflict that could drag on until mid-year.
- We remain positive on BH in the high season in 3Q26 onwards due to expected pent-up demand from the Middle East patients. Maintain BUY with a target price of Bt196.00 (previously Bt214.00).

Analysis

1Q26 Earnings Preview

Year to 31 Dec (Btm)	1Q25	4Q25	1Q26F	yoy (%)	qoq (%)
Total Revenue	6,141	6,537	5,926	-3%	-9%
Gross Profit	3,101	3,351	2,904	-6%	-13%
SG&A	1,084	1,101	1,058	-2%	-4%
EBITDA	2,340	2,555	2,263	-3%	-11%
Pre-tax profit	2,146	2,330	2,053	-4%	-12%
Net profit	1,734	1,885	1,653	-5%	-12%
EPS (Bt)	2.18	2.37	2.14	-2%	-10%
(%)					
Gross margin	50.5%	51.3%	49.0%	-1.5 ppt	-2.3 ppt
SG&A to sales	17.6%	16.8%	17.8%	0.2 ppt	1.0 ppt
EBITDA Margin	38.1%	39.1%	38.2%	0.1 ppt	-0.9 ppt
Net profit margin	28.2%	28.8%	27.9%	-0.3 ppt	-0.9 ppt

Source: BH, UOB Kay Hian

- Expect an earnings contraction in 1Q26.** Bumrungrad Hospital (BH) should report a net profit of Bt1.65b (-4.6% yoy, -12.3% qoq) in 1Q26. We expect the earnings contraction to be mainly due to the war in the Middle East which erupted in early-Mar 26. Although the impact should be mitigated in the Ramadan period from late-Feb to late-Mar 26, in combination with the persisting conflict with Cambodia, we expect the top-line in 1Q26 to drop to Bt5.9b (-3.5% yoy, -9.4% qoq). We also expect a drop in gross margin, corresponding to the decline in Middle East patients, who are high margin patients. However, we expect BH to be active with their cost saving measures to offset the margin decline by reducing SG&A expenses. As a result, we expect BH's margins to be flat yoy.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	25,718	25,215	25,731	28,838	30,758
EBITDA	10,265	10,164	9,760	11,132	11,857
Operating profit	9,188	9,096	8,575	9,941	10,659
Net profit (rep./act.)	7,775	7,512	7,089	8,210	8,801
Net profit (adj.)	7,793	7,523	7,089	8,210	8,801
EPS (Bt)	9.0	8.7	8.2	9.5	10.1
PE (x)	19.3	20.0	21.2	18.3	17.1
P/B (x)	5.0	4.5	4.7	4.4	3.9
EV/EBITDA (x)	12.3	12.4	12.9	11.3	10.6
Dividend yield (%)	2.9	6.3	2.6	2.7	2.9
Net margin (%)	30.2	29.8	27.6	28.5	28.6
Net debt/(cash) to equity (%)	(43.6)	(44.8)	(41.6)	(50.2)	(56.9)
Interest cover (x)	1,231.6	1,533.5	1,802.5	2,021.1	2,116.2
ROE (%)	30.3	25.7	23.6	26.0	24.3
Consensus net profit (Btm)	-	-	7,678	7,827	8,284
UOBKH/Consensus (x)	-	-	0.92	1.05	1.06

Source: BH, Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt173.00
Target Price	Bt196.00
Upside	+13.3%
Previous TP	Bt214.00

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Stock Data

GICS sector	Health Care
Bloomberg ticker:	BH TB
Shares issued (m):	795.0
Market cap (Btm):	137,940.5
Market cap (US\$m):	4,298.7
3-mth avg daily t'over (US\$m):	36.4

Price Performance (%)

52-week high/low	Bt214.00/Bt130.00				
1mth	3mth	6mth	1yr	YTD	
0.9	11.2	0.3	2.1	10.2	

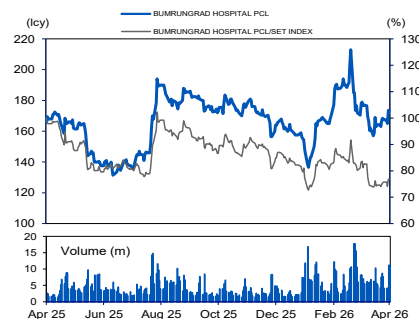
Major Shareholders

Harnphanich family	50.0
Thai NVDR	11.5

Balance Sheet Metrics

FY26 NAV/Share (Bt)	36.74
FY26 Net Debt/ Share (Bt)	15.29

Price Chart



Source: Bloomberg

Company Description

Bumrungrad Hospital provides healthcare services. The company offers behavioural health, diabetes management, digestive disease treatment, hyperbaric oxygen therapy, joint replacement, rehabilitation, travel medicine, and refractive surgery services. Bumrungrad Hospital serves patients in Thailand.

Quarterly Performance

- Tension in the Middle East is detrimental to BH.** Following the conflict between Iran and the US which sparked up in early-Mar 26, several air infrastructures have been damaged, and some flight routes are blocked. Hence, the Middle East patients could not travel to Thailand as easily as before. Despite Mar 26 being the Ramadan period, when the revenue from the Middle East patients is the lowest in the year, the impact to BH's earnings in 1Q26 could be significant. BH's management has expressed concern over this issue, and we could see the conflict potentially drag on to mid-year, resulting in our 2026 earnings downwards revision of 9%. We see the conflict in the Middle East as a major issue for BH as the Middle East patients contribute a massive portion of around 22-24% to BH's top-line.
- BIH opening postponed to 2H27.** BH has delayed the launch of Bumrungrad International Hospital (BIH) Phuket from the initial 1H27 target to 2H27, citing complexities in securing the Environmental Impact Assessment (EIA) permit prior to construction. We view that the delay would ease earnings pressure in 2026, as most costs will ramp up from 1Q27. Construction is currently in its early stages. Upon completion, operations will be rolled out in phases, starting with Phase 1 (years 1-5) with 120 beds in 2H27, followed by Phase 2 (years 6-10) adding 92 beds. The hospital will focus on premium primary and secondary care, referring more complex cases to its Bangkok campus.

Earnings Revision/Risk

- We revise down our 2026 net profit forecasts.** We revise our 2026 net profit forecasts down by 9.0% reflect the impact from the war in the Middle East.

Earnings Revision

(Btm)	2026F			Change
	New	Previous		
Total revenue	25,731	27,468	-6.3%	
Operating EBITDA	9,760	10,613	-8.0%	
Net profit	7,089	7,789	-9.0%	
				Chg (ppt)
EBITDA margin	37.9%	38.6%	-0.71	
Net profit margin	27.6%	28.4%	-0.81	

Source: BH, UOB Kay Hian

Valuation/Recommendation

- Maintain BUY with a target price of Bt196.00.** Our valuation is based on 2026 EV/EBITDA multiple of 15.0x, which is 1 SD below the five-year average (excluding COVID-19 years). We remain positive on BH, supported by: a) pent-up demand from Middle Eastern patients to return in 3Q25, b) the potential return of Kuwait patients, and c) the delay of BIH construction to relieve the earnings pressure in 2026.

Environment Social Governance (ESG) Updates

Environmental

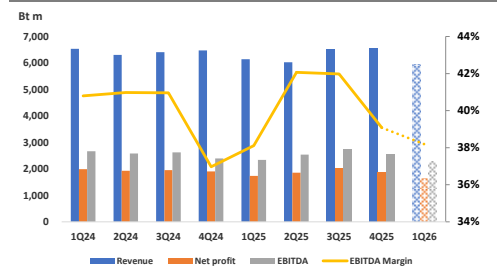
- Energy efficiency.** BH has invested in eco-friendly infrastructure to reduce the hospital's carbon footprint and energy consumption.
- Waste management.** BH emphasises the safe disposal of medical waste and has protocols in place to minimise the environmental impact of hazardous materials.

Social

- Healthcare access.** BH provides high-quality healthcare services to both local and international patients. It also engages in charitable work, providing free medical services to underprivileged communities.

Governance

- Corporate governance.** BH adheres to high standards of corporate governance with transparent reporting, strict regulatory compliance, and clear anti-corruption policies.



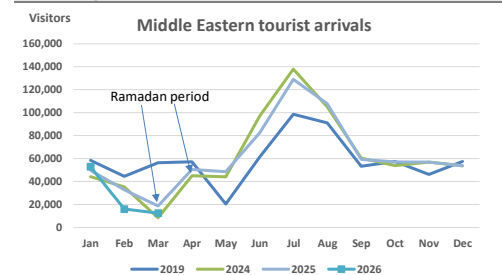
Source: BH, UOB Kay Hian

BH Phuket's Development Plan



Source: BH

Monthly Middle Eastern Tourist Arrivals



Source: Ministry of Tourism and Sports, UOB Kay Hian

BH'S Revenue From Foreign Patients

Non-Thai Revenue by Top 10 Nationalities

Nationality	Net Patient Revenues % Variance YOT	
	4Q2025 vs 4Q2024	Y2025 vs Y2024
1 Qatar	+19.6%	-1.1%
2 Myanmar	+25.5%	+19.0%
3 United States	+15.7%	+14.0%
4 Bangladesh	+1.7%	+5.0%
5 United Arab Emirates	+29.4%	+1.2%
6 China	-15.6%	-14.4%
7 Cambodia	-79.2%	-47.2%
8 United Kingdom	-14.2%	+0.3%
9 Mongolia	-12.1%	-11.9%
10 Oman	+3.3%	-17.0%
Total Non-Thai Patients*	+5.0%	-2.6%

* Excluding Cambodia revenue, Non-Thai patient revenue increased by 10.5% in 4Q2025 and by 1.0% for Y2025.

Source: BH

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	25,215	25,731	28,838	30,758
EBITDA	10,164	9,760	11,132	11,857
Deprec. & amort.	1,068	1,184	1,191	1,199
EBIT	9,096	8,575	9,941	10,659
Total other non-operating income	212	159	165	171
Associate contributions	(1)	2	2	2
Net interest income/(expense)	(7)	(5)	(6)	(6)
Pre-tax profit	9,301	8,731	10,102	10,827
Tax	(1,737)	(1,571)	(1,818)	(1,949)
Minorities	(52)	(70)	(74)	(77)
Net profit	7,512	7,089	8,210	8,801
Net profit (adj.)	7,523	7,089	8,210	8,801

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	7,689	6,929	8,815	9,462
Pre-tax profit	9,301	8,731	10,102	10,827
Tax	(1,737)	(1,571)	(1,818)	(1,949)
Deprec. & amort.	1,068	1,184	1,191	1,199
Working capital changes	(406)	99	(287)	(164)
Non-cash items	464	(856)	127	78
Other operating cashflows	(1,002)	(655)	(498)	(526)
Investing	(2,628)	(529)	(904)	(961)
Capex (growth)	(2,056)	(440)	(968)	(999)
Investment	2,810	2,812	2,814	2,816
Others	(3,382)	(2,901)	(2,751)	(2,778)
Financing	(4,043)	(8,729)	(3,540)	(4,103)
Dividend payments	(3,974)	(8,744)	(3,544)	(4,105)
Proceeds from borrowings	0	15	2	2
Loan repayment	(33)	0	0	0
Others/interest paid	(36)	0	2	0
Net cash inflow (outflow)	1,018	(2,329)	4,371	4,399
Beginning cash & cash equivalent	5,284	6,302	3,973	8,344
Changes due to forex impact	0	0	0	0
Ending cash & cash equivalent	6,302	3,973	8,344	12,743

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	14,376	13,632	13,409	13,209
Other LT assets	3,301	3,301	3,362	3,400
Cash/ST investment	13,948	12,276	17,145	22,073
Other current assets	4,833	5,079	5,667	6,018
Total assets	36,459	34,288	39,583	44,700
ST debt	23	35	36	37
Other current liabilities	4,063	3,551	3,980	4,245
LT debt	84	86	88	90
Other LT liabilities	1,118	1,029	1,154	1,230
Shareholders' equity	30,863	29,208	33,874	38,569
Minority interest	308	378	452	529
Total liabilities & equity	36,459	34,288	39,583	44,700

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	40.3	37.9	38.6	38.6
Pre-tax margin	36.9	33.9	35.0	35.2
Net margin	29.8	27.6	28.5	28.6
ROA	21.7	20.0	22.2	20.9
ROE	25.7	23.6	26.0	24.3
Growth				
Turnover	(2.0)	2.0	12.1	6.7
EBITDA	(1.0)	(4.0)	14.1	6.5
Pre-tax profit	(1.4)	(6.1)	15.7	7.2
Net profit	(3.4)	(5.6)	15.8	7.2
Net profit (adj.)	(3.5)	(5.8)	15.8	7.2
EPS	(3.5)	(5.8)	15.8	7.2
Leverage				
Debt to total capital	0.3	0.4	0.4	0.3
Debt to equity	0.3	0.4	0.4	0.3
Net debt/(cash) to equity	(44.8)	(41.6)	(50.2)	(56.9)
Interest cover (x)	1,533.5	1,802.5	2,021.1	2,116.2

Charoen Pokphand Foods (CPF TB)

1Q26 Results Preview: Earnings Rise qoq; Awaiting Increase In China Swine Prices

Highlights

- CPF is expected to report core earnings of Bt3,108m, an increase from Bt178m in 4Q25, but down from Bt8,314m in 1Q25.
- We are positive on CPF, as earnings have been projected to continue improving qoq in 2Q26, supported by the positive momentum in livestock prices and the gradual stabilisation of China's swine prices. We believe the negative news has been priced in.
- Upgrade to BUY. Target price: Bt25.00.

Analysis

1Q26 Results Preview

Year to 31 Dec (Btm)	1Q26F	1Q25	4Q25	yoy(%)	qoq(%)
Revenue	142,207	144,175	140,799	-1.4%	1.0%
Gross profit	19,909	26,667	17,878	-25.3%	11.4%
SG&A/Sales	12,184	12,241	13,614	-0.5%	-10.5%
EBIT	7,725	14,426	4,265	-46.5%	81.1%
Net profit	3,968	8,549	1,085	-53.6%	265.7%
Core profit	3,108	8,314	178	-62.6%	1646.4%
Core EPS (Bt)	0.37	0.99	0.02	-62.6%	1646.4%
Gross Margin (%)	14.0%	18.5%	12.7%	-4.5%	1.3%
%SG&A/revenue	8.6%	8.5%	9.7%	0.1%	-1.1%
Net Margin (%)	2.8%	5.9%	0.8%	-3.1%	2.0%

Source: CPF, Bloomberg, UOB Kay Hian

- **Expect 1Q26 earnings to rise qoq.** Charoen Pokphand Foods (CPF) is expected to report a net profit of Bt3,968m for 1Q26, an increase from Bt1,085m in 4Q25, but down from Bt8,549m in 1Q25. Excluding one-off items, 1Q26 core earnings are projected at Bt3,108m, up from Bt178m in 4Q25, but down from Bt8,314m in 1Q25.
- **Improvement profitability in 1Q26.** We expect the qoq earnings improvement to be driven by a higher gross profit margin of 14.0% in 1Q26, up from 12.7% in 4Q25, but down from 18.5% in 1Q25. The gross profit margin in 1Q26 is supported by higher livestock prices qoq in Thailand (swine prices flat qoq, while chicken prices + 9% qoq). In Vietnam, swine prices rose significantly to VND71,000/kg (+33% qoq) in 1Q26, driven by Tet seasonal demand and supply shortage.
- **Higher share of profit qoq.** We expect a slight qoq increase in share of profit, supported by improved contributions from Chia Tai Investment (CTI) and higher share of profit from CPALL.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	580,747.2	571,134.5	581,155.9	592,846.1	604,970.6
EBITDA	60,354.9	71,175.5	60,049.5	60,704.6	61,162.2
Operating profit	34,608.8	46,078.7	35,160.0	36,568.0	37,707.6
Net profit (rep./act.)	19,558.1	25,197.5	21,499.4	22,959.6	24,064.1
Net profit (adj.)	17,631.6	24,275.9	20,093.8	21,483.8	22,514.4
EPS	2.1	2.9	2.4	2.6	2.7
PE (x)	9.7	7.1	8.5	8.0	7.6
P/B (x)	0.8	0.8	0.8	0.7	0.7
EV/EBITDA (x)	10.8	9.1	10.3	9.8	9.4
Dividend yield (%)	0.0	0.1	0.0	0.1	0.1
Net margin (%)	3.4	4.4	3.7	3.9	4.0
Net debt/(cash) to equity(%)	175.0	195.4	172.3	154.8	138.6
Interest cover (x)	2.5	3.0	2.5	2.5	2.5
ROE (%)	9.4	12.6	10.4	10.8	10.9
Consensus net profit	n.a	n.a	19,578.4	22,005.2	23,135.8
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

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

BUY (Upgraded)

Share Price	Bt20.80
Target Price	Bt25.00
Upside	20.19%
Previous TP	Bt21.00

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Stock Data

GICS sector	Consumer Staples
Bloomberg ticker:	CPF TB
Shares issued (m):	8,159.4
Market cap (Bt\$m):	169,715.1
Market cap (US\$m):	5,215.6
3-mth avg daily t'over (US\$m):	17.6

Price Performance (%)

52-week high/low Bt26.5/Bt18.7

1mth	3mth	6mth	1yr	YTD
8.9	(3.7)	(8.8)	(11.9)	(4.6)

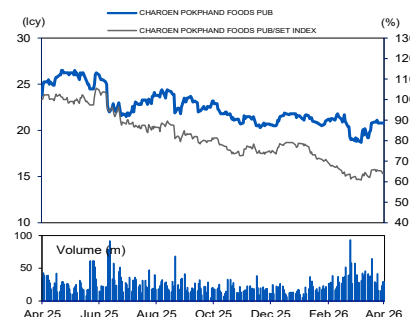
Major Shareholders

	%
Charoen Pokphand Group Co., Ltd.	25.02
Thai NVDR	10.40
UBS AG LONDON BRANCH	9.21

Balance Sheet Metrics

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

Price Chart



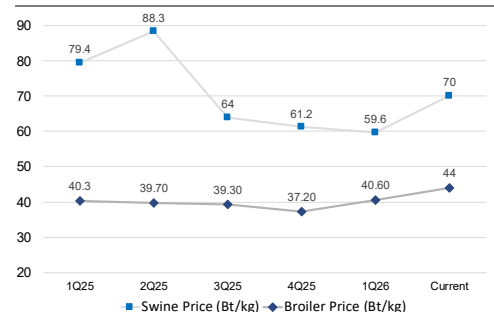
Source: Bloomberg

Company Description

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

Domestic Swine & Chicken Price

- Improving momentum in swine ASP.** We are positive on CPF as earnings are projected to improve qoq in 2Q26 and the positive momentum in livestock prices is expected to continue. Domestic swine prices increased to Bt70/kg in Apr 26, recovering from the lower average price of Bt60/kg in 1Q26, driven by supply tightening from government measures and hot weather conditions in Thailand. Chicken prices also strengthened, rising approximately 9% qoq to around Bt44/kg in Apr 26 from an average of Bt40/kg in 1Q26. In Vietnam, swine prices are expected to remain elevated at approximately VND65,000/kg.
- The downward trend of China swine prices will gradually stabilise.** China's swine prices decreased to around Rmb10-11/kg in 1Q26, (flat qoq but down 37% yoy), remaining slightly below breakeven levels. However, we expect a gradual qoq recovery in 2Q26, supported by China government-led supply stabilisation measures introduced in early-26, along with the second batch of central frozen pork reserves and storage policies scheduled in Apr 26. These factors should help stabilise domestic swine prices, indicating improving supply conditions and reinforcing our view that China's swine prices are likely to trend upward, particularly in 2H26.



Source: CPF, UOB Kay Hian

China Swine Price Trend



Source: CPF, UOB Kay Hian

Vietnamese Swine Price Trend



Source: CPF, UOB Kay Hian

Valuation/Recommendation

- Upgrade to BUY with a target price of Bt25.00** based on 2026 EPS. We use the forward PE of CPF's five-year mean, at 10x. Livestock prices have shown upward momentum, with swine prices rising to Bt70/kg and broiler prices reaching Bt44/kg. We expect domestic livestock prices to continue trending upward into 2Q26, supported by supply constraints from hot weather conditions. In Vietnam, swine prices remain elevated at high levels. Meanwhile, although swine prices in China have recently declined, we anticipate a rebound following government measures aimed at controlling supply. Also, we opine that the negative news has already been priced in.

Earnings Revision/Risk

- We have fine-tuned our 2026 earnings projections up by 5% to reflect the upward trend of domestic livestock prices.

Share Price Catalyst

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

Environmental Social Governance (ESG) Updates

CG Report: 5

SET ESG Rating: AAA

Environmental

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

Social

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

Governance

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

Profit & Loss

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

Cash Flow

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

Balance Sheet

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

Key Metrics

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

Delta (Thailand) (DELTA TB)

1Q26 Remains A Softer Season; Liquid Cooling To Contribute Meaningfully In 2H26

Highlights

- We expect DELTA to report a 1Q26 net profit of Bt7.55b (+38% yoy, +4% qoq). 1Q is typically a softer quarter due to the long holiday period.
- We revised up our 2026-2028 earnings forecasts by 3%/6%/8% driven by stronger liquid cooling contribution in 2H26 and strong demand visibility in power supply over 2026-2028. Hence, we maintain HOLD with a higher target price of Bt280.
- DELTA's valuation already reflects strong fundamentals and is relatively expensive compared to DELTA Taiwan (2308.TT).

Analysis

4Q25 Results					
Year to 31 Dec (Btm)	1Q26F	1Q25	4Q25	yoy%	qoq%
Revenue	58,687	42,736	57,714	37.3%	1.7%
Gross profit	16,785	10,927	16,485	53.6%	1.8%
Operating profit	8,216	5,700	8,024	44.1%	2.4%
Other income	663	573	462	15.8%	43.4%
Operating EBITDA	10,742	7,574	10,353	41.8%	3.8%
Core profit	7,198	4,985	7,061	44.4%	1.9%
Net profit	7,548	5,488	7,256	37.5%	4.0%
EPS	0.61	0.44	0.58	37.5%	4.0%
Financial ratio			ppts	ppts	
Gross profit margin (%)	28.6	25.6	28.6	0.0	3.0
EBITDA margin (%)	18.3	17.7	17.9	0.4	0.6
Operating margin (%)	14.0	13.3	13.9	0.1	0.7
SG&A Exp./ Sales (%)	11.5	9.2	11.9	-0.4	2.3
Net profit margin (%)	12.9	12.8	12.6	0.3	0.0

Source: Delta (Thailand), UOB Kay Hian

- **While 1Q26 is the softest season operating margin is expected to stay high.** We expect DELTA to report a 1Q26 net profit of Bt7.55b (+38% yoy, 2% qoq). Sales are expected to come in at Bt58.69b (+37% yoy, +2% qoq), mainly driven by the strong power electronics segment, which should offset the weakness in the mobility segment (EV-related products). The mobility segment is expected to be loss-making in 2026, with revenue declining at a high single-digit rate. As a result, the qoq earnings softness reflects 1Q seasonality (1Q26 sales at 23% of full-year 2026 forecast due to the long holiday period and softer customer demand).

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	164,732.7	198,153.4	263,200.7	323,774.1	384,712.3
EBITDA	24,598.2	34,520.1	46,425.9	59,823.4	73,468.3
Operating profit	17,859.9	26,325.9	36,321.7	47,271.0	58,091.6
Net profit (rep./act.)	18,938.6	24,814.3	33,203.0	42,237.8	51,339.1
Net profit (adj.)	17,979.7	22,963.9	31,803.0	41,117.8	50,387.1
EPS	1.4	1.8	2.6	3.3	4.0
PE (x)	155.4	121.7	87.9	68.0	55.4
P/B (x)	35.0	28.9	23.2	18.8	15.5
EV/EBITDA (x)	94.8	67.4	50.0	38.8	31.5
Dividend yield (%)	0.2	0.3	0.4	0.6	0.8
Net margin (%)	11.5	12.5	12.6	13.0	13.3
Net debt to equity (%)	(17.0)	(18.9)	(17.9)	(17.9)	(17.9)
Consensus net profit	n.a	n.a	31,940.9	39,875.5	50,994.2
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

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

HOLD (Maintained)

Share Price	Bt284.00
Target Price	Bt280.00
Upside	-1.4%
Previous TP	Bt210.00

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Assistant Analyst(s)

Sirithat Prasertwuti

Stock Data

GICS sector	Information Technology
Bloomberg ticker:	DELTA TB
Shares issued (m):	12,473.8
Market cap (Bt\$m):	3,442,773.2
Market cap (US\$m):	105,801.3
3-mth avg daily t'over (US\$m):	139.1

Price Performance (%)

52-week high/low	Bt290.0/Bt59.5				
1mth	3mth	6mth	1yr	YTD	
8.2	48.4	45.6	386.3	59.5	

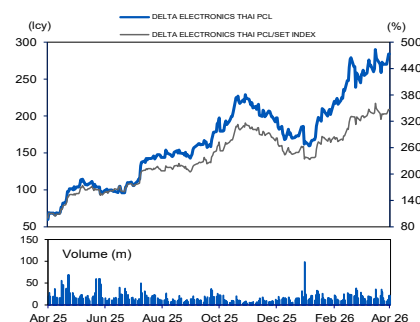
Major Shareholders

	%
DELTA ELECTRONICS INT'L (SINGAPORE) PTE. LTD.	42.85
CITI (NOMINEES) LIMITED-CBHK-PBGSG-RESTRICTED SHARES	13.86
DELTA INTERNATIONAL HOLDING LIMITED B.V.	12.71

Balance Sheet Metrics

	%
FY26 NAV/Share (Bt)	9.6
FY26 Net Debt/Share (Bt)	(1.7)

Price Chart



Source: Bloomberg

Company Description

Delta Electronics is an electronics exporter, manufacturer of power supplies and electronic components, ie DC fans, EMI filters and solenoids.

- **Operating margin to remain in expansion phase in 2026** driven by data centre sales. Delta (Thailand)'s (DELTA) operating margin is expected to remain strong throughout 2026, with 1Q26 operating margin at 14.0% (vs 13.3% in 1Q25 and 13.9% in 4Q25). Despite gradually rising opex from royalty fees (power supply and liquid cooling technologies from Delta Taiwan), this should be offset by a better product mix driven by the power electronics segment tied to AI infrastructure. Data centre sales are expected to contribute 60% of total revenue in 2026 (vs 55% in 2025 and 34% in 2024).
- **We believe liquid cooling contribution will become more meaningful from 2H26 onward** after its initial launch in 1Q26. We forecast liquid cooling contribution at 7%/9%/12% of sales in 2026-2028. Despite high royalty fees, the product should deliver a positive operating margin. Note that Delta Electronics (Taiwan) reported liquid cooling contribution at 9-10% of sales in 2025 during the late-February analyst meeting, with demand remaining strong, supported by hyperscaler capex and system-level solutions demand. Hyperscaler is still in its investment phase in 2026, backed by aggressive capex guidance (Bloomberg consensus: +70% yoy in 2026 vs +65% yoy in 2025).

Valuation/Recommendation

- **We maintain HOLD with a higher target price of Bt290.0 (from Bt210.00).** Our target price is based on 106x 2026E PE, implying +2.6SD above its five-year mean, with DELTA currently trading at 2.7 SD.
- We re-rate the multiple and assign a 45% premium compared to the average PE of 73x over 2021-2024, reflecting: a) a structural shift toward higher-margin data centre products and a liquid cooling ramp-up in 2H26, b) a higher gross margin expected to remain at 30% in 2025-2028 (vs 23% in 2021-2024) and operating margin at 15% (vs 11% in 2021-2025), and c) a significantly lower free float compared to DELTA Taiwan.
- However, we believe DELTA's valuation is quite high and relatively expensive compared with DELTA Taiwan (2308.TT).
- We recommend buying and accumulating on any pullbacks only within the Bt260.00-275.00 range (2.25-2.50SD) for long-term investment in 2026-2028, as Thailand offers limited proxies for AI and data centre power infrastructure.

Earnings Revision/Risk

- We revised up our net profit forecasts by 3%/6%/8%, reflecting meaningful liquid cooling contribution in 2026-2028.

Share Price Catalyst

- Stronger-than-expected operating margin and sales, stronger-than-expected contribution from liquid cooling in 2026-2028.

Environment Social Governance (ESG) Updates

Environmental

- **DELTA aims to reduce energy consumption and increase renewable energy use.** DELTA targets to reduce 20% electricity consumption intensity (EI) by the year 2025 (compared with the base year 2020) and has also set a target to increase the proportion of renewable energy use to 100% by 2030.

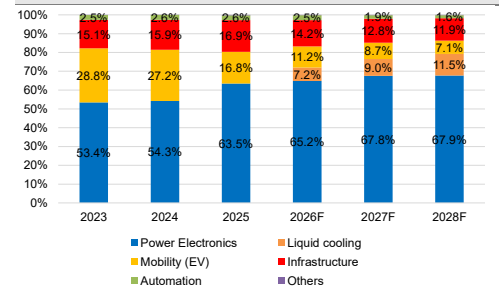
Social

- DELTA is committed to conducting business according to our Corporate Social Responsibility Policy covering to governance, regulator and environment.

Governance

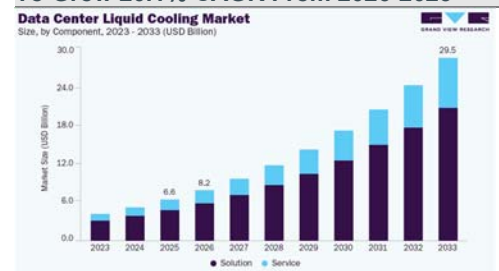
- **DELTA achieves board diversity target with 30% female representation** enhancing governance strength. DELTA has achieved its board diversity target by appointing three female directors, representing 30% of total board members as of 2024, reinforcing board independence and expertise.

DELTA's Sales Breakdown In 2023-2028F



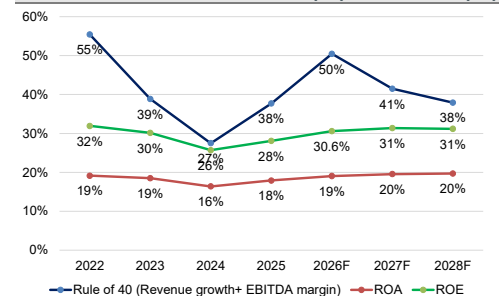
Source: UOB Kay Hian

Data Centre Liquid Cooling Market Expect To Grow 20.1% CAGR From 2026-2023



Source: Grandview Research, Data Centre Liquid Cooling Market

DELTA's Rule of 40 ROA (%) and ROE (%)



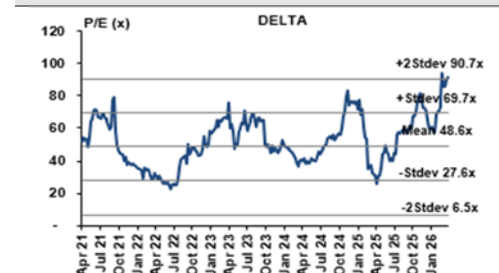
Source: UOB Kay Hian

DELTA Sales Seasonality (2015-2026F)

Year	Q1	Q2	Q3	Q4
2015	23%	24%	26%	26%
2016	24%	24%	25%	27%
2017	25%	25%	25%	26%
2018	24%	25%	26%	26%
2019	25%	27%	24%	23%
2020	20%	23%	28%	29%
2021	23%	24%	25%	28%
2022	21%	24%	26%	29%
2023	22%	24%	28%	26%
2024	23%	25%	26%	25%
2025	22%	22%	27%	29%
2026F	23%	25%	25%	27%

Source: Bloomberg

DELTA's Five-Year Forward PE Band



Source: Bloomberg

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	198,153	263,201	323,774	384,712
EBITDA	34,520	46,426	59,823	73,468
Deprec. & amort.	8,194	10,104	12,552	15,377
EBIT	26,326	36,322	47,271	58,092
Total other non-operating income	2,370	2,477	2,249	2,136
Associate contributions	1	1	0	0
Net interest income/(expense)	189	171	171	171
Pre-tax profit	28,887	38,970	49,691	60,399
Tax	(4,073)	(5,767)	(7,454)	(9,060)
Minorities	0	0	0	0
Net profit	24,814	33,203	42,238	51,339
Net profit (adj.)	22,964	31,803	41,118	50,387

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	29,682	37,721	47,443	57,253
Pre-tax profit	28,887	38,970	49,691	60,399
Tax	(4,073)	(5,767)	(7,454)	(9,060)
Deprec. & amort.	8,194	10,104	12,552	15,377
Working capital changes	(8,565)	(10,075)	(11,839)	(14,564)
Non-cash items	0	0	0	0
Other operating cashflows	5,239	4,489	4,491	5,102
Investing	(16,132)	(19,953)	(23,662)	(26,866)
Capex (growth)	(14,957)	(20,366)	(23,437)	(26,640)
Investments	(1,177)	(167)	(458)	(458)
Others	3	580	233	232
Financing	(5,956)	(9,071)	(13,836)	(19,576)
Dividend payments	(5,738)	(9,553)	(13,836)	(19,576)
Issue of shares	0	0	0	0
Proceeds from borrowings	(126)	481	0	0
Others/interest paid	(93)	0	0	0
Net cash inflow (outflow)	7,594	8,697	9,945	10,810
Beginning cash & cash equivalent	15,701	20,288	24,018	29,055
Ending cash & cash equivalent	23,295	28,985	33,963	39,866

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	46,840	57,200	68,144	79,486
Other LT assets	3,218	3,459	4,177	4,773
Cash/ST investment	20,288	24,018	29,055	34,708
Other current assets	83,786	109,823	136,087	165,036
Total assets	154,131	194,501	237,464	284,004
ST debt	926	1,039	1,039	1,039
Other current liabilities	51,343	66,926	80,994	95,402
LT debt	1,037	1,405	1,405	1,405
Other LT liabilities	4,098	4,753	5,246	5,616
Shareholders' equity	96,727	120,377	148,779	180,542
Minority interest	0	0	0	0
Total liabilities & equity	154,131	194,501	237,464	284,004

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.4	17.6	18.5	19.1
Pre-tax margin	14.6	14.8	15.4	15.7
Net margin	12.5	12.6	13.0	13.3
Growth				
Net profit (adj.)	27.7	38.5	29.3	22.5
Leverage				
Debt to total capital	2.0	2.0	1.6	1.4
Debt to equity	2.0	2.0	1.6	1.4
Net debt/(cash) to equity	(18.9)	(17.9)	(17.9)	(17.9)

Thai Union Group (TU TB)

1Q26 Results Preview: Earnings To Increase yoy, Cost Pressures Remain A Key Factor

Highlights

- We expect TU to report a core profit of Bt804m, up 27% yoy, but down 13% qoq.
- Looking ahead, we remain cautious on the ambient business due to potential cost pressures. We expect price adjustments in the ambient segment to be insufficient to fully offset rising costs and could negatively impact volumes.
- Maintain HOLD with a lower target price of Bt12.80.

1Q26 Results Preview

Year to 31 Dec (Btm)	1Q26F	1Q25	4Q25	yoy(%)	qoq(%)
Sales	31,499	29,789	35,040	5.7%	-10.1%
Gross Profit	5,733	5,611	6,410	2.2%	-10.6%
EBIT	1,314	1,099	1,776	19.5%	-26.0%
EBT	1,070	805	1,343	32.9%	-20.4%
Net profit	1,150	1,019	1,014	12.8%	13.5%
Core profit	804	634	923	26.7%	-12.8%
Core EPS (Bt)	0.17	0.13	0.22	26.7%	-22.2%
Gross Margin (%)	18.2%	18.8%	18.3%	-0.6%	-0.1%
%SG&A/revenue	14.6%	15.8%	13.9%	-1.2%	0.7%
Net Margin (%)	3.7%	3.4%	2.9%	0.2%	0.8%

Source: TU, UOB Kay Hian

Analysis

- **Core earnings to increase yoy.** We expect Thai Union Group (TU) to report a net profit of Bt1,150m for 1Q26 (+13% yoy and +14% qoq). Excluding one-off items, we estimate 1Q26 core profit at Bt804m, up 27% yoy, but down 13% qoq.
- **1Q26 gross margin to decline yoy.** We expect 1Q26 gross margin of 18.2%, down from 18.8% in 1Q25 and 18.3% in 4Q25. The yoy gross profit decrease is driven by tariff impacts on the ambient business and a normalisation of margins in the frozen business. SGA-to-sales in 1Q26 is forecasted to be 14.6%, lower yoy due to cost reductions from the transformation programme.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	138,433.1	132,718.6	138,069.1	140,853.8	144,401.0
EBITDA	12,678.8	11,267.2	11,921.9	12,686.7	13,426.1
Operating profit	8,307.8	7,052.3	7,680.4	8,195.6	8,720.9
Net profit (rep./act.)	4,984.9	4,609.4	4,641.8	5,012.6	5,366.6
Net profit (adj.)	5,067.0	4,135.3	4,641.8	5,012.6	5,366.6
EPS	1.1	0.9	1.1	1.2	1.3
PE (x)	11.2	13.7	11.6	10.8	10.1
P/B (x)	1.2	1.3	1.2	1.1	1.1
EV/EBITDA (x)	10.1	11.1	10.4	9.7	9.2
Dividend yield (%)	5.2	4.8	5.1	5.5	5.9
Net margin (%)	3.6	3.5	3.4	3.6	3.7
Net debt/(cash) to equity(%)	121.9	127.5	121.4	117.8	114.0
Interest cover (x)	5.1	4.7	5.1	5.4	5.6
ROE (%)	7.7	7.4	7.3	7.7	8.1
Consensus net profit	n.a	n.a	4,602.8	5,043.8	5,394.2
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: THAI UNION GROUP, Bloomberg, UOB Kay Hian

HOLD (Maintained)

Share Price	Bt11.70
Target Price	Bt12.80
Upside	9.40%
Previous TP	Bt13.20

Analyst(s)

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Assistant Analyst(s)

Nichapa Ratchabandit

Stock Data

GICS sector	Consumer Staples
Bloomberg ticker:	TU TB
Shares issued (m):	3,855.1
Market cap (Bt\$m):	44,333.6
Market cap (US\$m):	1,362.4
3-mth avg daily t'over (US\$m):	6.2

Price Performance (%)

52-week high/low	Bt14.0/Bt9.0				
1mth	3mth	6mth	1yr	YTD	
5.5	(13.5)	(7.3)	9.5	(10.2)	

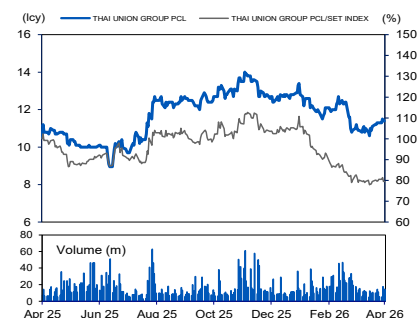
Major Shareholders

	%
Thai Union Group	79.30
Thai NVDR	2.68
VAYU1	1.43

Balance Sheet Metrics

	%
FY26 NAV/Share (Bt)	11.0
FY26 Net Debt/Share (Bt)	13.2

Price Chart



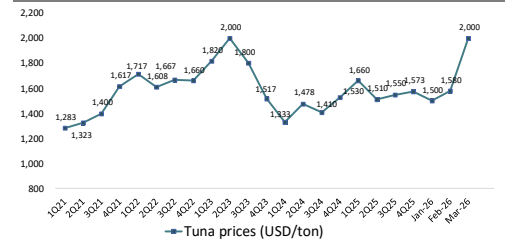
Source: Bloomberg

Company Description

TU manufactures and exports frozen and canned seafood, including canned food, frozen food and snacks. It is also involved in pet food, value added product and animal feed.

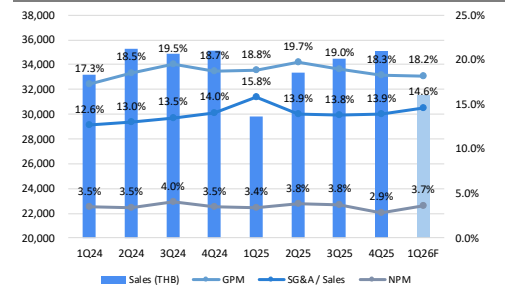
Tuna Prices (Skipjack; US\$/tonne)

- Expect 2Q26 earnings to improve qoq.** Although TU's 1Q26 earnings are expected to decrease qoq following the seasonal effect and lower gross profit margin, this is in line with our previous expectation of unexciting earnings momentum in 1Q26. However, we expect TU to deliver better 2Q26 earnings qoq. This will be mainly driven by: a) an improvement in the pet food business' top-line and gross margin, and b) an increase in tuna prices following the seasonal effect which will allow TU to benefit from better gross profit margin from higher ASP adjustment where the company has cheap tuna in its inventory.
- Cost pressures remain a key factor.** Looking ahead, we remain cautious on the ambient business due to potential cost pressures from the current situation. Tuna prices (+27% mom) and packaging costs are rising, accounting for around 30% and 11% of total costs, respectively. TU expects costs to remain manageable in 1H26, supported by existing inventory, and plans to increase ASPs to offset higher costs. We foresee earnings downside from 2H26 onwards if cost pressures persist. While ASP increases may provide some margin support, we expect price adjustments in the ambient segment to be insufficient to fully offset rising costs and could negatively impact volumes, given limited pricing flexibility.



Source: TU, UOB Kay Kian

Sales And Profitability



Source: TU, UOB Kay Kian

Valuation/Recommendation

- Maintain HOLD with a lower target price of Bt12.80** based on 2026 EPS. We peg its PE target to -1SD to its five-year mean, at 12x. Although 1Q26 earnings are expected to grow yoy, the 2026 outlook remains challenging as earnings remain under pressure due to limited pricing flexibility and rising costs.

Earnings Revision/Risk

- We have revised down our 2026-27 core earnings forecasts by 4.5% and 3.5% respectively following more conservative assumptions on gross profit margin.

Share Price Catalyst

- a) Better-than-expected sales, b) slower-than-expected SGA-to-sales, c) lower raw material costs, and d) depreciation of the Thai baht.

Environmental Social Governance (ESG) Updates

CG Report: -

SET ESG Rating: -

Environmental

- SeaChange sustainability strategy by 2030. TU is one of the earliest companies to focus on sustainability improvement. The company aims to reduce 42% of greenhouse gas emissions by 2030 and become net zero by 2050.

Social

- TU is working to improve many dimensions of social responsibility. This includes human rights and improved employee engagement.

Governance

- TU is committed to conducting its business with transparency, responsibility, and business ethics including anti-corruption, respect for human rights, fair treatment, and responsibility to customers and consumers.

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	132,719	138,069	140,854	144,401
EBITDA	11,267	11,922	12,687	13,426
Deprec. & amort.	4,215	4,242	4,491	4,705
EBIT	7,052	7,680	8,196	8,721
Total other non-operating income	0	0	0	0
Associate contributions	862	948	948	948
Net interest income/(expense)	(2,379)	(2,339)	(2,351)	(2,397)
Pre-tax profit	5,535	6,290	6,792	7,272
Tax	17	(629)	(679)	(727)
Minorities	(1,036)	(1,019)	(1,100)	(1,178)
Net profit	4,609	4,642	5,013	5,367
Net profit (adj.)	4,135	4,642	5,013	5,367

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	4,592	9,979	9,107	9,433
Pre-tax profit	5,629	4,642	5,013	5,367
Tax	(709)	0	0	0
Deprec. & amort.	4,215	4,242	4,491	4,705
Associates	0	0	0	0
Working capital changes	(6,281)	1,096	(396)	(639)
Non-cash items	(3,890)	0	0	0
Other operating cashflows	5,629	0	0	0
Investing	(919)	(6,000)	(6,000)	(6,000)
Capex (growth)	(3,781)	(6,000)	(6,000)	(6,000)
Capex (maintenance)	0	0	0	0
Investments	2,017	0	0	0
Proceeds from sale of assets	0	0	0	0
Others	845	0	0	0
Financing	(3,327)	(3,770)	(3,136)	(2,489)
Dividend payments	(2,795)	(2,663)	(2,841)	(3,055)
Issue of shares	(4,310)	0	0	0
Proceeds from borrowings	(15,869)	(88)	805	1,744
Loan repayment	0	0	0	0
Others/interest paid	19,647	(1,019)	(1,100)	(1,178)
Net cash inflow (outflow)	346	209	(29)	944
Beginning cash & cash equivalent	8,281	8,432	8,641	8,612
Changes due to forex impact	(195)	0	0	0
Ending cash & cash equivalent	8,432	8,641	8,612	9,556

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	29,887	31,645	33,154	34,449
Other LT assets	45,530	45,741	45,955	46,171
Cash/ST investment	8,432	8,641	8,612	9,556
Other current assets	74,215	73,914	74,724	75,890
Total assets	158,064	159,942	162,445	166,066
ST debt	18,860	17,966	17,027	16,277
Other current liabilities	30,042	30,940	31,458	32,090
LT debt	46,565	47,370	49,114	51,608
Other LT liabilities	10,777	10,885	10,994	11,105
Shareholders' equity	44,704	46,683	48,855	51,166
Minority interest	7,379	6,360	5,260	4,082
Total liabilities & equity	158,326	160,204	162,707	166,328

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	8.5	8.6	9.0	9.3
Pre-tax margin	4.2	4.6	4.8	5.0
Net margin	3.5	3.4	3.6	3.7
ROA	2.7	2.7	2.9	3.1
ROE	7.4	7.3	7.7	8.1
Leverage				
Debt to total capital	125.6	123.2	122.2	122.9
Debt to equity	146.4	140.0	135.4	132.7
Net debt/(cash) to equity	127.5	121.4	117.8	114.0
Interest cover	4.7	5.1	5.4	5.6

Aeon Thana Sinsap (Thailand) (AEONTS TB)

Preventing Three Consecutive Years Of Loan Contraction
By Setting Double-Digit Loan Growth Target In FY27

Highlights

- Neutral tone during the analyst meeting.
- AEONTS has set some buffers for the uncertainties from Middle East tensions.
- Maintain HOLD with an unchanged target price of Bt100.00.

Analysis

- **Neutral tone during the analyst meeting.** We came away from Aeon Thana Sinsap (Thailand)'s (AEONTS) analyst meeting with a neutral view. Management intends to tighten credit policy to preserve good asset quality.
- **Guidance for a double-digit loan growth target in FY27.** Management guided for a loan growth target of double-digits in FY27, driven by 4-5% loan growth in the credit card business and double-digit loan growth in the personal loan business. Management admits that the company has continued tightening the loan portfolio to prioritise quality, and meeting the loan growth target is quite challenging. However, management continues to see an opportunity in loan expansion as there is still demand.
- **Setting buffers for the uncertainties from Middle East tensions.** AEONTS guided that we might see an increase yoy in credit cost in FY27 due to Middle East tensions. AEONTS has set a management overlay of Bt350m in FY26, provisioning for: a) Bt140m to prepare for the increase in the minimum payment for credit cards from 8% to 10%, b) Bt150m to manage the flooding in Hatyai during Nov-Dec 25, and c) Bt100m for provisioning for Middle East tensions. Moreover, management guided that we might see a slight increase in provisioning for the Middle East due to the ongoing situation.
- **Non-payroll clients are the main impacted segment.** The company revealed that its customers are 80% payroll staff and 20% non-payroll. Therefore, it expects that independent occupations (7% contribution) will face some impact from the tension in the Middle East, but the company has already set aside Bt100m to provision for this. In addition, tourism-related clients contribute 3% to the loan portfolio.
- **A decent debt collection as of Mar 26.** Management stated that debt collection performed well as of Mar 26 with a 98% collection success rate. However, the company is closely monitoring debt collection and trying to maintain good asset quality.

Key Financials

Year to 28 Feb (Btm)	FY25	FY26	FY27F	FY28F	FY29F
Net interest income	16,125	15,533	15,911	16,316	16,631
Non-interest income	3,732	4,188	4,050	4,300	4,500
Net profit (rep./act.)	2,860	3,094	3,000	3,114	3,177
Net profit (adj.)	2,860	3,094	3,000	3,114	3,177
EPS (Bt)	11.4	12.5	12.1	12.6	12.9
PE (x)	7.8	7.1	7.3	7.1	6.9
P/B (x)	0.9	0.8	0.8	0.7	0.7
Dividend yield (%)	6.2	6.5	6.5	7.1	7.1
Net Interest Margin (%)	17.9	17.7	18.2	18.1	17.8
Cost/income (%)	44.2	42.4	42.7	42.9	42.6
Loan loss cover (%)	153.8	169.1	172.0	174.0	171.0
Consensus net profit	-	-	3,074	3,267	-
UOBKH/Consensus (x)	-	-	0.98	0.95	-

Source: AEONTS, Bloomberg, UOB Kay Hian

HOLD (Maintained)

Share Price	Bt89.00
Target Price	Bt100.00
Upside	12.4%

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Stock Data

GICS Sector	Financials
Bloomberg ticker	AEONTS TB
Shares issued (m)	247.5
Market cap (Btm)	22,027.5
Market cap (US\$m)	675.7
3-mth avg daily t'over (US\$m)	2.8

Price Performance (%)

52-week high/low Bt122.50/Bt86.50

1mth	3mth	6mth	1yr	YTD
(1.4)	(13.2)	(23.3)	(14.0)	(17.2)

Major Shareholders

Major Shareholders	%
AEON Financial Service Co., Ltd. / Japan	35.12
ACS Capital Corporation Limited	19.20
AEON Holdings (Thailand) Co., Ltd	8.80

Price Chart



Source: Bloomberg

Company Description

AEONTS is a non-bank consumer finance operator that mainly provides personal loans and credit cards to customers. The company principally focuses on the middle- to lower-income groups.

- **We can expect at least a stable dividend payment looking forward.** Management is trying to maintain the dividend payout ratio at around 42-45%. In our view, we can at least expect a stable dividend per share (DPS) based on the historical dividend payment.
- **4QFY26 results review.** AEONTS posted a 4QFY26 net profit of Bt912m, up 26% yoy and 48% qoq, beating our and consensus expectations by 29% and 16%, respectively. The higher-than-expected gain from sales of written-off receivables boosted the bottom line, along with the reduction in credit cost qoq. Excluding provisioning, the company's pre-provision operating profit rose 13% yoy and 5% qoq in 4QFY26. The net profit for FY26 was Bt3.09b, rising by 8.2% yoy.

4QFY26 Results (Dec 25-Feb 26)

Year to 28 Feb (Btm)	4QFY26	3QFY26	4QFY25	qoq chg (%)	yoy chg (%)
Total gross loans	86,176	88,008	88,948	(2.1)	(3.1)
Net interest income	3,819	3,884	3,930	(1.7)	(2.8)
Non-interest income	1,262	964	896	30.9	40.9
Loan loss provision	(1,784)	(1,981)	(1,356)	(10.0)	31.5
Non-Interest Expenses	(2,178)	(2,081)	(2,266)	4.7	(3.9)
Pre-provision operating profit	2,903	2,767	2,559	4.9	13.4
Net income	912	618	725	47.6	25.8
EPS (Bt)	3.69	2.49	2.90	48.3	27.3
Ratio (%)					
NPL Ratio	5.6%	5.5%	5.2%		
Loan loss coverage ratio (%)	169%	165%	154%		
Net interest margin (NIM %)	17.5%	17.6%	17.6%		
Credit cost (bp)	800	880	598		
Cost to income (%)	43%	43%	47%		

Source: AEONTS, UOB Kay Hian

Valuation/Recommendation

- **Maintain HOLD with an unchanged target price of Bt100.00.** We use the Gordon Growth Model with cost of equity of 13.0% and a long-term growth rate of 3.0%. Our target price implies 0.8x FY27F P/B, which is around -1.5SD to its five-year average.

Earnings Revision/Risk

- No earnings revision.

Share Price Catalyst

- Stimulus package(s) to improve domestic spending and repayment.
- Recovery in asset quality.

Environment Social Governance (ESG) Updates

CG Report: 5

SET ESG Rating: A

Environmental

- **Reducing paper and plastic usage.** The company plans to convince 100% of customers to switch to e-statements in the next 3-5 years.
- **Electrical energy water and fuel energy management.** The company is focusing on clean energy consumption.

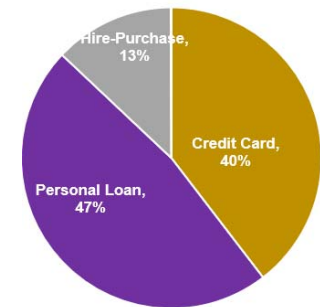
Social

- **Number of complaints and disputes with the community.** The company plans to handle complaints and disputes with a satisfaction rate of 85% within the next few years.

Governance

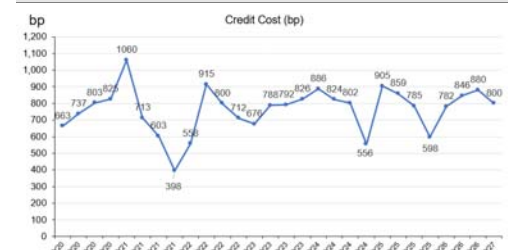
- The number of complaints regarding violations of the company's ethics and policies and incidents of corporate corruption should be less than five in the next 2-3 years.

Loan Portfolio (4QFY26)



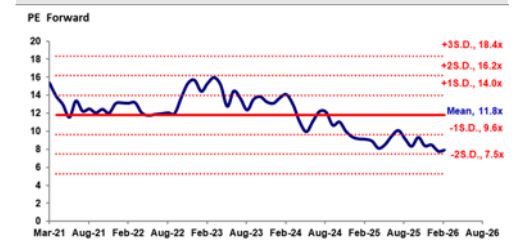
Source: AEONTS, UOB Kay Hian

Credit Cost (bp)



Source: AEONTS, UOB Kay Hian

PE Band



Source: AEONTS, UOB Kay Hian

P/B Band



Source: AEONTS, UOB Kay Hian

Profit & Loss

Year to 28 Feb (Btm)	FY25	FY26F	FY27F	FY28F
Interest income	18,370	17,749	17,730	18,175
Interest expense	(2,245)	(2,029)	(1,639)	(1,601)
Net interest income	16,125	15,720	16,091	16,575
Fees & commissions	829	862	818	828
Other income	2,902	2,859	2,804	3,030
Non-interest income	3,732	3,721	3,622	3,858
Total income	19,856	19,441	19,713	20,433
Staff costs	(8,585)	(8,202)	(8,325)	(8,676)
Other operating expense	(191)	(144)	(151)	(159)
Pre-provision profit	11,081	11,095	11,236	11,598
Loan loss provision	(7,233)	(7,445)	(7,344)	(7,623)
Other provisions	0	0	0	0
Associated companies	0	0	0	0
Other non-operating income	0	0	0	0
Pre-tax profit	3,848	3,650	3,893	3,975
Tax	(897)	(735)	(779)	(795)
Minorities	(90)	(80)	(117)	(120)
Net profit	2,860	2,835	2,997	3,060
Net profit (adj.)	2,860	2,835	2,997	3,060

Operating Ratio

Year to 28 Feb (Btm)	FY25	FY26F	FY27F	FY28F
Capital Adequacy				
Total assets/equity (x)	3.5	3.3	3.1	3.0
Tangible assets/tangible common equity (x)	3.6	3.4	3.1	3.1
Asset Quality				
NPL ratio	5.1	5.6	5.5	5.3
Loan loss coverage	153.8	165.0	167.0	169.0
Loan loss reserve/gross loans	8.0	8.3	8.3	8.3
Increase in NPLs	2.4	7.5	(2.5)	(0.1)
Credit cost (bp)	793	826	824	847
Liquidity				
Loan/deposit ratio	151.6	160.0	167.0	168.1
Liquid assets/short-term liabilities	6.7	6.8	7.1	7.2
Liquid assets/total assets	3.9	3.8	3.8	3.8

Balance Sheet

Year to 28 Feb (Btm)	FY25	FY26F	FY27F	FY28F
Cash with central bank	3,571	3,434	3,377	3,502
Govt treasury bills & securities	0	0	0	0
Interbank loans	0	0	0	0
Customer loans	81,808	79,956	78,485	81,638
Investment securities	0	0	0	0
Derivative receivables	0	0	0	0
Associates & JVs	0	0	0	0
Fixed assets (incl. prop.)	610	656	511	466
Other assets	5,475	5,643	5,578	5,711
Total assets	91,464	89,689	87,952	91,317
Interbank deposits	0	0	0	0
Customer deposits	0	0	0	0
Derivative payables	0	0	0	0
Debt equivalents	58,844	55,393	52,201	53,743
Other liabilities	5,566	6,270	6,208	6,456
Total liabilities	64,410	61,663	58,409	60,199
Shareholders' funds	26,051	27,052	28,686	30,380
Minority interest - accumulated	636	974	857	737
Total equity & liabilities	91,097	89,689	87,952	91,317

Key Metrics

Year to 28 Feb (Btm)	FY25	FY26F	FY27F	FY28F
Growth				
Net interest income, yoy chg	(2.9)	(2.5)	2.4	3.0
Fees & commissions, yoy chg	(4.1)	3.9	(5.1)	1.3
Pre-provision profit, yoy chg	(2.8)	0.1	1.3	3.2
Net profit, yoy chg	(12.2)	(0.9)	5.7	2.1
Net profit (adj.), yoy chg	(12.2)	(0.9)	5.7	2.1
Customer loans, yoy chg	(1.5)	(2.3)	(1.8)	4.0
Profitability				
Net interest margin	17.9	17.6	18.1	18.4
Cost/income ratio	44.2	42.9	43.0	43.2
Adjusted ROA	3.1	3.1	3.4	3.4
Reported ROE	11.3	10.7	10.8	10.7
Adjusted ROE	11.3	10.7	10.8	10.7
Valuation				
P/BV (x)	1.0	0.9	0.9	0.8
P/NTA (x)	101.5	96.7	91.0	85.8
Adjusted P/E (x)	9.0	9.0	8.5	8.3
Dividend Yield	5.4	5.4	5.4	5.4
Payout ratio	48.1	48.1	45.5	44.6

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