

PLEASE CLICK ON THE PAGE NUMBER TO MOVE TO THE RELEVANT PAGE.

### KEY HIGHLIGHTS

#### Strategy

#### US-China Negotiations Progress in Geneva, Switzerland.

Positive sign for trade negotiations from US and China.

Page 2

#### Results

#### Banpu (BANPU TB/HOLD/Bt4.90/Target: Bt4.80)

1Q25: Net loss narrows qoq.

Page 4

#### Indorama Ventures (IVL TB/BUY/Bt20.40/Target: Bt24.00)

1Q25: Weak quarter, but recovery in sight.

Page 7

#### Thai Oil (TOP TB/HOLD/Bt27.25/Target: Bt27.00)

1Q25: Net profit in line with our expectations.

Page 10

#### Update

#### Asset World Corporation (AWC TB/BUY/Bt2.04/Target: Bt3.30)

A challenging growth path ahead.

Page 13

#### Thai Union Group (TU TB/HOLD/Bt10.40/Target: Bt10.40)

Uncertainties remain in the near future.

Page 16

### KEY INDICES

Symbol	Close	Chg	%Chg
SET	1,210.94	4.35	0.36
SET50	789.38	5.77	0.74
Value (Btm) - SET	38,565		
Top 5 Sector			
BANK	403.25	(2.12)	(0.52)
PETRO	467.86	23.07	5.19
PROP	149.51	(0.71)	(0.47)
ENERG	16,135.68	212.83	1.34
ICT	199.17	(0.17)	(0.09)

Source: Bloomberg

### TOP VOLUME

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
ADVANC	303.00	(0.66)	2,694.1
KBANK	164.50	(0.30)	2,473.6
GULF	50.25	2.03	1,630.7
DELTA	104.00	2.97	1,981.1
CPALL	52.25	(0.95)	1,912.9

### TOP GAINERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
STOWER	0.06	50.00	0.2
DOD	1.54	30.51	1.9
DV8	2.18	26.01	19.4
GRAND	0.05	25.00	0.4
SMT	1.50	23.97	5.6

### TOP LOSERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
SDC	0.03	(25.00)	0.1
NWR	0.04	(20.00)	1.1
TFI	0.04	(20.00)	0.1
B	0.04	(20.00)	0.2
BEAUTY	0.29	(19.44)	15.1

\*ADT: Average daily turnover

### KEY STATISTICS

Commodity	Current Price	%Chg		
		1m	3M	YTD
Brent crude*	64.8	1.2	(12.3)	(11.6)
Dubai crude*	63.6	3.5	(15.1)	(15.3)
Baltic Dry Index	1,299.0	2.0	67.4	30.3
Gold Spot***	3,237.3	(0.0)	10.6	23.3

\*(US\$/bbl), \*\*\* (US\$/toz)

### FOREIGN PORTFOLIO INVESTMENT IN EQUITIES (THAILAND)

Day (Mil US\$)	MTD Net (Mil US\$)	YTD Net (Mil US\$)	YTD Net YoY%
(44.1)	(11.8)	(1,616.4)	1,670.2

Source: Bloomberg

Foreign Exchange Rate - THB/US\$ (onshore) = 33.44

Interest Rate (%) - TH Policy Rate = 2.00

Thai Lending Rate (%)\* - MLR = 6.90

## STRATEGY – THAILAND

### US-China Negotiations Progress in Geneva, Switzerland.

Despite the trade war impacts on the economy, the US and China have signalled a positive shift after a weekend of marathon trade negotiations in Geneva, Switzerland. The mutual tariff revisions will be imposed by 14 May with the US temporarily lowering its overall tariffs on Chinese goods from 145% to 30%. This is expected to impact the SET Index positively amid the uncertain outlook ahead. Our top picks are IVL, PTT, PTTGC, PTTEP, and SCB.

#### WHAT'S NEW

- **US and China agree to drastically roll back tariffs in major trade.** Progress between US and China signals a positive shift after a weekend of marathon trade negotiations in Geneva, Switzerland. The mutual tariff revisions will be imposed by May 14 where the US will temporarily lower its overall tariffs on Chinese goods from 145% to 30%, while China will cut its levies on American imports from 125% to 10%, according to the joint statement. Only countermeasures imposed after April 2 will be removed, which means the revisions will not include the companies blacklisted in March, as well as the anti-dumping investigation into Google announced in February.
- **Thailand's GDP has dropped despite a series of export accelerations in 2025 ahead of the 36% tariff implementation.** Despite the accelerating exports through 1Q25, high import tariffs and growing trade policy uncertainty could weigh heavily on exports, private investment, and domestic consumption. With 18% of Thailand's exports bound for the US, a 20–30% decline in that segment alone could drag its GDP down to 2.0–2.3%, compared to the current forecast of 2.8–2.9%. Additionally, rising trade uncertainty could stall private investments, leading to a sharp near-term slowdown in land sales and property transfers and impact sectors such as electronics, electrical appliances, and auto parts. It may also delay the relocation of production bases to Thailand, affecting industrial estate developers.
- **Expect to see a potential forecast upgrade for Thailand's GDP.** China's 30% tariff will become the ceiling, setting the trade tariff range for various countries at 10–30%. The market is likely to view this positively, as the China tariff rate reduces from 145% to 30%. This suggests that other countries might end up in the 15–20% tariff range. For Thailand, whose GDP growth this year is projected at around 1.3–2%, this could help shift growth closer to the 2% side.
- **Expect to see a rise in global GDP.** As the global economy may not be as weak as previously expected, we expect to see a global GDP rise which will be a positive factor for the energy and petrochemical sectors.
- **Continue favouring defensive stocks.** The effects of the trade war and the change in supply chains will become more impactful during 2H25. This keeps earnings at risk of downward revisions (though the severity may lower). We continue to favor defensive stock with low risk of earnings downgrades to hedge against uncertainties.
- **Short-term caution in the finance sector.** As China's tariffs have been lowered significantly, this suggests that other countries will see slashed tariff rates as well, so we expect that the central bank has lower necessity to reduce more policy rate. This should be a short term negative for the Finance sector.
- **Opportunities to accumulate Thai stocks.** In the short term, we recommend focusing on mid- to long-term investments. We see the potential to accumulate a) Petrochemical stocks as China's economy recovers, b) Banking stocks as a potential of GDP forecast upgrade, c) defensive stocks to hedge against the uncertainty of US and China trade policies, especially after the grace period. Our top picks are IVL, PTT, PTTGC, PTTEP, and SCB.

#### STOCK RECOMMENDATION

Company	Share Price 9 May 25 (Bt)	Target Price (Bt)	Upside/ (Downside) to TP (%)
IVL TB	20.40	24.00	17.65
PTT TB	31.25	37.00	18.40
PTTEP TB	101.50	155.00	52.71
PTTGC TB	19.30	21.00	8.81
SCB TB	119.00	130.00	9.24

Source: UOBKay Hian

#### ANALYST(S)

**Kitpon Praipaisarnkit**  
+662 659 8154  
kitpon@uobkayhian.co.th

**Krit Tanarattananon**  
+662 659 8303  
krit@uobkayhian.co.th

**Thailand Research Team**  
+662 659 8304  
research@uobkayhian.co.th

#### ASSISTANT ANALYST(S)

**Nathida Chuaysong**

VALUATION

Company	Ticker	Rec.	Last Price	Target	Upside	Market	PE			EPS	PEG	P/B	Yield	ROE
			9 May 25 (Bt)	Price (Bt)	Downside (%)	Cap (US\$m)	2024 (x)	2025F (x)	2026F (x)	Growth 2025F (%)	2025F (x)	2025F (x)	2025F (%)	2025F (%)
Indorama Ventures	IVL TB	BUY	20.40	24.00	17.65	3,462	n.a.	15.0	7.4	153.4	0.1	0.8	3.6	5.7
PTT	PTT TB	BUY	31.25	37.00	18.40	26,983	9.9	9.9	8.4	0.6	17.1	0.7	6.7	7.5
PTT Exploration&Production	PTTEP TB	BUY	101.50	155.00	52.71	12,181	5.1	5.9	5.8	(13.1)	(0.4)	0.7	9.5	12.8
PTT Global Chemical	PTTGC TB	BUY	19.30	21.00	8.81	2,631	n.a.	15.8	9.7	118.4	0.1	0.3	3.9	1.8
SCB X	SCB TB	BUY	119.00	130.00	9.24	12,113	9.1	10.1	9.8	(10.0)	(1.0)	0.8	7.9	8.1

Source: UOB Kay Hian

## COMPANY RESULTS

### Banpu (BANPU TB)

1Q25: Net Loss Narrows qoq

BANPU reported a net loss of Bt483m in 1Q25, a larger loss than both our and consensus estimates. However, the loss was lower compared with 4Q24 due to reduced non-recurring losses and a recovery in profits from the gas business. We expect coal and gas prices to recover in 2H25. We maintain a positive outlook on its US gas business, particularly over the next 2-3 years, supported by Trump's pro-fossil fuel policies. Maintain HOLD. Target price: Bt4.80.

#### 1Q25 RESULTS

Year to 31 Dec (Btm)	1Q24	4Q24	1Q25	% yoy	% qoq	2024	2025F	% yoy
Revenue	38,810	48,139	43,584	12%	-9%	181,549	193,457	7%
Gross profit	7,072	15,920	9,640	36%	-39%	46,750	53,683	15%
EBITDA	4,866	10,925	6,768	39%	-38%	34,863	42,638	22%
Interest expenses	3,689	3,156	2,851	-23%	-10%	14,166	13,257	-6%
Core Profit	-921	238	-15	n.a.	n.a.	2,120	5,885	178%
Net Profit	1,552	-2,341	-483	n.a.	n.a.	-682	5,885	n.a.
EPS	0.15	-0.23	-0.05			-0.07	0.59	
Financial ratio (%)								
Gross Profit Margin	18.2%	33.1%	22.1%			25.8%	27.7%	
EBITDA Margin	12.5%	22.7%	15.5%			19.2%	22.0%	
Net profit margin	4.0%	-4.9%	-1.1%			-0.4%	3.0%	

Source: Banpu, UOB Kay Hian

#### RESULTS

- **Reports net loss for 1Q25.** BANPU reported a net loss of Bt483m for 1Q25 (vs a net loss of Bt2.3b in 4Q24 and a net profit of Bt1.6b in 1Q24). The 1Q25 loss exceeded both our and market expectations, largely due to a weaker-than-expected gross profit margin in the gas business. Nonetheless, the gas business showed a qoq recovery, supported by higher selling prices and lower non-recurring items, resulting in a lower qoq loss in 1Q25.
- **Coal sales declined seasonally.** Coal sales from Indonesia and Australia totalled 7.1 m tonnes in 1Q25, down 19% qoq due to seasonal weakness and the longwall relocation at the Australian mine. Gross profit margin of the coal business declined to 29% from 33% in 4Q24, as the drop in ASP outweighed the benefit of lower production costs.
- **Gas selling prices recover despite lower-than-expected gross profit margins.** Gross profit margin of the gas business rose to 27% in 1Q25, improving both qoq and yoy (below our estimate of 34%). The margin expansion was supported by a rebound in the ASP to US\$3.30/thousand cubic feet (Mcf), up 23% qoq and 38% yoy, while production costs rose only 2% qoq. This margin improvement helped offset the decline in sales volume, which was partly due to the divestment of the Chaffee and Chelsea fields in late-24.

#### KEY FINANCIALS

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	179,619	181,549	193,457	191,340	186,544
EBITDA	40,936	39,663	48,442	49,313	46,564
Operating profit	21,044	18,320	25,632	28,382	27,237
Net profit (rep./act.)	5,434	-682	5,885	6,374	7,151
Net profit (adj.)	5,594	2,120	5,885	6,374	7,151
EPS (Bt)	0.6	0.2	0.6	0.6	0.7
PE (x)	7.8	20.7	7.5	6.9	6.1
P/B (x)	0.3	0.3	0.3	0.2	0.2
EV/EBITDA (x)	4.4	4.3	2.9	2.4	2.2
Dividend yield (%)	10.3	10.3	6.7	7.3	8.1
Net margin (%)	3.0	(0.4)	3.0	3.3	3.8
Net debt/(cash) to equity (%)	92.1	90.0	69.8	55.6	43.8
Interest cover (x)	3.1	2.8	3.7	3.7	3.5
ROE (%)	3.9	(0.5)	4.2	4.4	4.9
Consensus net profit	-	-	5,446	6,487	5,549
UOBKH/Consensus (x)	-	-	1.08	0.98	1.29

Source: Banpu, Bloomberg, UOB Kay Hian

## HOLD

(Maintained)

Share Price	Bt4.90
Target Price	Bt4.80
Upside	-2.04%

#### COMPANY DESCRIPTION

A regional coal producer with mines in four countries, namely Indonesia (ITMG), Australia (Centennial), Mongolia (Hunnu), and China, commanding total equity reserves of 713mt. Banpu Power (78.7% owned by Banpu) also has power generation capacity (equity basis).

#### STOCK DATA

GICS sector	Energy
Bloomberg ticker:	BANPU TB
Shares issued (m):	10,018.9
Market cap (Btm):	46,087.0
Market cap (US\$m):	1,306.5
3-mth avg daily t'over (US\$m):	12.6

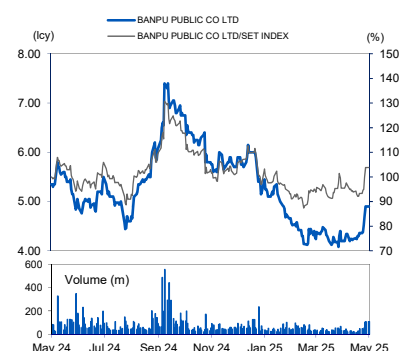
#### Price Performance (%)

52-week high/low				Bt9.25/Bt4.44
1mth	3mth	6mth	1yr	YTD
(16.4)	(15.6)	(21.4)	(50.8)	(32.4)

#### Major Shareholders

	%
Vongkusolkij family	17.0
NVDR	16.0
State Street Bank Europe Ltd.	6.7
FY24 NAV/Share (Bt)	18.63
FY24 Net Debt/Share (Bt)	11.31

#### PRICE CHART



Source: Bloomberg

#### ANALYST(S)

Tanaporn Visaruthaphong

+662 659 8305

tanaporn@uobkayhian.co.th

Benjaphol Suthwanish

+662 659 8301

Benjaphol@uobkayhian.co.th

## KEY STATISTICS

	1Q24	4Q24	1Q25	%yoy	%qoq	2024	2025F	%yoy
<b>Coal Business</b>								
<b>Indonesia Mines</b>								
Sales Volume (mTonnes)	5.0	6.9	5.9	18%	-15%	24.0	24.0	0%
Average selling price (US\$/Tonne)	97	92	81	-17%	-12%	95.0	86.0	-9%
Average cost of sales (US\$/Tonne)	71	57	50	-31%	-13%	55.7	52.0	-7%
<b>Australia Mines</b>								
Sales Volume (mTonnes)	1.6	1.9	1.2	-24%	-34%	7.9	7.9	0%
Average selling price (A\$/Tonne)	184	157	163	-11%	4%	171.0	162.0	-5%
Average cost of sales (A\$/Tonne)	170	194	160	-6%	-18%	168.2	160.0	-5%
<b>Natural Gas Business</b>								
Sales Volume (Bcf)	74.7	71.9	68.5	-8%	-5%	288	290	1%
Average selling price (US\$/Mcf)	2.4	2.7	3.3	38%	23%	2.2	3.0	34%
Average cost of sales (US\$/Mcf)	2.3	2.1	2.1	-8%	2%	2.2	2.1	-5%
<b>Gross Profit</b>								
Coal Business	26.7%	33.3%	28.9%			29%	28%	
Natural Gas Business	8.4%	24.5%	27.2%			9%	35%	
Power & Stream Business	14.9%	-2.5%	13.2%			13%	12%	

Source: Banpu, UOB Kay Hian

- **Utilities business profit recovered.** BANPU Power reported a net profit of Bt574m, supported by seasonal growth in electricity demand and more production days due to maintenance shutdowns at the Hongsa and BLCP Power (BLCP) in 4Q24.

## STOCK IMPACT

- **Profit expected to recover in 2H25.** We maintain our existing outlook on BANPU's core earnings performance for the rest of 2025. We expect 2Q25 core profit to remain flat qoq, as higher coal sales could be offset by a seasonal decline in gas selling prices. Looking ahead to 2H25, we foresee a recovery in both coal and gas prices. Coal futures could remain above US\$110/tonne, and gas prices are likely to rebound after the 2Q25 low season, supported by ongoing declines in US gas inventories. Additionally, seasonal demand in 2H25 is expected to strengthen, driven by increased purchase orders to stockpile gas ahead of the winter season.

## EARNINGS REVISION/RISK

- **Earnings revision:** None.

## VALUATION/RECOMMENDATION

- **Maintain HOLD with a target price of Bt4.80**, based on a coal regional core PE mean of 8.1x. We remain cautious on its coal business but have a more optimistic outlook on the US gas industry over the next few years, with the gas business accounting for 21% of total EBITDA.

## ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

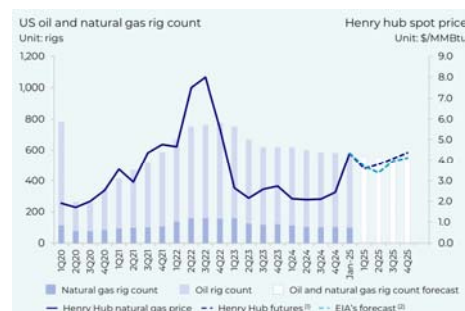
<b>CG Report: 5</b>	
<b>SET ESG Rating: AAA</b>	
<b>• Environmental</b> <ul style="list-style-type: none"> <li>- Greener and smarter strategies to respond to climate change, including reducing greenhouse gas emissions. Investing in renewable energy and cleaner fuels by increasing renewable energy capacity to more than 1.1 gigawatts by 2025 and reducing greenhouse gas emissions by 7% compared with business as usual for the mining business and 20% for the electricity business.</li> </ul>	
<b>• Social</b> <ul style="list-style-type: none"> <li>- Initiatives focusing on community relations and development include: a) promoting and enhancing communities neighbouring mines in Indonesia, b) developing communities surrounding solar power plants in China, c) managing community relations for its subsidiary in Australia, and d) formulating community relation plans for business operations in Vietnam and the US.</li> </ul>	
<b>• Governance</b> <ul style="list-style-type: none"> <li>- Addressing sustainable corporate governance encompasses business ethics, partner and contractor management, business continuity management, and the oversight of data privacy and cybersecurity concerns.</li> <li>- To enhance ESG responsibility within the supply chain, the company has integrated it into supplier management processes. It utilises the ESG Audit Performance system to evaluate potential business partners and contractors prior to procurement, as well as to assess existing partners.</li> </ul>	

## GAS BUSINESS OUTLOOK



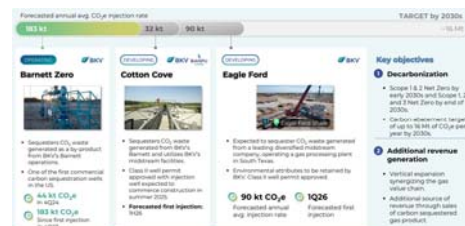
Source: Banpu, UOB Kay Hian

## HENRY HUB GAS PRICES



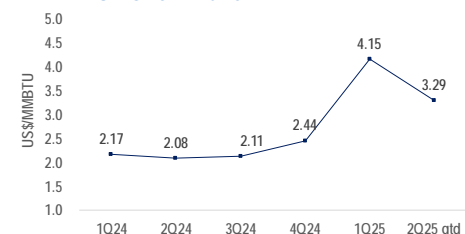
Source: Banpu, UOB Kay Hian

## CCUS BUSINESS



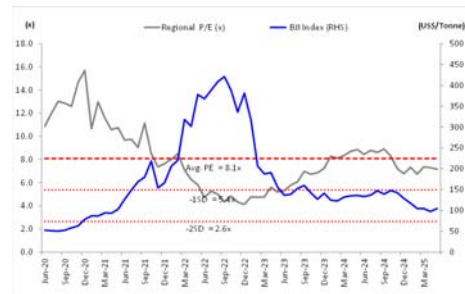
Source: Banpu, UOB Kay Hian

## HENRY HUB GAS PRICES



Source: Banpu, UOB Kay Hian

## REGIONAL PE MEAN AND BJI INDEX



Source: Banpu, Bloomberg, UOB Kay Hian

### PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	181,549	193,457	191,340	186,544
EBITDA	39,663	48,442	49,313	46,564
Deprec. & amort.	21,343	22,810	20,931	19,327
EBIT	18,320	25,632	28,382	27,237
Associate contributions	6,930	7,786	7,684	7,242
Net interest income/(expense)	-14,166	-13,257	-13,257	-13,257
Pre-tax profit	11,083	20,161	22,809	21,222
Tax	-4,221	-10,276	-11,626	-10,817
Minorities	-4,742	-4,000	-4,809	-3,254
Net profit	-682	5,885	6,374	7,151
Net profit (adj.)	2,120	5,885	6,374	7,151

### BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	145,492	132,682	121,751	112,423
Other LT assets	182,451	168,896	167,838	165,440
Cash/ST investment	51,003	26,253	36,496	45,059
Other current assets	42,480	38,803	38,138	37,223
<b>Total assets</b>	<b>421,427</b>	<b>366,635</b>	<b>364,223</b>	<b>360,145</b>
ST debt	55,332	10,000	10,000	10,000
Other current liabilities	36,305	49,758	49,139	47,919
LT debt	148,618	138,618	128,618	118,618
Other LT liabilities	21,385	3,095	3,061	2,985
Shareholders' equity	169,936	175,312	183,553	190,771
<b>Total liabilities &amp; equity</b>	<b>421,427</b>	<b>366,636</b>	<b>364,225</b>	<b>360,148</b>

### CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
<b>Operating</b>	<b>19,064</b>	<b>49,825</b>	<b>32,160</b>	<b>29,429</b>
Pre-tax profit	11,083	20,161	22,809	21,222
Tax	-4,221	-10,276	-11,626	-10,817
Deprec. & amort.	21,343	22,810	20,931	19,327
Working capital changes	-1,605	17,130	46	-303
Other operating cashflows	-7,537	0	0	0
<b>Investing</b>	<b>-3,871</b>	<b>-14,734</b>	<b>-8,975</b>	<b>-7,679</b>
Investments	-18,577	-10,000	-10,000	-10,000
Others	14,706	-4,734	1,025	2,321
<b>Financing</b>	<b>-12,984</b>	<b>-59,841</b>	<b>-12,942</b>	<b>-13,187</b>
Dividend payments	-3,806	-4,509	-2,942	-3,187
Proceeds from borrowings	-9,177	-55,332	-10,000	-10,000
<b>Net cash inflow (outflow)</b>	<b>2,209</b>	<b>-24,750</b>	<b>10,242</b>	<b>8,563</b>
<b>Beginning cash &amp; cash equivalent</b>	<b>53,900</b>	<b>51,003</b>	<b>26,253</b>	<b>36,496</b>
Changes due to forex impact	-5,107	0	0	0
<b>Ending cash &amp; cash equivalent</b>	<b>51,003</b>	<b>26,253</b>	<b>36,496</b>	<b>45,059</b>

### KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
<b>Profitability</b>				
EBITDA margin	21.8	25.0	25.8	25.0
Pre-tax margin	6.1	10.4	11.9	11.4
Net margin	-0.4	3.0	3.3	3.8
ROA	-0.2	1.9	2.1	2.3
ROE	-0.5	4.2	4.4	4.9
<b>Growth</b>				
Turnover	1.1	6.6	-1.1	-2.5
EBITDA	3.3	14.1	1.8	-5.6
Pre-tax profit	-34.6	81.9	13.1	-7.0
Net profit	-112.6	-962.4	8.3	12.2
Net profit (adj.)	-62.1	177.6	8.3	12.2
EPS	-62.1	177.6	8.3	12.2
<b>Leverage</b>				
Debt to total capital	63.8	45.0	40.0	35.6
Debt to equity	120.0	84.8	75.5	67.4
Net debt/(cash) to equity	90.0	69.8	55.6	43.8
Interest cover (x)	2.8	3.7	3.7	3.5

## COMPANY RESULTS

### Indorama Ventures (IVL TB)

1Q25: Weak Quarter, But Recovery In Sight

IVL reported an adjusted net loss of Bt975m, reversing from profits of Bt701m in 4Q24 and Bt2.27b in 1Q24. Following the analyst meeting, we reaffirm our positive outlook on IVL in 2025. IVL is a classic recovery play with a strong balance sheet, disciplined capital strategy and exposure to global petrochemical demand recovery. At current levels, risk-reward is attractive enough to buy IVL. Maintain BUY. Target price: Bt24.00.

#### 1Q25 Results

Year to 31 Dec (Btm)	1Q25	1Q24	4Q24	yoy % chg	qoq % chg
Revenue	118,448	135,908	122,099	(13)	(3)
Core EBITDA	9,386	12,537	11,679	(25)	(20)
Inventory gain/(loss)	231	415	(1,483)	(44)	(116)
Net income	(1,312)	1,133	1,096	(216)	(220)
Core Profit	(975)	2,269	701	(143)	(239)
EPS	(0.23)	0.2	0.20	(216)	(220)

Source: Indorama Ventures, UOB Kay Hian

#### RESULTS

- **Net loss with margin cycle bottoming.** Indorama Ventures (IVL) reported a net loss of Bt1.3b in 1Q25, reversing from net profits of Bt1.1b in 1Q24 and Bt1.1b in 4Q24. While no consensus forecast was available, the result reflects a significant deterioration in profitability. Excluding non-recurring items, adjusted net loss stood at Bt975m, compared with an adjusted profit of Bt701m in 4Q24 and Bt2.27b in 1Q24. The earnings decline reflects margin pressure across the PET and chemicals chain, compounded by higher energy costs with scheduled shutdowns of the MEG plant and ethane cracker plant in US.
- **Soft operational performance.** Production volume declined to 3.27m tonnes, down 6% yoy and 4% qoq due to scheduled turnarounds at US facilities, winter-related disruptions and permanent closures of underperforming PTA plants in Europe under IVL's asset optimisation strategy. EBITDA/tonne dropped to US\$84 (vs US\$104 in 4Q24 and US\$114 in 1Q24) pressured by weaker PET spreads, higher freight costs and continued cost headwinds in Western markets.

#### KEY FINANCIALS

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	541,458	541,583	587,917	544,157	498,793
EBITDA	31,510	38,104	52,423	66,450	69,772
Operating profit	6,675	13,089	25,300	38,325	41,646
Net profit (rep./act.)	(10,798)	(19,262)	7,258	15,567	18,108
Net profit (adj.)	5,943	6,162	7,258	15,567	18,108
EPS (Bt)	1.1	1.1	1.3	2.8	3.2
PE (x)	18.3	17.7	15.0	7.0	6.0
P/B (x)	0.7	0.9	0.8	0.8	0.7
EV/EBITDA (x)	11.9	9.9	7.2	5.7	5.4
Dividend yield (%)	4.8	3.6	3.6	4.1	4.4
Net margin (%)	(2.0)	(3.6)	1.2	2.9	3.6
Net debt/(cash) to equity (%)	135.1	184.6	197.2	175.0	160.1
Interest cover (x)	2.2	2.4	3.2	4.1	4.3
ROE (%)	(6.2)	(13.3)	5.7	11.6	12.4
Consensus net profit (Btm)	-	-	9,538	13,401	15,513
UOBKH/Consensus (x)	-	-	0.76	1.16	1.17

Source: Indorama Ventures, Bloomberg, UOB Kay Hian

n.m. : not meaningful; negative P/E, EV/EBITDA reflected as "n.m."

## BUY

(Maintained)

Share Price	Bt20.40
Target Price	Bt24.00
Upside	+48.5%
(Previous TP	30.00)

#### COMPANY DESCRIPTION

IVL is one of the world's largest polyester chain makers with a total production capacity of 17m tonnes.

#### STOCK DATA

GICS sector	Materials
Bloomberg ticker:	IVL TB
Shares issued (m):	5,614.6
Market cap (Btm):	108,992
Market cap (US\$m):	3,301.8
3-mth avg daily t'over (US\$m):	11.6

#### Price Performance (%)

52-week high/low Bt27.50/Bt16.00

1mth	3mth	6mth	1yr	YTD
3.2	(15.7)	(26.1)	(17.4)	(22.1)

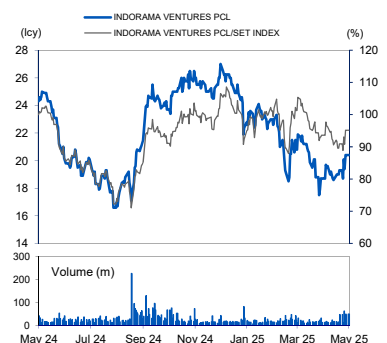
#### Major Shareholders

	%
Lohia family	66.0
Bangkok Bank	4.8
-	-

FY24 NAV/Share (Bt) 25.24

FY24 Net Debt/Share (Bt) 39.17

#### PRICE CHART



Source: Bloomberg

#### ANALYST(S)

Arsit Pamaranont

+662 659 8317

arsit@uobkayhian.co.th

## STOCK IMPACT

- **Signs of recovery in 2Q25.** Following the analyst meeting on 9 May 25, we reaffirm our positive outlook on IVL from 2Q25 onwards. With an absence of scheduled maintenance, management expects production volume to recover in 2Q25. PET, PTA, and EO spreads and have already corrected significantly, and multiple peers globally have cut capacity or shut down plants, which would help rebalance demand-supply. According to IVL, PET spread in Asia rebounded by 23% mom to US\$142/tonne in April (from US\$116/tonne in 1Q25) while MEG spread rose 21% qoq to US\$357/tonne in Apr 25. Management expects to see margin recovery in 2Q–3Q25, supported by destocking normalisation and improved seasonal demand (eg the US driving season). IVL's management stated that freight rates have started to decline, which typically helps margin recovery. It also does not expect a significant impact from Trump's reciprocal tariffs.
- **Clear cost discipline and benefit from restructuring plan.** Following its asset optimisation strategy, including the shutdown of non-performing PTA plants in Europe in 2024, IVL expects these measures to improve group margins from 2025 onwards. We also expect fixed cost to see a further reduction to around US\$17m in 2025. We expect IVL to benefit from the acquisition of 24.9% in EPL Ltd (formerly Essel Propack Limited), a global tube-packaging company in India. The transaction is expected to close in 2Q25 and will strengthen IVL's Indovida (packaging segment), adding an estimated US\$10m in earnings annually in 2025 and broadening IVL's presence in the specialty packaging market.

## EARNINGS REVISION/RISK

- We revise our 2025 core profit forecast down by 29% to Bt7.3b, factoring in 1Q25 weakness and cautious assumptions on the recovery in PET margin. However, we believe earnings have bottomed, with upside risk in 2H25 from improving fundamentals.

## EARNINGS REVISION AND ASSUMPTION GRM

	Old	2025F	New	%Chg
EBITDA margin	110	103		-6%
Core Profit (Btm)	10,288	7,258		-20%

Source: IVL, UOB Kay Hian

## VALUATION/RECOMMENDATION

- **Maintain BUY with a new target price of Bt24.00 (previously: Bt30.00).** Despite near-term losses, IVL trades at a deep discount to peers at 0.8x P/B and 15.0x 2025F PE, well below historical averages. We maintain our BUY rating with a target price of Bt24.00, based on 18x 2025F PE (+1 SD of historical mean), reflecting improving spread trends and long-term structural advantages.

## SHARE PRICE CATALYST

- 2Q25: Seasonal peak in polyethylene terephthalate (PET) demand.

## ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

<b>CG Report: 5</b>
<b>SET ESG Rating: AA</b>
<ul style="list-style-type: none"> <li>• <b>Environmental</b></li> </ul> <p>IVL is committed to reducing greenhouse gas emissions from its operations and is focusing on the entire value chain when looking for ways to improve resource productivity. IVL targets a 10% combined GHG intensity reduction in 2025</p>
<ul style="list-style-type: none"> <li>• <b>Social</b></li> </ul> <p>IVL conducts 65 initiatives that promote recycling awareness and education. The company has also set up 165 initiatives that support infrastructure and health.</p> <p>IVL implemented global Environment, Health &amp; Safety and Sustainability Software Management systems.</p>
<ul style="list-style-type: none"> <li>• <b>Governance</b></li> </ul> <p>IVL received an "Excellent - 5 Star" CG score by the Thai Institute of Directors for the ninth consecutive year.</p>

## KEY OPERATING NUMBERS (1Q25)

Year to 31	1Q25	1Q24	4Q24	yoy	qoq
Production vol ('000 tonnes)	3,270	3,470	3,406	(6)	(4)
core EBITDA/tonne	84	114	104	(26)	(19)

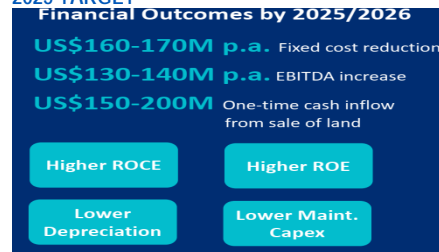
Source: IVL, UOB Kay Hian

## EBITDA BY SEGMENT



Source: IVL

## 2025 TARGET



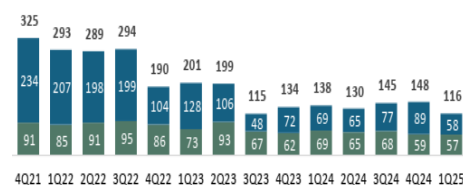
Source: Bloomberg

## IPO OF INDOVINYA



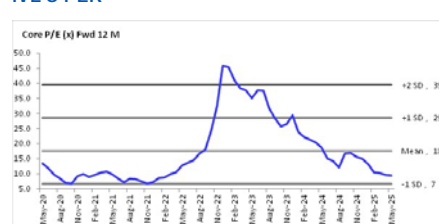
Source: IVL

## ASIA PET/PTA SPREAD



Source: IVL

## IVL'S PER



Source: IVL

### PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	541,583	587,917	544,157	498,793
EBITDA	38,104	52,423	66,450	69,772
Deprec. & amort.	25,015	27,123	28,125	28,126
EBIT	13,089	25,300	38,325	41,646
Total other non-operating income	(19,341)	500	600	700
Associate contributions	(589)	30	35	40
Net interest income/(expense)	(16,200)	(16,200)	(16,251)	(16,252)
<b>Pre-tax profit</b>	<b>(23,041)</b>	<b>9,630</b>	<b>22,709</b>	<b>26,134</b>
Tax	3,855	(2,022)	(4,542)	(5,227)
Minorities	(76)	(350)	(2,600)	(2,800)
Net profit	(19,262)	7,258	15,567	18,108
<b>Net profit (adj.)</b>	<b>6,162</b>	<b>7,258</b>	<b>15,567</b>	<b>18,108</b>

### CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
<b>Operating</b>	<b>(13,131)</b>	<b>35,416</b>	<b>47,524</b>	<b>37,452</b>
Pre-tax profit	(23,041)	9,630	22,709	26,134
Tax	3,855	(2,022)	(4,542)	(5,227)
Deprec. & amort.	25,015	27,123	28,125	28,126
Associates	589	(30)	(35)	(40)
Working capital changes	(18,157)	307	3,832	(8,783)
Non-cash items	(76)	(350)	(2,600)	(2,800)
Other operating cashflows	(1,316)	757	35	41
<b>Investing</b>	<b>21,893</b>	<b>(52,263)</b>	<b>(33,113)</b>	<b>(33,199)</b>
Capex (growth)	16,254	(50,000)	(30,000)	(30,000)
Investment	5,689	6,150	7,250	7,250
Others	(50)	(8,413)	(10,363)	(10,449)
<b>Financing</b>	<b>(9,949)</b>	<b>(830)</b>	<b>(1,135)</b>	<b>1,347</b>
Dividend payments	(4,558)	(4,492)	(4,772)	(4,772)
Proceeds from borrowings	9,200	3,662	3,637	6,119
Others/interest paid	(14,591)	0	0	0
Net cash inflow (outflow)	(1,187)	(14,647)	13,276	5,599
Beginning cash & cash equivalent	18,683	17,496	(181)	13,094
<b>Ending cash &amp; cash equivalent</b>	<b>17,496</b>	<b>1,319</b>	<b>13,094</b>	<b>18,694</b>

### BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	271,124	294,001	295,876	297,750
Other LT assets	86,312	89,240	89,392	93,588
Cash/ST investment	17,496	1,319	13,094	18,694
Other current assets	166,621	172,078	175,500	183,300
<b>Total assets</b>	<b>541,552</b>	<b>555,137</b>	<b>573,862</b>	<b>593,331</b>
ST debt	71,109	72,771	74,408	78,527
Other current liabilities	121,628	124,552	126,700	128,793
LT debt	178,870	180,870	182,870	184,870
Other LT liabilities	31,015	34,521	36,666	34,587
Shareholders' equity	125,951	128,717	139,512	152,847
Minority interest	12,979	13,706	13,706	13,707
<b>Total liabilities &amp; equity</b>	<b>541,552</b>	<b>555,137</b>	<b>573,862</b>	<b>593,331</b>

### KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
<b>Profitability</b>				
EBITDA margin	7.0	8.9	12.2	14.0
Pre-tax margin	(4.3)	1.6	4.2	5.2
Net margin	(3.6)	1.2	2.9	3.6
ROA	(3.4)	1.3	2.8	3.1
ROE	(13.3)	5.7	11.6	12.4
<b>Growth</b>				
Turnover	0.0	8.6	(7.4)	(8.3)
EBITDA	20.9	37.6	26.8	5.0
Pre-tax profit	n.a.	n.a.	135.8	15.1
Net profit	n.a.	n.a.	114.5	16.3
Net profit (adj.)	3.7	17.8	114.5	16.3
EPS	3.7	17.8	114.5	16.3
<b>Leverage</b>				
Debt to total capital	64.3	64.0	62.7	61.3
Debt to equity	198.5	197.1	184.4	172.3
Net debt/(cash) to equity	184.6	197.2	175.0	160.1
Interest cover (x)	2.4	3.2	4.1	4.3

## COMPANY RESULTS

### Thai Oil (TOP TB)

1Q25: Net Profit In Line With Our Expectations

TOP reported a 1Q25 net profit of Bt3.5b, up 27% qoq. This is in line with our forecast and 7% above the consensus estimate. The earnings were supported by a stock gain of Bt1.1b, which helped offset the impact of a weaker market GRM. However, core profit declined both qoq and yoy, reflecting the drop in market GIM. Looking ahead, core profit in 2Q25 is expected to decline qoq. Our core profit forecast for 2025 remains unchanged. Maintain HOLD. Target price: Bt27.00.

#### 1Q25 RESULTS

Year to 31 Dec	1Q24	4Q24	1Q25	%yoy	%qoq	2024	2025F	%yoy
Revenue	119,535	112,536	106,788	-11%	-5%	466,777	511,526	10%
EBITDA	11,590	3,550	5,221	-55%	47%	20,999	27,471	31%
Operating Profit	9,646	1,524	3,262	-66%	114%	12,893	15,702	22%
Gain (Loss) from affiliate	-124	63	-113	n.a.	n.a.	-132	150	n.a.
Core Profit	7,587	2,929	1,909	-75%	-35%	8,412	9,382	12%
Extraordinary item	-1,724	-162	1,595	n.a.	n.a.	1,547	0	-100%
Net Income	5,863	2,767	3,504	-40%	27%	9,959	9,382	-6%
- Refinery and Lube	4,518	1,892	2,871	-36%	52%	4,928	4,432	-10%
- Petrochemical	362	433	229	-37%	-47%	1,639	1,850	13%
- Power	474	404	410	-14%	1%	1,900	2,250	18%
- Others	584	124	204	-65%	65%	1,895	850	-55%
EPS	2.62	1.24	1.57			4.46	4.20	
Financial Ratio								
Gross Profit Margin	8.8%	2.4%	3.8%			3.6%	3.7%	
EBITDA Margin	9.7%	3.2%	4.9%			4.5%	5.4%	
Net profit margin	4.9%	2.5%	3.3%			2.1%	1.8%	

Source: Thai Oil, UOB Kay Hian

#### RESULTS

- 1Q25 net profit in line with our expectations.** Thai Oil (TOP) reported a 1Q25 net profit of Bt3.5b, up 25% qoq but down 41% yoy. The result was in line with our forecast and 7% above the consensus estimate. Core profit declined both qoq and yoy, mainly due to a lower market gross integrated margin (market GIM) of US\$5.4/bbl (vs US\$7.10/bbl in 4Q24 and US\$10.40/bbl in 1Q24). However, net profit for 1Q25 is up qoq, supported in part by higher non-recurring gains, particularly a stock gain of Bt1.10b.
- 1Q25 refinery business profit increased qoq.** driven by a significantly higher stock gain of Bt1.1b (vs Bt95m in 4Q24). However, core operations decreased qoq as the market gross refinery margin (market GRM) declined to US\$3.50/bbl in 1Q25 (vs US\$5.10/bbl in 4Q24 and US\$9.00/bbl in 1Q24). This was due to higher crude premiums and weaker GRM of core petroleum products, along with gasoline spread which has fallen 32% qoq to US\$7.70/bbl amid seasonal softness. Refinery utilisation remained steady at 113% in 1Q25. Meanwhile, the lube base oil business saw a drop in product spreads, reducing its contribution to market GIM to US\$1.00/bbl (vs US\$1.10/bbl in 4Q24).

#### KEY FINANCIALS

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	469,244	466,777	511,526	511,878	515,242
EBITDA	41,335	21,460	29,672	29,981	30,413
Operating profit	24,257	12,264	12,163	11,465	12,076
Net profit (rep./act.)	19,443	9,959	9,382	8,788	9,258
Net profit (adj.)	22,080	8,412	9,382	8,788	9,258
EPS (Bt)	9.9	3.8	4.2	3.9	4.1
PE (x)	2.7	7.0	6.3	6.7	6.4
P/B (x)	0.4	0.4	0.3	0.3	0.3
EV/EBITDA (x)	5.4	8.3	5.6	5.2	4.7
Dividend yield (%)	12.8	7.2	7.2	7.2	7.2
Net margin (%)	4.1	2.1	1.8	1.7	1.8
Net debt/(cash) to equity (%)	89.9	79.5	62.5	54.2	46.8
Interest cover (x)	9.5	5.7	5.0	5.3	5.5
ROE (%)	14.1	7.3	6.7	6.2	6.4
Consensus net profit	-	-	11,447	12,401	12,098
UOBKH/Consensus (x)	-	-	0.82	0.71	0.77

Source: Thai Oil, Bloomberg, UOB Kay Hian

## HOLD

(Maintained)

Share Price	Bt27.25
Target Price	Bt27.00
Upside	-0.92%

#### COMPANY DESCRIPTION

TOP is an oil refinery company. It also produces oil related products including LPG, kerosene, fuel oil and chemicals.

#### STOCK DATA

GICS sector	Energy
Bloomberg ticker:	TOP TB
Shares issued (m):	2,233.8
Market cap (Btm):	111,133.3
Market cap (US\$m):	3,150.5
3-mth avg daily t'over (US\$m):	15.6

#### Price Performance (%)

52-week high/low Bt59.50/Bt46.50

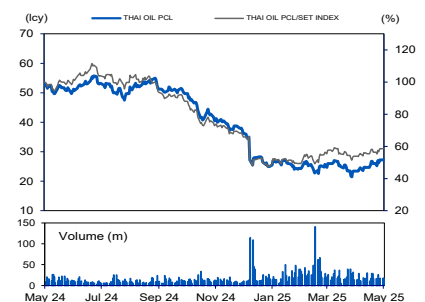
1mth	3mth	6mth	1yr	YTD
(6.6)	(7.0)	(10.4)	(7.9)	(7.4)

#### Major Shareholders

	%
PTT	49.1
NVDR	4.5
HSBC (Singapore) Nominees Pte. Ltd.	2.6

FY24 NAV/Share (Bt)	77.98
FY24 Net Debt/Share (Bt)	56.63

#### PRICE CHART



Source: Bloomberg

#### ANALYST(S)

**Tanaporn Visaruthaphong**  
+662 659 8305  
tanaporn@uobkayhian.co.th

**Benjaphol Suthwanish**  
+662 659 8301  
Benjaphol@uobkayhian.co.th

- **Petrochemical profit is expected to remain flat qoq**, with a stable contribution to market GIM at US\$0.9/bbl. Linear Alkyl Benzene spread (LAB-Bz) rose slightly by 1.2% qoq to US\$622/tonne. However, this improvement was offset by an 11% qoq decline in benzene spread, driven by weaker downstream demand and elevated inventory in China.
- **1Q25 extraordinary gain increased qoq**. This is due to a hedging gain of Bt192m, forex gains of Bt80m, Bt174m from a bond buyback, and a Bt98m profit being recognised from a performance bond under the engineering, procurement, and construction (EPC) contract of the clean fuel project (CFP).

#### STOCK IMPACT

- **Core profit outlook down qoq**. We maintain a cautious outlook on core profit for 2Q25, as the recovery in Singapore GRM and improved cost structure from the resumed single buoy mooring #2 (SBM#2) project are likely to be outweighed by higher crude premiums and weaker aromatics spreads. We anticipate a notable stock loss in 2Q25 earnings, driven by a 17% qtd drop in crude oil prices. This stock loss is expected to be partially offset by a one-time gain from the investment in PT Chandra Asri Petrochemical Tbk (CAP). In 2Q25, TOP will record an additional US\$83.0m from performance bonds related to the EPC contract for the CFP Project. However, this is not expected to have a significant impact on 2Q25 results, as the amount will be applied toward reducing the overall construction costs of the project.
- **TOP terminates EPC contract, with no impact on CFP project**. TOP has terminated its EPC contract with the consortium comprising Samsung E&A Thailand, Petrofac South East Asia, and Saipem Singapore (UJV). Following this decision, TOP has provided the following updates: a) TOP's management affirms that the Clean Fuel Project remains on track, with the Commercial Operation Date (COD) still targeted for 3Q28, b) A new main contractor will be chosen via a competitive bidding process, expected to conclude by 3Q25, c) The incoming main contractor will continue construction based on the existing engineering design and technology, d) The additional investment requirement will be determined with expert input. Previously, TOP had sought approval for a budget increase of US\$1.78b, and e) Alongside internal cash flow of approximately US\$2.0b in 2025–27, TOP is expected to pursue asset monetisation and issue perpetual bonds to meet remaining funding needs in 2H25.

#### EARNINGS REVISION/RISK

- **Earnings revision:** None.

#### VALUATION/RECOMMENDATION

- **Maintain HOLD with a target price of Bt27.00 in 2025**, based on TOP's forward PE of 7x. In the oil & gas sector, we prefer PTT Global Chemical (PTTGC TB/BUY/Target: Bt21.00), Bangchak Corporation (BCP TB/BUY/Target: Bt45.00), and Indorama Ventures (IVL TB/BUY/Target: Bt32.00).

#### ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

<b>CG Report: 5</b>
<b>SET ESG Rating: AAA</b>
<b>Environmental</b>
- <b>Net zero GHG reduction.</b> Reduce greenhouse gas (GHG) emissions by 15% in 2035 from the base year of 2026 to achieve carbon neutrality in 2050 and net zero GHG emissions target in 2060 through the implementation of net zero GHG emissions.
<b>Social</b>
- <b>Creating social value.</b> To develop the quality of life in society in alignment with the company's strategic direction to become a petrochemical and innovative business and contribute to net zero GHG emissions. <b>Strengthen community engagement.</b> To maintain community engagement score at 90% or above. <b>Nature-based solution.</b> To support zero GHG emissions target through forest conservation, reforestation and afforestation initiatives.
<b>Governance</b>
- <b>Zero cases of non-compliance and fraud incidents.</b> No cases of non-compliance with laws, regulations and the company's code of conduct. <b>Good governance recognition.</b> Being a recognised organisation for good corporate governance.

#### KEY STATISTICS

	1Q24	4Q24	1Q25	%yoy	%qoq
Avg. Fx (Bt per US\$)	35.4	34.2	35.2	-1%	3%
Dubai (US\$/bbl)	81.3	73.6	76.9	-5%	4%
Singapore GRM (US\$/bbl)	7.30	5.02	3.16	-57%	-37%
Actual Capacity (KBD)	289	311	311	8%	0%
Refinery Utilization	105%	113%	113%	8%	0%
Market GRM (US\$/bbl)	9.0	5.1	3.5	-61%	-31%
Market GIM (US\$/bbl)	10.4	7.1	5.4	-48%	-24%
Crude Premium (US\$/bbl)	1.1	1.6	2.6	132%	62%

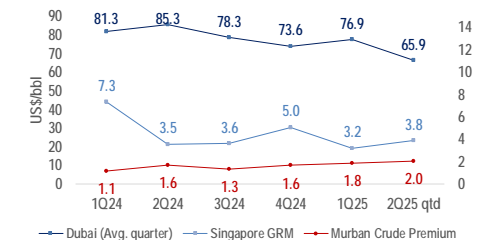
Source: Thai Oil, UOB Kay Hian

#### RECOGNITION OF PERFORMANCE BONDS IN CFP PROJECTS

US\$,m	1Q25	Apr-25	May-25
Performance Bonds	358	63	20

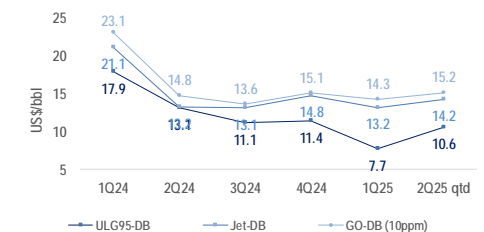
Source: Thai Oil, UOB Kay Hian

#### CRUDE OIL, GRM AND CRUDE PREMIUM



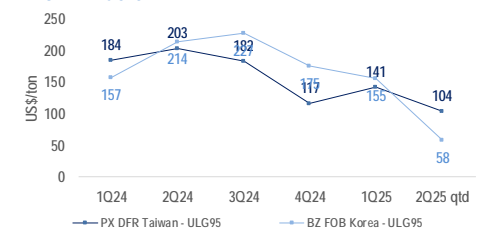
Source: Thai Oil, UOB Kay Hian

#### GRM OF PETROLEUM PRODUCT



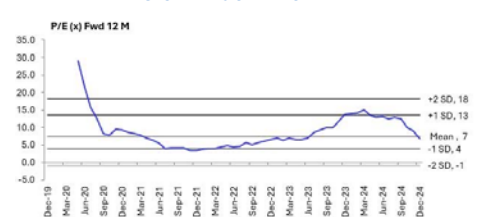
Source: Thai Oil, UOB Kay Hian

#### AROMATICS SPREAD



Source: Thai Oil, UOB Kay Hian

#### REFINERY REGIONAL CORE FORWARD PE



Source: Thai Oil, Bloomberg, UOB Kay Hian

### PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	466,777	511,526	511,878	515,242
EBITDA	21,460	29,672	29,981	30,413
Deprec. & amort.	8,106	11,770	12,987	12,960
EBIT	13,354	17,902	16,994	17,453
Associate contributions	2,008	2,201	2,202	2,217
Net interest income/(expense)	-4,052	-5,889	-5,709	-5,577
Pre-tax profit	10,717	12,163	11,465	12,076
Tax	-2,283	-2,265	-2,135	-2,248
Minorities	-22	-517	-542	-570
Net profit	9,959	9,382	8,788	9,258
Net profit (adj.)	8,412	9,382	8,788	9,258

### BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	224,153	223,623	223,136	222,676
Other LT assets	31,427	31,427	31,427	31,427
Cash/ST investment	39,738	58,318	65,934	72,454
Other current assets	45,515	9,719	9,726	9,790
Total assets	409,010	397,736	405,005	411,589
ST debt	6,502	3,777	3,777	3,777
Other current liabilities	9,582	10,231	10,238	10,305
LT debt	165,008	161,231	157,455	153,678
Other LT liabilities	10,154	5,115	5,119	5,152
Shareholders' equity	165,680	170,818	175,853	181,596
Total liabilities & equity	409,010	397,736	405,005	411,589

### CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Operating	12,264	12,163	11,465	12,076
Pre-tax profit	12,264	12,163	11,465	12,076
Tax	-2,283	-2,265	-2,135	-2,248
Deprec. & amort.	8,106	11,770	12,987	12,960
Working capital changes	20,339	-1,461	5,327	3,524
Other operating cashflows	929	0	0	0
Investing	39,355	20,207	27,645	26,312
Investments	-8,955	-11,240	-12,500	-12,500
Others	-5,053	31,055	0	0
Financing	-24,267	-10,746	-7,530	-7,292
Dividend payments	-8,823	-4,244	-3,753	-3,515
Issue of shares	0	0	0	0
Proceeds from borrowings	-15,444	-6,502	-3,777	-3,777
Others/interest paid	n.a.	n.a.	n.a.	n.a.
Net cash inflow (outflow)	1,079	29,276	7,615	6,520
Beginning cash & cash equivalent	39,127	29,042	58,318	65,934
Changes due to forex impact	-468	0	0	0
Ending cash & cash equivalent	39,738	58,318	65,934	72,454

### KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
Profitability				
EBITDA margin	4.6	6.3	6.4	6.5
Pre-tax margin	2.3	2.6	2.4	2.6
Net margin	2.1	2.0	1.9	2.0
ROA	6.0	5.5	5.0	5.0
ROE	6.0	5.5	5.0	5.0
Growth				
Turnover	-0.5	9.6	0.1	0.7
EBITDA	-48.1	38.3	1.0	1.4
Pre-tax profit	-60.1	13.5	-5.7	5.3
Net profit	-48.8	-5.8	-6.3	5.3
Net profit (adj.)	-61.9	11.5	-6.3	5.3
EPS	-61.9	11.5	-6.3	5.3
Leverage				
Debt to total capital	103.2	96.0	90.9	85.7
Debt to equity	103.5	96.6	91.7	86.7
Net debt/(cash) to equity	79.5	62.5	54.2	46.8
Interest cover (x)	5.7	5.0	5.3	5.5

## COMPANY UPDATE

## Asset World Corporation (AWC TB)

A Challenging Growth Path Ahead

The tone at AWC's 1Q25 analyst meeting was neutral. The company delivered a strong core profit of Bt728m (+14.3% yoy, +7.6% qoq), which is in line with our and consensus forecasts. Going forward, the tourism sector faces a challenging outlook. AWC is actively adapting strategies to combat the poor outlook by switching its focus to another target customer group. The 2Q25 outlook is still positive as the number of bookings is showing a yoy growth. Maintain BUY. Target price: Bt3.30.

### WHAT'S NEW

- **Neutral tone at the meeting.** We attended Asset World Corporation's (AWC) 1Q25 analyst meeting to review its earnings result, and the tone was neutral.
- **Strategy to combat poor tourism outlook.** As the Thai tourism sector faces a grim outlook, AWC is closely monitoring the situation and adjusting its strategies to cope. According to management, AWC's foreign seminar bookings have been impacted, particularly due to fears stemming from the earthquake. AWC will need to focus more on domestic bookings as a substitute while trying to regain confidence internationally. AWC is also emphasising more on free individual travellers (FIT) rather than group travellers as AWC can charge higher room rates (ADR) for FITs. Hence, FITs generate a higher margin for AWC than group visitors.
- **AWC Growth Fund is a key growth driver of AWC.** Given the large scale of some of AWC's projects, AWC Growth Fund is a key tool in assisting AWC's growth path. The AWC Growth Fund is a mechanism where AWC initially acquires 18-25% of the landbank owned by Thai Charoen Corporation (TCC), the parent entity of AWC, and then redevelops the landbank into a project. Once the project is completed and starts operating and ramping up into a stable state, AWC will acquire 100% of the project through a call option from TCC. This mechanism gives AWC an advantage over other developers as AWC will need to bear less development costs and less debt on their balance sheet since the majority of the cost and debt will be supported by TCC's massive balance sheet during the ramp-up process. Current projects under the AWC Growth Fund are Woeng Nakornkasem Yaowaraj, Plaza Athenee New York, and Lannatique.

### KEY FINANCIALS

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	13,988.9	15,902.3	18,885.8	21,217.9	23,589.4
EBITDA	4,767.5	5,688.5	6,958.7	7,822.2	8,717.4
Operating profit	3,049.4	3,805.7	4,921.0	5,684.5	6,479.6
Net profit (rep./act.)	5,037.9	5,850.3	6,095.1	6,664.9	7,260.1
Net profit (adj.)	1,057.6	1,860.2	2,122.9	2,692.8	3,288.0
EPS (Bt)	0.0	0.1	0.1	0.1	0.1
PE (x)	61.7	35.1	30.7	24.2	19.9
P/B (x)	0.7	0.7	0.7	0.7	0.6
EV/EBITDA (x)	27.2	22.8	18.7	16.6	14.9
Dividend yield (%)	3.1	3.6	3.7	4.1	4.4
Net margin (%)	36.0	36.8	32.3	31.4	30.8
Net debt/(cash) to equity (%)	80.5	84.5	66.8	61.0	55.0
Interest cover (x)	2.8	3.0	3.2	3.5	3.7
ROE (%)	5.9	6.5	6.5	6.8	7.1
Consensus net profit (Btm)	-	-	3,476	4,131	5,006
UOBKH/Consensus (x)	-	-	0.61	0.65	0.66

Source: Asset World Corporation, Bloomberg, UOB Kay Hian

## BUY

(Maintained)

Share Price	Bt2.04
Target Price	Bt3.30
Upside	+61.8%

### COMPANY DESCRIPTION

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

### STOCK DATA

GICS sector	Consumer Discretionary
Bloomberg ticker:	AWC TB
Shares issued (m):	32,013.0
Market cap (Btm):	65,306.5
Market cap (US\$m):	1,979.6
3-mth avg daily t'over (US\$m):	5.0

### Price Performance (%)

52-week high/low			Bt4.40/Bt2.02	
1mth	3mth	6mth	1yr	YTD
(12.8)	(32.5)	(46.0)	(53.2)	(42.0)

### Major Shareholders

	%
TCC Business Management Company	45.0
TCC Retail Co. Ltd.	30.0
Nomura Holdings Inc.	4.5
FY25 NAV/Share (Bt)	2.88
FY25 Net Debt/Share (Bt)	2.13

### PRICE CHART



Source: Bloomberg

### ANALYST(S)

**Benjaphol Suthwanish**  
+662 659 8301  
Benjaphol@uobkayhian.co.th

### ASSISTANT ANALYST(S)

**Nonpawit Vathanadachakul**

## 1Q25 EARNINGS RESULTS

Year to 31 Dec (Btm)	1Q24	4Q24	1Q25	yoy (%)	qoq (%)
Hotel sales	3,317	3,414	3,599	8.5	5.4
Retail sales	877	937	933	6.4	(0.4)
Total Revenue	4,252	4,407	4,633	9.0	5.1
Gross profit	2,464	2,405	2,623	6.4	9.1
Operating EBITDA	1,716	1,610	1,845	7.5	14.6
Core profit	637	676	728	14.3	7.6
Net profit	1,605	1,860	1,969	22.7	5.9
EPS (Bt)	0.05	0.06	0.06	22.7	5.9
(%)	1Q24	4Q24	1Q25	yoy (ppts)	qoq (ppts)
Gross margin	57.9	54.6	56.6	(1.3)	2.0
EBITDA margin	40.4	36.5	39.8	(0.5)	3.3
Core profit margin	15.0	15.3	15.7	0.7	0.4

Source: AWC, UOB Kay Hian

## STOCK IMPACT

- Delivers strong earnings in 1Q25.** AWC reported a net profit of Bt1.97b (+22.7% yoy, +5.9% qoq) for 1Q25. Core profit was Bt728m (+14.3% yoy, +7.6% qoq), in line with our and consensus forecasts. Total revenue came in at Bt4.6b (+9.0% yoy, +5.1% qoq) with growth contribution of 8.5% yoy from the hotel and 6.4% yoy from the retail businesses. The best performers were MICE Bangkok City and the luxury resorts, which saw a RevPar growth of 7% and 11% yoy respectively. The key driver for both segments was a strong growth in ADR. For the retail business, the main contributions were from the significant increase in occupancy rate and decent uplift in average rental rate (ARR) of tourist lifestyle destination and the community shopping mall segments. The key contributors were the reopening of Pantip malls and the surge of tourists at Asiatique.

- Outlook for 2Q25.** Although the earthquake caused no damage to AWC's properties, we anticipate a temporary dip in room bookings. Nevertheless, reservation figures for Apr and May 25 continue to show yoy growth, and ADR has also increased yoy, an encouraging development. Additionally, the Marriott Jomtien Beach Pattaya Hotel with 289 rooms is scheduled to begin operations in Jun 25.

## VALUATION/RECOMMENDATION

- Maintain BUY with a target price of Bt3.30.** Our valuation is based on a three-year historical average of EV/EBITDA multiple at 25.0x (excluding the COVID-19 period). We are optimistic on AWC due to: a) the better trend of the retail business, b) its advantage from the AWC Growth Fund, and c) a good outlook in 2Q25.

## ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

### CG Report: 5

### SET ESG Rating: AA

#### Environmental

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

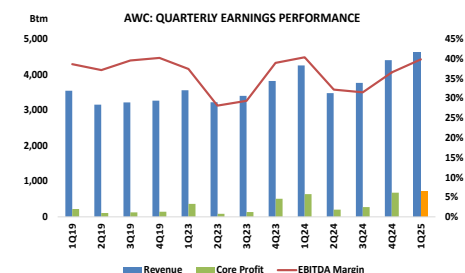
#### Social

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

#### Governance

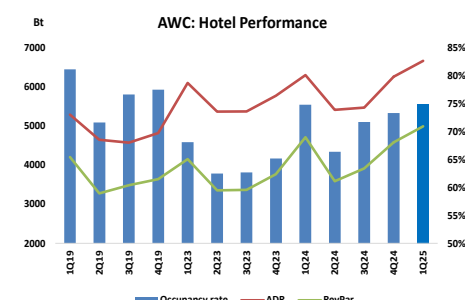
- Strong corporate governance.** Adopting transparent management policies to ensure ethical business practices.
- Risk management.** Robust frameworks to mitigate financial, operational, and environmental risks.

## QUARTERLY PERFORMANCE



Source: AWC, UOB Kay Hian

## HOTEL PERFORMANCE



Source: AWC, UOB Kay Hian

## HOTEL PROJECT PIPELINE



Source: AWC, UOB Kay Hian

## AWC GROWTH FUND



Source: AWC, UOB Kay Hian

### PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	15,902	18,886	21,218	23,589
EBITDA	5,689	6,959	7,822	8,717
Deprec. & amort.	1,883	2,038	2,138	2,238
EBIT	3,806	4,921	5,684	6,480
Total other non-operating income	5,103	5,078	5,092	5,107
Associate contributions	71	0	0	0
Net interest income/(expense)	(1,870)	(2,207)	(2,267)	(2,327)
<b>Pre-tax profit</b>	<b>7,110</b>	<b>7,792</b>	<b>8,510</b>	<b>9,259</b>
Tax	(1,260)	(1,558)	(1,702)	(1,852)
Minorities	0	(139)	(143)	(147)
Net profit	5,850	6,095	6,665	7,260
<b>Net profit (adj.)</b>	<b>1,860</b>	<b>2,123</b>	<b>2,693</b>	<b>3,288</b>

### BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	179,295	167,889	170,257	172,489
Other LT assets	4,488	3,371	3,433	3,598
Cash/ST investment	472	9,412	14,382	19,927
Other current assets	1,708	1,944	2,143	2,429
<b>Total assets</b>	<b>185,963</b>	<b>182,617</b>	<b>190,214</b>	<b>198,442</b>
ST debt	39,233	4,000	4,000	4,000
Other current liabilities	4,030	3,204	3,265	3,566
LT debt	38,789	69,609	71,609	73,609
Other LT liabilities	12,132	9,443	10,609	11,795
Shareholders' equity	91,778	96,075	100,302	104,896
Minority interest	0	287	429	577
<b>Total liabilities &amp; equity</b>	<b>185,963</b>	<b>182,617</b>	<b>190,214</b>	<b>198,442</b>

### CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
<b>Operating</b>	<b>8,455</b>	<b>7,900</b>	<b>8,808</b>	<b>9,660</b>
Pre-tax profit	7,110	7,792	8,510	9,259
Tax	(1,260)	(1,558)	(1,702)	(1,852)
Deprec. & amort.	1,883	2,038	2,138	2,238
Working capital changes	285	(678)	(61)	28
Non-cash items	22	(384)	(77)	(13)
Other operating cashflows	486	690	0	0
<b>Investing</b>	<b>(13,319)</b>	<b>7,795</b>	<b>(3,400)</b>	<b>(3,449)</b>
Capex (growth)	(13,760)	9,368	(4,505)	(4,469)
Investment	2,112	2,112	2,112	2,112
Others	(1,671)	(3,685)	(1,007)	(1,092)
<b>Financing</b>	<b>4,827</b>	<b>(6,754)</b>	<b>(438)</b>	<b>(666)</b>
Dividend payments	(2,015)	(2,340)	(2,438)	(2,666)
Proceeds from borrowings	6,973	(4,414)	2,000	2,000
Loan repayment	0	0	0	0
Others/interest paid	(131)	0	0	0
<b>Net cash inflow (outflow)</b>	<b>(38)</b>	<b>8,941</b>	<b>4,970</b>	<b>5,545</b>
<b>Beginning cash &amp; cash equivalent</b>	<b>509</b>	<b>472</b>	<b>9,412</b>	<b>14,382</b>
<b>Ending cash &amp; cash equivalent</b>	<b>472</b>	<b>9,412</b>	<b>14,382</b>	<b>19,927</b>

### KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
<b>Profitability</b>				
EBITDA margin	35.8	36.8	36.9	37.0
Pre-tax margin	44.7	41.3	40.1	39.3
Net margin	36.8	32.3	31.4	30.8
ROA	3.3	3.3	3.6	3.7
ROE	6.5	6.5	6.8	7.1
<b>Growth</b>				
Turnover	13.7	18.8	12.3	11.2
EBITDA	19.3	22.3	12.4	11.4
Pre-tax profit	11.9	9.6	9.2	8.8
Net profit	16.1	4.2	9.3	8.9
Net profit (adj.)	75.9	14.1	26.8	22.1
EPS	75.9	14.1	26.8	22.1
<b>Leverage</b>				
Debt to total capital	45.9	43.3	42.9	42.4
Debt to equity	85.0	76.6	75.4	74.0
Net debt/(cash) to equity	84.5	66.8	61.0	55.0
Interest cover (x)	3.0	3.2	3.5	3.7

## COMPANY UPDATE

### Thai Union Group (TU TB)

Uncertainties Remain In The Near Future

TU reported a 1Q25 core profit of Bt634m, down 27% yoy and 45% qoq, pressured by a softened top-line and higher SGA-to-sales momentum. The company has revised down its financial guidance for 2025. We maintain our forecast of a 16% yoy drop in its 2025 earnings. We still foresee uncertainties for TU in the near future, which will be an overhang on TU's share price. Maintain HOLD. Target price: Bt10.40.

#### WHAT'S NEW

- **Downward revision of 2025 financial targets.** Thai Union Group (TU) has announced new financial targets for 2025, incorporating a more conservative assumption of the trade tariff impact. The new 2025 guidance will be as follows: a) total sales growth of 1-3% yoy, down from 3-4% yoy growth, b) gross profit margin of 18-19%, down from 18.5-19.5%, and c) a higher SGA-to-sales of 13.5-14%, up from 13-13.5%. Our forecasts for 2025-26 remain more conservative than TU's guidance. We expect 2025 earnings to come in at Bt4,185m, down 16% yoy following a softening in its top-line momentum and higher SGA-to-sales.

#### STOCK IMPACT

- **Reiterates plan to handle worst-case tariff spike.** TU stated that currently, only 18% of the company's sales in the US are generated by TU facilities. Management reaffirmed the strength of its network and production diversification around the globe. In a worst-case scenario of Thailand's 36% tariffs being higher than other countries, the company can shift production to Ghana and Seychelles for its ambient business. However, although TU can shift its production globally, it remains to be seen if the new production lines can achieve the same competitive cost and economies of scale as its production facilities in Thailand.
- **TU to continue facing higher consulting costs in 2025.** Management guided that the consulting costs for TU's business transformation project will end in 2025. Therefore, the company expects lower consulting costs for 2026 as there will be only consulting costs from ITC's business transformation project for 2026. We have already factored in a lower SGA-to-sales momentum for TU in 2026.

## KEY FINANCIALS

Year to 31 Dec (Btm)	2023	2024	2025F	2026F	2027F
Net turnover	136,153	138,433	135,628	140,530	146,220
EBITDA	11,950	12,679	11,727	12,802	13,090
Operating profit	7,753	8,308	7,394	8,517	8,848
Net profit (rep./act.)	(13,933)	4,985	4,185	5,075	5,317
Net profit (adj.)	4,801	5,067	4,150	5,075	5,317
EPS (Bt)	1.0	1.1	0.9	1.1	1.2
PE (x)	10.1	9.1	11.2	9.1	8.7
P/B (x)	0.8	1.0	0.9	0.9	0.8
EV/EBITDA (x)	8.9	8.4	9.1	8.3	8.1
Dividend yield (%)	5.2	5.9	5.0	6.0	6.3
Net margin (%)	(10.2)	3.6	3.1	3.6	3.6
Net debt/(cash) to equity (%)	55.8	121.8	115.0	109.3	105.1
Interest cover (x)	5.2	5.1	5.1	5.5	5.6
ROE (%)	(20.0)	9.3	8.5	9.9	9.9
Consensus net profit	-	-	4,367	4,945	5,423
UOBKH/Consensus (x)	-	-	0.95	1.03	0.98

Source: Thai Union Group Plc., Bloomberg, UOB Kay Hian

## HOLD

(Maintained)

Share Price	Bt10.40
Target Price	Bt10.40
Upside	+0.0%

## 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 products and animal feed.

## STOCK DATA

GICS sector	Consumer Staples
Bloomberg ticker:	TU TB
Shares issued (m):	4,455.1
Market cap (Btm):	46,333.0
Market cap (US\$m):	1,404.0
3-mth avg daily t'over (US\$m):	4.4

## Price Performance (%)

52-week high/low Bt15.80/Bt9.45

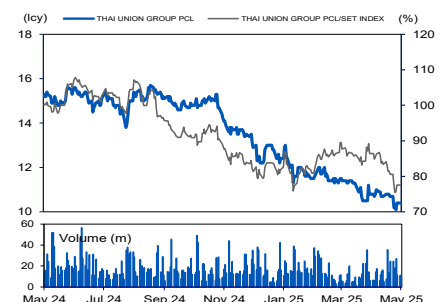
1mth	3mth	6mth	1yr	YTD
(1.0)	(10.3)	(32.0)	(30.2)	(20.0)

## Major Shareholders

	%
Thai NVDR	9.16
Thai Union Group	7.26
Mr. Thiraphong Chansiri	5.94

FY24 NAV/Share (Bt)	11.25
FY24 Net Debt/Share (Bt)	12.93

## PRICE CHART



Source: Bloomberg

## ANALYST(S)

**Kampon Akaravarinchai**

+662 659 8031

kampon@uobkayhian.co.th

**Tanapon Cholkadidamrongkul**

+662 659 8030

tanapon.c@uobkayhian.co.th

## ASSISTANT ANALYST(S)

**Nichapa Ratchabandit**

### 1Q25 RESULTS

Year to 31 Dec (Btm)	1Q24	4Q24	1Q25	yoy % chg	qoq % chg
Revenue	33,220	35,090	29,789	-10.3%	-15.1%
Gross profit	5,742	6,554	5,611	-2.3%	-14.4%
SG&A/Sales	4,197	4,929	4,700	12.0%	-4.6%
EBIT	1,742	1,894	1,099	-36.9%	-42.0%
EBT	1,253	1,453	805	-35.8%	-44.6%
Net profit	1,153	1,213	1,019	-11.6%	-16.0%
Core profit	869	1,162	634	-27.0%	-45.4%
Core EPS (Bt)	0.18	0.24	0.13	-27.0%	-45.4%
Gross margin	17.3%	18.7%	18.8%	1.6%	0.2%
SG&A/Sales	12.6%	14.0%	15.8%	3.1%	1.7%
Net profit margin	3.5%	3.5%	3.4%	0.0%	0.0%

Source: TU, UOB Kay Hian

- **Slightly lower-than-expected 1Q25 earnings.** TU announced 1Q25 net profit of Bt1,019m, down 12% yoy and 16% qoq. Excluding one-off items (Bt381m in deferred tax reversal from its India business restructuring and forex), core profit came in at Bt634m, down 27% yoy and 45% qoq. The results are in line with our forecast, but lower than market expectations by 9%. The key pressure was a 10% yoy and 15% qoq decline in top-line, mainly due to the drop in ambient sales (-14% yoy, -7.5% qoq) and frozen seafood sales (-12.2% yoy, -29.2% qoq). SGA-to-sales for 1Q25 came in at 15.8%, up from 12.6% and 14.1% in 1Q24 and 4Q24, respectively. The key positives were: a) a higher gross margin for 1Q25 of 15.8%, up from 17.3% (due to better ambient and frozen gross margin) in 1Q24 and 18.7% (from better frozen gross margin) in 4Q24, b) share of profit increasing yoy and qoq, and c) a tax gain of Bt41m in 1Q25.

### EARNINGS REVISION/RISK

- There is no change to our 2025-26 forecasts.

### VALUATION/RECOMMENDATION

- **Maintain HOLD with a target price of Bt10.40.** We peg our 2025 target price to TU's five-year PE at -1SD to its mean at 11.1x due to the overhang on the US tariffs. We expect its 2025 bottom line to be less exciting due to a higher SGA-to-sales and tax rate.

### SHARE PRICE CATALYST

- a) Stronger-than-expected gross margin and SGA-to-sales in 1H25.

### ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

<b>CG Report: -</b>
<b>SET ESG Rating: -</b>
<ul style="list-style-type: none"> <li>• <b>Environmental</b> <ul style="list-style-type: none"> <li>- <b>SeaChange sustainability strategy by 2030.</b> 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.</li> </ul> </li> <li>• <b>Social</b> <ul style="list-style-type: none"> <li>- TU is working to improve many dimensions of social responsibility. This includes human rights and improved employee engagement.</li> </ul> </li> <li>• <b>Governance</b> <ul style="list-style-type: none"> <li>- <b>Good governance practice.</b> 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.</li> </ul> </li> </ul>

### SALES BREAKDOWN



### FINANCIAL TARGETS FOR 2025

2025 Guidance	Previous disclosure	10% Flat tariff the whole year Scenario linked to the U.S. tariffs
<b>Sales growth</b>	+ 3 - 4% YoY (2024A: +1.7%)	+ 1 - 3% YoY
<b>GPM</b>	~18.5 - 19.5% (2024A: 18.5%)	~18.0 - 19.0%
<b>SG&amp;A to sales</b>	~13.0 - 13.5% (2024A: 13.3%)	~13.5 - 14.0%
<b>CAPEX</b>	~ THB 4.5 - 5.0bn (2024A: THB 3.5bn)	~ THB 3.0 - 3.5bn
<b>Effective interest rate</b>	No material change	
<b>Dividend policy</b>	At least 50% dividend payout ratio	

Source: TU, UOB Kay Hian

## PROFIT & LOSS

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Net turnover	138,433	135,628	140,530	146,220
EBITDA	12,679	11,727	12,802	13,090
Deprec. & amort.	4,371	4,333	4,284	4,242
EBIT	8,308	7,394	8,517	8,848
Total other non-operating income	(82)	35	0	0
Associate contributions	771	789	828	870
Net interest income/(expense)	(2,492)	(2,320)	(2,323)	(2,354)
<b>Pre-tax profit</b>	<b>6,504</b>	<b>5,898</b>	<b>7,023</b>	<b>7,363</b>
Tax	(430)	(733)	(878)	(920)
Minorities	(1,089)	(979)	(1,070)	(1,126)
<b>Net profit</b>	<b>4,985</b>	<b>4,185</b>	<b>5,075</b>	<b>5,317</b>
<b>Net profit (adj.)</b>	<b>5,067</b>	<b>4,150</b>	<b>5,075</b>	<b>5,317</b>

## BALANCE SHEET

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
Fixed assets	29,513	29,180	28,896	28,653
Other LT assets	45,751	45,969	46,189	46,412
Cash/ST investment	8,333	9,312	10,378	11,227
Other current assets	71,315	71,170	72,934	75,086
<b>Total assets</b>	<b>154,912</b>	<b>155,630</b>	<b>158,398</b>	<b>161,377</b>
ST debt	29,641	24,699	24,457	23,564
Other current liabilities	20,947	21,727	22,311	23,024
LT debt	37,934	42,226	43,260	45,186
Other LT liabilities	10,078	10,179	10,280	10,383
Shareholders' equity	48,635	50,102	52,461	54,718
Minority interest	7,678	6,698	5,628	4,502
<b>Total liabilities &amp; equity</b>	<b>154,912</b>	<b>155,630</b>	<b>158,398</b>	<b>161,377</b>

## CASH FLOW

Year to 31 Dec (Btm)	2024	2025F	2026F	2027F
<b>Operating</b>	<b>9,387</b>	<b>9,326</b>	<b>8,060</b>	<b>8,001</b>
Pre-tax profit	6,504	5,898	7,023	7,363
Tax	(430)	(733)	(878)	(920)
Deprec. & amort.	4,371	4,333	4,284	4,242
Associates	(771)	(789)	(828)	(870)
Working capital changes	4,797	808	(1,299)	(1,558)
Non-cash items	(6,968)	0	0	0
Other operating cashflows	1,883	(191)	(242)	(256)
<b>Investing</b>	<b>(6,562)</b>	<b>(4,000)</b>	<b>(4,000)</b>	<b>(4,000)</b>
Capex (growth)	(3,557)	(4,000)	(4,000)	(4,000)
Capex (maintenance)	8,821	8,821	8,821	8,821
Investments	(11,826)	(8,821)	(8,821)	(8,821)
Proceeds from sale of assets	(13,854)	(4,348)	(2,994)	(3,153)
Others	(2,389)	(2,719)	(2,715)	(3,061)
<b>Financing</b>	<b>(4,487)</b>	<b>(650)</b>	<b>792</b>	<b>1,034</b>
Dividend payments	0	0	0	0
Issue of shares	(6,977)	(979)	(1,070)	(1,126)
Proceeds from borrowings	(11,029)	978	1,067	848
Loan repayment	14,233	8,333	9,312	10,378
Others/interest paid	(62)	0	0	0
<b>Net cash inflow (outflow)</b>	<b>3,142</b>	<b>9,312</b>	<b>10,378</b>	<b>11,227</b>
<b>Beginning cash &amp; cash equivalent</b>	<b>9,387</b>	<b>9,326</b>	<b>8,060</b>	<b>8,001</b>
Changes due to forex impact	6,504	5,898	7,023	7,363
<b>Ending cash &amp; cash equivalent</b>	<b>(430)</b>	<b>(733)</b>	<b>(878)</b>	<b>(920)</b>

## KEY METRICS

Year to 31 Dec (%)	2024	2025F	2026F	2027F
<b>Profitability</b>				
EBITDA margin	9.2	8.6	9.1	9.0
Pre-tax margin	4.7	4.3	5.0	5.0
Net margin	3.6	3.1	3.6	3.6
ROA	3.1	2.7	3.2	3.3
ROE	9.3	8.5	9.9	9.9
<b>Growth</b>				
Turnover	1.7	(2.0)	3.6	4.0
EBITDA	6.1	(7.5)	9.2	2.3
Pre-tax profit	n.a.	(9.3)	19.1	4.8
Net profit	n.a.	(16.0)	21.3	4.8
Net profit (adj.)	5.6	(18.1)	22.3	4.8
EPS	10.3	(18.1)	22.3	4.8
<b>Leverage</b>				
Debt to total capital	54.5	54.1	53.8	53.7
Debt to equity	138.9	133.6	129.1	125.6
Net debt/(cash) to equity	121.8	115.0	109.3	105.1
Interest cover (x)	5.1	5.1	5.5	5.6

## Disclosures/Disclaimers

This report is prepared by UOB Kay Hian Securities (Thailand) Public Company Limited ("UOBKHST"), which is a licensed corporation providing Securities Brokerage, Securities Dealing, Underwriting, Derivative Agent and Financial Advisory in Thailand.

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities.

**This report is prepared for general circulation.** It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This report is confidential. This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person without the prior written consent of UOBKHST. This report is not directed to or intended for distribution to or use by any person or any entity who is a citizen or resident of or located in any locality, state, country or any other jurisdiction as UOBKHST may determine in its absolute discretion, where the distribution, publication, availability or use of this report would be contrary to applicable law or would subject UOBKHST and its connected persons (as defined in Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 and the Securities and Exchange Act of Thailand) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report ("Information") has been obtained or derived from sources believed by UOBKHST to be reliable. However, UOBKHST makes no representation as to the accuracy or completeness of such sources or the Information and UOBKHST accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. UOBKHST and its associate may have issued other reports expressing views different from the Information and all views expressed in all reports of UOBKHST and its connected persons are subject to change without notice. UOBKHST reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) UOBKHST, its associates and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) UOBKHST, its associate and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; (3) the officers, employees and representatives of UOBKHST may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the "Subject Business"); and (4) UOBKHST may otherwise have an interest (including a proprietary interest) in the subject corporation(s) referred to in this report.

As of the date of this report, no analyst responsible for any of the content in this report has any proprietary position or material interest in the securities of the corporation(s) which are referred to in the content they respectively author or are otherwise responsible for.

**IMPORTANT DISCLOSURES FOR U.S. PERSONS**

This research report is prepared by UOBKHST, a company authorized, as noted above, to engage in securities and derivative activities in Thailand. UOBKHST is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution by UOBKHST (whether directly or through its US registered broker dealer affiliate named below) to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). All US persons that receive this document by way of distribution from or which they regard as being from UOBKHST by their acceptance thereof represent and agree that they are a major institutional investor and understand the risks involved in executing transactions in securities.

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through UOB Kay Hian (U.S.) Inc ("UOBKHUS"), a registered broker-dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through UOBKHST.

UOBKHUS accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to and intended to be received by a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA") and may not be an associated person of UOBKHUS and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

**Analyst Certification/Regulation AC**

Each research analyst of UOBKHST who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of UOBKHST or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including UOBKHST's total revenues, a portion of which are generated from UOBKHST's business of dealing in securities.

Reports are distributed in the respective countries or jurisdictions by the respective entities and are subject to the additional restrictions listed in the following table.

General	This report is not intended for distribution, publication to or use by any person or entity who is a citizen or resident of or located in any country or jurisdiction where the distribution, publication or use of this report would be contrary to applicable law or regulation.
Hong Kong	This report is distributed in Hong Kong by UOB Kay Hian (Hong Kong) Limited ("UOBKHHK"), which is regulated by the Securities and Futures Commission of Hong Kong. Neither the analyst(s) preparing this report nor his associate, has trading and financial interest and relevant relationship specified under Para. 16.4 of Code of Conduct in the listed corporation covered in this report. UOBKHHK does not have financial interests and business relationship specified under Para. 16.5 of Code of Conduct with the listed corporation covered in this report. Where the report is distributed in Hong Kong and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKHHK (and not the relevant foreign research house) in Hong Kong in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Hong Kong who is not a professional investor, or institutional investor, UOBKHHK accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Indonesia	This report is distributed in Indonesia by PT UOB Kay Hian Sekuritas, which is regulated by Financial Services Authority of Indonesia. Where the report is distributed in Indonesia and contains research analyses or reports from a foreign research house, please note recipients of the analyses or reports are to contact PT UOBKH (and not the relevant foreign research house) in Indonesia in respect of any matters arising from, or in connection with, the analysis or report.
Malaysia	Where the report is distributed in Malaysia and contains research analyses or reports from a foreign research house, the recipients of the analyses or reports are to contact UOBKHM (and not the relevant foreign research house) in Malaysia, at +603-21471988, in respect of any matters arising from, or in connection with, the analysis or report as UOBKHM is the registered person under CMSA to distribute any research analyses in Malaysia.
Singapore	This report is distributed in Singapore by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. Where the report is distributed in Singapore and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKH (and not the relevant foreign research house) in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, UOBKH accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Thailand	This report is distributed in Thailand by UOB Kay Hian Securities (Thailand) Public Company Limited, which is regulated by the Securities and Exchange Commission of Thailand.
United Kingdom	This report is being distributed in the UK by UOB Kay Hian (U.K.) Limited, which is an authorised person in the meaning of the Financial Services and Markets Act and is regulated by The Financial Conduct Authority. Research distributed in the UK is intended only for institutional clients.
United States of America ('U.S.')	This report cannot be distributed into the U.S. or to any U.S. person or entity except in compliance with applicable U.S. laws and regulations. It is being distributed in the U.S. by UOB Kay Hian (US) Inc, which accepts responsibility for its contents. Any U.S. person or entity receiving this report and wishing to effect transactions in any securities referred to in the report should contact UOB Kay Hian (US) Inc. directly.

Copyright 2025, UOB Kay Hian Securities (Thailand) Public Company Limited. All rights reserved.

<http://www.utrade.co.th>