

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	47289.3	(0.9)	2.3	(0.6)	11.2
S&P 500	6812.6	(0.5)	3.2	(0.4)	15.8
FTSE 100	9702.5	(0.2)	1.8	(0.2)	18.7
AS30	8885.5	0.2	0.7	(3.2)	5.5
CSI 300	4576.5	1.1	2.9	(1.4)	16.3
FSSTI	4526.2	0.0	0.7	2.2	19.5
HSCEI	9172.8	0.5	1.0	0.0	25.8
HSI	26033.3	0.7	1.2	0.5	29.8
JCI	8548.8	0.5	(0.3)	4.7	20.7
KLCI	1624.6	1.3	0.4	1.0	(1.1)
KOSPI	3920.4	(0.2)	1.9	(4.6)	63.4
Nikkei 225	49303.3	(1.9)	1.4	(5.9)	23.6
SET	1276.6	1.6	1.9	(2.5)	(8.8)
TWSE	27342.5	(1.0)	3.2	(3.2)	18.7
BDI	2583	0.9	12.5	31.4	159.1
CPO (RM/mt)	4090	1.7	0.4	(5.0)	(16.9)
Brent Crude (US\$/bbl)	63	1.5	(0.1)	(2.7)	(15.2)

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Post-Result Meeting with Marco Polo Marine Ltd (MPM SP)	Singapore	02 Dec	02 Dec
Regional 1H2026 Strategy Conference	Kuala Lumpur	04 Dec	04 Dec
Hybrid Investor Luncheon with Karrie International (1050 HK)	Hong Kong	08 Dec	08 Dec
Virtual Meeting with Mao Geping Cosmetics (1318 HK)	Hong Kong	08 Dec	08 Dec

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Oct. Customs Trade Balance (Export-Import)	Thailand	18-26 Nov
Nov. CPI	Thailand	4 Dec
BoT Benchmark Interest Rate	Thailand	17 Dec
Nov. Consumer Confidence	Thailand	8-15 Dec

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Our portfolio returns underperformed the market by -5.9%, which moved down by 4.0% in November. We see an opportunity to take a position on the Thai equity market because the downside risk will likely be more limited as the election timeline becomes clearer. We add AOT and BDMS to our portfolio as their valuations are still undemanding with strong earnings outlooks for 4Q25-1Q26.

## Strategy

### Alpha Picks: Focusing On Strong 4Q25-1Q26 Earnings Outlook

### Highlights

- Our portfolio returns underperformed the market by -5.9%, which moved down by 4.0% in November.
- We see an opportunity to take a position on the Thai equity market as the downside risk for the Thai equity market will likely be more limited as the election timeline becomes clearer.
- We add AOT and BDMS to our portfolio as their valuations are still undemanding and they have strong 4Q25-1Q26 earnings outlook.

### What's New

- **Portfolio underperformed in November.** Our portfolio underperformed the market (-5.9% vs -4.0%). The top outperforming stocks were: a) RATCH (+6.3%), b) ADVANC (+1.7%), and c) MINT (-4.3%). The underperformers were: a) IVL (-19.4%), b) SCGP (-14.3%), and c) OR (-8.2%).
- **Weak 3Q25 earnings and political uncertainty pressured the Thai equity market.** The SET Index moved down in November, mainly pressured by two key factors. The weak 3Q25 operating results were attributable to domestically driven sectors such as the retail sector performing poorly due to soft purchasing power. Political uncertainty also impacted the market, as the government's stability was affected by floods in the southern region, raising concerns that it may dissolve Parliament earlier than expected toward the end of January.
- **We have a positive outlook on the Thai equity market for December.** The Thai equity market may face more challenges over the first two weeks of December, due to the release of both domestic and international economic data, as well as ongoing political uncertainty surrounding a possible early dissolution of Parliament. If these two factors pass without major issues, we see an opportunity to take a position on the Thai equity market as the downside risk is likely to be more limited with a clearer election timeline. This could lead the market to respond positively during the pre-election period, especially in sectors linked to domestic economic activity. These sectors may benefit from increased spending during the election campaign and an improving economic environment.
- **Focusing on undemanding valuation and strong 4Q25 earnings.** We recommend a selective buy strategy during this period. We prefer stocks with undemanding share prices and strong earnings in 4Q25-1Q26.

### Action

- **We add AOT and BDMS to our portfolio.** This month, we decide to add AOT and BDMS to our portfolio as their valuations are still undemanding and they have a strong 4Q25-1Q26 earnings outlook.

Analyst(s)

Kitpon Praipaisarnkit

kitpon@uobkayhian.co.th

Krit Tanarattananon

krit@uobkayhian.co.th

Thailand Research Team

research@uobkayhian.co.th

Assistant Analyst(S)

Natthida Chuaysong

### Key Recommendations

Company	Rec	Share Price (Bt)	Target Price (Bt)
ADVANC TB	BUY	307.00	340.00
AOT TB	BUY	43.50	48.00
BDMS TB	BUY	19.00	32.00
GFPT TB	BUY	9.80	15.00
IVL TB	BUY	15.40	27.00
KTC TB	BUY	27.25	45.00
MINT TB	BUY	22.00	38.00
OR TB	BUY	13.50	21.00
RATCH TB	BUY	29.50	35.00
SCGP TB	BUY	15.60	26.00

Source: Bloomberg, UOB Kay Hian

### Changes In Share Price

Company	Nov 25 (%)	To-Date* (%)
ADVANC	1.7	11.6
GFPT	(4.9)	1.0
IVL	(19.4)	(24.1)
KTC	(4.4)	(4.4)
MINT	(4.3)	(4.3)
OR	(8.2)	1.5
RATCH	6.3	11.3
SCGP	(14.3)	(14.3)
SET Index	(4.0)	

\*Share price change since stock was selected as alpha pick

Source: Bloomberg, UOB Kay Hian

### Portfolio Return

(%)	2024	1Q25	2Q25	3Q25
SET return	(1.1)	(17.3)	(5.9)	16.9
<b>Alpha Picks Return</b>				
- Price-weighted	7.0	(10.0)	(1.6)	6.6
- Market cap-weighted	5.4	(13.7)	(2.9)	6.3
- Equal-weighted	3.4	(11.0)	(1.5)	13.7

Source: Bloomberg

### Analysts' Top Alpha Picks

Analyst	Company	Rec	Performance#	Catalyst
Kitpon Praipaisarnkit	ADVANC	BUY	11.6	Resilient ARPU following softening competition.
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	AOT	BUY		Increasing passenger service charge (PSC) rate
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	BDMS	BUY		Influenza cases continued to surge
Tanapon Chilkadidamrongkul/ Nichapa Ratchabandit	GFPT	BUY	1.0	Amid softer swine prices in 2H25, GFPT remains resilient due to weaker material cost outlook.
Arsit Pamaranon	IVL	BUY	(24.1)	Earnings recovery in 2026.
Thanawat Thangchadakorn	KTC	BUY	(4.4)	Forced selling led to a significant drop in share price with high dividend yield of 6.1%.
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	MINT	BUY	(4.3)	Launched a sizeable REIT
Tanaporn Visaruthaphong/ Benjaphol Suthwanich	OR	BUY	1.5	Non-oil business expansion. M&A in the lifestyle business with greater clarity expected in 4Q25.
Arsit Pamaranon	RATCH	BUY	11.3	Continued high water flow which will benefit hydro power plants.
Benjaphol Suthwanich	SCGP	BUY	(14.3)	Better Fajar's earnings

Source: UOB Kay Hian

### ADVANC – BUY (Kitpon Praipaisarnkit)

- Advanced Info Service (ADVANC) is the largest telecommunication business in Thailand providing mobile network services, fixed broadband services and digital services under spectrum licences granted by NBTC.
- 2Q25 results were in line with our and consensus estimates.** ADVANC's reported 2Q25 net profit came in at Bt11.0b, rising 28% yoy and 4% qoq, mainly on strong revenue, robust gross margin and low SG&A-to-sales. Revenue totalled Bt56.0b (+9% yoy, flat qoq), largely thanks to core service revenue. The ARPU trend in both mobile and FBB was also impressive and showed continuous growth.
- ARPU expected to maintain its upward trajectory in 2025.** With competition easing among telecom operators, mobile ARPU has been steadily improving.
- Maintain BUY with a target price of Bt340.00.** Our valuation is based on an EV/EBITDA multiple of 9.1x. We still favour ADVANC for its outstanding earnings growth in 2024 and 2025, a high dividend yield of 3.2%, and potential upside from the upcoming spectrum auction that could cut its costs in 2025.

### Share Price Catalyst

- Event:** a) Softening competition in the telecommunications industry that will allow the sector to see an ARPU uplift, and b) decreasing electricity expenses leading to lower network opex.
- Timeline:** 2H25.

### AOT – BUY (Benjaphol Suthwanish/Nonpawit Vathanadachakul)

- Rate of PSC increase request disclosed.** Management confirmed that AOT has requested the Civil Aviation Authority of Thailand (CAAT) to increase the passenger service charge (PSC) to no less than Bt300 per head. As expected, management indicated it is likely that only the international passengers PSC will increase, and not the domestic PSC. The next meeting with the CAAT and its committee will be on 3 Dec 25 to decide on the effective date of the PSC increase. The final figures have yet to be concluded by CAAT. Based on the increasing likelihood of the PSC hike according to management, we are bullish on the possible upside for AOT.
- Not far from agreement with KPD.** King Power Duty Free (KPD) sought a reduction in its concession fee by seeking to cancel the minimum guarantee and to pay the fee only based on revenue sharing. However, AOT made its demand clear that the current fee structure will remain but on a rate of not

### Sector Performance

Company	Nov 25 (%)	To-Date* (%)
SETENERG	(4.4)	(13.7)
SETBANK	0.3	12.3
SETCOMUN	(0.6)	(3.2)
SETETRON	(7.9)	25.8
SETCOM	(7.6)	(30.4)
SETTRANS	(0.7)	(32.0)
SETFOOD	(4.1)	(19.0)
SETPROP	(2.5)	(25.4)
SETHELTH	(2.1)	(24.2)
SETFIN	(8.0)	(30.3)
SETCONMT	(5.7)	(4.1)
SETPREIT	0.9	(2.9)
SETPETRO	(17.9)	(28.6)
SETINS	(3.5)	(10.3)
SETHOT	(4.1)	(18.2)
SETENTER	(4.3)	(53.1)
SETPKG	(10.6)	(19.2)
SETAGRI	(2.5)	(12.0)
SETCONS	(13.2)	(24.5)
SETPERS	2.2	(25.2)
SETAUTO	1.1	(9.1)
SETFASH	(2.6)	(16.1)
SETSTEEL	(3.4)	(6.0)
SETPROF	2.4	(50.3)
SETIMM	(1.1)	(3.6)
SETHOLD	(0.2)	(8.6)
SETPAPER	(2.6)	(4.5)
SET Index	(4.0)	(10.2)

\*Share price change since stock was selected as alpha pick  
Source: Bloomberg, UOB Kay Hian

lower than the second bidder in 2019 at Bt8.5b. This fee is subject to be decreased accordingly due to the area reclamation last year. According to management, the negotiations between AOT and KPD have progressed well. The final details regarding the revenue sharing, additional collaterals, and the minimum guarantee are to be concluded by early-Dec 25.

- **Robust outlook in high travel season.** AOT projects the total passengers in FY26 to be at 135.4m, showing a 7.4% yoy growth which is in line with our forecast. However, AOT's forecast was done before the winter flight schedule was concluded. AOT indicated that there were additional flights not included in the original forecast, resulting in a 17% yoy growth in total flights during the winter flight schedule. The qtd statistics have also been showing a 5% yoy growth in total passengers which is a strong positive sign in 1QFY26, mainly due to contributions from the new runway 3.
- **Maintain BUY with a target price of Bt48.00.** Our valuation is based on the FY26 EV/EBITDA of 18x, around the three-year mean. The developments in the negotiations with KPD and the PSC increase have been positive. In addition, the statistics from this high travel season have been very promising. Therefore, we remain optimistic on AOT.

### Share Price Catalyst

- **Event:** Increase in the PSC rate.
- **Timeline:** Dec 25.

### BDMS– BUY (Benjaphol Suthwanish/Nonpawit Vathanadachakul)

- **Strong 4Q25 outlook supported by disease outbreak.** The 4Q25 earnings outlook remains strong. The number of influenza cases continued to surge going into the first week of Nov 25. According to the Department of Disease Control, the latest cumulated number of influenza cases in Week 45 was up by 44.9% yoy. We already saw a high base last year, but this year's number is even more impressive. Oct 25 revenue showed a robust 7% yoy growth, mainly contributed by Thai patient revenue growth of 8% yoy. We see this as a strong positive factor for BDMS as this will give a boost to its strong Thai patient base.
- **Coping with new measure from Ministry of Commerce.** Following the new measure from the Ministry of Commerce, the group of patients that will be impacted is self-pay patients with chronic diseases who need to purchase medicine regularly from the hospitals, estimated to account for less than 5% of the top-line. BDMS will aim to relay the drug purchase from patients to Save Drug, its own drugstore which will retain the revenue from its patients. It is possible that BDMS could reduce the price of the drugs especially those that it can manufacture. In addition, BDMS will control the production and procurement cost of the medicine, which will help it maintain its margins. Thus, we expect BDMS' top-line to be impacted by this measure, but with it being able to subsidise the cost cutting, the impact to net profit will be even less.
- **Maintain BUY with a target price of Bt32.00.** Our valuation is based on a five-year average EV/EBITDA multiple of 18.0x (excluding COVID-19 years). Despite the pressure from the new measure, BDMS remains as our top pick, due to the strong growth outlook in 4Q25 from the epidemic and the positive development on the return of Kuwaiti patients.

### Share Price Catalyst

- **Event:** Influenza cases continue to surge.
- **Timeline:** 4Q25.

## GFPT – BUY (Tanapon Cholkadidamrongkul/ Nichapa Ratchabandit)

- GFPT produces and distributes frozen and cooked chicken products. Subsidiaries are engaged in broiler farming, as well as the production and distribution of feed mill products.
- **3Q25 earnings projected to hit a new high.** We expect GFPT to report 3Q25 earnings of Bt675m (up 5.2% qoq and 24.6% yoy) due to high export volumes and lower raw material costs. However, both are likely to be offset by a lower share of profit from GFPT Nichirei (Thailand) (GFN).
- **Gross margin to reach a record high.** We expect gross margin to rise to 19.5% in 3Q25, up from 15.5% and 16.7% in 3Q24 and 2Q25 respectively, on lower raw material costs, mainly soybean meal and corn costs. However, we estimate the share of profit from associate companies at Bt120m, down from Bt206m in 3Q24 and Bt197m in 2Q25. The decline is mainly attributed to lower chicken carcass prices, dragged by: a) seasonality; and b) the labour shortage in Cambodia, which disrupted operations and affected GFN.
- **4Q25 outlook for chicken operators remains positive.** In 4Q25, the company expects chicken farm-gate prices to rise due to the festive season and various government stimulus measures. Raw material costs have limited upside potential, but prices remain at favourable levels. However, we expect GFPT's gross margin to remain strong and outperform that of swine operators. Additionally, operational issues related to labour shortages in Cambodia have been largely resolved.
- **Maintain BUY with a lower target price of Bt15.00 (previously Bt15.50).** We roll over our valuation base to 2026 EPS and assign a target PE of 8x, with GFPT's five-year average PE at -1SD. We exclude 4Q20-1Q21, a period of atypical performance from the company. We lower the PE multiple to reflect the unexciting earnings upside from a constrained gross margin in 2026. However, we continue to expect a favourable 4Q25 outlook, supported by low raw material costs and solid export volumes. Also, GFPT should outperform other farm operators, benefitting from more stable chicken carcass prices compared with swine producers. As a result, GFPT is expected to see an improvement in its gross margin.

## Share Price Catalyst

- **Event:** a) Lower commodity costs, b) stronger-than-expected chicken export volume in 2025, and c) a recovery in domestic chicken prices throughout 2025.
- **Timeline:** 4Q25.

## IVL – BUY (Arsit Pamaranont)

- Indorama Ventures (IVL) is one of the world's largest polyester chain makers with a total production capacity of 17m tonnes.
- **3Q25 core profit beat consensus.** IVL reported a net loss of Bt818m, reversing from a net profit of Bt3.0b in 3Q24 and widening from a Bt521m loss in 2Q25. These are in line with our estimate but narrower than consensus forecast of a Bt1.1b loss. Excluding non-recurring items (mainly from inventory loss of Bt432m), core profit came in at Bt177m, better than the market's expectation of a Bt1.2b core loss but broadly in line with our projection. For 9M25, IVL posted a core loss of Bt203m, vs a Bt5.4b profit in 9M24 (please see our Results Preview report on 4 Nov 25).
- **An expected recovery in 2026.** During the analyst meeting on 11 November, management stated that it believes 2025 is a transition year, which will be marked by heavy maintenance and industry overcapacity. However, we expect a gradual earnings improvement starting from 4Q25 and a strong rebound in 2026 on the back of improving PET and feedstock spreads, lower energy costs and benefits from the US' reciprocal tariffs. Fewer planned



shutdowns will also enhance its utilisation rates and margin recovery. We expect a core profit of Bt8.5b (based on EBITDA of US\$1.4b), in line with management guidance.

- **Indovinya and Indovida IPOs delayed.** IVL has decided to postpone the planned IPOs of Indovinya (International Oilfields Development (IOD) business) and Indovida (packaging business) to 2027 (from the original 2026 target) due to unfavourable market conditions. Management noted that both projects remain strategically important and will proceed once market sentiment improves.
- **Maintain BUY with a target price of Bt27.00**, based on 18x 2026F PE, in line with the historical average, reflecting a strong outlook in 2026. IVL trades at a discount at 0.8x P/B and 15.0x 2026F PE, well below historical averages. We suggest investors accumulate the stock.

### Share Price Catalyst

- **Event:** Expected extra income from US\$100m land sale gains.
- **Timeline:** 1H26.

### KTC – BUY (Thanawat Thangchadakorn)

- Krungthai Card (KTC) provides unsecured financial products, credit card products and services, and personal loans to consumers in Thailand.
- **3Q25 results in line with our and consensus forecasts.** KTC posted a 3Q25 net profit of Bt1.95b, up 2% yoy and 3% qoq. The results are in line with our and consensus estimates. Excluding provisioning, the company's pre-provision operating profit rose 1% yoy and flat qoq.
- **Asset quality remained robust, with credit costs down qoq.** KTC set aside provision expenses of Bt1.44b, down 10% yoy and 5% qoq in 3Q25. Credit costs decreased from 572bp in 2Q25 to 544bp in 3Q25. NPL ratio stabilised at 1.8% in 3Q25. New NPL formation increased slightly to 5.0% in 3Q25 (2Q25: 4.8%, 1Q25: 5.5%). Loan-loss coverage ratio rose from 420% in 2Q25 to 426% in 3Q25. We believe KTC will maintain a prudent approach to ensuring good asset quality.
- **Established life and non-life insurance brokerage businesses.** KTC has obtained the brokerage licences for life and non-life insurance from the Office of Insurance Commission. KTC is dealing with the insurance partners and building collaboration. The company expects these new businesses to create fee-based income from insurance products. At the initial phase, KTC will target credit card and personal loan members.
- **Maintain BUY with an unchanged target price of Bt45.00.** We use the Gordon Growth Model (cost of equity: 11.5%, long-term growth: 3%). We roll over the target price to 2026. This implies 2.4x 2026F P/B, which is -1SD to its historical five-year mean. Although we have seen some recovery in its share price to near Bt30.00, we continue to expect a further reversal due to its undemanding valuation.

### Share Price Catalyst

- **Event:** Government stimuli to strengthen domestic spending.
- **Timeline:** 4Q25.

### OR – BUY (Benjaphol Suthwanish)

- PTT Oil & Retail Business (OR) operates an integrated oil and non-oil retailing platform both in Thailand and abroad, including the sales and distribution of petroleum products and other products in retail and commercial marketing, coffee shops, and other F&B outlets.

- **4Q25 net profit is expected to rise qoq.** Our outlook for the oil and retail business remains positive, supported by an expected 5-8% qoq increase in oil sales volumes and a steady marketing margin of Bt0.90-1.00/litre. The lifestyle business is also improving in line with the mobility business, with Café Amazon continuing to achieve record sales, driven by branch expansion and the successful introduction of new brand ambassadors. These positive drivers should offset seasonal selling, general, and administrative expenses (SG&A) increases and the impairment of the Vietnam coffee business. We remain confident that OR's 2025 net profit will reach an all-time high as anticipated.
- **The situation in Cambodia is not expected to affect OR's performance in 4Q25.** While reports of border unrest persist, OR has not seen any additional business impact beyond what occurred in 3Q25. In 3Q25, revenue from Cambodia dropped 57% yoy following the closure of 36 PTT Stations and 42 Café Amazon branches. Nevertheless, we expect the Cambodia contributed only 1.2% of OR's total EBITDA in 2025. OR's "second home base" strategy will not be limited to Cambodia but will expand to other neighbouring countries with strong growth potential, using Thailand's business model as a foundation.
- **Maintain BUY with a target price of Bt21.00 in 2026,** based on 21.00x PE at -1.0SD. In the oil & gas sector, we prefer PTT Oil and Retail (OR TB/BUY/Target: Bt21.00), SCG Packaging (SCGP TB/BUY/Target: Bt26.00) and Indorama Ventures (IVL TB/BUY/Target: Bt27.00).

### Share Price Catalyst

- **Event:** M&A in the lifestyle business.
- **Timeline:** 4Q25 onwards.

### RATCH – BUY (Arsit Pamaranont)

- Ratch Group (RATCH) is a leading IPP in Thailand. RATCH has a total equity installed capacity of 7,379MW. Capacity can be broken down into 6,495MW under commercial operations and 884MW under development and construction.
- **A 12% beat in 3Q25 core profit.** Despite seasonal softness, RATCH delivered a solid 3Q25 net profit of Bt2.2b (+31% yoy, +5% qoq), supported by forex gains and strong share of profits. Excluding forex gains of Bt141m, core profit was Bt2.0b, +2% qoq, and 12% above our forecast. 9M25 core profit reached Bt5.4b, achieving 80% of our full-year estimate.
- **Healthy 4Q25 outlook.** Despite the low-demand season, we expect 4Q25 core profit to come in around Bt1.4b (vs Bt737m in 4Q24), supported by continued strong water inflows at PNPC/NN2 and a recovery at Hin Kong power plant after the planned maintenance in 3Q25. Equity contributions from Paiton (a coal fired power plant in Indonesia) should remain solid, while commercial operation dates for Song Giang 1 (Vietnam) and the Nava Nakorn Electricity Generating expansion will further strengthen 4Q25 earnings visibility.
- **Maintain BUY with a target price of Bt35.00,** based on the DCF valuation of all projects (WACC of 6.5% to reflect the higher market risk in 2025). We still like RATCH for its impressive growth outlook with potential upside from M&As.

### Share Price Catalyst

- **Event:** Continued high water flow which will benefit hydro power plants.
- **Timeline:** 4Q25.

## MINT – BUY (Benjaphol Suthwanish/Nonpawit Vathanadachakul)

- **Strong outlook in 4Q25 with a strong improvement in ADR after completion of renovations.** Management is expecting a stronger qoq RevPar growth in Europe in 4Q25 (vs +2% yoy in 3Q25), as 4Q25 will not face the high base created by last year's events that affected 3Q25. On-the-book reservations at the Maldives are also showing a double-digit yoy growth in 4Q25. Meanwhile in Thailand, bookings for the festive period during 23 Dec 25-5 Jan 26 are showing a high single-digit RevPar growth yoy. Hence, RevPar for hotels in Thailand is expected to be flat yoy in 4Q25, mainly driven by the boost in average daily rate (ADR) after the renovations. Furthermore, the "We Travel Together" stimulus campaign will provide additional traffic and help MINT's hotels ramp up faster.
- **Development on the REIT.** MINT is preparing to launch a sizeable REIT in 2Q-3Q26, with an expected size of US\$1.2b-1.3b, which management believes will be one of Asia's largest. The US\$700m proceeds from this REIT will be used for a substantial deleveraging, reducing the forex volatility in its P&L statement, and reinvestment. The remaining proceeds will be utilised for renovations and new expansions. Investors are concerned that MINT's earnings could be impacted as the assets will be sold to the REIT, but management has insisted that it will prioritise EPS growth. MINT is now finalising the assets to be sold to the REIT; hence, it will provide more details on the impact on EPS soon.
- **MINT's debt ratio is expected to reduce slightly by year end.** MINT's net interest-bearing debt to equity ratio stood at 0.9x in 3Q25. In early-Jul 25, MINT repaid half of its €400m debentures and refinanced the remaining half by switching from a fixed to a floating rate. However, management has utilised around Bt3.8b for the tender offer to delist Minor Hotels Europe & Americas (MHEA) shares, resulting in a less aggressive debt repayment plan for 2H25 than initially anticipated. Nonetheless, we deem this as manageable given that MINT's cost of debt has fallen sharply yoy and is expected to decline further in 4Q25 from the easing interest rate trend. As a result, the leverage ratio at year-end is expected to remain at 0.8x-0.9x as MINT will have less cash from the spending on MHEA delisting despite it having repaid the debentures. MINT will prioritise deleveraging even more in 2026 as its planned REIT and the IPO of MINT's food business will provide it with proceeds to repay a substantial amount of debt.
- **Maintain BUY with a target price of Bt38.00.** Our valuation is based on 2025 EV/EBITDA multiple at 9.0x. We still like MINT due to: a) its strong post-renovation hotel growth in Thailand, with the massive ADR uplift; b) its strategy in expanding through an asset-light model that will ease its balance sheet; and c) the interest rate downtrend that will improve its earnings growth.

### Share Price Catalyst

- **Event:** Launch a sizeable REIT.
- **Timeline:** 2Q26-3Q26.

## SCGP – BUY (Benjaphol Suthwanish)

- **Fajar's sales rose after China suspended imports of dry-milled pulp.** Fajar saw qoq growth in sales volume, supported by higher exports of packaging paper to China. This was partly driven by China's decision to halt imports of dry-milled pulp, which bypasses the cleaning stage and carries a higher risk of heavy-metal contamination. China's increased reliance on imported packaging paper benefits SCG Packaging (SCGP) in two ways: a) stronger sales volume from Fajar; and b) lower regional recycle paper (RCP) prices, as reduced Chinese demand for RCP in domestic paper production eases market pressure.



- **We expect 4Q25 net profit to grow both qoq and yoy.** the qoq increase of 4Q25 net profit will be supported by seasonal sales volume higher margins stemming from lower costs, and stronger contributions from Fajar, key factors that lifted 4Q25 performance. We expect the 4Q25 net results yoy rise is mainly due to the weak earnings base in 4Q24. For 9M25, net profit came in at Bt2.9b, down 24% yoy, representing 73% of our 2025 net profit forecast of Bt3.9b, up 5.5% yoy
- **Cost efficiency remains the key focus.** A key highlight of the Fibrous plant is its strong cost-reduction initiatives. In 2021, Phoenix Pulp & Paper Public Company Limited (PPPC) installed a Twin Roll wash press, which has helped reduce production costs while improving product quality and operational efficiency. Looking forward, the company aims to increase renewable energy usage from 62% in 2024 to 74% by 2030, further enhancing cost competitiveness.
- **Maintain BUY with a 2026 target price of Bt26.00,** based on regional forward PE at -1SD of 23.1x. In the oil & gas sector, we prefer PTT Oil and Retail (OR TB/BUY/Target: Bt21.00) SCG Packaging (SCGP TB/BUY/Target: Bt26.00) and Indorama Ventures (IVL TB/BUY/Target: Bt27.00).

### Share Price Catalyst

- **Event:** Better-than-expected Fajar earnings.
- **Timeline:** 4Q25 onwards.

### Valuation Of Analysts' Alpha Picks

Company	Ticker	Rec	Price	Target	Upside	Last	PE			Yield	ROE	Market	Price/
			28 Nov 25 (Bt)	Price (Bt)	To TP (%)	Year End	2024A (x)	2025E (x)	2026E (x)	2025E (%)	2025E (%)	Cap. (US\$m)	NAV ps (x)
Advanced Info Service	ADVANC TB	BUY	307.00	340.00	10.75	12/24	26.0	21.3	20.5	3.6	42.4	28,095	8.5
Airports of Thailand	AOT TB	BUY	43.50	48.00	10.34	9/24	34.3	35.1	32.5	1.8	13.2	19,121	4.2
Bangkok Dusit Medical	BDMS TB	BUY	19.00	32.00	68.42	12/24	18.9	17.3	16.2	4.7	16.8	9,291	2.8
GFPT	GFPT TB	BUY	9.80	15.00	53.06	12/24	6.2	4.7	5.2	2.4	10.3	378	0.5
Indorama Ventures	IVL TB	BUY	15.40	27.00	75.32	12/24	n.a.	n.a.	10.1	5.2	6.4	2,660	0.7
Krunghthai Card	KTC TB	BUY	27.25	45.00	65.14	12/24	9.4	9.3	8.7	5.3	17.4	2,162	1.4
Minor International	MINT TB	BUY	22.00	38.00	72.73	12/24	16.1	13.3	12.1	3.9	9.1	3,838	1.1
PTT Oil And Retail	OR TB	BUY	13.50	21.00	55.56	12/24	21.2	13.3	13.6	4.1	5.0	4,985	0.7
Ratch Group	RATCH TB	BUY	29.50	35.00	18.64	12/24	10.5	9.5	9.1	5.8	6.7	1,974	0.7
SCG Packaging	SCGP TB	BUY	15.60	26.00	66.67	12/24	18.1	17.2	12.8	3.5	7.9	2,061	1.0

Source: UOB Kay Hian

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