

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	49298.3	0.7	0.3	6.0	2.6
S&P 500	7259.2	0.8	1.7	10.3	6.0
FTSE 100	10219.1	(1.4)	(1.1)	(2.1)	2.9
AS30	8903.3	(0.2)	(0.4)	1.5	(1.3)
CSI 300	4807.3	0.0	1.0	8.3	3.8
FSSTI	4920.6	(0.1)	0.7	(0.5)	5.9
HSCEI	8730.5	(0.5)	1.0	3.2	(2.1)
HSI	25898.6	(0.8)	0.9	3.1	1.0
JCI	7057.1	1.2	(0.2)	0.4	(18.4)
KLCI	1747.4	0.4	1.0	3.1	4.0
KOSPI	6937.0	0.0	4.5	29.0	64.6
Nikkei 225	59513.1	0.0	(0.7)	12.0	18.2
SET	1490.1	(0.2)	0.7	2.5	18.3
TWSE	40769.3	0.2	3.2	25.2	40.8
BDI	2832.0	3.7	5.8	37.1	50.9
CPO (RM/mt)	4566.5	0.0	1.8	(3.6)	16.1
Brent Crude (US\$/bbl)	109.9	(4.0)	(1.2)	0.8	80.6

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Meeting with Mr. Ibrahim "Ben" Suffian from Merdeka Center for Opinion Research	Malaysia	07 May	07 May
Analyst Marketing on Greater China AI Sector	Singapore	12 May	12 May
Analyst Marketing by Johnny Yum on Greater China AI Sector	Malaysia	13 May	15 May

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
Apr. Consumer Confidence	Thailand	6-12 May
1Q26 GDP	Thailand	18 May
Apr. Customs Trade Balance (Export-Import)	Thailand	29 May

Please click on the page number to move to the relevant pages

Top Stories

Strategy | Alpha Picks: Reduce Domestic Exposure Due To High Risk Of Potential Earnings Downgrade

Page 2

Our portfolio returns underperformed the market in Apr 26 (Our portfolio: +2.5% vs SET Index: +3.1%). For May 26, we have a less positive view on the SET Index. We foresee downside pressure from earnings downgrades in domestically oriented sectors. This month, we recommend increasing exposure to sectors that are less affected by weak domestic purchasing power and have a lower risk of downward revisions to core earnings estimation.

Sector Update | Retail

Page 8

SSSG in Apr 26 improved across the board. The stockpiling trend continued into April, with the home improvement segment outperforming peers. April is likely to be the strongest month in 2Q26. However, compared to 1Q26, earnings momentum in 2Q26 should improve. We prefer CPN given its stronger earnings momentum, we favour the home improvement segment over the grocery segment, supported by a stronger 2Q26 outlook. Maintain MARKET WEIGHT. Top picks: CPN and MOSHI.

Company Results | PTT Global Chemical (PTTGC TB/BUY/Bt39.50/Target: Bt46.00)

Page 11

PTTGC reported a 1Q26 net profit that increased both qoq and yoy, beating our and consensus estimates, driven by a strong market GRM. EBITDA across its core businesses rebounded in all segments during the quarter. Core profit is expected to continue improving in 2Q26, supported by robust GRM and olefins spreads, along with higher olefins output following the restart of the OLE 4 plant. Maintain BUY; target price: Bt46.00 (previously Bt41.00).

Company Update | Home Product Center (HMPRO TB/BUY/Bt6.05/Target: Bt8.00)

Page 14

The tone of the analyst meeting was slightly positive. Operations in April showed improvement in both sales and margins. April SSSG improved, driven by stronger electrical appliance sales, higher demand for construction materials and product price adjustments. We are confident that gross margin will improve in 2Q26, supported by price increases and a stronger push on private brand and high-margin products. Maintain BUY with a lower target price of Bt8.00.

Strategy

Alpha Picks: Reduce Domestic Exposure Due To High Risk Of Potential Earnings Downgrade

Highlights

- Our portfolio returns underperformed the market in Apr 26 (Our portfolio: +2.5% vs SET Index: +3.1%).
- The top outperforming stocks were a) SCGP (+23.8%), b) GLOBAL (+18.8%), and c) CPN (-0.4%). The underperformers were: a) CENTEL (-4.6%), b) RATCH (-3.3%), and c) BDMS (-2.7%).
- For May 26, we have a less positive view on the SET Index. We expect upstream energy, refining, and petrochemical companies to deliver solid core profits. However, we foresee downside pressure from earnings downgrades in domestically oriented sectors. In this month we recommend increasing exposure to sectors that are less affected by weak domestic purchasing power and have a lower risk of downward revisions to core earnings estimation.
- May 26 Alpha Picks: BDMS, CPN, GLOBAL, KTC, RATCH, SCC, SCGP, and TOP.

What's New

- **Portfolio underperformed in April.** Our portfolio underperformed the market in Apr 26 (+2.5% vs +3.1%). The top outperforming stocks were a) SCGP (+23.8%), b) GLOBAL (+18.8%), and c) CPN (-0.4%). The underperformers were: a) CENTEL (-4.6%), b) RATCH (-3.3%), and c) BDMS (-2.7%).
- **Thai equities moved up in April.** The Thai equity market moved up in April, mainly supported by the prolonged conflict between the US and Iran which has kept crude oil prices, refining margins, and petrochemical spreads elevated. This helps to support earnings for upstream energy, refining, and petrochemical companies, which account for a significant share of market capitalisation in the Thai equity market. The outperforming sectors were a) electronics (+22.1%), b) packaging (+15.2%), and c) construction materials (+10.8%) while the underperforming sectors were: a) steel (-6.3%), b) ICT (-6.2%), and c) tourism (-4.2%).
- **More cautious view in May.** We have a less positive view on the SET Index in May. We expect upstream energy, refining, and petrochemical companies to deliver solid core profits, supported by higher crude oil prices, improved refining margins, and stronger petrochemical spreads. However, we foresee downside pressure from earnings downgrades in domestically oriented sectors following analyst meetings, as companies are likely to provide clearer guidance on the impact of weakening consumer purchasing power, as well as rising logistics and certain raw material costs.
- **Increasing exposure to externally oriented sectors.** We recommend increasing exposure to sectors that are less affected by weak domestic purchasing power and have a lower risk of downward revisions to core earnings estimation.

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Key Recommendations

Company	Rec	Share Price (฿)	Target Price (฿)
BDMS TB	BUY	18.30	32.00
CPN TB	BUY	62.00	73.50
GLOBAL TB	BUY	6.65	7.40
KTC TB	BUY	29.25	47.00
RATCH TB	BUY	29.00	35.00
SCC TB	BUY	240.00	290.00
SCGP TB	BUY	25.00	31.00
TOP TB	BUY	48.00	58.00

Source: Bloomberg, UOB Kay Hian

Changes In Share Price

Company	Apr 26 (%)	To-Date* (%)
AOT	(1.4)	(6.0)
BDMS	(2.7)	(3.7)
CENTEL	(4.6)	(4.6)
CPN	(0.4)	7.4
CRC	(2.1)	(11.2)
GLOBAL	18.8	18.8
KTC	(1.7)	2.6
RATCH	(3.3)	9.4
SCGP	23.8	37.4
TOP	(1.5)	(1.5)
SET Index	3.1	

*Share price change since stock was selected as alpha pick

Source: Bloomberg, UOB Kay Hian

Portfolio Returns

(%)	2025	1Q26
SET return	(10.0)	15.0
Alpha Picks Return		
- Price-weighted	(1.0)	24.9
- Market cap-weighted	(5.7)	16.8
- Equal-weighted	(1.6)	19.7

Source: Bloomberg

Action

- **May 26 Alpha Picks:** BDMS, CPN, GLOBAL, KTC, RATCH, SCC, SCGP, and TOP.
- Add **SCC** as we have a more positive outlook on its chemicals business following the JV announcement with PTTGC, which enhances feedstock security.
- We drop **AOT and CENTEL** as 2Q is the low season for Thailand tourism and to avoid potential earnings downgrades due to the prolonged Middle East conflict. We also decide to drop **CRC** due to a lack of catalysts and potential pressure from weak domestic purchasing power.

Analysts' Top Alpha Picks

Analyst	Company	Rec	Performance#	Catalyst
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	BDMS	BUY	(3.7)	The strong support from the epidemic
Tanapon Cholkadidamrongkul	CPN	BUY	7.4	New project launch
Tanapon Cholkadidamrongkul	GLOBAL	BUY	18.8	Margin expansion
Thanawat Thangchadakorn	KTC	BUY	2.6	Government stimuli to strengthen domestic spending.
Arsit Pamaranon	RATCH	BUY	9.4	Full-year consolidation of Hin King Power (HKP)
Benjaphol Suthwanich	SCC	BUY		JV with PTTGC
Benjaphol Suthwanich	SCGP	BUY	37.4	Better Fajar's earnings
Tanaporn Visaruthaphong/ Benjaphol Suthwanich	TOP	BUY	(1.5)	Improving on the market GRM
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	AOT	BUY	(6.0)	Dropped.
Benjaphol Suthwanich/ Nonpawit Vathanadachakul	CENTEL	BUY	(4.6)	Dropped.
Tanapon Cholkadidamrongkul	CRC	BUY	(11.2)	Dropped

Source: UOB Kay Hian

BDMS – BUY (Benjaphol Suthwanish/Nonpawit Vathanadachakul)

- **Expect a significant yoy decline in earnings in 1Q26.** Bangkok Dusit Medical Services (BDMS) is expected to report a net profit of Bt3.68b in 1Q26 (-15.3% yoy, -0.3% qoq). The earnings contraction is expected to be from several cost pressures, mainly logistics, drug and medical supply, and the plastic cost rise. The top-line should be at Bt28.1b (-0.1% yoy, -1.4% qoq), due to the high base effect from last year's epidemic. Revenue from Thai and foreign patients is expected to be flat yoy. Thai patient revenue is pressured by the high base from last year's epidemic and the weaker spending in Feb-Mar 26. The growth of foreign patient revenue is mainly pressured by the high base of Cambodian revenue last year. We expect some tax benefits this quarter, which should result in a slightly lower effective tax rate. As a result, we expect the margins of BDMS to substantially drop around 2.4 ppt yoy.
- **BDMS likely to be among the least impacted if tensions persist.** BDMS has relatively low exposure to Middle Eastern patients (~4% of top-line) compared to peers. In a downside scenario where tensions continue and Middle East revenue drops to zero through end-26, we estimate a maximum earnings impact of around 8%. In contrast, peers would be more affected, including BH (~24% of top-line) and PR9 (~10%).
- **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 several pressuring factors, BDMS remains as our top pick, as we are optimistic about its long-term growth and are still positive on the possible return of Kuwaiti patients this year.

Share Price Catalyst

- **Event:** The strong support from the surge in influenza cases.
- **Timeline:** 1Q26.

Sector Performance

Company	Apr 26 (%)	To-Date* (%)
SETENERG	(1.6)	19.5
SETBANK	(2.1)	3.6
SETICT	(6.2)	10.9
SETETRON	22.1	80.9
SETCOM	(2.2)	(0.1)
SETTRANS	(1.0)	(3.6)
SETFOOD	(1.1)	1.5
SETPROP	0.2	7.6
SETHELTH	0.6	(0.3)
SETFIN	3.1	(1.0)
SETCONMT	10.8	18.9
SETPREIT	5.6	4.4
SETPETRO	5.2	64.3
SETINS	1.1	4.6
SETTOUR	(4.2)	(11.6)
SETMEDIA	(1.3)	2.0
SETPKG	15.2	32.8
SETAGRI	(2.6)	15.8
SETCONS	4.6	26.0
SETPERS	(4.6)	6.3
SETAUTO	2.0	0.4
SETFASH	0.3	(3.5)
SETSTEEL	(6.3)	6.3
SETPROF	(2.0)	(2.9)
SETIMM	1.9	2.6
SETHOME	(0.3)	(2.1)
SETPAPER	-	(2.0)
SET Index	3.1	18.6

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

CPN – BUY (Tanapon Cholkadidamrongkul)

- **Expect another new record high.** We expect Central Pattana's (CPN) 1Q26 net profit to come in at Bt4.8b, up 16% yoy and flat qoq, underpinned by solid rental income growth, broad-based margin expansion across all segments, and a meaningful uplift in equity income.
- **Revenue growth remains robust and visible.** Top-line is expected to grow 5% yoy, driven by a full quarter's contribution from Central Krabi and Central Park, alongside continued strength in tenant sales supporting a 6% yoy increase in rental and service income. Non-retail revenue should remain broadly stable.
- **Maintain BUY with a target price of Bt73.50,** based on the SOTP method. We value CPN's core business at Bt73.20/share using DCF, assuming a WACC of 7.3%, and terminal growth of 1.5%. The residential business is valued at Bt0.30/share, based on 5x 2026F PE. We maintain an optimistic outlook on CPN, underpinned by a robust pipeline of new mall openings and strategic expansions scheduled throughout 2026.

Share Price Catalyst

- **Event:** New project launch.
- **Timeline:** 2H26.

GLOBAL – BUY (Tanapon Cholkadidamrongkul)

- **2026 target.** Management plans to expand six stores (two stores in 1Q26, three stores in 2Q26, and one store in 3Q26) and renovate eight stores to drive higher traffic, targeting flat SSSG in 2026 with gross margin expansion of 20-30bp.
- **We upgrade GLOBAL to BUY with target price of Bt7.40.** The share price has dropped 28% since we downgraded the stock. The current valuation is attractive, trading at a 2026F P/E of 14x. Consumers have been stockpiling especially in construction material products. The increase in steel prices (15% sales contribution) and a higher house brand mix will drive 1Q26 gross margin expansion yoy. Overall, we expect GLOBAL's performance to outperform its home improvement peers in 1Q26.

Share Price Catalyst

- **Event:** Expanded margins.
- **Timeline:** 1H26.

KTC – BUY (Thanawat Thangchadakorn)

- **1Q26 results in line.** Krungthai Card (KTC) posted a 1Q26 net profit of Bt2.17b, up 17% yoy and 5% qoq. The results were in line with our and consensus estimates. Excluding provisioning, the company's pre-provision operating profit rose 3% yoy but was down 6% qoq.
- **Loans portfolio grew yoy in 1Q26.** KTC's loan growth expanded 0.7% yoy but contracted 3.4% qoq in 1Q26. The qoq contraction was due to a reduction in lending from the seasonal high in the fourth quarter because of the festive season in December. In 1Q26, KTC's gross credit card portfolio expanded 0.23% yoy while credit card spending jumped 3.7% yoy. Meanwhile, KTC's gross personal loan portfolio expanded 3.3% yoy. We maintain our forecast of a 2.3% yoy growth in loan portfolio in 2026, compared with KTC's guidance of 1-2% yoy.
- **KTC to prioritise maintaining good asset quality.** KTC disclosed that it is currently navigating a challenging economic landscape shaped by several key headwinds. A combination of stagnant consumer purchasing power, high household debt, and geopolitical tensions in the Middle East has created a

difficult environment. The conflict has inflated energy costs and living expenses, driving up domestic inflation and weakening consumer sentiment. Despite these external pressures, KTC remains committed to a disciplined lending strategy that prioritises the quality of its credit portfolio.

- **Maintain BUY with an unchanged target price of Bt47.00.** We use the Gordon Growth Model (cost of equity: 11.5%, long-term growth: 3%). This implies 2.5x 2026F P/B, which is slightly below -0.5SD to its historical five-year mean. KTC is one of our top picks in the finance sector.

Share Price Catalyst

- **Event:** Government stimuli to strengthen domestic spending.
- **Timeline:** 2Q26 onwards.

RATCH – BUY (Arsit Pamaranont)

- **Below expectations.** RATCH's 4Q25 net profit declined 64% qoq to Bt775m. Excluding forex gains of Bt410m, core profit would have been Bt974m (+32% yoy, -52% qoq), below our expectation. This is mainly due to weaker equity income, particularly the lower contribution from Paiton, despite stronger revenue from Hin Kong Power Plant (HKP). For the full year, core profit rose slightly to Bt6.3b (+2% yoy), supported by HKP Unit 2 COD and solid hydro performance, partly offset by the RATCH Group (RG) thermal Power Purchase Agreement (PPA) expiry.
- **2026 outlook.** Earnings are expected to improve, driven by the first full-year consolidation of HKP, recovery in coal IPPs (Paiton, HPC) due to a less hectic maintenance schedule and incremental output from NNEG Phase 3 and Song Giang 1. Hydro remains weather-dependent, while refinancing in a lower rate environment should reduce finance costs.
- **Maintain BUY with a target price of Bt35.00,** based on the DCF valuation of all projects (WACC of 6.5%). We still like RATCH for its impressive growth outlook with potential upside from M&A.

Share Price Catalyst

- **Event:** Full-year consolidation of HKP.
- **Timeline:** 1Q26 onwards.

SCGP – BUY (Benjaphol Suthwanish)

- **Fajar continues to deliver a sequentially stronger performance,** with its market share in Indonesia rising to 33% both qoq and yoy. This is driven by a strategic shift toward domestic sales, which now account for 88% of total revenue. This trend was evident in 1Q26, with export contribution declining to 12% (vs 21% in 1Q25 and 19% in 4Q25). The improvement in earnings is supported by effective cost management, including: a) increasing the use of domestically sourced recycle paper (RCP) to 60%; b) a greater focus on higher-margin products; c) lower financing costs; d) reduced fuel costs following renegotiated gas contracts, delivering savings of approximately Bt35m per month; and e) synergies with Mypak Packaging (Mypak), particularly in optimising the customer portfolio toward EBITDA-positive. As a result, SCGP expects Fajar to reach bottom line breakeven by mid-2Q26.
- **2Q26 outlook is positive,** with stronger sales expected despite Thailand entering a low season (45% of revenue), as Vietnam and Indonesia (30% combined) rebound after the holidays – especially Fajar, which should offset weaker Thai demand. Pricing recovery, particularly in Indonesia, should further support margins, with both gross and net margins likely to be sustained at least at 1Q26 levels.

- **Maintain BUY with a higher target price of Bt31.00 (previously Bt26.00)**, based on regional forward PE at -1SD of 25.3x (previously 23.1x at -1SD).

Share Price Catalyst

- **Event:** Better-than-expected Fajar earnings.
- **Timeline:** 2Q26 onwards.

SCC – BUY (Tanaporn Visaruthaphong/Benjaphol Suthwanish)

- **The MOU with PTTGC marks a game changer for SCC.** SCC has signed a non-binding MOU with PTTGC to jointly explore the strategic feasibility of establishing a JV in the olefins and polyolefins businesses, covering both polyethylene (PE) and polypropylene (PP) in Thailand. This development effectively removes SCC's feedstock risk, and we expect the Rayong Olefins (ROC) plant to restart operations as feedstock availability improves. At the same time, the petrochemical sector is showing stronger fundamentals, supported by the recovery in PE and PP spreads, which should enhance SCC's investment appeal. The company expects the JV study to be completed by 3Q26, with shareholder approvals from both PTTGC and SCC targeted by mid-4Q26.
- **Strong core profit outlook continues into 2Q26.** We expect core earnings to increase qoq, driven by a return to profitability in the petrochemical business as PE and PP spreads rise above US\$400/tonne, supported by supply tightness amid Middle East tensions. This positive impact should be sufficient to offset weaker qoq sales in the petrochemical business due to shutdowns at the LSP and ROC plants, as well as the cement business entering its low season. However, we expect 2Q26 net profit to decline qoq, mainly due to lower stock gains compared with the previous quarter.
- **Upgrade to BUY with a higher SOTP-based 2026 target price of Bt290.00 (previously Bt234.00)**, with the chemical business valued on P/B at mean of 0.58x (previously 0.45x P/B of -1.0SD), the cement business at 12x forward PE, and SCGP at 25.3x forward PE (previously 23.1x forward PE). We have raised our target price for SCC to reflect a more positive outlook on its chemicals business following the JV announcement with PTTGC, which enhances feedstock security. This is further supported by an upward revision to our target price for SCGP. In the oil & gas sector, we prefer Siam Cement (SCC TB/BUY/Target: Bt290.00), Thai Oil (TOP TB/BUY/Target: Bt58.00) and PTT Global Chemical (PTTGC TB/BUY/Target: Bt41.00).

Share Price Catalyst

- **Event:** JV with PTTGC.
- **Timeline:** 2Q26 onwards.

TOP – BUY (Tanaporn Visaruthaphong/Benjaphol Suthwanish)

- **CFP project update – on track for COD in 3Q28.** As of Jan 26, overall progress stands at 13.8% under the new Engineering, Procurement, and Construction Management (EPCM) structure. Management remains confident that all units will be operational as scheduled, reaffirming the target for full commercial operation date (COD) in 3Q28. Current crude market dynamics are supportive of the clean fuel project (CFP). The widening light-to-heavy crude spread reflects expectations of rising heavy crude supply, driven partly by geopolitical developments in Venezuela and Iran. Once completed, CFP is expected to lift TOP's market gross refinery margin (GRM) by US\$5.00-US\$6.00/bbl, supported by a higher intake of heavy crude and improved product yields through reduced fuel oil output and increased gas oil production.

- **Refining outlook remains strong.** Market GRM in 1Q26 qtd stands at US\$6.80/bbl. While slightly lower than in 4Q25, it remains above the 2025 average of US\$6.10/bbl. GRM is likely to stay elevated through 2026-27, supported by refinery closures in Europe and the US, which keep net new capacity additions below incremental demand. In 2026, TOP's refining earnings should strengthen, supported by a higher run rate increasing from 106% in 2025 to 111% in 2026 due to fewer shutdowns. The only planned major turnaround is Crude Distillation Unit 3 (CDU-3), scheduled for 30-45 days during Jul-Aug 26.
- **Maintain BUY with a target price of Bt58.00**, based on refinery regional core forward PE at +1S.D. of 11x.

Share Price Catalyst

- **Event:** Higher Gross Refinery Margin (GRM).
- **Timeline:** 1H26.

Valuation Of Analysts' Alpha Picks

Company	Ticker	Rec	Price	Target	Upside	Last	PE			Yield	ROE	Market	Price/
			30 Apr 26 (Bt)	Price (Bt)	To TP (%)	Year End	2025 (x)	2026E (x)	2027E (x)	2026E (%)	2026E (%)	Cap. (US\$m)	NAV ps (x)
Bangkok Dusit Medical Services	BDMS TB	BUY	18.30	32.00	74.86	12/25	18.4	15.6	14.7	4.8	16.5	8,948	2.6
Central Pattana	CPN TB	BUY	62.00	73.50	18.55	12/25	14.8	14.6	13.8	3.9	15.4	8,562	2.4
Siam Global House	GLOBAL TB	BUY	6.65	7.40	11.28	12/25	18.3	16.5	15.8	3.0	8.2	1,105	1.3
Krungthai Card	KTC TB	BUY	29.25	47.00	60.68	12/25	9.7	8.9	8.7	6.6	18.4	2,321	1.6
Ratch Group	RATCH TB	BUY	29.00	35.00	20.69	12/25	10.1	8.9	8.9	5.7	6.8	1,941	0.7
The Siam Cement	SCC TB	BUY	240.00	290.00	20.83	12/25	20.5	21.9	34.3	2.1	3.4	8,862	0.7
SCG Packaging	SCGP TB	BUY	25.00	31.00	24.00	12/25	26.4	20.5	19.4	2.6	7.9	3,302	1.6
Thai Oil	TOP TB	BUY	48.00	58.00	20.83	12/25	7.4	9.1	9.5	3.8	6.6	3,299	0.6

Source: UOB Kay Hian

Retail

Better Outlook In 2Q26 With Positive SSSG in April

Highlights

- SSSG in Apr 26 improved across the board. The stockpiling trend continued into April, with the home improvement segment outperforming peers.
- April is likely to be the strongest month in 2Q26. However, compared to 1Q26, earnings momentum in 2Q26 should improve.
- We prefer CPN given its stronger earnings momentum, and we favour the home improvement retail segment over the grocery retail segment, supported by a stronger 2Q26 outlook.
- Maintain MARKET WEIGHT. Top picks: CPN and MOSHI.

Analysis

- **Same-store sales increased for the second consecutive month.** SSSG in Apr 26 improved across the board. The stockpiling trend continued into April, with the home improvement segment outperforming peers.
- **Home improvement retail was positive across the board.** SSSG for the segment increased by 4% yoy, driven by: a) a low base in Apr 25, b) stronger electrical appliance sales, c) stockpiling of construction materials, and d) selling price increases in line with higher costs. With these price adjustments, we expect gross margins for home improvement retailers to outperform peers.
- **Grocery retail performance also improved.** The grocery segment maintained a positive SSSG (+1.5% yoy), though growth was more modest than home improvement due to a smaller low base benefit and more limited pricing power. The standout performer was CRC (Food Thailand +8% yoy).
- **CPN is expected to be the most resilient.** For the shopping mall segment, CPN continued to see positive traffic in April, extending the momentum from 1Q26. Meanwhile, the lifestyle segment reported flat SSSG yoy due to a high base in April last year.
- **Stockpiling pace likely to slow down in end of April.** One key observation is that the pace of stockpiling began to slow toward the end of April. As such, April is likely to be the strongest month in 2Q26. However, compared to 1Q26, earnings momentum in 2Q26 should improve.

MARKET WEIGHT (Maintained)

Analyst(s)

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Segmental Rating

Segment	Rating
Grocery retail	MARKET WEIGHT (Maintained)
Home improvement retail	OVERWEIGHT (Maintained)
Lifestyle retail	OVERWEIGHT (Maintained)

Source: UOB Kay Hian

Sector Picks

Company	Ticker	Rec	Share Price (Bt)	Target Price (Bt)
Central Patana	CPN TB	BUY	62.00	73.50
Moshi Moshi	MOSHI TB	BUY	34.25	47.00

Source: Bloomberg, UOB Kay Hian

Peer Comparison

Company	Rec	Price 5 May 26 (Bt)	Target Price (Bt)	Upside Downside (%)	Market Cap (US\$m)	Net Profit 2026F (Btm)	Net Profit 2027F (Btm)	PE 2026F (x)	PE 2027F (x)	Net EPS Growth 2026F (%)	P/B 2026F (x)	Yield 2026F (%)	ROE 2026F (%)
BJC TB	HOLD	13.90	15.50	11.5	1,714	4,358	4,450	12.8	12.5	8.7	0.5	4.0	3.4
COM7 TB	BUY	23.20	30.00	29.3	1,704	4,172	4,293	13.3	12.9	3.2	3.9	4.9	30.8
CPALL TB	BUY	43.25	62.00	43.4	11,954	30,180	30,948	12.9	12.6	7.0	2.5	4.1	8.9
CPAXT TB	HOLD	14.60	14.80	1.4	4,684	10,105	10,464	15.1	14.5	8.0	0.5	4.6	3.3
CPN TB	BUY	62.00	73.50	18.5	8,562	19,022	20,129	14.6	13.8	1.0	2.4	3.9	15.4
CRC TB	BUY	18.20	25.50	40.1	3,377	7,707	8,304	14.2	13.2	4.0	1.7	6.1	11.0
DOHOME TB	HOLD	3.28	3.80	15.9	341	662	685	16.8	16.2	10.1	0.8	0.2	4.8
GLOBAL TB	BUY	6.45	7.40	14.7	1,072	2,175	2,268	16.0	15.4	10.7	1.3	3.1	8.2
HMPRO TB	BUY	6.00	8.00	33.3	2,428	5,854	6,119	13.5	12.9	(2.6)	2.9	6.2	22.0
MOSHI TB	BUY	34.25	47.00	37.2	348	785	869	14.4	13.0	17.2	3.6	4.2	26.9
MRDIYT TB	BUY	8.80	10.50	19.3	1,629	3,104	3,609	17.1	14.7	17.9	4.6	2.8	29.2
Average					37,815	88,124	92,138	14.0	13.4	5.5	2.2	4.4	12.4

Source: UOB Kay Hian

Grocery Retail Same-store Sales Growth

Grocery	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26F	Apr26F
CPALL (7-11)	4.9%	3.8%	3.3%	4.0%	3.0%	-0.8%	-0.7%	-1.3%	1.0%	1.0%
CPAXT (Makro)	3.4%	1.8%	1.5%	2.8%	1.0%	-1.2%	0.3%	0.0%	0.5%	1.0%
CPAXT (Lotus's)	6.9%	2.4%	1.9%	3.6%	0.5%	0.0%	-0.5%	-7.6%	0.0%	1.0%
BJC (Big C)	-1.1%	-4.0%	-0.4%	2.2%	2.1%	-3.2%	-3.8%	-3.3%	-3.2%	-3.2%
CRC (Tops & Go TH)	2.0%	0.0%	1.0%	2.0%	2.0%	1.0%	-3.0%	-2.0%	5.5%	7.8%
Average	3.2%	0.8%	1.5%	2.9%	1.7%	-0.8%	-1.5%	-2.8%	0.8%	1.5%

Source: Respective companies, UOB Kay Hian

Home Improvement Retail Same-store Sales Growth

Home Improvement	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26F	Apr26F
HMPRO (HomePro TH)	-2.1%	-7.3%	-5.8%	-0.7%	-3.3%	-8.8%	-5.7%	-7.8%	-12.7%	2.5%
HMPRO (Mega Home)	-4.1%	-1.3%	-3.9%	4.5%	0.2%	-1.6%	0.9%	-6.9%	-3.7%	5.0%
GLOBAL	-5.3%	-2.3%	-3.5%	-3.5%	-10.0%	-10.5%	-0.9%	-4.9%	-2.8%	3.0%
DOHOME	-9.8%	-5.3%	-4.5%	1.5%	2.0%	-9.3%	-11.0%	-10.4%	-4.5%	4.5%
CRC (TWD//PWB/B2S)	-3.0%	-7.0%	-7.0%	-5.1%	-6.0%	-7.0%	-3.0%	-4.0%	-5.0%	5.5%
Average	-4.9%	-4.6%	-4.9%	-0.7%	-3.4%	-7.4%	-3.9%	-6.8%	-5.7%	4.1%

Source: Respective companies, UOB Kay Hian

Central Retail Same-store Sales Growth

CRC	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26F	Apr26F
CRC (Food)	4.0%	-1.0%	-1.0%	-2.0%	-3.0%	-4.0%	-5.0%	-4.0%	2.5%	4.0%
CRC (Hardline)	-5.0%	-8.0%	-9.0%	-5.0%	-7.0%	-8.0%	-3.0%	-4.0%	-3.5%	6.5%
CRC (Fashion)	2.0%	3.0%	-2.0%	1.0%	-4.0%	-6.0%	-3.0%	-3.0%	-8.0%	-2.5%
Average	1.0%	-2.0%	-3.0%	-1.0%	-4.0%	-6.0%	-4.0%	-3.0%	-2.0%	3.0%

Source: Respective companies, UOB Kay Hian

Lifestyle Retail Same-store Sales Growth

Lifestyle Retail	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26F	Apr26F
MRDIYT	2.1%	4.1%	4.4%	1.6%	0.4%	4.0%	2.5%	1.4%	0.5%	-1.5%
MOSHI	0.4%	-8.5%	5.7%	15.4%	7.9%	15.0%	6.0%	1.6%	4.0%	0.0%
Average	1.3%	-2.2%	5.1%	8.5%	4.2%	9.5%	4.2%	1.5%	2.3%	-0.8%

Source: Respective companies, UOB Kay Hian

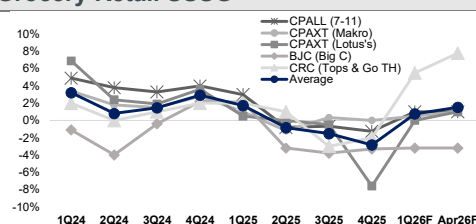
Valuation/Recommendation

- **Maintain MARKET WEIGHT.** Our top picks are CPN and MOSHI. In the near term: a) we prefer CPN given stronger earnings momentum; b) we favour the home improvement segment over the grocery segment, supported by a stronger 2Q26 outlook, better pricing power, and lower impact from government subsidy programmes; and c) we expect the lifestyle retail segment to deliver positive earnings growth throughout the year.

Sector Catalyst/Risk

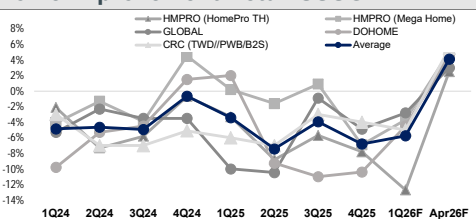
- **Catalysts:** a) attractive valuation, b) recovery in 2Q26, c) tax rebate scheme.
- **1Q26 results preview.** We expect 1Q26 earnings for the retail sector to increase by 6% yoy. The key earnings drivers are CPALL and CPN, with earnings projected to grow by 6% yoy and 16% yoy, respectively. The top performers are IT and lifestyle retailers, namely COM7, MRDIYT, and MOSHI, with earnings expected to grow by 21% yoy, 21% yoy, and 19% yoy, respectively, mainly driven by sales growth and gross margin expansion. The laggards are discretionary retailers such as HMPRO and CRC, where we expect 1Q26 earnings to decline by 18% yoy and 17% yoy, respectively, mainly pressured by the absence of a tax rebate scheme.

Grocery Retail SSSG



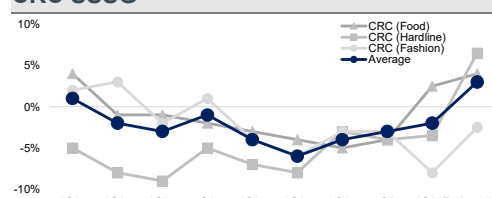
Source: Respective companies, UOB Kay Hian

Home Improvement Retail SSSG



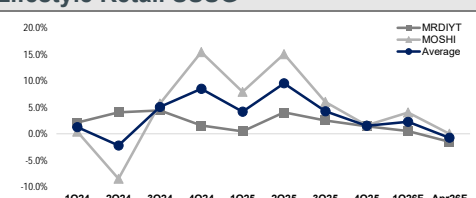
Source: Respective companies, UOB Kay Hian

CRC SSSG



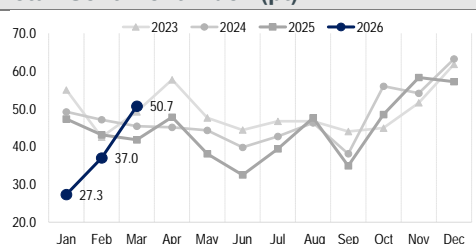
Source: CRC, UOB Kay Hian

Lifestyle Retail SSSG



Source: Respective companies, UOB Kay Hian

Retail Sentiment Index (pt)



Source: Thai Retailers Association, UOB Kay Hian

Earnings Forecast

(Btm)	1Q25	4Q25	1Q26	yoy	qoq
Core profit					
BJC	1,287	1,369	1,124	-12.7%	-17.9%
COM7	981	1,208	1,183	20.6%	-2.1%
CPALL	7,585	7,256	8,014	5.6%	10.4%
CPAXT	2,622	2,563	2,469	-5.9%	-3.7%
CPN	4,038	4,402	4,531	12.2%	2.9%
CRC	2,464	3,011	2,093	-15.1%	-30.5%
DOHOME	246	97	253	3.2%	160.5%
GLOBAL	623	441	614	-1.5%	39.2%
HMPRO	1,707	1,602	1,398	-18.1%	-12.7%
MOSHI	156	243	186	19.2%	-23.3%
MRDIYT	542	850	657	21.2%	-22.7%
Total	22,251	23,041	22,521	1.2%	-2.3%
Net profit					
BJC	1,091	1,293	1,080	-1%	-17%
COM7	981	1,208	1,183	21%	-2%
CPALL	7,585	7,256	8,014	6%	10%
CPAXT	2,643	2,563	2,469	-7%	-4%
CPN	4,227	4,885	4,887	16%	0%
CRC	2,321	2,853	1,925	-17%	-33%
DOHOME	245	97	253	3%	162%
GLOBAL	622	429	614	-1%	43%
HMPRO	1,707	1,602	1,398	-18%	-13%
MOSHI	156	243	186	19%	-23%
MRDIYT	542	850	657	21%	-23%
Total	21,423	22,186	22,665	6%	2%

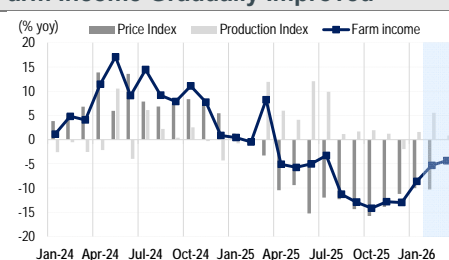
Source: Respective companies, UOB Kay Hian

Profitability

(%)	1Q25	4Q25	1Q26	yoy	qoq
Gross margin					
BJC	20.4	21.2	20.8	0.4	-0.4
COM7	13.7	12.9	14.2	0.5	1.3
CPALL	22.8	22.5	22.8	0.0	0.3
CPAXT	16.3	15.9	16.0	-0.3	0.1
CPN	59.1	56.4	60.1	1.1	3.7
CRC	26.5	27.3	25.9	-0.7	-1.4
DOHOME	16.2	20.3	17.5	1.3	-2.8
GLOBAL	25.1	26.3	26.1	1.0	-0.2
HMPRO	27.0	29.1	27.1	0.2	-1.9
MOSHI	55.3	56.6	56.0	0.6	-0.6
MRDIYT	51.7	51.4	52.0	0.3	0.6
Total	22.4	22.4	22.3	(0.1)	(0.1)
SG&A-to-sales					
BJC	20.5	20.7	22.7	2.2	2.0
COM7	7.8	6.7	7.8	0.0	1.1
CPALL	19.9	20.6	20.2	0.3	-0.4
CPAXT	13.2	13.3	13.2	0.0	-0.1
CPN	17.1	18.5	17.2	0.1	-1.2
CRC	27.4	29.1	28.0	0.6	-1.1
DOHOME	12.9	14.6	13.3	0.3	-1.3
GLOBAL	18.2	22.0	19.8	1.6	-2.3
HMPRO	17.7	21.5	19.4	1.6	-2.2
MOSHI	31.0	29.6	31.5	0.5	2.0
MRDIYT	34.1	31.2	34.3	0.2	3.1
Total	18.7	19.2	19.0	0.3	(0.2)

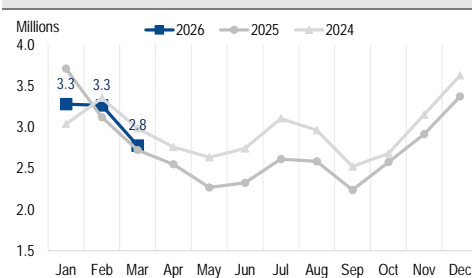
Source: Respective companies, UOB Kay Hian

Farm Income Gradually Improved



Source: Office of Agricultural Economics, UOB Kay Hian

International Tourist Arrival Increase in Feb



Source: Ministry of Tourism and Sports, UOB Kay Hian

Peers PE Band

Peers	-2SD	-1SD	Mean	+1SD	+2SD
BJC	14.8	19.5	24.3	29.1	33.9
CPALL	7.5	17.3	27.2	37.1	47.0
CPAXT	12.1	23.6	35.1	46.6	58.1
CPN	7.8	13.6	19.3	25.1	30.8
CRC	10.3	16.5	22.8	29.1	35.3
DOHOME	-1.5	18.7	39.0	59.2	79.4
GLOBAL	14.6	21.8	29.0	36.1	43.3
HMPRO	11.9	18.4	24.9	31.4	37.9
Average	9.7	18.7	27.7	36.7	45.7

Source: UOB Kay Hian

PTT Global Chemical (PTTGC TB)

1Q26: Net Profit Exceeds Expectations

Highlights

- Reported 1Q26 net profit increased both qoq and yoy, beating our and consensus estimates, driven by stronger-than-expected market GRM.
- Core profit is expected to remain strong in 2Q26, supported by continued improvement in GRM and olefins spreads.
- Maintain BUY with a higher target price of Bt46.00 (Previously Bt41.00).

1Q26 Results

Year to 31 Dec (Btm)	1Q25	4Q25	1Q26	%yoy	%qoq	2025	2026F	%yoy
Revenue	133,180	93,014	147,755	11%	59%	487,585	616,817	27%
EBITDA	5,377	4,239	14,846	176%	250%	20,583	45,914	123%
Operating Profit	-3,538	-4,351	13,461	n.a.	n.a.	-11,320	15,522	n.a.
Interest expenses	2,539	1,343	1,328	-48%	-1%	8,798	4,341	-51%
Core Profit	-3,980	-5,021	6,291	n.a.	n.a.	-15,750	12,554	n.a.
Extraordinary items	1,413	-492	-3,059	n.a.	n.a.	1,150	-3,353	n.a.
Net Profit	-2,567	-5,512	3,232	n.a.	n.a.	-14,600	9,201	n.a.
EPS	-0.57	-1.16	0.79			-3.24	2.04	
Gross Profit Margin	3.7%	2.9%	15.6%			4.4%	8.8%	
EBITDA Margin	4.0%	4.6%	10.0%			4.2%	7.4%	
Net profit margin	-1.9%	-5.9%	2.2%			-3.0%	1.5%	

Source: PTTGC, UOB Kay Hian

Analysis

- 1Q26 turnaround to net profit.** PTT Global Chemical (PTTGC) reported a net profit of Bt3.23b in 1Q26 (vs a net loss of Bt5.51b in 4Q25 and net loss of Bt2.67b in 1Q25), exceeding our and consensus estimates by 32% and 15%, respectively, driven by stronger-than-expected market gross refinery margin (GRM). In 1Q26, PTTGC recorded total extra losses of Bt3.06b. Excluding these items, core profit would be Bt6.29b, increasing both qoq and yoy.
- Extra items.** PTTGC recorded extra losses of Bt3.06bn in 1Q26, comprising: a) stock gain of Bt7.18b; b) gain from asset monetisation of Bt3.3b; c) hedging loss of Bt7.99b; d) impairment loss of Bt3.49b in GC Polyols (GCP), its polyols business; e) impairment loss of Bt1.44b in the US gas cracker project; and f) extra expenses of Bt1.63b in PTT MCC Biochem (PTTMCC), its bioplastics business.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	608,550	487,585	616,817	677,407	685,197
EBITDA	32,562	20,583	45,914	41,981	41,036
Operating profit	3,086	-5,799	17,989	15,385	15,633
Net profit (rep./act.)	-29,811	-14,600	9,201	9,552	9,836
Net profit (adj.)	-9,431	-15,750	12,554	9,552	9,836
EPS	-2.1	-3.5	2.8	2.1	2.2
PE	-16.9	-10.1	12.7	16.6	16.2
P/B	0.52	0.47	0.47	0.46	0.45
EV/EBITDA	10.9	13.8	6.5	7.0	6.8
Dividend yield	1.4	1.4	1.4	1.4	1.4
Net margin	-4.9	-3.0	1.5	1.4	1.4
Net debt/(cash) to equity	63.8	37.4	41.0	39.1	33.8
Interest cover	2.7	2.3	10.6	8.9	8.8
Consensus net profit	-	-	5,534	6,823	10,938
UOBKH/Consensus (x)	-	-	1.66	1.40	0.90

Source: Bloomberg, PTTGC, UOB Kay Hian

BUY (Maintained)

Share Price	Bt39.50
Target Price	Bt46.00
Upside	+16.46%
Previous TP	Bt41.00

Analyst(s)

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Stock Data

GICS Sector	Petrochemical
Bloomberg ticker	PTTGC TB
Shares issued (m)	4,508.85
Market cap (Btm)	108,663.26
Market cap (US\$m)	3,329.61
3-mth avg daily t'over (US\$m)	14.0

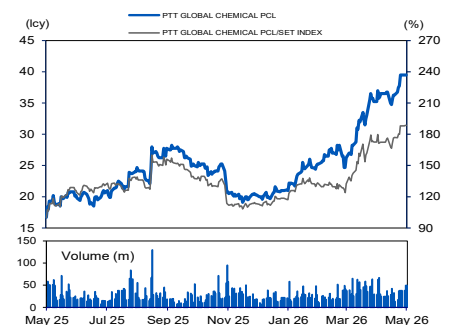
Price Performance (%)

52-week high/low	Bt28.75/Bt14.20			
1mth	3mth	6mth	1yr	YTD
(11.4)	15.4	45.4	12.2	1.6

Major Shareholders

PTT	45.18%
Thai NDVR	3.72%
Siam manager holdings	3.00%

Price Chart



Source: Bloomberg

Company Description

PTT Global Chemical is a fully integrated petrochemical and chemical company. The company's products are mainly derived from olefins, particularly ethylene and propylene.

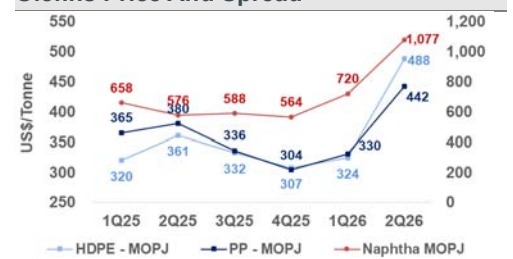
- **Core profit beat estimates by 8%.** PTTGC reported core profit of Bt6.29b, increasing both qoq and yoy and exceeding our forecast by 8%, driven by:
 - a) Strong refining recovery – Market GRM rose to US\$16.70/bbl in 1Q26, up both qoq and yoy, supported by Middle East geopolitical concerns and strong jet fuel demand, which lifted GRM of middle distillate (PTTGC’s key products). Refinery utilisation rebounded to 103% (vs 55% in 4Q25) due to the absence of maintenance shutdowns.
 - b) Improved olefins performance – Earnings increased on tighter supply following significant global capacity reductions, driving HDPE prices and spreads up by 20% qoq and 6% qoq, respectively. Additionally, there were no one-off gas pricing adjustment expenses as seen in 4Q25.
 - c) Stronger aromatics spreads – Paraxylene and benzene spreads improved due to a sharp decline in inventories in China, with BTX spread estimated at US\$276/tonne, rising both qoq and yoy.
 - d) Higher performance chemicals earnings – Profit growth was supported by stronger sales at Allnex, increasing both qoq and yoy.
- **2Q26 outlook remains positive.** We expect core profit to continue improving both qoq and yoy, supported by stronger GRM and petrochemical spreads. This is further reinforced by the restart of the olefins plant 4 (OLE4) in early-April following maintenance in late-1Q26.
- **Signed non-binding MOU with SCGC.** PTTGC has signed a non-binding MOU with SCG Chemicals, a subsidiary of Siam Cement (SCC), to jointly study the strategic feasibility of establishing a JV in the olefins and polyolefins businesses (polyethylene and polypropylene) in Thailand. After the merger, the combined entity would become the world’s 10th-largest polyolefins producer and elevate Thailand into a globally competitive integrated petrochemical hub. The study is expected to be completed by 3Q26. In the near term, we see no impact on PTTGC’s earnings forecasts or target price. Key factors to monitor include: a) details of asset contributions from both parties into the JV; b) potential synergy value from the deal; c) JV shareholding structure, where we expect PTTGC to hold a larger stake given its feedstock advantage; and d) regulatory approvals, which could take at least six months after shareholder approvals, expected around mid-4Q26.

Key Statistics

	1Q25	4Q25	1Q26	%yoy	%qoq
Avg. Fx (Bt/US\$)	35.2	32.3	31.8	-10%	-2%
Dubai Crude oil price (US\$/bbl)	76.9	63.8	86.3	12%	35%
Market GRM (US\$/bbl)	3.4	7.9	16.7	391%	111%
Hedging Gain / (Loss) (Bt m)	809	146	-7,991	n.a.	n.a.
Stock Gain / Loss (Bt m)	-55	-1,464	7,182	n.a.	n.a.
BTX P2F (US\$/Ton)	156	193	276	77%	43%
Adj. EBITDA Olefins chain	2,765	437	2,541	-8%	481%
HDPE price (US\$/tonne)	978	871	871	-11%	0%
HDPE - Naphtha (US\$/tonne)	320	307	307	-4%	0%
LLDPE - Naphtha (US\$/tonne)	362	304	304	-16%	0%
LDPE - Naphtha (US\$/tonne)	536	484	484	-10%	0%

Source: PTT Global Chemical, UOB Kay Hian

Olefins Price And Spread



Source: PTT Global Chemical, UOB Kay Hian

Crude Oil, SG GRM And Crude Premium



Source: PTT Global Chemical

Valuation/Recommendation

- **Maintain BUY with a higher target price of Bt46.00 (previously Bt41.00),** based on forward P/B at mean of 0.70x (previously 0.61x forward P/B at mean). In the oil and gas sector, we prefer Indorama Ventures (IVL TB/BUY/Target: Bt25.00) PTT Global Chemical (PTTGCTB/BUY/Target Bt46.00) and Siam Cement (SCC TB/BUY/Target: Bt290).

Earnings Revision/Risk

- **Earnings revision.** None.

Environment, Social, Governance (ESG) Updates

Environmental

- Conducts business operations with efficient use of resources in accordance with the circular economy approach, through good cooperation with partners and a continued focus on decarbonisation to achieve its goal of cutting greenhouse gas emissions to net zero by 2050.

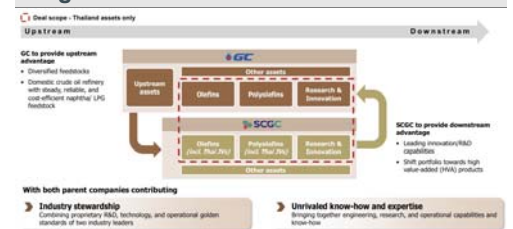
Social

- Creates value for society, promotes social enterprises to generate revenue that will improve the nation’s economy, reduce inequality as well as supports the safety, good education, health and wellbeing of communities and society as a whole.

Governance

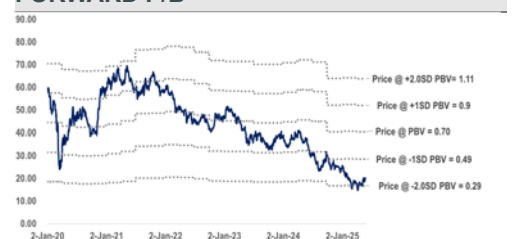
- Be a transparent, verifiable organisation with a focus on the creation of innovative, environmentally friendly chemicals for a low-carbon business.

Synergy: Upstream To Downstream Integration



Source: PTT Global Chemical

FORWARD P/B



Source: Bloomberg

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	487,585	616,817	677,407	685,197
EBITDA	20,583	45,914	41,981	41,036
Deprec. & amort.	26,383	27,925	26,596	25,404
EBIT	-5,799	17,989	15,385	15,633
Associate contributions	-1,547	-500	-500	-500
Net interest income/(expense)	-8,798	-4,341	-4,728	-4,683
Pre-tax profit	-16,145	13,148	10,156	10,449
Tax	-577	-294	-305	-313
Minorities	972	-300	-300	-300
Net profit	-14,600	9,201	9,552	9,836
Net profit (adj.)	-15,750	12,554	9,552	9,836

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	40,830	37,187	36,094	35,391
Pre-tax profit	-16,145	13,148	10,156	10,449
Tax	-577	-294	-305	-313
Deprec. & amort.	26,383	27,925	26,596	25,404
Working capital changes	1,975	-19,639	-20,354	-20,149
Other operating cashflows	29,195	16,047	20,000	20,000
Investing	-11,678	-47,440	-30,209	-16,955
Investments	-14,025	-15,000	-15,000	-15,000
Others	2,347	-32,440	-15,209	-1,955
Financing	-41,842	-5,820	2,862	-10,138
Dividend payments	-2,517	-2,254	-2,254	-2,254
Issue of shares	-39,325	-3,565	5,117	-7,883
Proceeds from borrowings	-12,689	-16,072	8,747	8,298
Net cash inflow (outflow)	35,091	18,925	2,853	11,600
Beginning cash & cash equivalent	-1,131	0	0	0
Changes due to forex impact	21,271	2,853	11,600	19,898
Ending cash & cash equivalent	40,830	37,187	36,094	35,391

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	256,541	243,615	232,019	221,616
Other LT assets	214,580	261,262	283,148	285,962
Cash/ST investment	21,271	2,853	11,600	19,898
Other current assets	113,981	140,739	155,218	156,733
Total assets	606,373	648,469	681,985	684,209
ST debt	3,565	1,383	7,883	1,383
Other current liabilities	110,378	135,150	149,275	150,642
LT debt	142,926	141,543	140,160	138,776
Other LT liabilities	53,734	67,976	74,653	75,512
Shareholders' equity	334,949	341,296	348,594	356,175
Total liabilities & equity	606,375	648,472	681,989	684,214

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	4.2	7.4	6.2	6.0
Pre-tax margin	-3.3	2.1	1.5	1.5
Net margin	-3.0	1.5	1.4	1.4
ROA	-2.9	1.8	1.8	1.8
ROE	-4.7	2.9	3.0	3.0
Growth				
Turnover	-19.9	26.5	9.8	1.2
EBITDA	-36.8	123.1	-8.6	-2.2
Pre-tax profit	n.a.	n.a.	n.a.	n.a.
Net profit	n.a.	n.a.	n.a.	n.a.
Net profit (adj.)	n.a.	n.a.	n.a.	n.a.
EPS	-101.3	-100.3	-99.3	-98.3
Leverage				
Debt to total capital	49.5	47.3	47.8	44.1
Debt to equity	43.7	41.9	42.5	39.4
Net debt/(cash) to equity	37.4	41.0	39.1	33.8
Interest cover (x)	2.3	10.6	8.9	8.8

Home Product Center (HMPRO TB)

April Operations Show Improvement

Highlights

- The tone of the analyst meeting was slightly positive. Operations in April showed improvement in both sales and margins.
- April SSSG improved, driven by stronger electrical appliance sales, higher demand for construction materials and product price adjustments.
- We are confident that gross margin will improve in 2Q26, supported by price increases and a stronger push on private brand and high-margin products. Maintain BUY with a lower target price of Bt8.00.

Analysis

- **Tone of the analyst meeting was slightly positive.** Operations in April showed improvement in both sales and margins.
- **Improved SSSG in April.** Home Product Center's (HMPRO) April SSSG improved (HomePro: +2-3% yoy, Mega Home: +5% yoy), driven by: a) stronger electrical appliance sales, eg air conditioners, fans, air purifiers due to a low base; b) higher demand for construction materials as customers rushed purchases amid concerns over price increases; and c) product price adjustments. HMPRO has already raised prices on about 30% of total SKUs, mainly in chemicals and private brand products.
- **Margin to improve in 2Q26.** We are confident that gross margin will improve in 2Q26, supported by price increases and a stronger push on private brand and high-margin products. Meanwhile, SG&A-to-sales is also expected to be lower, backed by positive SSSG (around 60-70% of SG&A is fixed cost).
- **Positive outlook in 2Q26.** The stockpiling trend started to slow toward the end of April, but sales momentum remains stronger than in previous periods, in line with the home improvement retail sector. However, the overall sentiment still better than in 1Q26. As a result, we believe there is a high chance that 1Q26 will be the weakest quarter of 2026.

Key Financials

Year to 31 Dec (Btm)	2024	2025	2026F	2027F	2028F
Net turnover	69,806.4	67,887.6	65,709.0	68,237.4	71,274.4
EBITDA	12,233.3	11,682.9	11,687.7	12,076.2	12,619.1
Operating profit	8,690.7	8,099.7	7,896.2	8,201.4	8,663.0
Net profit (rep./act.)	6,503.6	6,011.4	5,853.7	6,119.4	6,511.6
Net profit (adj.)	6,503.3	6,002.9	5,845.9	6,111.6	6,511.6
EPS	0.5	0.5	0.4	0.5	0.5
PE (x)	12.1	13.1	13.5	12.9	12.1
P/B (x)	2.9	3.0	2.9	2.8	2.7
EV/EBITDA (x)	7.9	8.6	8.3	7.9	7.4
Dividend yield (%)	7.2	6.3	6.2	6.4	6.9
Net margin (%)	9.3	8.8	8.9	9.0	9.1
Net debt/(cash) to equity(%)	67.3	80.8	66.2	59.8	51.0
Interest cover (x)	19.6	17.4	17.6	18.9	20.4
Consensus net profit	n.a	n.a	6,137.6	6,485.1	6,789.6
UOBKH/Consensus (x)	n.a	n.a	1.0	0.9	1.0

Source: Home Product Center, Bloomberg, UOB Kay Hian

BUY (Maintained)

Share Price	Bt6.05
Target Price	Bt8.00
Upside	32.23%
Previous TP	Bt9.00

Analyst(s)

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Stock Data

GICS sector	Consumer Discretionary
Bloomberg ticker:	HMPRO TB
Shares issued (m):	12,950.0
Market cap (Bt\$m):	78,347.5
Market cap (US\$m):	2,409.4
3-mth avg daily t'over (US\$m):	10.1

Price Performance (%)

52-week high/low	Bt8.5/Bt5.8				
1mth	3mth	6mth	1yr	YTD	
0.0	(13.6)	(8.3)	(27.1)	(9.0)	

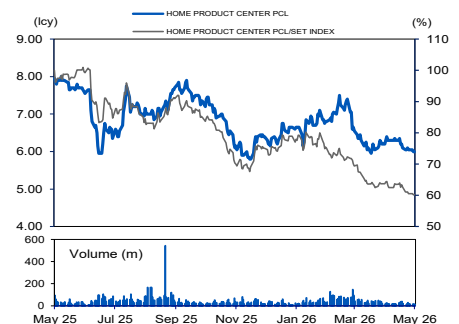
Major Shareholders

	%
Land and House	30.23
Quality House	19.87
Thai NVDR	5.21

Balance Sheet Metrics

	%
FY26 NAV/Share (Bt)	2.1
FY26 Net Debt/Share (Bt)	1.4

Price Chart



Source: Bloomberg

Company Description

Thailand's largest home improvement centre with a nearly 40% market share of the modern trade segment.

Valuation/Recommendation

- **Maintain BUY with a lower target price of Bt8.00 (previously Bt9.00).** Our target price is based on a 2026F PE of 18x, equivalent to -1.0SD to its five-year average.
- While earnings momentum may lag the broader home improvement segment, HMPRO's more attractive valuation discount (forward PE of 14x vs peers at 16x) supports our continued BUY call.

Earnings Revision/Risk

- **Revise down earnings forecast.** We revise down our 2026-27 earnings forecasts by 5.3% and 6.3% respectively to reflect weak 1Q26 earnings.

Key Financials

(Btm)	2026F			2027F		
	New	Previous	Change	New	Previous	Change
Sales revenue	63,728	66,645	-4.4%	66,207	67,516	-1.9%
Operating profit	7,896	8,304	-4.9%	8,201	8,731	-6.1%
Net profit	5,854	6,183	-5.3%	6,119	6,530	-6.3%
Gross margin on sales	26.8%	26.4%	-0.41	26.9%	26.4%	-0.51
SG&A to revenue	20.4%	19.7%	-0.73	20.4%	19.4%	-1.02
Net profit margin	8.9%	9.0%	0.10	9.0%	9.4%	0.42

Source: Home Product Center, Bloomberg, UOB Kay Hian

Share Price Catalyst

- **Catalysts:** Recovery in 2Q26; lower rainfall in 2026; discount valuation.

Environment, Social, Governance (ESG) Updates

CG Report: 5, SET ESG Rating: AA

Environmental

- **Net zero target.** HMPRO's main goal is to become a net zero greenhouse gas emissions company by 2050.

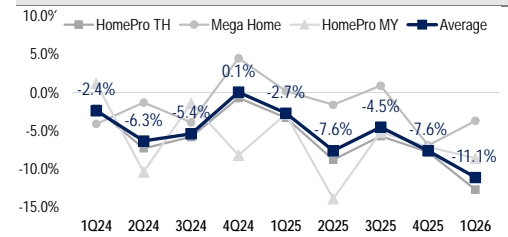
Social

- **Sustainability supply chain.** HMPRO implemented sustainable development across the entire supply chain by creating innovative eco-friendly products and hiring local talent through 2,650 teams.

Governance

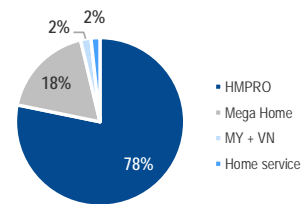
- **Good governance practice.** HMPRO is committed to extending good corporate governance through the company supply chain to fight against corruption.

Same-Store Sales



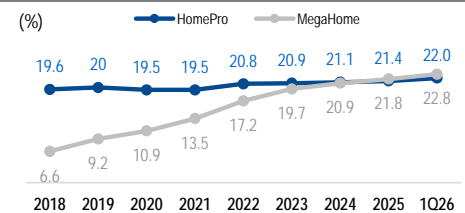
Source: HMPRO, UOB Kay Hian

1Q26 Sales Contribution



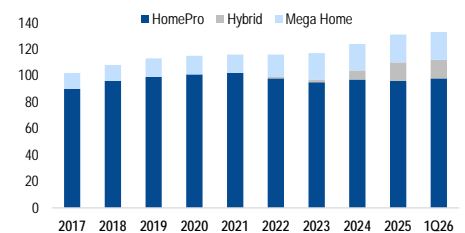
Source: HMPRO, UOB Kay Hian

Private Brand Contribution



Source: HMPRO, UOB Kay Hian

Stores



Source: HMPRO, UOB Kay Hian

PE Band

Peers	-2SD	-1SD	Mean	+1SD	+2SD
BJC	14.8	19.5	24.3	29.1	33.9
CPALL	7.5	17.3	27.2	37.1	47.0
CPAXT	12.1	23.6	35.1	46.6	58.1
CPN	7.8	13.6	19.3	25.1	30.8
CRC	10.3	16.5	22.8	29.1	35.3
DOHOME	-1.5	18.7	39.0	59.2	79.4
GLOBAL	14.6	21.8	29.0	36.1	43.3
HMPRO	11.9	18.4	24.9	31.4	37.9
Average	9.7	18.7	27.7	36.7	45.7

Source: Bloomberg, UOB Kay Hian

Profit & Loss

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Net turnover	67,888	65,709	68,237	71,274
EBITDA	11,683	11,688	12,076	12,619
Deprec. & amort.	3,583	3,792	3,875	3,956
EBIT	8,100	7,896	8,201	8,663
Total other non-operating income	0	0	0	0
Associate contributions	(1)	0	0	0
Net interest income/(expense)	(671)	(663)	(640)	(617)
Pre-tax profit	7,428	7,233	7,561	8,046
Tax	(1,416)	(1,379)	(1,442)	(1,534)
Minorities	0	0	0	0
Net profit	6,011	5,854	6,119	6,512
Net profit (adj.)	6,003	5,846	6,112	6,512

Cash Flow

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Operating	8,635	7,708	9,221	10,309
Pre-tax profit	7,428	7,233	7,561	8,046
Tax	(1,416)	(1,379)	(1,442)	(1,534)
Deprec. & amort.	3,583	3,792	3,875	3,956
Working capital changes	(787)	(1,936)	(843)	(223)
Non-cash items	(173)	(1)	70	65
Other operating cashflows	0	0	0	0
Investing	(4,979)	275	(3,222)	(3,264)
Capex (growth)	(5,016)	369	(3,275)	(3,276)
Investments	1	0	0	0
Others	36	(94)	52	13
Financing	(4,721)	(5,090)	(5,755)	(6,018)
Dividend payments	(5,363)	(4,840)	(4,955)	(5,218)
Issue of shares	0	0	0	0
Proceeds from borrowings	1,996	(250)	(800)	(800)
Others/interest paid	(1,354)	0	0	0
Net cash inflow (outflow)	(1,066)	2,892	245	1,027
Beginning cash & cash equivalent	5,554	4,488	7,381	7,625
Ending cash & cash equivalent	4,488	7,381	7,625	8,653

Balance Sheet

Year to 31 Dec (Btm)	2025	2026F	2027F	2028F
Fixed assets	47,057	42,897	42,297	41,617
Other LT assets	1,384	1,357	1,386	1,454
Cash/ST investment	4,488	7,381	7,625	8,653
Other current assets	17,720	17,147	17,814	18,603
Total assets	70,648	68,782	69,121	70,326
ST debt	12,959	13,709	13,709	13,709
Other current liabilities	17,325	14,814	14,708	15,339
LT debt	12,626	11,626	10,826	10,026
Other LT liabilities	1,642	1,521	1,602	1,682
Shareholders' equity	26,097	27,111	28,276	29,570
Minority interest	0	0	0	0
Total liabilities & equity	70,648	68,781	69,121	70,326

Key Metrics

Year to 31 Dec (%)	2025	2026F	2027F	2028F
Profitability				
EBITDA margin	17.2	17.8	17.7	17.7
Pre-tax margin	10.9	11.0	11.1	11.3
Net margin	8.8	8.9	9.0	9.1
Growth				
Net profit (adj.)	(7.7)	(2.6)	4.6	6.5
Leverage				
Debt to total capital	98.0	93.4	86.8	80.3
Debt to equity	98.0	93.4	86.8	80.3
Net debt/(cash) to equity	80.8	66.2	59.8	51.0
Interest cover	17.4	17.6	18.9	20.4

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