UOBKayHian

Country Daily Thailand

Tuesday, 23 June 2026

Key Indices

	Prev Close	1D %	1W %	1M %	YTD %
DJIA	51712.7	0.3	0.1	2.2	7.6
S&P 500	7472.8	(0.4)	(1.1)	(0.0)	9.2
FTSE 100	10437.9	0.7	0.1	(0.3)	5.1
AS30	9031.2	(0.2)	(1.1)	1.7	0.1
CSI 300	5059.7	2.4	3.4	4.4	9.3
FSSTI	5204.0	0.2	2.5	2.7	12.0
HSCEI	7914.7	(0.8)	(5.5)	(7.4)	(11.2)
HSI	23768.5	(0.7)	(4.3)	(7.2)	(7.3)
JCI	6116.7	(1.0)	(2.2)	(0.7)	(29.3)
KLCI	1700.8	(0.7)	0.6	(0.7)	1.2
KOSPI	9114.6	0.7	6.7	16.1	116.3
Nikkei 225	72354.0	1.5	4.4	14.2	43.7
SET	1574.1	0.1	(1.1)	2.3	25.0
TWSE	47741.5	2.7	5.2	12.9	64.8
BDI	2684.0	(1.4)	(1.3)	(10.3)	43.0
CPO (RM/mt)	4500.0	0.0	2.2	1.2	14.4
Brent Crude (US$/bbl)	77.9	(3.3)	(6.3)	(24.8)	28.0

Source: Bloomberg

Corporate Events

	Venue	Begin	Close
Virtual Presentation on Regional 2H26 Outlook and Strategy	Singapore	23 Jun	24 Jun
Virtual Meeting with Mr DIY Holding Thailand PCL (MRDIYT TB)	Thailand	01 Jul	01 Jul
Analyst Marketing on Singapore 2H Outlook & Strategy by Adrian Loh	Malaysia	01 Jul	03 Jul
Hybrid Post-results Luncheon with JBM (Healthcare) Ltd (2161 HK) & Jacobson Pharma (2633 HK)	Hong Kong	03 Jul	03 Jul
Small & Mid-Caps Corporate Day	Singapore	09 Jul	09 Jul

Corporate and Macro Calendar

Economic Indicator/Event	Country/Region	Date
May. Customs Trade Balance (Export-Import)	Thailand	30 June

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Company Update | Aeon Thana Sinsap (Thailand) (AEONTS TB/**HOLD**/Bt96.25/Target: Bt104.00) Page 2

We expect AEONTS to report a 1QFY27 net profit of Bt731m, down 5% yoy and 20% qoq. The absence of the gains from the sale of written-off receivables would be a key drag on 1QFY27 earnings. We expect AEONTS' credit costs to increase from 800bp in 4QFY26 to 840bp in 1QFY27. However, we are more positive about the credit cost outlook. Maintain HOLD with a target price of Bt104.00.

Aeon Thana Sinsap (Thailand) (AEONTS TB)

1QFY27 Results Preview: Earnings Drop QOQ On Absence Of Written-Off Receivables

HOLD (Maintained)	
Share Price	Bt96.25
Target Price	Bt104.00
Upside	8.1%
Previous TP	Bt100.00

Highlights

- AEONTS will announce its 1QFY27 earnings results on 8 Jul 26.
- We expect a 1QFY27 net profit of Bt731m (-5% yoy, -20% qoq).
- Maintain HOLD with a higher target price of Bt104.00 (previous: Bt100.00).

Analysis

- **Expect 1QFY27 earnings to decrease yoy and qoq.** We expect Aeon Thana Sinsap (Thailand) (AEONTS) to report a 1QFY27 net profit of Bt731m, down 5% yoy and 20% qoq. The sharp drop qoq in earnings is attributed to the absence of the sale of written-off receivables. We foresee the company's pre-provision operating profit decreasing 1% yoy and 5% qoq in 1QFY27.
- **The absence of the gains from the sale of written-off receivables would be a key drag on 1QFY27 earnings.** AEONTS has reported the gain from the sale of its written-off receivables of Bt193m in 4QFY26. However, AEONTS has stated that the sale of written-off receivables will occur once a year, which means we should not expect to see this item again until 4Q. Therefore, we should see a sharp qoq drop in 1QFY27 earnings.
- **Expect credit cost to increase qoq in 1QFY27.** We expect AEONTS to be impacted by Middle East tensions due to the higher oil price environment. As AEONTS' clients are mid-to-low-income earners, we expect there will be clients facing difficulties in paying their bills. Thus, we expect AEONTS' credit cost to increase from 800bp in 4QFY26 to 840bp in 1QFY27. We foresee a decrease in NPL ratio from 5.6% in 4QFY26 to 5.5% in 1QFY27 with a loan expansion of 1.1% qoq. After seeing positive results from the Thai Help Plus 60/40 cash handout programme which started on 1 Jun 26, we are more positive on the credit cost outlook.
- **A second share repurchase programme supports the share price.** AEONTS' second share repurchase programme, which started on 27 Apr 26, amounts to Bt32.6m or 10.9% of the total budget of Bt300m. Meanwhile, the share price has increased from Bt92.25 on 27 Apr 26 to Bt96.25 on 19 Jun 26, or +4.3%. The programme will run for six months from 20 Apr 26 to 19 Oct 26. We expect this to help support the share price amid many uncertainties.

Key Financials

Year to 28 Feb (Btm)	FY25	FY26	FY27F	FY28F	FY29F
Net interest income	16,124.9	15,533.3	15,913.0	16,321.2	16,643.9
Non-Interest Income	3,731.5	4,188.0	4,200.4	4,343.6	4,531.9
Net profit (rep./act.)	2,860.3	3,094.1	3,069.2	3,196.6	3,298.5
Net profit (adj.)	2,860.3	3,094.1	3,069.2	3,196.6	3,298.5
EPS (Bt)	11.4	12.5	12.4	12.9	13.4
PE (x)	8.4	7.7	7.8	7.4	7.2
P/B (x)	0.9	0.9	0.8	0.8	0.7
Dividend yield (%)	4.4	5.7	5.7	5.7	5.7
Net int margin (%)	17.9	17.7	18.2	18.1	17.8
Cost/income Ratio (%)	44.2	42.4	42.7	42.9	42.6
Loan loss cover (%)	153.8	169.1	172.0	174.0	171.0
Consensus net profit	n.a	n.a	3,078.5	3,272.0	3,303.2
UOBKH/Consensus (x)	n.a	n.a	1.0	1.0	1.0

Source: Aeon Thana Sinsap (Thailand), Bloomberg, UOB Kay Hian

Analyst(s)
Thanawat Thangchadakorn
thanawat@uobkayhian.co.th
(662) 090 3360

Stock Data

GICS sector	Financials
Bloomberg ticker:	AEONTS TB
Shares issued (m):	247.4
Market cap (Btm):	23,507.8
Market cap (US$m):	718.0
3-mth avg daily t'over (US$m):	2.7

Price Performance (%)

52-week high/low: Bt120.0/Bt87.5

1mth	3mth	6mth	1yr	YTD
5.6	(1.8)	(8.2)	(10.8)	(11.6)

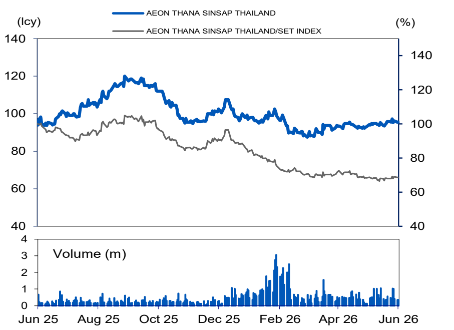
Major Shareholders

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

Balance Sheet Metrics

FY27 NAV/Share (Bt)	117.0
FY27 Net Debt/Share (Bt)	n.a

Price Chart



Source: Bloomberg

Company Description

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

1QFY27 Results (Mar 26-May 26)

Year to 28 Feb (Btm)	1QFY27F	4QFY26	1QFY26	qoq chg (%)	yoy chg (%)
Total gross loans	87,133	86,176	88,870	1.1	(2.0)
Net interest income	3,920	3,819	3,925	2.6	(0.1)
Non-interest income	874	1,262	931	(30.7)	(6.1)
Loan loss provision	(1,863)	(1,784)	(1,766)	4.4	5.4
Non-Interest Expenses	(2,036)	(2,178)	(2,078)	(6.5)	(2.0)
Pre-provision operating profit	2,758	2,903	2,778	(5.0)	(0.7)
Net income	731	912	772	(19.9)	(5.3)
EPS (Bt)	2.96	3.69	3.09	(19.9)	(4.2)
Ratio (%)					
NPL Ratio	5.5%	5.6%	5.1%		
Loan loss coverage ratio (%)	166%	169%	162%		
Net interest margin (NIM %)	17.9%	17.5%	17.7%		
Credit cost (bp)	840	800	782		
Cost to income (%)	42%	43%	43%		

Source: AEONTS, UOB Kay Hian

Valuation/Recommendation

- **Maintain HOLD with a higher target price of Bt104.00 (previous: Bt100.00).** We use the Gordon Growth Model with cost of equity of 13.0% and a long-term growth rate of 3.0%. Our target price implies 0.9x FY27F P/B, which is slightly below -1.0SD to its five-year average.

Earnings Revision/Risk

- We revise AEONTS' earnings forecasts for FY27-FY29 upward by 2.3%, 2.6%, and 3.8% respectively. After seeing positive results from the Thai Help Plus 60/40 cash handout programme which started on 1 Jun 26, we are more positive on the credit cost outlook.

Share Price Catalyst

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

Environment, Social, Governance (ESG) Updates

CG Report: 5
SET ESG Rating: A

Environmental

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

Social

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

Governance

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

Loan Portfolio (4QFY26)

Source: AEONTS, UOB Kay Hian

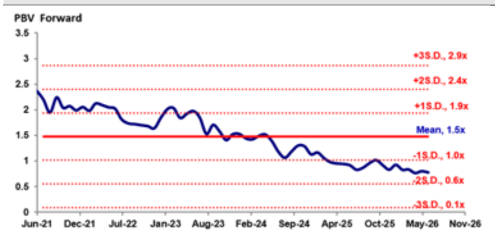
Credit Cost

Source: AEONTS, UOB Kay Hian

PE Band

Source: AEONTS, UOB Kay Hian

P/B Band



Source: AEONTS, UOB Kay Hian

Profit & Loss

Year to 28 Feb (Btm)	FY26	FY27F	FY28F	FY29F
Interest income	17,587	17,533	17,859	18,177
Interest expense	(2,054)	(1,620)	(1,538)	(1,533)
Net interest income/(expense)	15,533	15,913	16,321	16,644
Fees & Commissions	857	813	821	828
Income From Insurance	0	0	0	0
Net Trading Income	0	0	0	0
Other Income	3,331	3,387	3,523	3,704
Non-Interest Income	4,188	4,200	4,344	4,532
Total Income	19,721	20,113	20,665	21,176
Staff Costs	(8,249)	(8,474)	(8,745)	(8,894)
Other Operating Expense	(113)	(119)	(125)	(131)
Pre-Provision Profit	11,359	11,520	11,796	12,150
Loan Loss Provision	(7,439)	(7,759)	(7,878)	(8,109)
Other Provisions	0	0	0	0
Associated Companies	0	0	0	0
Other Non-Operating Income	0	0	0	0
Pre-tax profit	3,920	3,761	3,917	4,042
Tax	(790)	(752)	(783)	(808)
Minorities	(36)	60	63	65
Net profit	3,094	3,069	3,197	3,299
Net profit (adj.)	3,094	3,069	3,197	3,299

Balance Sheet

Year to 28 Feb (Btm)	FY26	FY27F	FY28F	FY29F
Cash With Central Bank	3,682	3,388	3,514	3,632
Govt Treasury Bills & Securities	0	0	0	0
Interbank Loans	0	0	0	0
Customer Loans	78,088	78,250	81,070	84,100
Investment Securities	0	0	0	0
Derivative Receivables	0	0	0	0
Associates & JVs	0	0	0	0
Properties & Other Fixed Assets	779	669	631	625
Goodwill & Intangible Assets	777	664	587	535
Other Assets	4,981	4,944	5,065	5,196
Insurance Fund Investment Assets	0	0	0	0
Total assets	88,307	87,916	90,867	94,088
Interbank Deposits	0	0	0	0
Customer Deposits	0	0	0	0
Bills Payable	52,260	48,543	49,067	49,938
Derivative Payables	0	0	0	0
Debts Securities Issued	0	0	0	0
Subordinated Debts	1,416	2,992	3,307	3,438
Other Liabilities	6,502	6,480	6,691	6,906
Insurance Fund Liabilities	0	0	0	0
Total liabilities	60,178	58,015	59,065	60,282
Shareholders' funds	27,195	28,906	30,744	32,684
Minority interest	934	995	1,058	1,123
Total Equity & Liabilities	88,307	87,916	90,867	94,088

Operating Ratios

Year to 28 Feb (Btm)	FY26	FY27F	FY28F	FY29F
Capital Adequacy				
Total Assets/Equity	3	3	3	3
Tangible Assets/Tangible Common Equity	3	3	3	3
Asset Quality				
NPL Ratio	5	6	6	6
Loan Loss Coverage	169	172	174	171
Loan Loss Reserve/Gross Loans	8	9	9	9
Increase in NPLs	3	2	5	2
Credit Cost (bp)	833	877	872	867
Liquidity				
Loan/Deposit Ratio	163	170	173	176
Liquid Assets/Short-Term Liabilities	7	7	7	7
Liquid Assets/Total Assets	4	4	4	4

Key Metrics

Year to 28 Feb (%)	FY26	FY27F	FY28F	FY29F
Growth				
Net Interest Income, yoy Chg	(4)	2	2	2
Fees & Commissions, yoy Chg	3	(5)	(5)	(5)
Pre-Provision Profit, yoy Chg	3	1	1	1
Net Profit, yoy Chg	8	(1)	(1)	(1)
Customer Loans, yoy Chg	(5)	0	0	0
Profitability				
Net Interest Margin	18	18	18	18
Cost/Income Ratio	42	43	43	43
Adjusted ROA	3	3	4	4
Reported ROE	12	11	11	11
Adjusted ROE	12	11	11	11
Valuation				
P/BV	1	1	1	1
P/NTA	1	1	1	1
Adjusted P/E	8	8	7	7
Dividend Yield	6	6	6	6

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