

# Thailand Market Strategy

## War-End hopes and fiscal stimulus are key drivers

- Hopes remain on negotiations to end the war, which could become a turning point for lower bond yields and oil prices, supporting risk assets in 2H26.
- Thailand's economy is likely to slow in 2Q26 due to the war impact, before rebounding strongly in 3Q26 supported by domestic fiscal stimulus measures.
- Our 2026 SET target is 1,570, with limited EPS downside risk and expectations for returning fund flows alongside sector rotation into domestic plays during 2H26.

### End of war would be the turning point for bond yields

Global financial markets have been pressured by the inflationary impact of the US-Iran conflict, which has increased expectations that the Fed may resume rate hikes. This has pushed bond yields and pressured risk assets. However, tensions began easing following progress in negotiations to end the war and the possibility of reopening the Strait of Hormuz. As a result, Brent crude oil prices fell back below USD100/bbl, while bond yields started to moderate. The market still expects the conflict to ease during 2H26, which could become a key turning point for bond yields and global risk assets going forward.

### Thai economy to slow in 2Q26 before rebounding in 3Q26 on fiscal stimulus

For the Thai economy, the impact is expected to become more visible in 2Q26 after the government reduced energy price subsidies, causing inflation to accelerate and potentially peak at 4-5% during 3Q26-1Q27, while purchasing power is likely to soften. Nevertheless, the economy should continue receiving support from the government's THB175b stimulus package. The measures are expected to start supporting the economy from late 2Q26 onward, leading us to expect Thailand's GDP growth to accelerate in 3Q26, likely marking the strongest quarter of the year.

### Downside risks of 2026EPS limited after solid 1Q26 earnings

On the earnings front, although 1Q26 listed company results came in stronger than expected, we believe 2Q26 earnings could slow on a q-q basis due to seasonal weakness across several industries, along with lower stock gains in the energy sector. Nevertheless, earnings growth is still expected to remain positive on a y-y basis. With 1Q26 earnings already accounting for 29% of our full-year forecast, our 2026 EPS estimate has been revised up to THB95.6, which we believe now carries limited downside risk.

### SET target at 1,570; sector rotation expected in 2H26

We maintain our 2026 SET Index target at 1,570, following the upward revision in mid-May. The strong rally led by electronics stocks has pushed the overall market closer to fair value. However, excluding DELTA, the SET still trades at only c13.5x PER, below its historical average, implying that most sectors remain undervalued. If geopolitical tensions ease in 2H26 as expected, foreign fund flows could gradually return, while sector rotation may emerge toward sectors benefiting from easing energy pressures, including transportation, retail, finance, tourism, food, and healthcare. Therefore, our Top Picks remain BA, BDMS, CPALL, CPF, CPN, ERW, GULF, KTB, TIDLOR, and WHAUP.



#### Veeravat Virochpoka

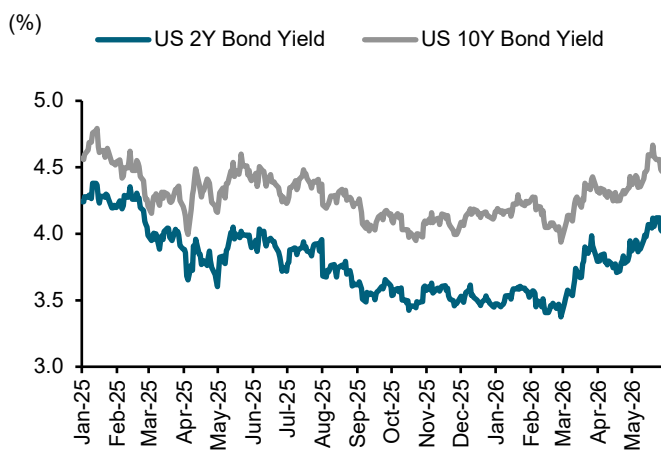
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## End of war would be the turning point for bond yields

Over the past month, markets have increasingly priced in rising inflationary pressures driven by higher energy and commodity prices amid the escalating US-Iran conflict. As a result, investors have raised expectations that the Fed may need to resume rate hikes within this year to contain inflation, with market-implied probability climbing above 50%. Such concerns were reflected in the sharp rise in US Treasury yields, with the 10-year and 30-year yields reaching highs of 4.69% and 5.2%, respectively. The surge in yields subsequently triggered short-term profit-taking pressure across risk assets.

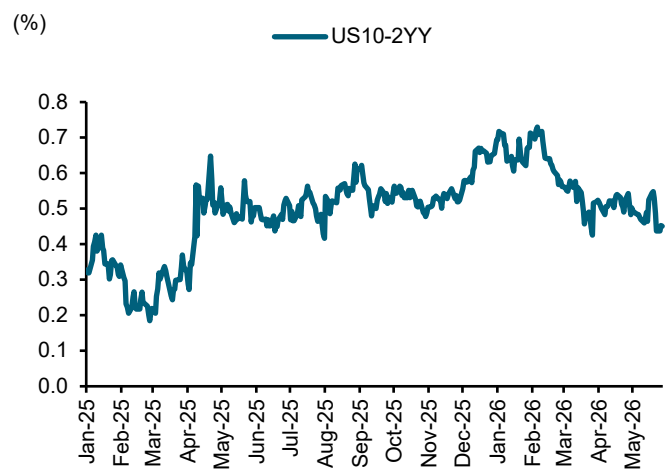
However, tensions began to ease toward the end of the month following reports of progress in trade negotiations aimed at ending the US-Iran conflict, particularly the possibility of reopening the Strait of Hormuz. This development pushed Brent crude oil prices back below USD100/bbl after previously surging to a peak range of USD113-115/bbl during the month, while US bond yields also retreated by around 15-20 bps from their recent highs.

Exhibit 1: US 2Y and 10Y bond yields



Source: Bloomberg

Exhibit 2: US 10Y-2Y bond yield

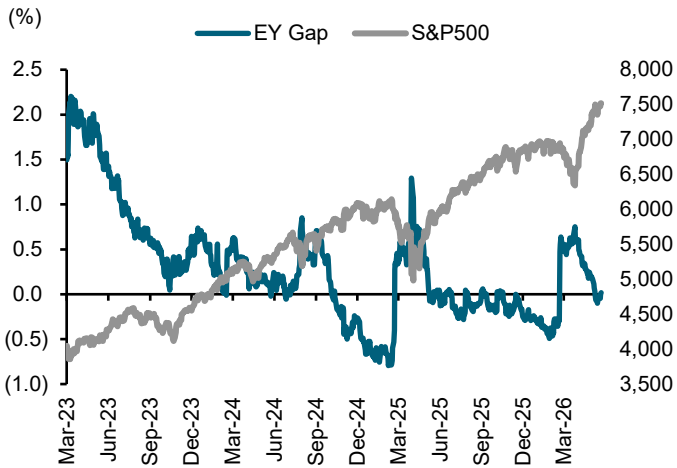


Source: Bloomberg

At present, the market’s base case scenario still assumes that the conflict has likely passed its worst phase in 2Q26 and should gradually improve during 2H26 onward. Therefore, we believe the key factor to monitor this month would be whether negotiations can successfully lead to a war-end agreement and the reopening of the Strait of Hormuz as markets currently expect. A positive outcome would likely provide further support for risk assets, driven by a gradual decline in bond yields alongside easing energy prices and inflation pressures in the coming periods.

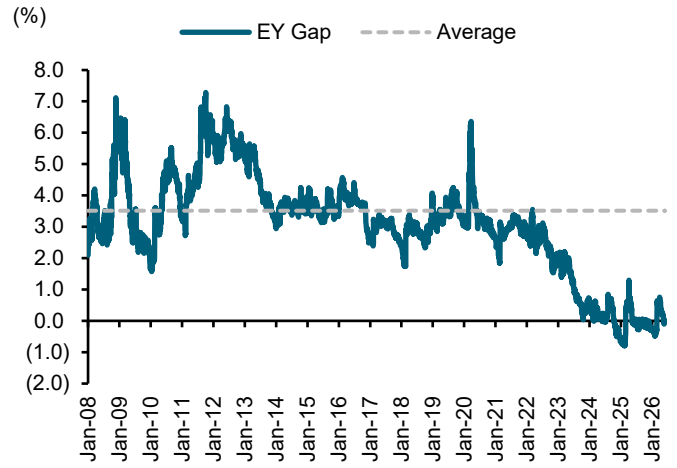
On the other hand, if negotiations fail to deliver a resolution and the Strait remains closed well into 3Q26, we expect markets may need to revise up their full-year oil price assumptions once again. This would imply greater economic impacts on both growth and inflation than currently anticipated, likely pushing bond yields higher for longer and increasing downside risks for risk assets, particularly high-valuation sectors such as Tech-AI and consumer-related stocks.

Exhibit 3: US EY gap vs S&P500 index



Sources: Bloomberg and FSSIA

Exhibit 4: US EY gap since Subprime



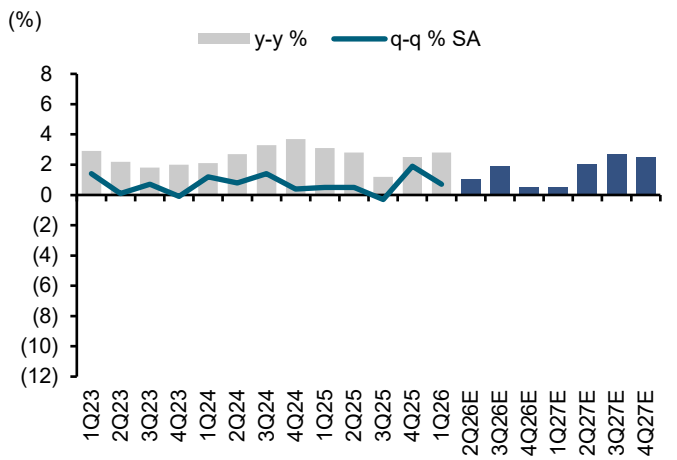
Sources: Bloomberg and FSSIA

**TH GDP growth to slow in 2Q26 as war impact becomes more visible**

Regarding Thailand’s economic impact, the latest 1Q26 GDP growth came in above expectations at +0.7% q-q and +2.8% y-y, supported by resilient private consumption and government spending, which continued to expand within the range of 3.2-3.4% y-y. More importantly, both public and private investments surged by around 10% y-y. Overall, the direct impact from the war during March remained limited, as the government temporarily capped domestic oil prices, preventing them from fully reflecting global market movements.

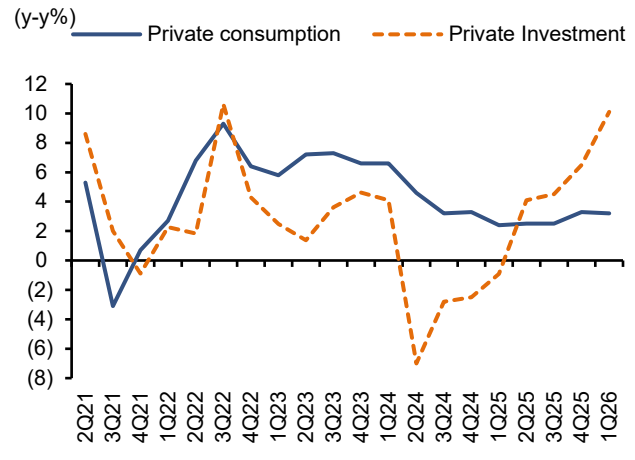
The economic impact is expected to become more visible in 2Q26 after the government gradually reduced fuel subsidies and allowed domestic oil prices to reflect market conditions more closely. As a result, headline CPI turned positive at 2.9% y-y in April after remaining negative for 12 consecutive months. Meanwhile, the Bank of Thailand estimates inflation could accelerate further to 4-5% during 3Q26-1Q27. Core CPI is also expected to rise toward 2% following the pass-through of higher costs to final goods and services. On the growth side, preliminary estimates suggest that 2Q26 GDP could slow significantly to around c1%, mainly due to weakening purchasing power.

Exhibit 5: Thailand’s 1Q26 GDP beat expectations



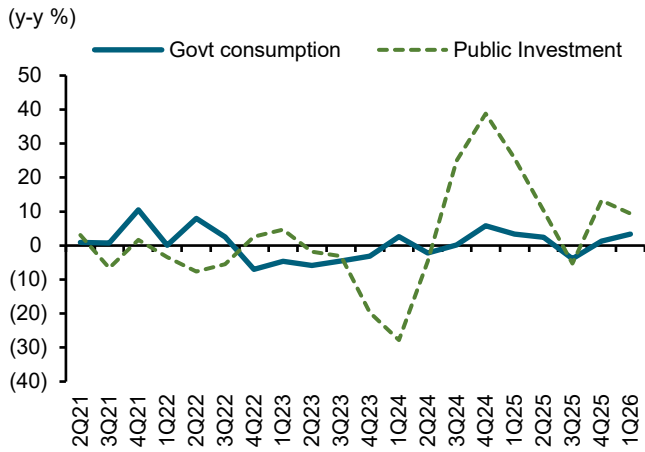
Source: NESDC and BoT

Exhibit 6: Private consumption remain resilient; investment surged



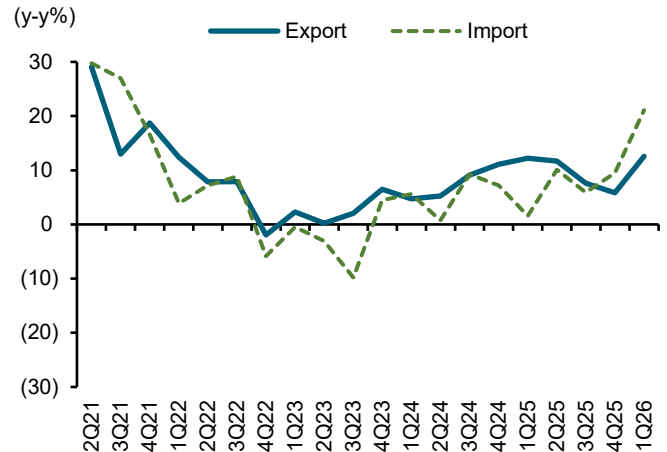
Source: NESDC

**Exhibit 7: Strong public spending and investment on front-loaded budget disbursement**



Source: NESDC

**Exhibit 8: Imports outpaced export growth**



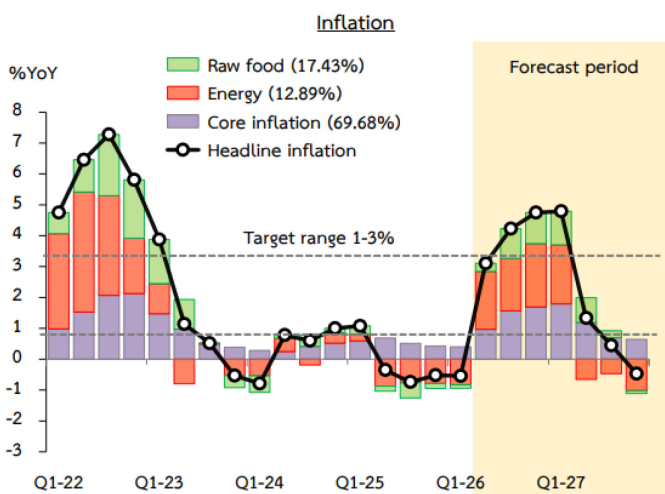
Source: NESDC

**THB175b fiscal stimulus to support Thailand’s 3Q26 economy**

Nevertheless, there are still supportive factors helping cushion the downside risks to consumption through the government’s THB175b economic stimulus package (funded under the THB400b emergency borrowing decree). Key measures include additional support through the state welfare card scheme and a 60/40 co-payment program covering more than 43 million people. These measures are expected to start supporting the economy toward the end of 2Q26 in June and provide their full impact during 3Q26 (Jul-Sep 2026).

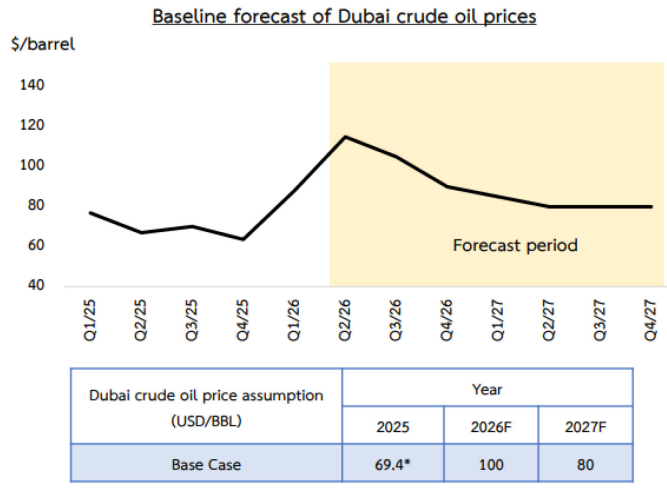
For reference, the “Khon La Khrueng Plus” stimulus program in late 2025, worth over THB40b, helped boost 4Q25 GDP growth to +1.9% q-q and +2.5% y-y, compared to average growth of around 1.6% y-y during 9M25. Therefore, with this year’s stimulus package being more than twice the size of last year’s, we believe there is potential for 3Q26 GDP growth to accelerate from the Bank of Thailand’s baseline estimate excluding stimulus measures of around 1.8-1.9% y-y to as high as 3-4% y-y, potentially making it the strongest quarter of the year. However, growth could then moderate again in 4Q26 due to a higher base effect and slight delays in the FY2027 fiscal budget approval process, which is expected to be completed in October.

**Exhibit 9: TH inflation to rise in 2026 before declining in 2027**



Source: BoT

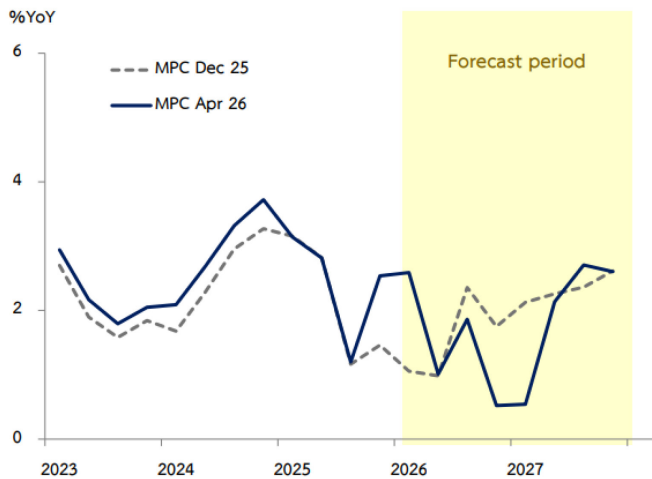
**Exhibit 10: Oil prices expected to decline in 2H26, but remain above pre-war levels**



Source: BoT

Dubai crude oil price assumption (USD/BBL)	Year		
	2025	2026F	2027F
Base Case	69.4*	100	80

**Exhibit 11: MPC’s economic forecast**



Sources: BoT

**Exhibit 12: Upside of GDP from fiscal stimulus measures**

In case the government implements additional fiscal stimulus measures, economic growth this year could turn out higher than expected. However, growth would decrease next year due to dissipation of stimulus impact and a higher base effect.

GDP Growth (%YoY)	2025	2026 <sup>F</sup>	2027 <sup>F</sup>
MPC Dec 25	2.2 <sup>F</sup>	1.5	2.3
MPC Apr 26	2.4*	1.5	2.0
- In case there are additional fiscal stimulus measures <sup>1/</sup>		Increase by 0.5 – 0.7 pp from base case	Decrease by around 0.5 pp from base case

Sources: BoT

**Stronger-than-expected 1Q26 earnings limit EPS downside risks**

On the earnings front, 1Q26 results came in stronger than expected by around 9%. Among the 132 companies under our study, aggregate net profit reached THB219b, increasing +41% q-q and +26% y-y. The strong performance was primarily driven by the banking, energy, and petrochemical sectors. However, even excluding these three major sectors, aggregate net profit still totaled THB101b, up +27% q-q and +19% y-y, exceeding expectations by 13%. Overall, this marked a solid start to 2026 earnings growth.

Looking ahead, 2Q26 earnings are likely to slow on a q-q basis as several industries enter their seasonal low period, particularly tourism and healthcare. In addition, lower stock gains in the energy sector could also weigh on earnings momentum. Nevertheless, on a y-y basis, earnings are still expected to continue growing in the preliminary view. Key factors to monitor would be the full-quarter impact of weaker purchasing power and rising costs, which should become more visible during the quarter.

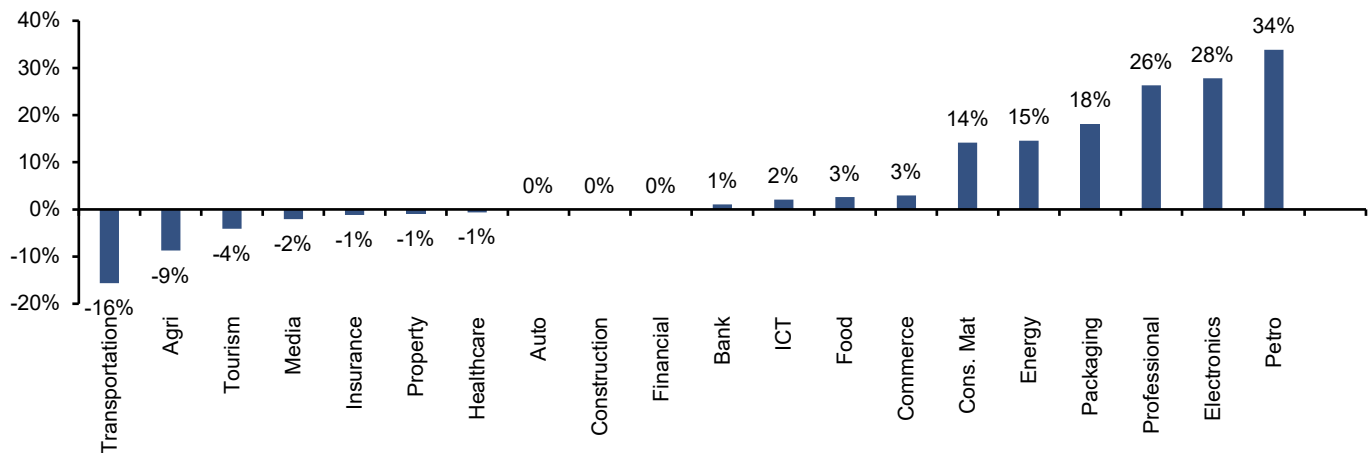
Despite these risks, 1Q26 earnings already accounted for 29% of our full-year 2026 earnings forecast (or 27% excluding the energy, petrochemical, and banking sectors). Therefore, we believe our current 2026 EPS assumption of THB95.6 still carries limited downside risk and should remain relatively stable through Jul-Aug 2026, which would mark the next earnings preview and reporting season for 2Q26 results.

Exhibit 13: 1Q26 earnings results by sector (132 companies in our study)

Sector	1Q26	4Q25	1Q25	Change		Beat / Missed (%)	2026E	1Q26 to 2026E
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)		(THB m)	(%)
Energy	93,951	61,183	61,471	55	54	1	283,596	33%
Bank	48,219	49,502	60,136	20	(1)	23	222,865	27%
ICT	18,745	18,565	12,545	13	67	12	78,275	27%
Commerce	18,583	18,078	18,033	13	13	10	71,547	29%
Food	12,813	7,638	18,122	79	(25)	7	52,062	26%
Property	10,429	14,791	12,770	(8)	6	30	53,690	25%
Transportation	10,361	8,781	10,936	24	(1)	5	30,314	36%
Financial	8,697	7,861	7,647	16	19	5	36,666	25%
Electronics	8,572	7,522	6,196	25	52	10	40,930	23%
Healthcare	6,492	6,420	6,994	4	(4)	3	28,476	23%
Cons. Mat	6,071	(2,548)	2,493	409	216	30	17,871	44%
Petro	2,759	(10,199)	(3,879)	104	111	85	15,600	3%
Tourism	1,702	2,503	1,741	41	103	108	13,685	26%
Packaging	1,168	1,302	1,020	27	63	42	5,635	29%
Auto	926	793	938	23	4	5	3,354	29%
Construction	901	1,552	580	(44)	49	(4)	4,441	19%
Agri	485	443	638	17	(19)	7	1,940	27%
Media	290	882	202	(62)	66	16	2,271	15%
Professional	217	223	238	(3)	(9)	(1)	951	23%
<b>Grand Total</b>	<b>251,381</b>	<b>195,290</b>	<b>218,821</b>	<b>41</b>	<b>26</b>	<b>9</b>	<b>964,166</b>	<b>29%</b>
Excl. Energy & Petro	154,670	144,306	161,229	25	12	16	664,971	27%
Excl. Banking	203,162	145,788	158,685	48	36	6	741,301	29%
Excl. Energy & Petro and Banking	106,452	94,804	101,094	27	19	13	283,596	27%

Sources: SETSMART, Bloomberg and FSSIA estimates

Exhibit 14: 2026E earnings revision by sector from end of Mar-26 to May-26



Sources: Bloomberg and FSSIA estimates

### Our 2026 SET target is 1,570

Following stronger-than-expected economic growth and corporate earnings in 1Q26, we revised up our 2026 SET Index target from 1,470 to 1,570 points in late May. The upward revision was driven by both a higher EPS assumption, which increased from THB92 to THB95.6 (+9% y-y), and a rerating of our target PER from 16x to 16.5x (+1.2SD above the historical average), reflecting higher technology sector valuations under the ongoing AI-Boom theme.

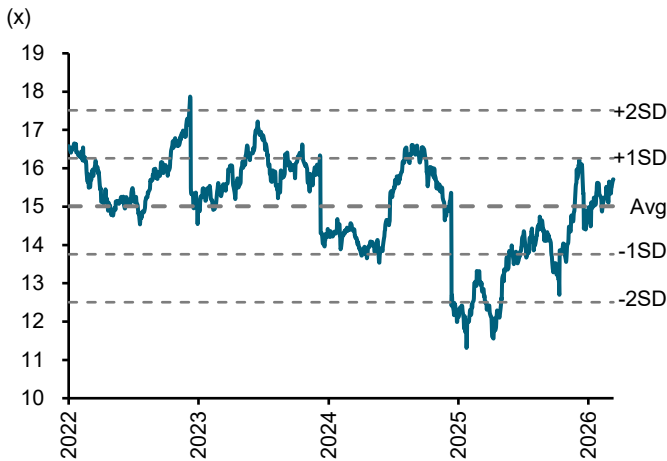
At present, the SET Index is trading at around 16.5x PER, implying relatively limited upside at the index level. However, excluding DELTA, the SET currently trades at around 13.5x PER, below its historical average of c15x, suggesting that valuations across most other sectors remain relatively undemanding.

**Exhibit 15: SET target sensitivity**

	EPS	----- 2026E -----		
		92	96	98
	P/E (x)			
SD+1.5	17.3	1,628	1,662	1,697
SD+1	16.5	1,552	1,585	1,618
SD+0.5	15.7	1,476	1,508	1,539
Average	14.9	1,401	1,430	1,460
SD-0.5	14.1	1,325	1,353	1,381
SD-1	13.3	1,249	1,276	1,302
SD-1.5	12.5	1,174	1,199	1,224

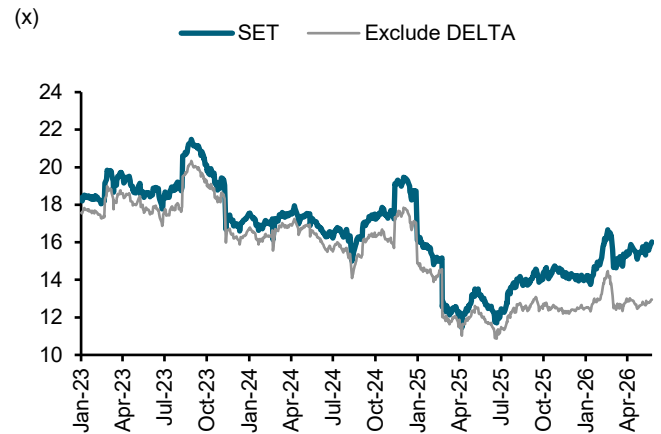
Sources: Bloomberg; FSSIA estimates

**Exhibit 17: SET PER band**



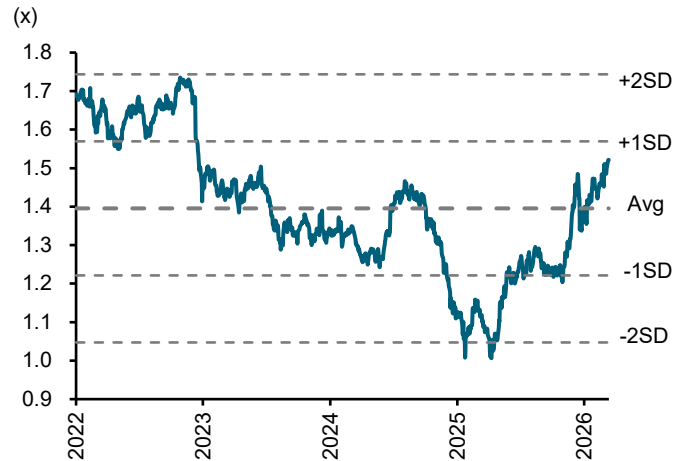
Sources: Bloomberg and FSSIA

**Exhibit 16: SET PER excluding DELTA**



Sources: Bloomberg and FSSIA

**Exhibit 18: SET PBV band**



Sources: Bloomberg and FSSIA

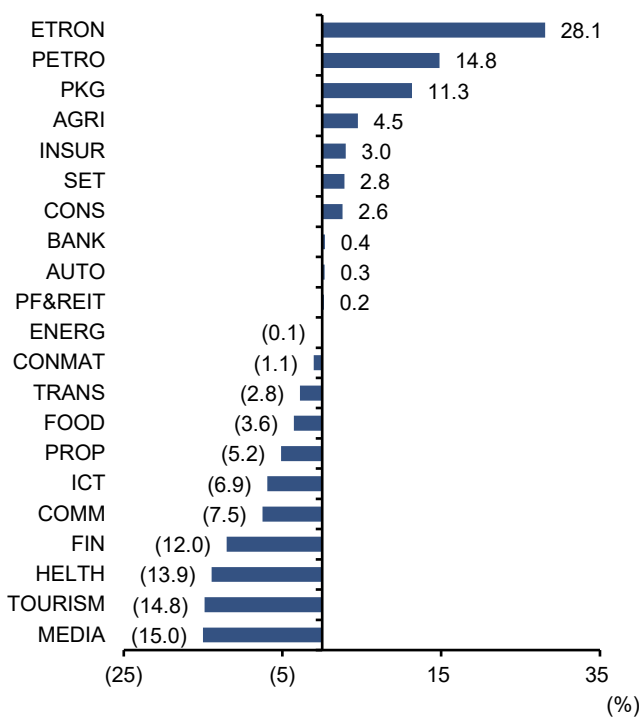
### Sector rotation expected in 2H26 toward geopolitical easing beneficiaries

Based on our assumption that geopolitical tensions would gradually ease in 2H26, leading to softer energy and commodity prices, we believe pressure on the Thai economy should begin to moderate. Under such a scenario, foreign fund flows could gradually return to the Thai equity market after net selling of around THB40b during the conflict period (compared with net buying of roughly THB60b earlier in the year).

In addition, we expect to see sector rotation emerging after market performance in 2Q26 was heavily concentrated in technology, energy, petrochemical, and other commodity-related sectors. Funds are likely to rotate toward sectors expected to benefit from easing geopolitical tensions and lower energy prices, including transportation, retail, finance, tourism, food, and healthcare, all of which have remained laggards relative to the broader market.

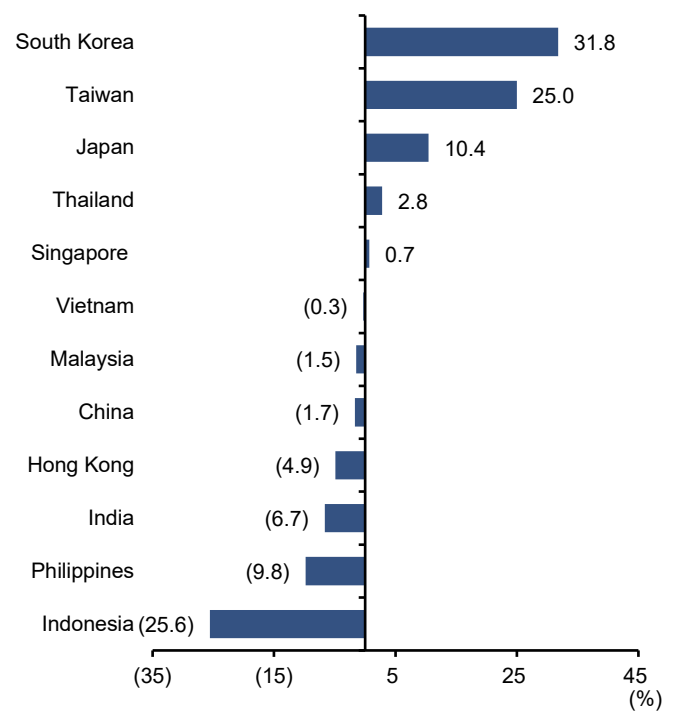
Hence, our Top Picks remain BA, BDMS, CPALL, CPF, CPN, ERW, GULF, KTB, TIDLOR, and WHAUP.

Exhibit 19: Sector performances since US-Iran war



Data as of 27 May 2026  
Source: SETSMART

Exhibit 20: Asian markets performances since US-Iran war



Data as of 27 May 2026  
Source: Bloomberg

Exhibit 21: Summary of key valuations for FSSIA's top picks

		--- Share price ---		Up side	Recurring net profit		Net profit growth		----- P/E -----			PBV	Div yld	ROE
		Current	Target		26E	27E	26E	27E	26E	27E	28E			
		(THB)	(THB)	(%)	(THB m)	(THB m)	(%)	(%)	(x)	(x)	(x)	(x)	(%)	(%)
Bangkok Airways	BA TB	15.20	28.00	84	4,196	4,566	6.6	8.8	7.6	7.0	0.0	1.7	7.9	23.5
Bangkok Dusit Medical Services	BDMS TB	18.30	28.75	57	16,791	17,898	3.7	6.6	17.3	16.2	15.0	2.7	5.5	15.8
CP All	CPALL TB	46.00	63.00	37	31,367	33,022	10.9	5.3	13.2	12.5	12.2	2.9	3.8	21.5
Charoen Pokphand Foods	CPF TB	19.30	24.00	24	17,802	19,888	(30.9)	11.7	9.1	8.2	7.3	0.7	5.5	7.4
Central Pattana	CPN TB	65.25	80.00	23	19,292	20,634	15.3	7.0	15.2	14.2	13.6	2.5	3.8	16.9
The Erawan Group	ERW TB	2.86	3.50	22	939	1,003	7.2	6.8	14.9	13.9	12.4	1.5	2.7	10.1
Gulf Development	GULF TB	62.50	66.00	6	33,461	37,595	36.2	12.4	27.9	24.8	22.8	2.9	2.0	10.2
Krung Thai Bank	KTB TB	35.00	36.40	4	47,009	46,126	(2.5)	(1.9)	10.4	10.6	10.3	1.0	6.0	10.0
Tidlor Holdings	TIDLOR TB	18.20	23.00	26	5,644	6,090	14.4	7.9	8.9	8.3	7.7	1.4	4.9	16.2
WHA Utilities and Power	WHAUP TB	5.80	5.90	2	1,545	1,937	52.0	25.4	14.4	11.5	9.4	1.6	4.7	11.2

Share prices as of 27 May 2026  
Source: FSSIA estimates

### Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>SETESG inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETESG Index</b> is extended from the SET ESG Ratings companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
NEGL	Low	Medium	High	Severe																	
0-10	10-20	20-30	30-40	40+																	
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
MSCI	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table border="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) "SETESG". The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

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Company	Ticker	Price	Rating	Valuation & Risks
Bangkok Airways	BA TB	THB 15.20	BUY	Downside risks to our SoTP-based TP include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.
Bangkok Dusit Medical Services	BDMS TB	THB 18.30	BUY	Downside risks to our DCF-based target price include 1) a slowdown in international patients due to economic concerns, political protests or floods; 2) regulatory risks from drug prices and medical bill controls; and 3) higher-than-expected capex and opex for CoE projects.
CP All	CPALL TB	THB 46.00	BUY	Downside risks to our DCF-based TP include 1) a decline in domestic purchasing power, 2) lower-than-expected tourist arrivals, 3) an absence of the government's stimulus, and 4) a lower-than-expected y-y gross profit margin improvement.
Charoen Pokphand Foods	CPF TB	THB 19.30	BUY	Downside risks to our P/E-based TP include 1) slow purchasing power, 2) a slower-than-expected meat price recovery, 3) higher feed costs, 4) Baht strength, and 5) a minimum wage increase and labor shortages.
Central Pattana	CPN TB	THB 65.25	BUY	Key downside risks to our DCF-derived TP are deviations from our estimates on rental and occupancy rates, returns on its new investments, capex, and interest rates.
The Erawan Group	ERW TB	THB 2.86	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Gulf Development	GULF TB	THB 62.50	BUY	The downside risks to our SoTP-based TP for GULF include 1) a lower-than-expected Ft; 2) a higher-than-expected gas cost; and 3) delays in project commercial operation dates.
Krung Thai Bank	KTB TB	THB 35.00	BUY	Downside risks to our GGM-based TP are 1) prolonged economic sluggishness affecting loan growth and asset quality; and 2) the impact of new regulations from the Bank of Thailand.
Tidlор Holdings	TIDLOR TB	THB 18.20	BUY	Downside risks to our GGM-based TP include 1) further weakening asset quality could potentially hit both loan yield and credit cost; and 2) tighter supervision from related regulators.
WHA Utilities and Power	WHAUP TB	THB 5.80	BUY	<ul style="list-style-type: none"> <li>▪ Higher gas prices with lower electricity tariffs, pressured by government policies, resulting in significantly lower power margins</li> <li>▪ Changes in state energy policies or regulatory risk.</li> </ul>

Source: FSSIA estimates

#### Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 27-May-2026 unless otherwise stated.

## RECOMMENDATION STRUCTURE

### Stock ratings

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

**BUY (B).** The upside is 10% or more.

**HOLD (H).** The upside or downside is less than 10%.

**REDUCE (R).** The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Industry Recommendations

**Overweight.** The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

**Neutral.** The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

**Underweight.** The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

### Country (Strategy) Recommendations

**Overweight (O).** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral (N).** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight (U).** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.