



Monthly Insights

February 2025

SET Index Target of 1,300-1,365



February market outlook: Range-bound trading

- **Trading range:** 1,300-1,365 points
- **Key market drivers:** US economic policy, Bank of Thailand Meeting, Thailand’s economic stimulus, and 4Q24E earnings season.

Investment strategy: Cautious & Opportunistic

- **Market sentiment:** Volatile market conditions driven by external uncertainties and a lack of strong domestic catalysts.
- **Recommended approach:**
 - Defensive approach: Prioritize capital preservation and risk mitigation.
 - Short-term trading: Identify and capitalize on short-term price fluctuations and trading opportunities.
 - Selective stock picking: Focus on fundamentally sound companies with robust financials and attractive valuations.
 - Underperformers: Exercise cautions with stocks experiencing weak price momentum and potential for further downside.

Stock picks: CK, CRC, MAGURO, MINT, PTTEP, SAV, SISB

KEY FACTORS



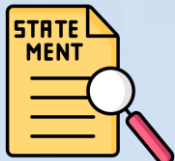
(±) Bank of Thailand’s MPC meeting: The February 26th MPC meeting is anticipated to maintain the policy rate at 2.5%. This reflects expectations of continued economic growth, driven by government stimulus and the tourism season. A stable interest rate environment is generally positive for the banking sector.



(±) Thai economic stimulus measures: Government initiatives like the digital wallet scheme and debt relief program are expected to boost domestic consumption. The entertainment complex project, if approved, could attract foreign investment. However, the global minimum tax may impact corporate tax rates, and lower electricity prices could negatively impact the power sector.



(-) US economic policies: New US tariffs pose significant risks to global trade and market stability. These include a 10% tariff on Chinese imports, a 25% tariff on imports from Canada and Mexico, and a universal import tariff starting at 2.5% with a monthly increase. These measures could increase market volatility and exacerbate currency fluctuations.



(-) Corporate earnings reports: While overall 4Q24E earnings are expected to grow, individual companies may experience significant volatility during the earnings season. Investors should carefully evaluate individual company performance and its impact on stock prices.

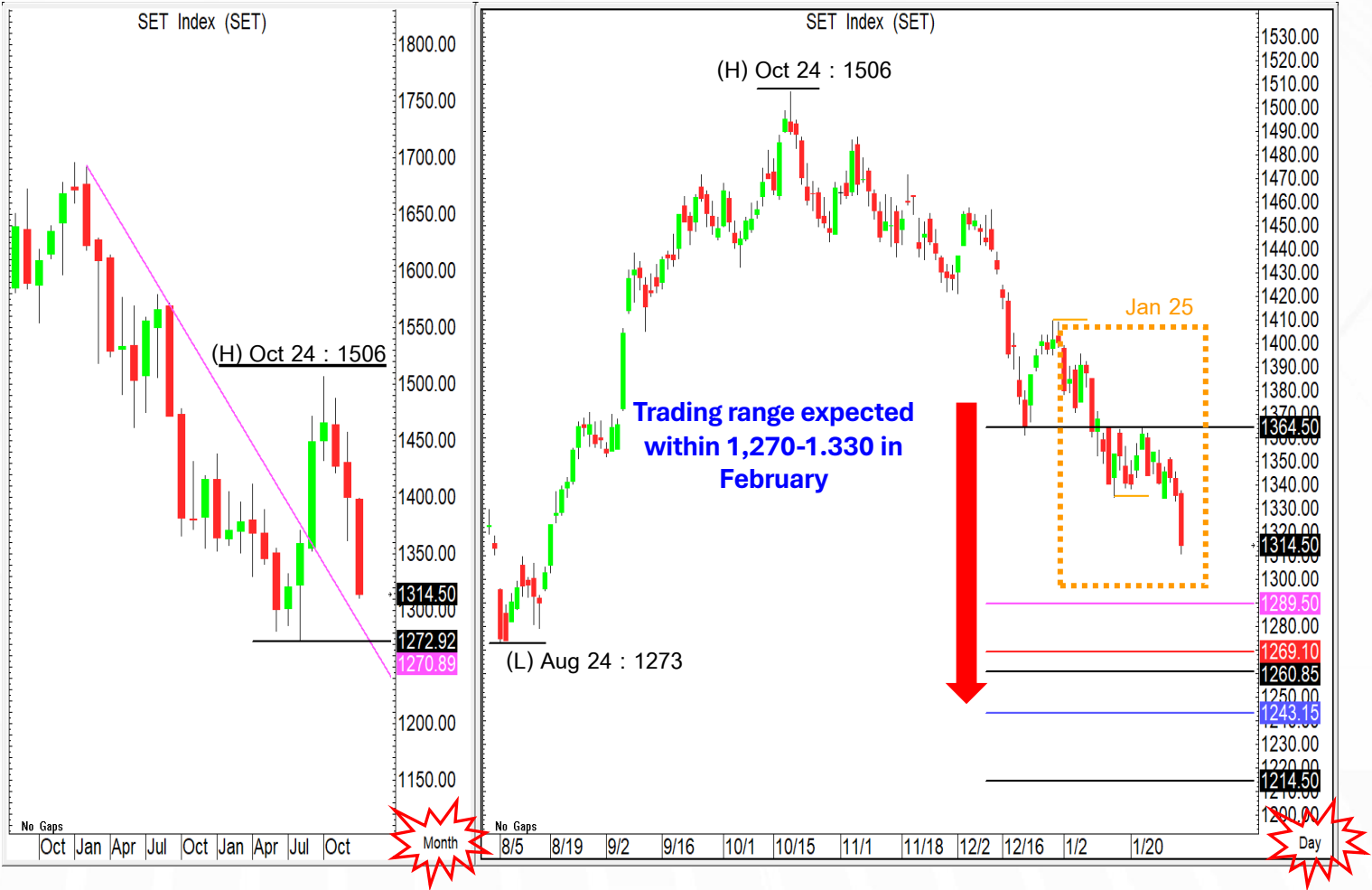
SET Index Outlook & Strategy

January recap

The SET Index extended its decline in January, marking the third consecutive month of downward movement following its October high of 1,506. A significant sell-off occurred in the first week of the month, confirming a medium-term downtrend. The trading range for the month spanned 89 points, from 1,399 to 1,310.

February outlook

The index is anticipated to continue its search for a new bottom, with the next support zone projected at 1,300-1,270. This aligned with the previous bottom observed at 1,273 in August. A test of this level could potentially trigger a rebound, with upside targets at 1,330 and 1,360. However, if the 1,270-support level fails to hold, the next downside target would be 1,240.



Support: 1,300-1,270 // 1,240	Resistance: 1,330-1,360
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- **CK:** 4Q24E earnings upside; substantial backlog provides strong foundation
 - **CRC:** Festive season drives growth in 4Q24-1Q25E
 - **MAGURO:** Tonkatsu Aoki success drives expansion
 - **MINT:** 4Q24E earnings upside potential at undervaluation
- **PTTEP:** Strong 1Q25E gas prices and attractive dividend yield
 - **SAV:** Strong 4Q24E earnings & robust 2025E outlook
 - **SISB:** Strong growth momentum in 4Q24E and 2025E

Stock	Rec	Price 31-Jan-24	Target price	Upside (%)	Net profit gwth (%)		Core profit gwth (%)		PER (x)		PBV (x)		Div. yield (%)	
					24E	25E	24E	25E	24E	25E	24E	25E	24E	25E
CK	BUY	16.50	27.50	66.7	8.8	20.9	12.4	20.9	17.6	14.6	1.1	1.0	2.6	3.2
CRC	BUY	33.25	45.00	35.3	8.0	14.3	7.7	19.4	24.4	21.3	2.2	2.0	1.6	1.9
MAGURO	BUY	20.20	26.00	28.7	32.7	46.6	40.5	38.4	26.7	18.2	4.1	3.8	2.4	3.6
MINT	BUY	24.00	34.00	41.7	39.7	10.3	5.9	10.3	18.2	16.5	1.5	1.5	3.2	3.6
PTTEP	BUY	127.50	160.00	25.5	2.8	-9.3	-2.7	-8.6	6.3	6.9	0.9	0.9	7.7	7.5
SAV	BUY	16.90	27.00	59.8	72.8	17.1	69.0	16.2	24.7	21.1	6.5	5.5	1.9	2.4
SISB	BUY	25.50	40.00	56.9	46.3	32.5	46.3	32.5	25.9	19.5	7.1	5.7	1.2	1.5

CH. Karnchang (CK): BUY, Target Bt27.50

4Q24E earnings upside; substantial backlog provides strong foundation



HIGHLIGHTS

- **Upside potential in 4Q24E:** While a QoQ decline in core profit is expected due to seasonal factors from CKP, CK's core construction revenue is anticipated to exceed our estimate. This is driven by the official commencement of the Orange Line project, which may progress faster than initially projected.

- **Competitive advantage from robust backlog:** Despite potential limitations in new government project bids in 1H25E, CK maintains a strong and stable backlog of Bt200bn. This substantial backlog mitigates the impact of potential delays in public investments.

EARNINGS OUTLOOK

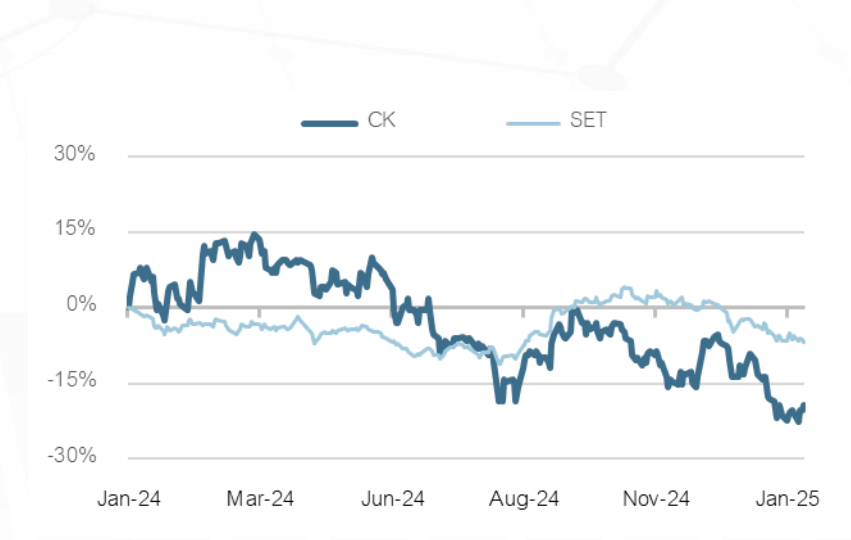
- **2024E:** We maintain our core profit estimate for 2024E at Bt1.6bn, representing +12% YoY. However, potential upside in 4Q24E earnings could lead to an overall stronger-than-expected 2024E performance.

- **2025E:** Our 2025E profit projection remains at Bt2.0bn, reflecting a +21% YoY increase, supported by

a robust backlog.

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt45.00, derived from a SOTP valuation.
- **Key catalysts:** BEM's double deck expressway project expected in 1H25E and ongoing share buyback program, with only 6% of the shares repurchased so far, providing additional support to the share price.



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	18,097	36,485	37,059	39,877
EBITDA	2,968	4,576	4,569	4,975
Net profit	1,105	1,501	1,633	1,975
EPS (Bt)	0.65	0.89	0.96	1.17
EPS growth	22.0%	35.9%	8.8%	20.9%
Core EPS (Bt)	0.52	0.86	0.96	1.17
Core EPS growth	783.4%	64.6%	12.4%	20.9%
DPS (Bt)	0.25	0.30	0.45	0.55
Dividend yield	1.5%	1.8%	2.6%	3.2%
PER (x)	26.1	19.2	17.6	14.6
Core PER (x)	32.6	19.8	17.6	14.6

Festive season drives growth in 4Q24-1Q25E



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	219,898	231,438	245,583	266,316
EBITDA	30,049	32,436	35,705	37,954
Net profit	7,175	8,016	8,660	9,900
EPS (Bt)	1.19	1.33	1.44	1.64
EPS growth	11985.2%	11.7%	8.0%	14.3%
Core EPS (Bt)	1.19	1.28	1.38	1.64
Core EPS growth	11985.2%	7.4%	7.7%	19.4%
DPS (Bt)	0.48	0.53	0.57	0.66
Dividend yield	1.4%	1.5%	1.6%	1.9%
PER (x)	29.4	26.3	24.4	21.3
Core PER (x)	29.4	27.4	25.5	21.3

HIGHLIGHTS

- **4Q24E revenue growth:** Revenue is expected to expand QoQ, supported by all domestic segments, particularly the fashion segment following the completion of major renovations at Central Chidlom (Thailand) and stores in Italy. This should drive strong performance in December 2024. Increased consumer spending during the festive season and economic stimulus from the Easy eReceipt 2.0 program are expected to boost revenues, particularly in food and rental income.
- **GPM expansion:** A higher proportion of fashion sales and strong rental income in late 4Q24E should drive gross profit margin growth. Additionally, same-store sales are expected to see growth until 1Q25E.

EARNINGS OUTLOOK

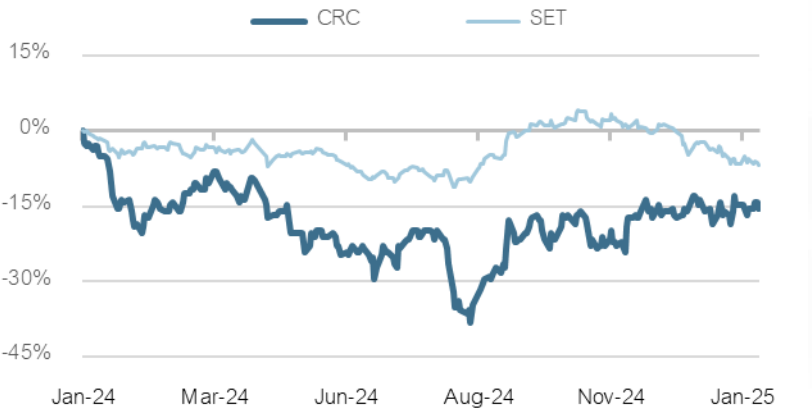
- **Strong seasonal demand:** The year-end holiday period is expected to drive strong spending across all product categories, including fashion, food, and home improvement.
- **Revenue recovery:** Sales should rebound as

renovated locations reopen, with the full impact starting from October 2024.

- **2024-2025E growth:** We forecast net profits for 2024E and 2025E of Bt8.7bn (+8% YoY) and Bt9.9bn (+14% YoY).

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt45.00, based on a 2025E PER of 27.5x, positioned -0.5 SD below the 3-year historical average.
- **Attractive valuation:** The current valuation of 21x 2025E PER offers a significant discount, despite strong growth prospects in 2024-25E.



Tonkatsu Aoki success drives expansion



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	664	1,044	1,366	1,677
EBITDA	115	218	312	377
Net profit	31	72	96	141
EPS (Bt)	0.25	0.58	0.76	1.12
EPS growth	227.6%	131.1%	32.7%	46.6%
Core EPS (Bt)	0.25	0.58	0.81	1.12
Core EPS growth	227.6%	131.1%	40.5%	38.4%
DPS (Bt)	0.24	0.68	0.50	0.73
Dividend yield	1.2%	3.3%	2.4%	3.6%
PER (x)	82.0	35.5	26.7	18.2
Core PER (x)	82.0	35.5	25.2	18.2

HIGHLIGHTS

- **Tonkatsu Aoki success:** Tonkatsu Aoki has exceeded expectations with strong customer demand. Daily queues are observed, and the average bill size is 50% higher than the company’s initial projection of Bt500 per person. Due to this overwhelming success, four new branches are planned for 1H25E at One Bangkok, Velaa Sindhorn, Ekamai Corner, and Central Rama 2, compared to the previously expected expansion of just one branch in 2025E.
- **New brand revenue potential:** New brands are projected to generate Bt132mn in revenue in 2025E with a 9-10% net profit margin.

EARNINGS OUTLOOK

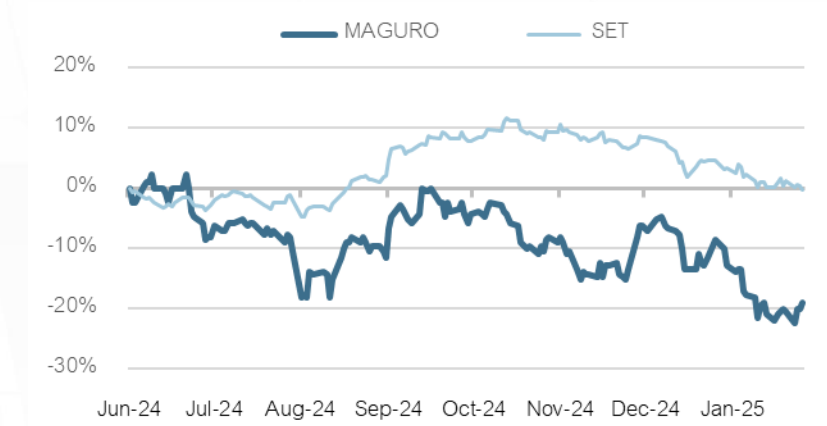
- **Record 4Q24E profit:** We anticipate 4Q24E profit to hit an all-time high at Bt34mn, reflecting +149% YoY and +17% QoQ growth. This YoY expansion is driven by our estimated +42% surge in revenue, fueled by 4.5% same-store sales growth, branch network expansion to 38 locations (from 25 in 4Q23), and the overwhelming success of the new Tonkatsu Aoki

brand. Gross profit margin is expected to benefit from higher revenue contribution from Hitori Shabu, a high-margin segment. Furthermore, the SG&A to sales ratio is expected to decline due to effective cost control. QoQ profit growth is driven by seasonal factors.

- **2024-2025E:** We maintain 2024E net profit estimate at Bt96mn (+33% YoY) and core profit at Bt101mn (+41% YoY). For 2025E, net profit is projected to grow +47% YoY to Bt141mn.

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt26.00, based on a 2025E P/E of 23.5x.



Minor International (MINT): BUY, Target Bt34.00

4Q24E earnings upside potential at undervaluation



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	122,030	149,340	160,372	166,007
EBITDA	32,803	42,397	43,827	45,419
Net profit	4,286	5,407	7,552	8,328
EPS (Bt)	0.81	0.97	1.33	1.47
EPS growth	-132.2%	18.9%	37.8%	10.3%
Core EPS (Bt)	0.38	1.27	1.33	1.47
Core EPS growth	n.m.	233.4%	4.5%	10.3%
DPS (Bt)	0.25	0.57	0.79	0.87
Dividend yield	1.0%	2.3%	3.2%	3.6%
PER (x)	29.9	25.1	18.2	16.5
Core PER (x)	29.9	25.1	18.2	16.5

HIGHLIGHT

• MINT remains an attractive investment opportunity due to the potential for upside in 4Q24E earnings. This attractiveness is further enhanced by its compelling valuation of 9x 2025E EV/EBITDA, which is positioned -2.0 SD below the peer group average.

EARNINGS OUTLOOK

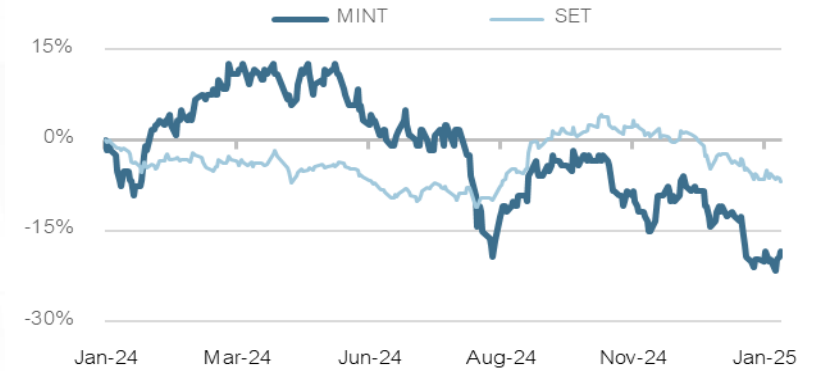
- **4Q24E upside potential:** We anticipate Bt2.8bn core profit for 4Q24E, exceeding our initial estimate of Bt2.5bn. This is driven by lower-than-expected operating and interest expenses. Key drivers include the hotel segment’s strong RevPAR expansion, which is expected to increase +4% YoY, despite a potential -8% QoQ decline, bolstered by the Thai and Maldives segments. While the QSR segment is anticipated to experience a decline of -0.5% YoY, the pace of decline is expected to slow compared to -2.7% QoQ witnessed in 3Q24.
- **Positive outlook on Japan JV:** MINT has entered a 50:50 joint venture with Royal Holding to expand into Japan’s hotel sector, targeting 21 hotels by 2035E. We view Japan as a high-growth market, and Royal Holding brings strong expertise in the hospitality industry. The investment burden remains low, as the JV operates

under a lease payment structure.

• **Maintaining 2025E net profit forecast:** We maintain our 2025E net profit forecast at Bt8.3bn (+10% YoY). Growth is expected across all markets. 1Q25E earnings should improve YoY, benefiting from Thailand and the Maldives' high season, though QoQ earnings may decline due to Europe’s low season.

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt34.00, derived from a DCF valuation incorporating a 7% WACC and 2.5% terminal growth rate.
- **Attractive valuation:** Current valuation of 14.4x 2025E PER offers a significant discount to ERW and CENTEL at their average levels.



PTT Exploration and Production (PTTEP): BUY, Target Bt160.00

Strong 1Q25E gas prices and attractive dividend yield



End-December (Bt mn)	2023A	2024A	2025E	2026E
Revenue	300,694	312,310	292,895	282,307
EBITDA	223,891	226,462	213,667	205,943
Net profit	76,706	78,824	71,486	63,048
EPS (Bt)	19.32	19.86	18.01	15.88
EPS growth	8.2%	2.8%	-9.3%	-11.8%
Core EPS (Bt)	20.26	19.71	18.01	15.88
Core EPS growth	-12.0%	-2.7%	-8.6%	-11.8%
DPS (Bt)	9.50	9.63	9.38	8.27
Dividend yield	7.6%	7.7%	7.5%	6.6%
PER (x)	6.5	6.3	6.9	7.8
Core PER (x)	6.2	6.3	6.9	7.8

HIGHLIGHTS

- **Strong 1Q25E earnings:** PTTEP is poised to benefit from an increase in average gas prices, projected to reach USD6.0/mmbtu in 1Q25E. This should offset the expected slight QoQ decline in average sales volume, which is anticipated to be around 475-480 kboed, down from the record 500 kboed in 4Q24, due to maintenance on the G2/61 (Bongkot) field.
- **Defensive stock with attractive dividend yield:** Dividend is estimated at Bt9.625 per share for 2024E performance. This translates to a yield of 7.5-7.7%, marking the highest level in the energy sector.

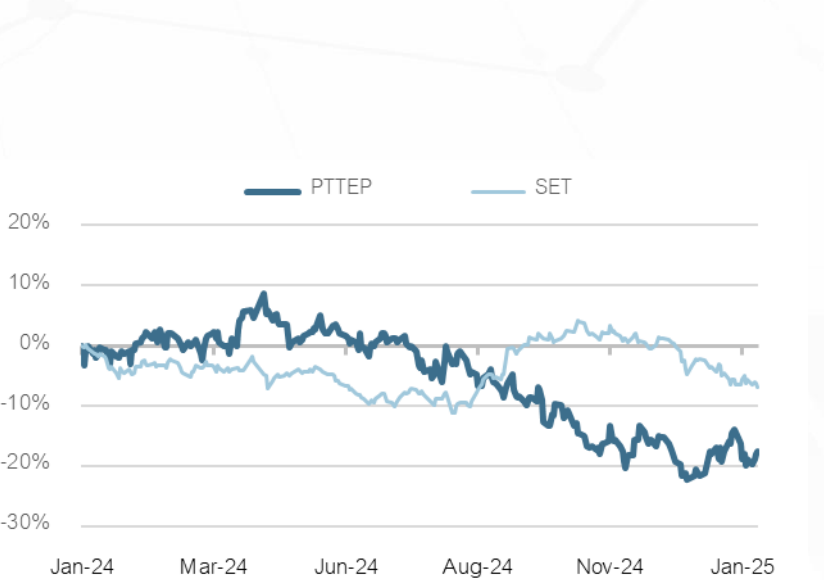
EARNINGS OUTLOOK

- **Strong 2025-26E outlook:** We project net profit at Bt63-71bn for 2025-26E, a slight decrease compared to our estimate of Bt78.8bn for 2024E. Sales volume is expected to range between 507-535 kboed (compared to 489 kboed in 2024E), and average gas price is estimated at USD5.8/mmbtu (down from USD 5.9/mmbtu). Furthermore, Dubai crude oil prices are

projected at USD70-73/bbl (down from USD 80/bbl).

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt160.00, derived from a DCF valuation incorporating a 6.7% WACC and no terminal growth value. Our long-term crude oil price estimate is USD65.0/bbl. The current share price offers an attractive dividend yield of 7.5%-7.7% for 2024-25E.



Samart Aviation Solutions (SAV): BUY, Target Bt27.00

Strong 4Q24E earnings & robust 2025E outlook



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	1,218	1,644	1,752	1,923
EBITDA	377	495	670	762
Net profit	200	272	469	550
EPS (Bt)	0.35	0.42	0.73	0.86
EPS growth	n.m.	22.5%	72.8%	17.1%
Core EPS (Bt)	0.33	0.44	0.74	0.86
Core EPS growth	n.m.	33.8%	69.0%	16.2%
DPS (Bt)	0.00	0.75	0.35	0.43
Dividend yield	0.0%	4.1%	1.9%	2.4%
PER (x)	52.2	42.7	24.7	21.1
Core PER (x)	55.4	41.4	24.5	21.1

HIGHLIGHTS

- **Strong 4Q24E outlook:** We forecast 4Q24E profit to reach Bt135mn (+102% YoY, +7% QoQ), driven by an increase in flight numbers to 30,000 flights (+27% YoY, +14% QoQ), primarily from strong overflight growth.
- **2025E flight growth outlook:** Flight numbers are expected to increase to 112,000 flights (+8% YoY), driven by the recovery in tourism in Cambodia and neighboring countries. Additionally, the new Techo International Airport in Cambodia, set to open mid-2025E, will further boost the sector. The airport's first phase will accommodate 10mn passengers per year, with future capacity expansions to 30mn passengers per year.

EARNINGS OUTLOOK

- **2025E profit high:** We forecast 2024-25E profit of Bt471mn (+74% YoY) and Bt550mn (+17% YoY), with 2025E marking a new high due to increased flight numbers and benefits from the new airport opening.
- **1Q25E profit growth:** 1Q25E profit is expected to

grow YoY and QoQ, driven by the tourism high season.

PERFORMANCE & VALUATION

- **BUY rating:** Target price is Bt27.00, based on DCF valuation using an 8.2% WACC and a 2.5% terminal growth rate. We see upside potential to our 2025E projections, supported by business expansion into Laos and participation in AOT's Bt1.2bn FOD project bid in 1Q25E.



SISB (SISB): BUY, Target Bt40.00

Strong growth momentum in 4Q24E and 2025E



End-December (Bt mn)	2022A	2023A	2024E	2025E
Revenue	1,319	1,803	2,304	2,795
EBITDA	556	828	1,132	1,444
Net profit	369	633	926	1,227
EPS (Bt)	0.39	0.67	0.99	1.30
EPS growth	77.3%	72.6%	46.3%	32.5%
Core EPS (Bt)	0.39	0.67	0.99	1.30
Core EPS growth	77.3%	72.6%	46.3%	32.5%
DPS (Bt)	0.10	0.20	0.30	0.39
Dividend yield	0.4%	0.8%	1.2%	1.5%
PER (x)	65.4	37.9	25.9	19.5
Core PER (x)	65.4	37.9	25.9	19.5

HIGHLIGHTS

- Favorable industry tailwinds:** Growing interest in international education is expected to continue, driven by increased focus on selecting the right educational institutions and higher potential incomes. SISB benefits from increasing demand from foreign students, especially from China, as it is one of the few international schools offering Chinese as part of its core curriculum.
- High season earnings:** We forecast 4Q24E profit to reach Bt250mn (+19% YoY, +15% QoQ), driven by continued enrollment growth, reaching around 4,600 students (in line with the company's target for 2024E), and a 5% annual tuition fee increase, benefiting from a full quarter of operations.

EARNINGS OUTLOOK

- 2025E growth:** We estimate 2025E profit at Bt1.22bn (+32% YoY), supported by assumptions of enrollment growth to 5,000 (+9% YoY) and a 5% annual tuition fee hike.

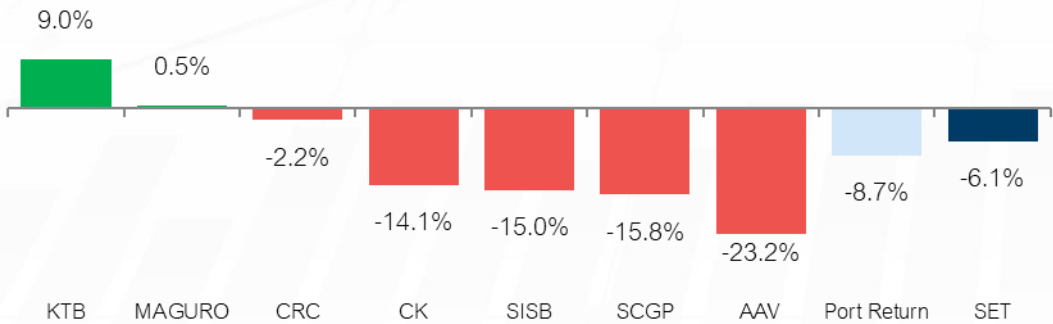
PERFORMANCE & VALUATION

- BUY rating:** Target price is Bt40.00, based on a DCF valuation incorporating a 7.2% WACC and a 3% terminal growth rate. Key catalysts include continued enrollment growth and annual tuition fee hikes.



Last month performance					
Stocks	Action	Entry Price (30 Dec 24)	Exit Price (31 Jan 25)	XD	Monthly Return
KTB	BUY	21.00	22.90		9.05%
MAGURO	BUY	20.10	20.20		0.50%
CRC	BUY	34.00	33.25		-2.21%
CK	BUY	19.20	16.50		-14.06%
SISB	BUY	30.00	25.50		-15.00%
SCGP	BUY	19.60	16.50		-15.82%
AAV	BUY	2.76	2.12		-23.19%
Port Return					-8.68%
SET		1,400.21	1,314.50		-6.12%
Port - SET					-2.55%

YTD performance					
Month	Monthly Return		Accumulated Return		DAOL - SET
	DAOL	SET	DAOL	SET	
Jan-24	-8.68%	-6.12%	-8.68%	-6.12%	-2.55%



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