The Erawan Group ERW

The Erawan Group Public Company Limited	Bloomberg	ERW TB
	Reuters	ERW.BK

innovestX A Subsidiary of SCBX Group

3Q26 check: Tracking ahead of guidance

We maintain our positive outlook on ERW and keep it as our top pick in the tourism sector. We estimate that RevPAR for luxury to economy hotels increased 8% YoY during July-August, beating management's 3Q26 target of 5%. ARR-driven growth supports operating leverage and earnings strength. We expect core profit growth to accelerate in 3Q26 and peak in 4Q26, fueled by the high season, major global events, and domestic tourism stimulus. Despite a 29% rally over the past 3 months, improving demand and an upward earnings trend should sustain share price support. Valuation remains reasonable at 19x 2026F PE (its 2-year average), dropping to 17x 2027F PE.

July–August check: Performance tracking ahead of guidance. We estimate RevPAR for ERW's Luxury-to-Economy portfolio, which accounted for 74% of 1H26 revenue, increased by 8% YoY during July–August, exceeding the company's 3Q26 growth target of 5%. Luxury hotels were the main driver, with estimated RevPAR growth of approximately 15% YoY, supported by *JW Marriott Bangkok*, *The Naka Island* and *Grand Hyatt Erawan Bangkok*, despite renovation-related room closures at the latter representing around 25–30% of its room inventory. Midscale and economy hotels are estimated to have delivered mid-single-digit RevPAR growth. However, booking trends for October show strengthening demand from Chinese tourists ahead of Golden Week (Chinese guests account for 15% of Luxury-to-Economy room revenue). HOP INN, representing 26% of 1H26 revenue, remained on track during July–August to achieve its 2026 revenue growth target of 10%. Thailand remains the key driver, helping offset currency translation headwinds affecting revenue from the Philippines and Japan.

ARR-led growth supports operating leverage. Beyond the stronger-than-guided RevPAR growth, we are encouraged by its composition: Luxury-to-Economy ARR is estimated to have increased by 8% YoY during July–August, while occupancy remained broadly flat. Higher ARR incurs limited incremental operating costs compared to higher occupancy, aiding operating leverage and profit growth. Assuming 3Q26 RevPAR growth for luxury to economy hotels reaches 5% YoY (in line with company target) to 7% YoY (reflecting strong July-August momentum followed by seasonal slowdown in September, typically the weakest month of the quarter) and factoring in lower interest expense, we preliminarily estimate ERW's 3Q26 core profit at Bt90-120mn (+16-55% YoY, +35-80% QoQ), accelerating from 7% YoY growth in 2Q26.

Earnings peak expected in 4Q26. We expect ERW's core profit to rise from its 2Q26 trough to an annual peak in 4Q26. Key drivers include the high season and additional demand catalysts, notably the IMF–World Bank Group Annual Meetings (October 12–18) and Tomorrowland Thailand (December 11–13). The Thai Travel Thai Plus domestic tourism stimulus should provide further support. We view ERW as a prime beneficiary due to its nationwide portfolio, particularly midscale and budget hotels, which stand to gain from fixed room subsidies under the scheme. Our positive view is reflected in our 2026 core profit forecast, which is 4% above consensus. Our mid-2027 DCF TP is Bt4.3, using a WACC of 6.5% and LT growth of 1.5%.

Risks are: 1) an economic slowdown that would derail travel demand, 2) political uncertainty and 3) cost inflation that would damage profitability. We see ESG risk as effective environmental management (E).

Tactical: OUTPERFORM

(3-month)

Stock data

Last close (Sep 15) (Bt)	3.86
Target price (Bt)	4.30
Mkt cap (Btbn)	18.86
12-m high / low (Bt)	3.9 / 2
Avg. daily 6m (US$mn)	2.73
Foreign limit / actual (%)	49 / 8
Free float (%)	64.2
Outstanding Short Position (%)	0.58

Share price performance

(%)	1M	3M	12M
Absolute	4.3	28.7	37.9
Relative to SET	6.3	29.7	13.5

INVX core earnings vs consensus

Earnings vs consensus	2026F	2027F
Consensus (Bt mn)	952	1,055
INVX vs Consensus (%)	4.2	3.6

Earnings momentum	YoY	QoQ
INVX 3Q26F core earnings	Up	Up

2025 Sustainability/2024 ESG Score

SET ESG Ratings		A
Bloomberg ESG Score and Rank in the sector		
ESG Score and Rank	3.63	3/17
Environmental Score and Rank	2.94	3/17
Social Score and Rank	4.58	2/17
Governance Score and Rank	3.67	4/17

Source: SET, InnovestX Investment Strategy & Research, Bloomberg

Forecasts and valuation

Year to 31 Dec	Unit	2024	2025	2026F	2027F	2028F
Revenue	(Btmn)	7,872	7,905	8,340	8,786	9,377
EBITDA	(Btmn)	2,644	2,664	2,788	2,966	3,214
Core profit	(Btmn)	909	879	992	1,093	1,227
Reported profit	(Btmn)	1,281	838	997	1,093	1,227
Core EPS	(Bt)	0.19	0.18	0.20	0.22	0.25
DPS	(Bt)	0.09	0.07	0.08	0.09	0.10
P/E, core	(x)	20.8	21.4	19.0	17.3	15.4
EPS growth, core	(%)	21.9	(3.2)	12.8	10.2	12.3
P/BV, core	(x)	2.0	1.9	1.8	1.7	1.6
ROE	(%)	11.5	9.1	9.8	10.1	10.6
Dividend yield	(%)	2.3	1.8	2.1	2.3	2.6
EV/EBITDA	(x)	12.1	11.9	12.2	11.5	10.4

Source: InnovestX Investment Strategy & Research

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Value proposition

ERW's hotel portfolio ranges from luxury to midscale, to the economy and budget segment across Thailand's key destinations. ERW is focusing on expanding HOP INN, a network of budget hotels developed and operated by ERW, in Thailand, the Philippines and Japan.

Business outlook

We forecast ERW’s core earnings at Bt992mn in 2026, up 13% YoY. ERW has budged Bt4.0bn capex for 2026 with projects including: 1) 9 new HOP INN hotels in 2026; HOP INN Kanda Akihabara in Tokyo, Japan, is targeted to open in 1Q28, 2) a project on Sukhumvit Soi 26 (449 rooms, upper midscale & midscale) targeted to open in 2029 and 3) a project on Sukhumvit Soi 18 (387 rooms, upper midscale & lifestyle economy) targeted to open in 2030. ERW is committed to long-term sustainable growth with a more diversified portfolio. It targets 150 HOP INN hotels (~14,000 rooms) by 2030. This will boost HOP INN contribution to EBITDA to 36% in 2030 from 26% in 2025. HOP INN expansion will include markets with good potential such as Singapore, Malaysia, Indonesia, South Korea, Vietnam and Australia.

Bullish views	Bearish views
1. ERW is poised to be a prime beneficiary of Thailand’s tourism recovery given its position as a pure hotel play.	1. Slow ramping up of new investment.
2. Strong ARR is a key for growth	2. An economic slowdown that would derail travel demand.

Key catalysts

Factor	Event	Impact	Comment
Near-term earnings outlook	3Q26 core earnings	+YoY, +QoQ	We estimate RevPAR for ERW’s Luxury-to-Economy portfolio, which accounted for 74% of 1H26 revenue, increased by 8% YoY during July–August, exceeding the company’s 3Q26 growth target of 5%. Assuming 3Q26 RevPAR growth for luxury to economy hotels reaches 5% YoY (in line with company target) to 7% YoY (reflecting strong July-August momentum followed by seasonal slowdown in September, typically the weakest month of the quarter) and factoring in lower interest expense, we preliminarily estimate ERW's 3Q26 core profit at Bt90-120mn (+16-55% YoY, +35-80% QoQ), accelerating from 7% growth in 2Q26.
Factors to be aware in 2026	The lease renewal of *The Grand Hyatt Erawan Bangkok Hotel*	Positive/Negative	The concern over the renewal of the lease agreement for *The Grand Hyatt Erawan Bangkok Hotel* is not a new issue but remains an overhang. The original 30-year lease expired in July 2021, with an option to extend for another 20 years. While the renewal process is ongoing, the hotel continues to operate normally under a year-by-year lease extension. ERW has disclosed that the annual lease payment has been significantly adjusted upward to reflect revised terms aligning with the 20-year extension structure. Although the timeline remains uncertain, we believe ERW will ultimately secure the renewal. In a worst-case scenario where we assume no operations at *The Grand Hyatt Erawan Bangkok Hotel*, our target price would be reduced by Bt0.5 to Bt3.8/share.

Sensitivity analysis

Factor	Earnings impact	TP impact
1ppt change in revenue	4-5%	Bt0.2/share (4%)

Our view on ESG

ERW is moving on its focus on sustainability development under its Sustainable Development Plan. We see ESG risk as effective environmental management (E) and the company is clearly committed to its environmental targets and policies for energy management.

ESG Ratings and Indices

Bloomberg ESG Financial Materiality Score	3.63 (2024)
Rank in Sector	3/17

	CG Rating	DJBIC	SETESG	SET ESG Ratings
ERW	5	No	Yes	A

Source: Thai Institute of Directors and SET

Environmental Issue (E)

- ERW has significantly accelerated its primary climate goal. It is now committed to achieving Net Zero greenhouse gas emissions by 2050 (previously 2065).
- In 2025, ERW expanded its reporting to include Scope 3 emissions (30,474 tCO2e) for the first time. Total GHG emissions for 2025 were 54,073 tCO2e.
- ERW has now established a target to increase electricity consumption from renewable energy sources by 10% by 2027. The solar rooftop program grew significantly in 2025. ERW completed installations in 27 HOP INN properties (adding 16 new buildings in 2025).
- We see ESG risk as effective environmental management of greenhouse gases, energy, wastewater, and waste (E).

Social Issue (S)

- For the period 2023–2025, ERW recorded zero significant labor disputes and zero complaints related to labor practices.
- In 2025, ERW conducted various training programs to build positive attitudes and awareness among employees at all levels. These programs included First Aid and CPR; preparedness for earthquakes, tsunamis, floods, and fires; self-defense and emergency response to terrorism.
- Average training hours per employee in 2025 was 74 hours, surpassing the target of 60 hours.

Governance Issue (G)

- 100% of key suppliers acknowledged compliance with the Supplier Code of Conduct. 100% of new suppliers underwent sustainability screening in 2025.
- As of December 31, 2025, the board of directors comprises 12 directors, four independent directors equal to 33.33% of the total number of directors. We view the structure is appropriate as independent directors are not less than one-third of the total members.
- The chairman is not an independent director.
- Major shareholders control 30% of total issued and paid-up shares.

ESG Financial Materiality Score and Disclosure

	2024	2025
ESG Financial Materiality Score	**3.63**	**—**
Environment Financial Materiality Score	**2.94**	**—**
Emissions Reduction Initiatives	Yes	No
Climate Change Policy	Yes	No
GHG Scope 1 ('000 metric tonnes)	3.96	6.24
GHG Scope 2 Location-Based ('000 metric tonnes)	19.00	17.36
GHG Scope 3 ('000 metric tonnes)	0.00	30.47
Electricity Used ('000 MWh)	81.02	88.15
Social Financial Materiality Score	**4.58**	**—**
Human Rights Policy	Yes	Yes
Consumer Data Protection Policy	Yes	Yes
Quality Assurance and Recall Policy	No	No
Employee Training (hours)	334,932	324,934
Lost Time Incident Rate (per 100 employees)	—	—
Women in Workforce (%)	57.03	57.55
Employee Turnover (%)	—	—
Governance Financial Materiality Score	**3.67**	**—**
Board Size (persons)	11	12
Number of Independent Directors (persons)	4	4
Number of Non Executive Directors on Board (persons)	10	11
Number of Women on Board (persons)	3	3

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Scores rate companies on their level of management of financially material industry-specific ESG issues. Bloomberg offers four financially material scores, for overall ESG, as well as Environmental, Social, and Governance. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.

Financial statement

Profit and Loss Statement (Btmn)

FY December 31	Unit	2021	2022	2023	2024	2025	2026F	2027F	2028F
Total revenue	(Btmn)	1,485	4,629	6,986	7,872	7,905	8,340	8,786	9,377
Cost of goods sold	(Btmn)	2,220	3,154	3,936	4,271	4,313	4,540	4,750	4,978
Gross profit	**(Btmn)**	**(734)**	**1,475**	**3,051**	**3,601**	**3,592**	**3,801**	**4,035**	**4,399**
SG&A	(Btmn)	915	1,377	1,811	2,005	2,009	2,137	2,216	2,356
Other income	(Btmn)	58	89	60	52	32	50	53	56
Interest expense	(Btmn)	521	458	589	703	618	574	571	554
Pre-tax profit	**(Btmn)**	**(2,112)**	**(272)**	**710**	**946**	**997**	**1,140**	**1,301**	**1,546**
Corporate tax	(Btmn)	46	(26)	(17)	9	51	94	150	252
Equity a/c profits	(Btmn)	9	29	36	3	0	0	0	0
Minority interests	(Btmn)	105	(11)	(17)	(32)	(67)	(54)	(58)	(66)
Core profit	**(Btmn)**	**(2,044)**	**(229)**	**746**	**909**	**879**	**992**	**1,093**	**1,227**
Extra-ordinary items	(Btmn)	(7)	5	(4)	372	(41)	6	0	0
Net Profit	**(Btmn)**	**(2,050)**	**(224)**	**743**	**1,281**	**838**	**997**	**1,093**	**1,227**
EBITDA	(Btmn)	(656)	1,058	2,200	2,644	2,664	2,788	2,966	3,214
Core EPS (Bt)	**(Btmn)**	**(0.42)**	**(0.05)**	**0.15**	**0.19**	**0.18**	**0.20**	**0.22**	**0.25**
Net EPS (Bt)	(Bt)	(0.42)	(0.05)	0.15	0.26	0.17	0.20	0.22	0.25
DPS (Bt)	(Bt)	0.00	0.00	0.07	0.09	0.07	0.08	0.09	0.10

Balance Sheet (Btmn)

FY December 31	Unit	2021	2022	2023	2024	2025	2026F	2027F	2028F
Total current assets	(Btmn)	2,655	2,026	1,885	2,180	2,403	1,120	1,366	1,118
Total fixed assets	(Btmn)	14,474	14,536	16,164	18,888	18,928	22,106	23,665	23,854
Total assets	**(Btmn)**	**22,450**	**21,712**	**23,675**	**26,246**	**26,460**	**28,129**	**29,448**	**29,154**
Total loans	(Btmn)	11,151	10,448	10,819	10,751	10,819	11,789	12,331	11,165
Total current liabilities	(Btmn)	1,489	1,762	3,058	2,981	3,914	3,393	3,508	1,950
Total long-term liabilities	(Btmn)	10,356	9,665	9,067	8,999	8,129	9,671	10,165	10,631
Total liabilities	**(Btmn)**	**16,427**	**15,990**	**17,305**	**16,754**	**16,673**	**17,694**	**18,302**	**17,210**
Paid-up capital	(Btmn)	4,532	4,532	4,532	4,887	4,887	4,887	4,887	4,887
Total equity	**(Btmn)**	**6,023**	**5,722**	**6,370**	**9,492**	**9,787**	**10,435**	**11,145**	**11,943**
BVPS (Bt)	**(Bt)**	**1.33**	**1.26**	**1.40**	**1.78**	**1.83**	**1.97**	**2.11**	**2.28**

Cash Flow Statement (Btmn)

FY December 31	Unit	2021	2022	2023	2024	2025	2026F	2027F	2028F
Core Profit	(Btmn)	(2,044)	(229)	746	909	879	992	1,093	1,227
Depreciation and amortization	(Btmn)	936	872	901	995	1,048	1,074	1,094	1,114
Operating cash flow	(Btmn)	(634)	1,287	2,289	2,818	2,386	2,076	2,230	2,425
Investing cash flow	(Btmn)	346	231	(2,256)	(2,683)	(1,048)	(4,024)	(2,167)	(1,068)
Financing cash flow	(Btmn)	(122)	(1,215)	(344)	286	(986)	620	159	(1,596)
Net cash flow	**(Btmn)**	**(409)**	**303**	**(311)**	**421**	**352**	**(1,328)**	**222**	**(238)**

Key Financial Ratios

FY December 31		2021	2022	2023	2024	2025	2026F	2027F	2028F
Gross margin	(%)	(49.4)	31.9	43.7	45.7	45.4	45.6	45.9	46.9
Operating margin	(%)	(111.0)	2.1	17.7	20.3	20.0	20.0	20.7	21.8
EBITDA margin	(%)	(44.1)	22.9	31.5	33.6	33.7	33.4	33.8	34.3
EBIT margin	(%)	(107.1)	4.0	18.6	20.9	20.4	20.6	21.3	22.4
Net profit margin	(%)	(138.0)	(4.8)	10.6	16.3	10.6	12.0	12.4	13.1
ROE	(%)	(41.1)	(3.9)	12.3	11.5	9.1	9.8	10.1	10.6
ROA	(%)	(9.4)	(1.0)	3.3	3.6	3.3	3.6	3.8	4.2
Net D/E	(x)	1.5	1.6	1.5	1.0	0.9	1.1	1.0	0.9
Interest coverage	(x)	(1.3)	2.3	3.7	3.8	4.3	4.9	5.2	5.8
Debt service coverage	(x)	(0.3)	0.5	0.5	0.6	0.4	0.6	0.6	2.0
Payout Ratio	(%)	0.0	0.0	42.7	34.3	40.8	40.0	40.0	40.0

Main Assumptions

FY December 31	Unit	2021	2022	2023	2024	2025	2026F	2027F	2028F
Owned hotels (3-5 star)									
Occupancy rate	(%)	17.0	58.0	82.0	82.0	79.0	79.0	79.8	82.2
ARR	(Bt/room/night)	1,429	2,496	3,074	3,316	3,263	3,374	3,517	3,667
% YoY growth	(%)	(28.7)	74.7	23.2	7.9	(1.6)	3.4	4.2	4.3
RevPar	(Bt/room/night)	250	1,444	2,533	2,718	2,571	2,665	2,806	3,014
% YoY growth	(%)	(48.5)	477.6	75.4	7.3	(5.4)	3.7	5.3	7.4
No. of rooms	rooms	5,056	4,392	4,391	4,536	4,536	4,536	4,536	4,536

Financial statement

Profit and Loss Statement (Btmn)

FY December 31	Unit	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Total revenue	(Btmn)	1,849	2,215	2,127	1,744	1,783	2,252	2,241	1,820
Cost of goods sold	(Btmn)	1,067	1,123	1,088	1,049	1,064	1,112	1,131	1,094
Gross profit	**(Btmn)**	**782**	**1,092**	**1,039**	**694**	**719**	**1,140**	**1,110**	**727**
SG&A	(Btmn)	490	534	515	466	484	544	563	513
Other income	(Btmn)	7	21	9	10	6	8	14	3
Interest expense	(Btmn)	179	171	160	157	154	148	153	144
Pre-tax profit	**(Btmn)**	**119**	**408**	**373**	**81**	**87**	**456**	**408**	**72**
Corporate tax	(Btmn)	(5)	22	11	12	6	22	17	6
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	(16)	(17)	(7)	(3)	(39)	(16)	1
Core profit	**(Btmn)**	**124**	**370**	**345**	**62**	**77**	**395**	**376**	**67**
Extra-ordinary items	(Btmn)	0	8	0	1	(21)	(22)	(0)	6
Net Profit	**(Btmn)**	**124**	**378**	**345**	**63**	**57**	**373**	**376**	**72**
EBITDA	(Btmn)	553	841	785	494	504	882	834	497
Core EPS (Bt)	**(Btmn)**	**0.03**	**0.08**	**0.07**	**0.01**	**0.02**	**0.08**	**0.08**	**0.01**
Net EPS (Bt)	(Bt)	0.03	0.08	0.07	0.01	0.01	0.08	0.08	0.01

Balance Sheet (Btmn)

FY December 31	Unit	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Total current assets	(Btmn)	1,784	2,180	1,715	1,657	1,531	2,403	1,577	1,655
Total fixed assets	(Btmn)	22,891	23,629	23,753	23,650	23,475	23,379	24,101	24,099
Total assets	**(Btmn)**	**24,929**	**26,246**	**25,917**	**25,765**	**25,461**	**26,460**	**26,333**	**26,433**
Total loans	(Btmn)	11,470	10,751	10,234	10,574	10,321	10,819	10,494	10,870
Total current liabilities	(Btmn)	2,612	2,981	2,332	2,687	2,641	3,914	2,539	2,961
Total long-term liabilities	(Btmn)	9,887	8,999	8,882	8,783	8,633	8,129	8,963	8,841
Total liabilities	**(Btmn)**	**17,094**	**16,754**	**15,998**	**16,256**	**15,980**	**16,673**	**16,126**	**16,457**
Paid-up capital	(Btmn)	4,887	4,887	4,887	4,887	4,887	4,887	4,887	4,887
Total equity	**(Btmn)**	**7,834**	**9,492**	**9,919**	**9,509**	**9,481**	**9,787**	**10,207**	**9,977**
BVPS (Bt)	**(Bt)**	**1.59**	**1.78**	**1.86**	**1.78**	**1.78**	**1.83**	**1.92**	**1.87**

Cash Flow Statement (Btmn)

FY December 31	Unit	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Core Profit	(Btmn)	124	370	345	62	77	395	376	67
Depreciation and amortization	(Btmn)	255	262	251	256	263	277	274	281
Operating cash flow	(Btmn)	686	770	566	455	550	815	689	434
Investing cash flow	(Btmn)	(288)	(264)	(248)	(225)	(247)	(328)	(961)	(250)
Financing cash flow	(Btmn)	(762)	(133)	(733)	(225)	(474)	446	(528)	(69)
Net cash flow	**(Btmn)**	**(365)**	**374**	**(415)**	**5**	**(170)**	**933**	**(800)**	**116**

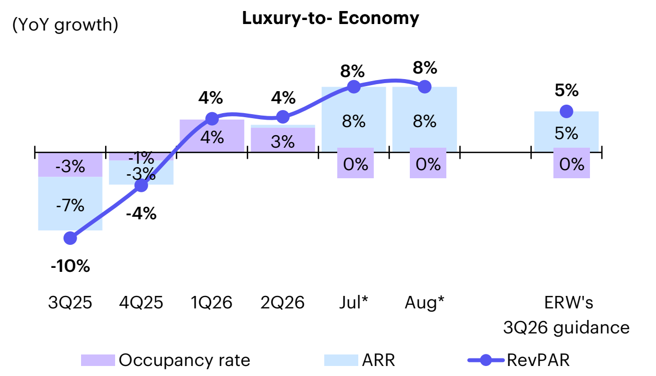
Key Financial Ratios

FY December 31		3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Gross margin	(%)	42.3	49.3	48.8	39.8	40.3	50.6	49.5	39.9
Operating margin	(%)	15.7	25.2	24.7	13.1	13.2	26.5	24.4	11.7
EBITDA margin	(%)	29.9	38.0	36.9	28.3	28.2	39.1	37.2	27.3
EBIT margin	(%)	16.1	26.1	25.1	13.6	13.5	26.8	25.0	11.9
Net profit margin	(%)	6.7	17.1	16.2	3.6	3.2	16.6	16.8	4.0
ROE	(%)	10.2	12.5	16.5	9.4	7.5	9.8	14.9	9.1
ROA	(%)	3.0	4.0	5.5	3.2	2.6	3.6	5.8	3.4
Net D/E	(x)	1.3	1.0	0.9	1.0	1.0	0.9	0.9	1.0
Interest coverage	(x)	3.1	4.9	4.9	3.1	3.3	5.9	5.5	3.5
Debt service coverage	(x)	1.0	1.4	1.6	0.8	0.9	1.1	1.6	0.8

Main Assumptions

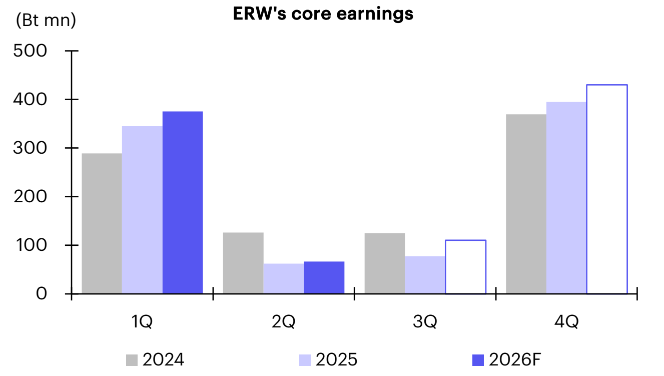
FY December 31	Unit	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26
Owned hotels (3-5 star)									
Occupancy rate	(%)	79.0	85.0	83.0	72.0	76.0	84.0	87.0	75.0
ARR	(Bt/room/night)	3,145	3,604	3,569	2,981	2,940	3,499	3,565	2,992
% YoY growth	(%)	3.9	12.3	5.5	(4.1)	(6.5)	(2.9)	(0.1)	0.4
RevPar	(Bt/room/night)	2,499	3,048	2,975	2,152	2,238	2,925	3,097	2,245
% YoY growth	(%)	1.7	14.9	4.8	(13.4)	(10.4)	(4.0)	4.1	4.3
No. of rooms	rooms	4,536	4,536	4,536	4,536	4,536	4,536	4,536	4,536

Figure 1: Our estimates for RevPAR growth in July-August are better than ERW's 3Q26 guidance



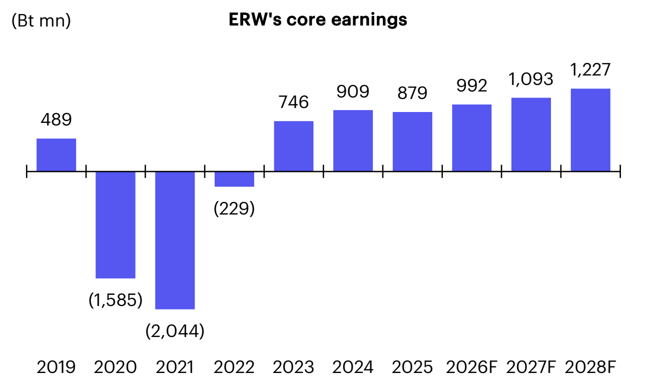
Source: Company data and InnovestX Investment Strategy & Research
**Our estimates*

Figure 2: We see 2Q26 as the earnings trough, with earnings expected to strengthen sequentially and peak in 4Q26



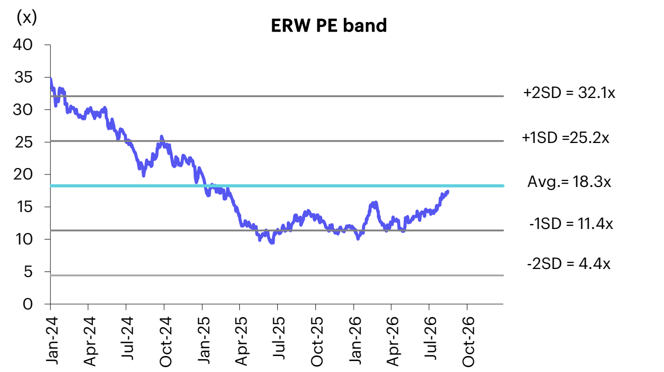
Source: InnovestX Investment Strategy & Research

Figure 3: ERW's core earnings forecast



Source: InnovestX Investment Strategy & Research

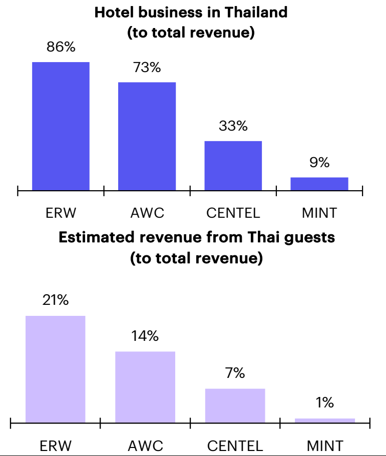
Figure 4: ERW PE band



Source: SET and InnovestX Investment Strategy & Research

Figure 5: ERW has high revenue exposure to Thai tourism and high proportion of Thai guests compared to peers

% to 2025 revenue	Hotel business in Thailand		Hotel business in overseas		Other business
AWC	**73%**		**0%**		**27%**
	Domestic demand: Thai guests 19%	International tourists 81%	Domestic demand -	International tourists -	Retail space
ERW	**86%**		**12%**		**2%**
	Domestic demand: Thai guests 24%	International tourists 75%	Domestic demand >70%	International tourists <30%	Retail space
CENTEL	**33%**		**15%**		**52%**
	Domestic demand: Thai guests 20%	International tourists 80%	Domestic demand <20%	International tourists >80%	Restaurant
MINT	**9%**		**72%**		**19%**
	Domestic demand: Thai guests 10%	International tourists 90%	Domestic demand >65%	International tourists <35%	Restaurant



Source: Company data and InnovestX Investment Strategy & Research

Figure 6: Valuation summary (price as of Sep 15, 2026)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x) 25A	P/E (x) 26F	P/E (x) 27F	EPS growth (%) 25A	EPS growth (%) 26F	EPS growth (%) 27F	P/BV (x) 25A	P/BV (x) 26F	P/BV (x) 27F	ROE (%) 25A	ROE (%) 26F	ROE (%) 27F	Div. Yield (%) 25A	Div. Yield (%) 26F	Div. Yield (%) 27F	EV/EBITDA (x) 25A	EV/EBITDA (x) 26F	EV/EBITDA (x) 27F
AWC	Neutral	3.06	3.20	7.2	50.4	45.2	42.3	4.5	11.5	6.8	1.0	1.0	1.0	2	2	2	2.6	2.6	2.6	28.9	24.7	24.9
CENTEL	Outperform	44.00	47.00	9.4	30.8	26.0	23.7	4.5	18.4	9.8	2.7	2.4	2.3	8.8	9.7	10.0	1.5	2.5	1.9	12.7	13.8	11.3
ERW	Outperform	3.86	4.30	13.5	21.4	19.0	17.3	(3.2)	12.8	10.2	2.1	2.0	1.8	9.1	9.8	10.1	1.8	2.1	2.3	11.9	12.2	11.5
MINT	Outperform	21.70	32.25	51.0	15.4	14.7	13.0	20.2	4.5	13.4	2.1	1.9	1.7	9.9	10.4	11.4	3.2	2.4	2.7	6.8	6.9	6.6
Average					**29.5**	**26.2**	**24.1**	**6.5**	**11.8**	**10.1**	**2.0**	**1.8**	**1.7**	**7.5**	**8.0**	**8.4**	**2.3**	**2.4**	**2.4**	**15.1**	**14.4**	**13.6**

Source: InnovestX Investment Strategy & Research

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2S, A5, ABM, ACG, ADD, AE, AH*, AIT, ALUCON, AMC, ANAN, APCO, APCS, ATP30, BA, BBIK, BC, BCP, BE8, BIG, BPS, BR, BSBM, BTC, BTW, BVG, BYD*, CFARM, CH, CIG, CM, CMAN, CMO*, COCOCO, COMAN*, CPI, CRD, CSC, DEXON, DTCENT, EAST, EKH, ESTAR, EURO, EVER, FE, FVC, GEL, HUMAN, ICN, IFS, JDF, JPARK, JSP, JUBILE, K, KGI*, KTIS, KTMS, KUN, LALIN, LANNA, LEO, LHK, LPN*, MAGURO, MATCH, MBAX, M-CHAI, MCOT, METCO, MICRO, MVP*, NC, NCH, NCL, NDR, NEO, NL, NSL, NTSC, NTV, OKJ, PATO, PDG, PEACE, PEER, PREB, PRI, PRIME, PRIN, PRINC*, PROUD, PSG, PSTC, PT, QLT, RCL, READY, RPH, SAMCO, SANKO, SAPPE, SCI, SCN, SECURE, SFT, SINO, SKE, SMT, SPA, SPVI, SRS, SUPER, SVI*, SWC, TAE, TFM, TIDLOR*, TIPCO, TITLE, TK, TKN*, TMC, TMI, TNP, TNR, TPA, TPCS, TPIPL*, TPIPP, TPS, TQR, TRP, TRT, TURTLE, TVT, UBA, UREKA, VCOM, VRANDA, WARRIX, WAVE*, WIN, XO, XPG, XYZ, ZIGA

Companies with Good CG Scoring

AHC, AIE, AMANAH, AMR, ANI, APURE, ARIN, ARROW, ASIA, ASN, AYUD, BIOTEC, BIS, BJCHI, BLAND, CAZ, CEN, CHAO, CHARAN*, CHAYO, CHIC, CHOTI, CI, CITY, CSP, CSS, CWT, DIMET*, DOD, DPAINT, DV8, EA*, EASON, ECF*, EFORL, FNS, FTE, GBX, GPI, GTB, GYT, IMH, IRCP, ITNS, IVF, JCK, KBS, KISS, KK, KWC, KWM, L&E, LDC, LEE, MCA, MEB, MEDEZE, MENA, MILL*, MITSIB, MK, MPJ, NAM, NATION, NCAP, NEX, NOVA, NPK, OGC, PACO, PANEL, PCE, PHG, PICO*, PIN, PIS, PLANET, POLY, PRAKIT, PRAPAT, PROEN, PROS, PTECH, PYLON, RAM, RJH, RML, ROCK, RPC, SAFE, SALEE, SE-ED, SIAM, SINGER, SISB, SK, SKN, SMD100, SNPS, SORKON, SPREME, SST, STANLY, STC, STPI, STX, SVR, SVT, TAKUNI, TATG, TFI, THG*, TMAN, TOPP, TPLAS, TPOLY, TRC*, TRU, TSE, TSR*, UKEM, UOBKH, VARO, VL, WFX, WIIK, WORK, YUASA, ZAA

Corporate Governance Report

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Declared (ประกาศเจตนารมณ์)

AMARIN, ANI, APCO, ASAP, ASEFA, AUCT, AURA, B52, BKIH, CHG, DITTO, EA, EAST, EMC, ESTAR, EVER, FLOYD, GABLE, GFC, GREEN, GULF, HL, HUMAN, IP, IT, J, JDF, JMT, KCC, KJL, LDC, LIT, M-CHAI, MEDEZE, MGC, MJD, MOSHI, NSL, NTSC, PCC, PCE, PLE, PROEN, PROUD, PTC, S, SANKO, SAWAD, SCAP, SFT, SHR, SINGER, SINO, SKE, SKY, SOLAR, SONIC, SUPER, TBN, TEAMG, TMC, TMI, TPP, TQM, UOBKH, UP, UREKA, VL, VNG, WARRIX, WELL, WIN, WP

N/A

88TH, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALT, ALUCON, AMARC, AMC, AMR, ANAN, AOT, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASIA, ASIMAR, ASN, ATLAS, ATP30, AU, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKA, BKD, BKGI, BLAND, BLC, BLESS, BLISS, BM, BOL, BR, BROCK, BSM, BTNC, BTW, BUI, BVG, BYD, CCET, CCP, CEYE, CFARM, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, EFORL, EKH, EMPIRE, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GENCO, GJS, GLAND, GLORY, GRAMMY, GRAND, GSTEEL, GTB, GTV, GYT, HANN, HFT, HPT, HTECH, HYDRO, I2, IDG, IHL, IIG, IMH, IND, INGRS, INSET, IRC, IRCP, IROYAL, ITD, ITNS, ITTHI, IVF, JAK, JCK, JCT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KIAT, KISS, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTMH, LTS, MADAME, MAGURO, MANRIN, MASTEC, MASTER, MATI, MCA, MCS, MDX, MEB, METCO, MGI, MGT, MICRO, MIDA, MILL, MITSIB, MK, ML, MMM, MORE, MOTHER, MPJ, MRDIYT, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NEX, NFC, NKT, NL, NNCL, NOVA, NPK, NTF, NTV, NUT, NV, NVD, NWR, NYT, OHTL, OKJ, ONEE, ONSENS, ORN, PACO, PAF, PANEL, PEACE, PEER, PERM, PF, PHAT, PHG, PICO, PIN, PIS, PJW, PLT, PMTA, POLY, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PSGC, PSP, PTL, QDC, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, RT, S11, SAF, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWANG, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SEI, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKIN, SKN, SLP, SMART, SMD100, SMO, SMT, SNPS, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, STANLY, STC, STECH, STECON, STELLA, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVR, SWC, SYNEX, TACC, TAN, TAPAC, TATG, TC, TCC, TCJ, TCOAT, TEAM, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIDLOR, TIGER, TITLE, TK, TKC, TL, TLI, TM, TMAN, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TSR, TTI, TTT, TTW, TURBO, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UNIX, UPOIC, UTP, UVAN, VARO, VPO, VRANDA, VS, WASH, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WSOL, XBIO, XPG, XYZ, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of May 2, 2025) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.