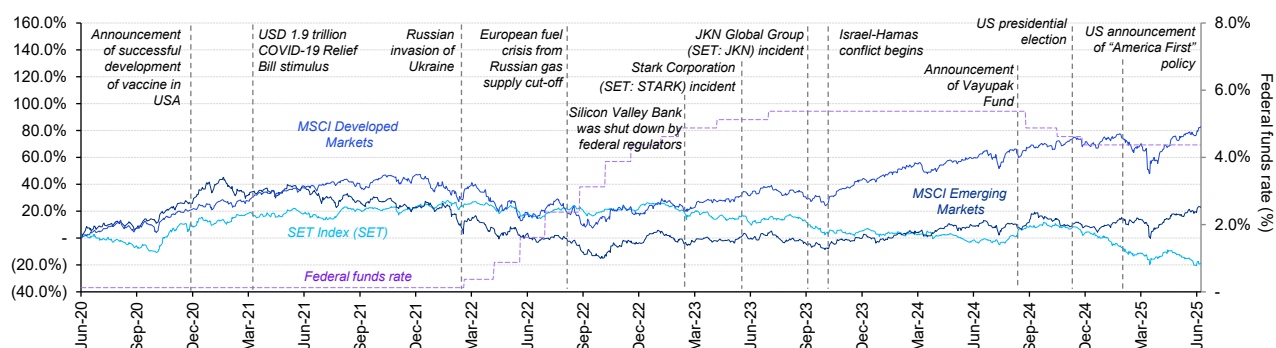


Capital market and business valuation insights | Q2/2025

The quarterly update from Deal Advisory services, KPMG in Thailand

Capital market performance

- The Thai capital market (SET Index) has continued to experience high volatility due to factors such as global trade policy, domestic political instability, border conflict tensions and a weakening global economic outlook. The reduction of the US import tariff policy for Thailand, announced on 1 August, to 19.0% — aligning with the rate for other countries in the region, down from the original rate of 36.0% — has helped ease uncertainty in the export sector.
- The Monetary Policy Committee (MPC) projects Thailand's GDP to expand by 2.3% in 2025 and 1.7% in 2026. The stronger-than-expected performance in the first half of 2025 was driven by manufacturing and front-loaded exports. However, Thailand's economic growth is anticipated to moderate in the second half of 2025 and 2026.
- The Thai baht remained volatile against the US dollar, appreciating from 34.1 in the last quarter to 32.7 at 30 June 2025, according to the Bank of Thailand's (BOT) average selling rates.



Source: Capital IQ and the Federal Reserve
Note: Indices rebased as at 30 June 2020

Thai stock exchange financial highlights (30 June 2025)



Market capitalization
of THB 13.7 trillion



Total of 929 listed securities, with 697 in SET, 225 in mai, 7 in LIVEX



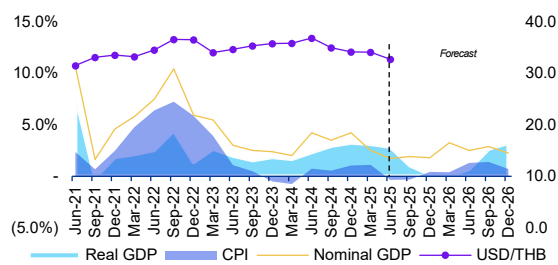
Market capitalization to GDP of 73.3%



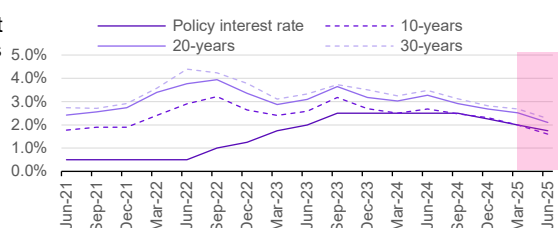
5 newly listed securities and 6 delisted during Q2/2025

Source: SET, Capital IQ and BOT

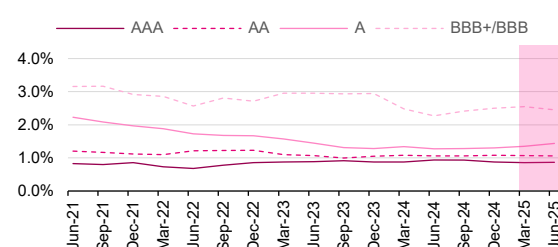
Macroeconomic overview (Y-o-Y change)



Thai government bond yield



Thai corporate bond average spread



- **US federal funds rate:** At its July meeting, the Federal Open Market Committee (FOMC) maintained the target range for the federal funds rate at 4.25% to 4.50%. The committee noted that it would carefully assess incoming data, the evolving economic outlook and the balance of risks.
- **Thai policy interest rate:** On 25 June, the MPC voted 6 to 1 to maintain the policy rate at 1.75%, highlighting that recent policy rate cuts had already provided some relief against prevailing risks and were still in the process of spilling over to the broader economy.
- **Inflation:** Headline inflation is forecast to remain subdued at 0.5% in 2025 and 0.8% in 2026, primarily driven by declining energy and food prices. Medium-term inflation expectations continue to be anchored within the target range of 1.0% to 3.0%.
- **Yield and spread:** Thai government bond yields continued to decline, reflecting investor expectations of a slowdown in the Thai economy given its relatively higher exposure to global trade policy risks compared with other countries. Credit risk spreads for riskier corporate bonds narrowed compared with the previous quarter, whereas the credit spread for A-rated bonds has widened.

Source: BOT and Federal Reserve

Capital market and business valuation insights | Q2/2025

The quarterly update from Deal Advisory services, KPMG in Thailand

SET valuation metrics by sector (last five quarters)

The SET has eight key sector categories for listed entities. The three most-common valuation multiples across five quarters in these sectors illustrate movement due to both economic fundamentals and the impact of global events on market sentiment.

AGRO	Agribusiness, F&B	RESCOURC	Energy, Utilities, Mining	SERVICE	Commerce, Healthcare, Media	CONSUMP	Fashion, Home, Personal, Pharmaceuticals
TECH	Electronic parts, ICT	FINCIAL	Banking, Finance	INDUS	Automotive, Industrial materials and machinery, Packaging, Chemicals	PROPCON	Property and construction

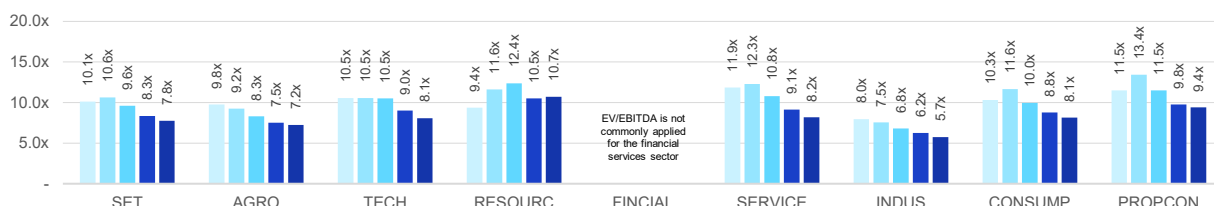
Index	SET	AGRO	TECH	RESCOURC	FINCIAL	SERVICE	INDUS	CONSUMP	PROPCON
Number of securities	922 ¹	82	70	72	81	197	146	66	208
Market capitalization (THB trillion)	14.1 ²	0.8	2.8	3.1	2.5	2.9	0.5	0.1	1.3

Source: SET, S&P Capital IQ and KPMG Analysis

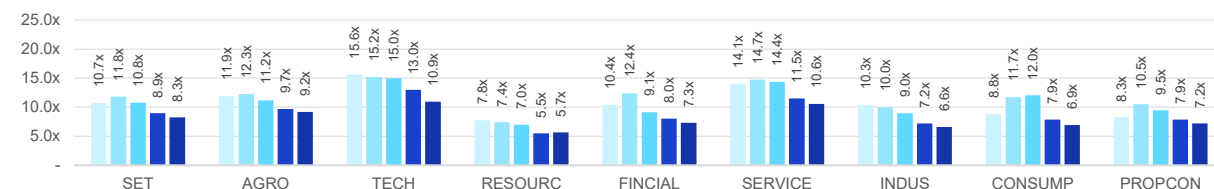
Note 1: Number of securities differs from the prior page as seven LIVEx companies are excluded. 2: This figure is based on CIQ data.

EV/EBITDA

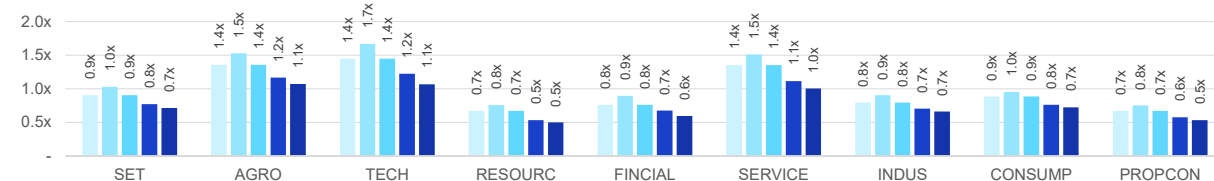
Jun-24 Sep-24 Dec-24 Mar-24 Jun-25



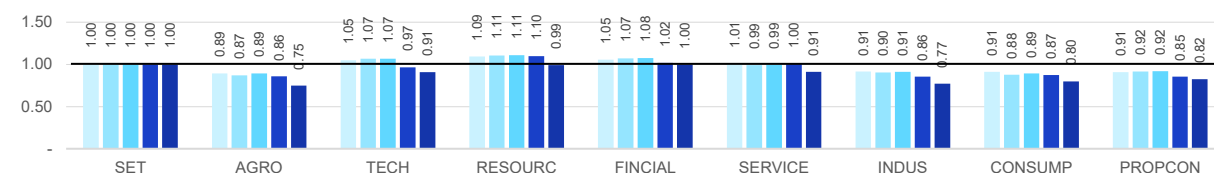
P/E



P/BV



Adjusted five-year monthly beta



Source: SET, S&P Capital IQ and KPMG Analysis

The multiples in Q2/2025 decreased compared with previous quarters across nearly all sectors, reflecting the overall stock market decline and increased market uncertainty.

Sector beta represents the undiversified risk of a sector. The higher the beta, the riskier it is for that specific sector. The betas have notably declined across all sectors.

Capital market and business valuation insights | Q2/2025

The quarterly update from Deal Advisory services, KPMG in Thailand

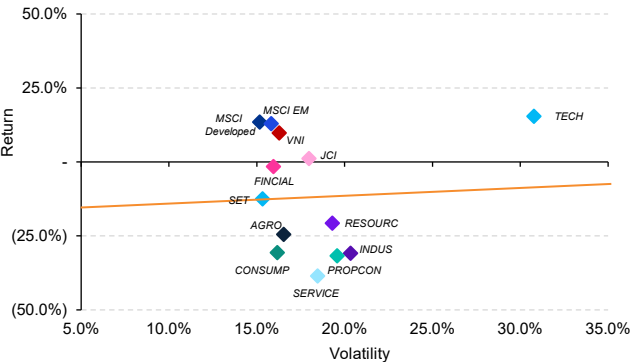
Returns and volatilities of international indices and domestic indices by sector

Index	MSCI Developed	MSCI EM	VNI	JCI	SET	AGRO	TECH	RESOURC	FINCIAL	SERVICE	INDUS	CONSUMP	PROPCON
Country	Developed countries	Emerging countries	Vietnam	Indonesia	Thailand	Thailand							
Annualized daily returns	Total returns					Total returns							
1-year	13.6%	13.0%	9.9%	1.2%	(12.4%)	(24.4%)	15.5%	(20.6%)	(1.5%)	(38.4%)	(30.8%)	(30.6%)	(31.7%)
5-year	14.2%	6.6%	11.5%	10.4%	(1.2%)	(3.3%)	17.5%	(5.2%)	16.0%	(7.7%)	(6.9%)	(10.4%)	(6.6%)
Volatility of daily returns													
1-year	15.2%	15.8%	16.3%	18.0%	15.3%	16.5%	30.8%	19.3%	16.0%	18.5%	20.3%	16.2%	19.6%
5-year	14.9%	15.9%	19.3%	14.4%	13.3%	14.1%	26.9%	16.3%	16.1%	14.7%	16.7%	17.5%	15.0%

Source: SET, Bloomberg, S&P Capital IQ, MSCI and KPMG Analysis

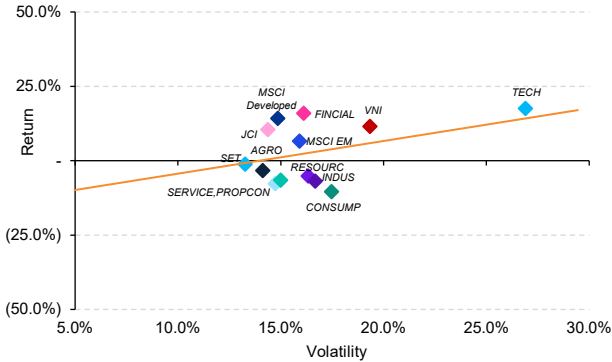
Market returns vs. volatilities

1-year correlation



Source: SET, Bloomberg, S&P Capital IQ, and KPMG analysis

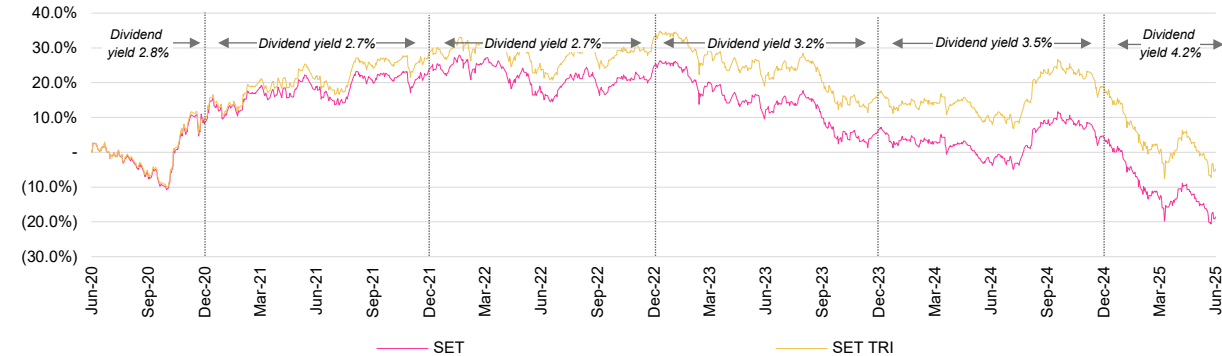
5-year correlation



Source: SET, Bloomberg, S&P Capital IQ, and KPMG analysis

- Over both the one-year and five-year evaluation periods, the SET has continued to deliver lower returns compared to other indices. Within Thailand, the TECH sector remains the top performer across both timeframes, while the service sector recorded the lowest annualized return over the one-year period. The consistent volatility of daily returns across all market indices highlights uncertainty in the global equity market.

SET vs. SET TRI



Source: SET and Bloomberg
Note: Indices rebased as at 30 June 2020

- Total return index (TRI)** is an index that measures the total return from investing in securities. It comprises: (1) a return arising from the change in value of the securities or "capital gain/loss"; and (2) dividends paid, assuming they are reinvested in the securities.
- The dividend yield for 2025 continues to remain high, as the overall stock market experienced a decline in the first half of this year, ahead of an expected downturn in corporate financial performance.



Capital market and business valuation insights | Q2/2025

The quarterly update from Deal Advisory services, KPMG in Thailand

Data criteria

Thailand valuation multiples by sector

- The SET sector classification serves as the principal criterion for the illustrated sectors.
- The sector valuation multiples and beta are based on the respective median.
- 12-month trailing multiples are derived from Q2/2024 to Q2/2025.
- The Q2/2025 multiple is based on the latest available financial statement information as at Q1/2025.
- Data in historical periods may change according to Capital IQ's retrospective adjustments.

Regression on returns and volatilities

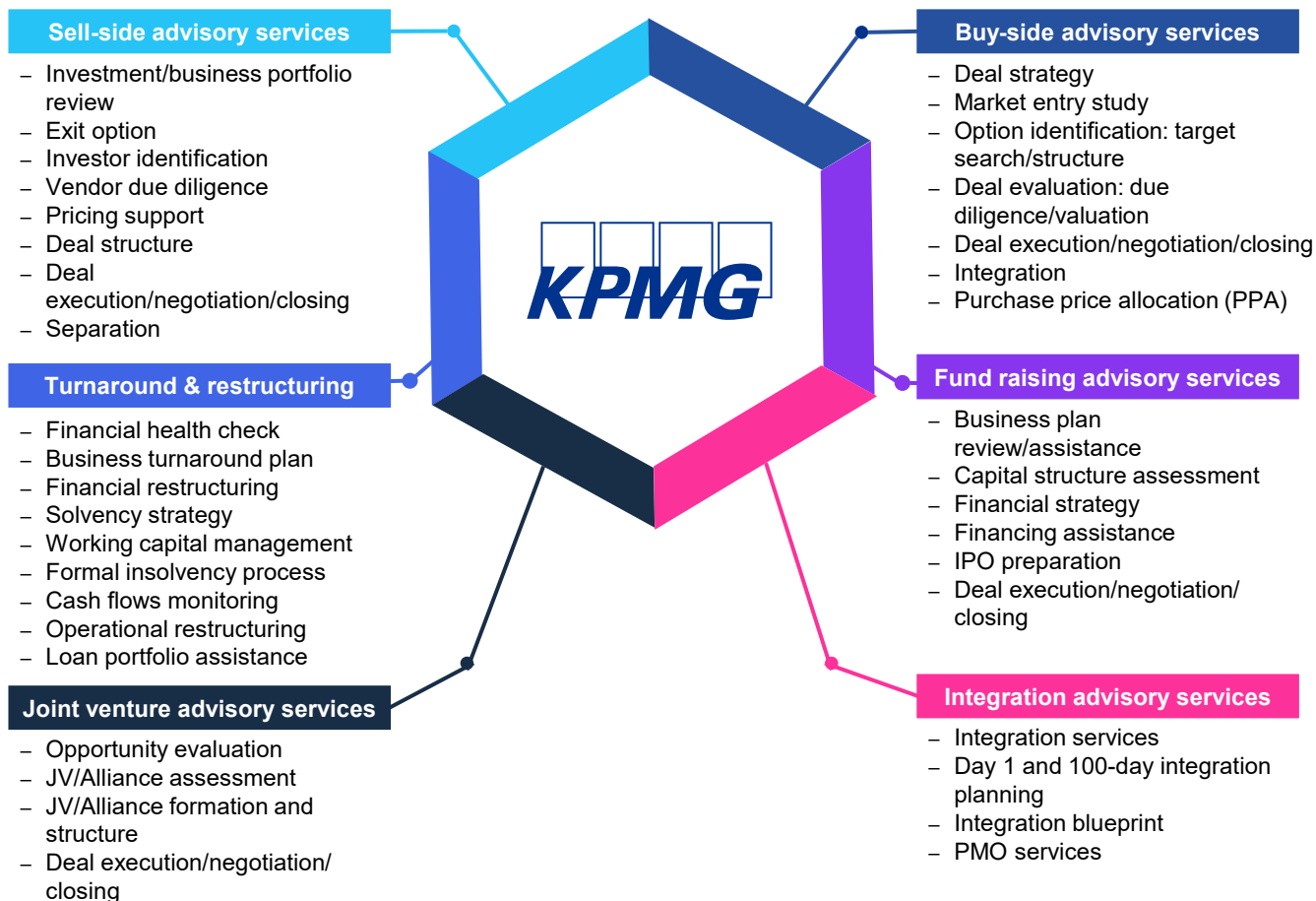
- The total number of trading days per year is assumed to be 252 days.
- The period in the study is 1 July 2020 to 30 June 2025.

SET and SET TRI

- Annual dividend yields are based on dividend yields from Bloomberg.

KPMG Deal Advisory

"KPMG provides a full range of valuation services for all sell-side, buy-side, tax restructuring, fund raising and joint venture transactions."



Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

Contact us



Ian Thornhill
Partner,
Head of Deal Advisory
ithornhill@kpmg.co.th
Tel: +66 2 677 2297



Canopus Safdar
Partner,
Valuation Specialist
csafdar@kpmg.co.th
Tel: +66 2 677 2603



Surayos Chuephanich
Partner,
M&A Specialist
surayos@kpmg.co.th
Tel: +66 2 677 2752



Boonyaporn Donnapee
Partner,
M&A Legal Specialist
boonyaporn@kpmg.co.th
Tel: +66 2 677 2405



Theraphol Saikaew
Director,
Valuation Specialist
theraphol@kpmg.co.th
Tel: +66 2 677 2635



Dominic Kobel
Director,
M&A Specialist
dkobel@kpmg.co.th
Tel: +66 2 677 2606



Worachit Sirikajornkij
Associate Director,
Valuation Specialist
worachit@kpmg.co.th
Tel: +66 2 677 2682



Ming Ern Chew
Associate Director,
Valuation Specialist
cern@kpmg.co.th
Tel: +66 2 677 2000-7615

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG Phoomchai Business Advisory Ltd., a Thai limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.