COMPANY UPDATE

ADVICE IT INFINITE (ADVICE TB)

THAILAND / SET / COMMERCE

Globlex Securities Co., Ltd.

15 July 2026

2Q26: The Margin Story Still Holds

- 2Q26E net profit of THB118m (+1% q-q, +56% y-y).
- iPhone shortage and iStore delays both trace to external timing.
- We raise TP to THB7.5 and lift FY26E net profit to THB426m.

2Q26E Proves the New Margin Baseline is Here to Stay

We forecast 2Q26E net profit of THB118m (+1% q-q, +56% y-y) on revenue of THB4.3b (+5% q-q, +13% y-y) — a touch above our initial post-1Q26 read. We now pencil in a steeper GPM give-back than first modeled, as ADVICE cycles into pricier restocked inventory, but that drag is more than offset by revenue: management confirmed the 13% y-y target is on track, while GPM holds around the 12% level — slightly down from 1Q26's 12.4%, but still well above the ~10% run-rate in 2025.

External Speedbumps, Unshaken Demand

Two flags for 2Q26E. First, the iPhone 17 shortage worsened as the quarter progressed — April and May still carried some stock, but June turned severe as broader component price hikes fed public anticipation that iPhone 18 would launch pricier, pulling demand into iPhone 17. Second, iStore reached only 22 branches (+5 YTD) against a 29-store quarterly target, as construction permitting at the local-government level lagged. Neither reflects an ADVICE-side execution problem: both trace back to external timing — Apple's own supply and pricing cadence, and municipal approval queues — not a shortfall in demand or delivery.

Android and IT Step Up to Save the Segment

IT and Android growth outpaced expectations enough to fully offset the iPhone-driven gap, the same dynamic that carried 1Q26. Apple-side approvals also outran target, reaching 31 stores against the 29 goals. Into 3Q26E, we expect iPhone availability to normalize to ~100% as 2Q26-ordered stock arrives, while IT/component inventory built for Q3 remains available — volume is down ~30% y-y, but Average Selling Price (ASP) gains cover the gap. With both tailwinds landing together, we model 3Q26E profit tracking close to the 1Q26-2Q26E run-rate.

Industry Tape Reads as ADVICE's Tailwind

Management's read from a Q2 roadmap session with NVIDIA and Intel reinforces the structural, not cyclical, framing we've held since 1Q26: component pricing keeps rising through the balance of 2026, just at a materially gentler pace than the Q4-Q1 surge. We think this extends ADVICE's inventory-cost advantage across the full year, as pre-spike stock continues to sell into a still-rising ASP environment. The one caveat: with the initial shock now behind and the curve flattening, we expect the inventory-gain contribution to taper into 4Q26E.

Maintain with a BUY and raise TP to THB7.5

We raise our TP to THB7.5 (from THB7.0) and lift FY26E net profit to THB426m (+60% y-y, from THB336m) and EPS to THB0.70 (from THB0.54), even as revenue eases to THB18.9b (+14% y-y) — a margin story, not a top-line one. The implied multiple falls to ~10.7x (from ~13x), so the higher TP reflects earnings already confirmed in the actuals, not a re-rating. BUY maintained.

ESG Rating : -

CG Rating :

BUY	
Target Price 12M (THB)	**7.50**
VS. BB Consensus TP (%)	+10.8%
Share Price (THB)	6.85
Upside/Downside	+9.5%

Share Data

Market Cap (THB m)	4,247.00
Par (THB)	0.50
Free Float (%)	27.97
Issued shares (m shares)	620

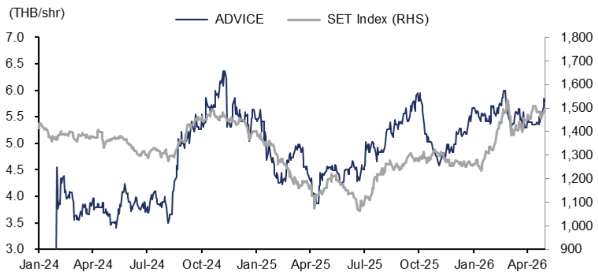
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	16,590	18,927	19,949	20,984
Net profit	267	426	342	358
Core net profit	267	426	342	358
vs Consensus (%)	-	39.7	2.4	(4.0)
Net profit growth (%)	14.9	59.6	(19.8)	4.8
Core net profit growth (%)	14.9	59.6	(19.8)	4.8
EPS (THB)	0.43	0.69	0.55	0.58
Core EPS (THB)	0.43	0.69	0.55	0.58
Chg in core EPS (%)	-	0.00	0.00	0.00
DPS (THB)	2.33	0.55	0.44	0.46
P/E (x)	13.58	9.97	12.42	11.86
P/BV (x)	3.96	3.65	6.15	6.14
ROE (%)	27.63	50.63	49.47	48.81
Dividend yield (%)	39.74	8.03	6.44	6.75

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	7.87	28.04	19.13	17.09
Market	5.64	18.65	(8.84)	(9.29)
12M High/Low (THB)				6.90 / 4.72



Major Shareholders (%) as of 12 Mar 2026

THAI JOINT VENTURE GROUPS	25.81
MR. NATH NATNITHIKARAT	25.24
MR. AMORN THATHONG	8.12

Company Profile

Retail and wholesale of IT products such as assembled computers (D.I.Y), notebook, computer desktop, and peripheral devices, as well as smartphones and home appliances, through branches and online channels and provide comprehensive after-sales service.

Source: SETSMART, SET

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Exhibit 1: Summary of 2Q26E/2026E operations

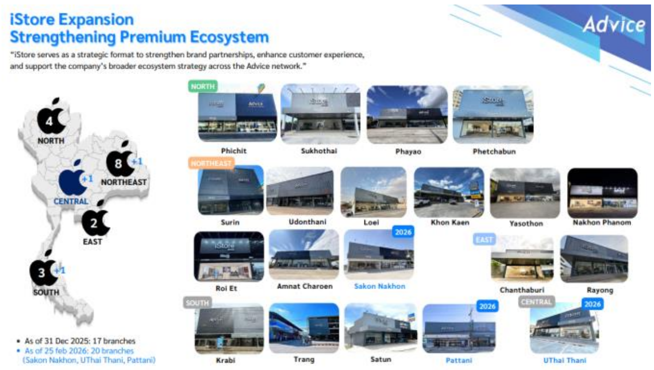
	2Q25	1Q26	------------- 2Q26E -------------			2025	2026E	chg.
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)
Revenue	**4,011**	**4,313**	**4,534**	**5**	**13**	**16,590**	**18,927**	**14**
Operating costs	**(3,917)**	**(4,165)**	**(4,384)**	**5**	**12**	**(16,247)**	**(18,384)**	**13**
EBITDA	129	185	187	1	45	485	698	44
EBITDA margin (%)	3.2	4.3	4.1	na	na	2.9	3.7	na
EBIT	**94**	**148**	**149**	**1**	**58**	**342**	**543**	**59**
Interest expense	(2)	(3)	(3)	0	101	(9)	(11)	15
Exceptionals	1	0	0	na	na	1	0	na
Pretax profit	93	145	146	1	57	334	533	60
Tax	(18)	(29)	(29)	0	57	(67)	(107)	59
Tax rate (%)	20	20	20	na	na	20	20	na
Minority interests	0	0	0	na	na	0	0	-
Net profit	**75**	**116**	**118**	**1**	**56**	**267**	**426**	**60**
EPS (THB)	0.12	0.19	0.19	1	56	0.43	0.69	60

Sources: SET, Globlex Research

Exhibit 2: ADVICE's Network in Thailand

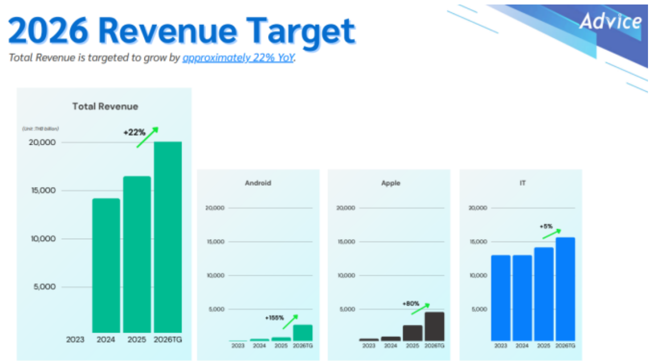
Sources: ADVICE

Exhibit 3: iStore expansion update



Sources: ADVICE

Exhibit 4: 2026 Revenue Target



Sources: ADVICE

Exhibit 5: iStore expansion plan

Sources: ADVICE

Globlex Securities Co., Ltd.

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	191	218	(174)	(280)	(306)
Account receivable	0	0	0	0	0
Inventories	1,619	2,108	2,378	2,517	2,647
Others	365	497	497	497	497
Non-current assets					
Net fixed assets	501	604	720	839	962
Others	316	365	365	365	365
Total Assets	**2,991**	**3,791**	**3,785**	**3,937**	**4,165**
Current liabilities					
Account payable	1,760	2,265	2,556	2,705	2,845
ST borrowing	77	249	249	249	249
Others	27	40	46	48	51
Long-term liabilities					
Long-term debts	99	127	127	127	127
Others	88	117	117	117	117
Total liabilities	**2,051**	**2,798**	**3,095**	**3,246**	**3,389**
Paid-up capital	310	310	310	310	310
Retained earnings	193	246	(57)	(56)	29
Others	437	437	437	437	437
Minority interest	0	0	0	0	0
Shareholders' equity	**940**	**993**	**691**	**691**	**776**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**14,217**	**16,590**	**18,927**	**19,949**	**20,984**
Cost of goods sold	(13,550)	(15,856)	(17,892)	(18,932)	(19,914)
Gross profit	**667**	**734**	**1,035**	**1,017**	**1,070**
Operating expenses	(372)	(392)	(492)	(579)	(609)
Operating profit	**295**	**342**	**543**	**439**	**462**
EBIT	**295**	**342**	**543**	**439**	**462**
Depreciation	(132)	(143)	(155)	(168)	(182)
EBITDA	**427**	**485**	**698**	**607**	**644**
Non-operating income	**2**	**1**	**0**	**0**	**0**
Other incomes	0	0	0	0	0
Other non-op income	2	1	0	0	0
Non-operating expense	**(12)**	**(9)**	**(11)**	**(12)**	**(14)**
Interest expense	(12)	(9)	(11)	(12)	(14)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pre-tax Profit	**285**	**334**	**533**	**427**	**448**
Extraordinary items					
Current taxation	(52)	(67)	(107)	(85)	(90)
Minorities	0	0	0	0	0
Net Profit	**232**	**267**	**426**	**342**	**358**
Core net profit	**232**	**267**	**426**	**342**	**358**
EPS (THB)	**0.37**	**0.43**	**0.69**	**0.55**	**0.58**
Core EPS (THB)	**0.37**	**0.43**	**0.69**	**0.55**	**0.58**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (%YoY)					
Sales	5.1	16.7	14.1	5.4	5.2
Operating profit	23.7	16.1	58.7	(19.2)	5.2
EBITDA	17.6	13.7	43.9	(13.1)	6.1
Net profit	36.5	14.9	59.6	(19.8)	4.8
Core net profit	36.5	14.9	59.6	(19.8)	4.8
EPS	36.5	14.9	59.6	(19.8)	4.8
Core EPS	36.5	14.9	59.6	(19.8)	4.8
Profitability (%)					
Gross margin	4.7	4.4	5.5	5.1	5.1
Operation margin	2.1	2.1	2.9	2.2	2.2
EBITDA margin	3.0	2.9	3.7	3.0	3.1
Net margin	1.6	1.6	2.3	1.7	1.7
ROE	37.2	27.6	50.6	49.5	48.8
ROA	8.3	7.9	11.2	8.9	8.8
Stability					
Interest bearing debt/equity (x)	0.2	0.4	0.5	0.5	0.5
Net debt/equity (x)	n.a.	0.2	0.8	0.9	0.9
Interest coverage (x)	24.9	37.4	51.6	37.9	33.2
Interest & ST debt coverage (x)	3.3	1.3	2.1	1.7	1.8
Cash flow interest coverage (x)	0.0	0.1	0.1	0.1	0.1
Current ratio (x)	1.2	1.1	0.9	0.9	0.9
Quick ratio (x)	0.1	0.1	(0.1)	(0.1)	(0.1)
Net debt (THB m)	(15)	158	550	656	682
Activity					
Asset turnover (X)	4.2	4.2	4.8	7.4	15.0
Days receivables	0.0	0.0	0.0	0.0	0.0
Days inventory	43.6	48.5	48.5	48.5	48.5
Days payable	47.4	52.1	52.1	52.1	52.1
Cash cycle days	(3.8)	(3.6)	(3.6)	(3.6)	(3.6)

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**49**	**302**	**389**	**347**	**367**
Net profit	232	267	426	342	358
Depre.& amortization	132	143	155	168	182
Change in working capital	(206)	30	26	13	12
Others	(110)	(138)	(218)	(176)	(185)
Investment cash flow	**(384)**	**453**	**(53)**	**(111)**	**(120)**
Net CAPEX	(179)	(246)	(246)	(246)	(246)
Change in LT investment	95	688	336	235	247
Change in other assets	(300)	12	(143)	(100)	(121)
Free cash flow	**(335)**	**756**	**336**	**235**	**247**
Financing cash flow	**426**	**(729)**	**(729)**	**(341)**	**(273)**
Change in share capital	534	0	0	0	0
Net change in debt	0	0	0	0	0
Dividend paid	(109)	(729)	(729)	(341)	(273)
Others					
Net cash flow	**91**	**27**	**(392)**	**(106)**	**(26)**

Per share (THB)	2024	2025	2026E	2027E	2028E
EPS	0.37	0.43	0.69	0.55	0.58
Core EPS	0.37	0.43	0.69	0.55	0.58
CFPS	0.59	0.66	0.94	0.82	0.87
BVPS	1.52	1.60	1.11	1.12	1.25
Sales/share	22.93	26.76	30.53	32.18	33.84
EBITDA/share	0.69	0.78	1.13	0.98	1.04
DPS	0.33	2.33	0.55	0.44	0.46
Valuation					
P/E (x)	16.0	13.6	8.7	10.9	10.4
P/BV (x)	8.58	3.96	3.65	5.39	5.38
Dividend yield (%)	5.42	39.74	9.16	7.35	7.70
Divdend payout ratio (%)	86.68	539.77	80.00	80.00	80.00

GENERAL DISCLAIMER

Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY: Expected return of 10% or more over the next 12 months.
HOLD: Expected return between -10% and 10% over the next 12 months.
REDUCE: Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause 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.

Sector Recommendations

Overweight: The industry is expected to outperform the relevant primary market index over the next 12 months.
Neutral: The industry is expected to perform in line with the relevant primary market index over the next 12 months.
Underweight: The industry is expected to underperform the relevant primary market index over the next 12 months.

Country (Strategy) Recommendations

Overweight: 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: 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: 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.