INITIATED REPORT

Millennium Group Corporation (Asia) (MGC TB)

THAILAND / SET / AUTOMOTIVE

26 November 2026

From BMW Dealer to EV Contender

- XPENG: a premium-tech brand in the right hands
- A full-service ecosystem that earns long after the sale
- Initiate with BUY, TP THB8.04

Wider Margins, Bigger Runway.

The market still sees MGC as a BMW dealer earning thin margins in a shrinking luxury market. We think that picture is out of date. BMW volumes fell 37% over 2023-25, yet MGC's core profit rose almost fivefold, from THB146m in 2024 to THB683m in 2025. EVs already made up almost half of its new-car volumes in 2025, and its gross margin rose from 9.5% to 13.0% in a single year. We believe the market has overlooked this transformation.

XPENG: the Right Brand in the Right Hands.

We see XPENG as more than another Chinese EV. Its in-house Turing chip and smart-driving system rival Tesla's, and its cars drive closer to a European premium brand than a typical Chinese EV. MGC adds 25 years of after-sales credibility as Thailand's largest BMW dealer, and a rare pricing discipline: no price cuts on cars already on sale. XPENG sold more than 3,700 units in 1H26 alone. We forecast volumes to rise from 3,742 units in 2025 to 9,703 units in 2028E, a 37% 3-year CAGR that outpaces the Thai BEV market.

One Customer, Many Margins.

We believe MGC's ecosystem is underappreciated. A BMW or XPENG buyer can insure the car through Howden Maxi, finance it through Alpha X, service it at MGC for years, rent from Master Car Rental, and later sell it back through the group's used-car channel. MGC owns part or all of each step, and each carries its own margin. Its legacy car park keeps returning to its service centers, while a fast-growing XPENG car park adds a new stream, and as sole distributor, MGC earns a parts margin on every XPENG.

Earnings in a Higher Gear.

We forecast core net profit to nearly double to THB1.35b in 2026E and reach THB1.63b in 2028E, a 33.8% 3-year CAGR. XPENG lifts margins, not just sales: group gross profit margin rose from 9.5% to 13.0% in 2025, and we expect it to hold at around 13%. Being a distributor also lets MGC fund its stock through low-cost LCs, keeping interest costs flat as volumes grow, while operating leverage lifts the EBIT margin from 4.4% to 6.7% by 2028E.

Initiate with BUY, TP THB8.04

The share price has fallen 50% from its peak on excise tax concerns, but we think the market has overreacted: MGC has stocked enough cars to last until 1H27, and management is confident of a local XPENG plant. At 4.38x forward P/E, well below its 1-year average of 7.3x, MGC is valued like a BMW dealer, not XPENG's sole distributor. We value MGC at 6x 2027E P/E, giving a TP of THB8.04 and 57.6% upside. Even in our worst case, where the local plant does not go ahead, our TP would be only 1.9% below the current price.

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ESG Rating : A

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	**8.04**
VS. BB Consensus TP (%)	-9.7%
Share Price (THB)	5.10
Upside/Downside	+57.6%

Share Data

Market Cap (THB m)	5,712
Par (THB)	0.50
Free Float (%)	27.40
Issued shares (m shares)	1,120

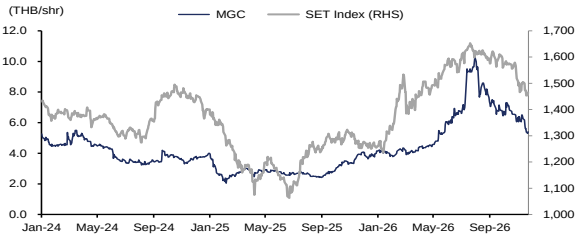
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	22,350	29,861	30,805	31,349
Net profit	1,284	1,350	1,501	1,635
Core net profit	683	1,350	1,501	1,635
vs Consensus (%)		13.9	8.3	13.0
Net profit growth (%)	781.2	5.1	11.2	8.9
Core net profit growth (%)	368.5	97.7	11.2	8.9
EPS (THB)	1.15	1.20	1.34	1.46
Core EPS (THB)	0.61	1.20	1.34	1.46
Chg from previous (%)		0.1	(1.3)	(1.9)
DPS (THB)	0.25	0.42	0.47	0.51
P/E (x)	3.84	4.23	3.81	3.49
P/BV (x)	0.96	0.95	0.82	0.71
ROE (%)	15.3	24.2	23.0	21.7
Dividend yield (%)	5.68	8.27	9.19	10.02

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(19.08)	(38.01)	(2.75)	20.45
Market	(13.07)	(31.22)	2.88	4.32
12M High/Low (THB)				10.80 / 3.80



Major Shareholders (%) as of 27 Aug 2026

Tham Holdings Co., Ltd.	51.00
LGT BANK (SINGAPORE) LTD	10.00
MRS. RATANA THAMCHUANVIRIYA	4.04
MISS JERDNAPANG THAMCHUANVIRIYA	4.02

Company Profile

The Company is a holding company which engages in a fully integrated automotive business, whereby the business of the group consists of 1) automotive sales business 2) after sales and independent car maintenance service business 3) car rental and driver service business and 4) information and technology (IT) service, shared service, financial services for automobiles, insurance brokerage and car detailing service business

Source: SETSMART, SET

From BMW Dealer to EV Contender

Accelerating Earnings, Idling Valuation

When investors think of MGC, the first name that comes to mind is Millennium Auto Group, the BMW dealer with the largest market share in Thailand. For more than 25 years, MGC has built its reputation on selling and servicing premium cars to Thailand's most demanding buyers. Along the way, it has added a wide portfolio of leading brands, including MINI, Honda, Rolls-Royce, BMW Motorrad, Harley-Davidson, Azimut yachts and Chris-Craft boats, together with the services that surround the car.

Exhibit 1: MGC brand portfolio

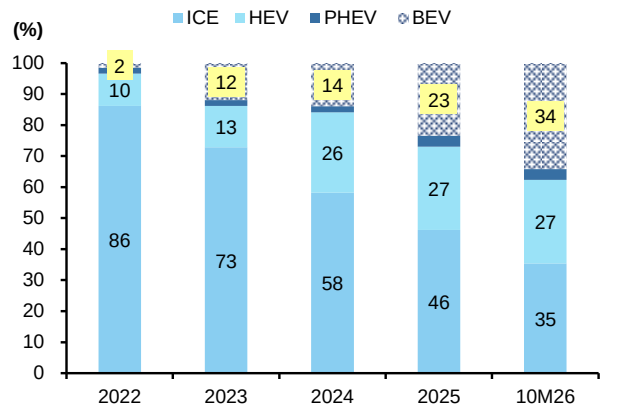


Sources: MGC; Globlex Research

Then the market changed. Thailand's luxury car market has lost momentum in recent years. BMW sales at MGC declined from 4,054 units in 2023 to 2,977 units in 2024 and 2,548 units in 2025, a 37% decline in two years.

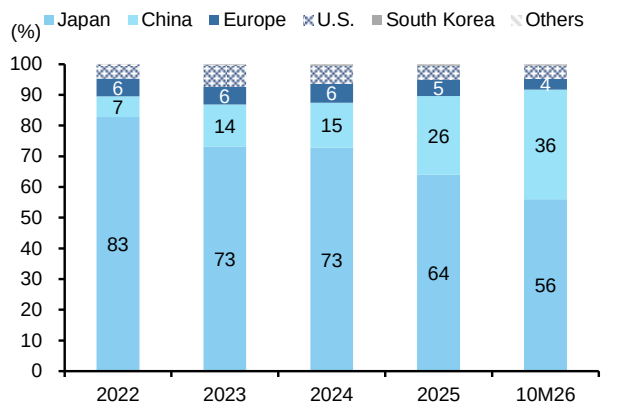
At the same time, Thailand's car market shifted towards electric vehicles at a pace few had expected. BEVs rose from 2% of new registrations in 2022 to 34% in 10M26. Including hybrids and plug-in hybrids, electrified vehicles made up more than half of the market. The shift has also reshaped the brand landscape. Japanese brands, which held 83% of passenger vehicle registrations in 2022, saw their share fall to 56% in 10M26 as Chinese brands moved in.

Exhibit 2: New registrations by fuel type, 2022-10M26



Sources: MGC; Globlex Research

Exhibit 3: Passenger car registrations by brand origin

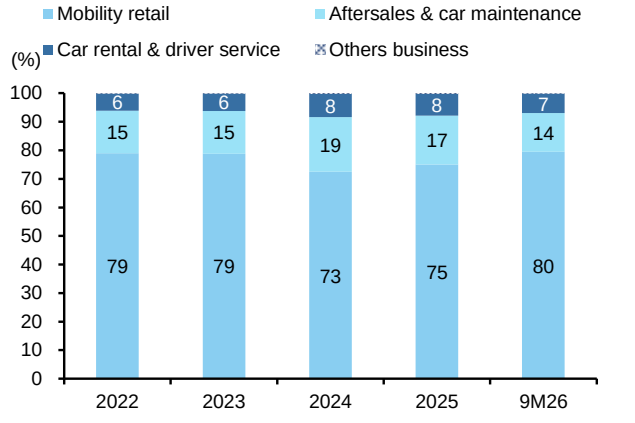


Sources: MGC; Globlex Research

MGC recognized this shift early. Rather than becoming another dealer of a Chinese brand, it entered the EV market as an importer. In 2024, it invested in Neo Mobility Asia, the sole distributor of XPENG in Thailand, and in Aug-2025 acquired the remaining 50% stake for THB83m, taking full control.

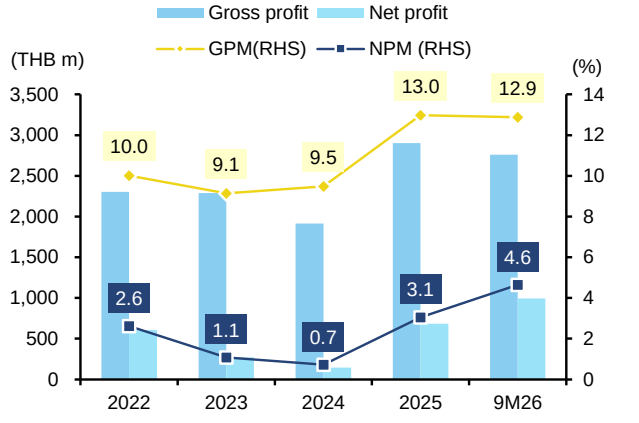
The early results suggest the decision was right. In 2025, XPENG became MGC's largest brand by volume at 3,742 units, or 37.5% of new cars sold. In its first five months as a subsidiary, Neo contributed THB3,845m in revenue and THB299m in net profit. Group gross profit rose 51.6% y-y to THB2,902m in 2025, and 9M26 net profit reached THB995m, up 175% y-y.

Exhibit 4: Revenue breakdown by business (%)



Sources: MGC; Globlex Research

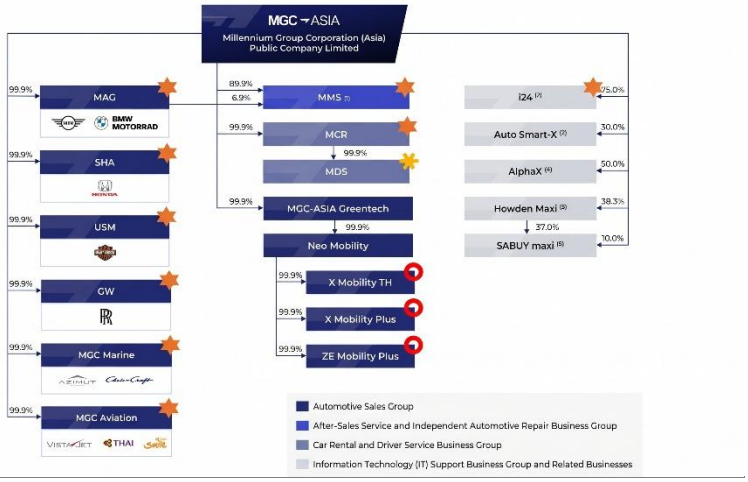
Exhibit 5: Gross profit, Net profit, GPM (%) and NPM (%)



Sources: MGC; Globlex Research

Today, MGC runs three core segments: vehicle distribution (80% of 9M26 revenue), after-sales and independent repair (14%), and car rental and driver services (7%). For XPENG, MGC operates at two levels through wholly owned subsidiaries: X Mobility (Thailand) (XTH) is the brand's sole importer and distributor, selling to every XPENG dealer in the country, while X Mobility Plus (XMP) is one of those dealers, selling to end customers. Around them sit the support businesses. i24 provides IT services, while Howden Maxi (insurance broking, 38.25%), Auto Smart-Ex (car care, 30%) and Alpha X (auto finance, a 50:50 JV with SCB X) contribute through share of profit.

Exhibit 6: MGC's Group structure



Sources: MGC; Globlex Research

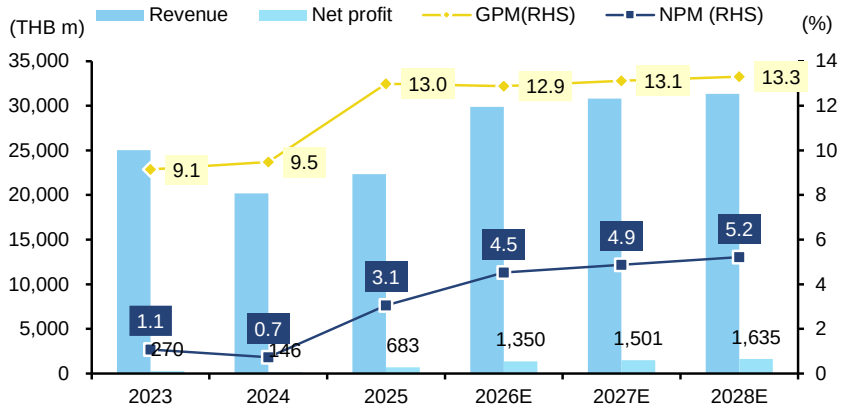
The market still sees MGC as a BMW dealer earning thin margins in a shrinking luxury market. That picture is out of date. EVs already made up almost half of MGC's new-car volumes in 2025, and its gross profit margin (GPM) rose from 9.5% to 13.0% in a single year. We believe the market has overlooked this transformation. In our view, two drivers will lift core earnings from THB683m in 2025 to THB1.63b in 2028E (33.8% CAGR):

1. **XPENG: a car that is not just a car** — a technology-led brand that adds volume and, as MGC is its sole distributor, a second layer of margin.

2. **One customer, many margins** — after-sales and car rental that keep earning from each customer for years after the sale, backed by a stable BMW car park and a fast-growing XPENG car park.

On top of these two drivers, robotics offers a low-cost option on the next growth curve. MGC is extending its sales and after-sales platform into robots, with limited downside, and we exclude it from our forecasts and target price.

Exhibit 7: Revenue, core net profit, GPM and NPM, 2023-2028E



Sources: MGC; Globlex Research

Driver 1: XPENG: A Car that is Not just a Car

Not another Chinese EV.

A car today is no longer just a way to get from one place to another. It is a connected device that drives, parks, learns and updates itself. Few brands in Thailand capture this shift as clearly as XPENG.

Thailand's EV market is crowded, and most brands compete on the same thing: price. XPENG takes a different path. It does not ask buyers to choose it because it is cheaper; it asks them to choose it because it is smarter. What sets XPENG apart from the typical Chinese EV is not a single feature but a combination of three: a long-term vision that extends well beyond the car, technology developed in-house, and a driving experience that feels genuinely premium.

The brand once called the "Tesla killer".

XPENG's roots lie in software, not cars. Its chairman, He Xiaopeng, co-founded UCWeb, the mobile browser Alibaba bought in 2014 in China's largest internet deal at the time. One of China's first Tesla owners, he urged Alibaba to build a smart EV of its own. When the idea was turned down, he backed a Guangzhou start-up instead and soon became its chairman. With Tesla as its benchmark from day one, the media quickly called XPENG another "Tesla killer".

1. Vision: from carmaker to physical-AI company

Today, XPENG has outgrown that label. It now calls itself a physical-AI company: the same in-house AI chip and model that drive its cars also power its humanoid robot, robotaxi and flying car. While most Chinese carmakers buy their software and chips from suppliers, XPENG builds its own, and it shows on the road.

Exhibit 8: XPENG's physical-AI ecosystem: humanoid robot, robotaxi and flying car



Sources: MGC; Globlex Research

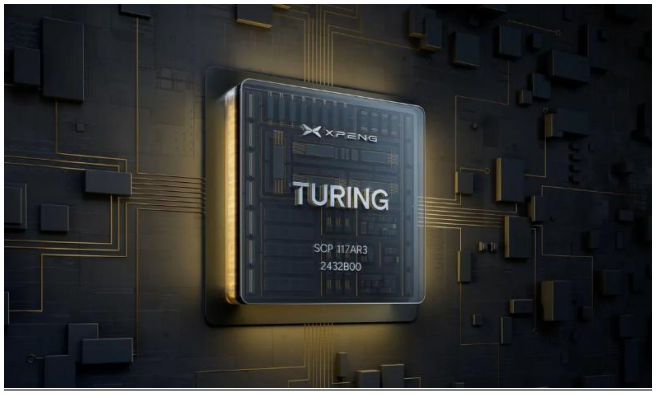
2. Brain: smart driving that rivals Tesla

In our view, this is XPENG's greatest strength. Its latest driver-assist system, VLA 2.0, runs on XPENG's own Turing chip, which offers roughly three times the computing power of the NVIDIA chips most premium Chinese EVs use. Independent test drives have compared it favorably with Tesla's FSD, and Volkswagen now uses XPENG's system in its own China-market SUV, a clear sign that the technology is more than a marketing claim and unlike Tesla, XPENG includes the system in the price of the car.

A car that keeps getting smarter. XPENG's software does not stand still after the car leaves the showroom. Since its first global over-the-air (OTA) update in Aug-2024, XPENG has rolled out around three major updates a year to its overseas customers, Thailand included. These are not minor bug fixes but meaningful upgrades: the first global update alone brought 484 feature improvements, while later releases added Thai-language voice control, a security camera mode and smarter charging navigation. In other words, Thai owners received features that did not exist when they bought their cars.

Owners can also control the car and even park it remotely through the XPENG app, a practical advantage in Bangkok's narrow car parks. A car that improves with age is also a car that holds its value better, which supports both repeat purchases and resale prices.

Exhibit 9: XPENG's in-house Turing AI chip



Sources: Xpeng; Globlex Research

Exhibit 10: Remote parking via the XPENG app



Sources: Xpeng; Globlex Research

Exhibit 11: Major XPENG global OTA updates since Aug-24

Date	Version	Key new features
Aug-24	XOS 5.2	First global synchronized OTA; 484 feature upgrades; Apple CarPlay
Jan-25	XOS 5.4	Multilingual voice control incl. Thai; AI Guard (Sentry Mode, driving recorder)
Apr-25	XOS 5.6	Charging station filters by operator and plug type, with price and availability
Aug-25	XOS 5.8	Third major OTA of 2025; human-machine co-driving with lane centering
Aug-26	XOS 5.9.5	Rolled out in 64 markets; natural follow-up voice conversations

Sources: XPENG; Globlex Research

3. Body: a driving experience built for Thai roads

Many Chinese EVs are tuned for comfort above all else, with soft, floaty suspension that suits China's smooth highways. On Thailand's uneven roads, however, this setup often feels unsettled and less confidence inspiring.

XPENG is different. From reviews by a wide range of automotive experts, one point comes up consistently: XPENG drives better than its Chinese peers. The ride is firmer and more controlled, the steering is precise, and the car stays composed on rough roads and through corners, a balance that suits Thai roads and Thai drivers well. Even the flagship G9L, a full-size SUV, turns and handles more like a mid-size car. Combined with a futuristic design language inside and out, the result is a car that feels closer to a European premium brand than to a typical Chinese EV.

Exhibit 12: XPENG G9L: key specifications



Sources: XPENG THAILAND

Exhibit 13: XPENG G9L: rear-wheel steering



Sources: XPENG

Exhibit 14: Review of XPENG G9L driving dynamics



Sources: Carnest

Exhibit 15: Reviews of the G9L and its Turing AI chip



Sources: Short Specs; CG GO; Car Rever

1+1=3: Why MGC is the right partner for XPENG

A strong brand still needs the right hands in a new market. When customers commit more than a million baht to a car, they expect far more than a good car. They want a brand they can trust, after-sales service they can rely on for years, and confidence that the car will hold its value. In our view, these are exactly the gaps that MGC fills for XPENG, through three strengths that few Thai distributors can offer.

1) 25 years of premium credibility. MGC has been Thailand's largest BMW dealer for 25 years, with around 35% of BMW's local sales. A position held that long is built on after-sales service, the long game of any dealer and a weak spot for many Chinese brands in Thailand. Hence, XPENG did not have to build trust from zero; it could draw on MGC's customer base, service staff and parts system. This is how a new Chinese brand could launch the X9 at THB2.4-2.8m and still lead EV-MPV registrations in 2H25.

2) Positioning without discounting. MGC has positioned XPENG as a premium-technology brand rather than a discount player and has kept it there. While Thailand's EV market has been marked by repeated price cuts on existing models, MGC has taken a different route. Instead of cutting the price of a model already on sale, it launches new models and trims at lower price points, such as the G6 Standard Range at THB1.189m. Where XPENG has reset a price, it has done so only once, with a facelift that brought upgraded specifications, rather than cutting the price of cars already on sale.

Exhibit 16: List-price history by model

Brand	Model / trim	Price change (THB)	Change	How
BYD	ATTO 3 Premium	799,900 → 669,900	-16%	List-price cut on existing model (Mar-26)
BYD	Dolphin Extended	719,900 → 639,900	-11%	List-price cut on existing model (Mar-26)
Tesla	Model 3 (all trims)	n.a.	Up to -11%	List-price cut on existing model (Oct-25)
Changan	Deepal S07	1,399,000 → 1,119,000	-20%	List-price cut on existing model (Nov-24)
Changan	Deepal L07	1,329,000 → 1,079,000	-19%	List-price cut on existing model
XPENG	X9	2,399,000 - 2,799,000	No cut	Prices held since launch
XPENG	G6 Long Range RWD	1,599,000 → 1,349,000	-16%	Repriced once with the facelift (Aug-25: new 80.8kWh battery, 451kW charging); not cut while on sale
XPENG	G6 Standard RWD	1,439,000 → 1,189,000	n.a.	New trim with a different battery (68.5kWh), added after the facelift (Nov-25)

Sources: Globlex Research

We view this discipline as rare and valuable. Repeated price cuts teach buyers to wait for the next one and erode the value of cars that owners have already paid for, which also weakens the collateral behind auto loans. Holding prices is, in the end, about building trust. Its benefit may not show up in sales in the short term, and a competitor's discount can still win a buyer today.

Over time, however, it builds what matters most for a new brand: **credibility and customer loyalty**. Owners who see their car hold its value are more likely to recommend the brand and to buy from it again. For a Chinese brand competing against established names in Thailand, this trust will decide whether it is still here after 10-20 years, and on this front, MGC has done well.

3) Premium technology at every price point

Beyond pricing, MGC has also been good at bringing in the right products for Thailand. Thai buyers are moving toward SUVs, which now account for 27% of the total market. XPENG's Thailand line-up is built around this demand: three of its four models are SUVs (the L03, G6 and G9L), alongside the X9 MPV for larger families, covering every price point from under THB1m to the flagship segment. This gives Thai buyers a wide range of choices, and the response has been strong: the L03, launched in Aug-26, received more than 2,000 bookings in its first week.

Exhibit 17: XPENG Thailand line-up and price range

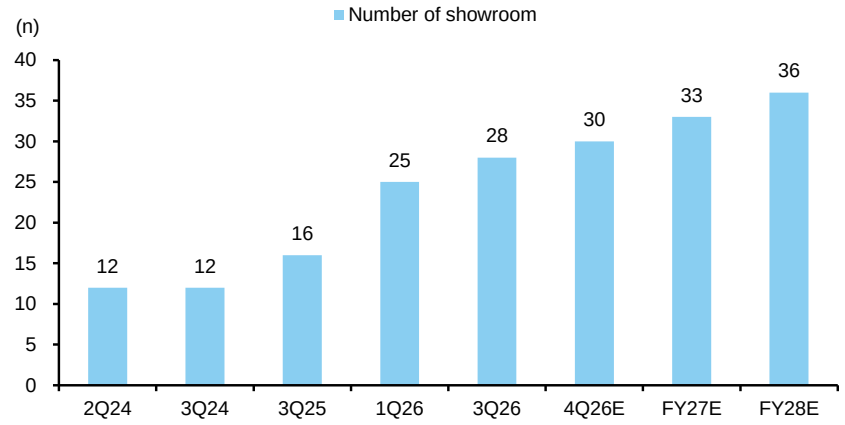
Model	Segment	No. of trims	Price range (THB)
L03	B-SUV (coupe SUV)	3	899,000 - 1,189,000
G6	C-SUV (coupe SUV)	3	1,189,000 - 1,489,000
X9	MPV (7-seater)	3	2,399,000 - 2,799,000
G9L	D-SUV (flagship)	1	2,399,000

Sources: MGC; Globlex Research

The results are on the road. The car business is driven by a steady flow of new models. XPENG will keep bringing strong products to Thailand, and each new model will reach buyers through a growing network, now at 28 showrooms with a target of 30 by end-2026, backed by MGC's expertise in marketing, pricing and after-sales service. Hence, we believe XPENG will take a larger share of Thailand's BEV market.

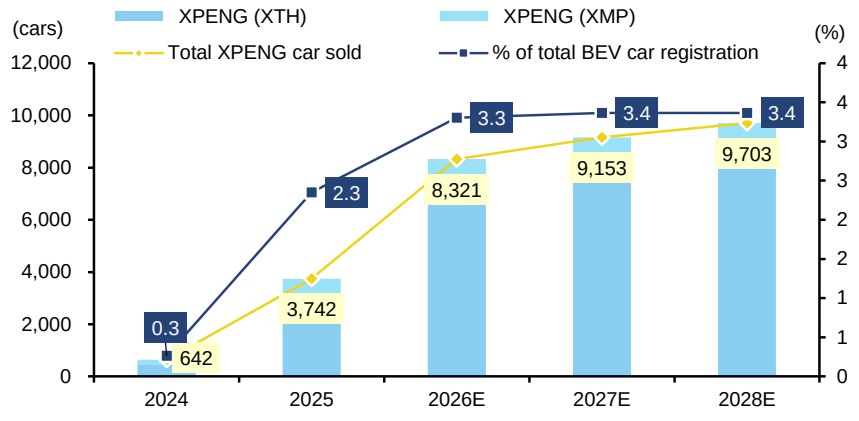
We forecast XPENG volumes of 8,321 units in 2026E, 9,153 units in 2027E and 9,703 units in 2028E, a 37.4% 3-year CAGR. This outpaces the 24.9% CAGR we expect for the Thai BEV market, lifting XPENG's BEV share from 2.3% in 2025 to 3.3% in 2026E and 3.4% in 2027-28E. Its 1H26 results already support our view: XPENG sold more than 3,700 units in the first half alone, before any contribution from the L03.

Exhibit 18: Number of XPENG showrooms, 2Q24-FY28E



Sources: MGC; Globlex Research

Exhibit 19: XPENG volume forecast and share of Thai BEV registrations



Sources: MGC; Globlex Research

Driver 2: One Customer, Many Margins

The sale is only the beginning

For most car dealers, the relationship with a customer end at the sale and routine servicing. MGC goes further. A BMW or XPENG buyer can insure the car through Howden Maxi, finance it through Alpha X, service it at MGC for five to ten years, rent from Master Car Rental, and later sell it back through the group's used-car channel. MGC owns part or all of each step, and each carries its own margin.

Exhibit 20: The MGC customer lifecycle

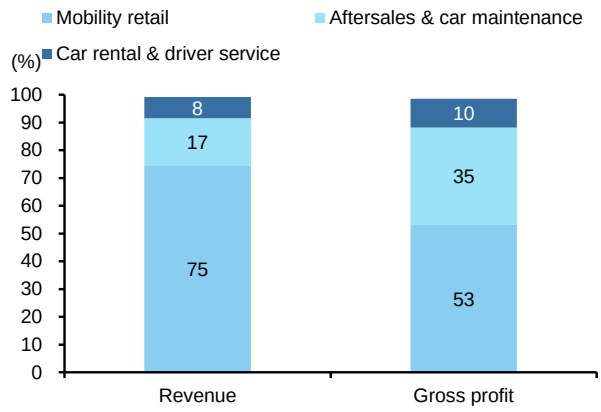


Sources: Globlex Research

Operational: one network, shared customers. Showrooms bring new owners to the service centers. Service centers refer owners back when a car is due for replacement. Master Car Rental buys fleet cars from the group's dealerships and resells them as used cars. Howden Maxi and Alpha X are present at the point of sale, so insurance and finance are sold at the moment of purchase. One customer base, one service network and one parts system serve all of these businesses, keeping the cost of each one low.

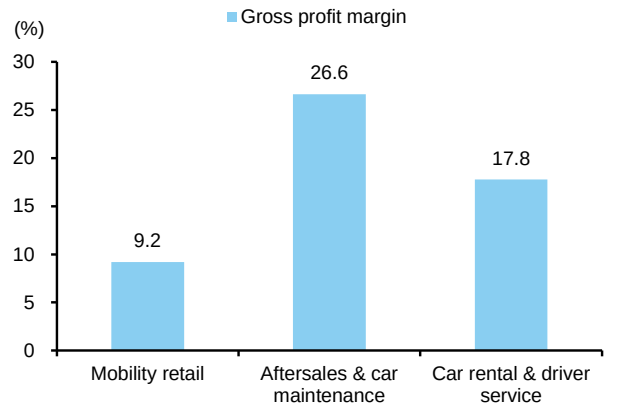
Vehicle sales bring in the revenue, but services bring in the margin. From our calculation, in 2025, gross profit margin was 9.2% on vehicle and parts sales, compared with 26.6% on services and 17.8% on car rental. After-sales and repair accounted for 17% of revenue but 35% of gross profit.

Exhibit 21: Revenue vs Gross profit mix (as of 2025)



Sources: MGC; Globlex Research

Exhibit 22: Gross profit margin (GPM) as of 2025



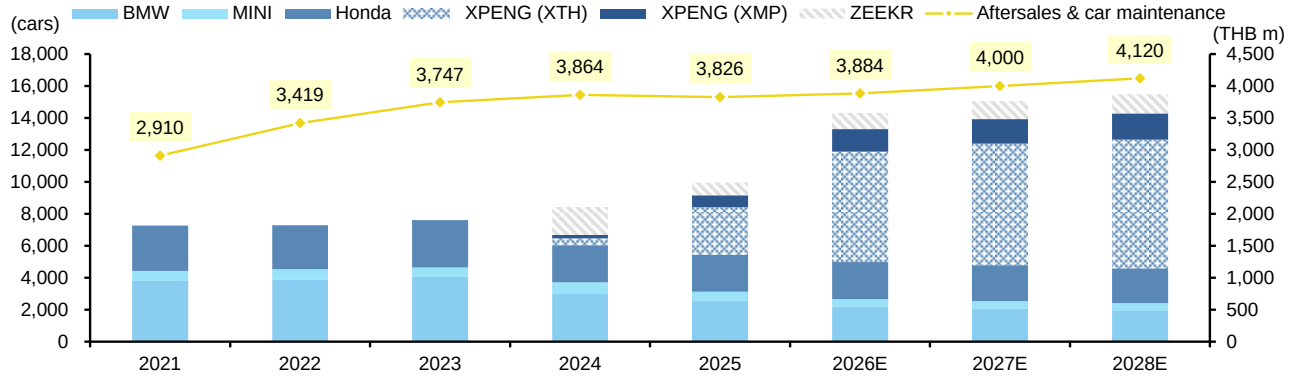
Sources: MGC; Globlex Research

Legacy brands: a car park that keeps paying. New car sales of MGC's legacy brands have declined, led by BMW, whose volume fell from 4,054 units in 2023 to 2,548 units in 2025. However, the cars already on the road have not gone away. Over 2021-25 alone, MGC sold around 33,700 BMW, MINI, Honda and Rolls-Royce cars, and these continue to return to its service centers. As a result, after-sales revenue held steady at THB3.7-3.9b a year in 2023-2025, even as new BMW sales fell by more than a third. Therefore, the legacy car park remains a reliable cash generator for the group, regardless of the cycle in new car sales.

XPENG: a car park that is just starting to grow. XPENG's car park in Thailand is still young. Although EVs require fewer service visits than combustion-engine cars, the rapidly growing number of XPENG cars on the road will steadily feed MGC's service centers in the coming years. This is already visible in the numbers: MGC's EV after-sales revenue has more than doubled since 4Q25, rising 11%, 25% and 53% q-q in 1Q26, 2Q26 and 3Q26, respectively. In addition, as XPENG's sole distributor, MGC supplies parts to every XPENG dealer in the country, earning a parts margin even on cars it did not sell itself.

Overall, we forecast after-sales and car maintenance revenue of THB3.88b in 2026E, THB4.00b in 2027E and THB4.12b in 2028E, a 2.5% 3-year CAGR, a conservative assumption that leaves room for upside as the XPENG car park matures.

Exhibit 23: MGC unit sales by brand vs after-sales & car maintenance revenue



Sources: MGC; Globlex Research

Upside Option: Robotics

A small bet with a large option

MGC is extending its sales and after-sales platform into robotics, without relying on a single brand. XPENG itself is developing quadruped and humanoid robots on the same Turing chip and AI model that power its cars, and MGC is also in discussions with robot makers in China, the US and Europe.

Globally, robotics is gathering pace: Goldman Sachs expects humanoid robot shipments to rise from 75,000 units in 2026 to 6.5m units in 2035, a USD138b market. Southeast Asia is growing more slowly, from USD1.2b in 2025 to USD1.8b in 2031, and Thailand's AI service robotics market is still small at USD32.5m in 2024, though forecast to reach USD131m by 2030.

Exhibit 24: Robotics market outlook: global, Southeast Asia and Thailand

Market	Indicator	Forecast	Source
Global humanoid robots	Shipments	75,000 units (2026) → 890,000 (2030) → 6.5m (2035); USD138b market	Goldman Sachs
Global humanoid robots	Average price	USD41,788 (2025) → USD30,804 (2030) → USD21,349 (2035)	Goldman Sachs
Southeast Asia industrial & service robots	Market size	USD1.2b (2025) → USD1.8b (2031), 7.3% CAGR	Mordor Intelligence
Thailand AI service robotics	Market size	USD32.5m (2024) → USD131m (2030), 26.2% CAGR	Statista

Sources: Globlex Research

Where Thai demand will come from

We take a realistic view of demand. The average Thai worker earns about USD500 a month, versus roughly USD3,900 in the EU and USD5,500 in the US. Hence, a robot that replaces a worker does not yet pay for itself in most Thai jobs. We believe early demand will come from high-precision, high-safety or dangerous tasks. Still, Thai consumers adopt new technology quickly once the price is right, as EVs have shown.

Exhibit 25: Quadruped robots in industrial inspection



Sources: Unitree Robotics

Exhibit 26: XPENG's IRON humanoid robot



Sources: XPENG

A low-cost option with limited downside

The business model keeps MGC's risk low. Robotics is project-based: MGC confirms each order before importing the robots, which means no capital is tied up in inventory, and the main new investment is an Intelligence Center to configure robots before delivery, which we expect to be modest. If demand arrives, MGC's ecosystem gives it a clear edge: buyers of high-value robots need the same after-sales service, parts, software updates and leasing that MGC already offers its car customers through its service centers, Alpha X and Master Car Rental.

As MGC has not disclosed revenue targets or investment figures, we exclude robotics from our forecasts and target price and treat it as a low-cost option on future Thai demand.

Wider Margins, Lighter Balance Sheet

We expect MGC's EV brands to keep growing strongly: we forecast XPENG volumes of 8,321 units in 2026E (+122% y-y), rising to 9,703 units in 2028E, while ZEEKR grows from 791 units in 2025 to 1,199 units in 2028E. In contrast, we expect the luxury brands to keep shrinking with Thailand's luxury car market. We forecast BMW volumes to fall 15% in 2026E, to 2,166 units, and a further 5% a year after that, with MINI following a similar path. As a result, EVs will rise from 45% of MGC's new-car volumes in 2025 to 72% in 2028E.

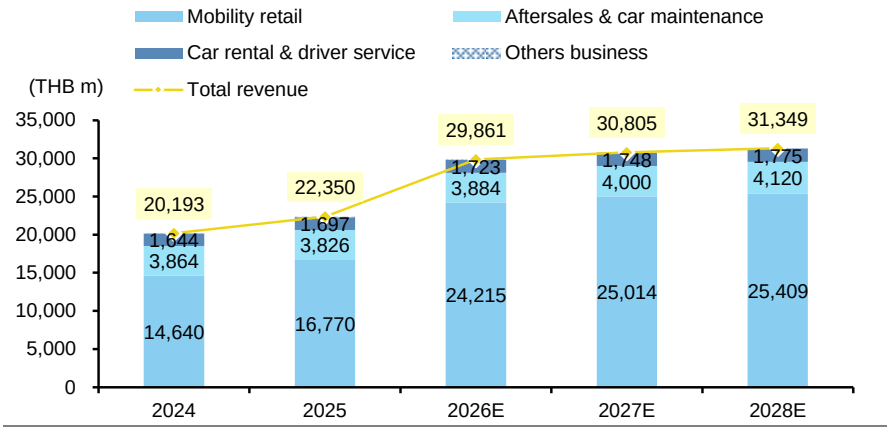
Exhibit 27: Unit sales by brand group, 2021-2028E

	2021	2022	2023	2024	2025	2026E	2027E	2028E
1) Car								
BMW	3,800	3,866	4,054	2,977	2,548	2,166	2,058	1,955
MINI	633	667	594	726	580	493	468	445
Honda	2,826	2,749	2,960	2,324	2,295	2,318	2,248	2,181
Rolls-Royce	20	21	16	22	21	20	20	19
XPENG	0	0	0	642	3,742	8,321	9,153	9,703
XPENG (XTH)	0	0	0	441	2,986	6,923	7,615	8,072
XPENG (XMP)	0	0	0	201	756	1,399	1,538	1,631
ZEEKR	0	0	0	1,761	791	1,028	1,131	1,199
Total	**7,279**	**7,303**	**7,624**	**8,452**	**9,977**	**14,347**	**15,079**	**15,502**
2) Motorcycle								
BMW Motorrad	469	395	322	322	305	275	253	232
Harley-Davidson	201	310	369	255	231	208	187	168
Total	**670**	**705**	**691**	**577**	**536**	**482**	**440**	**401**
3) Yacht/River Boat								
Azimut	5	2	3	1	5	3	3	3
Chris Craft	0	0	3	2	6	3	3	3
Total	**5**	**2**	**6**	**3**	**11**	**6**	**6**	**6**
4) Secondhand cars	**1,777**	**1,477**	**1,229**	**1,016**	**1,280**	**1,152**	**1,164**	**1,175**
Overall total	9,731	9,487	9,550	10,048	11,804	15,987	16,688	17,083

Sources: MGC; Globlex Research

Overall, we forecast total revenue of THB29.9b in 2026E (vs THB21.6b in 9M26), THB30.8b in 2027E and THB31.3b in 2028E, a 11.9% 3-year CAGR. Growth is front-loaded: 4Q26 will be the strongest quarter of the year as MGC delivers more than 2,000 units of the XPENG L03, booked since its launch in Aug-26. After-sales revenue should grow steadily at 1.5-3% a year as the XPENG car park ages into its first major service, while car rental adds 1.5% a year.

Exhibit 28: Revenue by business, 2024-2028E

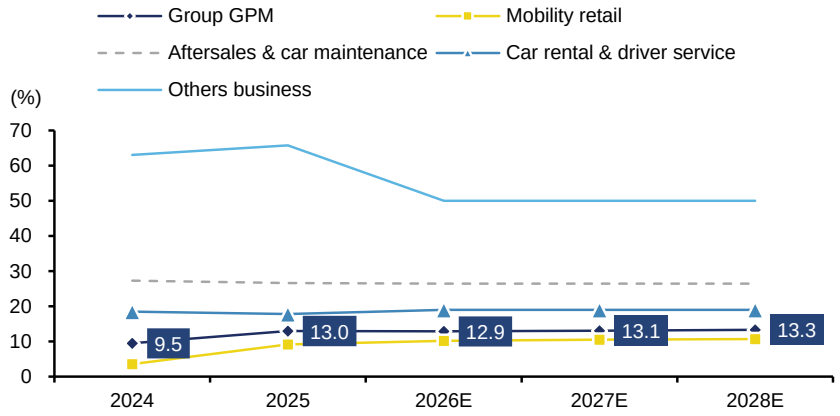


Sources: MGC; Globlex Research

XPENG lifts margins, not just sales

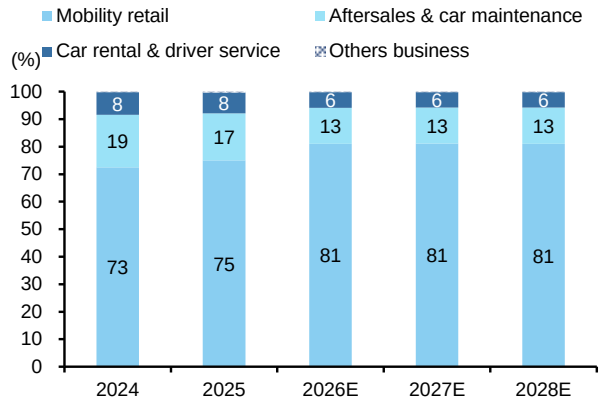
The shift to XPENG changes the quality of MGC's revenue. As a distributor, MGC earns a much wider margin on each XPENG than it does as a dealer selling BMWs. Hence, the mobility retail gross profit margin (GPM) jumped from 3.0% in 2024 to 9.2% in 2025 and lifted the group GPM from 9.5% to 13.0%. We expect the group GPM to hold at 12.9-13.3% over 2026-28E as XPENG's share of sales stabilizes, giving gross profit of THB3.8b in 2026E, THB4.0b in 2027E and THB4.2b in 2028E.

Exhibit 29: Gross profit margin breakdown by business (calculated)



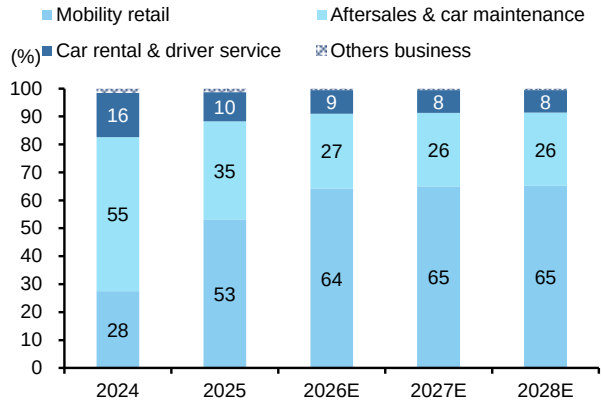
Sources: MGC; Globlex Research

Exhibit 30: Revenue breakdown by business (%)



Sources: MGC; Globlex Research

Exhibit 31: Gross profit breakdown by business (%)



Sources: MGC; Globlex Research

Operating leverage kicks in

Most of MGC's costs (showrooms, staff, service centers) are already in place, so higher volumes flow through to profit. We expect SG&A to fall from 8.6% of revenue in 2025 to 6.6% in 2028E, lifting the EBIT margin from 4.4% to 6.7% over the same period.

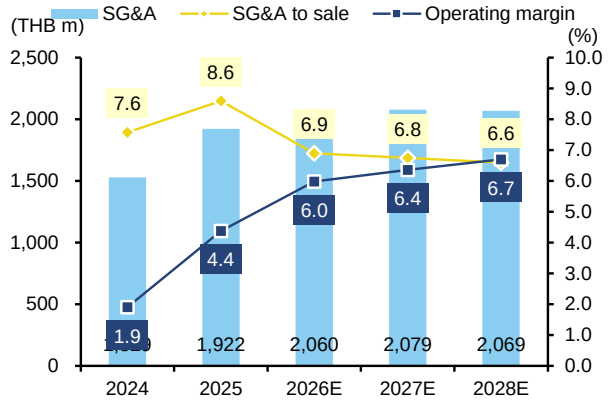
Growing without borrowing more

Being XPENG's distributor also changes how MGC finances its stock. A dealer typically funds its showroom inventory through floor-plan loans at a low single-digit rate a year, with interest running until each car is sold. MGC instead pays XPENG through letters of credit (LC), at an even lower cost and with a 6-month term, and dealers usually pay MGC before the LC falls due. Hence, while MGC's vehicle volumes grew 24% from 2023 (before XPENG) to 2025 and a further 30% y-y in

9M26, its interest expense rose only 7% over 2023-25 and fell 6% y-y in 9M26. We forecast interest expense of THB399m in 2026E, broadly flat through 2028E.

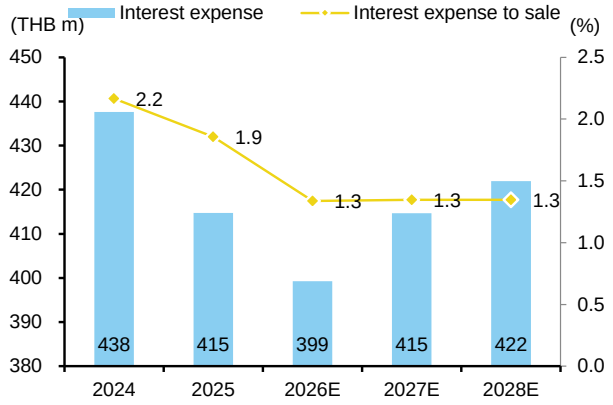
Overall, we forecast net profit of THB1.35b in 2026E, THB1.50b in 2027E and THB1.63b in 2028E. Reported growth in 2026E looks modest at 5% only because 2025 included a one-off THB601m fair-value gain from taking control of Neo Mobility. On a core basis, earnings nearly double in 2026E, from THB683m to THB1.35b, and grow at a 33.8% 3-year CAGR. Our 2026E forecast is 35-42% above management's target of THB900m-1.0b, which already looks conservative given 9M26 net profit of THB995m.

Exhibit 32: SG&A, SG&A-to-sales and operating margin



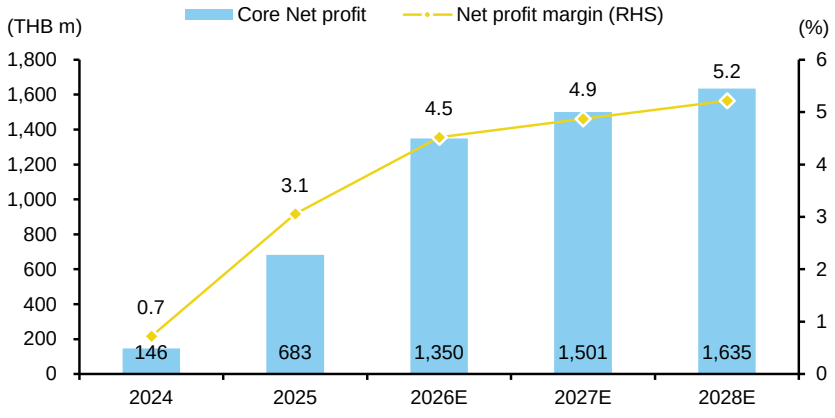
Sources: MGC; Globlex Research

Exhibit 33: Interest expense and interest expense/sales



Sources: MGC; Globlex Research

Exhibit 34: Core net profit and Net profit margin (RHS)



Sources: MGC; Globlex Research

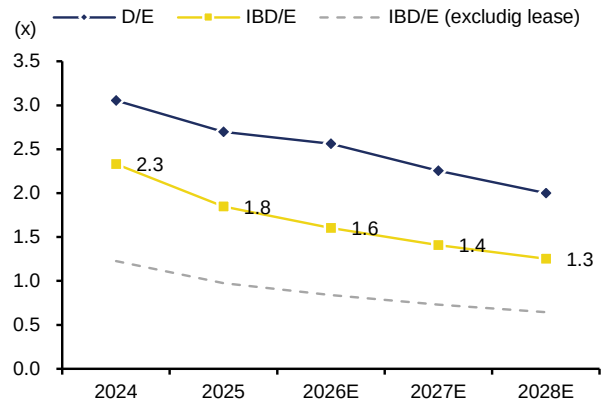
A stronger balance sheet

MGC's balance sheet is getting lighter as earnings build equity faster than debt grows. Total liabilities fell from 3.0x equity at end-2024 to 2.7x at end-2025, and we expect D/E to reach 2.0x by 2028E. Interest-bearing debt (IBD), including leases, should rise only modestly from THB9.5b to THB10.1b over 2025-28E, bringing IBD/E down from 2.3x in 2024 to 1.8x in 2025 and 1.3x by 2028E.

Cash generation supports this. Cash flow from operations (CFO) was THB3.1-3.5b a year over 2023-25, and we forecast it to rise to THB4.34b in 2026E and THB5.09b in 2028E as XPENG volumes grow.

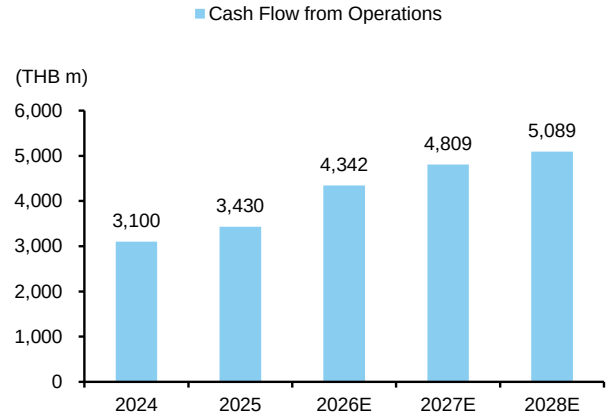
As a result, returns have stepped up. ROE rose from 3.9% in 2024 to 15.3% in 2025, excluding the one-off fair-value gain. We forecast ROE of 24.2% in 2026E, 23.0% in 2027E and 21.7% in 2028E.

Exhibit 35: D/E, IBD/E, IBD/E (excluding lease liabilities)



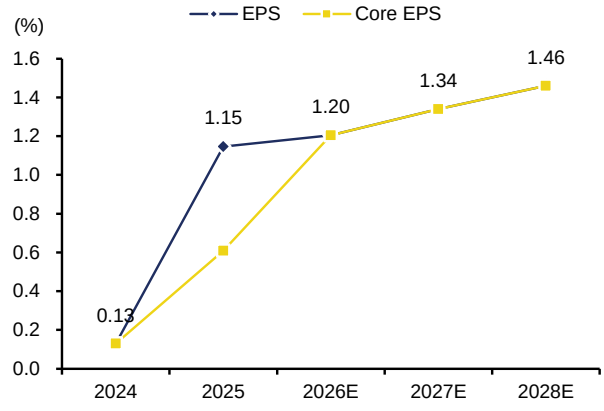
Sources: MGC; Globlex Research

Exhibit 36: Cash Flow from Operations (CFO)



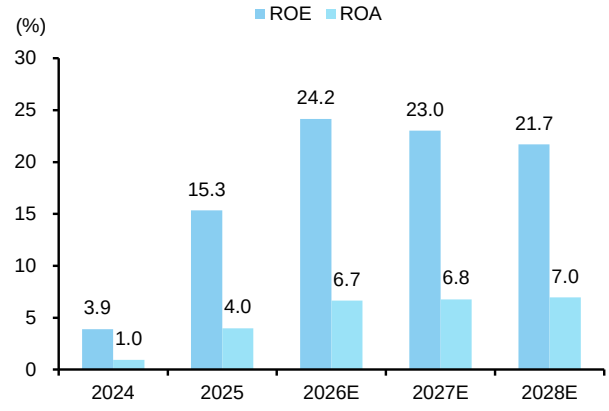
Sources: MGC; Globlex Research

Exhibit 37: EPS and Core EPS



Sources: MGC; Globlex Research

Exhibit 38: ROE and ROA (%)



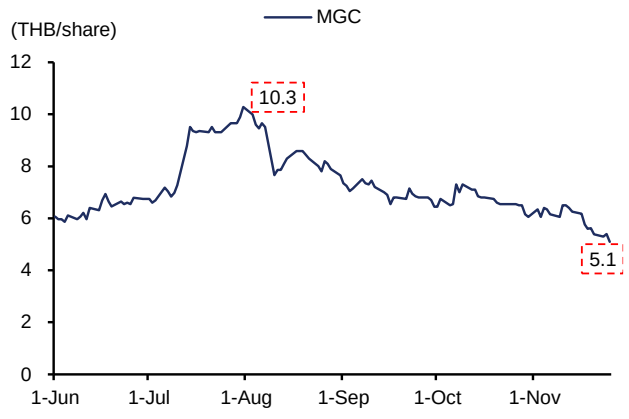
Sources: MGC; Globlex Research

A Distributor at a Dealer's Price

MGC's share price has fallen 50% from its peak, which we believe reflects concern over the new excise tax on imported EVs. From 1 January 2027, the excise tax on fully imported BEVs outside the government's EV support scheme will rise from 10% to 35%.

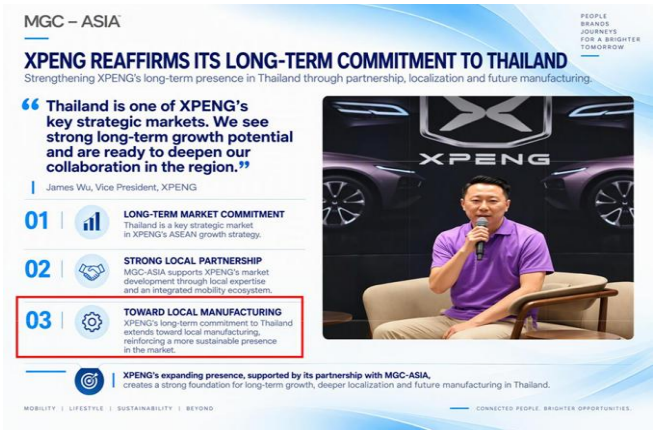
We believe the market has overreacted. First, XPENG itself has highlighted local manufacturing in Thailand, which it sees as a key market, as Thailand is its third-largest market globally. Second, in our discussions, management was confident that a local plant will go ahead and said talks with XPENG are under way. Third, in the short term, MGC has already imported enough stock to last until 1H27 at the current tax rate, so we do not expect any price increases on XPENG models in the meantime.

Exhibit 39: MGC share price, Jun-Nov 2026



Sources: Bloomberg; Globlex Research

Exhibit 40: XPENG management on local manufacturing in Thailand



Sources: MGC

Initiate with BUY, TP THB8.04. At 4.38x consensus forward P/E, MGC trades well below its 1-year average of 7.3x, despite ROE rising from 15.3% in 2025 to 24.2% in 2026E and staying above 21% through 2028E. In our view, this is a valuation for a BMW dealer earning thin margins in a shrinking luxury market, not for XPENG's sole distributor with a 13% gross profit margin and core earnings growing at a 34% CAGR.

We value MGC at a conservative 6x 2027E P/E, below its 1-year average forward P/E of 7.3x and close to -1SD (5.8x), giving a TP of THB8.04 and 57% upside. At our target multiple, the implied PEG is only 0.6x, based on 2026E–28E EPS growth of 10%. The stock also offers a 2026E dividend yield of 8.3%.

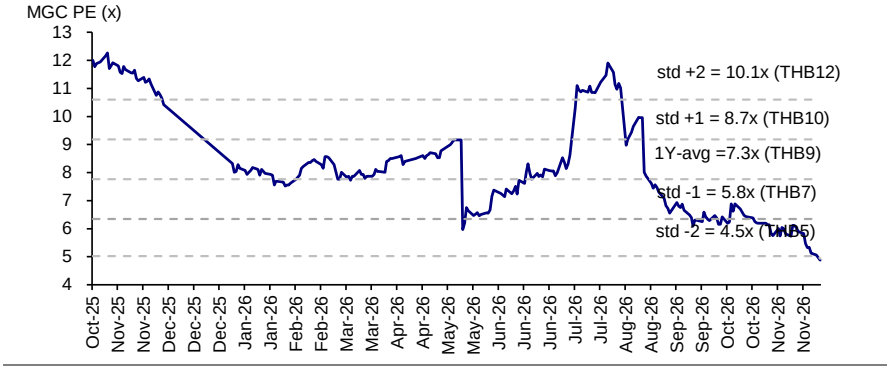
We also consider a worst case in which the local plant does not go ahead. If XPENG volumes fall 40% in 2027E and we cut our multiple to 5x, between -1SD and -2SD on the band, our TP would be THB5.01, only 1.9% below the current price. In fact, at 5x, XPENG volumes would have to fall more than 35% before our TP dropped below today's price. Against 57.6% upside in our base case, we see the risk/reward as strongly in favor of buying.

Exhibit 41: Target price sensitivity to P/E multiple (2027E EPS)

P/E (x)	3x	4x	5x	6x	7x	8x	9x
Target price (THB)	4.02	5.36	6.70	8.04	9.38	10.72	12.06
Upside/(Downside) (%)	*-21.2%*	*5.1%*	*31.4%*	*57.6%*	*83.9%*	*110.2%*	*136.4%*
Implied PEG (x)	0.30	0.40	0.50	0.60	0.70	0.79	0.89

Sources: Globlex Research

Exhibit 42: MGC 1-year forward P/E band



Sources: Bloomberg; Globlex Research

Exhibit 43: Target price sensitivity to XPENG 2027E volume, EPS, and P/E multiple

XPENG volume growth 2027E	Base	XPENG -15%	XPENG -20%	XPENG -25%	XPENG -30%	XPENG -35%	XPENG -40%
EPS 2027E (THB)	1.34	1.17	1.14	1.10	1.07	1.03	1.00
P/E (x)							
3	4.02	3.51	3.41	3.31	3.21	3.10	3.00
4	5.36	4.68	4.55	4.41	4.28	4.14	4.00
5	6.70	5.85	5.68	5.51	5.34	5.17	5.01
6	8.04	7.02	6.82	6.62	6.41	6.21	6.01
7	9.38	8.19	7.96	7.72	7.48	7.24	7.01
8	10.72	9.36	9.09	8.82	8.55	8.28	8.01
9	12.06	10.53	10.23	9.92	9.62	9.31	9.01
Upside vs share price at 5x (%)	*31.4%*	*14.7%*	*11.4%*	*8.1%*	*4.8%*	*1.5%*	*-1.9%*

Sources: Globlex Research

Balance sheet (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Current assets					
Cash & ST investment	1,305	1,735	2,119	2,826	3,734
Account receivable	1,406	2,231	2,529	2,837	3,151
Inventories	3,181	4,601	6,130	6,319	6,410
Others	397	469	624	644	655
Non-current assets					
Net fixed assets	6,912	7,584	7,662	7,741	7,820
Others	1,988	2,420	2,420	2,420	2,420
Total Assets	**15,189**	**19,039**	**21,483**	**22,787**	**24,190**
Current liabilities					
Account payable	2,125	3,321	4,490	4,595	4,679
ST borrowing	4,930	5,698	5,930	6,167	6,318
Others	367	721	963	994	1,011
Long-term liabilities					
Long-term debts	3,803	3,814	3,738	3,695	3,783
Others	213	329	329	329	329
Total liabilities	**11,438**	**13,884**	**15,451**	**15,779**	**16,120**
Paid-up capital	560	560	560	560	560
Retained earnings	1,366	2,476	3,353	4,328	5,391
Others	1,820	2,114	2,114	2,114	2,114
Minority interest	5	6	6	6	6
Shareholders' equity	**3,751**	**5,155**	**6,032**	**7,008**	**8,070**

Profit & loss (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	**20,193**	**22,350**	**29,861**	**30,805**	**31,349**
Cost of goods sold	(18,278)	(19,449)	(26,015)	(26,765)	(27,179)
Gross profit	**1,914**	**2,902**	**3,846**	**4,040**	**4,170**
Operating expenses	(1,529)	(1,922)	(2,060)	(2,079)	(2,069)
Operating profit	**385**	**979**	**1,786**	**1,960**	**2,101**
EBIT	**385**	**979**	**1,786**	**1,960**	**2,101**
Depreciation	(1,014)	(1,112)	(1,201)	(1,273)	(1,337)
EBITDA	**1,399**	**2,092**	**2,987**	**3,234**	**3,438**
Non-operating income	**142**	**727**	**152**	**157**	**160**
Other incomes	137	123	149	154	157
Other non-op income	5	604	3	3	3
Non-operating expense	**(438)**	**(415)**	**(399)**	**(415)**	**(422)**
Interest expense	(438)	(415)	(399)	(415)	(422)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	90	207	118	138	164
Pre-tax Profit	**179**	**1,499**	**1,657**	**1,841**	**2,003**
Extraordinary items					
Current taxation	(33)	(215)	(308)	(341)	(368)
Minorities	0	(0)	0	0	0
Net Profit	**146**	**1,284**	**1,350**	**1,501**	**1,635**
Core net profit	**146**	**683**	**1,350**	**1,501**	**1,635**
EPS (THB)	**0.13**	**1.15**	**1.20**	**1.34**	**1.46**
Core EPS (THB)	**0.13**	**0.61**	**1.20**	**1.34**	**1.46**

Key ratios					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Growth (%YoY)					
Sales	(19.3)	10.7	33.6	3.2	1.8
Operating profit	(37.1)	154.5	82.4	9.8	7.2
EBITDA	(4.1)	49.5	42.8	8.3	6.3
Net profit	(46.0)	781.2	5.1	11.2	8.9
Core net profit	(46.0)	368.5	97.7	11.2	8.9
EPS	(46.0)	781.2	5.1	11.2	8.9
Core EPS	(46.0)	368.5	97.7	11.2	8.9
Profitability (%)					
Gross margin	9.5	13.0	12.9	13.1	13.3
Operation margin	1.9	4.4	6.0	6.4	6.7
EBITDA margin	6.9	9.4	10.0	10.5	11.0
Net margin	0.7	5.7	4.5	4.9	5.2
ROE	3.9	15.3	24.2	23.0	21.7
ROA	1.0	4.0	6.7	6.8	7.0
Stability					
Interest bearing debt/equity (x)	2.3	1.8	1.6	1.4	1.3
Net debt/equity (x)	2.0	1.5	1.3	1.0	0.8
Interest coverage (x)	0.9	2.4	4.5	4.7	5.0
Interest & ST debt coverage (x)	0.1	0.2	0.3	0.3	0.3
Cash flow interest coverage (x)	0.3	0.2	0.3	0.3	0.3
Current ratio (x)	0.8	0.9	1.0	1.1	1.2
Quick ratio (x)	0.4	0.4	0.4	0.5	0.6
Net debt (THB m)	7,427	7,778	7,550	7,035	6,367
Activity					
Asset turnover (X)	1.3	1.3	1.5	1.4	1.3
Days receivables	25.4	36.4	30.9	33.6	36.7
Days inventory	63.5	86.4	86.0	86.2	86.1
Days payable	42.4	62.3	63.0	62.7	62.8
Cash cycle days	46.5	60.5	53.9	57.1	59.9

Cash flow (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	**3,100**	**3,430**	**4,342**	**4,809**	**5,089**
Net profit	146	1,284	1,350	1,501	1,635
Depre.& amortization	1,014	1,112	1,201	1,273	1,337
Change in working capital	(39)	(766)	(571)	(382)	(315)
Others (tax/interest add-back, ir	1,979	1,800	2,362	2,417	2,432
Investment cash flow	**(1,141)**	**(2,100)**	**(1,280)**	**(1,352)**	**(1,417)**
Net CAPEX	(816)	(1,784)	(1,280)	(1,352)	(1,417)
Change in LT investment	(319)	361	0	0	0
Change in other assets	(6)	(678)	0	0	0
Free cash flow	**1,958**	**1,329**	**3,062**	**3,457**	**3,673**
Financing cash flow	**(1,688)**	**(900)**	**(2,679)**	**(2,749)**	**(2,765)**
Change in share capital	0	0	0	0	0
Net change in debt (excl. invent	(1,391)	(926)	(1,925)	(1,948)	(1,935)
Dividend paid	(101)	(157)	(472)	(525)	(572)
Others (incl. interest paid)	(196)	183	(281)	(276)	(258)
Net cash flow	**270**	**430**	**384**	**708**	**908**
Per share (THB)					
EPS	0.13	1.15	1.20	1.34	1.46
Core EPS	0.13	0.61	1.20	1.34	1.46
CFPS	1.04	2.14	2.28	2.48	2.65
BVPS	3.34	4.60	5.38	6.25	7.20
Sales/share	18.03	19.96	26.66	27.50	27.99
EBITDA/share	1.25	1.87	2.67	2.89	3.07
DPS	0.09	0.25	0.42	0.47	0.51
Valuation					
P/E (x)	54.58	3.84	4.23	3.81	3.49
P/BV (x)	2.12	0.96	0.95	0.82	0.71
Dividend yield (%)	1.27	5.68	8.27	9.19	10.02
Dividend payout ratio (%)	69.18	21.81	35.00	35.00	35.00

Millennium Group Corporation Asia (MGC TB) | THAILAND / SET / AUTOMOTIVE

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment As an automotive retailer with showrooms, service centers and offices, MGC has a relatively light environmental footprint. Its most material exposures are electricity use across its network and waste from after-sales service. Total verified Scope 1–2 emissions fell to 3,197 tCO_2e in 2025 (-14.9% y-y). The decline came mainly from Scope 1, which dropped to 721 tCO_2e from 1,707 tCO_2e. However, Scope 2 rose 20.8% y-y to 2,476 tCO_2e, as electricity consumption increased 6.5% to 5.21 GWh. As a result, MGC missed its 2025 electricity target of no more than 4.74 GWh. Water withdrawal fell 6.7% to 51,526 cubic meters but missed the 10% reduction target, while total waste fell 23.3% y-y to 70,580 kg. The Company has set a new target to cut Scope 1–2 emissions by at least 5% from the 2025 baseline and is preparing a Carbon Neutrality and Net Zero roadmap. Its pivot to BEV distribution through XPENG and ZEEKR also gives it a structural link to the low-carbon transition.	A	n.a.
Social Workforce retention is MGC's most significant social issue, given the scale of its sales and technician staff. Headcount rose to 2,758 in 2025 from 2,669. The voluntary resignation rate eased to 21.94% from 24.69% in 2024 but is still high and worth monitoring. Women make up 31.4% of the workforce. Average training was 12.85 hours per employee, and 716 employees completed fire-fighting training. MGC reported zero fatalities and zero lost-time injuries in 2025, with an injury frequency rate of 4.25. No complaints relating to human-rights violations or discrimination were recorded. The Group also supports communities, including flood relief in Bangkok in October 2026.		n.a.
Governance MGC's governance is shaped by the Thamchuanviriya family, which controls about 66% of shares through Tham Holdings (51.0%) and direct family holdings. This limits free float, and the family's own automotive businesses and the Group's related-party leases of land and buildings create potential conflicts of interest. These are mitigated by a strong board structure. The Board has 13 directors, of whom 7 are independent (53.8%), well above the SEC minimum. The Chairman is an independent director, and the Chairman and Group CEO roles are separate. Women hold 3 board seats (23.1%). MGC received an "Excellent" 5-star CG rating from Thai IOD in 2026 and scored 100 points (5 stars) in the 2026 AGM Checklist. It became a certified CAC member on 31 December 2025.		n.a.
Overall | CG Score: Excellent (5-star) | CAC: Certified	**A**	**n.a.**

Bloomberg ESG scores not available for MGC. SET ESG Rating as of 9 January 2026. CG rating reflects 2026 Thai IOD survey.
Sources: SET, Thai IOD, CAC, Company data, Globlex Securities Research

Ratings: AAA (90-100)							
AAV	ACE	ADVANC	AJ	AMATA	AMATAV	ASW	AWC
BAM	BANPU	BAY	BBGI	BBL	BDMS	BEM	BGC
BGRIM	BJC	BKIH	BPP	BTG	CENTEL	CKP	CPALL
CPF	CPAXT	CPN	CRC	DITTO	EASTW	FPI	FPT
GLOBAL	GPSC	GUNKUL	HANA	HENG	HMPRO	III	ILM
IVL	KBANK	KCG	KJL	KKP	KTB	KTC	LH
LOXLEY	MAJOR	MBK	MC	M-CHAI	MFEC	MTI	NER
NOBLE	OR	ORI	OSP	PB	**PLANB**	PR9	PSH
PTG	PTT	PTTEP	PTTGC	RATCH	S	S&J	SABINA
SAT	SC	SCB	SCC	SCG	SCGP	SIRI	SJWD
SKY	SNP	STA	STECON	STGT	SVOA	TEAMG	TEGH
TFMAMA	THCOM	TISCO	TMT	TOA	TOP	TPBI	TTA
TTB	TTW	TVO	VNG	WHA	WHAUP		
Ratings: AA (80-89)							
ADB	AKP	AOT	AP	ASK	ASP	AURA	BCH
BLA	BRI	BTS	CBG	CIVIL	CK	CMAN	COLOR
COM7	DMT	DRT	EGCO	EPG	ETC	GFPT	GULF
HTC	ICHI	ILINK	IT	ITTHI	JMART	KCE	KUMWEL
LHFG	MINT	MODERN	MOSHI	MSC	MTC	NVD	NYT
PCC	PRM	PSL	QTC	RBF	SA	SAWAD	SCCC
SCGD	SELIC	SFLEX	SHR	SMPC	SNNP	SPALI	SPI
SSP	SUTHA	SYNEX	TASCO	TCAP	TCMC	TGH	THANI
TIPH	TKS	TLI	TOG	TPAC	TPIPP	TSC	TU
UAC	UBE	VIH	WICE	XO	ZEN		
Ratings: A (65-79)							
AEONTS	ALLA	ALT	ALUCON	BA	BH	BLC	CFRESH
CHAO	CHASE	CHG	CM	CPL	CREDIT	ERW	GABLE
HARN	HUMAN	INSET	IRC	ITC	JMT	KSL	M
MALEE	**MGC**	MOONG	NEO	PHOL	PLUS	PM	PPS
PQS	PROUD	PRTR	PSP	Q-CON	QLT	SAK	SAPPE
SCAP	SEAFCO	SEAOIL	SENA	SENX	SGC	SICT	SITHAI
SKR	SNC	SPC	SSSC	SYMC	TAN	TBN	TGE
THANA	THIP	THREL	TPA	TPCS	TQM	TRU	TWPC
UPF	UPOIC	VIBHA	WPH				
Ratings: BBB (50-64)							
AKR	ASIMAR	CSC	J	LEO	MEGA	NL	PRIN
SE	SO	SPRC	SUN	TMILL	TSTH	WP	YUASA

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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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.