

BUY (Unchanged)

New Information

TP: Bt 23.00 (Unchanged)

Upside : 71.6%

7 JULY 2021

Banpu Public Co Ltd (BANPU TB)

Accelerating the transformation

We maintain our BUY rating and pre-dilution TP of Bt23. We believe BANPU has been overly punished following its rights offering announcement. We continue to see a strong outlook for its businesses and view the stock as attractively valued with an implied coal & gas PE of only 4x pre-rights offer/7x ex-rights in 2022F.

**CHAK REUNGSINPINYA**

662-779-9104

chak.reu@thanachartsec.co.th

Stock overly punished in our view

We believe BANPU's stock price has been overly punished after its rights issue announcement. First, the additional capital is to be raised in a staggered manner, minimizing any near-term dilution impact. Secondly, we believe this extra funding is for investment rather than balance sheet strengthening. As such, we expect EPS dilution to be limited. Lastly, we think it will help accelerate the pace of transformation for BANPU. Given management's recent M&A successes, including an early entrance into a battery business as well as investments in US gas at the bottom of the cycle, we have greater confidence in BANPU's next moves into the "greener and smarter" space.

Fair value ex-rights of Bt16.5

We choose to maintain our pre-rights target price of Bt23 and calculate a fair value on an ex-rights basis of Bt16.5. We have laid out our calculation in more detail in Exhibits 3 and 4. On our estimate, the coal & gas operation is trading at just 4x 2022F PE; even assuming dilution from the rights issue, coal & gas PE is still at only 7x. With potential upside to our earnings forecasts, we think these multiples make the stock highly attractive.

Targeted investments

Management reiterates its view that the US and Australia remain attractive destinations for investments. In the US, the company is looking at potential investments in gas pipelines and gas-fired power plants. The focus is on Texas where BANPU already has a sizable upstream gas operation (Barnett shale). In Australia, the company continues to look for opportunities in renewable energy following its purchase of solar farms last month. These investments would mark a continuation of BANPU's transformation where over 90% of capex has been allocated to non-coal investments over the past five years. BANPU's transformation into a greener company would see it deriving 50% or more of EBITDA from non-coal activities by 2025F.

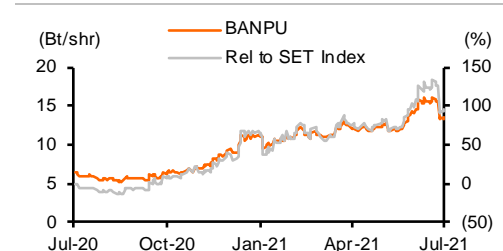
Strong outlook for coal and gas prices

We continue to see a strong outlook for BANPU's coal and gas operation. Coal prices are reaching new heights with a robust demand recovery and limited supply. We believe the market will remain tight for the foreseeable future. Our NEX coal price assumptions are 90 and 85 \$/tonne in 2021-22F vs. the spot level of \$140/tonne. Similarly, the US natural gas price continues to rally with smaller-than-average injections and lower-than-average gas inventories. We see a high likelihood that the gas price will reach \$4-5/mmbtu as the market has started to price in a potential supply shortfall this winter. We only assume a gas price of \$3.1/mmbtu vs. the spot price of about \$3.7/mmbtu.

COMPANY VALUATION

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	71,332	89,366	96,240	94,547
Net profit	(1,786)	7,533	9,207	8,829
Consensus NP	—	7,289	7,019	6,906
Diff frm cons (%)	—	3.4	31.2	27.9
Norm profit	(4,122)	7,533	9,207	8,829
Prev. Norm profit	—	7,533	9,207	8,829
Chg frm prev (%)	—	0.0	0.0	0.0
Norm EPS (Bt)	(0.8)	1.5	1.8	1.7
Norm EPS grw (%)	na	na	22.2	(4.1)
Norm PE (x)	na	9.0	7.4	7.7
EV/EBITDA (x)	20.7	6.8	6.2	6.1
P/BV (x)	1.1	1.0	0.9	0.9
Div yield (%)	2.2	5.5	6.8	6.5
ROE (%)	na	11.6	13.2	11.9
Net D/E (%)	163.4	147.9	139.5	123.4

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 7-Jul-21 (Bt)	13.40
Market Cap (US\$ m)	2,107.1
Listed Shares (m shares)	5,074.6
Free Float (%)	88.4
Avg Daily Turnover (US\$ m)	47.1
12M Price H/L (Bt)	16.00/5.25
Sector	Energy
Major Shareholder	Vongkusolkrit family 9.62%

Sources: Bloomberg, Company data, Thanachart estimates

We choose to maintain our pre-rights target price of Bt23 as we believe ex-rights valuation should be reserved for when the rights have already been issued. To recap, BANPU is offering one new share for every four existing shares with an ex-rights date of 16 August 2021. Investors who subscribe to each new share will receive three warrants: W4, W5, and W6. Details of these new securities to be issued are provided below.

Ex 1: BANPU's Rights Offering And Warrants

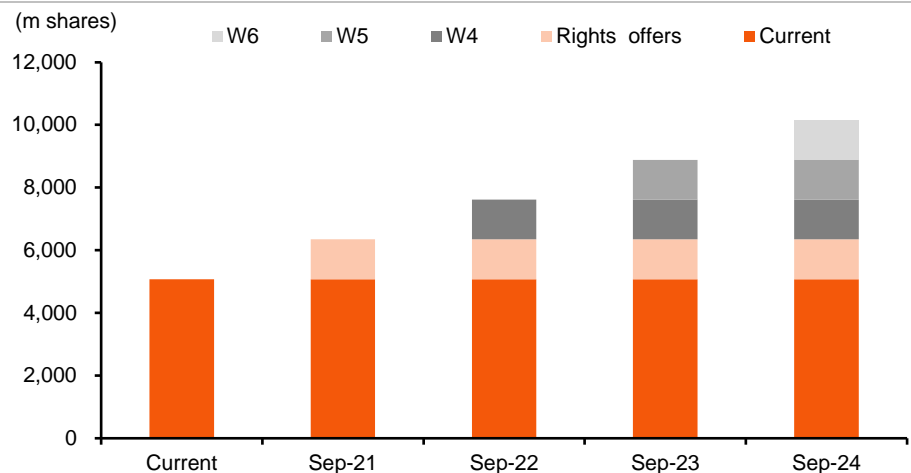
Type of securities	Offered to	# of securities (millions)	Ratio	Offering / exercise price (Bt)	Subscription / exercise date
New shares	Exiting shareholders	1268.645	4 existing shares : 1 new share	5.0	6-17 Sep 2021
Warrants (BANPU-W4)	Subscribers of new shares	1268.645	1 new share : 1 warrant	5.0	1 year after issuance
Warrants (BANPU-W5)	Subscribers of new shares	1268.645	1 new share : 1 warrant	7.5	2 years after issuance
Warrants (BANPU-W6)	Subscribers of new shares	1268.645	1 new share : 1 warrant	7.5	3 years after issuance

Sources: Company data, Thanachart estimates

We expect EPS dilution to be limited given staggered new shares and capital reinvestment

On this basis, we expect any earnings dilution to be limited. First, the number of new shares to be issued is to be staggered and spread out over three years, assuming all warrants are eventually converted to new shares. We also think any capital raised will be re-invested fairly quickly into new assets, thereby generating new earnings streams to help offset the dilution impact.

Ex 2: Expected Number Of Shares Assuming Full Dilution



Sources: Company data, Thanachart estimates

For valuation purposes, we calculate the ex-rights fair value of BANPU's stock to be Bt16.5. We value the three warrants based on the theoretical ex-rights price of Bt10.8 using the pre-rights offer market price of Bt13.4. In total, the three warrants are valued at Bt16.6bn.

Ex 3: BANPU-W4, W5, W6 Valuations Assuming Post Rights Offering Dilution Price Of Bt10.8

Warrant	Strike (Bt)	Expiry (Years)	Volatility (%)	Risk free (%)	Div. yield (%)	Value (Bt)	# shares (m shares)	Total value (Bt m)
W4	5.0	1.25	50%	0.50%	4.40%	5.43	1268.6	6,889
W5	7.5	2.25	50%	0.52%	4.90%	3.77	1268.6	4,783
W6	7.5	3.25	50%	0.58%	5.00%	3.87	1268.6	4,910
Total								16,581

Sources: Company data, Thanachart estimates

Ex-rights, we estimate a fair value of Bt16.5/share and warrants worth Bt2.6 per BANPU share

We subtract the value of the warrants from our firm value to arrive at the equity value. We then divide that equity value by the number of new shares to give the outstanding ex-rights shares (6,344m shares broken down into 5,075m existing shares and 1,268.6m new shares). Note, however, that while the value of the warrants is subtracted from the equity value, these warrants will in fact be in the hands of shareholders. As such, ex-rights, investors will be holding BANPU shares worth about Bt16.5/share (our estimate) and warrants worth about Bt2.61/share (Bt16,581m divided by 6,344m shares).

Ex 4: BANPU's Valuation Per Share Ex-Rights

	Value (Bt m)
Current equity value	114,992
Capital from rights offering	6,343
Subtract warrants' value	(16,581)
Equity value ex-rights	104,754
Total number of shares ex-rights	6,344
Valuation ex-rights	16.51

Sources: Company data, Thanachart estimates

The US is front and center for BANPU for potential new investments

Management reiterates its view that the US and Australia remain attractive destinations for investments. In the US, the company is looking at potential investment in gas pipelines and gas-fired power plants. The focus is on Texas where BANPU already has a sizable upstream gas operation (Barnett shale). In Australia, the company continues to look for opportunities in renewable energy following its purchase of solar farms last month. These investments would mark a continuation of BANPU's transformation where over 90% of capex was allocated to non-coal investments over the past five years. BANPU's transformation into a greener company would see it deriving 50% or more of EBITDA from non-coal activities by 2025F.

The returns criteria provided by BANPU are detailed below. Note that because the company will focus on greener and power investments, return profiles in the coming years will comprise more sustainable, less volatile earnings streams.

Ex 5: BANPU's Targeted Investments And Returns

Investment type	Targeted returns	Potential areas of investments
Energy resources	>15%	US (natural gas)
Gas-fired power plants	10-11%	US
Renewable power	8-9%	US, Australia

Sources: Company data, Thanachart estimates

Valuation looks highly attractive with implied coal & gas P/E of only 7x in 2022F assuming dilution

We think BANPU's stock price has been overly punished after the rights issue announcement. On our estimate, the coal & gas operation is trading at just 4x 2022F PE; even assuming dilution from the rights issue, the coal & gas P/E is still only 7x. With potential upside to our earnings forecasts, we think these multiples make the stock highly attractive.

Ex 6: Implied PE For Coal & Gas Operation In The Single-Digit Range

	2021F	2022F	2023F	2024F
Net profit (Bt m)				
Power	2,934	3,298	3,512	3,496
Coal & gas	4,599	5,909	5,317	5,453
Total	7,533	9,207	8,829	8,949
PE current (x)				
Power	14.6	13.0	12.2	12.3
Coal & gas	5.5	4.3	4.7	4.6
Total	9.0	7.4	7.7	7.6
PE ex-rights* (x)				
Power	14.6	13.0	12.2	12.3
Coal & gas	9.2	7.1	7.9	7.7
Total	11.3	9.2	9.6	9.5

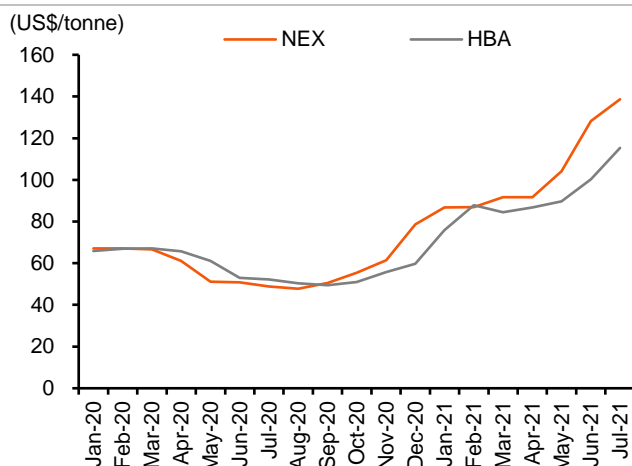
Sources: Company data, Thanachart estimates

Note: *Assuming dilution from rights offering and no new earnings from capital raised

We see potential upside to our forecasts on rising coal and gas prices

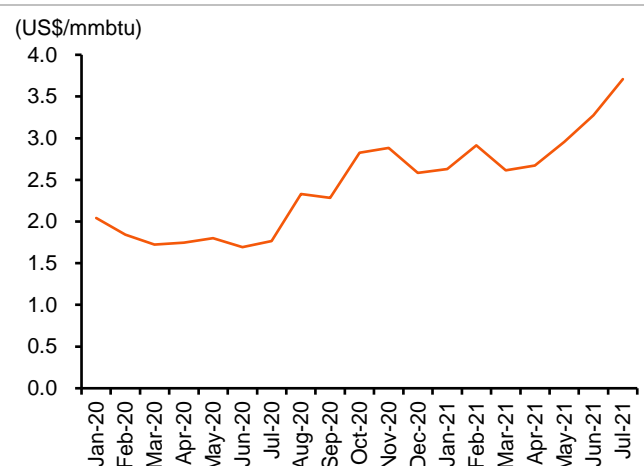
Lastly, and perhaps most importantly, we continue to see a strong outlook for BANPU's coal and gas operation. Coal prices are reaching new heights with a robust demand recovery and limited supply. We believe the market will remain tight for the foreseeable future. Our NEX coal price assumptions are 90 and 85 \$/tonne in 2021-22F vs. the spot level of \$140/ton. Similarly, the US natural gas price continues to rally with smaller-than-average injections and lower-than-average gas inventories. We see a high likelihood that gas prices will reach \$4-5/mmbtu as the market starts to price in a potential supply shortfall this winter. We only assume a gas price of \$3.1/mmbtu vs. the spot price of about \$3.7/mmbtu.

Ex 7: Coal Price At Over 10-Year High



Sources: Company data, Thanachart

Ex 8: US Gas Price Has Surged



Sources: Company data, Thanachart

Ex 9: 12-month DCF-derived TP Calculation Using A Base Year Of 2022F

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	Terminal Value
Coal EBITDA and equity income	35,806	35,150	36,413	37,366	38,552	39,688	40,938	42,105	43,074	45,202	46,142	-
Free cash flow	5,613	9,817	11,140	12,691	14,069	15,381	16,751	18,086	19,304	21,144	22,437	324,367
PV of free cash flow	5,204	8,440	8,878	9,378	9,529	9,637	9,728	9,735	9,630	9,757	9,338	124,588
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.3											
WACC (%)	7.9											
Terminal growth (%)	2.0											

BANPU's sum-of-the-parts valuation												(Bt m)
PV of cash flow												223,842
Less: net debt												136,187
Less: minority interest												37,277
Equity value - coal & gas												50,378
Battery												16,074
Power and others												48,539
Total equity value												114,992
# of Shares												5,075
Total value per share (Bt/sh)												23.0

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 10: Valuation Comparison With Regional Peers

Company	Code	Country	EPS Growth		PE		P/BV		EV/EBITDA		Div. yield	
			21F (%)	22F (%)	21F (x)	22F (x)	21F (x)	22F (x)	21F (x)	22F (x)	21F (%)	22F (%)
New Hope Corp	NHC AU	Australia	6.3	31.2	10.8	8.3	0.9	0.8	5.4	4.9	7.3	7.5
Whitehaven Coal Ltd	WHC AU	Australia	na	na	na	11.2	0.7	0.6	13.6	5.0	0.0	2.0
China Shenhua Energy	601088 CH	China	17.0	0.7	8.6	8.6	1.1	1.0	4.1	4.2	7.8	7.4
Datong Coal Industry	601001 CH	China	na	(2.8)	5.1	5.2	1.3	1.0	2.6	2.7	na	na
Guizhou Panjiang Ref. Coal	600395 CH	China	19.9	12.3	10.5	9.3	1.7	1.6	4.2	4.3	5.4	5.4
Kailuan Energy	600997 CH	China	na	na	na	na	0.9	0.8	na	na	5.2	5.8
Pingdingshan Tianan Coal	601666 CH	China	56.0	11.4	7.6	6.8	1.0	0.9	5.5	5.2	7.8	8.3
Yang Quan Coal Industry	600348 CH	China	56.4	0.8	8.4	8.4	0.8	0.8	5.0	5.0	4.8	5.2
Yanzhou Coal Mining	600188 CH	China	51.0	(1.4)	7.0	7.1	1.2	1.1	5.8	6.3	7.9	7.7
China Coal Energy	1898 HK	Hong Kong	94.0	(10.4)	5.9	6.5	0.5	0.5	4.8	4.8	5.0	4.4
Indo Tambangraya Megah	ITMG IJ	Indonesia	na	(6.2)	7.2	7.6	1.2	1.2	3.2	3.5	8.8	11.3
Bukit Asam Tbk PT	PTBA IJ	Indonesia	38.8	(2.9)	7.1	7.4	1.3	1.2	4.3	4.2	6.7	8.1
Semirara Mining Corp.	SCC PM	Philippines	85.2	21.1	9.7	8.0	1.6	1.4	5.7	4.9	8.1	9.0
Banpu Pcl *	BANPU TB	Thailand	na	22.2	9.0	7.4	1.0	0.9	6.8	6.2	5.5	6.8
Average			47.2	6.3	8.1	7.8	1.1	1.0	5.5	4.7	6.2	6.8

Sources: Bloomberg, * Thanachart estimates

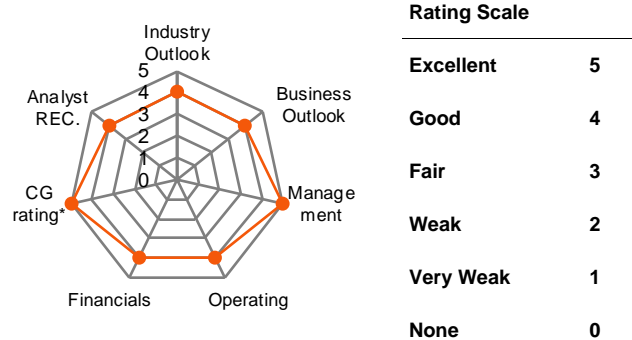
Based on 7 July 2021 closing prices

COMPANY DESCRIPTION

Banpu Pcl (BANPU) is a leading regional energy company. It operates coal mines in Indonesia, Australia and China. It also has investments in the power businesses in Thailand, Laos, China and Japan. In recent years, the company has significantly expanded its footprint in US shale gas as well as invested in new energy businesses including battery (Durapower) and EV (Fomm).

Source: Thanachart

COMPANY RATING



Source: Thanachart; *CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Reduced operating risk due to greater geographical diversification. It also has footprint across energy value chain.
- Operations more reliable than peers', which don't own port facilities and/or power plants.

O — Opportunity

- BANPU could look to grow its US shale gas business after having established a firm footing.
- New energy businesses such as lithium-ion battery and electric vehicles (EV) offer strong growth potential.

W — Weakness

- Coal price volatility still impacts earnings though diversifications in recent years has greatly reduced BANPU's dependence on coal.
- Relatively high financial leverage.

T — Threat

- Regulatory risk and environmental concerns.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	15.59	23.00	48%
Net profit 21F (Bt m)	7,289	7,533	3%
Net profit 22F (Bt m)	7,019	9,207	31%
Consensus REC	BUY: 4	HOLD: 3	SELL: 5

HOW ARE WE DIFFERENT FROM THE STREET?

- We are 3% and 31% ahead of the Bloomberg consensus with our 2021-22F earnings, likely due to us having higher coal and gas price assumptions.
- Our TP is 48% higher than the Street's as we do not price in the dilution impact which would be relevant only ex-rights.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- A weaker-than-expected coal or gas price environment would present the key downside risk to our earnings and TP.
- Lower-than-expected growth in the power business would present a secondary downside risk to our TP.

Source: Thanachart

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	85,718	71,332	89,366	96,240	94,547
Cost of sales	63,737	57,768	55,324	58,123	58,573
Gross profit	21,981	13,564	34,042	38,118	35,975
% gross margin	25.6%	19.0%	38.1%	39.6%	38.0%
Selling & administration expenses	21,059	17,128	19,762	21,495	21,301
Operating profit	922	(3,564)	14,280	16,622	14,674
% operating margin	1.1%	-5.0%	16.0%	17.3%	15.5%
Depreciation & amortization	10,535	13,543	15,623	17,134	18,115
EBITDA	11,457	9,979	29,903	33,757	32,788
% EBITDA margin	13.4%	14.0%	33.5%	35.1%	34.7%
Non-operating income	5,367	2,309	1,154	1,052	1,038
Non-operating expenses	(168)	(199)	(320)	(320)	(300)
Interest expense	(5,657)	(5,420)	(7,356)	(6,991)	(7,173)
Pre-tax profit	463	(6,874)	7,758	10,363	8,239
Income tax	2,436	269	3,103	4,145	3,296
After-tax profit	(1,973)	(7,143)	4,655	6,218	4,943
% net margin	-2.3%	-10.0%	5.2%	6.5%	5.2%
Shares in affiliates' Earnings	6,444	4,239	5,518	6,302	6,896
Minority interests	(1,905)	(1,217)	(2,640)	(3,312)	(3,011)
Extraordinary items	(2,962)	2,336	0	0	0
NET PROFIT	(395)	(1,786)	7,533	9,207	8,829
Normalized profit	2,567	(4,122)	7,533	9,207	8,829
EPS (Bt)	(0.1)	(0.3)	1.5	1.8	1.7
Normalized EPS (Bt)	0.5	(0.8)	1.5	1.8	1.7

*Strong earnings
turnaround in 2021-22F*

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	41,095	47,301	45,120	47,176	46,764
Cash & cash equivalent	16,388	23,777	16,836	16,836	16,836
Account receivables	7,415	7,482	8,569	9,229	9,066
Inventories	4,782	3,935	4,547	4,777	4,814
Others	12,510	12,107	15,168	16,335	16,047
Investments & loans	49,711	51,389	54,404	58,109	58,705
Net fixed assets	58,796	77,523	82,015	84,010	85,041
Other assets	93,710	105,435	105,620	113,736	111,934
Total assets	243,312	281,648	287,159	303,031	302,444
LIABILITIES:					
Current liabilities:	47,026	66,405	44,031	46,496	44,733
Account payables	1,798	2,025	985	1,035	1,043
Bank overdraft & ST loans	13,716	24,856	15,302	15,690	14,979
Current LT debt	16,417	24,520	11,018	11,297	10,785
Others current liabilities	15,095	15,003	16,726	18,474	17,926
Total LT debt	103,749	112,559	126,703	129,912	124,024
Others LT liabilities	13,084	18,129	24,341	26,205	25,939
Total liabilities	163,859	197,092	195,076	202,613	194,695
Minority interest	18,286	22,211	24,851	28,163	31,174
Preferreds shares	0	0	0	0	0
Paid-up capital	5,162	5,075	5,075	5,075	5,075
Share premium	15,372	15,372	15,372	15,372	15,372
Warrants	0	0	0	0	0
Surplus	(25,675)	(19,348)	(19,348)	(19,348)	(19,348)
Retained earnings	66,308	61,245	66,134	71,156	75,476
Shareholders' equity	61,167	62,344	67,233	72,255	76,575
Liabilities & equity	243,312	281,648	287,159	303,031	302,444

*Leverage is not a
problem with strong
earnings*

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	463	(6,874)	7,758	10,363	8,239
Tax paid	(2,587)	(543)	(2,942)	(4,193)	(3,266)
Depreciation & amortization	10,535	13,543	15,623	17,134	18,115
Chg In working capital	3,509	1,006	(2,739)	(839)	133
Chg In other CA & CL / minorities	(7,019)	7,560	4,019	6,931	6,606
Cash flow from operations	4,901	14,692	21,719	29,396	29,827
Capex	(8,995)	(32,269)	(20,000)	(19,000)	(19,000)
Right of use	0	(2,149)	(300)	(300)	(300)
ST loans & investments	0	0	0	0	0
LT loans & investments	251	(1,678)	(3,015)	(3,705)	(597)
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	21,336	(4,767)	6,213	(6,082)	1,691
Cash flow from investments	12,592	(40,863)	(17,103)	(29,087)	(18,206)
Debt financing	428	30,596	(8,912)	3,876	(7,112)
Capital increase	0	(87)	0	0	0
Dividends paid	(3,613)	(2,030)	(2,645)	(4,185)	(4,509)
Warrants & other surplus	(17,885)	5,080	0	0	0
Cash flow from financing	(21,070)	33,559	(11,557)	(309)	(11,621)
Free cash flow	(4,093)	(17,578)	1,719	10,396	10,827

BANPU generates high cash flows from operation to support future capex

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	26.9	na	9.0	7.4	7.7
Normalized PE - at target price (x)	46.3	na	15.5	12.7	13.2
PE (x)	na	na	9.0	7.4	7.7
PE - at target price (x)	na	na	15.5	12.7	13.2
EV/EBITDA (x)	16.3	20.7	6.8	6.2	6.1
EV/EBITDA - at target price (x)	20.6	25.6	8.5	7.6	7.6
P/BV (x)	1.1	1.1	1.0	0.9	0.9
P/BV - at target price (x)	1.9	1.9	1.7	1.6	1.5
P/CFO (x)	14.1	4.7	3.1	2.3	2.3
Price/sales (x)	0.8	1.0	0.8	0.7	0.7
Dividend yield (%)	4.5	2.2	5.5	6.8	6.5
FCF Yield (%)	(5.9)	(25.6)	2.5	15.3	15.9
(Bt)					
Normalized EPS	0.5	(0.8)	1.5	1.8	1.7
EPS	(0.1)	(0.3)	1.5	1.8	1.7
DPS	0.6	0.3	0.7	0.9	0.9
BV/share	11.8	12.3	13.2	14.2	15.1
CFO/share	0.9	2.9	4.3	5.8	5.9
FCF/share	(0.8)	(3.4)	0.3	2.0	2.1

Sources: Company data, Thanachart estimates

BANPU is among the cheapest in the energy space on a PE basis

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(24.0)	(16.8)	25.3	7.7	(1.8)
Net profit (%)	na	na	na	22.2	(4.1)
EPS (%)	na	na	na	22.2	(4.1)
Normalized profit (%)	(74.4)	na	na	22.2	(4.1)
Normalized EPS (%)	(74.4)	na	na	22.2	(4.1)
Dividend payout ratio (%)	(783.6)	(85.2)	50.0	50.0	50.0
Operating performance					
Gross margin (%)	25.6	19.0	38.1	39.6	38.0
Operating margin (%)	1.1	(5.0)	16.0	17.3	15.5
EBITDA margin (%)	13.4	14.0	33.5	35.1	34.7
Net margin (%)	(2.3)	(10.0)	5.2	6.5	5.2
D/E (incl. minor) (x)	1.7	1.9	1.7	1.6	1.4
Net D/E (incl. minor) (x)	1.5	1.6	1.5	1.4	1.2
Interest coverage - EBIT (x)	0.2	na	1.9	2.4	2.0
Interest coverage - EBITDA (x)	2.0	1.8	4.1	4.8	4.6
ROA - using norm profit (%)	1.0	na	2.6	3.1	2.9
ROE - using norm profit (%)	3.6	na	11.6	13.2	11.9
DuPont					
ROE - using after tax profit (%)	na	na	7.2	8.9	6.6
- asset turnover (x)	0.3	0.3	0.3	0.3	0.3
- operating margin (%)	7.1	na	16.9	18.0	16.3
- leverage (x)	3.6	4.3	4.4	4.2	4.1
- interest burden (%)	7.6	472.7	51.3	59.7	53.5
- tax burden (%)	na	na	60.0	60.0	60.0
WACC (%)	7.9	7.9	7.9	7.9	7.9
ROIC (%)	(2.0)	(2.0)	4.3	4.9	4.1
NOPAT (Bt m)	(3,927)	(3,564)	8,568	9,973	8,804
invested capital (Bt m)	178,661	200,502	203,420	212,318	209,526

Sources: Company data, Thanachart estimates

We expect both margin and ROE expansion on an improving earnings outlook

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Thanachart Securities Pcl.

Research Team

19 Floor, MBK Tower

444 Phayathai Road, Pathumwan Road, Bangkok 10330

Tel: 662 - 779-9119

Email: thanachart.res@thanachartsec.co.th

Pimpaka Nichgaroon, CFA

Head of Research

Tel: 662-779-9199

pimpaka.nic@thanachartsec.co.th

Pattarawan Wangmingmat

Senior Technical Analyst

Tel: 662-779-9105

pattarawan.wan@thanachartsec.co.th

Phannarai Tiypittayarut

Property, Retail

Tel: 662-779-9109

phannarai.von@thanachartsec.co.th

Sarachada Sornsong

Bank, Finance, Insurance

Tel: 662-779-9106

sarachada.sor@thanachartsec.co.th

Sittichet Rungrassameephat

Analyst, Quantitative

Tel: 662-483-8303

sittichet.run@thanachartsec.co.th

Adisak Phupiphathirungul, CFA

Retail Market Strategy

Tel: 662-779-9120

adisak.phu@thanachartsec.co.th

Nuttapop Prasitsuksant

Telecom, Utilities

Tel: 662-483-8296

nuttapop.pra@thanachartsec.co.th

Rata Limsuthiwanpoom

Auto, Industrial Estate, Media, Prop. Fund

Tel: 662-483-8297

rata.lim@thanachartsec.co.th

Siriporn Arunothai

Small Cap, Healthcare, Hotel

Tel: 662-779-9113

siriporn.aru@thanachartsec.co.th

Thaloengsak Kucharoenpaisan

Analyst, Retail Market

Tel: 662-483-8304

thaloengsak.kuc@thanachartsec.co.th

Chak Reungsinpinya

Energy, Petrochemical, Paper

Tel: 662-779-9104

chak.reu@thanachartsec.co.th

Pattadol Bunnak

Electronics, Food & Beverage, Shipping

Tel: 662-483-8298

pattadol.bun@thanachartsec.co.th

Saksid Phadthananarak

Construction, Transportation

Tel: 662-779-9112

saksid.pha@thanachartsec.co.th

Witchanan Tambamroong

Technical Analyst

Tel: 662-779-9123

witchanan.tam@thanachartsec.co.th