

Thailand Retail Sector

Lockdown impact

Sector Valuation			Current	Target	Market	Norm EPS grw		— Norm PE —		— P/BV —		Div. yield	
Company	BBG Code	Rec.	price (Bt)	price (Bt)	Cap (US\$ m)	2021F (%)	2022F (%)	2021F (x)	2022F (x)	2021F (x)	2022F (x)	2021F (%)	2022F (%)
Berli Jucker	BJC TB	SELL	34.00	30.00	4,180	(0.5)	25.7	34.9	27.7	1.2	1.1	1.4	1.8
COM7 Pcl	COM7 TB	BUY	67.75	76.50	2,494	40.8	34.5	39.8	29.6	18.2	15.4	2.0	2.8
CP All Pcl	CPALL TB	BUY	60.50	73.00	16,672	(34.9)	70.9	56.2	32.9	5.4	4.9	0.9	1.5
Central Pattana	CPN TB	BUY	51.25	60.00	7,056	(7.1)	45.3	47.1	32.4	3.1	2.9	1.1	1.5
Central Retail Corp.	CRC TB	BUY	33.50	37.00	6,198	5,649.4	106.4	73.7	35.7	3.7	3.5	0.5	1.1
Siam Global House	GLOBAL TB	BUY	24.40	27.50	3,444	45.7	17.9	39.3	33.3	5.9	5.3	1.0	1.2
Home Product Cen.	HMPRO TB	BUY	14.10	19.00	5,688	12.7	15.9	31.9	27.5	8.3	7.7	2.5	2.9
Siam Makro Pcl	MAKRO TB	BUY	36.50	46.00	5,374	10.2	8.0	24.2	22.4	7.2	6.7	3.1	3.6
MC Group Pcl	MC TB	BUY	9.15	12.50	225	21.1	8.0	13.6	12.6	2.0	2.0	7.1	7.7

Source: Thanachart estimates, Note: MC's fiscal year ends in June.
Based on 13 July 2021 closing prices

Although the lockdown will likely worsen retailers' SSSG in 3Q21F, consumption should soon hit bottom and we expect a strong sector earnings turnaround of 39% in 2022F and 25% in 2023F. Our top picks remain COM7 and GLOBAL. CPALL looks overly punished.

Lockdown for two weeks

Retailers will be directly hit by the recent lockdown announcement from 12-25 July imposed in Bangkok and five adjacent provinces to close shopping malls and department stores with only supermarkets, banks, pharmacies and some essential non-food shops allowed to open. An overnight curfew from 9pm to 4am also applies to 10 provinces including four in the South. Interprovincial travel is also being discouraged.

Worsening 3Q21F expected

As we assume the lockdown is extended with a one-month period as our base case, we estimate quarterly same-store sales growth (SSSG) to hit its worst level this year in 3Q21F with a 14.1% decline (or -22.4% compared to the pre-COVID level), but not as weak as the 26.2% plunge seen in 2Q20 when the nationwide lockdown lasted for 1.5 months. Hardest hit look set to be CPN (shopping malls), CRC (department stores and other branded shops) and MC (jeans and apparel), and we cut our respective TPs by 3-11%. BJC and CPALL, despite hypermarkets and CVS staying open, will likely suffer from offering more rent discounts and softer spending; hence, we trim our respective TPs by 3-6%. We expect only a small impact on COM7, GLOBAL, HMPRO and MAKRO.

Cutting our earnings

The lockdown headwind and projected weak consumption cause us to cut our 2021-23F sector earnings by 5-11% on a lower SSSG assumption of -1% this year, from 5% previously. This leads to flat aggregate normalized profit for the sector of Bt40.7bn, following the 37% fall last year, and growth of 39% in 2022F and 25% in 2023F.

Staying OVERWEIGHT

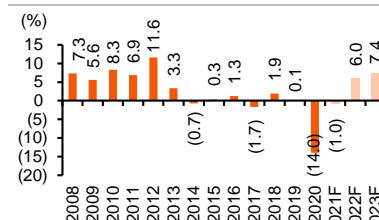
We maintain our OVERWEIGHT stance as we expect the sector to experience a strong earnings turnaround, vs. 28.2x 2022F PE and 23.0x 2023F PE. Our top picks are unchanged, ie, COM7 and GLOBAL for their bucking-the-trend earnings growth this year and long-term market share gain stories in the IT and home-improvement segments. CPALL is another top pick as we believe its share price has been overly punished by the COVID-19 impact and the Tesco acquisition deal.



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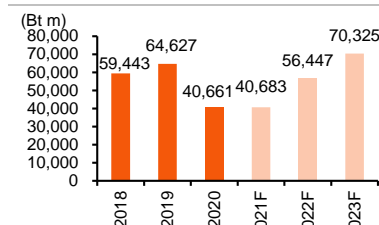
662 – 779 9109
phannarai.von@thanachartsec.co.th

Yearly SSSG



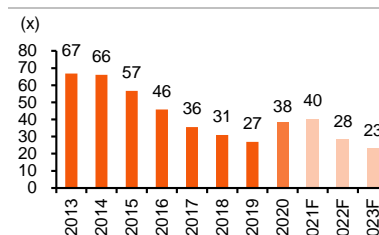
Sources: Company data; Thanachart estimates

Sector's Norm Earnings



Sources: Company data; Thanachart estimates

Sector PE



Sources: Company data; Thanachart estimates

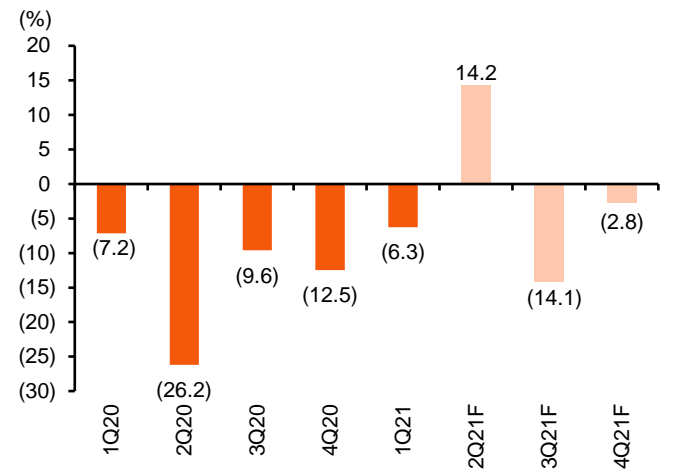
Ex 1: Impact From 6-Province Lockdown

	Bangkok+5's sales (%)	Estimated impact	Online sales (%)
BJC	40	Some non-food items are not allowed to be sold. More rent discounts.	1
COM7	50	Less than 10 of its 900-plus stores are closed.	7
CPALL	44	Closed from 8pm-4am. Interprovincial travel restrictions.	10
CPN	50	12-15% of space in closed malls is allowed to open, affecting 44% of rental income.	na
CRC	25	Lockdown in Thailand and Vietnam (96% of sales). Food 43%, Hardline 35%, Fashion 22%.	13
GLOBAL	8	None of its branches are closed.	1
HMPRO	40	Four branches located in shopping malls are closed.	6
MAKRO	35	MAKRO's non-foods sales mix is 8.7%. Some non-food items (<5% of sales) cannot be sold.	11
MC	30	All stores in six provinces are closed, affecting 25% of sales.	12

Source: Thanachart estimates

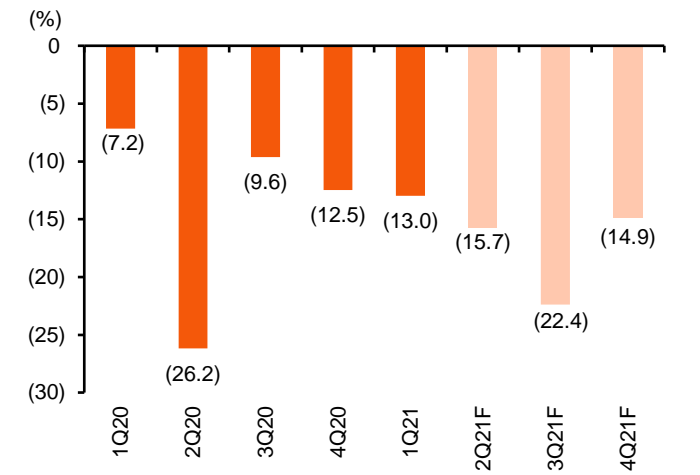
Note: Six provinces: Bangkok, Nakorn Pathom, Nonthaburi, Pathum Thani, Samutprakarn, Samut Sakorn

Ex 2: SSSG



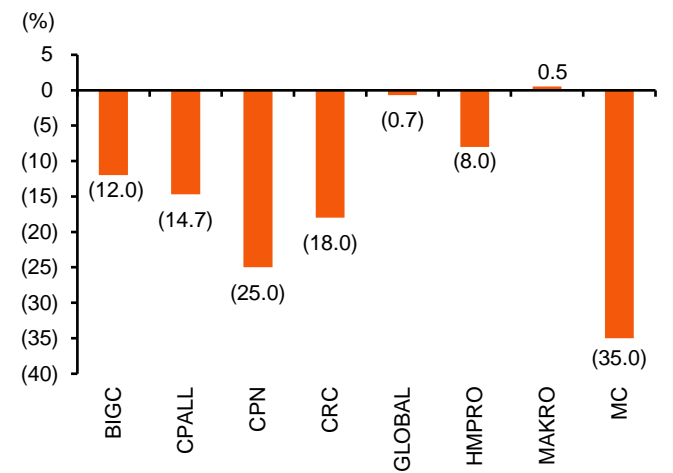
Sources: Company data, Thanachart estimates

Ex 3: SSSG Vs. Pre-COVID



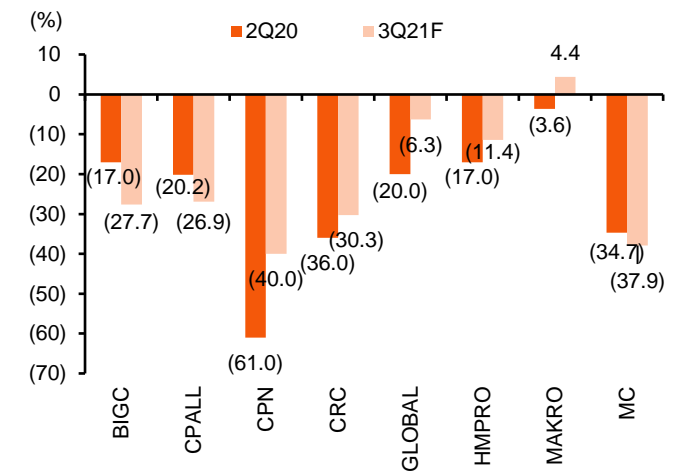
Sources: Company data, Thanachart estimates

Ex 4: SSSG In 3Q21F



Sources: Company data, Thanachart estimates

Ex 5: SSSG During Lockdown (3Q21F Vs. 2Q20)



Sources: Company data, Thanachart estimates

Ex 6: Key Assumption Changes

	BJC ^{1/}	COM7 ^{2/}	CPALL	CPN	CRC	GLOBAL	HMPRO	MAKRO	MC ^{4/}	Industry ^{3/}
SSS growth ^{1/} (%)										
2021F – New	(10.9)	20.2	(9.4)	5.0	(5.8)	12.0	(0.4)	2.2	(0.5)	(1.0)
2021F – Old	2.5	22.5	(8.5)	11.0	10.0	12.0	5.0	2.2	5.9	5.0
2022F – New	12.0	17.5	7.0	16.0	10.0	3.0	4.0	3.0	(7.0)	6.0
2022F – Old	1.0	13.4	7.0	16.0	7.0	3.0	4.0	3.0	5.0	5.8
2023F – New	10.0	12.7	7.0	12.0	8.0	4.0	4.0	3.0	11.3	7.4
2023F – Old	1.0	14.5	7.0	12.0	5.0	4.0	4.0	3.0	3.0	4.9
Normalized profit (Bt m)										
2021F – New	3,893	2,041	10,682	4,887	2,743	2,858	5,810	7,232	537	40,683.4
2021F – Old	5,144	2,113	11,343	5,439	5,113	2,858	6,112	7,232	571	45,925.4
Change (%)	(24.3)	(3.4)	(5.8)	(10.1)	(46.4)	0.0	(4.9)	0.0	(5.8)	(11.4)
2022F – New	4,895	2,746	17,548	7,099	5,660	3,373	6,733	7,814	580	56,447
2022F – Old	5,502	2,660	18,243	7,745	6,912	3,373	7,078	7,814	692	60,019
Change (%)	(11.0)	3.2	(3.8)	(8.3)	(18.1)	0.0	(4.9)	0.0	(16.1)	(6.0)
2023F – New	5,360	3,392	23,557	9,018	7,524	4,043	7,966	8,770	695	70,325
2023F – Old	6,184	3,380	24,372	9,747	8,671	4,043	8,359	8,770	768	74,295
Change (%)	(13.3)	0.3	(3.3)	(7.5)	(13.2)	0.0	(4.7)	0.0	(9.5)	(5.3)
TP (Bt/share)										
New	30.00	76.50	73.00	60.00	37.00	27.50	19.00	46.00	12.50	
Old	32.00	70.00	75.00	63.00	38.00	27.50	19.00	46.00	14.00	
Change (%)	(6.3)	9.3	(2.7)	(4.8)	(2.6)	0.0	0.0	0.0	(10.7)	
Stock rating										
New	SELL	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	Overweight
Old	SELL	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	Overweight

Source: Thanachart estimates

Note: 1/ BJC's SSSG is of BIGC

2/ Sales growth for COM7

3/ Industry's SSS growth does not include COM7

4/ MC's fiscal year ends in June. Actual numbers for 2020

Ex 7: BJC TB - SELL, Price Bt34.00, TP Bt30.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	144,732	144,885	164,256	181,847
Net profit	4,001	3,893	4,895	5,360
Norm profit	3,914	3,893	4,895	5,360
Norm EPS (Bt)	1.0	1.0	1.2	1.3
Norm EPS grw (%)	(46.1)	(0.5)	25.7	9.5
Norm PE (x)	34.7	34.9	27.7	25.3
EV/EBITDA (x)	14.7	13.9	13.5	12.8
P/BV (x)	1.2	1.2	1.1	1.1
Div yield (%)	2.3	1.4	1.8	2.0
ROE (%)	3.4	3.4	4.2	4.5
Net D/E (%)	126.5	116.2	120.6	124.0

Sources: Company data; Thanachart estimates

Ex 8: COM7 TB - BUY, Price Bt67.75, TP Bt76.50

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	37,306	44,825	52,686	59,357
Net profit	1,491	2,041	2,746	3,392
Norm profit	1,449	2,041	2,746	3,392
Norm EPS (Bt)	1.2	1.7	2.3	2.8
Norm EPS grw (%)	19.1	40.8	34.5	23.5
Norm PE (x)	56.1	39.8	29.6	24.0
EV/EBITDA (x)	34.9	26.4	20.3	16.8
P/BV (x)	21.1	18.2	15.4	13.4
Div yield (%)	1.5	2.0	2.8	3.6
ROE (%)	40.1	49.0	56.4	59.9
Net D/E (%)	22.4	4.3	(2.2)	(7.8)

Sources: Company data; Thanachart estimates

Ex 9: CPALL TB - BUY, Price Bt60.50, TP Bt73.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	546,207	557,846	613,546	679,744
Net profit	16,102	10,682	17,548	23,557
Norm profit	15,876	10,682	17,548	23,557
Norm EPS (Bt)	1.7	1.1	1.8	2.5
Norm EPS grw (%)	(30.0)	(34.9)	70.9	36.3
Norm PE (x)	36.6	56.2	32.9	24.1
EV/EBITDA (x)	15.7	16.0	13.7	11.7
P/BV (x)	5.6	5.4	4.9	4.4
Div yield (%)	1.5	0.9	1.5	2.1
ROE (%)	16.7	10.8	16.6	20.0
Net D/E (%)	180.8	168.9	144.9	118.5

Sources: Company data; Thanachart estimates

Ex 10: CPN TB - BUY, Price Bt51.25, TP Bt60.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	26,730	27,146	32,158	37,132
Net profit	9,557	8,661	8,655	10,573
Norm profit	5,258	4,887	7,099	9,018
Norm EPS (Bt)	1.2	1.1	1.6	2.0
Norm EPS grw (%)	(54.3)	(7.1)	45.3	27.0
Norm PE (x)	43.7	47.1	32.4	25.5
EV/EBITDA (x)	18.5	17.9	15.3	13.5
P/BV (x)	3.3	3.1	2.9	2.6
Div yield (%)	1.4	1.1	1.5	1.8
ROE (%)	7.5	6.8	9.2	10.8
Net D/E (%)	47.1	40.3	43.6	54.5

Sources: Company data; Thanachart estimates

Ex 11: CRC TB - BUY, Price Bt33.50, TP Bt37.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	179,947	176,854	208,355	232,378
Net profit	46	2,743	5,660	7,524
Norm profit	46	2,743	5,660	7,524
Norm EPS (Bt)	0.0	0.5	0.9	1.2
Norm EPS grw (%)	(99.5)	5,649.4	106.4	33.0
Norm PE (x)	4,235.3	73.7	35.7	26.9
EV/EBITDA (x)	13.1	11.1	9.7	8.6
P/BV (x)	3.8	3.7	3.5	3.2
Div yield (%)	1.2	0.5	1.1	1.5
ROE (%)	0.1	5.1	10.0	12.4
Net D/E (%)	82.8	85.7	99.8	88.9

Sources: Company data; Thanachart estimates

Ex 12: GLOBAL TB - BUY, Price Bt24.40, TP Bt27.50

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	26,803	31,813	34,546	38,086
Net profit	1,956	2,858	3,373	4,043
Norm profit	1,956	2,858	3,373	4,043
Norm EPS (Bt)	0.4	0.6	0.7	0.9
Norm EPS grw (%)	(6.9)	45.7	17.9	19.9
Norm PE (x)	57.2	39.3	33.3	27.8
EV/EBITDA (x)	38.3	28.3	24.1	20.2
P/BV (x)	6.6	5.9	5.3	4.7
Div yield (%)	0.9	1.0	1.2	1.4
ROE (%)	11.9	15.9	16.8	18.1
Net D/E (%)	76.4	65.6	52.9	42.0

Sources: Company data; Thanachart estimates

Ex 13: HMPRO TB - BUY, Price Bt14.10, TP Bt19.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	59,874	62,154	65,822	70,873
Net profit	5,155	5,810	6,733	7,966
Norm profit	5,155	5,810	6,733	7,966
Norm EPS (Bt)	0.4	0.4	0.5	0.6
Norm EPS grw (%)	(16.5)	12.7	15.9	18.3
Norm PE (x)	36.0	31.9	27.5	23.3
EV/EBITDA (x)	19.9	17.6	15.8	13.7
P/BV (x)	8.6	8.3	7.7	7.1
Div yield (%)	2.1	2.5	2.9	3.4
ROE (%)	24.1	26.5	29.1	31.8
Net D/E (%)	46.8	36.8	32.8	20.9

Sources: Company data; Thanachart estimates

Ex 14: MAKRO TB - BUY, Price Bt36.50, TP Bt46.00

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	217,897	225,286	238,638	258,112
Net profit	6,563	7,232	7,814	8,770
Norm profit	6,563	7,232	7,814	8,770
Norm EPS (Bt)	1.4	1.5	1.6	1.8
Norm EPS grw (%)	5.1	10.2	8.0	12.2
Norm PE (x)	26.7	24.2	22.4	20.0
EV/EBITDA (x)	15.1	13.9	13.0	11.9
P/BV (x)	7.9	7.2	6.7	6.2
Div yield (%)	2.7	3.1	3.6	4.0
ROE (%)	30.9	31.0	30.8	32.0
Net D/E (%)	(19.7)	(33.0)	(30.3)	(25.0)

Sources: Company data; Thanachart estimates

Ex 15: MC TB - BUY, Price Bt9.15, TP Bt12.50

Y/E Jun (Bt m)	2020A	2021F	2022F	2023F
Sales	3,182	3,381	3,322	3,889
Net profit	407	537	580	695
Norm profit	444	537	580	695
Norm EPS (Bt)	0.6	0.7	0.7	0.9
Norm EPS grw (%)	(18.8)	21.1	8.0	19.8
Norm PE (x)	16.5	13.6	12.6	10.5
EV/EBITDA (x)	10.4	8.0	7.1	6.0
P/BV (x)	2.0	2.0	2.0	1.9
Div yield (%)	6.0	7.1	7.7	9.3
ROE (%)	12.2	14.9	15.9	18.7
Net D/E (%)	(41.2)	(44.7)	(50.9)	(50.1)

Sources: Company data; Thanachart estimates

Ex 16: Sector Valuation Comparison

		BJC	COM7	CPALL	CPN	CRC	GLOBAL	HMPRO	MAKRO	MC	Industry
Rating		SELL	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	
Target price	Thanachart	30.00	76.50	73.00	60.00	37.00	27.50	19.00	46.00	12.50	
	Consensus	39.50	82.00	70.13	59.00	40.50	25.85	16.40	45.00	12.50	
Consensus rec.	Buy	13	7	19	20	17	11	18	12	5	
	Hold	7	3	7	3	2	2	7	2	1	
	Sell	1	0	2	2	0	2	2	0	0	
Sales (Bt m)	2020	144,732	37,306	546,207	26,730	179,947	26,803	59,874	217,897	3,182	1,242,679
	2021F	144,885	44,825	557,846	27,146	176,854	31,813	62,154	225,286	3,381	1,274,191
	2022F	164,256	52,686	613,546	32,158	208,355	34,546	65,822	238,638	3,322	1,413,329
	2023F	181,847	59,357	679,744	37,132	232,378	38,086	70,873	258,112	3,889	1,561,418
Norm profits (Bt m)	2020	3,914	1,449	15,876	5,258	46	1,956	5,155	6,563	444	40,661
	2021F	3,893	2,041	10,682	4,887	2,743	2,858	5,810	7,232	537	40,683
	2022F	4,895	2,746	17,548	7,099	5,660	3,373	6,733	7,814	580	56,447
	2023F	5,360	3,392	23,557	9,018	7,524	4,043	7,966	8,770	695	70,325
Sales growth (%)	2020	(8.4)	11.8	(4.3)	(27.2)	(11.8)	(4.6)	(8.2)	3.9	(4.8)	(6.0)
	2021F	0.1	20.2	2.1	1.6	(1.7)	18.7	3.8	3.4	6.2	6.0
	2022F	13.4	17.5	10.0	18.5	17.8	8.6	5.9	5.9	(1.7)	10.6
	2023F	10.7	12.7	10.8	15.5	11.5	10.2	7.7	8.2	17.1	11.6
Norm profit growth (%)	2020	(46.1)	19.1	(28.6)	(54.3)	(99.4)	(6.6)	(16.5)	5.1	(18.8)	(27.3)
	2021F	(0.5)	40.8	(32.7)	(7.1)	na	46.1	12.7	10.2	21.1	11.3
	2022F	25.7	34.5	64.3	45.3	106.4	18.0	15.9	8.0	8.0	36.2
	2023F	9.5	23.5	34.2	27.0	33.0	19.9	18.3	12.2	19.8	21.9
Norm EPS growth (%)	2020	(46.1)	19.1	(30.0)	(54.3)	(99.5)	(6.9)	(16.5)	5.1	(18.8)	(27.5)
	2021F	(0.5)	40.8	(34.9)	(7.1)	5,649.4	45.7	12.7	10.2	21.1	11.0
	2022F	25.7	34.5	70.9	45.3	106.4	17.9	15.9	8.0	8.0	37.0
	2023F	9.5	23.5	36.3	27.0	33.0	19.9	18.3	12.2	19.8	22.2
Gross margin (%)	2020	19.0	12.6	24.8	43.7	25.0	23.9	26.3	11.9	58.2	27.3
	2021F	19.2	12.6	24.2	41.4	25.6	24.8	27.0	11.9	60.5	27.5
	2022F	18.9	12.9	24.7	44.7	27.0	25.1	27.4	12.0	60.8	28.2
	2023F	18.8	13.2	25.0	46.9	27.6	25.5	27.8	12.1	61.1	28.7
SG&A/Sales (%)	2020	20.5	8.0	19.7	19.6	31.7	16.0	18.3	8.2	43.7	20.6
	2021F	20.0	7.2	19.7	20.5	30.2	14.9	18.2	8.1	42.3	20.1
	2022F	20.0	6.7	19.7	19.5	30.2	14.2	17.7	8.1	40.7	19.6
	2023F	20.0	6.4	19.6	18.5	30.0	13.5	16.9	8.1	40.4	19.3
Net margin (%)	2020	3.2	3.7	3.0	17.0	0.1	7.3	8.6	3.0	14.0	6.7
	2021F	3.2	4.3	2.0	14.8	1.5	9.0	9.3	3.2	15.9	7.0
	2022F	3.4	5.0	2.8	18.0	2.7	9.8	10.2	3.2	17.5	8.1
	2023F	3.4	5.5	3.3	20.6	3.2	10.6	11.2	3.3	17.9	8.8
ROE (%)	2020	3.4	40.1	16.7	7.5	0.1	11.9	24.1	30.9	12.2	16.3
	2021F	3.4	49.0	10.8	6.8	5.1	15.9	26.5	31.0	14.9	18.2
	2022F	4.2	56.4	16.6	9.2	10.0	16.8	29.1	30.8	15.9	21.0
	2023F	4.5	59.9	20.0	10.8	12.4	18.1	31.8	32.0	18.7	23.1
Norm PE (x)	2020	34.7	56.1	36.6	43.7	4,235.3	57.2	36.0	26.7	16.5	38.4
	2021F	34.9	39.8	56.2	47.1	73.7	39.3	31.9	24.2	13.6	40.1
	2022F	27.7	29.6	32.9	32.4	35.7	33.3	27.5	22.4	12.6	28.2
	2023F	25.3	24.0	24.1	25.5	26.9	27.8	23.3	20.0	10.5	23.0
Dividend yield (%)	2020	2.3	1.5	1.5	1.4	1.2	0.9	2.1	2.7	6.0	2.2
	2021F	1.4	2.0	0.9	1.1	0.5	1.0	2.5	3.1	7.1	2.2
	2022F	1.8	2.8	1.5	1.5	1.1	1.2	2.9	3.6	7.7	2.7
	2023F	2.0	3.6	2.1	1.8	1.5	1.4	3.4	4.0	9.3	3.2
Net D/E (x)	2020	1.3	0.2	1.8	0.5	0.8	0.8	0.5	(0.2)	(0.4)	0.6
	2021F	1.2	0.0	1.7	0.4	0.9	0.7	0.4	(0.3)	(0.4)	0.5
	2022F	1.2	(0.0)	1.4	0.4	1.0	0.5	0.3	(0.3)	(0.5)	0.5
	2023F	1.2	(0.1)	1.2	0.5	0.9	0.4	0.2	(0.3)	(0.5)	0.4

Source: Bloomberg

Note: Thanachart estimates, using normalized EPS

Valuation Comparison

Ex 17: Comparison With Regional Peers

Name	BBG 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 (%)
Home Improvement												
ACE HARDWARE	ACES IJ	Indonesia	12.4	22.0	30.3	24.8	4.6	4.1	20.0	16.9	1.5	1.7
Komeri Co Ltd	8218 JP	Japan	70.3	(10.9)	7.2	8.1	0.7	0.6	4.2	4.6	1.7	1.7
Wilcon Depot Inc	WLCON PM	Philippines	62.1	23.0	38.4	31.2	5.2	4.6	20.0	16.3	0.6	0.8
Kingfisher	KGF LN	UK	38.3	9.6	13.6	12.4	1.2	1.1	6.2	6.1	1.0	3.0
Home Depot Inc	HD US	USA	18.7	4.5	22.2	21.3	139.7	224.2	15.5	15.1	1.9	2.1
Lowe's Cos Inc	LOW US	USA	25.6	9.3	17.7	16.2	na	na	12.1	11.8	1.2	1.4
At Home Group Inc	HOME US	USA	(17.2)	10.4	19.8	17.9	na	na	9.0	7.8	na	na
Wayfair Inc	W US	USA	(5.4)	50.8	68.9	45.7	na	na	35.5	26.1	0.0	0.0
Convenience Store												
FamilyMart	8028 JP	Japan	(2.7)	15.7	na	na	na	na	na	na	na	na
Lawson	2651 JP	Japan	(56.6)	94.6	59.4	30.5	2.0	2.0	4.1	3.6	2.8	2.8
Seven & I Holdings	3382 JP	Japan	(25.7)	61.8	28.8	17.8	1.7	1.6	7.0	5.3	1.9	2.1
Dairy Farm International	D01 SP	Singapore	37.4	20.1	17.4	14.5	4.0	3.6	12.6	11.5	4.3	4.9
President Chain Store	2912 TT	Taiwan	6.4	7.8	25.0	23.2	7.2	7.0	11.1	10.7	3.5	3.8
Alimentation Couche-Tard -	ATD/B CN	Canada	22.7	(8.2)	19.9	21.6	4.3	4.1	9.6	10.2	0.6	0.7
Dairy Farm Intl Hldgs Ltd	DFI SP	Hong Kong	37.4	20.1	17.4	14.5	4.0	3.6	12.6	11.5	4.3	4.9
7-Eleven Malaysia	SEM MK	Malaysia	8.3	19.2	27.7	23.2	18.7	18.9	8.3	8.5	2.6	2.8
Lotte Corp	004990 KS	South Korea	177.9	13.4	11.9	10.5	0.6	0.5	9.9	9.8	3.0	3.3
Hypermarket/ Supermarket												
Beijing Hualian	600361 CH	China	(7.1)	0.0	27.1	27.1	0.8	0.8	20.4	19.7	2.0	2.0
Yonghui Superstores	601933 CH	China	(56.0)	58.7	42.5	26.8	2.2	2.2	22.1	19.1	3.0	3.3
Carrefour SA	CA FP	France	10.1	12.9	11.9	10.5	1.3	1.2	5.9	5.5	3.3	3.6
Casino Guichard	CO FP	France	32.4	15.3	11.7	10.2	0.7	0.6	6.9	6.4	6.9	6.4
Aeon	8267 JP	Japan	na	na	na	88.7	2.5	2.6	10.6	8.9	1.2	1.2
Tesco	TSCOL LN	UK	(53.0)	81.4	21.1	11.6	1.0	1.3	8.3	7.2	3.8	4.3
Best Buy Co Inc	BBY US	USA	6.4	2.7	13.1	12.7	7.0	6.9	6.8	6.9	2.0	2.5
Wal-Mart Stores	WMT US	USA	7.0	5.1	23.5	22.4	4.7	4.4	11.9	11.5	1.5	1.6
Department Store												
Lotte Shopping	023530 KS	South Korea	na	112.4	29.6	13.9	0.3	0.3	10.4	9.8	2.9	3.2
Shinsegae	004170 KS	South Korea	na	21.2	11.2	9.2	0.7	0.7	8.8	8.3	0.7	0.7
Berli Jucker *	BJC TB	Thailand	(0.5)	25.7	34.9	27.7	1.2	1.1	13.9	13.5	1.4	1.8
COM7 *	COM7 TB	Thailand	40.8	34.5	39.8	29.6	18.2	15.4	26.4	20.3	2.0	2.8
CP All*	CPALL TB	Thailand	(34.9)	70.9	56.2	32.9	5.4	4.9	16.0	13.7	0.9	1.5
Central Pattana *	CPN TB	Thailand	(7.1)	45.3	47.1	32.4	3.1	2.9	17.9	15.3	1.1	1.5
Central Retail Corp. *	CRC TB	Thailand	5,649.4	106.4	73.7	35.7	3.7	3.5	11.1	9.7	0.5	1.1
Siam Global House *	GLOBAL TB	Thailand	45.7	17.9	39.3	33.3	5.9	5.3	28.3	24.1	1.0	1.2
Home Product*	HMPRO TB	Thailand	12.7	15.9	31.9	27.5	8.3	7.7	17.6	15.8	2.5	2.9
Siam Makro *	MAKRO TB	Thailand	10.2	8.0	24.2	22.4	7.2	6.7	13.9	13.0	3.1	3.6
MC Group *	MC TB	Thailand	21.1	8.0	13.6	12.6	2.0	2.0	8.0	7.1	7.1	7.7
Average			13.7	28.7	28.8	23.4	8.4	10.8	13.2	11.8	2.3	2.6

Sources: Company data, *Thanachart estimates

Based on 13 July 2021 closing prices

STOCK PERFORMANCE

	Absolute (%)				Rel SET (%)			
	1M	3M	12M	YTD	1M	3M	12M	YTD
SET Index	(3.8)	1.9	17.1	8.4	—	—	—	—
Retail Sector	(3.0)	(1.6)	12.8	14.4	0.8	(3.5)	(4.3)	6.0
BJC	(6.8)	(7.5)	(12.8)	(2.2)	(3.0)	(9.4)	(30.0)	(10.6)
COM7	0.7	2.3	96.4	73.7	4.5	0.3	79.2	65.3
CPALL	(3.6)	(5.1)	(8.0)	3.9	0.2	(7.0)	(25.1)	(4.5)
CPN	(8.5)	(2.8)	4.1	7.3	(4.7)	(4.8)	(13.1)	(1.1)
CRC	(10.7)	0.8	11.7	8.9	(6.9)	(1.2)	(5.5)	0.6
GLOBAL	13.5	15.1	55.5	50.1	17.3	13.2	38.4	41.7
HMPRO	(3.4)	0.0	(9.6)	2.9	0.4	(1.9)	(26.8)	(5.5)
MAKRO	(2.7)	1.4	(18.0)	(7.6)	1.1	(0.5)	(35.1)	(16.0)
MC	(5.7)	(18.3)	(3.7)	(7.1)	(1.9)	(20.2)	(20.8)	(15.5)

Source: Bloomberg

SECTOR - SWOT ANALYSIS

S — Strength

- Market consolidation with a rapid transition to modern trade at the expense of traditional trade.
- A few key players are capturing more market share. High economies of scale raise bargaining power and erect barriers to new entrants.
- The sector is highly capital intensive. Thai retailers have strong financials, either via net cash or low gearing.

O — Opportunity

- Low penetration rate and rising spending power upcountry.
- Strong domestic economy and Thai populism.
- A further delay in the RWBA is likely.

W — Weakness

- Fierce competition by business nature.
- Limited pricing power.

T — Threat

- Economic slowdown, natural disasters and risk of theft.
- New competition in some segments, i.e., home improvement and small-format stores.
- Risk of government regulation and intervention.

REGIONAL COMPARISON

Name	— EPS growth —		— PE —		— P/BV —		— EV/EBITDA —		— Div. Yield —	
	21F	22F	21F	22F	21F	22F	21F	22F	21F	22F
	(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)
China	(31.6)	29.4	34.8	26.9	1.5	1.5	21.2	19.4	2.5	2.7
France	21.2	14.1	11.8	10.3	1.0	0.9	6.4	6.0	5.1	5.0
Indonesia	12.4	22.0	30.3	24.8	4.6	4.1	20.0	16.9	1.5	1.7
Japan	(3.7)	40.3	31.8	36.3	1.7	1.7	6.5	5.6	1.9	2.0
Singapore	37.4	20.1	17.4	14.5	4.0	3.6	12.6	11.5	4.3	4.9
South Korea	177.9	49.0	17.6	11.2	0.6	0.5	9.7	9.3	2.2	2.4
Taiwan	6.4	7.8	25.0	23.2	7.2	7.0	11.1	10.7	3.5	3.8
UK	(7.4)	45.5	17.3	12.0	1.1	1.2	7.3	6.6	2.4	3.7
USA	5.9	13.8	27.5	22.7	50.5	78.5	15.1	13.2	1.3	1.5
Thailand*	11.0	37.0	40.1	28.2	6.1	5.5	17.0	14.7	2.2	2.7
Average	23.0	27.9	25.4	21.0	7.8	10.5	12.7	11.4	2.7	3.0

Source: Bloomberg Consensus

Note : *Thanachart estimates

Berli Jucker

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	158,009	144,732	144,885	164,256	181,847
Cost of sales	127,120	117,253	117,087	133,151	147,645
Gross profit	30,889	27,479	27,798	31,105	34,202
% gross margin	19.5%	19.0%	19.2%	18.9%	18.8%
Selling & administration expenses	33,223	29,688	28,920	32,872	36,423
Operating profit	13,612	10,609	10,280	11,242	12,470
% operating margin	8.6%	7.3%	7.1%	6.8%	6.9%
Depreciation & amortization	7,652	8,904	9,564	9,965	10,452
EBITDA	21,264	19,512	19,844	21,207	22,922
% EBITDA margin	13.5%	13.5%	13.7%	12.9%	12.6%
Non-operating income	16,009	12,888	11,479	13,125	14,838
Non-operating expenses	0	0	0	0	0
Interest expense	(4,971)	(5,273)	(5,079)	(4,905)	(5,601)
Pre-tax profit	8,704	5,407	5,277	6,454	7,015
Income tax	820	787	686	839	912
After-tax profit	7,884	4,620	4,591	5,615	6,103
% net margin	5.0%	3.2%	3.2%	3.4%	3.4%
Shares in affiliates' Earnings	(128)	(156)	(218)	(240)	(264)
Minority interests	(496)	(551)	(480)	(480)	(480)
Extraordinary items	19	88	0	0	0
NET PROFIT	7,278	4,001	3,893	4,895	5,360
Normalized profit	7,260	3,914	3,893	4,895	5,360
EPS (Bt)	1.8	1.0	1.0	1.2	1.3
Normalized EPS (Bt)	1.8	1.0	1.0	1.2	1.3

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	42,921	37,708	36,925	42,472	46,717
Cash & cash equivalent	6,062	3,030	4,578	5,730	6,000
Account receivables	14,477	15,076	11,908	13,501	14,946
Inventories	22,019	19,359	20,210	22,982	25,484
Others	362	243	229	259	287
Investments & loans	3,041	2,786	2,786	2,786	2,786
Net fixed assets	67,375	65,266	63,853	62,041	62,729
Other assets	212,467	220,398	220,387	235,100	246,387
Total assets	325,804	326,157	323,950	342,398	358,618
LIABILITIES:					
Current liabilities:	75,881	65,363	58,814	64,819	70,032
Account payables	32,930	27,508	28,871	32,832	36,406
Bank overdraft & ST loans	5,586	18,009	14,566	15,592	16,449
Current LT debt	36,384	18,152	13,110	14,033	14,805
Others current liabilities	982	1,694	2,267	2,362	2,372
Total LT debt	115,603	118,109	117,986	126,297	133,241
Others LT liabilities	14,583	23,148	25,788	26,741	27,529
Total liabilities	206,068	206,621	202,587	217,857	230,801
Minority interest	4,690	4,859	5,339	5,819	6,299
Preferreds shares	0	0	0	0	0
Paid-up capital	4,007	4,008	3,991	3,991	3,991
Share premium	85,884	85,926	85,926	85,926	85,926
Warrants	172	223	223	223	223
Surplus	(668)	(708)	(708)	(708)	(708)
Retained earnings	25,651	25,228	26,591	29,289	32,085
Shareholders' equity	115,046	114,677	116,024	118,722	121,518
Liabilities & equity	325,804	326,157	323,950	342,398	358,618

Sources: Company data; Thanachart estimates

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CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	8,704	5,407	5,277	6,454	7,015
Tax paid	(968)	(726)	(734)	(752)	(870)
Depreciation & amortization	7,652	8,904	9,564	9,965	10,452
Chg In working capital	380	(3,360)	3,679	(404)	(374)
Chg In other CA & CL / minorities	(1,934)	(778)	(39)	(262)	(323)
Cash flow from operations	13,835	9,447	17,748	15,000	15,900
Capex	39,847	(6,641)	(5,658)	(5,643)	(8,628)
Right of use	0	(14,010)	(700)	(35)	(35)
ST loans & investments	0	(15)	15	0	0
LT loans & investments	283	255	0	0	0
Adj for asset revaluation	(2)	1	0	0	0
Chg In other assets & liabilities	(48,154)	15,517	1,298	(16,235)	(12,976)
Cash flow from investments	(8,026)	(4,892)	(5,045)	(21,912)	(21,638)
Debt financing	(2,209)	(3,216)	(8,608)	10,261	8,572
Capital increase	189	43	(16)	0	0
Dividends paid	(2,923)	3,646	(2,530)	(2,197)	(2,564)
Warrants & other surplus	(530)	(8,060)	0	0	0
Cash flow from financing	(5,472)	(7,587)	(11,154)	8,064	6,009
Free cash flow	53,682	2,806	12,090	9,358	7,272

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	18.7	34.7	34.9	27.7	25.3
Normalized PE - at target price (x)	16.5	30.6	30.8	24.5	22.3
PE (x)	18.6	33.9	34.9	27.7	25.3
PE - at target price (x)	16.5	29.9	30.8	24.5	22.3
EV/EBITDA (x)	13.5	14.7	13.9	13.5	12.8
EV/EBITDA - at target price (x)	12.8	13.9	13.1	12.7	12.1
P/BV (x)	1.2	1.2	1.2	1.1	1.1
P/BV - at target price (x)	1.0	1.0	1.0	1.0	1.0
P/CFO (x)	9.8	14.4	7.6	9.0	8.5
Price/sales (x)	0.9	0.9	0.9	0.8	0.7
Dividend yield (%)	2.7	2.3	1.4	1.8	2.0
FCF Yield (%)	39.6	2.1	8.9	6.9	5.4
(Bt)					
Normalized EPS	1.8	1.0	1.0	1.2	1.3
EPS	1.8	1.0	1.0	1.2	1.3
DPS	0.9	0.8	0.5	0.6	0.7
BV/share	28.8	28.7	29.1	29.7	30.4
CFO/share	3.5	2.4	4.4	3.8	4.0
FCF/share	13.4	0.7	3.0	2.3	1.8

Sources: Company data; Thanachart estimates

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FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	1.2	(8.4)	0.1	13.4	10.7
Net profit (%)	9.4	(45.0)	(2.7)	25.7	9.5
EPS (%)	9.4	(45.0)	(2.7)	25.7	9.5
Normalized profit (%)	14.0	(46.1)	(0.5)	25.7	9.5
Normalized EPS (%)	14.0	(46.1)	(0.5)	25.7	9.5
Dividend payout ratio (%)	49.9	77.8	50.0	50.0	50.0
Operating performance					
Gross margin (%)	19.5	19.0	19.2	18.9	18.8
Operating margin (%)	8.6	7.3	7.1	6.8	6.9
EBITDA margin (%)	13.5	13.5	13.7	12.9	12.6
Net margin (%)	5.0	3.2	3.2	3.4	3.4
D/E (incl. minor) (x)	1.3	1.3	1.2	1.3	1.3
Net D/E (incl. minor) (x)	1.3	1.3	1.2	1.2	1.2
Interest coverage - EBIT (x)	2.7	2.0	2.0	2.3	2.2
Interest coverage - EBITDA (x)	4.3	3.7	3.9	4.3	4.1
ROA - using norm profit (%)	2.2	1.2	1.2	1.5	1.5
ROE - using norm profit (%)	6.4	3.4	3.4	4.2	4.5
DuPont					
ROE - using after tax profit (%)	7.0	4.0	4.0	4.8	5.1
- asset turnover (x)	0.5	0.4	0.4	0.5	0.5
- operating margin (%)	8.7	7.4	7.1	6.9	6.9
- leverage (x)	2.9	2.8	2.8	2.8	2.9
- interest burden (%)	63.6	50.6	51.0	56.8	55.6
- tax burden (%)	90.6	85.4	87.0	87.0	87.0
WACC (%)	8.1	8.1	8.1	8.1	8.1
ROIC (%)	4.7	3.4	3.4	3.8	4.0
NOPAT (Bt m)	12,329	9,064	8,943	9,781	10,849
invested capital (Bt m)	266,558	265,917	257,108	268,915	280,013

Sources: Company data; Thanachart estimates

COM7 Pcl

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	33,362	37,306	44,825	52,686	59,357
Cost of sales	28,946	32,596	39,176	45,874	51,551
Gross profit	4,416	4,710	5,649	6,812	7,806
% gross margin	13.2%	12.6%	12.6%	12.9%	13.2%
Selling & administration expenses	2,925	2,986	3,248	3,552	3,777
Operating profit	1,491	1,724	2,401	3,260	4,029
% operating margin	4.5%	4.6%	5.4%	6.2%	6.8%
Depreciation & amortization	200	630	689	738	789
EBITDA	1,691	2,354	3,089	3,998	4,819
% EBITDA margin	5.1%	6.3%	6.9%	7.6%	8.1%
Non-operating income	28	47	56	66	74
Non-operating expenses	0	0	0	0	0
Interest expense	(52)	(53)	(52)	(52)	(35)
Pre-tax profit	1,467	1,718	2,405	3,274	4,069
Income tax	289	328	459	626	778
After-tax profit	1,178	1,390	1,945	2,648	3,292
% net margin	3.5%	3.7%	4.3%	5.0%	5.5%
Shares in affiliates' Earnings	39	64	100	102	104
Minority interests	1	(4)	(4)	(4)	(4)
Extraordinary items	(1)	41	0	0	0
NET PROFIT	1,216	1,491	2,041	2,746	3,392
Normalized profit	1,217	1,449	2,041	2,746	3,392
EPS (Bt)	1.0	1.2	1.7	2.3	2.8
Normalized EPS (Bt)	1.0	1.2	1.7	2.3	2.8

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	7,217	5,861	6,614	7,829	8,270
Cash & cash equivalent	1,304	1,121	1,000	1,400	1,200
Account receivables	926	864	1,039	1,221	1,375
Inventories	4,819	3,664	4,404	5,031	5,513
Others	167	211	172	177	182
Investments & loans	513	675	837	999	1,161
Net fixed assets	645	506	493	467	425
Other assets	785	2,165	1,970	1,758	1,493
Total assets	9,160	9,207	9,915	11,053	11,349
LIABILITIES:					
Current liabilities:	5,629	4,430	4,820	5,095	4,769
Account payables	3,349	2,464	2,962	3,531	3,968
Bank overdraft & ST loans	2,139	1,283	768	828	467
Current LT debt	0	0	0	0	0
Others current liabilities	142	683	1,090	736	334
Total LT debt	5	708	424	457	258
Others LT liabilities	149	198	177	208	234
Total liabilities	5,784	5,336	5,420	5,760	5,261
Minority interest	2	19	23	23	27
Preferreds shares	0	0	0	0	0
Paid-up capital	300	300	300	300	300
Share premium	899	899	899	899	899
Warrants	0	0	0	0	0
Surplus	0	(15)	(15)	(15)	(15)
Retained earnings	2,175	2,668	3,288	4,086	4,877
Shareholders' equity	3,374	3,852	4,472	5,270	6,061
Liabilities & equity	9,160	9,207	9,915	11,053	11,349

Sources: Company data; Thanachart estimates

COM7 Pcl

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	1,467	1,718	2,405	3,274	4,069
Tax paid	(266)	(276)	(450)	(581)	(757)
Depreciation & amortization	200	630	689	738	789
Chg In working capital	(567)	332	(416)	(240)	(199)
Chg In other CA & CL / minorities	1	492	492	(306)	(323)
Cash flow from operations	835	2,896	2,720	2,885	3,579
Capex	(155)	(28)	(180)	(190)	(200)
Right of use	0	(1,718)	(100)	(100)	(100)
ST loans & investments	(53)	36	44	0	0
LT loans & investments	(161)	(162)	(162)	(162)	(162)
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(60)	(46)	(223)	(179)	(156)
Cash flow from investments	(429)	(1,917)	(621)	(631)	(618)
Debt financing	452	(149)	(799)	93	(560)
Capital increase	0	0	0	0	0
Dividends paid	(600)	(960)	(1,422)	(1,947)	(2,601)
Warrants & other surplus	(13)	(52)	0	0	0
Cash flow from financing	(161)	(1,161)	(2,220)	(1,854)	(3,161)
Free cash flow	680	2,868	2,540	2,695	3,379

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	66.8	56.1	39.8	29.6	24.0
Normalized PE - at target price (x)	75.4	63.3	45.0	33.4	27.1
PE (x)	66.8	54.5	39.8	29.6	24.0
PE - at target price (x)	75.5	61.6	45.0	33.4	27.1
EV/EBITDA (x)	48.6	34.9	26.4	20.3	16.8
EV/EBITDA - at target price (x)	54.8	39.4	29.8	22.9	19.0
P/BV (x)	24.1	21.1	18.2	15.4	13.4
P/BV - at target price (x)	27.2	23.8	20.5	17.4	15.1
P/CFO (x)	97.4	28.1	29.9	28.2	22.7
Price/sales (x)	2.4	2.2	1.8	1.5	1.4
Dividend yield (%)	1.2	1.5	2.0	2.8	3.6
FCF Yield (%)	0.8	3.5	3.1	3.3	4.2
(Bt)					
Normalized EPS	1.0	1.2	1.7	2.3	2.8
EPS	1.0	1.2	1.7	2.3	2.8
DPS	0.8	1.0	1.4	1.9	2.5
BV/share	2.8	3.2	3.7	4.4	5.1
CFO/share	0.7	2.4	2.3	2.4	3.0
FCF/share	0.6	2.4	2.1	2.2	2.8

Sources: Company data; Thanachart estimates

COM7 Pcl

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	19.5	11.8	20.2	17.5	12.7
Net profit (%)	36.5	22.6	36.9	34.5	23.5
EPS (%)	36.5	22.6	36.9	34.5	23.5
Normalized profit (%)	37.8	19.1	40.8	34.5	23.5
Normalized EPS (%)	37.8	19.1	40.8	34.5	23.5
Dividend payout ratio (%)	78.9	80.5	80.5	82.0	87.0
Operating performance					
Gross margin (%)	13.2	12.6	12.6	12.9	13.2
Operating margin (%)	4.5	4.6	5.4	6.2	6.8
EBITDA margin (%)	5.1	6.3	6.9	7.6	8.1
Net margin (%)	3.5	3.7	4.3	5.0	5.5
D/E (incl. minor) (x)	0.6	0.5	0.3	0.2	0.1
Net D/E (incl. minor) (x)	0.2	0.2	0.0	(0.0)	(0.1)
Interest coverage - EBIT (x)	28.4	32.4	46.1	62.7	116.7
Interest coverage - EBITDA (x)	32.2	44.3	59.3	76.9	139.6
ROA - using norm profit (%)	14.5	15.8	21.3	26.2	30.3
ROE - using norm profit (%)	39.6	40.1	49.0	56.4	59.9
DuPont					
ROE - using after tax profit (%)	38.3	38.5	46.7	54.4	58.1
- asset turnover (x)	4.0	4.1	4.7	5.0	5.3
- operating margin (%)	4.6	4.7	5.5	6.3	6.9
- leverage (x)	2.7	2.5	2.3	2.2	2.0
- interest burden (%)	96.5	97.0	97.9	98.4	99.2
- tax burden (%)	80.3	80.9	80.9	80.9	80.9
WACC (%)	8.8	8.8	8.8	8.8	8.8
ROIC (%)	35.2	33.1	41.1	56.5	63.2
NOPAT (Bt m)	1,198	1,395	1,942	2,637	3,259
invested capital (Bt m)	4,213	4,721	4,663	5,155	5,586

Sources: Company data; Thanachart estimates

CP AII

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	570,712	546,207	557,846	613,546	679,744
Cost of sales	426,063	410,880	422,701	462,289	510,020
Gross profit	144,649	135,327	135,145	151,256	169,725
% gross margin	25.3%	24.8%	24.2%	24.7%	25.0%
Selling & administration expenses	111,562	107,858	110,075	121,036	133,534
Operating profit	33,087	27,469	25,070	30,220	36,191
% operating margin	5.8%	5.0%	4.5%	4.9%	5.3%
Depreciation & amortization	10,166	19,895	21,143	22,709	24,292
EBITDA	43,252	47,364	46,213	52,929	60,483
% EBITDA margin	7.6%	8.7%	8.3%	8.6%	8.9%
Non-operating income	295	157	219	275	316
Non-operating expenses	0	0	0	0	0
Interest expense	(6,721)	(8,526)	(11,543)	(9,620)	(8,922)
Pre-tax profit	26,660	19,100	13,746	20,876	27,585
Income tax	4,070	2,759	2,474	3,758	4,965
After-tax profit	22,591	16,340	11,272	17,118	22,620
% net margin	4.0%	3.0%	2.0%	2.8%	3.3%
Shares in affiliates' Earnings	0	(63)	(89)	970	1,544
Minority interests	(351)	(400)	(500)	(540)	(607)
Extraordinary items	104	226	0	0	0
NET PROFIT	22,343	16,102	10,682	17,548	23,557
Normalized profit	22,240	15,876	10,682	17,548	23,557
EPS (Bt)	2.4	1.7	1.1	1.8	2.5
Normalized EPS (Bt)	2.4	1.7	1.1	1.8	2.5

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	71,923	81,404	89,433	91,909	96,796
Cash & cash equivalent	30,519	40,626	46,627	45,037	45,037
Account receivables	1,718	1,650	1,685	1,854	2,054
Inventories	31,538	31,749	33,584	36,730	40,522
Others	8,148	7,379	7,537	8,289	9,183
Investments & loans	34	85,586	85,586	85,586	85,586
Net fixed assets	116,082	120,199	123,326	126,696	130,222
Other assets	187,578	236,165	232,669	228,443	223,043
Total assets	375,617	523,354	531,014	532,634	535,647
LIABILITIES:					
Current liabilities:	112,917	123,383	138,732	144,527	152,700
Account payables	78,550	72,778	75,276	82,326	90,825
Bank overdraft & ST loans	3,341	1,056	7,266	6,865	6,352
Current LT debt	12,528	19,825	23,495	22,198	20,539
Others current liabilities	18,498	29,723	32,695	33,137	34,984
Total LT debt	129,193	221,503	211,454	199,785	184,847
Others LT liabilities	25,139	66,874	65,030	61,494	57,384
Total liabilities	267,250	411,759	415,217	405,806	394,931
Minority interest	14,629	14,836	15,336	15,877	16,483
Preferreds shares	0	0	0	0	0
Paid-up capital	8,983	8,983	8,986	8,986	8,986
Share premium	1,684	1,684	1,684	1,684	1,684
Warrants	0	0	0	0	0
Surplus	16,318	16,833	16,833	16,833	16,833
Retained earnings	66,753	69,258	72,957	83,447	96,728
Shareholders' equity	93,739	96,759	100,461	110,951	124,232
Liabilities & equity	375,617	523,354	531,014	532,634	535,647

Sources: Company data; Thanachart estimates

CP AII

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	26,660	19,100	13,746	20,876	27,585
Tax paid	(3,932)	(3,082)	(2,317)	(3,693)	(4,771)
Depreciation & amortization	10,166	19,895	21,143	22,709	24,292
Chg In working capital	(1,887)	(5,915)	627	3,736	4,508
Chg In other CA & CL / minorities	(789)	11,869	2,441	498	2,212
Cash flow from operations	30,218	41,867	35,640	44,126	53,826
Capex	(14,960)	(15,009)	(14,510)	(15,390)	(16,200)
Right of use	0	(61,902)	(6,190)	(6,190)	(6,190)
ST loans & investments	0	0	0	0	0
LT loans & investments	0	(85,552)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	1,711	46,238	(1,791)	(3,711)	(4,048)
Cash flow from investments	(13,250)	(116,225)	(22,491)	(25,291)	(26,438)
Debt financing	(8,505)	97,547	(168)	(13,367)	(17,111)
Capital increase	0	0	3	0	0
Dividends paid	(10,780)	(11,229)	(6,983)	(7,057)	(10,276)
Warrants & other surplus	(2,655)	(1,854)	0	0	0
Cash flow from financing	(21,940)	84,465	(7,148)	(20,425)	(27,388)
Free cash flow	15,258	26,858	21,130	28,736	37,626

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	25.6	36.6	56.2	32.9	24.1
Normalized PE - at target price (x)	30.9	44.1	67.8	39.6	29.1
PE (x)	25.5	36.0	56.2	32.9	24.1
PE - at target price (x)	30.7	43.4	67.8	39.6	29.1
EV/EBITDA (x)	15.2	15.7	16.0	13.7	11.7
EV/EBITDA - at target price (x)	17.8	18.1	18.4	15.9	13.6
P/BV (x)	5.8	5.6	5.4	4.9	4.4
P/BV - at target price (x)	7.0	6.8	6.5	5.9	5.3
P/CFO (x)	18.0	13.0	15.3	12.3	10.1
Price/sales (x)	1.0	1.0	1.0	0.9	0.8
Dividend yield (%)	2.1	1.5	0.9	1.5	2.1
FCF Yield (%)	2.8	4.9	3.9	5.3	6.9
(Bt)					
Normalized EPS	2.4	1.7	1.1	1.8	2.5
EPS	2.4	1.7	1.1	1.8	2.5
DPS	1.3	0.9	0.5	0.9	1.3
BV/share	10.4	10.8	11.2	12.3	13.8
CFO/share	3.4	4.7	4.0	4.9	6.0
FCF/share	1.7	3.0	2.4	3.2	4.2

Sources: Company data; Thanachart estimates

CP AII

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	8.2	(4.3)	2.1	10.0	10.8
Net profit (%)	6.8	(27.9)	(33.7)	64.3	34.2
EPS (%)	2.0	(29.3)	(35.9)	70.9	36.3
Normalized profit (%)	6.5	(28.6)	(32.7)	64.3	34.2
Normalized EPS (%)	1.7	(30.0)	(34.9)	70.9	36.3
Dividend payout ratio (%)	52.6	53.6	50.0	50.0	50.0
Operating performance					
Gross margin (%)	25.3	24.8	24.2	24.7	25.0
Operating margin (%)	5.8	5.0	4.5	4.9	5.3
EBITDA margin (%)	7.6	8.7	8.3	8.6	8.9
Net margin (%)	4.0	3.0	2.0	2.8	3.3
D/E (incl. minor) (x)	1.3	2.2	2.1	1.8	1.5
Net D/E (incl. minor) (x)	1.1	1.8	1.7	1.4	1.2
Interest coverage - EBIT (x)	4.9	3.2	2.2	3.1	4.1
Interest coverage - EBITDA (x)	6.4	5.6	4.0	5.5	6.8
ROA - using norm profit (%)	5.9	3.5	2.0	3.3	4.4
ROE - using norm profit (%)	24.9	16.7	10.8	16.6	20.0
DuPont					
ROE - using after tax profit (%)	25.3	17.2	11.4	16.2	19.2
- asset turnover (x)	1.5	1.2	1.1	1.2	1.3
- operating margin (%)	5.8	5.1	4.5	5.0	5.4
- leverage (x)	4.2	4.7	5.3	5.0	4.5
- interest burden (%)	79.9	69.1	54.4	68.5	75.6
- tax burden (%)	84.7	85.6	82.0	82.0	82.0
WACC (%)	8.2	8.2	8.2	8.2	8.2
ROIC (%)	13.8	11.3	6.9	8.4	10.1
NOPAT (Bt m)	28,036	23,500	20,557	24,781	29,677
invested capital (Bt m)	208,283	298,517	296,050	294,763	290,933

Sources: Company data; Thanachart estimates

Central Pattana

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	36,719	26,730	27,146	32,158	37,132
Cost of sales	18,086	15,037	15,900	17,783	19,700
Gross profit	18,633	11,693	11,246	14,375	17,431
% gross margin	50.7%	43.7%	41.4%	44.7%	46.9%
Selling & administration expenses	6,839	5,241	5,565	6,271	6,869
Operating profit	11,794	6,452	5,681	8,104	10,562
% operating margin	32.1%	24.1%	20.9%	25.2%	28.4%
Depreciation & amortization	7,117	7,906	9,040	9,464	10,385
EBITDA	18,911	14,359	14,721	17,568	20,947
% EBITDA margin	51.5%	53.7%	54.2%	54.6%	56.4%
Non-operating income	1,572	1,260	1,171	1,233	1,302
Non-operating expenses	0	0	0	0	0
Interest expense	(811)	(1,865)	(1,715)	(1,896)	(2,065)
Pre-tax profit	12,555	5,848	5,137	7,441	9,799
Income tax	2,277	1,301	1,130	1,637	2,156
After-tax profit	10,278	4,547	4,007	5,804	7,643
% net margin	28.0%	17.0%	14.8%	18.0%	20.6%
Shares in affiliates' Earnings	1,292	772	961	1,386	1,476
Minority interests	(71)	(60)	(81)	(91)	(101)
Extraordinary items	239	4,299	3,773	1,555	1,555
NET PROFIT	11,738	9,557	8,661	8,655	10,573
Normalized profit	11,499	5,258	4,887	7,099	9,018
EPS (Bt)	2.6	2.1	1.9	1.9	2.4
Normalized EPS (Bt)	2.6	1.2	1.1	1.6	2.0

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	16,378	23,886	20,773	23,056	25,233
Cash & cash equivalent	3,055	9,225	8,595	8,829	9,006
Account receivables	1,356	3,571	1,116	1,322	1,526
Inventories	0	0	0	0	0
Others	11,968	11,090	11,062	12,905	14,701
Investments & loans	17,333	9,117	9,117	9,117	9,117
Net fixed assets	126,882	106,793	118,352	131,572	153,447
Other assets	9,339	81,977	72,590	76,711	80,713
Total assets	169,933	221,774	220,833	240,457	268,511
LIABILITIES:					
Current liabilities:	21,075	30,554	25,944	29,602	35,181
Account payables	7,258	5,824	6,534	7,308	8,096
Bank overdraft & ST loans	4,970	11,732	6,306	7,124	9,161
Current LT debt	3,769	6,173	7,147	8,073	10,383
Others current liabilities	5,078	6,825	5,957	7,097	7,541
Total LT debt	24,471	27,630	28,586	32,293	41,531
Others LT liabilities	43,925	86,466	83,308	89,851	96,259
Total liabilities	89,471	144,650	137,838	151,746	172,972
Minority interest	8,334	8,333	8,414	8,505	8,606
Preferreds shares	0	0	0	0	0
Paid-up capital	2,244	2,244	2,244	2,244	2,244
Share premium	8,559	8,559	8,559	8,559	8,559
Warrants	0	0	0	0	0
Surplus	(356)	(932)	(932)	(932)	(932)
Retained earnings	61,681	58,920	64,711	70,335	77,063
Shareholders' equity	72,128	68,790	74,581	80,205	86,933
Liabilities & equity	169,933	221,774	220,833	240,457	268,511

Sources: Company data; Thanachart estimates

Central Pattana

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	12,555	5,848	5,137	7,441	9,799
Tax paid	(2,018)	(1,739)	(1,028)	(1,585)	(2,025)
Depreciation & amortization	7,117	7,906	9,040	9,464	10,385
Chg In working capital	(781)	(3,649)	3,166	568	584
Chg In other CA & CL / minorities	(1,048)	4,533	(1,033)	(180)	(893)
Cash flow from operations	15,824	12,899	15,282	15,708	17,850
Capex	(9,855)	12,183	(17,100)	(19,400)	(28,900)
Right of use	0	(56,431)	11,286	(1,693)	(1,693)
ST loans & investments	0	0	0	0	0
LT loans & investments	(834)	8,216	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(2,623)	29,874	(3,731)	3,198	3,180
Cash flow from investments	(13,312)	(6,158)	(9,545)	(17,895)	(27,413)
Debt financing	2,812	12,325	(3,496)	5,451	13,585
Capital increase	0	0	0	0	0
Dividends paid	(5,015)	(3,633)	(2,870)	(3,030)	(3,846)
Warrants & other surplus	(48)	(9,262)	0	0	0
Cash flow from financing	(2,251)	(570)	(6,366)	2,421	9,739
Free cash flow	5,970	25,082	(1,818)	(3,692)	(11,050)

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	20.0	43.7	47.1	32.4	25.5
Normalized PE - at target price (x)	23.4	51.2	55.1	37.9	29.9
PE (x)	19.6	24.1	26.6	26.6	21.8
PE - at target price (x)	22.9	28.2	31.1	31.1	25.5
EV/EBITDA (x)	13.8	18.5	17.9	15.3	13.5
EV/EBITDA - at target price (x)	15.8	21.3	20.6	17.5	15.3
P/BV (x)	3.2	3.3	3.1	2.9	2.6
P/BV - at target price (x)	3.7	3.9	3.6	3.4	3.1
P/CFO (x)	14.5	17.8	15.1	14.6	12.9
Price/sales (x)	6.3	8.6	8.5	7.2	6.2
Dividend yield (%)	1.6	1.4	1.1	1.5	1.8
FCF Yield (%)	2.6	10.9	(0.8)	(1.6)	(4.8)
(Bt)					
Normalized EPS	2.6	1.2	1.1	1.6	2.0
EPS	2.6	2.1	1.9	1.9	2.4
DPS	0.8	0.7	0.6	0.8	0.9
BV/share	16.1	15.3	16.6	17.9	19.4
CFO/share	3.5	2.9	3.4	3.5	4.0
FCF/share	1.3	5.6	(0.4)	(0.8)	(2.5)

Sources: Company data; Thanachart estimates

Central Pattana

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	8.9	(27.2)	1.6	18.5	15.5
Net profit (%)	4.7	(18.6)	(9.4)	(0.1)	22.2
EPS (%)	4.7	(18.6)	(9.4)	(0.1)	22.2
Normalized profit (%)	6.3	(54.3)	(7.1)	45.3	27.0
Normalized EPS (%)	6.3	(54.3)	(7.1)	45.3	27.0
Dividend payout ratio (%)	30.6	32.9	30.0	40.0	40.0
Operating performance					
Gross margin (%)	50.7	43.7	41.4	44.7	46.9
Operating margin (%)	32.1	24.1	20.9	25.2	28.4
EBITDA margin (%)	51.5	53.7	54.2	54.6	56.4
Net margin (%)	28.0	17.0	14.8	18.0	20.6
D/E (incl. minor) (x)	0.4	0.6	0.5	0.5	0.6
Net D/E (incl. minor) (x)	0.4	0.5	0.4	0.4	0.5
Interest coverage - EBIT (x)	14.5	3.5	3.3	4.3	5.1
Interest coverage - EBITDA (x)	23.3	7.7	8.6	9.3	10.1
ROA - using norm profit (%)	6.9	2.7	2.2	3.1	3.5
ROE - using norm profit (%)	16.7	7.5	6.8	9.2	10.8
DuPont					
ROE - using after tax profit (%)	14.9	6.5	5.6	7.5	9.1
- asset turnover (x)	0.2	0.1	0.1	0.1	0.1
- operating margin (%)	36.4	28.9	25.2	29.0	32.0
- leverage (x)	2.4	2.8	3.1	3.0	3.0
- interest burden (%)	93.9	75.8	75.0	79.7	82.6
- tax burden (%)	81.9	77.8	78.0	78.0	78.0
WACC (%)	7.4	7.4	7.4	7.4	7.4
ROIC (%)	10.4	4.9	4.2	5.9	6.9
NOPAT (Bt m)	9,656	5,017	4,431	6,321	8,238
invested capital (Bt m)	102,284	105,100	108,024	118,866	139,002

Sources: Company data; Thanachart estimates

Central Retail Corp.

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	204,009	179,947	176,854	208,355	232,378
Cost of sales	144,856	134,948	131,556	152,144	168,174
Gross profit	59,153	44,999	45,298	56,211	64,204
% gross margin	29.0%	25.0%	25.6%	27.0%	27.6%
Selling & administration expenses	62,332	57,088	53,459	62,825	69,810
Operating profit	12,016	1,973	5,998	9,726	12,244
% operating margin	5.9%	1.1%	3.4%	4.7%	5.3%
Depreciation & amortization	9,874	16,558	16,576	17,428	18,205
EBITDA	21,889	18,531	22,574	27,155	30,448
% EBITDA margin	10.7%	10.3%	12.8%	13.0%	13.1%
Non-operating income	15,446	14,364	14,428	16,621	18,144
Non-operating expenses	0	0	0	0	0
Interest expense	(1,085)	(2,950)	(2,939)	(3,080)	(3,240)
Pre-tax profit	11,181	(675)	3,328	6,927	9,298
Income tax	2,495	(884)	666	1,385	1,860
After-tax profit	8,686	209	2,663	5,542	7,438
% net margin	4.3%	0.1%	1.5%	2.7%	3.2%
Shares in affiliates' Earnings	391	132	320	400	400
Minority interests	(1,726)	(295)	(240)	(282)	(314)
Extraordinary items	3,283	0	0	0	0
NET PROFIT	10,633	46	2,743	5,660	7,524
Normalized profit	7,351	46	2,743	5,660	7,524
EPS (Bt)	2.3	0.0	0.5	0.9	1.2
Normalized EPS (Bt)	1.6	0.0	0.5	0.9	1.2

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	65,785	67,177	67,651	79,131	86,465
Cash & cash equivalent	11,676	17,742	18,181	19,204	20,040
Account receivables	4,383	4,570	4,845	6,850	7,640
Inventories	37,436	34,296	34,241	40,850	45,154
Others	12,290	10,570	10,384	12,227	13,632
Investments & loans	1,190	2,634	2,634	2,634	2,634
Net fixed assets	41,862	41,654	47,540	55,450	60,678
Other assets	74,669	127,715	126,092	121,741	113,751
Total assets	183,505	239,180	243,916	258,955	263,528
LIABILITIES:					
Current liabilities:	119,513	89,049	90,340	100,273	105,607
Account payables	37,101	31,569	23,428	27,094	29,949
Bank overdraft & ST loans	51,104	31,625	33,487	40,147	39,540
Current LT debt	429	2,763	3,349	4,015	3,954
Others current liabilities	30,880	23,091	30,076	29,017	32,165
Total LT debt	9,395	29,492	30,139	36,132	35,586
Others LT liabilities	17,078	64,924	66,495	61,345	55,929
Total liabilities	145,986	183,465	186,974	197,751	197,122
Minority interest	12,709	2,321	2,561	2,843	3,157
Preferreds shares	0	0	0	0	0
Paid-up capital	4,700	6,031	6,031	6,031	6,031
Share premium	13,039	66,885	66,885	66,885	66,885
Warrants	0	0	0	0	0
Surplus	(6,110)	(30,299)	(30,299)	(30,299)	(30,299)
Retained earnings	13,181	10,777	11,765	15,744	20,632
Shareholders' equity	24,810	53,394	54,382	58,361	63,248
Liabilities & equity	183,505	239,180	243,916	258,955	263,528

Sources: Company data, Thanachart estimates

Central Retail Corp.

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	11,181	(675)	3,328	6,927	9,298
Tax paid	(2,898)	108	(338)	(1,499)	(1,712)
Depreciation & amortization	9,874	16,558	16,576	17,428	18,205
Chg In working capital	(4,060)	(2,578)	(8,362)	(4,947)	(2,239)
Chg In other CA & CL / minorities	11,651	(14,761)	6,179	(3,414)	1,185
Cash flow from operations	25,748	(1,349)	17,383	14,495	24,736
Capex	(1,464)	(16,350)	(13,500)	(16,577)	(15,000)
Right of use	0	(67,029)	(3,351)	(168)	(168)
ST loans & investments	64	(4)	5	0	0
LT loans & investments	4,799	(1,443)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(7,901)	60,750	(1,436)	(8,367)	(4,881)
Cash flow from investments	(4,502)	(24,076)	(18,283)	(25,111)	(20,049)
Debt financing	18,810	2,953	3,094	13,320	(1,215)
Capital increase	0	55,177	0	0	0
Dividends paid	(22,695)	(12,187)	(1,755)	(1,680)	(2,637)
Warrants & other surplus	(18,485)	(14,452)	0	0	0
Cash flow from financing	(22,371)	31,491	1,340	11,639	(3,851)
Free cash flow	24,285	(17,699)	3,883	(2,082)	9,736

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	21.4	4,235.3	73.7	35.7	26.9
Normalized PE - at target price (x)	23.7	4,677.8	81.4	39.4	29.7
PE (x)	14.8	4,235.3	73.7	35.7	26.9
PE - at target price (x)	16.4	4,677.8	81.4	39.4	29.7
EV/EBITDA (x)	9.4	13.1	11.1	9.7	8.6
EV/EBITDA - at target price (x)	10.2	14.2	12.0	10.5	9.3
P/BV (x)	6.3	3.8	3.7	3.5	3.2
P/BV - at target price (x)	7.0	4.2	4.1	3.8	3.5
P/CFO (x)	6.1	(145.2)	11.6	13.9	8.2
Price/sales (x)	1.0	1.1	1.1	1.0	0.9
Dividend yield (%)	0.0	1.2	0.5	1.1	1.5
FCF Yield (%)	15.4	(9.0)	1.9	(1.0)	4.8
(Bt)					
Normalized EPS	1.6	0.0	0.5	0.9	1.2
EPS	2.3	0.0	0.5	0.9	1.2
DPS	0.0	0.4	0.2	0.4	0.5
BV/share	5.3	8.9	9.0	9.7	10.5
CFO/share	5.5	(0.2)	2.9	2.4	4.1
FCF/share	5.2	(3.0)	0.6	(0.3)	1.6

Sources: Company data, Thanachart estimates

Central Retail Corp.

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	8.3	(11.8)	(1.7)	17.8	11.5
Net profit (%)	(2.7)	(99.6)	5,828.0	106.4	33.0
EPS (%)	(2.7)	(99.7)	5,649.4	106.4	33.0
Normalized profit (%)	11.8	(99.4)	5,828.0	106.4	33.0
Normalized EPS (%)	11.8	(99.5)	5,649.4	106.4	33.0
Dividend payout ratio (%)	0.0	5,214.2	40.0	40.0	40.0
Operating performance					
Gross margin (%)	29.0	25.0	25.6	27.0	27.6
Operating margin (%)	5.9	1.1	3.4	4.7	5.3
EBITDA margin (%)	10.7	10.3	12.8	13.0	13.1
Net margin (%)	4.3	0.1	1.5	2.7	3.2
D/E (incl. minor) (x)	1.6	1.1	1.2	1.3	1.2
Net D/E (incl. minor) (x)	1.3	0.8	0.9	1.0	0.9
Interest coverage - EBIT (x)	11.1	0.7	2.0	3.2	3.8
Interest coverage - EBITDA (x)	20.2	6.3	7.7	8.8	9.4
ROA - using norm profit (%)	4.1	0.0	1.1	2.3	2.9
ROE - using norm profit (%)	18.3	0.1	5.1	10.0	12.4
DuPont					
ROE - using after tax profit (%)	21.7	0.5	4.9	9.8	12.2
- asset turnover (x)	1.1	0.9	0.7	0.8	0.9
- operating margin (%)	6.0	na	3.5	4.8	5.4
- leverage (x)	4.5	5.4	4.5	4.5	4.3
- interest burden (%)	91.2	(29.7)	53.1	69.2	74.2
- tax burden (%)	77.7	na	80.0	80.0	80.0
WACC (%)	7.9	7.9	7.9	7.9	7.9
ROIC (%)	11.0	2.7	4.8	7.5	8.2
NOPAT (Bt m)	9,334	1,973	4,798	7,781	9,795
invested capital (Bt m)	74,061	99,532	103,175	119,451	122,288

Sources: Company data, Thanachart estimates

Siam Global House

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	28,081	26,803	31,813	34,546	38,086
Cost of sales	21,741	20,401	23,927	25,879	28,357
Gross profit	6,340	6,402	7,886	8,667	9,729
% gross margin	22.6%	23.9%	24.8%	25.1%	25.5%
Selling & administration expenses	4,038	4,301	4,740	4,906	5,142
Operating profit	2,302	2,101	3,146	3,762	4,588
% operating margin	8.2%	7.8%	9.9%	10.9%	12.0%
Depreciation & amortization	931	1,164	1,260	1,363	1,472
EBITDA	3,232	3,265	4,406	5,124	6,060
% EBITDA margin	11.5%	12.2%	13.8%	14.8%	15.9%
Non-operating income	544	552	636	691	762
Non-operating expenses	0	0	0	0	0
Interest expense	(268)	(246)	(258)	(264)	(293)
Pre-tax profit	2,577	2,407	3,524	4,188	5,057
Income tax	493	455	670	817	1,011
After-tax profit	2,085	1,952	2,855	3,372	4,045
% net margin	7.4%	7.3%	9.0%	9.8%	10.6%
Shares in affiliates' Earnings	29	23	28	30	33
Minority interests	(21)	(20)	(24)	(29)	(35)
Extraordinary items	0	0	0	0	0
NET PROFIT	2,093	1,956	2,858	3,373	4,043
Normalized profit	2,093	1,956	2,858	3,373	4,043
EPS (Bt)	0.5	0.4	0.6	0.7	0.9
Normalized EPS (Bt)	0.5	0.4	0.6	0.7	0.9

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	18,179	16,184	17,672	17,960	18,859
Cash & cash equivalent	1,299	1,224	1,287	1,178	1,234
Account receivables	1,271	666	1,307	1,893	2,087
Inventories	15,603	14,287	15,077	14,889	15,538
Others	7	7	0	0	0
Investments & loans	815	838	838	838	838
Net fixed assets	16,105	17,148	17,963	18,678	19,537
Other assets	887	1,850	1,948	1,992	2,051
Total assets	35,986	36,020	38,421	39,469	41,286
LIABILITIES:					
Current liabilities:	18,824	15,261	16,388	15,420	14,756
Account payables	3,399	2,988	3,605	3,900	4,273
Bank overdraft & ST loans	14,220	11,193	11,117	9,993	9,039
Current LT debt	953	884	1,390	1,249	1,130
Others current liabilities	252	197	276	278	314
Total LT debt	833	2,303	1,390	1,249	1,130
Others LT liabilities	198	1,242	1,425	1,428	1,432
Total liabilities	19,855	18,806	19,203	18,096	17,318
Minority interest	219	233	257	286	321
Preferreds shares	0	0	0	0	0
Paid-up capital	4,202	4,402	4,602	4,602	4,602
Share premium	4,739	4,739	4,739	4,739	4,739
Warrants	0	0	0	0	0
Surplus	2	(5)	(5)	(5)	(5)
Retained earnings	6,969	7,845	9,624	11,751	14,311
Shareholders' equity	15,912	16,981	18,960	21,087	23,647
Liabilities & equity	35,986	36,020	38,421	39,469	41,286

Sources: Company data; Thanachart estimates

Siam Global House

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	2,577	2,407	3,524	4,188	5,057
Tax paid	(457)	(502)	(614)	(809)	(980)
Depreciation & amortization	931	1,164	1,260	1,363	1,472
Chg In working capital	(1,623)	1,510	(814)	(103)	(469)
Chg In other CA & CL / minorities	45	(63)	(44)	(63)	(35)
Cash flow from operations	1,473	4,515	3,311	4,575	5,044
Capex	(2,577)	(2,207)	(2,000)	(2,000)	(2,250)
Right of use	0	(1,270)	(64)	(64)	(64)
ST loans & investments	0	0	7	0	0
LT loans & investments	(29)	(23)	0	0	0
Adj for asset revaluation	3	(7)	0	0	0
Chg In other assets & liabilities	(449)	1,424	170	31	1
Cash flow from investments	(3,052)	(2,083)	(1,887)	(2,032)	(2,313)
Debt financing	3,074	(1,627)	(483)	(1,406)	(1,192)
Capital increase	200	200	200	0	0
Dividends paid	(823)	(863)	(1,079)	(1,246)	(1,483)
Warrants & other surplus	(235)	(218)	0	0	0
Cash flow from financing	2,217	(2,507)	(1,361)	(2,652)	(2,675)
Free cash flow	(1,104)	2,309	1,311	2,575	2,794

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	53.3	57.2	39.3	33.3	27.8
Normalized PE - at target price (x)	60.0	64.5	44.2	37.5	31.3
PE (x)	53.3	57.2	39.3	33.3	27.8
PE - at target price (x)	60.0	64.5	44.2	37.5	31.3
EV/EBITDA (x)	39.1	38.3	28.3	24.1	20.2
EV/EBITDA - at target price (x)	43.4	42.7	31.6	26.9	22.5
P/BV (x)	7.0	6.6	5.9	5.3	4.7
P/BV - at target price (x)	7.9	7.4	6.7	6.0	5.4
P/CFO (x)	75.7	24.8	33.9	24.5	22.3
Price/sales (x)	4.0	4.2	3.5	3.3	2.9
Dividend yield (%)	0.8	0.9	1.0	1.2	1.4
FCF Yield (%)	(1.0)	2.1	1.2	2.3	2.5
(Bt)					
Normalized EPS	0.5	0.4	0.6	0.7	0.9
EPS	0.5	0.4	0.6	0.7	0.9
DPS	0.2	0.2	0.2	0.3	0.4
BV/share	3.5	3.7	4.1	4.6	5.1
CFO/share	0.3	1.0	0.7	1.0	1.1
FCF/share	(0.2)	0.5	0.3	0.6	0.6

Sources: Company data; Thanachart estimates

Siam Global House

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	10.5	(4.6)	18.7	8.6	10.2
Net profit (%)	4.5	(6.6)	46.1	18.0	19.9
EPS (%)	4.2	(6.9)	45.7	17.9	19.9
Normalized profit (%)	4.5	(6.6)	46.1	18.0	19.9
Normalized EPS (%)	4.2	(6.9)	45.7	17.9	19.9
Dividend payout ratio (%)	41.2	51.9	40.0	40.0	40.0
Operating performance					
Gross margin (%)	22.6	23.9	24.8	25.1	25.5
Operating margin (%)	8.2	7.8	9.9	10.9	12.0
EBITDA margin (%)	11.5	12.2	13.8	14.8	15.9
Net margin (%)	7.4	7.3	9.0	9.8	10.6
D/E (incl. minor) (x)	1.0	0.8	0.7	0.6	0.5
Net D/E (incl. minor) (x)	0.9	0.8	0.7	0.5	0.4
Interest coverage - EBIT (x)	8.6	8.5	12.2	14.2	15.7
Interest coverage - EBITDA (x)	12.1	13.3	17.1	19.4	20.7
ROA - using norm profit (%)	6.2	5.4	7.7	8.7	10.0
ROE - using norm profit (%)	13.7	11.9	15.9	16.8	18.1
DuPont					
ROE - using after tax profit (%)	13.6	11.9	15.9	16.8	18.1
- asset turnover (x)	0.8	0.7	0.9	0.9	0.9
- operating margin (%)	10.1	9.9	11.9	12.9	14.0
- leverage (x)	2.2	2.2	2.1	1.9	1.8
- interest burden (%)	90.6	90.7	93.2	94.1	94.5
- tax burden (%)	80.9	81.1	81.0	80.5	80.0
WACC (%)	7.2	7.2	7.2	7.2	7.2
ROIC (%)	6.9	5.6	8.5	9.6	11.3
NOPAT (Bt m)	1,862	1,704	2,548	3,028	3,670
invested capital (Bt m)	30,619	30,136	31,570	32,400	33,712

Sources: Company data; Thanachart estimates

Home Product Cen.

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	65,253	59,874	62,154	65,822	70,873
Cost of sales	47,470	44,152	45,367	47,764	51,148
Gross profit	17,783	15,722	16,787	18,057	19,725
% gross margin	27.3%	26.3%	27.0%	27.4%	27.8%
Selling & administration expenses	11,927	10,957	11,282	11,630	12,012
Operating profit	7,977	6,641	7,551	8,627	10,117
% operating margin	12.2%	11.1%	12.1%	13.1%	14.3%
Depreciation & amortization	2,942	3,182	3,427	3,632	3,802
EBITDA	10,919	9,822	10,978	12,259	13,920
% EBITDA margin	16.7%	16.4%	17.7%	18.6%	19.6%
Non-operating income	2,171	1,891	2,046	2,200	2,404
Non-operating expenses	(18)	(8)	0	0	0
Interest expense	(405)	(459)	(378)	(315)	(282)
Pre-tax profit	7,604	6,190	7,173	8,312	9,835
Income tax	1,427	1,035	1,363	1,579	1,869
After-tax profit	6,177	5,155	5,810	6,733	7,966
% net margin	9.5%	8.6%	9.3%	10.2%	11.2%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	0	0	0	0	0
Extraordinary items	0	0	0	0	0
NET PROFIT	6,177	5,155	5,810	6,733	7,966
Normalized profit	6,177	5,155	5,810	6,733	7,966
EPS (Bt)	0.5	0.4	0.4	0.5	0.6
Normalized EPS (Bt)	0.5	0.4	0.4	0.5	0.6

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	15,690	15,828	15,778	16,600	17,401
Cash & cash equivalent	2,860	3,283	3,389	3,542	3,598
Account receivables	1,912	1,769	1,873	1,984	1,942
Inventories	10,421	10,345	10,068	10,600	11,351
Others	496	432	448	475	511
Investments & loans	0	0	0	0	0
Net fixed assets	35,707	28,741	29,611	30,982	30,734
Other assets	652	11,521	11,736	11,779	11,947
Total assets	52,049	56,091	57,125	59,361	60,082
LIABILITIES:					
Current liabilities:	22,289	20,610	20,954	21,759	21,879
Account payables	14,069	13,050	13,672	14,395	15,414
Bank overdraft & ST loans	281	1,249	579	570	453
Current LT debt	6,020	4,075	4,404	4,334	3,441
Others current liabilities	1,919	2,236	2,298	2,459	2,571
Total LT debt	7,072	8,056	6,606	6,502	5,161
Others LT liabilities	1,550	5,860	7,309	7,129	6,982
Total liabilities	30,911	34,526	34,868	35,389	34,023
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	13,151	13,151	13,151	13,151	13,151
Share premium	646	646	646	646	646
Warrants	0	0	0	0	0
Surplus	(61)	(57)	(57)	(57)	(57)
Retained earnings	7,402	7,824	8,516	10,231	12,318
Shareholders' equity	21,138	21,565	22,257	23,972	26,059
Liabilities & equity	52,049	56,091	57,125	59,361	60,082

Sources: Company data; Thanachart estimates

Home Product Cen.

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	7,604	6,190	7,173	8,312	9,835
Tax paid	(1,404)	(998)	(1,384)	(1,522)	(1,832)
Depreciation & amortization	2,942	3,182	3,427	3,632	3,802
Chg In working capital	(391)	(799)	795	80	311
Chg In other CA & CL / minorities	(312)	267	(28)	(28)	(55)
Cash flow from operations	8,439	7,842	9,983	10,474	12,061
Capex	(3,254)	3,784	(4,000)	(4,700)	(3,250)
Right of use	0	(6,112)	(306)	(15)	(15)
ST loans & investments	0	0	0	0	0
LT loans & investments	0	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	269	(371)	1,338	(407)	(509)
Cash flow from investments	(2,985)	(2,699)	(2,968)	(5,122)	(3,774)
Debt financing	(3,879)	7	(1,791)	(182)	(2,351)
Capital increase	0	0	0	0	0
Dividends paid	(4,866)	(4,076)	(4,297)	(5,017)	(5,880)
Warrants & other surplus	(0)	5	(822)	0	0
Cash flow from financing	(8,746)	(4,064)	(6,909)	(5,200)	(8,231)
Free cash flow	5,186	11,627	5,983	5,774	8,811

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	30.0	36.0	31.9	27.5	23.3
Normalized PE - at target price (x)	40.5	48.5	43.0	37.1	31.4
PE (x)	30.0	36.0	31.9	27.5	23.3
PE - at target price (x)	40.5	48.5	43.0	37.1	31.4
EV/EBITDA (x)	17.9	19.9	17.6	15.8	13.7
EV/EBITDA - at target price (x)	23.8	26.5	23.5	21.0	18.3
P/BV (x)	8.8	8.6	8.3	7.7	7.1
P/BV - at target price (x)	11.8	11.6	11.2	10.4	9.6
P/CFO (x)	22.0	23.6	18.6	17.7	15.4
Price/sales (x)	2.8	3.1	3.0	2.8	2.6
Dividend yield (%)	2.7	2.1	2.5	2.9	3.4
FCF Yield (%)	2.8	6.3	3.2	3.1	4.8
(Bt)					
Normalized EPS	0.5	0.4	0.4	0.5	0.6
EPS	0.5	0.4	0.4	0.5	0.6
DPS	0.4	0.3	0.4	0.4	0.5
BV/share	1.6	1.6	1.7	1.8	2.0
CFO/share	0.6	0.6	0.8	0.8	0.9
FCF/share	0.4	0.9	0.5	0.4	0.7

Sources: Company data; Thanachart estimates

Home Product Cen.

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	2.1	(8.2)	3.8	5.9	7.7
Net profit (%)	10.0	(16.5)	12.7	15.9	18.3
EPS (%)	10.0	(16.5)	12.7	15.9	18.3
Normalized profit (%)	10.0	(16.5)	12.7	15.9	18.3
Normalized EPS (%)	10.0	(16.5)	12.7	15.9	18.3
Dividend payout ratio (%)	80.9	76.5	80.0	80.0	80.0
Operating performance					
Gross margin (%)	27.3	26.3	27.0	27.4	27.8
Operating margin (%)	12.2	11.1	12.1	13.1	14.3
EBITDA margin (%)	16.7	16.4	17.7	18.6	19.6
Net margin (%)	9.5	8.6	9.3	10.2	11.2
D/E (incl. minor) (x)	0.6	0.6	0.5	0.5	0.3
Net D/E (incl. minor) (x)	0.5	0.5	0.4	0.3	0.2
Interest coverage - EBIT (x)	19.7	14.5	20.0	27.4	35.8
Interest coverage - EBITDA (x)	26.9	21.4	29.0	38.9	49.3
ROA - using norm profit (%)	11.6	9.5	10.3	11.6	13.3
ROE - using norm profit (%)	30.1	24.1	26.5	29.1	31.8
DuPont					
ROE - using after tax profit (%)	30.1	24.1	26.5	29.1	31.8
- asset turnover (x)	1.2	1.1	1.1	1.1	1.2
- operating margin (%)	12.3	11.1	12.1	13.1	14.3
- leverage (x)	2.6	2.5	2.6	2.5	2.4
- interest burden (%)	94.9	93.1	95.0	96.3	97.2
- tax burden (%)	81.2	83.3	81.0	81.0	81.0
WACC (%)	7.8	7.8	7.8	7.8	7.8
ROIC (%)	21.0	17.5	19.3	22.9	25.7
NOPAT (Bt m)	6,480	5,530	6,116	6,988	8,195
invested capital (Bt m)	31,651	31,662	30,457	31,837	31,516

Sources: Company data; Thanachart estimates

Siam Makro Pcl

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	209,772	217,897	225,286	238,638	258,112
Cost of sales	185,012	192,016	198,469	210,079	226,933
Gross profit	24,760	25,881	26,818	28,559	31,178
% gross margin	11.8%	11.9%	11.9%	12.0%	12.1%
Selling & administration expenses	17,410	17,788	18,188	19,327	20,881
Operating profit	7,349	8,093	8,630	9,232	10,297
% operating margin	3.5%	3.7%	3.8%	3.9%	4.0%
Depreciation & amortization	2,315	3,215	3,408	3,605	3,867
EBITDA	9,664	11,308	12,038	12,837	14,164
% EBITDA margin	4.6%	5.2%	5.3%	5.4%	5.5%
Non-operating income	855	863	949	997	1,067
Non-operating expenses	0	0	0	0	0
Interest expense	(310)	(619)	(540)	(531)	(541)
Pre-tax profit	7,895	8,337	9,039	9,697	10,823
Income tax	1,710	1,813	1,898	2,036	2,273
After-tax profit	6,185	6,524	7,141	7,661	8,550
% net margin	2.9%	3.0%	3.2%	3.2%	3.3%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	60	39	91	153	220
Extraordinary items	0	0	0	0	0
NET PROFIT	6,245	6,563	7,232	7,814	8,770
Normalized profit	6,245	6,563	7,232	7,814	8,770
EPS (Bt)	1.3	1.4	1.5	1.6	1.8
Normalized EPS (Bt)	1.3	1.4	1.5	1.6	1.8

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	23,333	28,251	31,767	33,716	35,421
Cash & cash equivalent	4,843	10,518	12,633	13,460	13,535
Account receivables	1,078	945	977	1,035	1,119
Inventories	14,774	14,478	15,769	16,691	18,030
Others	2,638	2,310	2,389	2,530	2,737
Investments & loans	0	0	0	0	0
Net fixed assets	31,579	30,564	30,885	33,814	37,793
Other assets	7,729	15,219	14,817	13,999	13,318
Total assets	62,641	74,034	77,469	81,528	86,532
LIABILITIES:					
Current liabilities:	32,749	40,555	40,469	43,565	47,426
Account payables	24,493	25,804	27,187	28,778	31,087
Bank overdraft & ST loans	827	1,050	4,476	5,410	6,402
Current LT debt	1	5,001	0	0	0
Others current liabilities	7,428	8,699	8,806	9,377	9,938
Total LT debt	0	0	0	0	0
Others LT liabilities	9,158	10,769	12,261	11,401	10,627
Total liabilities	41,907	51,324	52,730	54,966	58,053
Minority interest	491	471	380	227	7
Preferreds shares	0	0	0	0	0
Paid-up capital	2,400	2,400	2,400	2,400	2,400
Share premium	3,290	3,290	3,290	3,290	3,290
Warrants	0	0	0	0	0
Surplus	(257)	(202)	(202)	(202)	(202)
Retained earnings	14,810	16,751	18,871	20,848	22,984
Shareholders' equity	20,243	22,239	24,359	26,335	28,472
Liabilities & equity	62,641	74,034	77,469	81,528	86,532

Sources: Company data; Thanachart estimates

Siam Makro Pcl

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	7,895	8,337	9,039	9,697	10,823
Tax paid	(1,624)	(1,730)	(1,892)	(1,968)	(2,198)
Depreciation & amortization	2,315	3,215	3,408	3,605	3,867
Chg In working capital	470	1,741	60	610	885
Chg In other CA & CL / minorities	522	2,016	113	449	370
Cash flow from operations	9,579	13,579	10,727	12,395	13,746
Capex	(2,342)	(1,254)	(2,600)	(5,380)	(6,690)
Right of use	0	(11,150)	(558)	(28)	(28)
ST loans & investments	0	0	0	0	0
LT loans & investments	0	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(5)	3,844	1,232	(1,256)	(1,312)
Cash flow from investments	(2,346)	(8,561)	(1,926)	(6,664)	(8,030)
Debt financing	(2,754)	5,223	(1,575)	934	992
Capital increase	0	0	0	0	0
Dividends paid	(4,608)	(4,608)	(5,112)	(5,838)	(6,633)
Warrants & other surplus	(123)	41	0	0	0
Cash flow from financing	(7,485)	657	(6,687)	(4,904)	(5,641)
Free cash flow	7,237	12,325	8,127	7,015	7,056

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	28.1	26.7	24.2	22.4	20.0
Normalized PE - at target price (x)	35.4	33.6	30.5	28.3	25.2
PE (x)	28.1	26.7	24.2	22.4	20.0
PE - at target price (x)	35.4	33.6	30.5	28.3	25.2
EV/EBITDA (x)	17.7	15.1	13.9	13.0	11.9
EV/EBITDA - at target price (x)	22.4	19.1	17.7	16.6	15.1
P/BV (x)	8.7	7.9	7.2	6.7	6.2
P/BV - at target price (x)	10.9	9.9	9.1	8.4	7.8
P/CFO (x)	18.3	12.9	16.3	14.1	12.7
Price/sales (x)	0.8	0.8	0.8	0.7	0.7
Dividend yield (%)	2.6	2.7	3.1	3.6	4.0
FCF Yield (%)	4.1	7.0	4.6	4.0	4.0
(Bt)					
Normalized EPS	1.3	1.4	1.5	1.6	1.8
EPS	1.3	1.4	1.5	1.6	1.8
DPS	1.0	1.0	1.1	1.3	1.5
BV/share	4.2	4.6	5.1	5.5	5.9
CFO/share	2.0	2.8	2.2	2.6	2.9
FCF/share	1.5	2.6	1.7	1.5	1.5

Sources: Company data; Thanachart estimates

Siam Makro Pcl

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	9.3	3.9	3.4	5.9	8.2
Net profit (%)	5.1	5.1	10.2	8.0	12.2
EPS (%)	5.1	5.1	10.2	8.0	12.2
Normalized profit (%)	5.1	5.1	10.2	8.0	12.2
Normalized EPS (%)	5.1	5.1	10.2	8.0	12.2
Dividend payout ratio (%)	73.8	73.1	75.0	80.0	80.0
Operating performance					
Gross margin (%)	11.8	11.9	11.9	12.0	12.1
Operating margin (%)	3.5	3.7	3.8	3.9	4.0
EBITDA margin (%)	4.6	5.2	5.3	5.4	5.5
Net margin (%)	2.9	3.0	3.2	3.2	3.3
D/E (incl. minor) (x)	0.0	0.3	0.2	0.2	0.2
Net D/E (incl. minor) (x)	(0.2)	(0.2)	(0.3)	(0.3)	(0.3)
Interest coverage - EBIT (x)	23.7	13.1	16.0	17.4	19.0
Interest coverage - EBITDA (x)	31.2	18.3	22.3	24.2	26.2
ROA - using norm profit (%)	10.0	9.6	9.5	9.8	10.4
ROE - using norm profit (%)	32.0	30.9	31.0	30.8	32.0
DuPont					
ROE - using after tax profit (%)	31.7	30.7	30.6	30.2	31.2
- asset turnover (x)	3.4	3.2	3.0	3.0	3.1
- operating margin (%)	3.9	4.1	4.3	4.3	4.4
- leverage (x)	3.2	3.2	3.3	3.1	3.1
- interest burden (%)	96.2	93.1	94.4	94.8	95.2
- tax burden (%)	78.3	78.3	79.0	79.0	79.0
WACC (%)	7.5	7.5	7.5	7.5	7.5
ROIC (%)	33.4	39.0	38.4	45.0	44.5
NOPAT (Bt m)	5,757	6,334	6,817	7,293	8,135
invested capital (Bt m)	16,228	17,772	16,203	18,286	21,339

Sources: Company data; Thanachart estimates

MC Group Pcl

INCOME STATEMENT

FY ending Jun (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	3,345	3,182	3,381	3,322	3,889
Cost of sales	1,355	1,330	1,336	1,302	1,513
Gross profit	1,990	1,853	2,046	2,020	2,376
% gross margin	59.5%	58.2%	60.5%	60.8%	61.1%
Selling & administration expenses	1,518	1,391	1,431	1,353	1,571
Operating profit	472	461	614	666	806
% operating margin	14.1%	14.5%	18.2%	20.1%	20.7%
Depreciation & amortization	124	99	95	97	99
EBITDA	596	560	709	763	905
% EBITDA margin	17.8%	17.6%	21.0%	23.0%	23.3%
Non-operating income	35	35	43	50	63
Non-operating expenses	0	0	0	0	0
Interest expense	0	(0)	(0)	(0)	(0)
Pre-tax profit	507	496	657	717	869
Income tax	25	50	120	136	174
After-tax profit	482	446	537	580	695
% net margin	14.4%	14.0%	15.9%	17.5%	17.9%
Shares in affiliates' Earnings	(4)	(1)	0	0	0
Minority interests	68	(2)	0	0	0
Extraordinary items	(25)	(37)	0	0	0
NET PROFIT	521	407	537	580	695
Normalized profit	546	444	537	580	695
EPS (Bt)	0.7	0.5	0.7	0.7	0.9
Normalized EPS (Bt)	0.7	0.6	0.7	0.7	0.9

BALANCE SHEET

FY ending Jun (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	3,337	3,192	3,319	3,419	3,555
Cash & cash equivalent	1,344	1,481	1,632	1,878	1,886
Account receivables	343	266	278	273	320
Inventories	1,604	1,408	1,372	1,231	1,306
Others	47	37	38	37	43
Investments & loans	47	25	25	25	25
Net fixed assets	417	404	330	271	210
Other assets	488	463	491	483	565
Total assets	4,290	4,084	4,166	4,198	4,355
LIABILITIES:					
Current liabilities:	469	412	432	425	494
Account payables	343	283	300	293	340
Bank overdraft & ST loans	0	0	0	0	0
Current LT debt	0	0	0	0	0
Others current liabilities	125	129	132	132	153
Total LT debt	0	0	0	0	0
Others LT liabilities	60	79	84	82	96
Total liabilities	529	492	516	507	590
Minority interest	75	11	11	11	11
Preferreds shares	0	0	0	0	0
Paid-up capital	400	400	400	400	400
Share premium	2,825	2,825	2,825	2,825	2,825
Warrants	0	0	0	0	0
Surplus	(90)	(90)	(90)	(90)	(90)
Retained earnings	550	446	504	544	620
Shareholders' equity	3,685	3,581	3,639	3,679	3,755
Liabilities & equity	4,290	4,084	4,166	4,198	4,355

Sources: Company data; Thanachart estimates

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CASH FLOW STATEMENT

FY ending Jun (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	507	496	657	717	869
Tax paid	(33)	(59)	(115)	(138)	(172)
Depreciation & amortization	124	99	95	97	99
Chg In working capital	567	212	41	139	(74)
Chg In other CA & CL / minorities	16	(44)	(3)	3	13
Cash flow from operations	1,181	705	675	817	735
Capex	(71)	(86)	(20)	(38)	(38)
Right of use	0	0	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	17	22	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	111	8	(25)	7	(68)
Cash flow from investments	57	(57)	(45)	(31)	(106)
Debt financing	(16)	0	0	0	(0)
Capital increase	0	0	0	0	0
Dividends paid	(597)	(515)	(480)	(540)	(620)
Warrants & other surplus	(293)	4	0	0	0
Cash flow from financing	(906)	(511)	(480)	(540)	(620)
Free cash flow	1,110	619	655	779	697

VALUATION

FY ending Jun	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	13.4	16.5	13.6	12.6	10.5
Normalized PE - at target price (x)	18.3	22.5	18.6	17.2	14.4
PE (x)	14.0	18.0	13.6	12.6	10.5
PE - at target price (x)	19.2	24.6	18.6	17.2	14.4
EV/EBITDA (x)	10.0	10.4	8.0	7.1	6.0
EV/EBITDA - at target price (x)	14.5	15.2	11.8	10.6	9.0
P/BV (x)	2.0	2.0	2.0	2.0	1.9
P/BV - at target price (x)	2.7	2.8	2.7	2.7	2.7
P/CFO (x)	6.2	10.4	10.8	9.0	10.0
Price/sales (x)	2.2	2.3	2.2	2.2	1.9
Dividend yield (%)	7.1	6.0	7.1	7.7	9.3
FCF Yield (%)	15.2	8.5	8.9	10.6	9.5
(Bt)					
Normalized EPS	0.7	0.6	0.7	0.7	0.9
EPS	0.7	0.5	0.7	0.7	0.9
DPS	0.7	0.6	0.6	0.7	0.8
BV/share	4.6	4.5	4.5	4.6	4.7
CFO/share	1.5	0.9	0.8	1.0	0.9
FCF/share	1.4	0.8	0.8	1.0	0.9

Sources: Company data; Thanachart estimates

MC Group Pcl

FINANCIAL RATIOS

FY ending Jun	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	60.6	(4.8)	6.2	(1.7)	17.1
Net profit (%)	50.5	(21.9)	32.0	8.0	19.8
EPS (%)	50.5	(21.9)	32.0	8.0	19.8
Normalized profit (%)	57.7	(18.8)	21.1	8.0	19.8
Normalized EPS (%)	57.7	(18.8)	21.1	8.0	19.8
Dividend payout ratio (%)	99.7	108.1	96.7	96.5	97.8
Operating performance					
Gross margin (%)	59.5	58.2	60.5	60.8	61.1
Operating margin (%)	14.1	14.5	18.2	20.1	20.7
EBITDA margin (%)	17.8	17.6	21.0	23.0	23.3
Net margin (%)	14.4	14.0	15.9	17.5	17.9
D/E (incl. minor) (x)	0.0	0.0	0.0	0.0	0.0
Net D/E (incl. minor) (x)	(0.4)	(0.4)	(0.4)	(0.5)	(0.5)
Interest coverage - EBIT (x)	na	na	na	na	na
Interest coverage - EBITDA (x)	na	na	na	na	na
ROA - using norm profit (%)	11.9	10.6	13.0	13.9	16.3
ROE - using norm profit (%)	14.1	12.2	14.9	15.9	18.7
DuPont					
ROE - using after tax profit (%)	12.5	12.3	14.9	15.9	18.7
- asset turnover (x)	0.7	0.8	0.8	0.8	0.9
- operating margin (%)	15.2	15.6	19.4	21.6	22.3
- leverage (x)	1.2	1.2	1.1	1.1	1.2
- interest burden (%)	100.0	100.0	100.0	100.0	100.0
- tax burden (%)	95.1	89.9	81.8	81.0	80.0
WACC (%)	12.8	12.8	12.8	12.8	12.8
ROIC (%)	14.7	17.7	23.9	26.9	35.8
NOPAT (Bt m)	449	415	503	540	644
invested capital (Bt m)	2,342	2,101	2,008	1,802	1,869

Sources: Company data; Thanachart estimates

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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 Tiyapittayarut

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