

Namyong Terminal Pcl (NYT TB) - BUY, Price Bt4.16, TP Bt5.30

Results Comment

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Lower-than-expected 3Q21 earnings

- NYT reported weak 3Q21 net profit of Bt38m, up 72% y-y but down 34% q-q. The results were below ours and the market's expectation due to higher-than-expected SG&A expenses and loss from its affiliated company.
- The company's strong y-y earnings growth was driven by 1) rising revenue from terminal service due to rising export, 2) falling loss contribution from its affiliated company from Bt20m loss in 3Q20 to Bt10m loss in 3Q21 due to more oil and gas projects pass through its affiliated company's terminal and 3) improving performance of its investment portfolio from Bt9m loss in 3Q20 to Bt2m profit in 3Q21.
- Meanwhile, q-q earnings drop resulted from 1) falling revenue from terminal service, 2) rising loss from its affiliated company from Bt5m loss in 2Q21 to Bt10m loss in 3Q21 and 3) rising expense from Seahorse Ferries.
- With the chip shortage problem, Thailand's auto export was at 203,992 units in 3Q21, falling by 5% q-q. However, it still grew by 19% y-y due to low base effect in 3Q20.
- 9M21 earnings accounted for 74% of our full-year earnings forecast. Meanwhile, we still expect auto export will be stronger in 4Q21 due to rising chip supply. We thus maintain a BUY on NYT.

Income Statement						Income Statement					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q20	4Q20	1Q21	2Q21	3Q21	(Bt m)	q-q%	y-y%	% 2021F	2021F	2022F
Revenue	268	312	333	325	303	Revenue	(7)	13	77	1,251	2,090
Gross profit	120	159	152	138	128	Gross profit	(7)	7	79	531	769
SG&A	40	40	39	49	56	SG&A	14	40	81	179	259
Operating profit	79	119	113	89	72	Operating profit	(19)	(10)	78	352	509
EBITDA	189	228	221	204	192	EBITDA	(6)	2	76	808	970
Other income	6	6	5	5	6	Other income	11	(6)	84	19	24
Other expense	9	(10)	(8)	(1)	(2)	Other expense	na	na	215	(5)	0
Interest expense	18	17	18	24	26	Interest expense	11	45	78	86	92
Profit before tax	58	119	109	71	53	Profit before tax	(26)	(9)	80	290	442
Income tax	12	21	26	18	15	Income tax	(19)	21	103	57	87
Equity & invest. income	(20)	(7)	(2)	(5)	(10)	Equity & invest. income	na	na	93	(18)	(17)
Minority interests	1	0	5	9	10	Minority interests	7	743	74	32	(0)
Extraordinary items	(6)	0	0	0	0	Extraordinary items			na	0	0
Net profit	22	91	86	58	38	Net profit	(34)	72	74	247	338
Normalized profit	28	91	86	58	38	Normalized profit	(34)	37	74	247	338
EPS (Bt)	0.02	0.07	0.07	0.05	0.03	EPS (Bt)	(34)	72	74	0.20	0.27
Normalized EPS (Bt)	0.02	0.07	0.07	0.05	0.03	Normalized EPS (Bt)	(34)	37	74	0.20	0.27
Balance Sheet						Financial Ratios					
(consolidated)						(%)					
Yr-end Dec (Bt m)	3Q20	4Q20	1Q21	2Q21	3Q21		3Q20	4Q20	1Q21	2Q21	3Q21
Cash & ST investment	1,162	1,302	1,450	1,209	1,288	Sales growth	(22.2)	(11.1)	(11.6)	36.4	12.8
A/C receivable	113	95	104	110	103	Operating profit growth	(31.4)	3.9	(24.4)	34.8	(9.5)
Inventory	0	0	0	0	0	EBITDA growth	12.4	36.4	(13.1)	18.8	1.5
Other current assets	17	24	30	24	17	Norm profit growth	(70.3)	16.0	8.8	56.7	37.4
Investment	1,254	1,260	1,262	1,303	1,294	Norm EPS growth	(70.3)	16.0	8.8	56.7	37.4
Fixed assets	1,082	1,238	1,222	1,563	1,516	Gross margin	44.6	51.0	45.8	42.6	42.3
Other assets	1,841	1,775	1,804	2,440	2,385	Operating margin	29.6	38.2	34.0	27.4	23.7
Total assets	5,470	5,693	5,873	6,649	6,603	EBITDA margin	70.4	73.2	66.4	62.8	63.3
S-T debt	0	7	32	27	32	Norm net margin	10.3	29.1	25.8	17.8	12.6
A/C payable	17	24	31	29	21	D/E (x)	-	0.0	0.1	0.1	0.1
Other current liabilities	344	352	346	492	486	Net D/E (x)	(0.4)	(0.3)	(0.4)	(0.3)	(0.3)
L-T debt	0	156	151	156	151	Interest coverage (x)	10.5	13.2	12.5	8.6	7.3
Other liabilities	1,912	1,862	1,936	2,759	2,699	Interest rate	na	84.7	40.9	51.6	57.2
Minority interest	28	40	36	37	27	Effective tax rate	20.6	17.5	24.3	25.2	27.4
Shareholders' equity	3,169	3,254	3,339	3,149	3,187	ROA	2.0	6.5	5.9	3.7	2.3
Working capital	97	70	72	81	82	ROE	3.5	11.3	10.4	7.1	4.8
Total debt	0	163	183	183	183						
Net debt	(1,162)	(1,139)	(1,267)	(1,026)	(1,105)						

Sources: Company data, Thanachart estimates

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