

HOLD (Unchanged)

TP: Bt 63.00 (From: Bt 55.00)

17 DECEMBER 2021

Change in Numbers

Downside : 7.0%

SCG Packaging Pcl (SCGP TB)

Improving outlook priced in

We maintain our HOLD call on SCGP but raise our TP to Bt63 as we roll forward our valuation and incorporate new investments into our forecasts. While we see an improving outlook post the COVID-19 lockdown, we believe much of that is already in the price with the stock trading at 26.5x 2022F PE. UTP is our preferred paper play.

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Valuation caps our enthusiasm

While we expect strong earnings growth for SCGP in 2022-23F, we believe much of this growth is already priced in. Even after factoring in EPS growth of 33% next year, the stock is still trading at 26.5x forward PE. We do not see this level as justified since we expect growth to slow down materially in 2023-24F. We prefer United Paper (UTP TB, Bt16.70, BUY) as a play on packaging paper demand and a margin recovery. UTP trades at just 9x forward PE while offering 20% and 15% EPS growth in 2022-23F, respectively.

Demand recovery post lockdowns

Demand for packaging paper and cardboard boxes took a hit in 2Q-3Q21 due to lockdowns across several ASEAN countries. According to management, the negative impacts were most severe in Vietnam where utilization rates for some industries fell to just 30-50% in 3Q21. With re-openings across the region, we expect demand for packaging paper and cardboard boxes to pick up although the pace of recovery may be uneven. Besides a demand recovery, SCGP should also enjoy some organic growth next year with a new paper machine in the Philippines that would add about 220k tpa of paper capacity (equivalent to c.5% capacity growth). Longer term, a new production line in northern Vietnam would add another 370k tpa of capacity by early 2024F.

Declining OCC cost set to support margin

We expect cost pressure to ease from 4Q21F onwards as the price of old corrugated cardboard (OCC) — a key raw material — has been coming down sharply. While the import price lags declines in OCC prices in the US and Europe, the local OCC price has fallen to just Bt5/kg now from its September peak of nearly Bt11/kg. We attribute the declines to improved local generation (ie, collection) post lockdowns as well as declining trends in import prices. We think lower OCC costs will be one of the key drivers for margin expansion in 2022F.

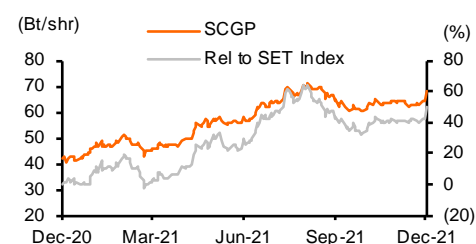
Acquisitions not big enough to change our view

SCGP has been busy buying up smaller rivals in its traditional space of consumer packaging as well as branching out into the medical supplies segment with the acquisition of Deltalab in Spain. While these add to growth, the deals are each relatively small and we see limited room for significant new M&A opportunities. SCGP has already spent the bulk of its IPO proceeds and its balance sheet has been leveraged up to 0.4x D/E from barely 0.1x just a year ago. While more M&As may be forthcoming, we view this strategy as offering relatively low returns and would prefer to see more organic growth.

COMPANY VALUATION

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	92,786	118,767	123,693	123,701
Net profit	6,457	8,230	10,970	12,850
Consensus NP	—	8,365	10,309	11,546
Diff frm cons (%)	—	(1.6)	6.4	11.3
Norm profit	6,680	8,230	10,970	12,850
Prev. Norm profit	—	10,060	11,762	12,346
Chg frm prev (%)	—	(18.2)	(6.7)	4.1
Norm EPS (Bt)	2.0	1.9	2.6	3.0
Norm EPS grw (%)	24.2	(3.9)	33.3	17.1
Norm PE (x)	34.0	35.3	26.5	22.6
EV/EBITDA (x)	14.4	15.8	13.1	11.6
P/BV (x)	3.3	3.1	2.9	2.7
Div yield (%)	0.7	1.4	1.9	2.2
ROE (%)	10.1	9.0	11.3	12.4
Net D/E (%)	9.6	17.6	12.1	2.4

PRICE PERFORMANCE



COMPANY INFORMATION

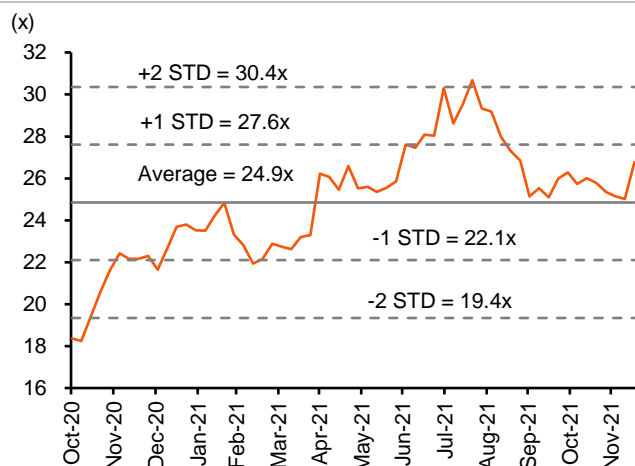
Price as of 17-Dec-21 (Bt)	67.75
Market Cap (US\$ m)	8,717.1
Listed Shares (m shares)	4,292.9
Free Float (%)	26.2
Avg Daily Turnover (US\$ m)	30.0
12M Price H/L (Bt)	71.25/40.50
Sector	PKG
Major Shareholder	Siam Cement Pcl. 72.12%

Sources: Bloomberg, Company data, Thanachart estimates

SCGP trades at 26.5x forward PE vs. its 25x historical average

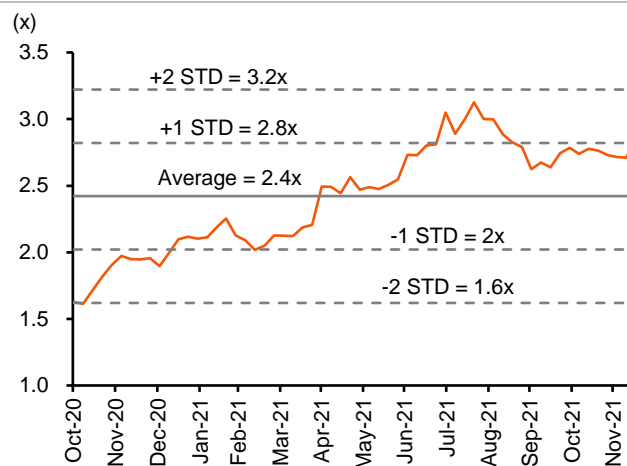
We think SCG Packaging (SCGP) is fairly valued at 26.5x 2022F PE even after factoring in 33% EPS growth next year. Growth looks likely to slow down markedly to about 10-15% p.a. in 2023-24F with the slow pace of acquisitions and limited organic expansion. SCGP is also trading above its historical average PE of about 25x and is significantly more expensive than United Paper (UTP TB, Bt16.70, BUY). On that basis, given the improving outlook for the industry, we prefer to play a recovery in packaging paper via UTP which trades at just 9x forward PE while offering 20% and 15% EPS growth in 2022-23F.

Ex 1: Forward PE



Sources: Bloomberg, Thanachart estimates

Ex 2: Forward P/BV



Sources: Bloomberg, Thanachart estimates

In this report, we have raised our OCC cost assumptions by 18-29% for 2021-24F to better reflect the prevailing market prices. However, we have also raised our average selling price (ASP) assumptions for packaging paper as well as incorporating planned new capacity into our forecasts.

Ex 3: Key Assumption Changes

Higher OCC cost assumption is partially offset by higher ASP

Assumption	Unit	2021F	2022F	2023F	2024F
New					
OCC cost	(USD/tonne)	245	220	200	202
Packaging paper ASP	(USD/tonne)	465	465	451	465
Packaging paper capacity	(ktpa)	3,647	3,867	3,867	4,237
Old					
OCC cost	(USD/tonne)	200	170	170	172
Packaging paper ASP	(USD/tonne)	442	420	420	424
Packaging paper capacity	(ktpa)	3,757	3,867	3,867	3,867
Change					
OCC cost	(%)	22.5	29.4	17.6	17.6
Packaging paper ASP	(%)	5.2	10.7	7.4	9.5
Packaging paper capacity	(%)	(2.9)	0.0	0.0	9.6

Sources: Thanachart estimates

Longer-term capacity expansion makes us more bullish from 2024F onwards

Given the above changes, as well as revisions to EBITDA margin for printing and writing paper, we have cut our earnings in 2021-22F by 18% and 7%, respectively. This mostly reflects higher OCC costs. Longer term, however, we have revised up our earnings particularly from 2024F onwards due mainly to planned capacity expansion. Consequently, we have raised our DCF-based 12-month TP, using a 2022F base year, to Bt63 from Bt55.

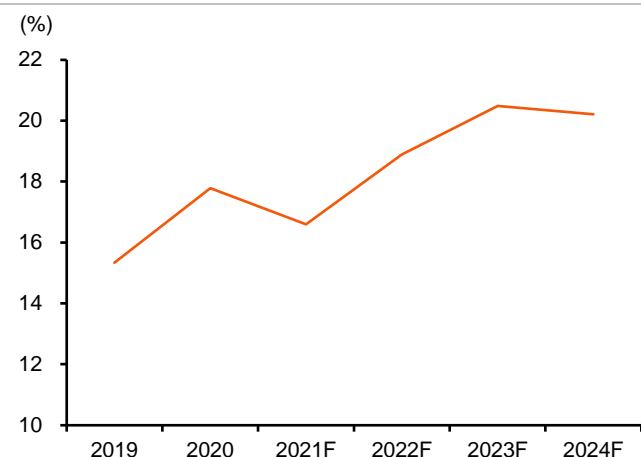
Ex 4: Earnings And TP Revisions

(Bt/shr)	EPS						TP
	2019	2020	2021F	2022F	2023F	2024F	
New/Actual	1.61	1.99	1.92	2.56	2.99	3.37	63.00
Old			2.34	2.74	2.88	3.04	55.00
Change (%)			(18.2)	(6.7)	4.1	10.7	14.5

Sources: Company data, Thanachart estimates

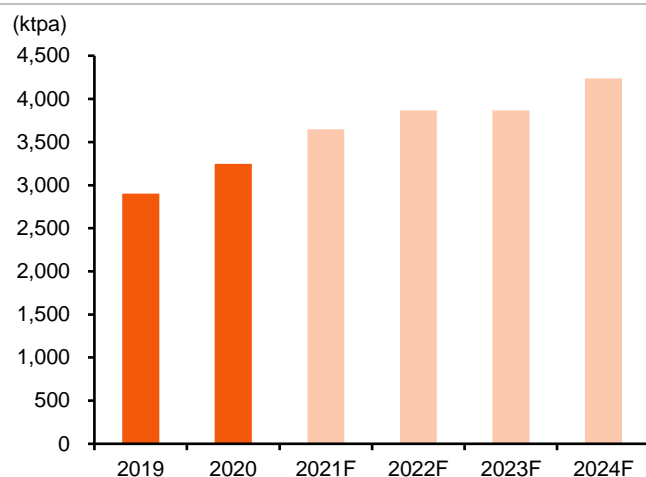
Looking forward, we believe the worst is over in terms of cost pressure. We expect falling OCC costs to have positive impacts on margins from 4Q21F onwards. This will likely become even more apparent in 1Q22F as there is typically a lag of one to two months between movements in OCC costs and P&L impacts.

Ex 5: EBITDA Margin Likely To Improve In 2022-23F



Sources: Company data, Thanachart estimates

Ex 6: Packaging Paper Capacity Growth



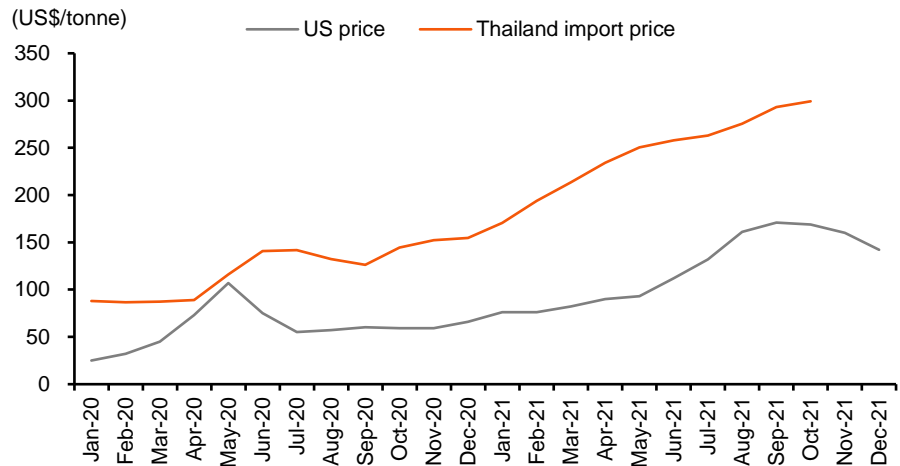
Sources: Company data, Thanachart estimates

Note: Capacity based on 20 hours/day, 6 days/week

The cost of OCC has been rising significantly in 2021 due to a combination of factors. Firstly, lockdowns in the US and Europe earlier in the year have limited waste collection and therefore little was available for the export market. Then, as those economies opened up, local demand shot up, leading to shortages of the materials despite improving generation. However, with the initial demand shock waning and generation remaining high, we have begun to see the OCC price fall in the US and Europe. For instance, the price in the US has fallen to about USD140/tonne now, down from a peak of over USD170/tonne in September. This should eventually lead to a lower imported price in Thailand since the US is the biggest source of OCC imports for Thailand, accounting for about 60-70% of total import volume.

OCC cost has been coming down in the US; Thailand import price to follow suit

Ex 7: OCC Price Falling In The US; Thailand’s Import Costs To Follow Suit

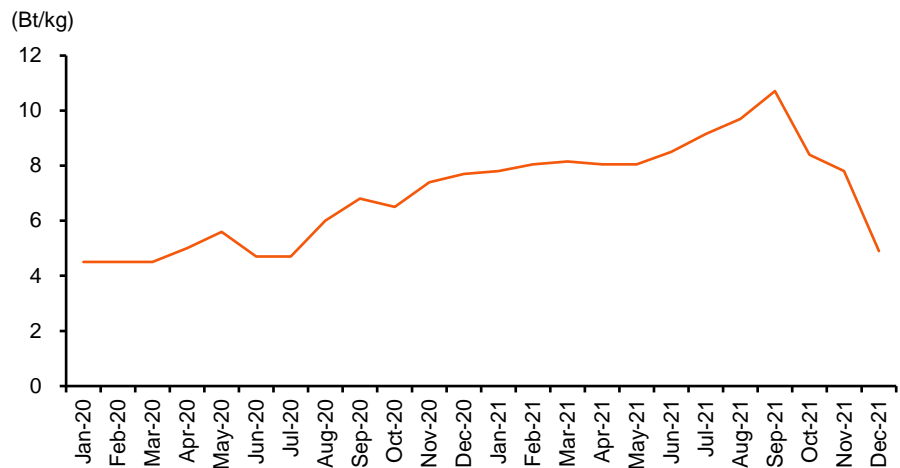


Sources: Customs Dept, Thanachart

In the domestic market, the OCC price has continued to fall sharply. Prices reached a high of nearly Bt11/kg (which was well above the equivalent import cost) in September at the height of the lockdown in Thailand. However, the OCC price has since fallen by more than half to about Bt5/kg now. This is the lowest OCC price we have seen since mid-2020. We attribute the decline to improved local generation and lower demand from paper mills as they stocked up on OCC imports in previous months. The rapid decline in OCC costs, which make up more than half of COGS, will likely lift margins from 1Q22F onwards.

Local OCC price in Thailand has fallen by more than half since its peak in September

Ex 8: Local OCC Price In Thailand Has Been Falling Sharply In The Past Few Months



Sources: Company data, Thanachart

Note: Our estimate of the OCC cost at paper mills, based on prices quoted at recyclers

Ex 9: 12-month DCF-based Valuation, Using a Base Year Of 2022F

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	Terminal Value
EBITDA	23,357	25,337	26,914	27,357	27,753	28,036	28,325	28,620	28,921	29,228	29,541	
Free cash flow	11,371	18,885	18,493	20,277	21,031	21,444	21,873	22,316	22,777	23,254	23,750	363,462
PV of free cash flow	11,371	17,532	15,935	16,220	15,346	14,463	13,632	12,856	12,127	11,444	10,339	158,222
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.0											
WACC (%)	7.7											
Terminal growth (%)	2.0											
Enterprise value - add investments	309,487											
Net debt / (cash)	15,114											
Minority interest	24,738											
Equity value	269,635											
# of shares (m)	4,293											
Equity value/share (Bt)	63											

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 10: 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 (%)
Intl Paper Co	IP US	USA	46.6	10.2	11.2	10.1	2.0	1.9	7.6	7.2	4.3	3.9
Westrock Co	WRK US	USA	22.9	43.6	13.6	9.5	1.0	1.0	6.6	5.7	1.9	2.2
Packaging Corp	PKG US	USA	47.5	7.7	15.5	14.4	3.4	3.1	8.8	8.3	3.0	3.0
Domtar Corp	UFS US	USA	66.8	50.0	27.2	18.1	1.3	1.2	7.1	5.9	0.0	0.0
Graphic Packaging	GPK US	USA	2.5	64.3	17.9	10.9	3.7	2.9	9.8	7.0	1.5	1.5
Mondi Plc	MNDI LN	Europe	18.0	17.6	12.7	10.8	2.0	1.8	8.8	7.8	3.7	4.1
Stora Enso Oyj-R	STERV FH	Europe	188.8	(20.3)	10.8	13.6	1.3	1.2	7.6	7.9	3.1	3.4
Smurfit Kappa Gr	SKG LN	Europe	13.1	21.1	14.9	12.3	2.4	2.1	8.8	7.7	3.0	3.1
Ds Smith Plc	SMDS LN	Europe	(28.1)	25.1	16.5	13.2	1.5	1.4	8.6	7.7	3.1	3.7
Billerudkorsnas	BILL SS	Europe	184.7	25.6	22.9	18.3	1.9	1.8	10.2	9.0	2.6	2.8
Holmen Ab-B Shs	HOLMB SS	Europe	62.8	(11.2)	22.1	24.9	1.5	1.5	14.4	15.3	2.2	2.1
Reno De Medici Spa	RM IM	Europe	(70.3)	200.0	48.4	16.1	na	na	na	na	0.0	0.7
Mayr-Melnhof Karton Ag	MMK AV	Europe	20.8	20.6	17.9	14.9	2.2	2.0	10.6	8.7	2.2	2.5
Oji Holdings Cor	3861 JP	Japan	81.2	0.1	7.2	7.2	0.7	0.6	6.4	6.3	2.5	2.6
Nippon Paper Ind	3863 JP	Japan	(79.1)	na	126.6	10.4	0.3	0.3	10.4	9.7	3.6	3.6
Hokuetsu Corp	3865 JP	Japan	179.5	(34.6)	5.7	8.8	0.6	0.5	6.6	7.1	1.9	3.3
Rengo Co Ltd	3941 JP	Japan	12.8	5.5	6.9	6.6	0.6	0.6	6.5	6.0	2.8	2.8
Nine Dragons Paper	2689 HK	Hong Kong	71.5	(2.6)	5.6	5.7	0.9	0.8	4.9	4.9	6.0	4.4
Lee & Man Paper	2314 HK	Hong Kong	35.2	3.4	5.7	5.5	0.8	0.7	5.8	5.6	6.0	6.1
Shandong Chen - A	000488 CH	China	46.1	2.4	7.6	7.4	0.8	0.8	8.0	8.3	2.9	2.9
Shandong Sun - A	002078 CH	China	62.5	12.9	9.2	8.2	1.6	1.4	8.0	7.1	1.3	1.4
Shanying Intl - A	600567 CH	China	32.0	23.5	7.9	6.4	0.9	0.8	10.0	8.5	1.5	1.8
SCG Packaging Pcl	SCGP TB *	Thailand	(3.9)	33.3	35.3	26.5	3.1	2.9	15.8	13.1	1.4	1.9
United Paper Pcl	UTP TB*	Thailand	(3.6)	19.8	11.1	9.3	2.8	2.5	8.0	6.4	5.8	7.0
Average			42.1	22.5	20.0	12.0	1.6	1.5	8.7	7.9	2.8	3.0

Source: Bloomberg

Note: * Thanachart estimates, using Thanachart normalized EPS

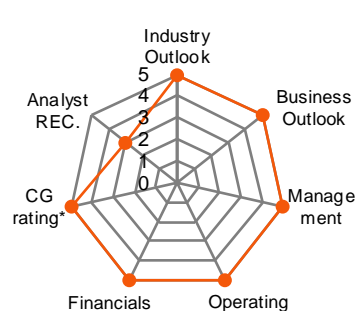
Based on 17 December 2021 closing prices

COMPANY DESCRIPTION

SCG Packaging Pcl (SCGP), is the leading packaging company in ASEAN. The company commands nearly 50% of the packaging paper market in Thailand. It also holds 25% or more market shares in Indonesia, Vietnam and the Philippines. Downstream corrugated cardboard operation allows for 30% integration. The company also produces printing and writing (P&W) paper. Its focus going forward is to be on performance and polymer packaging (PPP). Revenue breakdown as of 1H20 was 51% packaging paper, 25% fiber-based packaging (mostly corrugated cardboard), 16% P&W paper, and 8% PPP. It derives the majority of revenue from Thailand (52%), followed by Indonesia (14%), and Vietnam (11%).

Source: Thanachart

COMPANY RATING



Rating Scale

Excellent	5
Good	4
Fair	3
Weak	2
Very Weak	1
None	0

Source: Thanachart; * CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Largest paper packaging company in ASEAN with footprint across nearly all major markets in the region.
- Experienced management with a long track record of delivering growth.

O — Opportunity

- Consumption of packaging materials (paper, plastics) in ASEAN remains well below those of developed countries. This represents significant growth opportunities for the company.
- SCGP is likely to benefit from key mega trends including e-commerce.

W — Weakness

- Heavy reliance on packaging paper for the majority of revenue and profitability.
- The bulk of revenue and profit still come from Thailand where the growth outlook may be weaker than other ASEAN countries such as Indonesia and Vietnam.

T — Threat

- Higher threat of competition amid slower demand growth.
- Threat of new entrants in fast-growing markets (such as Vietnam) especially from China-based players.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	70.30	63.00	-10%
Net profit 21F (Bt m)	8,365	8,230	-2%
Net profit 22F (Bt m)	10,309	10,970	6%
Consensus REC	BUY: 13	HOLD: 8	SELL: 1

HOW ARE WE DIFFERENT FROM THE STREET?

- Our earnings estimate for 2021F is largely in line with the Bloomberg consensus but is slightly higher in 2022F as we likely factor in lower OCC costs.
- However, our TP is lower than the consensus number likely as we expect growth to slow down in the years ahead given SCGP's already sizable market share.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- A stronger-than-expected rise in ASP and/or lower OCC costs represent the key upside risks to our call.
- Increased competition in Indonesia and Vietnam could bring down the ASPs in those countries, which would represent the key downside risks to our call.

Source: Thanachart

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	89,070	92,786	118,767	123,693	123,701
Cost of sales	71,651	73,333	93,818	94,615	92,682
Gross profit	17,419	19,453	24,950	29,078	31,019
% gross margin	19.6%	21.0%	21.0%	23.5%	25.1%
Selling & administration expenses	9,753	10,141	12,855	13,379	13,383
Operating profit	7,665	9,313	12,095	15,698	17,636
% operating margin	8.6%	10.0%	10.2%	12.7%	14.3%
Depreciation & amortization	5,991	7,183	7,618	7,659	7,701
EBITDA	13,656	16,496	19,713	23,357	25,337
% EBITDA margin	15.3%	17.8%	16.6%	18.9%	20.5%
Non-operating income	714	602	1,188	1,237	1,237
Non-operating expenses	0	0	0	0	0
Interest expense	(1,741)	(1,452)	(1,767)	(1,585)	(893)
Pre-tax profit	6,637	8,463	11,516	15,350	17,980
Income tax	1,049	1,002	1,727	2,302	2,697
After-tax profit	5,588	7,462	9,788	13,047	15,283
% net margin	6.3%	8.0%	8.2%	10.5%	12.4%
Shares in affiliates' Earnings	53	66	0	0	0
Minority interests	(623)	(848)	(1,558)	(2,077)	(2,433)
Extraordinary items	250	(222)	0	0	0
NET PROFIT	5,269	6,457	8,230	10,970	12,850
Normalized profit	5,018	6,680	8,230	10,970	12,850
EPS (Bt)	1.7	1.9	1.9	2.6	3.0
Normalized EPS (Bt)	1.6	2.0	1.9	2.6	3.0

We foresee a strong earnings growth outlook in 2022-23F

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	35,383	62,919	68,435	59,490	49,155
Cash & cash equivalent	4,959	32,886	30,000	20,000	10,000
Account receivables	15,198	16,334	20,908	21,775	21,776
Inventories	13,276	12,760	16,325	16,463	16,127
Others	1,950	939	1,202	1,252	1,252
Investments & loans	787	829	829	829	829
Net fixed assets	82,864	87,271	99,726	102,039	99,440
Other assets	20,479	21,410	20,597	20,597	20,597
Total assets	139,513	172,429	189,586	182,956	170,022
LIABILITIES:					
Current liabilities:	54,014	43,237	44,770	35,748	22,259
Account payables	10,059	10,365	13,261	13,373	13,100
Bank overdraft & ST loans	40,959	15,080	25,290	17,557	6,590
Current LT debt	2,184	16,302	5,058	3,511	1,318
Others current liabilities	813	1,489	1,162	1,306	1,251
Total LT debt	16,318	12,052	20,232	14,046	5,272
Others LT liabilities	6,365	7,300	7,978	8,309	8,310
Total liabilities	76,697	62,588	72,981	58,103	35,841
Minority interest	19,864	21,103	22,661	24,738	27,171
Preferreds shares	0	0	0	0	0
Paid-up capital	3,126	4,293	4,293	4,293	4,293
Share premium	1,935	40,860	40,860	40,860	40,860
Warrants	0	0	0	0	0
Surplus	(4,260)	(3,592)	(3,592)	(3,592)	(3,592)
Retained earnings	42,151	47,177	52,384	58,554	65,449
Shareholders' equity	42,952	88,738	93,945	100,115	107,010
Liabilities & equity	139,513	172,429	189,586	182,956	170,022

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	6,637	8,463	11,516	15,350	17,980
Tax paid	(974)	(719)	(1,644)	(2,176)	(2,740)
Depreciation & amortization	5,991	7,183	7,618	7,659	7,701
Chg In working capital	(390)	(313)	(5,243)	(893)	62
Chg In other CA & CL / minorities	6,629	3,308	(674)	(32)	(12)
Cash flow from operations	17,893	17,923	11,573	19,908	22,990
Capex	(30,476)	(11,591)	(20,072)	(9,973)	(5,102)
Right of use	0	0	0	0	0
ST loans & investments	215	5	0	0	0
LT loans & investments	(41)	(42)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(14,017)	(1,447)	1,491	331	1
Cash flow from investments	(44,318)	(13,076)	(18,581)	(9,642)	(5,101)
Debt financing	31,244	(16,249)	7,146	(15,466)	(21,934)
Capital increase	1,563	40,092	0	0	0
Dividends paid	(1,958)	(1,979)	(3,023)	(4,800)	(5,955)
Warrants & other surplus	(2,363)	1,216	0	0	0
Cash flow from financing	28,486	23,079	4,123	(20,266)	(27,889)
Free cash flow	(12,583)	6,332	(8,499)	9,935	17,888

FCF generation to improve next year due to lower capex

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	42.2	34.0	35.3	26.5	22.6
Normalized PE - at target price (x)	39.2	31.6	32.9	24.7	21.0
PE (x)	40.2	35.1	35.3	26.5	22.6
PE - at target price (x)	37.4	32.7	32.9	24.7	21.0
EV/EBITDA (x)	19.5	14.4	15.8	13.1	11.6
EV/EBITDA - at target price (x)	18.4	13.4	14.8	12.2	10.8
P/BV (x)	4.9	3.3	3.1	2.9	2.7
P/BV - at target price (x)	4.6	3.0	2.9	2.7	2.5
P/CFO (x)	11.8	12.7	25.1	14.6	12.7
Price/sales (x)	3.3	3.1	2.4	2.4	2.4
Dividend yield (%)	0.2	0.7	1.4	1.9	2.2
FCF Yield (%)	(5.9)	2.8	(2.9)	3.4	6.2
(Bt)					
Normalized EPS	1.6	2.0	1.9	2.6	3.0
EPS	1.7	1.9	1.9	2.6	3.0
DPS	0.1	0.5	1.0	1.3	1.5
BV/share	13.7	20.7	21.9	23.3	24.9
CFO/share	5.7	5.4	2.7	4.6	5.4
FCF/share	(4.0)	1.9	(2.0)	2.3	4.2

Sources: Company data, Thanachart estimates

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	2.1	4.2	28.0	4.1	0.0
Net profit (%)	(13.1)	22.6	27.5	33.3	17.1
EPS (%)	(13.1)	14.4	(0.5)	33.3	17.1
Normalized profit (%)	(15.1)	33.1	23.2	33.3	17.1
Normalized EPS (%)	(15.1)	24.2	(3.9)	33.3	17.1
Dividend payout ratio (%)	6.6	29.9	50.0	50.0	50.0
Operating performance					
Gross margin (%)	19.6	21.0	21.0	23.5	25.1
Operating margin (%)	8.6	10.0	10.2	12.7	14.3
EBITDA margin (%)	15.3	17.8	16.6	18.9	20.5
Net margin (%)	6.3	8.0	8.2	10.5	12.4
D/E (incl. minor) (x)	0.9	0.4	0.4	0.3	0.1
Net D/E (incl. minor) (x)	0.9	0.1	0.2	0.1	0.0
Interest coverage - EBIT (x)	4.4	6.4	6.8	9.9	19.7
Interest coverage - EBITDA (x)	7.8	11.4	11.2	14.7	28.4
ROA - using norm profit (%)	4.3	4.3	4.5	5.9	7.3
ROE - using norm profit (%)	12.0	10.1	9.0	11.3	12.4
DuPont					
ROE - using after tax profit (%)	13.4	11.3	10.7	13.4	14.8
- asset turnover (x)	0.8	0.6	0.7	0.7	0.7
- operating margin (%)	9.4	10.7	11.2	13.7	15.3
- leverage (x)	2.8	2.4	2.0	1.9	1.7
- interest burden (%)	79.2	85.4	86.7	90.6	95.3
- tax burden (%)	84.2	88.2	85.0	85.0	85.0
WACC (%)	7.7	7.7	7.7	7.7	7.7
ROIC (%)	9.8	8.4	10.4	11.7	13.0
NOPAT (Bt m)	6,454	8,211	10,281	13,344	14,991
invested capital (Bt m)	97,453	99,286	114,524	115,229	110,190

Sources: Company data, Thanachart estimates

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