

BUY (Unchanged)**TP: Bt 12.50**

(From: Bt 11.50)

Change in Numbers

Upside : 22.5%

31 JANUARY 2022

AP (Thailand) Pcl (AP TB)

Grabbing a bigger slice of pie

AP has turned very aggressive this year by launching the highest-ever new launch value in the industry. In doing so, we believe it will gain further market share and maintain its No.1 position. At the sector-lowest PE of 6.4x in 2022F, we reaffirm our BUY call as one of our top sector picks with a new, higher Bt12.5 TP.

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A breakthrough year

AP announced its 2022 business plan which surprised us and the market with an unprecedented new launch value of Bt78bn, doubling its average yearly launch value of Bt42bn in 2017-21 and setting a new record for the industry. It has set this year's presales target at Bt50bn, representing 43% growth. This should mark a further step in strengthening its market-leading position after gaining the No.1 presales spot since 2020 with its presales share among the seven property development firms we cover rising from 13% in 2016 to 23% in 2021F and 25% in 2022F.

New market access

AP targets to expand market penetration into three key areas. First, a jump into suburban housing with two new fighting brands in the economy segment – a new SDH brand priced at Bt3m-5m/unit and the Pleno Town TH brand priced below Bt3m/unit. Second, it plans to boost upcountry exposure by adding low-rise projects in three new provinces – Chachoengsao, Udon Thani and Ubon Ratchathani, from five provinces now. Third, a resumption of condo launches with five projects this year in the mid-end affordable segment under the brands "Life" and "Aspire".

Outperforming peers

With more launches planned in new areas, we expect AP to continue to outperform peers with 28%/5% presales growth in 2022-23F to Bt45bn this year vs. forecasted market growth of 10-15%. In January MTD (1-26 January), it booked Bt4.5bn in presales, ahead of the run rate to achieve our full-year assumption. Since we project most presales to be low-rise, at 82-83% of 2022-23F presales, this would drive record profit with strong EPS growth of 14% in 2022F and 8% in 2023F.

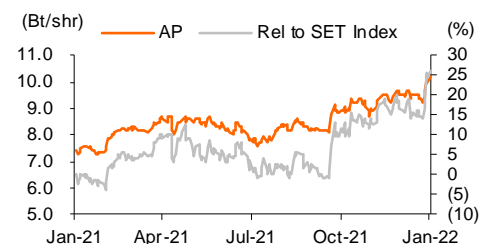
BUY as one of our top picks

We raise our earnings estimates and DCF-based 12-month TP, using a 2022F base year, by 9% to Bt12.5, from Bt11.5 previously, to incorporate our presales upgrade. AP is one of our sector top picks as a pure property developer with a rising market share that is continuing to deliver all-time high profits. The stock trades at 1STD below the mean of its five-year historical average pre-COVID PE in 2015-19 at 6.4x in 2022F with a 5.5% forecast dividend yield. Our other top pick is Land & Houses (LH, BUY, Bt9.8) for its diversified business with strong growth, driven by recovery in all businesses and the best dividend yield in the sector.

COMPANY VALUATION

Y/E Dec (Bt m)	2020A	2021F	2022F	2023F
Sales	29,888	31,478	36,410	38,949
Net profit	4,227	4,378	5,008	5,402
Consensus NP	—	4,368	4,590	4,688
Diff frm cons (%)	—	0.2	9.1	15.2
Norm profit	4,227	4,378	5,008	5,402
Prev. Norm profit	—	4,425	4,888	5,184
Chg frm prev (%)	—	(1.1)	2.5	4.2
Norm EPS (Bt)	1.3	1.4	1.6	1.7
Norm EPS grw (%)	40.6	3.6	14.4	7.9
Norm PE (x)	7.6	7.3	6.4	5.9
EV/EBITDA (x)	14.8	11.2	10.8	10.3
P/BV (x)	1.1	1.0	0.9	0.8
Div yield (%)	4.4	4.8	5.5	5.9
ROE (%)	15.2	14.2	14.7	14.4
Net D/E (%)	69.0	57.9	68.8	70.8

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 31-Jan-22 (Bt)	10.20
Market Cap (US\$ m)	963.3
Listed Shares (m shares)	3,145.9
Free Float (%)	65.0
Avg Daily Turnover (US\$ m)	4.2
12M Price H/L (Bt)	9.40/7.15
Sector	PROP
Major Shareholder	Anuphong Assavabhokhin 21.3%

Sources: Bloomberg, Company data, Thanachart estimates

A breakthrough year

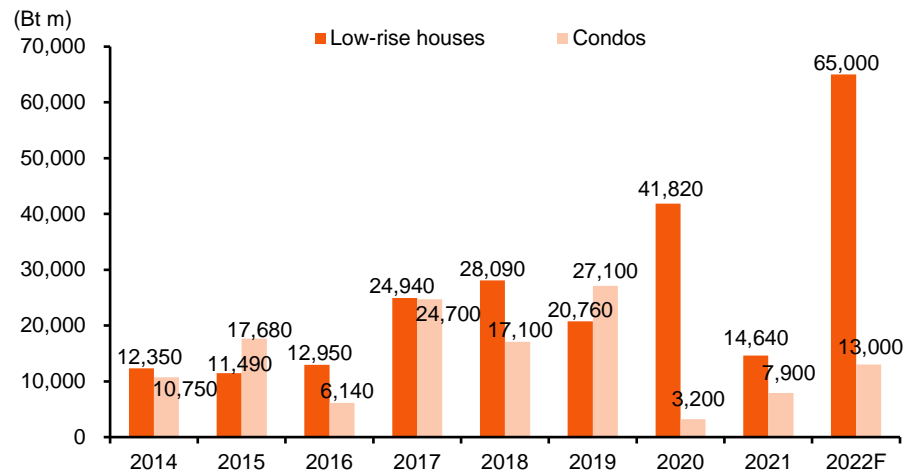
A new record for new launches in the industry by AP this year

65 new projects worth Bt78bn

We expect this year to mark a big step forward for AP (Thailand) Pcl (AP) as it has turned more aggressive than ever with its new launch plan, amid a moderate property demand recovery this year that is still far below the 2018 level before the stricter LTV measure was imposed in 2019 and COVID hit in 2020-21. This should strengthen its leading market position at a time when other developers have yet to fully return to the market.

AP plans new launches of 65 projects valued at Bt78bn, a new record for the industry. It says its key focus will still be on low-rise houses worth Bt65bn (83% of the total launch value), broken down into Bt35.6bn of single-detached houses (26 projects, 46% of 2022 new launches), Bt25.2bn worth of townhouses (29 projects, 32%) and Bt4.2bn worth of low-rise projects upcountry (five projects, 5%). This year it also intends to resume more condominium launches after lower new launches in 2020-21 when demand faded.

Ex 1: AP's New Launches



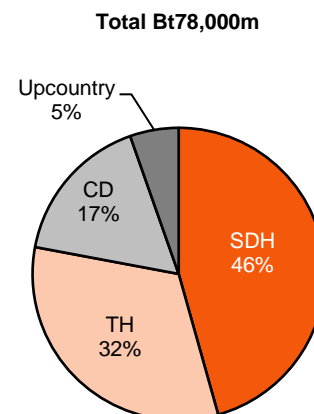
Sources: Company data, Thanachart estimates

Ex 2: 2022 New Launches By Quarter

	1Q22	2Q22	3Q22	4Q22	Total
SDH	4	3	13	6	26
TH	7	12	4	6	29
CD	1	2	-	2	5
Upcountry	-	1	2	2	5
Total	12	18	19	16	65
Value (Bt m)	10,790	24,200	24,590	18,420	78,000

Source: Company data

Ex 3: 2022 New Launches By Product

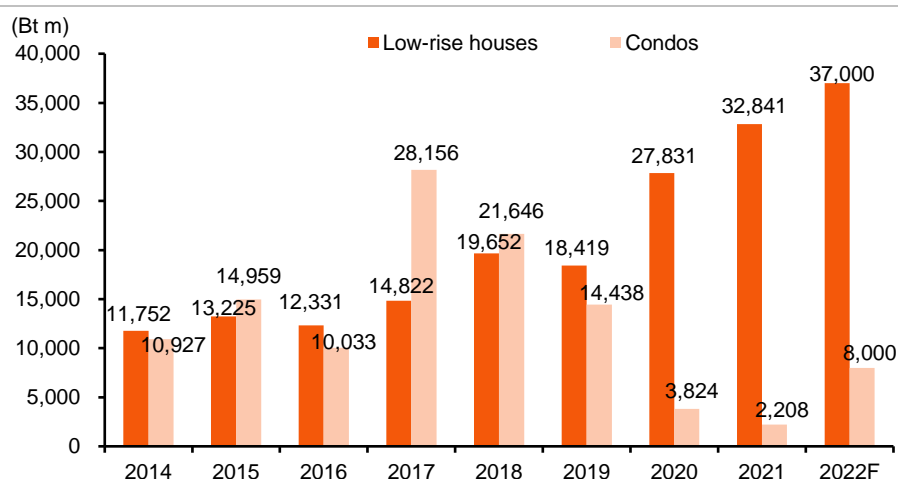


Source: Company data

We expect AP to further gain more market share

AP has set this year's presales target at Bt50bn (Bt38bn, or 76% from low-rise, Bt12bn or 24% from condos), representing 43% growth, higher than its peak presales of Bt43bn in 2017. As we don't see clear catalysts to drive strong condominium demand, we forecast AP to achieve Bt45bn in presales (Bt37bn from low-rise houses, Bt8bn from condos) this year, outperforming peers with 28% growth vs. our forecast for 10-15% market growth. Next year, we assume 5% presales growth, to be in line with the industry. In January MTD (1-26 January), momentum has been strong with Bt4.5bn in presales, ahead of the run rate to achieve our full-year assumption. This would lead AP to further gain presales share among the seven property development firms we cover, rising from 13% in 2016 to 23% in 2021F and 25% in 2022F, after reaching the No.1 spot by presales since 2020.

Ex 4: AP's Presales



Sources: Company data, Thanachart estimates

Ex 5: Presales – Seven Firms

Presales (Bt m)	AP	LH	LPN	PSH	QH	SIRI	SPALI	Total
2016	22,365	23,908	9,897	44,414	15,300	31,140	24,132	171,156
2017	42,978	26,304	17,899	47,537	14,000	38,565	30,777	218,060
2018	41,298	28,788	15,526	51,101	12,380	48,344	33,343	230,780
2019	32,856	25,356	6,703	35,601	7,491	20,806	22,324	151,137
2020	31,655	26,602	10,339	21,968	8,667	26,156	24,376	149,763
2021F	35,049	28,632	8,893	25,367	7,541	26,079	24,069	155,630

Sources: Company data, Thanachart estimates

Ex 6: Presales Market Share

(%)	AP	LH	LPN	PSH	QH	SIRI	SPALI	
2016	13.1	14.0	5.8	25.9	8.9	18.2	14.1	100.0
2017	19.7	12.1	8.2	21.8	6.4	17.7	14.1	100.0
2018	17.9	12.5	6.7	22.1	5.4	20.9	14.4	100.0
2019	21.7	16.8	4.4	23.6	5.0	13.8	14.8	100.0
2020	21.1	17.8	6.9	14.7	5.8	17.5	16.3	100.0
2021F	22.5	18.4	5.7	16.3	4.8	16.8	15.5	100.0
Increase/decrease (+/-)	+	+	-	-	-	-	+	

Sources: Company data, Thanachart estimates

AP's key competencies

We think AP's competitive advantages lie with its strong branding, product varieties (covering all residential types with prices ranging from Bt1.89m to >Bt50m), its ability to adapt to digital technology and financial readiness. It spends on research and development to come up with the right products and it has gained market share to become the market leader, while it allocates Bt200m of capex for digital transformation every year. Amid the COVID crisis, it controlled inventory well with Bt71bn available for sale at end 2021. Despite more spending on land purchases of Bt12.6bn last year, up from Bt4.5bn in 2020, its net D/E ratio remains low at 0.58x in 2021F and it has set a Bt20bn land purchase budget this year for more launches from 2023F.

Raising our earnings and TP by 9%

We lift our presales assumptions by 6% p.a. in 2021-32F, leading us to raise our earnings estimates by 9% across the board and boost our DCF-based 12-month TP, using a 2022F base year, by 9% to Bt12.5, from Bt11.5 earlier.

Ex 7: Our Key Assumption Changes

	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F
Presales (Bt m)												
New	35,049	45,000	47,250	48,668	50,128	51,632	53,181	54,776	56,419	58,112	59,855	61,651
Old	38,500	42,000	44,099	45,422	46,785	48,189	49,634	51,123	52,657	54,237	55,864	57,540
Change (%)	(9)	7	7	7	7	7	7	7	7	7	7	7
Property sales (Bt m)												
New	30,519	35,597	38,105	40,575	41,049	42,844	44,199	45,545	47,164	47,196	48,091	49,125
Old	31,125	34,490	36,243	38,550	38,857	40,607	41,761	42,508	43,901	44,531	45,368	45,849
Change (%)	(2)	3	5	5	6	6	6	7	7	6	6	7
Normalized profit (Bt m)												
New	4,378	5,008	5,402	5,510	5,809	5,076	5,326	5,575	5,863	6,142	6,325	6,512
Old	4,425	4,888	5,184	5,110	5,399	4,597	4,830	5,021	5,295	5,453	5,607	5,723
Change (%)	(1)	2	4	8	8	10	10	11	11	13	13	14

Source: Thanachart estimates

New market access**Target to penetrate...**

- 1. Suburban housing market in economy segment,**
- 2. More provinces,**
- 3. Resume condo launches**

While continuing to achieve new records for low-rise housing presales by adding more SDH projects (in the past AP was recognized as a leader in TH development in Bangkok and condominiums near mass-transit routes) and product launches in more diversified locations, AP sees market opportunities to expand into three key areas.

First, a jump into the suburban housing market with two new fighting brands in the economy segment – a new SDH brand priced at Bt3m-5m/unit and the Pleno Town TH brand priced below Bt3m/unit. Targeted locations are in the east of Bangkok along the way out of the capital to the neighboring province of Samut Prakarn and in the west of Bangkok along the way to Samut Sakorn province.

Second, increasing its upcountry exposure by adding low-rise projects in three new provinces – Chachoengsao, Udon Thani and Ubon Ratchathani, from five provinces currently in Khon Kaen, Rayong, Nakhon Srithammarat, Ayutthaya and Chiang Rai.

Third, resuming condominium launches of five projects this year in the mid-end affordable segment under the brands "Life" and "Aspire".

Ex 8: AP's Market Segmentation

	SUPER LUXURY CLASS (A+)	LUXURY CLASS (A)	HIGH CLASS (B+)	UPPER CLASS (B)	MAIN CLASS (C+)	ECONOMY CLASS (C)	PRICE RANGE
	MIDTOWN			SUBURBAN			
	BAAN KLANG KRUNG	THE PALAZZO	SOUL	THE CITY	CENTRO	NEW BRAND	3-50++ MB
		THE ADDRESS	RHYTHM	Life	aspire		Avg. 58,000-250,000 Baht/Sq.m
		CLASSE		บ้านกลางเมือง	Pleno	Pleno TOWN	1.89-20 MB
			บ้านกลางเมือง THE EDITION	Pleno			4-9 MB
UPCOUNTRY					อภิวิน		1.99-6++ MB

Source: Company data

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

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	Terminal Value
EBITDA	5,206	5,746	6,393	6,682	6,982	7,215	7,447	7,716	7,991	8,156	8,343	
Free cash flow	(5,724)	(2,594)	769	5,643	6,535	7,678	8,125	8,247	6,207	10,174	8,475	103,913
PV of free cash flow	(5,709)	(2,168)	587	3,941	4,085	4,369	4,207	3,887	2,663	3,974	2,876	35,261
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.3											
WACC (%)	9.4											
Terminal growth (%)	2.0											
Enterprise value - add investments	57,973											
Net debt	18,663											
Minority interest	(18)											
Equity value	39,328											
# of shares (m)	3,146											
Equity value/share (Bt)	12.50											

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 10: Valuation 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 (%)
Poly Real Estate Group	600048 CH	China	(5.4)	6.1	6.4	6.1	1.0	0.9	9.9	9.4	4.4	4.6
Agile Property Holdings	3383 HK	China	(3.2)	(1.9)	1.9	1.9	0.3	0.2	5.0	4.8	15.4	14.9
Country Garden Holdings	2007 HK	China	(17.4)	7.5	4.2	3.9	0.7	0.6	4.7	4.6	7.1	7.5
China Overseas Land & Invest	688 HK	Hong Kong	7.0	6.5	6.2	5.8	0.8	0.7	5.9	5.4	4.8	5.1
China Resources Land	1109 HK	Hong Kong	8.3	13.0	10.0	8.9	1.2	1.1	7.0	6.3	3.7	4.1
Hang Lung Properties	101 HK	Hong Kong	8.0	10.7	16.0	14.4	0.5	0.5	17.2	15.4	4.7	4.8
Henderson Land Development	12 HK	Hong Kong	(1.6)	0.9	11.6	11.5	0.5	0.5	20.9	20.4	5.3	5.3
Shimao Property Holdings	813 HK	Hong Kong	(4.2)	4.3	1.6	1.6	0.2	0.2	5.7	5.6	17.8	20.3
Sun Hung Kai Properties	16 HK	Hong Kong	0.0	3.2	9.0	8.8	0.5	0.5	9.3	8.7	5.3	5.3
Sino Land	83 HK	Hong Kong	105.8	(24.9)	7.4	9.9	0.5	0.4	3.7	5.0	6.4	5.6
CapitaLand	CAPL SP	Singapore	30.5	11.2	na	na	na	na	na	na	na	na
City Developments	CIT SP	Singapore	32.4	168.9	31.3	11.7	0.8	0.7	27.1	18.2	1.8	2.3
Asian Property Devt *	AP TB	Thailand	3.6	14.4	7.3	6.4	1.0	0.9	11.2	10.8	4.8	5.5
Land and Houses *	LH TB	Thailand	6.9	19.9	16.6	13.8	2.3	2.2	23.0	20.4	5.1	6.1
LPN Development *	LPN TB	Thailand	(50.5)	11.7	21.0	18.8	0.7	0.7	23.8	19.9	2.9	3.2
Pruksa Holding *	PSH TB	Thailand	(17.5)	11.8	13.9	12.4	0.7	0.7	13.7	11.6	4.3	4.8
Quality Houses *	QH TB	Thailand	(10.6)	17.0	13.3	11.4	0.9	0.9	48.6	48.9	4.5	5.3
Sansiri *	SIRI TB	Thailand	(11.6)	12.3	15.4	13.7	0.6	0.6	22.9	22.7	2.6	2.9
Supalai *	SPALI TB	Thailand	36.2	13.3	8.4	7.4	1.2	1.1	10.1	8.8	4.8	5.4
Average			6.1	16.1	11.2	9.4	0.8	0.7	15.0	13.7	5.9	6.3

Sources: Bloomberg consensus, *Thanachart estimates

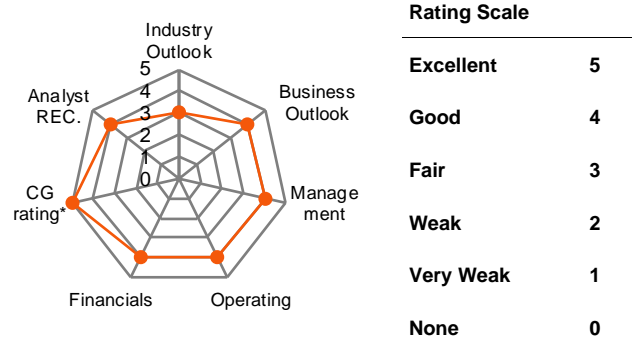
Based on 31 January 2022 closing prices

COMPANY DESCRIPTION

AP (Thailand) Pcl (AP) develops residential property projects in the Bangkok area. It offers all product types: townhouses (TH) under the brands Biztown, Baan Klang Muang, Baan Klang Krung, The Pleno and District; single-detached houses (SDH) under the brands The City, The Centro, The Palazzo, Soul and Mind; and condos under the brands The Address, The Rhythm, The Life, and The Aspire and Co.

Source: Thanachart

COMPANY RATING



Source: Thanachart; *CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- High flexibility in adjusting products.
- Previously known as leading developer of in-town TH and condos and now has gained low-rise housing market share.
- Diversified products.

O — Opportunity

- Segmental and geographical expansion.
- Penetrating the mid-to-low end market.

W — Weakness

- Low exposure to the low-end market where demand is the highest.
- Little exposure to provincial markets.

T — Threat

- Competition in CBD condos.
- New land and building tax.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	10.78	12.50	16%
Net profit 21F (Bt m)	4,368	4,378	0%
Net profit 22F (Bt m)	4,590	5,008	9%
Consensus REC	BUY: 18	HOLD: 3	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Our net profit for 2022F is 9% higher than the Bloomberg consensus number, which we attribute to us having higher presales and sales revenue assumptions to reflect its recent aggressive launch plan.
- Our DCF-based TP is therefore 16% above the Street's.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- Weaker-than-expected economic growth could hit housing demand and future growth prospects and this represents the key downside risk to our call.
- Due to its large JVs condominium backlog, our earnings forecasts could be missed in the event of cancellations or construction delays.

Source: Thanachart

INCOME STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Sales	23,802	29,888	31,478	36,410	38,949
Cost of sales	15,627	20,458	21,337	24,636	26,181
Gross profit	8,176	9,430	10,141	11,774	12,768
% gross margin	34.3%	31.6%	32.2%	32.3%	32.8%
Selling & administration expenses	5,443	6,160	5,823	6,736	7,206
Operating profit	2,732	3,270	4,317	5,039	5,562
% operating margin	11.5%	10.9%	13.7%	13.8%	14.3%
Depreciation & amortization	118	269	207	228	245
EBITDA	2,851	3,540	4,524	5,267	5,808
% EBITDA margin	12.0%	11.8%	14.4%	14.5%	14.9%
Non-operating income	88	70	194	81	87
Non-operating expenses	(13)	(6)	0	0	0
Interest expense	(247)	(367)	(297)	(327)	(366)
Pre-tax profit	2,560	2,968	4,214	4,792	5,283
Income tax	566	690	885	1,006	1,110
After-tax profit	1,994	2,278	3,329	3,786	4,174
% net margin	8.4%	7.6%	10.6%	10.4%	10.7%
Shares in affiliates' Earnings	1,009	1,948	1,048	1,222	1,228
Minority interests	4	1	0	0	0
Extraordinary items	61	0	0	0	0
NET PROFIT	3,068	4,227	4,378	5,008	5,402
Normalized profit	3,006	4,227	4,378	5,008	5,402
EPS (Bt)	1.0	1.3	1.4	1.6	1.7
Normalized EPS (Bt)	1.0	1.3	1.4	1.6	1.7

Record profit in 2020 and delivering new highs in 2021-23F

BALANCE SHEET

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
ASSETS:					
Current assets:	51,470	49,897	49,522	59,998	67,313
Cash & cash equivalent	570	2,740	752	985	1,000
Account receivables	169	80	431	499	534
Inventories	49,715	46,140	47,351	57,371	64,557
Others	1,016	938	988	1,143	1,223
Investments & loans	5,453	6,462	6,462	6,462	6,462
Net fixed assets	468	409	399	370	325
Other assets	1,403	1,955	2,027	2,202	2,265
Total assets	58,794	58,724	58,410	69,033	76,365
LIABILITIES:					
Current liabilities:	17,057	13,256	12,469	15,563	17,082
Account payables	1,753	1,824	2,046	2,362	2,511
Bank overdraft & ST loans	8,180	3,113	2,912	3,831	4,327
Current LT debt	4,500	4,600	3,796	4,993	5,639
Others current liabilities	2,623	3,719	3,715	4,377	4,606
Total LT debt	14,927	15,221	12,707	16,716	18,879
Others LT liabilities	514	983	1,009	1,053	1,053
Total liabilities	32,498	29,461	26,185	33,332	37,015
Minority interest	(17)	(18)	(18)	(18)	(18)
Preferreds shares	0	0	0	0	0
Paid-up capital	3,146	3,146	3,146	3,146	3,146
Share premium	89	89	89	89	89
Warrants	0	0	0	0	0
Surplus	(0)	0	0	0	0
Retained earnings	23,078	26,046	29,008	32,484	36,133
Shareholders' equity	26,313	29,281	32,243	35,720	39,369
Liabilities & equity	58,794	58,724	58,410	69,033	76,365

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2019A	2020A	2021F	2022F	2023F
Earnings before tax	2,560	2,968	4,214	4,792	5,283
Tax paid	(633)	(683)	(850)	(981)	(1,083)
Depreciation & amortization	118	269	207	228	245
Chg In working capital	(8,457)	3,736	(1,341)	(9,772)	(7,072)
Chg In other CA & CL / minorities	597	2,594	625	1,377	939
Cash flow from operations	(5,816)	8,884	2,855	(4,355)	(1,687)
Capex	(152)	(172)	(100)	(100)	(100)
Right of use	0	(555)	(55)	(6)	(6)
ST loans & investments	0	0	0	0	0
LT loans & investments	(956)	(1,009)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	469	953	247	102	256
Cash flow from investments	(639)	(783)	91	(4)	150
Debt financing	7,332	(4,673)	(3,519)	6,125	3,305
Capital increase	0	0	0	0	0
Dividends paid	(1,258)	(1,258)	(1,416)	(1,532)	(1,753)
Warrants & other surplus	(0)	0	0	0	0
Cash flow from financing	6,074	(5,931)	(4,934)	4,592	1,552
Free cash flow	(5,968)	8,712	2,755	(4,455)	(1,787)

VALUATION

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Normalized PE (x)	10.7	7.6	7.3	6.4	5.9
Normalized PE - at target price (x)	13.1	9.3	9.0	7.9	7.3
PE (x)	10.5	7.6	7.3	6.4	5.9
PE - at target price (x)	12.8	9.3	9.0	7.9	7.3
EV/EBITDA (x)	20.7	14.8	11.2	10.8	10.3
EV/EBITDA - at target price (x)	23.3	16.8	12.8	12.1	11.6
P/BV (x)	1.2	1.1	1.0	0.9	0.8
P/BV - at target price (x)	1.5	1.3	1.2	1.1	1.0
P/CFO (x)	(5.5)	3.6	11.2	(7.4)	(19.0)
Price/sales (x)	1.3	1.1	1.0	0.9	0.8
Dividend yield (%)	3.9	4.4	4.8	5.5	5.9
FCF Yield (%)	(18.6)	27.1	8.6	(13.9)	(5.6)
(Bt)					
Normalized EPS	1.0	1.3	1.4	1.6	1.7
EPS	1.0	1.3	1.4	1.6	1.7
DPS	0.4	0.5	0.5	0.6	0.6
BV/share	8.4	9.3	10.2	11.4	12.5
CFO/share	(1.8)	2.8	0.9	(1.4)	(0.5)
FCF/share	(1.9)	2.8	0.9	(1.4)	(0.6)

Sources: Company data, Thanachart estimates

Undemanding PE vs. peers' on our forecasts, and below 7.1x five-year average from 2015-19

FINANCIAL RATIOS

FY ending Dec	2019A	2020A	2021F	2022F	2023F
Growth Rate					
Sales (%)	(12.7)	25.6	5.3	15.7	7.0
Net profit (%)	(22.6)	37.8	3.6	14.4	7.9
EPS (%)	(22.6)	37.8	3.6	14.4	7.9
Normalized profit (%)	(24.0)	40.6	3.6	14.4	7.9
Normalized EPS (%)	(24.0)	40.6	3.6	14.4	7.9
Dividend payout ratio (%)	41.0	33.5	35.0	35.0	35.0
Operating performance					
Gross margin (%)	34.3	31.6	32.2	32.3	32.8
Operating margin (%)	11.5	10.9	13.7	13.8	14.3
EBITDA margin (%)	12.0	11.8	14.4	14.5	14.9
Net margin (%)	8.4	7.6	10.6	10.4	10.7
D/E (incl. minor) (x)	1.0	0.8	0.6	0.7	0.7
Net D/E (incl. minor) (x)	1.0	0.7	0.6	0.7	0.7
Interest coverage - EBIT (x)	11.0	8.9	14.6	15.4	15.2
Interest coverage - EBITDA (x)	11.5	9.6	15.2	16.1	15.9
ROA - using norm profit (%)	5.6	7.2	7.5	7.9	7.4
ROE - using norm profit (%)	11.8	15.2	14.2	14.7	14.4
DuPont					
ROE - using after tax profit (%)	7.8	8.2	10.8	11.1	11.1
- asset turnover (x)	0.4	0.5	0.5	0.6	0.5
- operating margin (%)	11.8	11.2	14.3	14.1	14.5
- leverage (x)	2.1	2.1	1.9	1.9	1.9
- interest burden (%)	91.2	89.0	93.4	93.6	93.5
- tax burden (%)	77.9	76.8	79.0	79.0	79.0
WACC (%)	9.4	9.4	9.4	9.4	9.4
ROIC (%)	4.9	4.7	6.9	7.8	7.3
NOPAT (Bt m)	2,128	2,510	3,411	3,980	4,394
invested capital (Bt m)	53,350	49,476	50,907	60,274	67,213

Sources: Company data, Thanachart estimates

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