BUY (Unchanged) | TP: Bt 20.00 (From: Bt 25.00)

Change in Numbers | Upside : 15.6% | 25 APRIL 2022

Small Cap Research

RS Public Co Ltd (RS TB)

A simpler turnaround path

RS's expansion into the mass market hasn't yet been successful and the company is redefining its strategy. Getting back to basics, we expect RS's earnings to turn around via a sharp drop in marketing expenses, an improving media business and contributions from M&As. Maintain BUY with a lower TP of Bt20.

RATA LIMSUTHIWANPOOM

662 – 483 8297

rata.lim@thanachartsec.co.th

Thanachart Securities

Back to basics

RS's ambition to enter the mass-market segment via beverage product sales to modern-trade outlets, health & beauty products to agent networks and pet food to traditional stores has yet to bear fruit. The company is redefining its strategy by stopping sales of health & beauty products to agent networks and lifting the portion of high-margin owned products on existing platforms. As its beverage and pet food product sales have yet to gain much ground, we do not factor in a meaningful contribution. We expect RS's earnings to turn around via a sharp fall in marketing expenses, a recovering entertainment business, organic commerce business growth and two key M&As' contributions.

A simpler turnaround story

We reaffirm our BUY call on RS with a lower DCF-derived SOTP-based 12-month TP (2022F base year) of Bt20 (from Bt25). We cut our earnings by 39/23/16% in 2022-24F as we no longer factor in meaningful contributions from the new products above. We also leave out hemp ventures from our model. RS's turnaround should therefore come from its core businesses and two profitable M&As. We believe RS's earnings reached bottom at Bt127m in 2021 (vs. Bt384/528m in 2019-20) and expect a sharp rebound to Bt277/496/675m in 2022-24F (see earnings breakdown and drivers in Exhibit 8). With nearly a full turnaround in 2023F and strong 79/36% EPS growth in 2023-24F, we argue that RS is inexpensive trading at 34/25x PE in 2023-24F.

Improving media and stabilizing commerce

In 2023F, we expect an EBIT and equity income breakdown of 48% commerce, 20% media and 32% M&As. Its long-time loss-making media business reached breakeven in 2020 from a new revenue source of content sales to online platforms and the media authority's reduction of concession payments from 2019. We also believe the industry ad rate has already found its base after a decade of falling pricing. RS's event business is expected to improve from the COVID crisis period and we expect ad spending to gather pace along with the economy. As for its commerce business, while market expenses are falling sharply, RS is planning to introduce more of its branded products which have an average gross margin of 60-70% vs. a 35-40% margin on sales of partners' products.

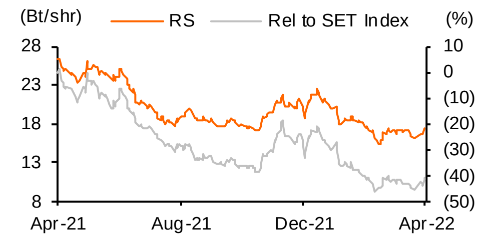
M&As to top up growth

RS made two good M&As, in our view, over the past year. The first was 35%-owned bad-debt management firm Chase Asia (acquired in 1Q21) and the other was ULife direct sales (100% acquisition targeted for completion in 2Q22). We estimate combined profit contributions of Bt157/205m in 2022-23F vs. Bt83m in 2021 and none in 2019-20. See more details inside.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Sales	3,573	3,778	4,119	4,280
Net profit	127	277	496	675
Consensus NP	—	549	714	na
Diff frm cons (%)	—	*(49.5)*	*(30.5)*	*na*
Norm profit	127	277	496	675
Prev. Norm profit	—	456	641	800
Chg frm prev (%)	—	*(39.3)*	*(22.6)*	*(15.6)*
Norm EPS (Bt)	0.1	0.3	0.5	0.7
Norm EPS grw (%)	(75.9)	117.6	79.1	36.0
Norm PE (x)	132.1	60.7	33.9	24.9
EV/EBITDA (x)	28.2	23.5	14.2	10.9
P/BV (x)	7.9	7.3	6.8	6.2
Div yield (%)	0.0	1.3	2.4	3.2
ROE (%)	6.2	12.5	20.7	26.0
Net D/E (%)	90.1	105.2	74.9	43.7

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 25-Apr-22 (Bt)	17.30
Market Cap (US$ m)	494.2
Listed Shares (m shares)	972.5
Free Float (%)	60.5
Avg Daily Turnover (US$ m)	5.8
12M Price H/L (Bt)	26.00/15.30
Sector	Commerce
Major Shareholder	Chetchotisak Family 23.6%

Sources: Bloomberg, Company data, Thanachart estimates

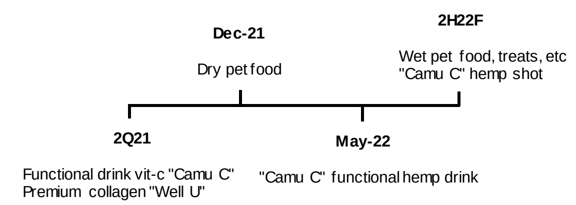
Recap and update on new products in 2021

Last year RS Pcl (RS) moved into a new business areas (being a producer with company-owned brands rather than just a commerce operator) in the mass market. RS launched the functional drink “Camu C” which is sold in convenience stores and modern trade outlets and the premium collagen drink “Well U”, which was sold via distributors to traditional trade outlets and agent networks from April-May 2021. Pet food under the “Lifemate” brand with a holistic wellness premium mass-market position was launched in traditional trade pet shops in December 2021. It was very unfortunate timing that the Camu C and Well U products were launched just before the COVID-19 wave and lockdown. Sales of these two products, all relying on off-line selling channels, experienced major hiccups during the lockdown while heavy marketing expenses (ie, out-of-home media, presenters and production costs) were already committed though the company had already cut its budget. However, even post-lockdown in 4Q21 and 1Q22, sales still didn’t improve as we had previously anticipated. Lifemate petfood sales in 1Q22 were also much slower than we had expected.

Ex 1: RS Expanding Sales Channels Into The Mass Market

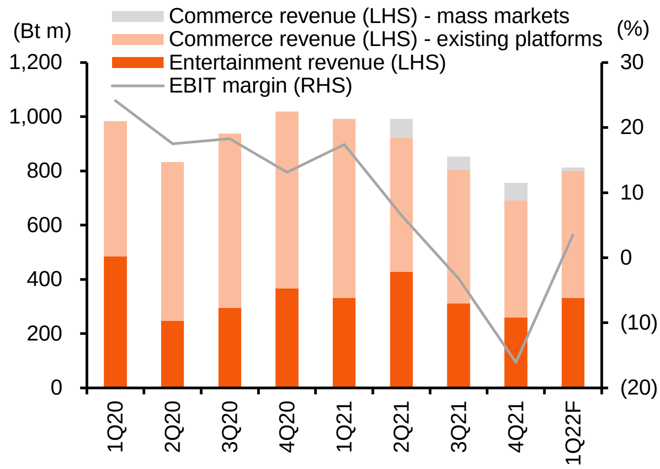
Source: Company data

Ex 2: New Product Launches



Sources: Company data, Thanachart estimates

Ex 3: But Not Gaining Much Ground With Huge Expenses



Sources: Company data, Thanachart estimates

More product launches planned this year

This year RS plans to launch its Camu C hemp drink and shots, though we foresee consumer excitement about hemp waning. RS also plans more launches of pet products, ie, wet food, snacks, hemp pet care and pet-related products. We leave all of these new products launch sales as potential upside.

Utility token listing on secondary exchange still delayed

The "Popcoin" utility token to use in its "entertainmerce" application, where the token's ecosystem is to be built, was launched late last year, but it has continued to experience listing delays on the board of Bitkub, a leading digital asset exchange. RS intended Popcoin to provide an additional income source in the digital era. Initially, the main income source for this business model is revenue from advertisers buying Popcoin tokens to get space and time to show their ads in the application. RS hopes to get some ad spend share in the online and digital ad spending category, which is worth around Bt21bn of the total Bt101bn ad spend pool. We like the Popcoin idea but still prefer to wait and see how the ecosystem jigsaw will be put together in the application before we factor this into our numbers.

Redefining strategy for commerce business

RS is also redefining its strategy as follows:

- Well U products (ie, premium collagen, hemp seed oil, etc.): RS stopped selling these to agent networks; instead, they are now sold via the company's main distribution channels on its existing commerce platforms (Ch.8, online RS Mall) and have gained much more ground, in our view.
- RS's existing marketplace platform (Ch.8, online RS Mall): RS is planning to introduce more of its branded products which have an average gross margin of 60-70% vs. 35-40% for selling other people's products. It aims to boost its owned-brand products from 40% of commerce sales last year to 60%.
- Camu C Vitamin C drink: RS just relaunched this with a new taste and an outlet selling price cut from Bt17 to Bt16 per 150ml bottle vs. key players' Cvitt at Bt16 per 140ml bottle and C+ Lock at Bt15 per 140ml bottle. The distribution channel remains convenience stores, mainly 7-Eleven and modern trade outlets.

Our BUY call on RS is premised on a simple earnings turnaround

We no longer factor in a meaningful contribution from the new products in the mass market above. Our BUY call on RS is premised on a simple path of a turnaround from a sharp drop in marketing expenses (cutting out-of-home media and presenter costs), an improving media and entertainment business (TV, music, events and concerts), and contributions from M&As.

Two good M&As deals to top up growth

RS made two good M&As, in our view, in the past year which should top up its earnings growth. We estimate a combined profit contribution to RS from these of Bt157/205m in 2022-23F vs. Bt83m in 2021 and none in 2019-20 (see Exhibit 5). This first was 35%-owned bad-debt management firm Chase Asia (acquired in 1Q21), which contributed Bt83m in 2021. The second was the profit-making ULife direct sales (a 100% acquisition targeted for completion in 2Q22), a multilevel marketing direct-sales business with a product portfolio of premium health and beauty products. ULife has 150,000 members with 67,000 active selling agents. ULife's purchase price is Bt877m, implying an 11x 2022F PE. Its valuation looks attractive vs. peers' 15-20x. ULife made revenue of Bt1bn p.a. pre-COVID with a 10-12% net margin.

Profit turnaround to start from 1Q22F

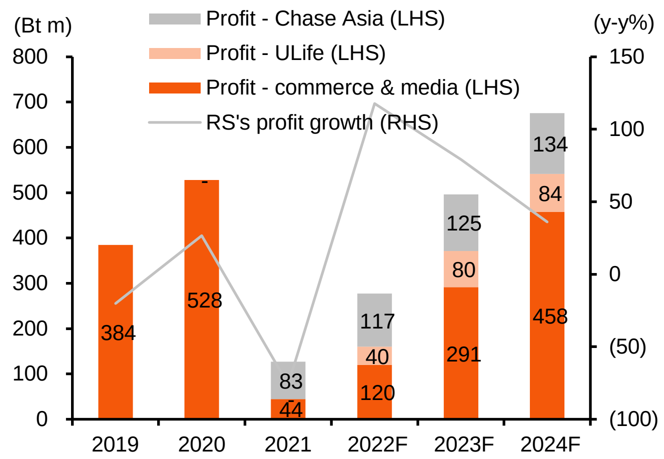
We expect a turnaround to start from 1Q22F with a Bt40m profit, rebounding from a loss of Bt66m in 4Q21 but still 71% below last year's level. We see key drivers for 1Q22F being falling marketing expenses and an improving media business. Meanwhile, commerce sales have remained weak, falling 3% q-q and 27% y-y. On top of those drivers in 1Q22F, we expect better earnings momentum in later quarters from 1) rising commerce sales along with general consumption; 2) improving entertainment business including events and concerts resuming; and 3) new profit contribution from the acquisition of ULife in 2H22F.

Ex 4: Key Assumption Changes

	2021	2022F	2023F	2024F
Commerce revenue (Bt m)				
New	2,263	1,724	1,841	1,933
Old		2,478	2,782	3,131
Change (%)		(30.4)	*(33.8)*	*(38.3)*
Profit contribution from M&As (Bt m)				
New				
ULife (100%-stake)	0	40	80	84
Specialty group (33%-stake)	0	0	0	0
Old				
ULife (100%-stake)	0	0	0	0
Specialty group (33%-stake)	0	42	72	81
Net profit (Bt m)				
New	127	277	496	675
Old		456	641	800
Change (%)		(39.3)	(22.6)	(15.6)

Sources: Company data, Thanachart estimates

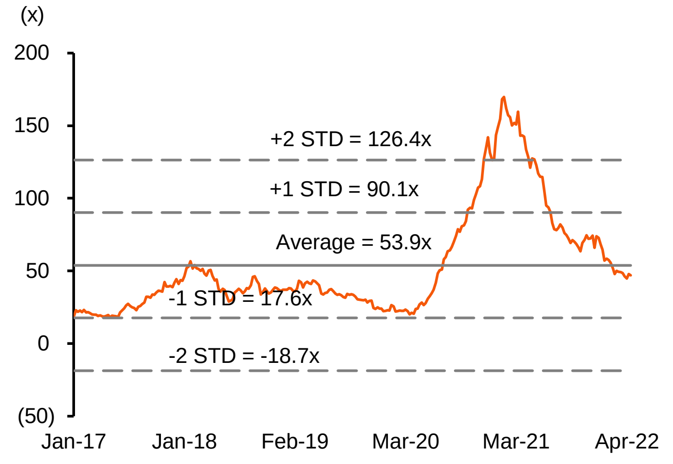
Ex 5: Strong Turnaround With New M&As Top Up Growth



Sources: Company data, Thanachart estimates

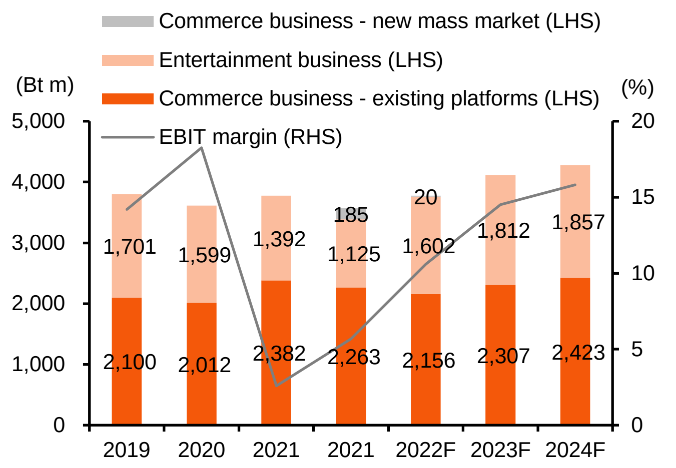
Note: Chase Asia and ULife are the M&As over the past year

Ex 6: Inexpensive Trading At 34/25x PE



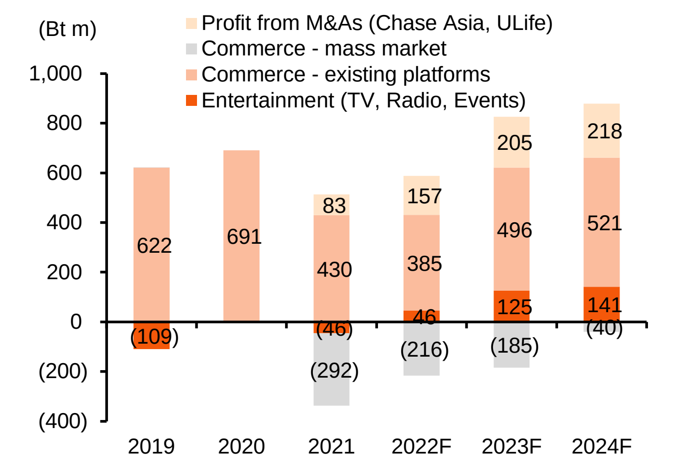
Sources: Bloomberg, Thanachart estimates

Ex 7: Revenue And EBIT Margin Forecasts



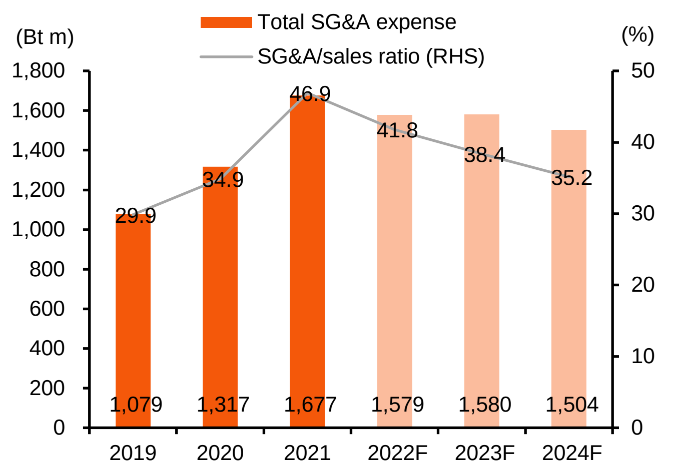
Sources: Company data, Thanachart estimates

Ex 8: EBIT And Equity Income Breakdown



Source: Thanachart estimates

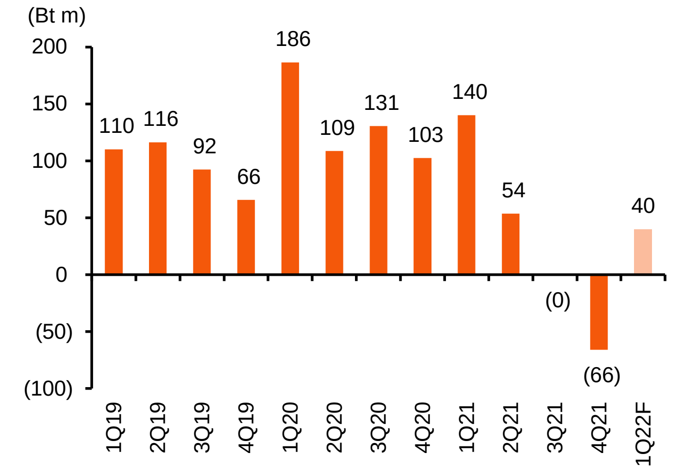
Ex 9: A Sharp Fall In Marketing Expenses



Sources: Company data, Thanachart estimates

Note: the spike of SG&A in 2021 was mainly attributed to marketing expenses on new products launched and acquiring more staff for new products and new businesses.

Ex 10: Earnings Turnaround Started From 1Q22F



Sources: Company data, Thanachart estimates

Ex 11: 12-month SOTP-derived DCF-based TP Calculation, Using A 2022F Base Year

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	Terminal Value
EBITDA	759	1,253	1,583	1,543	1,698	1,535	1,716	1,904	2,098	2,305	2,552	—
Free cash flow	(645)	648	913	925	889	626	785	949	1,118	1,295	1,509	25,423
PV of free cash flow	(644)	560	734	691	617	394	456	510	557	597	643	9,514

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	0.8
WACC (%)	7.6
Terminal growth (%)	2.0
Enterprise value - add investments	15,238
Net debt (2021F)	1,926
Minority interest	1
Equity value	13,312
# of shares (m)	972
Equity value / share	**14.0**
Investment:	
Chase Asia	**4.5**
ULife	**1.5**
DCF-derived SOTP TP	**20**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 12: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth 22F (%)	EPS growth 23F (%)	PE 22F (x)	PE 23F (x)	P/BV 22F (x)	P/BV 23F (x)	EV/EBITDA 22F (x)	EV/EBITDA 23F (x)	Div. yield 22F (%)	Div. yield 23F (%)
Entertainment Ne	ENIL IN	India	na	na	na	33.0	1.2	1.1	15.1	7.5	0.5	0.9
Sun TV Network	SUNTV IN	India	10.7	6.6	11.4	10.7	2.4	2.2	6.7	6.0	4.4	5.1
Zee Entertainment	Z IN	India	46.6	31.0	21.4	16.4	2.3	2.1	13.4	10.9	1.3	1.5
Surya Citra Media	SCMA IJ	Indonesia	(4.3)	15.7	11.9	10.3	2.6	2.3	8.1	7.1	3.1	4.4
Media Nusantara	MNCN IJ	Indonesia	2.8	8.9	5.5	5.1	0.7	0.7	4.4	4.0	3.2	4.9
Beijing Gehua	600037 CH	China	40.0	33.3	41.4	31.1	0.9	0.9	5.5	4.9	0.7	0.9
Media Prima Bhd	MPR MK	Malaysia	31.8	16.2	9.2	7.9	1.0	0.9	2.9	2.8	3.8	4.1
BEC World*	BEC TB	Thailand	25.5	26.9	30.6	24.1	4.6	4.5	8.7	7.8	2.9	3.7
MAJOR Cineplex*	MAJOR TB	Thailand	na	10.6	17.1	15.4	2.4	2.3	10.3	9.1	4.7	5.2
Plan B Media*	PLANB TB	Thailand	na	48.7	64.1	43.1	4.3	4.1	9.9	9.2	0.8	1.9
RS Pcl*	RS TB	Thailand	117.6	79.1	60.7	33.9	7.3	6.8	23.5	14.2	1.3	2.4
VGI Global Media**	VGI TB	Thailand	na	na	na	85.8	1.9	1.9	72.4	33.2	0.0	0.2
Bangkok Com. Asset*	BAM TB	Thailand	25.3	17.6	19.9	17.0	1.5	1.4	na	na	3.5	4.1
JMT Network Services	JMT TB	Thailand	24.6	49.6	60.4	40.4	5.2	5.0	na	na	1.3	2.0
Chayo Group	CHAYO TB	Thailand	95.1	(1.9)	30.5	31.1	3.4	3.0	19.0	17.2	0.6	0.6
Beauty Community	BEAUTY TB	Thailand	na	33.3	49.7	37.3	5.7	5.7	25.9	20.8	2.0	2.7
Do Day Dream	DDD TB	Thailand	37.5	42.9	57.5	40.3	1.2	1.2	21.5	17.2	1.6	2.2
Karmarts	KAMART TB	Thailand	(48.5)	29.4	32.9	25.4	5.0	4.8	21.8	17.9	2.8	3.7
Average			**31.1**	**28.0**	**32.8**	**28.2**	**3.0**	**2.8**	**16.8**	**11.9**	**2.1**	**2.8**

Source: Bloomberg

Note: * Thanachart estimates using normalized EPS growth

** VGI's fiscal year ends in March.

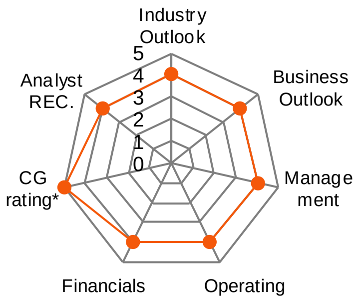
Based on 25-Apr-22 closing prices

COMPANY DESCRIPTION

RS Public Company Limited (RS) operates diversified commerce and media businesses. The company and its subsidiaries produce digital music, and content for digital and satellite TV, radio programs, while organizing concerts and events, as well as operating a new retail business of multi-platform commerce (sales of beauty, healthy supplement and lifestyle products). RS has invested in a 35% stake in Chase Asia, which is a debt-collection and asset-management company (AMC).

Source: Thanachart

COMPANY RATING



Rating Scale	
Very Strong	5
Strong	4
Good	3
Fair	2
Weak	1
None	0

Source: Thanachart; *CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Integrated entertainment network and commerce businesses.
- Swift adjustments in response to changes in consumer demand.
- Targeting customers nationwide.

W — Weakness

- Dependent on domestic consumption momentum.
- Dependent on superstar artists.

O — Opportunity

- Exposure to its multi-platform commerce business.
- Capitalizing on its audience base on media with its on-air marketplace business.
- The opportunity to expand its product line to new target group clients that buy some products on credit.

T — Threat

- Liberalization of broadcasting regulations.
- Technology and consumer preferences have shifted.
- Piracy of the company's products.
- Regulatory risks from the government agencies.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	21.70	20.00	-8%
Net profit 22F (Bt m)	549	277	-50%
Net profit 23F (Bt m)	714	496	-30%
Consensus REC	**BUY: 5**	**HOLD: 3**	**SELL: 1**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2022-23F net profits are 30-50% below the Bloomberg consensus estimates, which we attribute to us factoring in much lower contributions from new products in the mass market.
- Our DCF-derived SOTP-based TP is therefore lower than the Street's.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- If RS's commerce revenue and margin were to come in lower than we currently assume, this would represent the key downside risk to our call.
- If new regulations were to be imposed on beauty and health-business commercials appearing on media channels, this would represent a secondary downside risk to our call.
- If the digital-TV business performance does not reach our expectations because of sluggish domestic consumption or fierce competition, this would be another secondary downside risk.
- If the performance of Chase Asia does not reach our expectations because of lower-than-expected new debt purchased and/or its debt-collection performance.

Source: Thanachart

2024F profit is higher than 2020's on contribution from two profit-making M&As

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	3,774	3,573	3,778	4,119	4,280
Cost of sales	1,769	1,804	1,985	2,103	2,154
Gross profit	**2,006**	**1,769**	**1,793**	**2,016**	**2,126**
% gross margin	53.1%	49.5%	47.5%	48.9%	49.7%
Selling & administration expenses	1,317	1,677	1,579	1,580	1,504
Operating profit	**689**	**92**	**214**	**436**	**622**
% operating margin	18.3%	2.6%	5.7%	10.6%	14.5%
Depreciation & amortization	534	573	603	878	1,026
EBITDA	**1,223**	**665**	**818**	**1,315**	**1,648**
% EBITDA margin	32.4%	18.6%	21.6%	31.9%	38.5%
Non-operating income	17	17	15	16	17
Non-operating expenses	(4)	(2)	(2)	(2)	(2)
Interest expense	(36)	(59)	(77)	(87)	(64)
Pre-tax profit	**666**	**48**	**150**	**364**	**572**
Income tax	137	6	30	73	114
After-tax profit	**528**	**42**	**120**	**291**	**458**
% net margin	14.0%	1.2%	3.2%	7.1%	10.7%
Shares in affiliates' Earnings	0	83	157	205	218
Minority interests	0	2	0	0	0
Extraordinary items	0	0	0	0	0
NET PROFIT	**528**	**127**	**277**	**496**	**675**
Normalized profit	**528**	**127**	**277**	**496**	**675**
EPS (Bt)	0.5	0.1	0.3	0.5	0.7
Normalized EPS (Bt)	0.5	0.1	0.3	0.5	0.7

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	1,174	1,091	1,174	1,256	1,240
Cash & cash equivalent	200	141	140	140	140
Account receivables	711	553	590	643	645
Inventories	229	337	381	403	384
Others	33	60	63	69	72
Investments & loans	4	1,063	1,063	1,063	1,063
Net fixed assets	642	567	1,399	1,083	621
Other assets	2,697	3,082	2,910	2,827	2,725
Total assets	**4,516**	**5,803**	**6,546**	**6,229**	**5,650**
LIABILITIES:					
Current liabilities:	1,814	2,198	2,939	2,616	2,064
Account payables	1,016	882	979	1,037	974
Bank overdraft & ST loans	620	1,115	1,795	1,405	923
Current LT debt	0	0	0	0	0
Others current liabilities	178	201	165	174	168
Total LT debt	**156**	**952**	**769**	**602**	**396**
Others LT liabilities	543	515	533	519	492
Total liabilities	**2,512**	**3,665**	**4,242**	**3,737**	**2,952**
Minority interest	2	1	1	1	1
Preferreds shares	0	0	0	0	0
Paid-up capital	972	972	972	972	972
Share premium	322	322	322	322	322
Warrants	0	0	0	0	0
Surplus	(160)	(160)	(160)	(160)	(160)
Retained earnings	**867**	**1,003**	**1,169**	**1,356**	**1,563**
Shareholders' equity	2,002	2,138	2,304	2,491	2,697
Liabilities & equity	**4,516**	**5,803**	**6,546**	**6,229**	**5,650**

Sources: Company data, Thanachart estimates

We expect the acquisition of ULife to be complete by late 2Q22F

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	666	48	150	364	572
Tax paid	(137)	(6)	(30)	(73)	(114)
Depreciation & amortization	534	573	603	878	1,026
Chg In working capital	200	(83)	16	(18)	(45)
Chg In other CA & CL / minorities	69	64	85	187	192
Cash flow from operations	**1,331**	**596**	**824**	**1,339**	**1,630**
Capex	(593)	(498)	(1,377)	(500)	(500)
Right of use	(551)	60	(20)	(20)	(20)
ST loans & investments	0	0	0	0	0
LT loans & investments	0	(1,059)	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(74)	(458)	185	48	46
Cash flow from investments	**(1,218)**	**(1,954)**	**(1,212)**	**(472)**	**(474)**
Debt financing	10	1,291	497	(558)	(688)
Capital increase	0	0	(0)	0	0
Dividends paid	(96)	0	(111)	(309)	(469)
Warrants & other surplus	(155)	8	0	0	0
Cash flow from financing	**(241)**	**1,299**	**386**	**(867)**	**(1,157)**
Free cash flow	**738**	**98**	**(553)**	**839**	**1,130**

PE looks inexpensive at 34/25x in 2023-24F given a strong earnings turnaround

VALUATION

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	31.8	132.1	60.7	33.9	24.9
Normalized PE - at target price (x)	36.8	152.7	70.2	39.2	28.8
PE (x)	31.8	132.1	60.7	33.9	24.9
PE - at target price (x)	36.8	152.7	70.2	39.2	28.8
EV/EBITDA (x)	14.2	28.2	23.5	14.2	10.9
EV/EBITDA - at target price (x)	16.4	32.1	26.8	16.2	12.5
P/BV (x)	8.4	7.9	7.3	6.8	6.2
P/BV - at target price (x)	9.7	9.1	8.4	7.8	7.2
P/CFO (x)	12.6	28.2	20.4	12.6	10.3
Price/sales (x)	4.5	4.7	4.5	4.1	3.9
Dividend yield (%)	0.0	0.0	1.3	2.4	3.2
FCF Yield (%)	4.4	0.6	(3.3)	5.0	6.7
(Bt)					
Normalized EPS	0.5	0.1	0.3	0.5	0.7
EPS	0.5	0.1	0.3	0.5	0.7
DPS	0.0	0.0	0.2	0.4	0.6
BV/share	2.1	2.2	2.4	2.6	2.8
CFO/share	1.4	0.6	0.8	1.4	1.7
FCF/share	0.8	0.1	(0.6)	0.9	1.2

Sources: Company data, Thanachart estimates

Improving operating margin on falling marketing expenses

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	4.5	(5.3)	5.7	9.0	3.9
Net profit (%)	45.4	(75.9)	117.6	79.1	36.0
EPS (%)	34.0	(75.9)	117.6	79.1	36.0
Normalized profit (%)	37.4	(75.9)	117.6	79.1	36.0
Normalized EPS (%)	26.6	(75.9)	117.6	79.1	36.0
Dividend payout ratio (%)	0.0	0.0	80.0	80.0	80.0
Operating performance					
Gross margin (%)	53.1	49.5	47.5	48.9	49.7
Operating margin (%)	18.3	2.6	5.7	10.6	14.5
EBITDA margin (%)	32.4	18.6	21.6	31.9	38.5
Net margin (%)	14.0	1.2	3.2	7.1	10.7
D/E (incl. minor) (x)	0.4	1.0	1.1	0.8	0.5
Net D/E (incl. minor) (x)	0.3	0.9	1.1	0.7	0.4
Interest coverage - EBIT (x)	19.1	1.6	2.8	5.0	9.6
Interest coverage - EBITDA (x)	33.9	11.3	10.6	15.2	25.5
ROA - using norm profit (%)	13.3	2.5	4.5	7.8	11.4
ROE - using norm profit (%)	28.4	6.2	12.5	20.7	26.0
DuPont					
ROE - using after tax profit (%)	28.3	2.0	5.4	12.1	17.6
- asset turnover (x)	1.0	0.7	0.6	0.6	0.7
- operating margin (%)	18.6	3.0	6.0	10.9	14.9
- leverage (x)	2.1	2.5	2.8	2.7	2.3
- interest burden (%)	94.9	44.9	65.9	80.8	89.9
- tax burden (%)	79.4	87.6	80.0	80.0	80.0
WACC (%)	7.6	7.6	7.6	7.6	7.6
ROIC (%)	25.3	3.1	4.2	7.4	11.4
NOPAT (Bt m)	547	81	171	349	497
invested capital (Bt m)	2,578	4,064	4,728	4,358	3,876

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
Tel: 662-779-9106
sarachada.sor@thanachartsec.co.th

Witchanan Tambamroong
Technical Analyst
Tel: 662-779-9123
witchanan.tam@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

Sittichet Rungrassameephat
Analyst, Quantitative
Tel: 662-483-8303
sittichet.run@thanachartsec.co.th

Chak Reungsinpinya
Thematic Research, 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

Yupapan Polpornprasert
Energy, Petrochemical
Tel: 662-779-9110
yupapan.pol@thanachartsec.co.th

Thaloengsak Kucharoenpaisan
Analyst, Retail Market
Tel: 662-483-8304
thaloengsak.kuc@thanachartsec.co.th