BUY (Unchanged)

Change in Numbers

TP: Bt 13.50 (From: Bt 13.00)

Upside : 43.6%

23 JUNE 2022

Small Cap Research

Thanachart Securities

MC GROUP Pcl (MC TB)

Strong 4Q FY22F in sight

We expect MC to report very strong 4Q FY22F profits driven by solid 25% SSSG, strong sales from Mc Outlets and it maintaining a record-high gross margin of 65%. We see MC as attractive for 26/16% EPS growth over FY23-24F, 11.7/10.1x PE multiples and 8.6/9.9% dividend yields. Reaffirm BUY with a higher TP of Bt13.5.

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Solid earnings turnaround in 4Q FY22F

We estimate MC to post strong 4Q FY22F (April-June 2022) net profit of Bt142m, a surge of 700% y-y from Bt18m in 4Q FY21 and 30% q-q from Bt110m in 3Q FY22. Key drivers look set to be a jump in sales revenues by 54% y-y and 11% q-q and the company maintaining a high gross margin level of 65%, flat q-q but increasing y-y from 54.5%. Despite the two-month lockdown in July-August last year hurting its 1Q FY22 performance, we expect MC to deliver profit growth of 14% y-y to reach Bt506m for FY22F, boosted by the gross margin widening to 64.6% from 59.6% in FY21 and a swift sales recovery since the lockdown was lifted in September last year. We project its 2Q-4Q FY22F (October 2021-June 2022) sales growth at 4% y-y.

mcmc shops converted to Mc Outlets

Its new “Mc Outlet” store format at PTT gas stations was initiated in 2Q FY22 to sell value-for-money jeans and apparel at outlet prices. By end June this year, we expect MC to have 17 new Mc Outlets with all 55 mcmc shops located at PTT gas stations fully converted into Mc Outlets. These 72 Mc Outlets would make up 11% of its total planned 652 branches at end FY22. So far, the new Mc Outlets are enjoying sales at 2-3x that of the average sales/store. With the launch of Mc Outlets, we project sales/store to rise to Bt0.44m/month in 2Q-4Q FY22F, from Bt0.42m/month in FY21 and Bt0.40m/month in FY20. We believe strong 4Q FY22F sales are being driven by Mc Outlets and the 25% SSSG of existing stores as Thais have been travelling upcountry more and 70% of MC’s sales are from provincial stores.

Managing inventory

MC managed to reduce inventory from Bt2.2bn in FY18 to Bt1.6/1.4/1.25bn in FY19-21. As the price of its key raw material, cotton, has spiked since October last year, its inventory level has hovered at around Bt1.2-1.3bn in FY22YTD. Its inventory policy of maintaining inventory a little longer to lock in old costs and its lower price discount sales strategy has driven gross margin to a new record high of 65% for three quarters during 2Q-4Q FY22F.

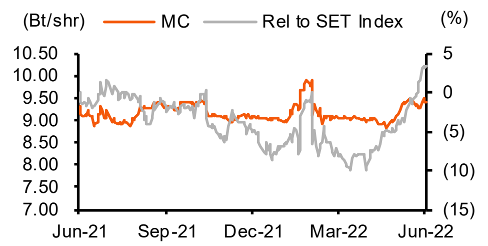
Reaffirming BUY call with a new TP of Bt13.5

We lift our earnings estimates for MC by 4% p.a. over FY22-33F based on its better SSSG and gross margin outlook, while our DCF-based 12-month TP, using a 2023F base year, is raised by 4% to Bt13.5/share from Bt13 previously. We reaffirm our BUY call on MC as a fast COVID recovery play enjoying a net-cash position. The company’s FY23F profit looks set to surpass its FY19 level with 26/16% EPS growth in FY23-24F and what we regard as attractive PE multiples of 11.7/10.1x. Forecast dividend yields are also high at 8.6/9.9% in those years.

COMPANY VALUATION

Y/E Jun (Bt m)	2021A	2022F	2023F	2024F
Sales	3,220	2,986	3,603	3,874
Net profit	446	506	639	738
Consensus NP	—	494	577	636
Diff frm cons (%)	—	*2.5*	*10.7*	*16.2*
Norm profit	446	506	639	738
Prev. Norm profit	—	488	610	708
Chg frm prev (%)	—	*3.7*	*4.6*	*4.3*
Norm EPS (Bt)	0.6	0.6	0.8	0.9
Norm EPS grw (%)	0.4	13.6	26.1	15.6
Norm PE (x)	16.7	14.7	11.7	10.1
EV/EBITDA (x)	6.1	5.5	4.8	4.3
P/BV (x)	2.1	2.1	2.0	2.0
Div yield (%)	5.9	6.8	8.6	9.9
ROE (%)	12.4	14.0	17.5	19.9
Net D/E (%)	(51.7)	(54.0)	(52.9)	(54.8)

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 23-Jun-22 (Bt)	9.40
Market Cap (US$ m)	209.7
Listed Shares (m shares)	792.0
Free Float (%)	42.9
Avg Daily Turnover (US$ m)	0.2
12M Price H/L (Bt)	9.90/8.80
Sector	Commerce
Major Shareholder	Miss Sunee Seripanu 43.11%

Sources: Bloomberg, Company data, Thanachart estimates

Ex 1: Key Assumption Changes

	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F
SSSG (%)												
- New	(8.0)	17.0	5.0	5.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
- Old	(10.0)	19.0	5.0	5.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Gross margin (%)												
- New	64.6	64.0	64.3	64.6	64.9	65.2	65.5	65.7	65.9	66.1	66.3	66.5
- Old	63.5	63.8	64.1	64.4	64.7	65.0	65.3	65.5	65.7	65.9	66.1	66.3
Change (bp)	*110*	*20*	*20*	*20*	*20*	*20*	*20*	*20*	*20*	*20*	*20*	*20*
Normalized profit (Bt m)												
- New	506	639	738	848	947	1,032	1,149	1,249	1,377	1,510	1,605	1,705
- Old	488	610	708	815	912	993	1,107	1,205	1,329	1,459	1,549	1,644
Change (%)	*3.7*	*4.6*	*4.3*	*4.1*	*3.9*	*3.9*	*3.7*	*3.7*	*3.6*	*3.5*	*3.6*	*3.7*

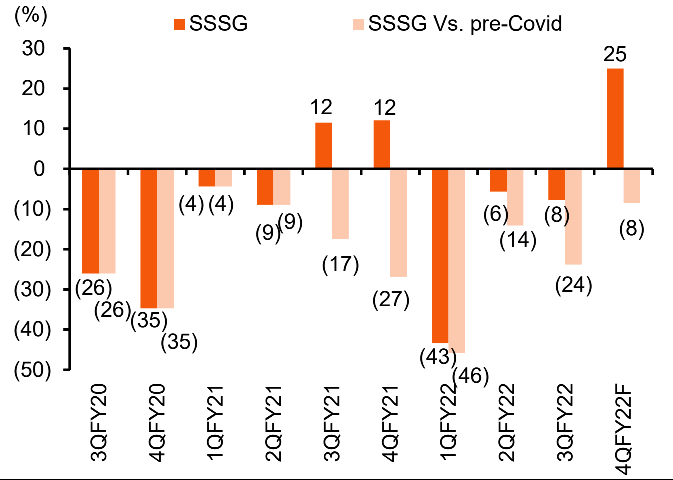
Source: Thanachart estimates

Ex 2: 4Q FY22F Earnings Preview

Yr-end June (Bt m)	Income Statement					Change	
	4Q FY21	1Q FY22	2Q FY22	3Q FY22	4Q FY22F	*q-q%*	*y-y%*
Revenue	531	438	995	738	815	*11*	*54*
Gross profit	**289**	**269**	**648**	**482**	**530**	***10***	***83***
SG&A	290	243	370	347	350	*1*	*21*
Operating profit	(1)	26	277	135	180	*33*	*na*
EBITDA	**96**	**124**	**371**	**228**	**277**	***21***	***189***
Other income	8	5	11	5	11	*106*	*33*
Other expense	0	0	0	0	0		
Interest expense	7	5	5	5	10	*75*	*43*
Profit before tax	**1**	**26**	**284**	**135**	**181**	***35***	***23,649***
Income tax	(15)	2	53	25	39	*60*	*na*
Equity & invest. income	0	(1)	1	(0)	0	*na*	*(21)*
Minority interests	2	0	(0)	0	(0)	*na*	*na*
Extraordinary items	0	0	0	0	0		
Net profit	**18**	**24**	**231**	**110**	**142**	***30***	***700***
Normalized profit	**18**	**24**	**231**	**110**	**142**	***30***	***700***

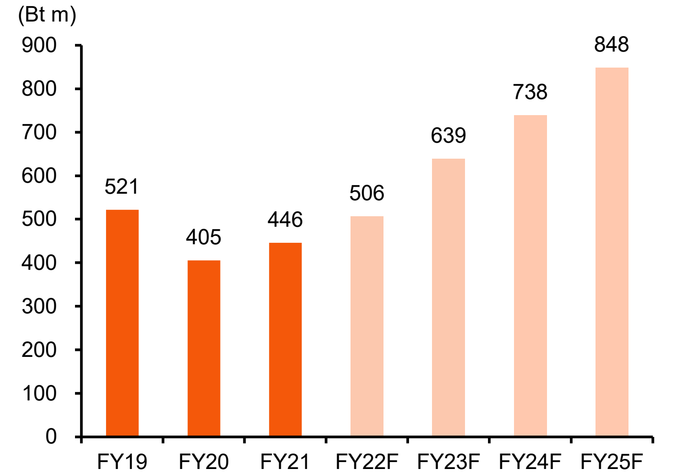
Sources: Company data, Thanachart estimates

Ex 3: SSSG Recovering Quickly



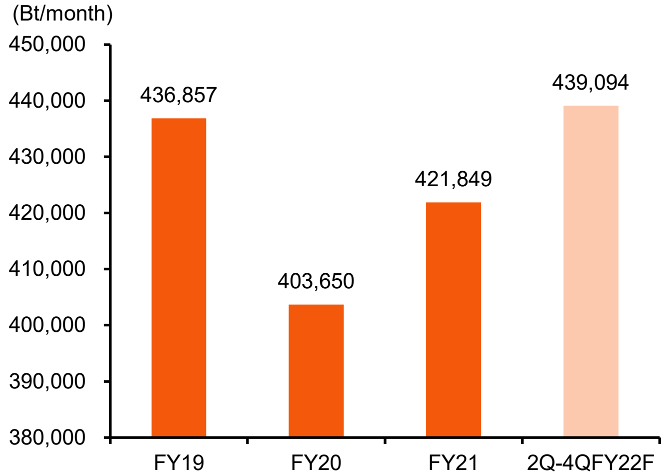
Sources: Company data, Thanachart estimates

Ex 4: Net Profit Surpassing FY19 Level In FY23F



Sources: Company data, Thanachart estimates

Ex 5: Rising Average Sales/Store



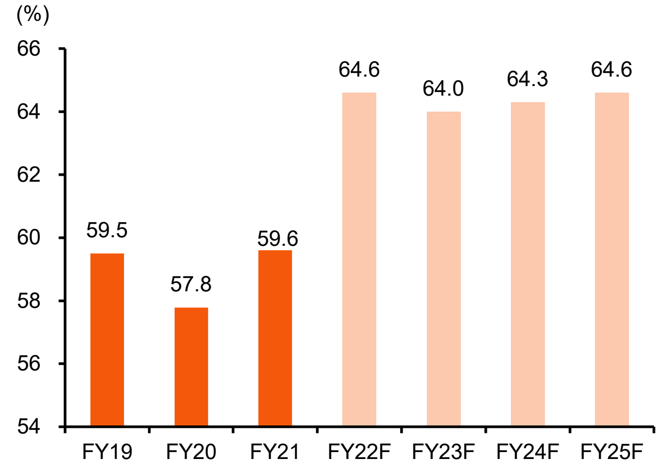
Sources: Company data, Thanachart estimates

Ex 6: Points Of Sale

Points of sale	FY19 (ended June)	FY20	FY21	31Mar22
Free-standing shops	312	334	334	343
Modern trade	306	305	287	286
Mobile units	6	6	6	6
Total domestic	**624**	**645**	**627**	**635**
International	14	12	9	9
Total	**638**	**657**	**636**	**644**

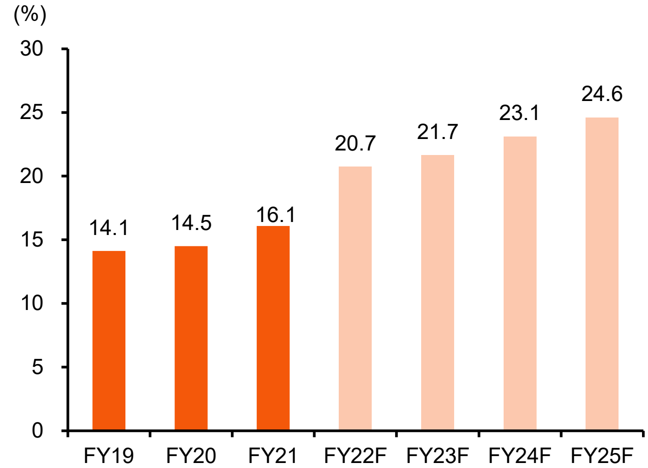
Source: Company data

Ex 7: Gross Margin



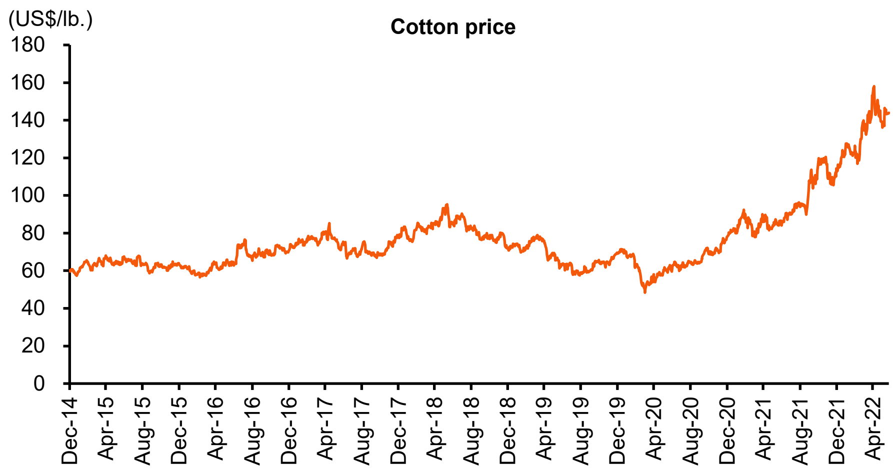
Sources: Company data, Thanachart estimates

Ex 8: EBIT Margin



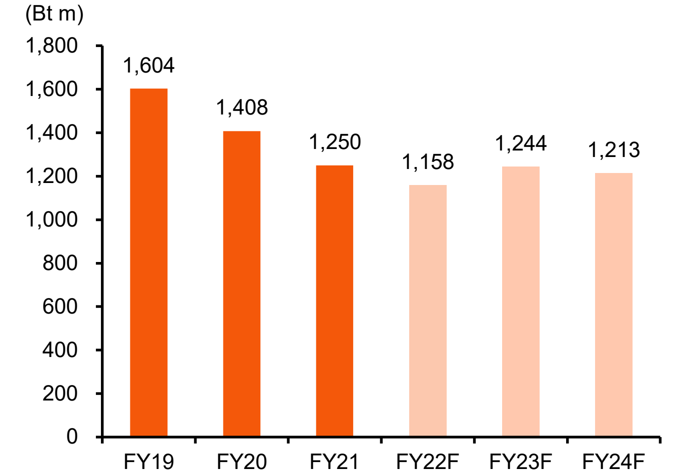
Sources: Company data, Thanachart estimates

Ex 9: Cotton Price



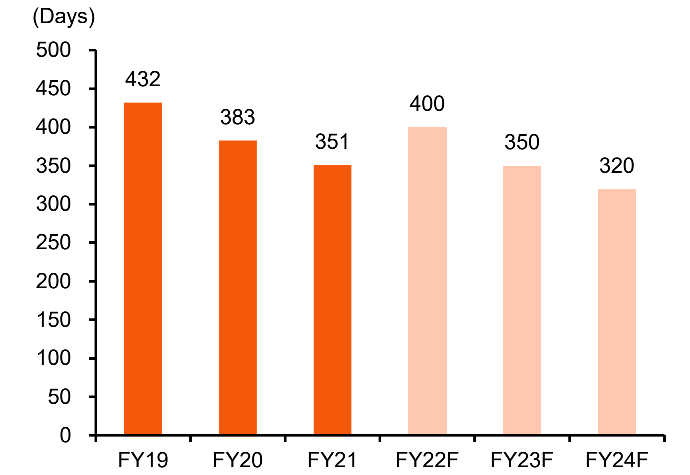
Source: Bloomberg

Ex 10: Inventory Level



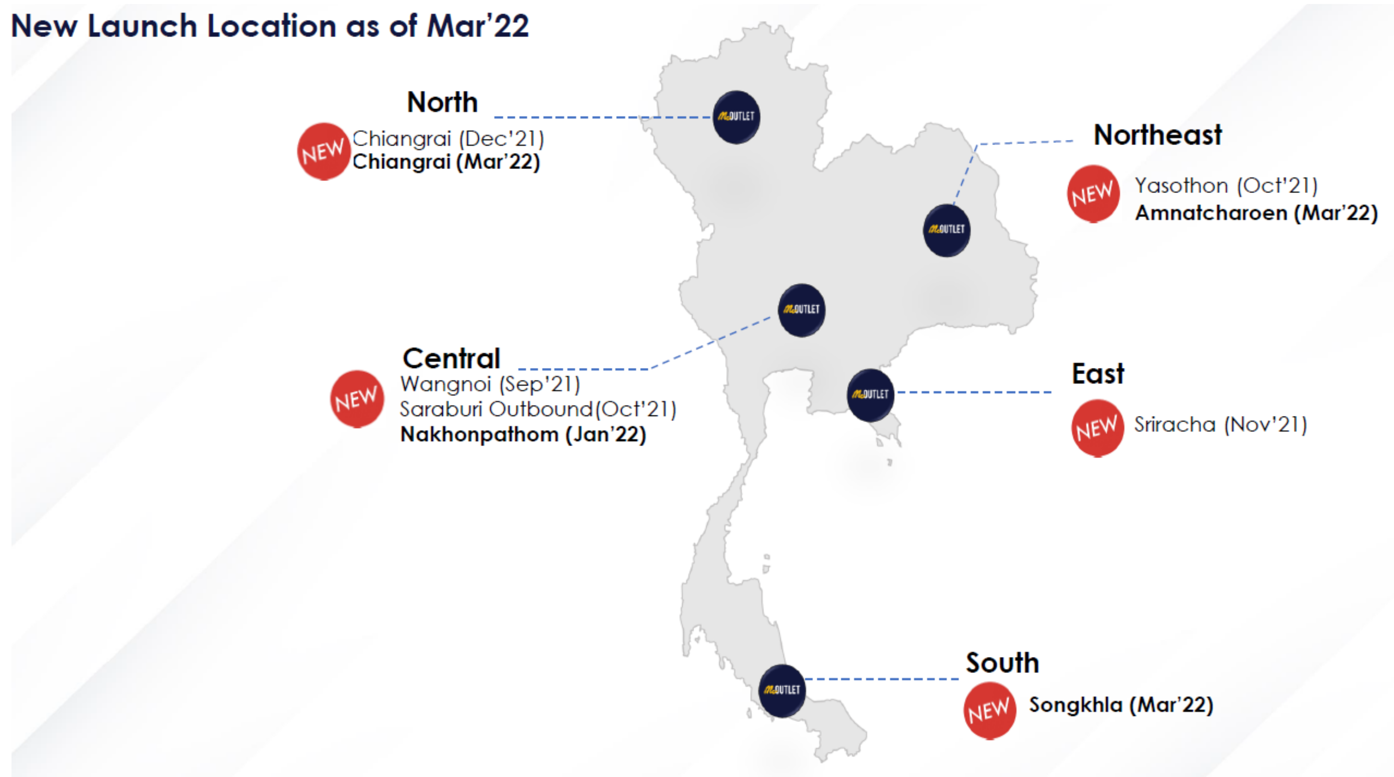
Sources: Company data, Thanachart estimates

Ex 11: Inventory Days



Sources: Company data, Thanachart estimates

Ex 12: Mc Outlets



Source: Company data

Ex 13: 12-month DCF-based TP Calculation Using A Base Year Of FY23F

(Bt m)	FY23F	FY24F	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F	FY31F	FY32F	Terminal value
EBITDA	854	967	1,094	1,210	1,315	1,452	1,570	1,724	1,890	2,009	
Free cash flow	618	813	885	1,006	1,006	1,116	1,206	1,329	1,349	1,392	12,631
PV of free cash flow	616	638	615	619	537	525	501	486	435	396	3,020

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	1.3
WACC (%)	12.9
Terminal growth (%)	2.0
Enterprise value	8,741
Net debt (end-FY22F)	(1,962)
Minority interest	11
Equity value	10,691
# of shares (m)	792
Equity value / share (Bt)	**13.50**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 14: 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 (%)
Marks & Spencer	MKS LN	Britain	na	(21.2)	5.8	7.4	1.0	0.9	4.3	4.7	0.0	0.6
J Sainsbury PLC	SBRY LN	Britain	109.1	(7.4)	8.2	8.9	0.6	0.5	5.0	5.3	7.7	6.5
Tesco	TSCO LN	Britain	110.8	(2.8)	10.6	10.9	1.3	1.0	6.5	6.8	3.6	4.7
Carrefour SA	CA FP	France	19.7	15.2	9.8	8.5	1.2	1.1	5.3	4.9	3.3	3.7
Casino Guichard	CO FP	France	(5.3)	49.5	10.3	6.9	0.5	0.5	6.4	6.0	4.8	1.0
L'Oreal SA	OR FP	France	17.8	8.4	31.2	28.8	6.8	6.2	20.1	18.6	1.4	1.7
Alimentation Couche	ATD/B CN	Canada	8.8	0.7	na	na	na	na	9.5	9.8	na	na
Aeon	8267 JP	Japan	na	99.7	162.3	81.2	2.0	2.0	8.8	8.3	1.6	1.6
Kao Corporation	4452 JP	Japan	(7.9)	12.8	22.8	20.2	2.6	2.5	11.1	10.1	2.7	2.8
Lion Corporation	4912 JP	Japan	(8.0)	(0.1)	21.2	21.2	1.6	1.5	8.7	8.2	1.6	1.7
Shiseido Co. Ltd	4911 JP	Japan	15.5	69.1	50.9	30.1	3.8	3.5	18.2	13.2	1.0	1.8
Lawson	2651 JP	Japan	105.8	14.1	24.0	21.0	1.6	1.6	3.5	3.3	3.4	3.4
Seven & I Holdings	3382 JP	Japan	36.3	20.1	21.7	18.0	1.7	1.6	8.5	7.1	1.9	1.9
Lotte Corp	004990 KS	South Korea	(8.0)	39.8	13.3	9.5	0.6	0.6	10.7	10.1	3.0	4.2
Shinsegae	004170 KS	South Korea	18.5	16.6	6.1	5.2	0.5	0.5	6.1	5.7	0.8	1.3
Amore Pacific Group	002790 KS	South Korea	(23.7)	32.9	18.8	14.2	1.1	1.1	6.3	5.1	1.3	1.1
Best Buy Co Inc	BBY US	USA	(13.8)	14.5	8.1	7.1	5.4	5.3	4.7	4.4	3.1	4.0
Wal-Mart Stores	WMT US	USA	(0.4)	9.3	18.9	17.3	3.7	3.3	10.3	9.8	1.8	1.8
Home Depot Inc	HD US	USA	7.3	5.8	16.1	15.3	na	na	11.7	11.4	2.2	2.5
Yonghui Superstores	601933 CH	China	na	68.0	54.0	32.1	3.3	3.0	18.6	14.9	1.3	0.6
Sa International	178 HK	Hong Kong	na	na	na	52.7	3.9	3.6	na	25.5	0.0	0.0
Dairy Farm Intl Hldgs	DFI SP	Hong Kong	12.2	66.4	26.6	16.0	3.2	2.9	9.2	8.6	3.1	3.7
President Chain Store	2912 TT	Taiwan	15.9	11.5	27.0	24.2	7.8	7.3	11.7	11.5	2.9	3.3
7-Eleven Malaysia	SEM MK	Malaysia	188.9	7.7	17.7	16.4	11.5	8.6	7.1	7.1	1.9	2.9
Berli Jucker *	BJC TB	Thailand	47.9	10.7	25.6	23.1	1.1	1.1	13.3	12.9	2.9	3.2
COM7 *	COM7 TB	Thailand	28.4	22.4	22.9	18.7	10.1	8.3	16.1	13.3	2.0	4.4
CP All *	CPALL TB	Thailand	66.1	57.4	41.6	26.4	4.8	4.3	12.3	10.3	1.2	1.9
Central Pattana *	CPN TB	Thailand	146.0	34.3	32.4	24.1	3.4	3.1	18.9	15.3	1.4	1.9
Central Retail Corp. *	CRC TB	Thailand	na	40.3	39.1	27.9	3.5	3.2	9.7	8.7	1.0	1.4
Siam Global House *	GLOBAL TB	Thailand	11.8	20.8	23.7	19.6	4.0	3.5	18.9	15.7	1.7	2.0
Home Product*	HMPRO TB	Thailand	21.1	20.5	25.9	21.5	7.1	6.6	14.9	12.8	3.1	3.7
Siam Makro *	MAKRO TB	Thailand	(20.6)	40.6	37.1	26.4	1.2	1.2	14.3	12.3	2.0	2.8
Mc Group *	MC TB**	Thailand	13.6	26.1	14.7	11.7	2.1	2.0	5.5	4.8	6.8	8.6
Average			**32.6**	**25.1**	**27.4**	**21.0**	**3.3**	**3.0**	**10.5**	**9.9**	**2.4**	**2.7**

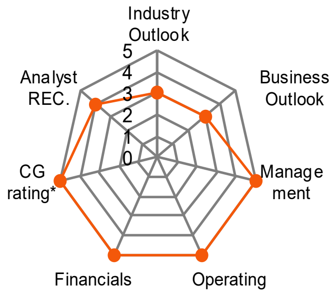
Sources: Bloomberg, Thanachart estimates
Note: * Thanachart estimates using normalized EPS growth
Based on 23 June 2022 closing price

COMPANY DESCRIPTION

MC GROUP PCL (MC) started its jeans business in Thailand under its own “Mc” brand in 1975. Over the years, MC has developed a wide range of products under the Mc, Mc Lady, the Blue Brothers premium jeanswear, Mc mini kidswear and U-P activewear brands and it distributes them mostly via free-standing shops and modern-trade outlets nationwide. It has also established an e-commerce platform, which has become a key earnings growth driver.

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

- Management has lots of experience in the jeans market in Thailand.
- It has the strong “Mc” brand with its own product designs.
- Good coverage of distribution channels nationwide.
- MC’s product quality is high with reasonable prices.
- With its large market share and in-house production, MC is very cost competitive.

W — Weakness

- MC has high stock and inventory days, but they are on a declining trend.
- High operating expenses, mainly personnel and rental cost comprising of over 70% to total SG&A.

O — Opportunity

- Penetrating fast-growing ASEAN markets.
- Penetrating lifestyle markets.
- Expansion of product lines and customer group.
- Some small apparel manufacturers have exited the market.

T — Threat

- Competition from existing peers in the jeans market including Levi’s, Wrangler, Lee and other brands.
- Competition from international brands such as H&M, UNIQLO and ZARA is on the rise.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	11.73	13.50	15%
Net profit 22F (Bt m)	494	506	2%
Net profit 23F (Bt m)	577	639	11%
Consensus REC	BUY: 3	HOLD: 2	SELL: 1

HOW ARE WE DIFFERENT FROM THE STREET?

- Our FY22-23F net profits are 2-11% above the Bloomberg consensus numbers, which we attribute to us having higher SSSG, gross margin and net margin assumptions.
- Our DCF-based TP is therefore also above the Street’s.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- If growth in people’s spending were to come in below our current expectations, this would be the key downside risk to our SSS growth assumptions.
- If MC’s omni-channel and international sales strategy is not as successful as planned, this would have a negative impact on the company’s earnings-growth prospects.
- Increased competition from existing and new rivals in the jeans and apparel markets would pressure MC’s sales volumes and prices.

Source: Thanachart

We expect FY22F profit to grow by 14% despite the lockdown

We estimate FY23F profit to surpass the pre-COVID FY19 level

Inventory is well under control, on our forecasts

INCOME STATEMENT

FY ending Jun (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	3,182	3,220	2,986	3,603	3,874
Cost of sales	1,344	1,301	1,057	1,297	1,383
Gross profit	**1,839**	**1,919**	**1,929**	**2,306**	**2,491**
% gross margin	57.8%	59.6%	64.6%	64.0%	64.3%
Selling & administration expenses	1,377	1,401	1,310	1,526	1,595
Operating profit	**461**	**518**	**619**	**780**	**896**
% operating margin	14.5%	16.1%	20.7%	21.7%	23.1%
Depreciation & amortization	99	400	382	375	362
EBITDA	**560**	**918**	**1,000**	**1,155**	**1,257**
% EBITDA margin	17.6%	28.5%	33.5%	32.1%	32.5%
Non-operating income	35	29	32	40	45
Non-operating expenses	0	0	0	0	0
Interest expense	(0)	(28)	(25)	(21)	(18)
Pre-tax profit	**496**	**519**	**625**	**798**	**923**
Income tax	50	78	119	160	185
After-tax profit	**446**	**441**	**506**	**639**	**738**
% net margin	14.0%	13.7%	17.0%	17.7%	19.1%
Shares in affiliates' Earnings	(1)	5	0	0	0
Minority interests	(2)	(0)	0	0	0
Extraordinary items	(39)	0	0	0	0
NET PROFIT	**405**	**446**	**506**	**639**	**738**
Normalized profit	**444**	**446**	**506**	**639**	**738**
EPS (Bt)	0.5	0.6	0.6	0.8	0.9
Normalized EPS (Bt)	0.6	0.6	0.6	0.8	0.9

BALANCE SHEET

FY ending Jun (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	3,192	3,324	3,357	3,485	3,575
Cash & cash equivalent	1,481	1,864	1,962	1,956	2,055
Account receivables	266	202	229	276	297
Inventories	1,408	1,250	1,158	1,244	1,213
Others	37	7	8	9	10
Investments & loans	25	25	25	25	25
Net fixed assets	404	343	311	266	230
Other assets	463	1,522	1,334	1,254	1,142
Total assets	**4,084**	**5,214**	**5,027**	**5,031**	**4,972**
LIABILITIES:					
Current liabilities:	412	721	372	447	474
Account payables	283	283	232	284	303
Bank overdraft & ST loans	0	0	0	0	0
Current LT debt	0	0	0	0	0
Others current liabilities	129	438	140	162	170
Total LT debt	**0**	**0**	**0**	**0**	**0**
Others LT liabilities	79	891	1,023	886	751
Total liabilities	**492**	**1,612**	**1,395**	**1,333**	**1,225**
Minority interest	11	11	11	11	11
Preferreds shares	0	0	0	0	0
Paid-up capital	400	400	396	396	396
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	**446**	**456**	**490**	**556**	**606**
Shareholders' equity	3,581	3,591	3,621	3,687	3,737
Liabilities & equity	**4,084**	**5,214**	**5,027**	**5,031**	**4,972**

Sources: Company data, Thanachart estimates

Decent dividend yields, based on our estimates

CASH FLOW STATEMENT

FY ending Jun (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	496	519	625	798	923
Tax paid	(59)	(78)	(119)	(159)	(184)
Depreciation & amortization	99	400	382	375	362
Chg In w orking capital	212	221	15	(80)	29
Chg In other CA & CL / minorities	(44)	372	(304)	14	3
Cash flow from operations	**705**	**1,433**	**598**	**948**	**1,132**
Capex	(86)	(13)	(45)	(29)	(35)
Right of use	0	(1,452)	(145)	(145)	(145)
ST loans & investments	0	0	0	0	0
LT loans & investments	22	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	6	850	167	(207)	(164)
Cash flow from investments	**(59)**	**(615)**	**(23)**	**(381)**	**(345)**
Debt financing	0	(0)	0	(0)	(0)
Capital increase	0	0	(4)	0	0
Dividends paid	(515)	(433)	(473)	(573)	(689)
Warrants & other surplus	6	(2)	0	0	0
Cash flow from financing	**(509)**	**(436)**	**(477)**	**(573)**	**(689)**
Free cash flow	**619**	**1,420**	**553**	**919**	**1,097**

VALUATION

FY ending Jun	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	16.8	16.7	14.7	11.7	10.1
Normalized PE - at target price (x)	24.1	24.0	21.1	16.7	14.5
PE (x)	18.4	16.7	14.7	11.7	10.1
PE - at target price (x)	26.4	24.0	21.1	16.7	14.5
EV/EBITDA (x)	10.6	6.1	5.5	4.8	4.3
EV/EBITDA - at target price (x)	16.4	9.6	8.7	7.6	6.9
P/BV (x)	2.1	2.1	2.1	2.0	2.0
P/BV - at target price (x)	3.0	3.0	3.0	2.9	2.9
P/CFO (x)	10.6	5.2	12.4	7.9	6.6
Price/sales (x)	2.3	2.3	2.5	2.1	1.9
Dividend yield (%)	5.9	5.9	6.8	8.6	9.9
FCF Yield (%)	8.3	19.1	7.4	12.3	14.7
(Bt)					
Normalized EPS	0.6	0.6	0.6	0.8	0.9
EPS	0.5	0.6	0.6	0.8	0.9
DPS	0.6	0.6	0.6	0.8	0.9
BV/share	4.5	4.5	4.6	4.7	4.7
CFO/share	0.9	1.8	0.8	1.2	1.4
FCF/share	0.8	1.8	0.7	1.2	1.4

Sources: Company data, Thanachart estimates

Improving operating margin trend

FINANCIAL RATIOS

FY ending Jun	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	(4.8)	1.2	(7.3)	20.7	7.5
Net profit (%)	(22.3)	10.0	13.6	26.1	15.6
EPS (%)	(22.3)	10.0	13.6	26.1	15.6
Normalized profit (%)	(18.8)	0.4	13.6	26.1	15.6
Normalized EPS (%)	(18.8)	0.4	13.6	26.1	15.6
Dividend payout ratio (%)	108.6	98.7	100.0	100.0	100.0
Operating performance					
Gross margin (%)	57.8	59.6	64.6	64.0	64.3
Operating margin (%)	14.5	16.1	20.7	21.7	23.1
EBITDA margin (%)	17.6	28.5	33.5	32.1	32.5
Net margin (%)	14.0	13.7	17.0	17.7	19.1
D/E (incl. minor) (x)	0.0	0.0	0.0	0.0	0.0
Net D/E (incl. minor) (x)	(0.4)	(0.5)	(0.5)	(0.5)	(0.5)
Interest coverage - EBIT (x)	na	18.4	24.8	36.6	50.5
Interest coverage - EBITDA (x)	na	32.7	40.1	54.1	70.9
ROA - using norm profit (%)	10.6	9.6	9.9	12.7	14.8
ROE - using norm profit (%)	12.2	12.4	14.0	17.5	19.9
DuPont					
ROE - using after tax profit (%)	12.3	12.3	14.0	17.5	19.9
- asset turnover (x)	0.8	0.7	0.6	0.7	0.8
- operating margin (%)	15.6	17.0	21.8	22.8	24.3
- leverage (x)	1.2	1.3	1.4	1.4	1.3
- interest burden (%)	100.0	94.9	96.2	97.4	98.1
- tax burden (%)	89.9	84.9	81.0	80.0	80.0
WACC (%)	12.9	12.9	12.9	12.9	12.9
ROIC (%)	17.7	20.9	29.0	37.6	41.4
NOPAT (Bt m)	415	440	501	624	717
invested capital (Bt m)	2,101	1,728	1,659	1,731	1,682

Sources: Company data, Thanachart estimates

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