Small Cap Research

Thanachart Securities

BUY (Unchanged)

Change in Numbers

TP: Bt 4.80 (From: Bt 5.00)

Upside : 30.4%

31 MAY 2022

SEAFCO Public Co Ltd (SEAFCO TB)

Light at tunnel's end

SAKSID PHADTHANANARAK

662 – 779 9112

saksid.pha@thanachartsec.co.th

SEAFCO's low-quality backlog and labor shortage problems look set to continue to pressure its earnings until 2Q22F, causing us to cut our 2022 earnings forecast and TP to Bt4.8. But we maintain our BUY call as we still expect a new round of infrastructure project bids in 2022-23F to turn around its earnings strongly from next year onward.

Cutting our TP to Bt4.8; still a BUY

SEAFCO's higher-than-expected loss in 1Q22 given its low-quality backlog last year still pressuring its gross margin this year causes us to lower our earnings forecast to a Bt28m loss this year (from a Bt59m profit) and by 24/14% in 2023/24F (see Exhibit 1). With the rollover of the base year in our model to 2023F, our DCF-based 12-month TP falls to Bt4.8/share from Bt5. However, we reaffirm our BUY call as ***1)*** SEAFCO's share price drop looks to have already priced in the bad news, ***2)*** many infrastructure projects have now opened for bidding and are due to start construction in 2H22, allowing SEAFCO's earnings to turn around from next year onward, and ***3)*** its margin should also improve next year when its labor shortage problem is resolved and its low-margin projects are completed this year.

Many infrastructure projects in sight

Along with the easing of COVID-19 restrictions, the government has started to implement infrastructure projects again. Two double-track railways worth Bt128bn and the Bt79bn South Purple Line have already been awarded to the main contractors while the Bt127bn West Orange Line project is under the bidding process. We estimate around Bt3-5bn of piling work for these projects. This has yet to include the Bt11bn of piling work for other projects that SEAFCO is now bidding for. We assume SEAFCO's new work value at Bt1.4bn-2.1bn a year in 2022-24F. In 1Q22, SEAFCO secured Bt409m in new work value.

Margin improvement next year

SEAFCO's gross margin was at negative 13% in 1Q22 because of low-margin projects it secured last year, a low utilization rate, and labor shortage problems while high building material prices are not management's concern as the piling construction period is short and SEAFCO can lock in the prices once it gets the work. We expect these problems to gradually be resolved with 1) the completion of the low-margin projects by 3Q22, 2) the construction of infrastructure projects giving its utilization rate a boost, and 3) its plan to bring in 100 foreign workers in 2Q22, 100 in 3Q22 and 50 in 4Q22. We estimate SEAFCO's gross margin to improve from 5% this year to 15% and 18% in 2023-24F.

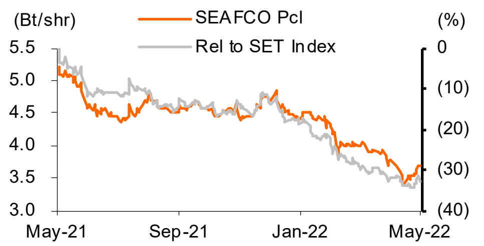
Valuation not too demanding in our view

The fall in SEAFCO's share price by 24% from its peak this year looks to have already priced in the bad news. Its valuation is not too demanding in our view trading at 17x PE in 2023F, before falling to 13x in 2024F. This is compared to its 19x average PE during the pre-COVID 2015-19 period.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Sales	1,435	1,262	2,151	2,034
Net profit	(57)	(28)	164	205
Consensus NP	—	(53)	150	156
Diff frm cons (%)	—	*na*	*9.9*	*31.6*
Norm profit	(55)	(28)	164	205
Prev. Norm profit	—	59	215	239
Chg frm prev (%)	—	*na*	*(23.5)*	*(14.0)*
Norm EPS (Bt)	(0.1)	(0.0)	0.2	0.3
Norm EPS grw (%)	na	na	na	24.9
Norm PE (x)	na	na	16.6	13.3
EV/EBITDA (x)	24.5	22.4	8.0	6.3
P/BV (x)	1.8	1.8	1.6	1.4
Div yield (%)	0.0	0.0	0.0	3.8
ROE (%)	na	na	10.2	11.5
Net D/E (%)	13.8	7.6	16.5	(0.4)

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 31-May-22 (Bt)	3.68
Market Cap (US$ m)	79.6
Listed Shares (m shares)	739.7
Free Float (%)	73.7
Avg Daily Turnover (US$ m)	0.2
12M Price H/L (Bt)	5.20/3.40
Sector	Construction
Major Shareholder	Thasnanipan Family 26.2%

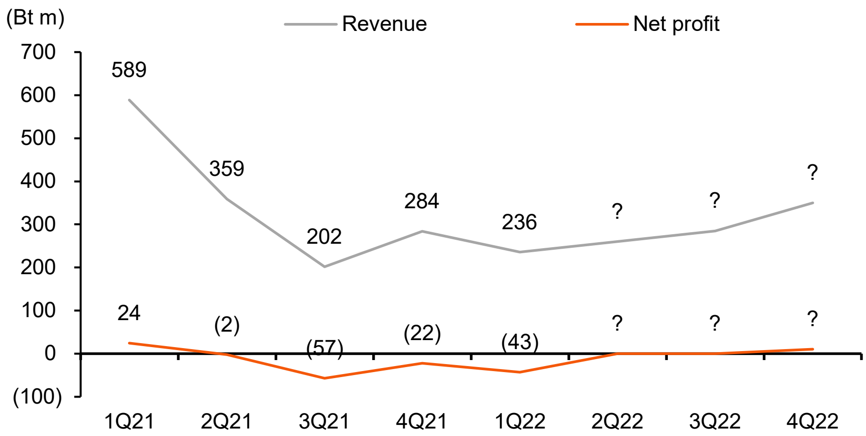
Sources: Bloomberg, Company data, Thanachart estimates

Ex 1: Key Assumption Changes

	2020	2021	2022F	2023F	2024F
New work value (Bt m)					
New	2,384	505	1,400	2,000	2,060
Old			1,400	2,000	2,060
Change (%)			-	-	-
Revenue (Bt m)					
New	2,560	1,435	1,262	2,151	2,034
Old			1,360	2,154	2,038
Change (%)			*(7.2)*	*(0.1)*	*(0.2)*
Gross margin (%)					
New	13.5	2.2	5.0	15.0	18.0
Old			13.0	18.0	20.0
Change (pp)			*(8.0)*	*(3.0)*	*(2.0)*

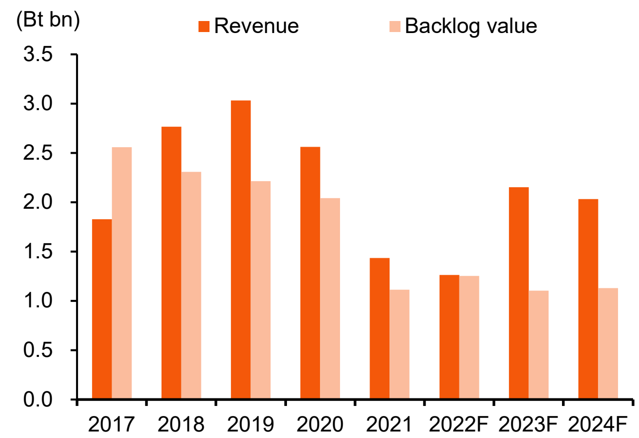
Sources: Company data, Thanachart estimates

Ex 2: Low-quality Backlog To Keep SEAFCO's Earnings Under Pressure This Year



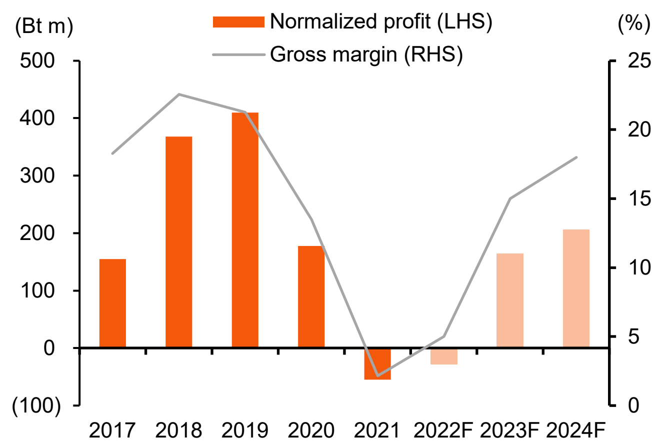
Source: Company data

Ex 3: But We Expect A Strong Rev. Recovery Next Year…



Sources: Company data, Thanachart estimates

Ex 4: ...And Earnings As Well From…



Sources: Company data, Thanachart estimates

Ex 5: …Infra. Projects Under The Bidding Process &…

Type	Project	Value (Bt m)
High-speed train	Route linking 3 international airports	224.5
Double-track rail	Den Chai - Chiang Rai - Chiang Khong	72.9
Double-track rail	Ban Phai - Nakhon Phanom	55.5
Mass Transit	South Purple Line	125.0
Mass Transit	West Orange Line	129.0
Total		**606.9**

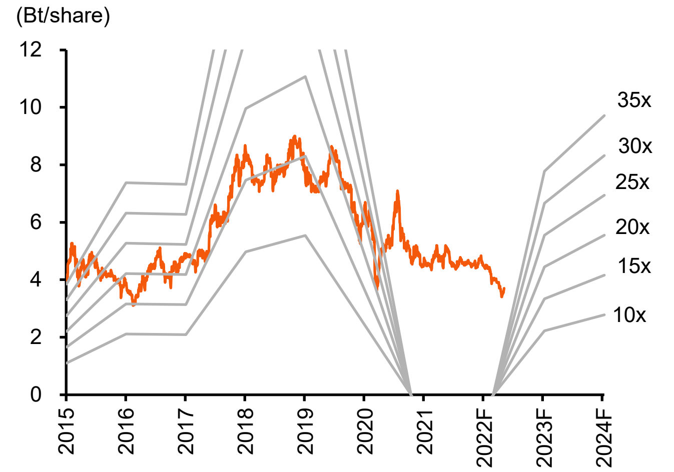
Sources: Company data, Ch. Karnchang, Thanachart estimates

Ex 6: …Infra. Projects With Bids Scheduled For 2022-23

Type	Project	Value (Bt m)
Mass transit	Red Line Extensions	65.0
Double-track rail	Khonkaen – Nong Khai	25.0
Double-track rail	Chira Junction – Ubonratchathani	36.0
Double-track rail	Pak Nam Pho – Den Chai	62.8
Airport	BKK's East Expansion	8.0
Total		**196.8**

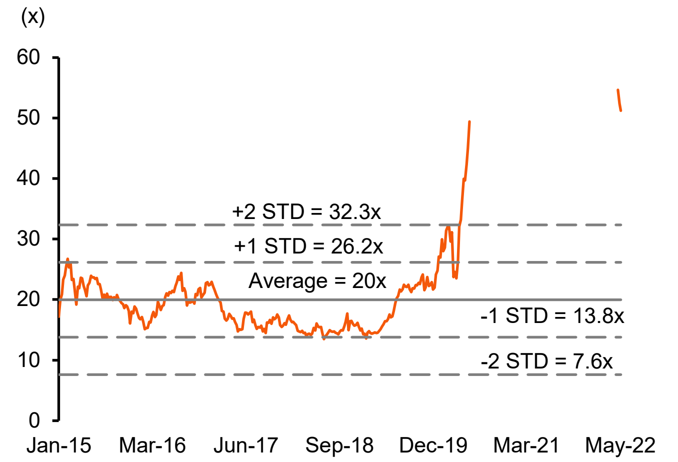
Sources: Company data, Ch. Karnchang, Thanachart estimates

Ex 7: SEAFCO's PE Band



Sources: Company data, Thanachart estimates

Ex 8: SEAFCO's PE Standard Deviation



Sources: Company data, Thanachart estimates

Ex 9: 12-month DCF-based TP Calculation Using A Base Year Of 2023F

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	Terminal Value
EBITDA	374	434	452	469	487	506	524	543	561	576	586	—
Free cash flow	197	222	254	270	287	303	320	337	354	368	378	4,896
PV of free cash flow	196	187	194	189	183	177	171	164	152	143	134	1,737

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	0.9
WACC (%)	8.9
Terminal growth (%)	2.0
Enterprise value - add investments	3,627
Net debt (2022F)	115
Minority interest	(2)
Equity value	3,514
# of shares (m)*	740
Target price/share (Bt)	**4.80**

Source: Thanachart estimates

Valuation Comparison

Ex 10: Peer Valuation Comparison

Name	BBG code	Current Price (Bt)	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 (%)
Italian-Thai Devel.	ITD TB	1.98	32.9	na	na	na	0.8	0.8	8.7	7.9	na	na
Sriracha Construction	SRICHA TB	13.00	(5.6)	75.0	12.5	7.1	2.3	2.2	7.7	4.4	7.2	13.2
Unique Engineering	UNIQ TB	4.98	592.3	50.0	27.7	18.4	na	na	9.6	9.0	na	na
CH Karnchang*	CK TB	20.90	513.3	86.8	57.8	30.9	1.4	1.3	228.8	117.6	0.7	1.3
Pylon Pcl*	PYLON TB	4.70	312.5	41.2	22.3	15.8	3.2	2.9	10.6	7.9	2.2	4.7
Seafco Pcl*	SEAFCO TB	3.68	na	na	na	16.6	1.8	1.6	22.4	8.0	0.0	0.0
Sino Thai Eng. & Cons*	STEC TB	13.10	30.6	18.5	22.1	18.6	1.1	1.1	5.3	4.4	1.4	1.9
Average			**246.0**	**54.3**	**28.5**	**17.9**	**1.8**	**1.7**	**41.9**	**22.7**	**2.3**	**4.2**

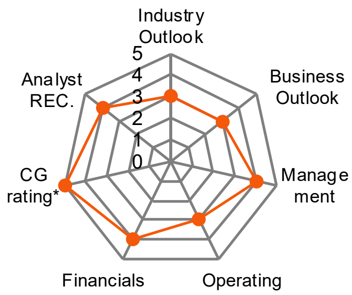
Source: Bloomberg
Note: * Thanachart estimates using normalized EPS growth
Based on 31-May-22 closing prices

COMPANY DESCRIPTION

Seafco Public Company Limited (SEAFCO) is a construction and engineering company that uses bored piles, diaphragm walls and underground engineering technology to provide cost-effective solutions for foundation problems, basement construction and development of underground facilities and sub-structure work in Bangkok and other large cities. It operates and offers services as a main contractor, sub-contractor, and joint-venture partner to both government and private sector clients.

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

- Its 40 years of experience, knowledge and innovation allow the company to dominate the market.
- Cost competitiveness due to economies of scale.
- Strong financial position with very low gearing.

W — Weakness

- The business is capital intensive and requires high asset utilization.
- Bored piling work requires high reliability.
- Risk from the company relying on key management personnel who are quite elderly.

O — Opportunity

- Thailand is entering a new multi-year infrastructure investment cycle.
- Higher-rise building trend in Bangkok given rising land costs.
- Thick and very soft clay terrain in Bangkok requires more piling foundation work.

T — Threat

- Political instability causing delays to Thailand's new investment cycle and private construction projects.
- High volatility for steel and cement prices over short periods of time.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	3.96	4.80	21%
Net profit 22F (Bt m)	(53)	(28)	na
Net profit 23F (Bt m)	150	164	10%
Consensus REC	**BUY: 2**	**HOLD: 4**	**SELL: 2**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our loss estimate for 2022F is lower than the Bloomberg consensus number, which we believe is due to us assuming SEAFCO delivers a stronger performance in 2H22F from the construction of infrastructure projects.
- Our DCF-based TP is 21% higher than the Street's, likely as we expect a stronger earnings turnaround over the long term driven by a new round of infrastructure project bids.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- Delays to the government's infrastructure projects and private construction projects could impact our new work value assumptions.
- Delays could also hurt SEAFCO's gross margins given its high operating leverage.
- Fluctuations in building material prices over short periods of time also present a major risk to our earnings projections.

Source: Thanachart

We expect the COVID hit to cause SEAFCO to still make a loss in 2022F…

…before an earnings turnaround in 2023F when infrastructure projects start to be built

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	2,560	1,435	1,262	2,151	2,034
Cost of sales	2,214	1,404	1,199	1,828	1,668
Gross profit	**345**	**31**	**63**	**323**	**366**
% gross margin	13.5%	2.2%	5.0%	15.0%	18.0%
Selling & administration expenses	126	120	120	140	132
Operating profit	**219**	**(89)**	**(57)**	**183**	**234**
% operating margin	8.6%	-6.2%	-4.5%	8.5%	11.5%
Depreciation & amortization	213	209	183	191	200
EBITDA	**432**	**120**	**126**	**374**	**434**
% EBITDA margin	16.9%	8.3%	10.0%	17.4%	21.4%
Non-operating income	25	41	35	35	35
Non-operating expenses	0	0	0	0	0
Interest expense	(24)	(21)	(16)	(18)	(17)
Pre-tax profit	**220**	**(68)**	**(38)**	**200**	**252**
Income tax	48	(11)	(8)	40	50
After-tax profit	**172**	**(58)**	**(30)**	**160**	**201**
% net margin	6.7%	-4.0%	-2.4%	7.4%	9.9%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	5	3	3	4	4
Extraordinary items	(23)	(2)	0	0	0
NET PROFIT	**154**	**(57)**	**(28)**	**164**	**205**
Normalized profit	**178**	**(55)**	**(28)**	**164**	**205**
EPS (Bt)	0.2	(0.1)	(0.0)	0.2	0.3
Normalized EPS (Bt)	0.2	(0.1)	(0.0)	0.2	0.3

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	975	886	735	1,174	1,143
Cash & cash equivalent	111	231	100	100	130
Account receivables	459	372	242	412	390
Inventories	82	65	43	65	59
Others	323	217	350	596	564
Investments & loans	60	57	57	57	57
Net fixed assets	1,286	1,177	1,094	1,023	973
Other assets	757	593	669	947	922
Total assets	**3,078**	**2,713**	**2,555**	**3,201**	**3,095**
LIABILITIES:					
Current liabilities:	1,003	842	699	1,072	843
Account payables	593	355	329	501	457
Bank overdraft & ST loans	41	166	80	140	46
Current LT debt	158	145	70	123	40
Others current liabilities	210	176	220	308	300
Total LT debt	**197**	**135**	**65**	**115**	**37**
Others LT liabilities	266	182	268	331	330
Total liabilities	**1,466**	**1,160**	**1,032**	**1,518**	**1,210**
Minority interest	7	1	(2)	(6)	(10)
Preferreds shares	0	0	0	0	0
Paid-up capital	370	370	370	370	370
Share premium	164	164	164	164	164
Warrants	0	0	0	0	0
Surplus	(5)	(8)	(8)	(8)	(8)
Retained earnings	**1,076**	**1,027**	**999**	**1,163**	**1,369**
Shareholders' equity	1,605	1,553	1,525	1,689	1,894
Liabilities & equity	**3,078**	**2,713**	**2,555**	**3,201**	**3,095**

Sources: Company data, Thanachart estimates

Bad news already looks to be baked into the share price

Strong 2023F earnings turnaround makes PE look undemanding at 17x vs. 19x pre-COVID

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	220	(68)	(38)	200	252
Tax paid	(55)	8	7	(37)	(51)
Depreciation & amortization	213	209	183	191	200
Chg In working capital	81	(135)	126	(20)	(16)
Chg In other CA & CL / minorities	139	76	(88)	(162)	25
Cash flow from operations	**598**	**89**	**190**	**172**	**410**
Capex	115	(100)	(100)	(120)	(150)
Right of use	(375)	96	(10)	(10)	(10)
ST loans & investments	0	0	0	0	0
LT loans & investments	(34)	3	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	30	(21)	20	(205)	34
Cash flow from investments	**(265)**	**(22)**	**(90)**	**(335)**	**(126)**
Debt financing	(246)	50	(231)	163	(255)
Capital increase	0	0	0	0	0
Dividends paid	(155)	0	0	0	0
Warrants & other surplus	(17)	4	0	0	0
Cash flow from financing	**(418)**	**54**	**(231)**	**163**	**(255)**
Free cash flow	**712**	**(11)**	**90**	**52**	**260**

VALUATION

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	15.3	na	na	16.6	13.3
Normalized PE - at target price (x)	20.0	na	na	21.6	17.3
PE (x)	17.6	na	na	16.6	13.3
PE - at target price (x)	23.0	na	na	21.6	17.3
EV/EBITDA (x)	7.0	24.5	22.4	8.0	6.3
EV/EBITDA - at target price (x)	8.9	31.4	29.0	10.2	8.2
P/BV (x)	1.7	1.8	1.8	1.6	1.4
P/BV - at target price (x)	2.2	2.3	2.3	2.1	1.9
P/CFO (x)	4.6	30.5	14.3	15.8	6.6
Price/sales (x)	1.1	1.9	2.2	1.3	1.3
Dividend yield (%)	2.7	0.0	0.0	0.0	3.8
FCF Yield (%)	26.2	(0.4)	3.3	1.9	9.6
(Bt)					
Normalized EPS	0.2	(0.1)	(0.0)	0.2	0.3
EPS	0.2	(0.1)	(0.0)	0.2	0.3
DPS	0.1	0.0	0.0	0.0	0.1
BV/share	2.2	2.1	2.1	2.3	2.6
CFO/share	0.8	0.1	0.3	0.2	0.6
FCF/share	1.0	(0.0)	0.1	0.1	0.4

Sources: Company data, Thanachart estimates

Solid balance sheet with a low net D/E ratio

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	(15.6)	(43.9)	(12.1)	70.4	(5.4)
Net profit (%)	(62.3)	na	na	na	24.9
EPS (%)	(62.3)	na	na	na	24.9
Normalized profit (%)	(56.6)	na	na	na	24.9
Normalized EPS (%)	(56.6)	na	na	na	24.9
Dividend payout ratio (%)	47.9	0.0	0.0	0.0	50.0
Operating performance					
Gross margin (%)	13.5	2.2	5.0	15.0	18.0
Operating margin (%)	8.6	(6.2)	(4.5)	8.5	11.5
EBITDA margin (%)	16.9	8.3	10.0	17.4	21.4
Net margin (%)	6.7	(4.0)	(2.4)	7.4	9.9
D/E (incl. minor) (x)	0.2	0.3	0.1	0.2	0.1
Net D/E (incl. minor) (x)	0.2	0.1	0.1	0.2	(0.0)
Interest coverage - EBIT (x)	9.1	na	na	10.3	13.5
Interest coverage - EBITDA (x)	18.0	5.8	7.8	21.1	25.0
ROA - using norm profit (%)	5.7	na	na	5.7	6.5
ROE - using norm profit (%)	11.0	na	na	10.2	11.5
DuPont					
ROE - using after tax profit (%)	10.7	na	na	10.0	11.2
- asset turnover (x)	0.8	0.5	0.5	0.7	0.6
- operating margin (%)	9.6	na	na	10.1	13.2
- leverage (x)	1.9	1.8	1.7	1.8	1.8
- interest burden (%)	90.2	143.7	174.7	91.9	93.5
- tax burden (%)	78.1	na	na	80.0	80.0
WACC (%)	#N/A	#N/A	8.9	8.9	8.9
ROIC (%)	8.3	(4.7)	(2.6)	8.9	9.5
NOPAT (Bt m)	171	(89)	(45)	146	187
invested capital (Bt m)	1,892	1,768	1,640	1,967	1,888

Sources: Company data, Thanachart estimates

General Disclaimers And Disclosures:

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TCAP or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TCAP nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TCAP and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TCAP and its group companies perform and seek to perform business with companies covered in this report. TNS, TCAP, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TCAP or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Note: Thanachart Securities Public Company Limited act as a Market Maker and Derivative Warrants Issuer. At present, TNS has issued 81 Derivative Warrants which are AMAT16C2206A, AOT16C2206A, AWC16C2207A, BAM16C2206A, BAM16C2207A, BANP16C2205A, BANP16C2207A, BCH16C2207A, BEC16C2207A, BGRI16C2205A, BLA16C2205A, BLA16C2208A, CBG16C2205A, CBG16C2207A, CHG16C2207A, COM716C2205A, COM716C2208A, COM716C2209A, CPF16C2205A, DOHO16C2207A, EA16C2205A, EA16C2206A, EA16C2207A, EA16C2209A, ESSO16C2209A, GPSC16C2205A, GPSC16C2206A, GPSC16C2207A, GPSC16C2209A, GULF16C2205A, GULF16C2207A, GUNK16C2205A, GUNK16C2206A, GUNK16C2207A, GUNK16C2209A, HANA16C2205A, HANA16C2207A, HANA16C2209A, INTU16C2205A, IRPC16C2205A, IVL16C2206A, JMAR16C2205A, JMAR16C2206A, JMT16C2205A, JMT16C2207A, KBAN16C2206A, KBAN16C2208A, KBAN16C2209A, KCE16C2205A, KCE16C2205B, KCE16C2208A, KCE16C2209A, KTC16C2209A, MEGA16C2207A, MINT16C2207A, MTC16C2209A, OR16C2205A, PTG16C2209A, PTT16C2205A, PTTE16C2209A, PTTG16C2207A, RBF16C2209A, RCL16C2205A, RCL16C2208A, RS16C2205A, S5016C2206A, S5016C2209A, S5016P2206A, S5016P2206B, S5016P2209A, SAWA16C2209A, SAWA16C2205A, SCB16C2208A, SPRC16C2209A, STEC16C2209A, SYNE16C2206A, TOP16C2206A, TRUE16C2205A, TRUE16C2205B, TTA16C2207A, TTA16C2208A (underlying securities are AMATA, AOT, AWC, BAM, BANPU, BCH, BEC, BGRIM, BLA, CBG, CHG, COM7, CPF, DOHOME, EA, ESSO, GPSC, GULF, GUNKUL, HANA, INTUCH, IRPC, IVL, JMART, JMT, KBANK, KCE, MEGA, MINT, MTC, OR, PTG, PTT, PTTEP, PTTGC, RBF, RCL, RS, SET50, SAWAD, SCB, SPRC, SYNEX, TOP, TRUE, TTA). before making investment decisions.

Note: Our major shareholder TCAP (Thanachart Capital Pcl) which holding 50.96% of Thanachart Securities and also TCAP holding 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 Co. Ltd has stake in THANI for 60% and being the major shareholder of THANI.

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 23% of the shareholding in TMBThanachart Bank Pcl.

Thanachart Capital Public Company Limited (TCAP), Ratchthani Leasing Public Company Limited (THANI), MBK PUBLIC COMPANY LIMITED (MBK) and PATUM RICE MILL AND GRANARY PUBLIC COMPANY LIMTED (PRG) are related companies to Thanachart Securities Public Company Limited (TNS) . Since TNS covers those securities in research report, consequently TNS incurs conflicts of interest.

Disclosure of Interest of Thanachart Securities

Investment Banking Relationship

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: SCG Packaging Pcl (SCGP TB)

Recommendation Structure:

Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on the market price and the formal recommendation.

For sectors, an “Overweight” sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. “Underweight” is used when we have SELLs on majority of the stocks we cover by market cap. “Neutral” is used when there are relatively equal weightings of BUYs and SELLs.

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