BUY (Unchanged)

Change in Numbers

TP: Bt 30.00 (From Bt29.00)

Upside : 20.0%

25 AUGUST 2022

Small Cap Research

Sabina Pcl. (SABINA TB)

Roaring ahead

SIRIPORN ARUNOTHAI
662 – 779 9113
siriporn.aru@thanachartsec.co.th

SABINA's labor and staff costs come to around 20% of total operating costs and a wage hike would have some impact. However, business momentum and operating margin are stronger than we'd expected earlier and should be enough to offset the hit from a labor cost increase. We reaffirm our BUY on SABINA with a new TP of Bt30.0.

26% three-year EPS CAGR

Note that this report includes our ESG comments. We reaffirm our BUY call on SABINA despite its already 26% YTD stock price increase. We fine-tune up our earnings by 1/2/2% in 2022-24F in this report to reflect an 8% potential minimum wage rate hike and stronger-than-expected business growth. We lift our DCF-based 12-month TP (2023F base year) to Bt30/share from Bt29. We still see SABINA as a growth stock with 43/20/16% earnings growth in 2022-24F on sales growth and margin expansion from a rising higher-margin online sales mix. We also see SABINA as a decent yield play with 5-6% dividend yields in 2022-23F.

Minimum wage hike impact

SABINA had a total of 3,307 staff in 1H22 and labor and staff costs made up around 20% of its total operating costs (cost of goods sold + selling and administrative expenses). The company mentioned that an 8% minimum wage rate hike could hit its bottom line by 5% assuming other things remain constant. However, SABINA has a flexible business model. It can source more finished products both from overseas and domestic markets to replace in-house production. It also sees room to improve the efficiency of its production and store efficiency. We now conservatively factor in an 8% wage rate hike from 4Q22.

Growing sales in all channels

SABINA's 2Q22 earnings of Bt109m, up 74% y-y and 8% q-q bolstered our view of its strong business growth. 2Q22 sales grew across most distribution channels (offline, online and OEM exports). The sales mix of offline, online and exports stood at 66/24/10% in 2Q22 vs. 79/10/11% in 2019. While online and export sales already surpassed the 2Q19 level, offline sales came to 78%. Its sales from July to mid-August 2022 continued to grow from 2Q22 across all distribution channels. With the full reopening of the country, we estimate SABINA's sales to grow via all distribution channels with total sales growth of 23/14/11.5% in 2022-24F vs. a 9% drop in 2021.

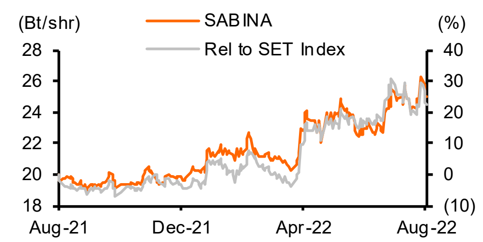
Operating margin on the rise

SABINA's EBIT margin checked in at 15.2% in 2Q22 vs. 13.3% in 2021 and 11.7% in 2020. We expect the rising trajectory to continue with figures of 15.7/16.7/17.5% in 2022-24F vs. 15.5% in 2019. This is despite us also factoring in a higher inflation rate on the back of rising raw material, utility, transportation and wage costs. The key margin driver is a rising mix of online sales for which we estimate EBIT margin to be nearly triple offline's margin. SABINA is also undertaking more cost control (utility and transportation) and effective marketing strategies.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Sales	2,631	3,238	3,691	4,114
Net profit	294	422	505	586
Consensus NP	—	418	491	549
Diff frm cons (%)	—	*1.1*	*2.7*	*6.9*
Norm profit	294	422	505	586
Prev. Norm profit	—	417	497	577
Chg frm prev (%)	—	*1.2*	*1.5*	*1.6*
Norm EPS (Bt)	0.8	1.2	1.5	1.7
Norm EPS grw (%)	6.3	43.4	19.6	16.2
Norm PE (x)	29.5	20.6	17.2	14.8
EV/EBITDA (x)	20.3	16.2	13.9	12.2
P/BV (x)	4.7	4.6	4.5	4.4
Div yield (%)	3.4	4.9	5.8	6.7
ROE (%)	16.2	22.7	26.4	30.0
Net D/E (%)	2.2	25.2	31.0	34.3

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 25-Aug-22 (Bt)	25.00
Market Cap (US$ m)	242.5
Listed Shares (m shares)	347.5
Free Float (%)	47.4
Avg Daily Turnover (US$ m)	0.9
12M Price H/L (Bt)	26.25/19.00
Sector	Fashion
Major Shareholder	Thanalongkorn Family 52.42%

Sources: Bloomberg, Company data, Thanachart estimates

Thanachart Securities

Fine-tuning up earnings; reaffirming BUY

We raise our TP to Bt30 from Bt29

Thailand's labor ministry has outlined a goal to increase minimum wages across the country by 5-8% from October this year because the cost of living has shot up. However, Sabina Pcl's (SABINA) business momentum has been better than what we'd expected earlier. In this report, we fine-tune up our earnings estimates for SABINA by 1/2/2% in 2022-24F to reflect an 8% potential minimum wage hike and stronger-than-expected business growth momentum. Details are shown in Exhibit 1. Our 12-month DCF-based TP, using a 2023F base year, increases slightly to Bt30/share from Bt29.

Ex 1: Changes In Our Key Assumptions And Earnings Revisions

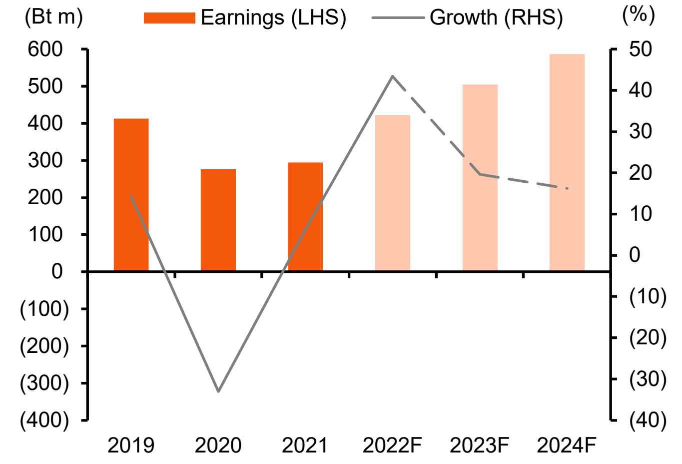
	2019	2020	2021	2022F	2023F	2024F
Offline sales growth (%)						
- New	3.7	(22.3)	(17.5)	27.8	15.0	11.3
- Old				15.8	12.5	10.3
- Change (pp)				*11.9*	*2.5*	*1.0*
Online sales growth (%)						
- New	32.3	65.2	12.2	14.5	13.0	15.0
- Old				10.0	13.0	15.0
- Change (pp)				*4.5*	—	—
OEM growth (%)						
- New	0.0	(7.5)	12.6	16.0	10.0	5.0
- Old				15.0	10.0	5.0
- Change (pp)				*1.0*	—	—
Sabina brand export growth (%)						
- New	26.7	(7.9)	(21.4)	15.0	13.5	12.0
- Old				10.0	10.0	10.0
- Change (pp)				*5.0*	*3.5*	*2.0*
Gross margin (%)						
- New	54.4	47.4	48.9	46.5	46.6	46.8
- Old				49.3	49.5	49.8
- Change (pp)				(2.7)	(3.0)	(3.0)
SG&A to sales (%)						
- New	38.9	35.7	35.6	30.9	29.9	29.3
- Old				32.3	31.4	30.7
- Change (pp)				(1.4)	(1.5)	(1.4)
Normalized profit (Bt m)						
- New	413	277	294	422	505	586
- Old				417	497	577
- Change (%)				*1.2*	*1.5*	*1.6*

Sources: Company data, Thanachart estimates

SABINA is still a growth stock in our view; reaffirm BUY

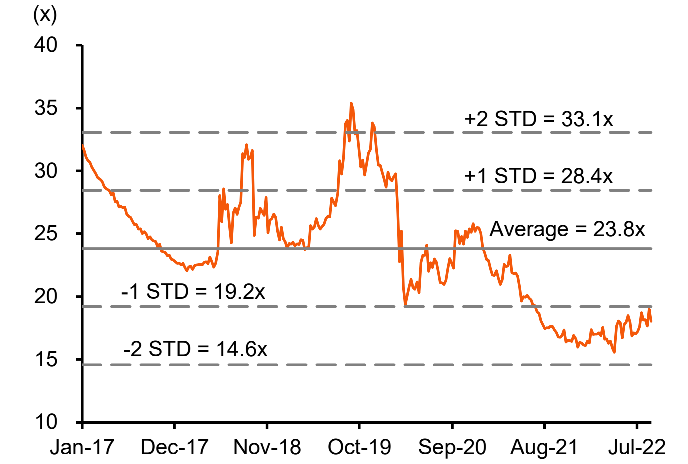
We still see SABINA as a growth stock with 43/20/16% earnings growth in 2022-24F. Earnings growth drivers are sales growth across all distribution channels and operating margin expansion from a rising higher-margin online sales mix. SABINA's dividend yields are also at 5-6% in 2022-23F. At the current price, SABINA's PE of 17.2x in 2023F is inexpensive, in our view. We therefore maintain our BUY rating on the stock.

Ex 2: Earnings Are On A Recovery Path



Sources: Company data, Thanachart estimates

Ex 3: SABINA's PE Is Inexpensive, In Our View



Sources: Bloomberg, Thanachart estimates

Minimum wage hike impact

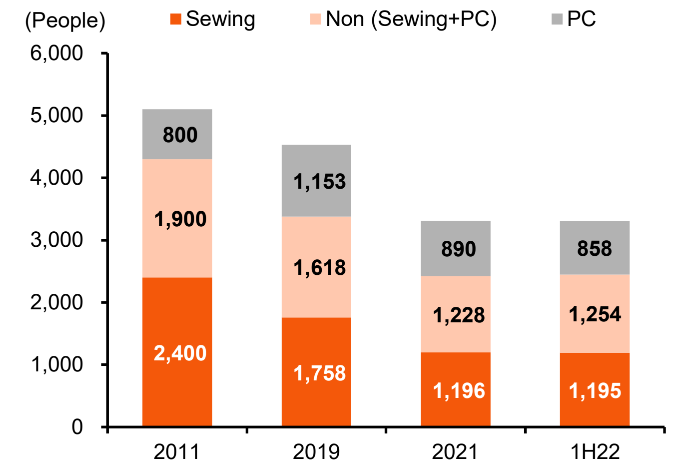
Labor and staff costs account for c.20% of total operating costs

SABINA has five factories in five provinces (Yasothorn, Burirum, Chainat, Bangkok and Nonthaburi) of Thailand and 532 stores nationwide. It had total staff (sewing + product consultant [PC] + non sewing and PC) of 3,307 people in 1H22. Total labor and staff costs accounted for around 20% of total operating costs (cost of goods sold and selling and administrative expenses).

Minimum wage hike would impact earnings

The company mentioned that an 8% minimum wage rate hike could hit its bottom line by 5% assuming other things remain constant. Exhibit 5 shows how the potential minimum wage hike could impact SABINA's cost of goods sold and selling administrative expenses.

Ex 4: SABINA's Manpower



Source: Company data

Ex 5: Minimum Wage Hike Sensitivity

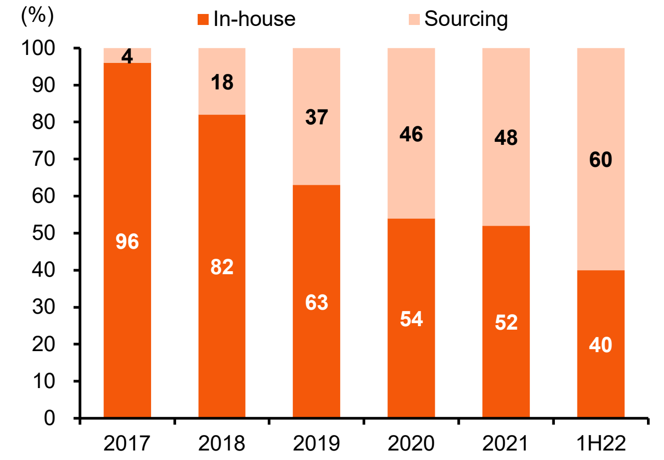
Minimum wage (factory staff)	% impact on COGS
Up 5%	+0.44%
Up 8%	+0.70%
Up 10%	+0.87%

Minimum wage (office staff)	% impact on SG&A expenses
Up 5%	+0.03%
Up 8%	+0.04%
Up 10%	+0.05%

Source: Company data

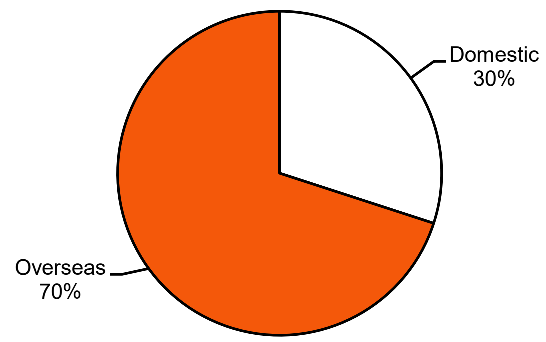
However, SABINA has a flexible business model. It can source more finished products both from overseas and domestic markets to replace in-house production. It also believes there is room to improve the efficiency of its production and stores. We now conservatively factor in an 8% minimum wage rate hike from 4Q22F.

Ex 6: Sales Mix Breakdown By Source Of Products



Source: Company data

Ex 7: Sourcing Breakdown



Source: Company data

Sales growing across all channels

Sales of all distribution channels from July to mid-August 2022 continued to grow

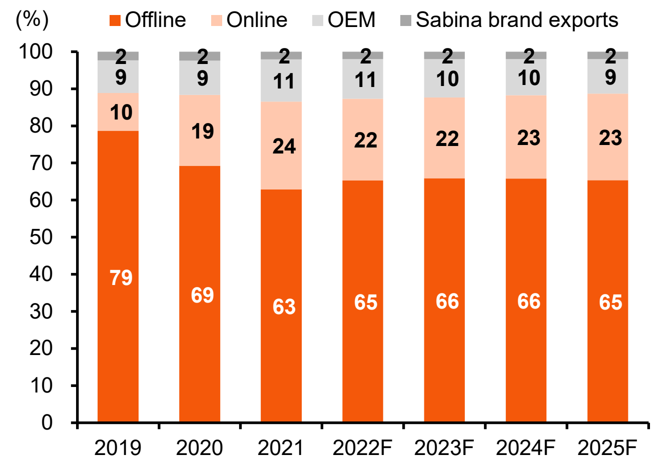
SABINA's sales in 2Q22 grew across all distribution channels. While online and export sales already surpassed 2Q19's level, offline sales were at 78%. Its sales from July to mid-August 2022 continued to grow from 2Q22 via all distribution channels.

For the offline channel, SABINA had a total of 541 stores at end-2021. It targets to close 16 loss-making stores and open six new ones this year. SABINA already closed 12 stores and opened three new stores in 1H22. The remaining four stores are scheduled to be closed and three more new stores opened in 2H22.

For online sales channels, SABINA still sells through its Sabina website, Lazada, Shopee, JD, Central online, Oshopping, One31, GMM25, Friday and vending machines. Meanwhile, SABINA's OEM orders from the UK and EU were fully booked until January 2023.

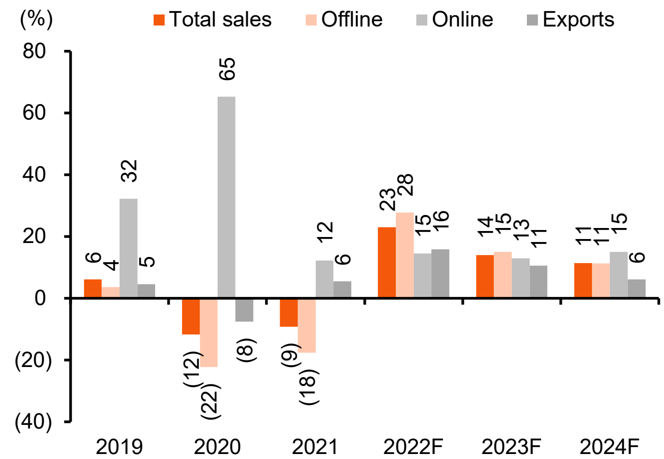
With the full reopening of the country, we estimate SABINA's sales to grow across all distribution channels with total sales growth of 23/14/11.5% in 2022-24F vs. a 9% drop in 2021.

Ex 8: Sales Mix Breakdown By Distribution Channel



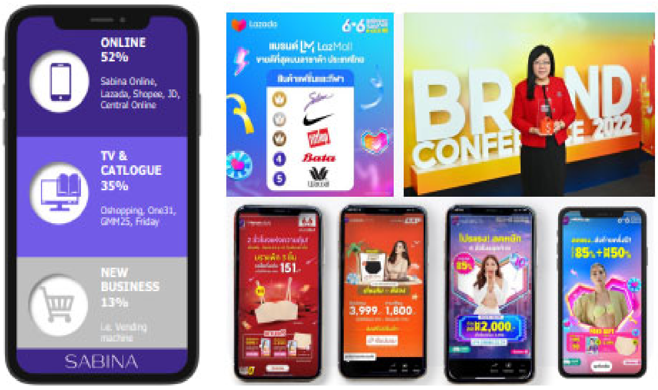
Sources: Company data, Thanachart estimates

Ex 9: Sales Growth In Each Channel



Sources: Company data, Thanachart estimates

Ex 10: SABINA's Online Sales Channels



Source: Company data

Ex 11: SABINA's UK And EU Brands

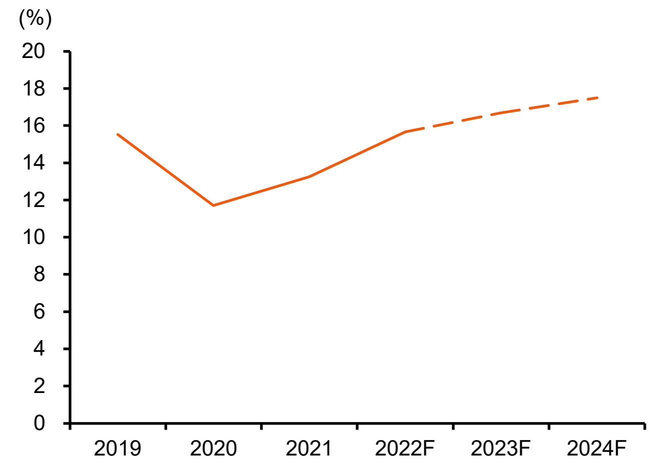
Source: Company data

Operating margin on the rise

We estimate SABINA's operating margin at 15.7/16.7/17.5% in 2022-24F

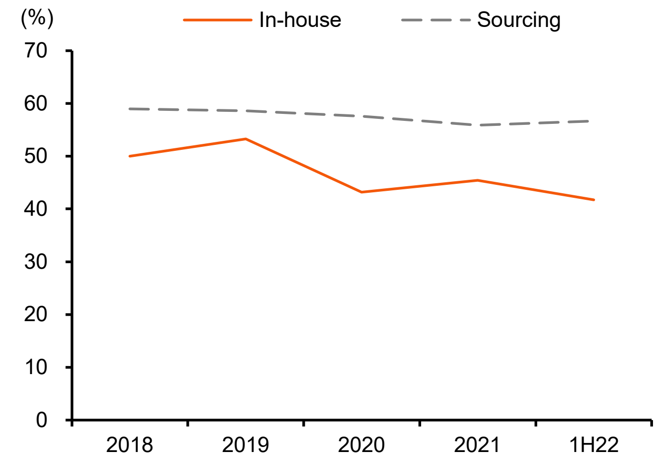
SABINA's EBIT margin stood at 15.2% in 2Q22 vs. 13.3% in 2021 and 11.7% in 2020. We expect the rising trajectory to continue with figures of 15.7/16.7/17.5% in 2022-24F vs. 15.5% in 2019. This is despite us also factoring in a higher inflation rate on the back of rising raw material, utility, transportation and wage costs. The key margin driver is an increasing mix of online sales for which we estimate the EBIT margin to be nearly triple offline's margin. SABINA is also undertaking more cost control (utility and transportation) and effective marketing strategies. Note that most product sales via online channels are from the sourcing of finished products both from overseas and domestic markets as they provide a higher margin than products made in-house. Meanwhile, online and omni channel sales also raise efficiency by reducing transportation cost between stores and warehouses.

Ex 12: SABINA's Operating Margin



Sources: Company data, Thanachart estimates

Ex 13: Gross Margin Breakdown By Source Of Products



Source: Company data

The exhibits below provide examples of SABINA's sales promotions. Normally, SABINA's marketing expenses come to around 3-5% of total sales.

Ex 14: SABINA's Sales Promotion

Source: Company data

Ex 15: SABINA's Sales Promotion

Source: Company data

Ex 16: SABINA's Sales Promotion

Source: Company data

Ex 17: SABINA's Sales Promotion

Source: Company data

Ex 18: 12-month DCF-based TP Calculation Using A Base Year Of 2023F

(Bt m)	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Terminal value
EBITDA excl. depre from right of use	655	758	850	919	969	999	1,022	1,045	1,068	1,093	1,118	—
Free cash flow	382	514	661	637	712	768	798	817	836	856	876	14,117
PV of free cash flow	381	446	527	471	488	487	470	446	407	384	363	5,852

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	0.9
WACC (%)	7.4
Terminal growth (%)	2.0
Enterprise value - add investments	10,722
Net debt (end 2022F)	476
Minority interest	0
Equity value	10,245
# of shares (m)	347
Equity value / share (Bt)	**30.00**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 19: 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 (%)
Dollar Industries Ltd	DOLLAR IN	India	(3.8)	8.7	18.0	16.6	3.8	3.2	12.9	11.9	0.4	0.9
Page Industries Ltd	PAG IN	India	na	na	na	74.2	na	39.3	na	51.3	na	0.8
Wacoal Holdings Corp	3591 JP	Japan	na	na	na	23.7	0.6	0.6	10.1	10.8	2.2	3.6
PVH Corp	PVH US	US	(30.3)	(8.4)	7.0	7.7	0.9	0.8	4.9	4.9	0.1	0.2
Triumph Group Inc	TGI US	US	na	(42.3)	16.9	29.3	na	na	13.1	13.2	0.0	0.0
Hanesbrands Inc	HBI US	US	425.9	14.2	8.1	7.1	4.1	3.4	8.5	8.0	6.4	6.5
L Brands Inc	LB US	US	na	(36.2)	na	na	na	na	na	na	na	na
Sabina Pcl *	SABINA TB	Thailand	43.4	19.6	20.6	17.2	4.6	4.5	16.2	13.9	4.9	5.8
Average			**108.8**	**(7.4)**	**14.1**	**25.1**	**2.8**	**8.6**	**10.9**	**16.3**	**2.3**	**2.5**

Source: Bloomberg

Note: * Thanachart estimates, using Thanachart normalized EPS

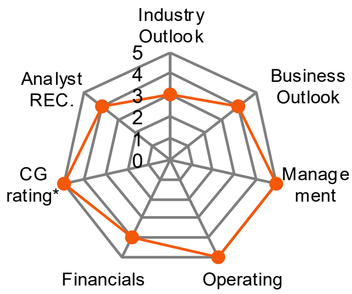
Based on 25 Aug 2022 closing prices

COMPANY DESCRIPTION

Sabina Pcl (SABINA) is the second-largest manufacturer and distributor in the ladies' underwear market in Thailand. The company transformed from OEM to owned-brand products under the name "Sabina" in 2006. Products cover four customer target groups consisting of children, teens, adults and other products. In 2017, SABINA expanded its distribution channels from store retailing, OEM and Sabina brand exports to e-commerce sales.

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

- Second-largest manufacturer and distributor in the ladies' underwear market in Thailand.
- Has the strong "Sabina" brand in Thailand.
- Owners and company executives have many years of experience in the ladies' underwear industry.

W — Weakness

- Small exposure to markets abroad.

O — Opportunity

- Thailand's rising consumption and economic expansion.
- Economic expansion in CLMV markets.
- China-US trade war.

T — Threat

- Thailand and global economic slowdowns.
- Regulatory risk.
- COVID-19 outbreaks.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	29.18	30.00	3%
Net profit 22F (Bt m)	418	422	1%
Net profit 23F (Bt m)	491	505	3%
Consensus REC	**BUY: 6**	**HOLD: 0**	**SELL: 0**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our earnings and our TP are slightly above the Bloomberg consensus numbers, which we attribute to us having a more bullish view on SABINA's business turnaround prospects.

Sources: Bloomberg consensus, Thanachart estimates

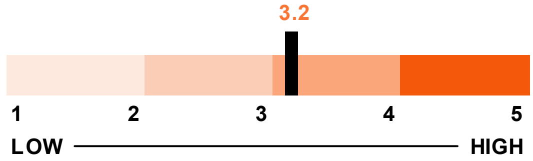
RISKS TO OUR INVESTMENT CASE

- If domestic or global consumption recovers more slowly than our current expectation, this would be the key downside risk to our earnings forecasts.
- If competition in Thailand's underwear industry is higher than our current expectation, this would cause downside risk to our earnings forecasts.
- If raw material prices or labour costs increase by more than we currently expect, this would also result in downside risk to our earnings forecasts.

Source: Thanachart

SABINA is among the top 3 lingerie manufacturers and brand owners in Thailand. It has its own production lines and also outsources. Although it doesn't create significant amounts of greenhouse gas, it employs over 3,000 people (around 20% of operating costs). We assign a decent ESG score of 3.2 for SABINA given its clear plans and targets for ESG issues.

Thanachart ESG Rating



	SETTHSI Index	THSI Index	DJSI Index	MSCI (CCC-AAA)	Arabesque S-Ray (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
SABINA	-	YES	-	-	-	-	-	-	-

Sources: SETTRADE, SETTHSI Index, Thailand Sustainability Investment (THSI), The Dow Jones Industrial Average (DJSI), MSCI ESG Research LLC, Arabesque S-Ray®, Refinitiv ESG Information, S&P Global Market Intelligence, Moody's ESG Solutions, Thai IOD (CG rating)
Note: Please see third party on "terms of use" toward the back of this report.

Factors	Our Comments

ENVIRONMENT

- **Environmental Policies & Guidelines**
- **Energy Management**
- **Carbon Management**
- **Water Management**
- **Waste Management**

▪ SABINA operates five factories. The company doesn't report greenhouse gas (GHG) emissions but we don't believe they are significant given the scale of its business with Bt3bn p.a. in revenue. However, we still see SABINA as having a good focus on environmental issues.

▪ SABINA has a plan to use alternative energy, uses good quality equipment and tools for factory efficiency, and encourages employees to think about energy savings.

▪ SABINA targets to reduce water usage by 15% by the end of 2023.

▪ SABINA has a "Zero Waste" project where waste water and air released from operations is treated at international standards. Waste was reduced by 14% vs. its 10% target in 2021 and thus CO_2 emissions were reduced by 20,346kg from 2020.

▪ SABINA has its "New Life BRA-CYCLE" project where unwanted lingerie is destroyed in a closed incineration system without causing pollution. The incinerated lingerie is then used as an alternative fuel in cement manufacturing.

SOCIAL

- **Human Rights**
- **Staff Management**
- **Health & Safety**
- **Product Safety & Quality**
- **Social Responsibility**

▪ SABINA has over 3,000 employees. It has policies for internal staff transfers and hiring retirees. It provides a wide range of welfare and assistance to employees without discriminating against origin, race, religion, sex or marital status.

▪ SABINA targets staff training of at least 70% of total employees each year with at least 15 hours/person/year. It conducts surveys on job satisfaction and company-staff relationships.

▪ SABINA provides a safe and hygienic working environment with checks on light, color, sound, dust, and smoke in the workplace.

▪ SABINA builds factories in communities to promote job opportunities and well-being. It has established the Village Development Bank in Nang Rong to help locals. SABINA has nursery and education centers for children of construction workers.

GOVERNANCE & SUSTAINABILITY

- **Board**
- **Ethics & Transparency**
- **Business Sustainability**
- **Risk Management**
- **Innovation**

▪ SABINA has an 11-member board of directors (BOD) with five females. Board members have diverse skills and experience.

▪ SABINA has an anti-corruption policy and has signed the declaration of intent in the Private Sector Collective Action Coalition against Corruption Project.

▪ SABINA is aware of the rights of all stakeholders and has a policy to ensure the importance of those rights via the appropriate prioritization of all stakeholders.

▪ SABINA has operational policies for sustainability for all working units to apply and integrate operational plans to align for the maximum benefit of stakeholders.

▪ SABINA targets to not only produce products that match customers' current demand but also to innovate to create better products for customers.

Source: Thanachart

Sales turning around after COVID-19 subside

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	2,898	2,631	3,238	3,691	4,114
Cost of sales	1,525	1,346	1,731	1,971	2,189
Gross profit	**1,373**	**1,286**	**1,507**	**1,720**	**1,925**
% gross margin	47.4%	48.9%	46.5%	46.6%	46.8%
Selling & administration expenses	1,034	937	999	1,103	1,205
Operating profit	**339**	**349**	**507**	**616**	**720**
% operating margin	11.7%	13.3%	15.7%	16.7%	17.5%
Depreciation & amortization	103	82	58	50	44
EBITDA	**442**	**430**	**565**	**667**	**764**
% EBITDA margin	15.3%	16.3%	17.5%	18.1%	18.6%
Non-operating income	16	24	23	26	28
Non-operating expenses	0	0	0	0	0
Interest expense	(9)	(5)	(7)	(11)	(15)
Pre-tax profit	**346**	**368**	**523**	**631**	**733**
Income tax	69	74	102	126	147
After-tax profit	**277**	**294**	**422**	**505**	**586**
% net margin	9.6%	11.2%	13.0%	13.7%	14.3%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	0	0	0	0	0
Extraordinary items	0	0	0	0	0
NET PROFIT	**277**	**294**	**422**	**505**	**586**
Normalized profit	**277**	**294**	**422**	**505**	**586**
EPS (Bt)	0.8	0.8	1.2	1.5	1.7
Normalized EPS (Bt)	0.8	0.8	1.2	1.5	1.7

No significant new investment

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	2,163	2,145	2,475	2,670	2,814
Cash & cash equivalent	225	354	225	215	205
Account receivables	436	445	532	607	676
Inventories	1,404	1,260	1,612	1,728	1,799
Others	98	86	105	120	134
Investments & loans	5	5	5	5	5
Net fixed assets	268	244	220	198	176
Other assets	369	310	373	423	470
Total assets	**2,804**	**2,703**	**3,073**	**3,296**	**3,465**
LIABILITIES:					
Current liabilities:	853	711	990	1,145	1,247
Account payables	213	252	213	243	270
Bank overdraft & ST loans	559	395	701	816	884
Current LT debt	0	0	0	0	0
Others current liabilities	81	65	75	86	94
Total LT debt	**0**	**0**	**0**	**0**	**0**
Others LT liabilities	156	163	191	216	241
Total liabilities	**1,009**	**874**	**1,181**	**1,361**	**1,488**
Minority interest	0	0	0	0	0
Preferreds shares	0	0	0	0	0
Paid-up capital	348	348	347	347	347
Share premium	275	275	275	275	275
Warrants	0	0	0	0	0
Surplus	(65)	(26)	(26)	(26)	(26)
Retained earnings	**1,237**	**1,232**	**1,296**	**1,339**	**1,381**
Shareholders' equity	1,795	1,829	1,893	1,935	1,977
Liabilities & equity	**2,804**	**2,703**	**3,073**	**3,296**	**3,465**

Sources: Company data, Thanachart estimates

Strong and sustainable cash inflow streams

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	346	368	523	631	733
Tax paid	(140)	(64)	(104)	(119)	(146)
Depreciation & amortization	103	82	58	50	44
Chg In w orking capital	61	173	(477)	(161)	(113)
Chg In other CA & CL / minorities	60	(15)	(7)	(11)	(6)
Cash flow from operations	**430**	**545**	**(6)**	**390**	**512**
Capex	(29)	(15)	(15)	(15)	(15)
Right of use	(113)	(19)	(20)	(15)	(10)
ST loans & investments	0	0	0	0	0
LT loans & investments	0	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	42	43	(36)	(22)	(20)
Cash flow from investments	**(100)**	**9**	**(71)**	**(52)**	**(45)**
Debt financing	(6)	(164)	307	114	68
Capital increase	0	0	(1)	0	0
Dividends paid	(337)	(299)	(358)	(462)	(544)
Warrants & other surplus	(5)	39	0	0	0
Cash flow from financing	**(349)**	**(424)**	**(52)**	**(348)**	**(477)**
Free cash flow	**401**	**529**	**(21)**	**375**	**497**

VALUATION

Inexpensive valuation, in our view

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	31.3	29.5	20.6	17.2	14.8
Normalized PE - at target price (x)	37.6	35.4	24.7	20.6	17.8
PE (x)	31.3	29.5	20.6	17.2	14.8
PE - at target price (x)	37.6	35.4	24.7	20.6	17.8
EV/EBITDA (x)	20.4	20.3	16.2	13.9	12.2
EV/EBITDA - at target price (x)	24.3	24.3	19.3	16.5	14.5
P/BV (x)	4.8	4.7	4.6	4.5	4.4
P/BV - at target price (x)	5.8	5.7	5.5	5.4	5.3
P/CFO (x)	20.2	15.9	(1,352.8)	22.2	16.9
Price/sales (x)	3.0	3.3	2.7	2.4	2.1
Dividend yield (%)	3.2	3.4	4.9	5.8	6.7
FCF Yield (%)	4.6	6.1	(0.2)	4.3	5.7
(Bt)					
Normalized EPS	0.8	0.8	1.2	1.5	1.7
EPS	0.8	0.8	1.2	1.5	1.7
DPS	0.8	0.9	1.2	1.5	1.7
BV/share	5.2	5.3	5.5	5.6	5.7
CFO/share	1.2	1.6	(0.0)	1.1	1.5
FCF/share	1.2	1.5	(0.1)	1.1	1.4

Sources: Company data, Thanachart estimates

Expanding operating margin

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	(11.6)	(9.2)	23.0	14.0	11.5
Net profit (%)	(33.0)	6.3	43.4	19.6	16.2
EPS (%)	(33.0)	6.3	43.4	19.6	16.2
Normalized profit (%)	(33.0)	6.3	43.4	19.6	16.2
Normalized EPS (%)	(33.0)	6.3	43.4	19.6	16.2
Dividend payout ratio (%)	100.3	100.3	99.8	99.8	99.8
Operating performance					
Gross margin (%)	47.4	48.9	46.5	46.6	46.8
Operating margin (%)	11.7	13.3	15.7	16.7	17.5
EBITDA margin (%)	15.3	16.3	17.5	18.1	18.6
Net margin (%)	9.6	11.2	13.0	13.7	14.3
D/E (incl. minor) (x)	0.3	0.2	0.4	0.4	0.4
Net D/E (incl. minor) (x)	0.2	0.0	0.3	0.3	0.3
Interest coverage - EBIT (x)	37.3	71.0	74.0	54.2	48.4
Interest coverage - EBITDA (x)	48.6	87.6	82.5	58.6	51.4
ROA - using norm profit (%)	9.5	10.7	14.6	15.8	17.3
ROE - using norm profit (%)	15.1	16.2	22.7	26.4	30.0
DuPont					
ROE - using after tax profit (%)	15.1	16.2	22.7	26.4	30.0
- asset turnover (x)	1.0	1.0	1.1	1.2	1.2
- operating margin (%)	12.2	14.2	16.4	17.4	18.2
- leverage (x)	1.6	1.5	1.6	1.7	1.7
- interest burden (%)	97.4	98.7	98.7	98.2	98.0
- tax burden (%)	80.1	79.9	80.6	80.0	80.0
WACC (%)	7.4	7.4	7.4	7.4	7.4
ROIC (%)	12.4	13.1	21.9	20.8	22.7
NOPAT (Bt m)	271	279	409	493	576
invested capital (Bt m)	2,129	1,870	2,369	2,536	2,655

Sources: Company data, Thanachart estimates

ESG Information - Third Party Terms

www.Settrade.com
SETTRADE: You acknowledge that the use of data, information or service displayed and/or contained in this website may require third party's data, content or software which is subject to the terms of third party provider. By accessing and/or using of such certain data, you acknowledge and agree to comply with and be bound by the applicable third party terms specified below.

ESG Scores by Third Party data from www.SETTRADE.com
1. MSCI (CCC- AAA)
2. Arabesque S-Ray (0-100)
3. Refinitiv (0-100)
4. S&P Global (0-100)
5. Moody's ESG Solutions (0-100)

SET THSI Index (SETTHSI)
Nowadays, long-term investment tends to be more focused on sustainable companies. The financial statement performance and the consideration in environmental, social and governance (ESG) perspective are keys aspects for analysis.
SET has created a Thailand Sustainability Investment (THSI) list since 2015 for using as an alternative investment in the high performance ESG stocks for investors while, supporting the sustainable Thai companies. SET defines the sustainable companies as the companies that embrace risk management, supply chain management and innovations together with responsibility for environmental, social and governance aspects
As a result, SET has created the SETTHSI for the purpose of indicating the price of these sustainable companies that pass the market capital size and liquidity criteria.

Arabesque S-Ray®
The S-Ray data here is published with a 3 month delay. For the latest data, please contact sray@arabesque.com
Arabesque S-Ray® is a service (the "Service") provided by Arabesque S-Ray GmbH ("Arabesque S-Ray") and its branch and subsidiary companies. Arabesque S-Ray is a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated in Frankfurt am Main and organized under the laws of Germany with registered number HRB 113087 in the commercial register of the local court with its seat and business address at Zeppelinallee 15, 60325 Frankfurt am Main, Germany. The Service is unconnected to any of the asset management activities conducted within the wider group of Arabesque companies, and is not investment advice or a solicitation or an offer to buy any security or instrument or to participate in investment services. RELIANCE - Arabesque S-Ray makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and accepts no liability for any loss, of whatever kind, howsoever arising, in relation thereto, and nothing contained herein should be relied upon. ENQUIRIES - Any enquiries in respect of this document should be addressed to Arabesque S-Ray.
Arabesque S-Ray® - The ESG Score, ranging from 0 to 100, identifies sustainable companies that are better positioned to outperform over the long run, based on the principles of financial materiality. That is, when computing the ESG Score of a company, the algorithm will only use information that significantly helps explain future risk-adjusted performance. Materiality is applied by overweighting features with higher materiality and rebalancing these weights on a rolling quarterly basis to stay up-to-date

MSCI ESG Research LLC
"Certain information @2021 MSCI ESG Research LLC. Reproduced by permission"
"Although [User ENTITY NAME's] information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, non of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages."

Score range	Description
CCC - B	**LAGGARD:** A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	**AVERAGE :** A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
AA - AAA	**LEADER:** A company leading its industry in managing the most significant ESG risks and opportunities

The Dow Jones Sustainability Indices (DJSI)
The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. The family was launched in 1999 as the first global sustainability benchmark and tracks the stock performance of the world's leading companies in terms of economic, environmental and social criteria. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The indices serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for investors who wish to encourage companies to improve their corporate sustainability practices.

S&P Global Market Intelligence
 Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.
ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We identify five categories of ESG risk severity that could impact a company's enterprise value

Moody's ESG Solutions

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.
Additional terms for Hong Kong only: Any Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the Hong Kong Securities and Futures Ordinance ("SFO") is issued by Vigeo Eiris Hong Kong Limited, a company licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities in Hong Kong. This Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the SFO is intended for distribution only to "professional investors" as defined in the SFO and the Hong Kong Securities and Futures (Professional Investors) Rules. This Second Party Opinion or other opinion must not be distributed to or used by persons who are not professional investors.
MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY550,000,000.
MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

Refinitiv ESG
These Terms of Use govern your access or use of the ESG information and materials on the Refinitiv website and any AI powered voice assistance software ("Refinitiv ESG Information").

The Refinitiv ESG Information is for general informational and non-commercial purposes only. Reproduction, redistribution or any other form of copying or transmission of the Refinitiv ESG Information is prohibited without Refinitiv's prior written consent.
All warranties, conditions and other terms implied by statute or common law including, without limitation, warranties or other terms as to suitability, merchantability, satisfactory quality and fitness for a particular purpose, are excluded to the maximum extent permitted by applicable laws. The Refinitiv ESG Information is provided "as is" and Refinitiv makes no express or implied warranties, representations or guarantees concerning the accuracy, completeness or currency of the information in this service or the underlying Third Party Sources (as defined below). You assume sole responsibility and entire risk as to the suitability and results obtained from your use of the Refinitiv ESG Information.
The Refinitiv ESG Information does not amount to financial, legal or other professional advice, nor does it constitute: (a) an offer to purchase shares in the funds referred to; or (b) a recommendation relating to the sale and purchase of instruments; or (c) a recommendation to take any particular legal, compliance and/or risk management decision. Investors should remember that past performance is not a guarantee of future results.
The Refinitiv ESG Information will not be used to construct or calculate and index or a benchmark, used to create any derivative works or used for commercial purposes. Refinitiv's disclaimer in respect of Benchmark Regulations applies to the Refinitiv ESG Information.
No responsibility or liability is accepted by Refinitiv its affiliates, officers, employees or agents (whether for negligence or otherwise) in respect of the Refinitiv ESG Information, or for any inaccuracies, omissions, mistakes, delays or errors in the computation and compilation of the Refinitiv ESG Information (and Refinitiv shall not be obliged to advise any person of any error therein). For the avoidance of doubt, in no event will Refinitiv have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of the Refinitiv ESG Information.
You agree to indemnify, defend and hold harmless Refinitiv from and against any claims, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable legal and experts' fees and costs, as incurred, arising in any manner out of your use of, or inability to use, any Information contained on the Refinitiv web site or obtained via any AI powered voice assistance software.
You represent to us that you are lawfully able to enter into these Terms of Use. If you are accepting these Terms of Use for and on behalf of an entity such as the company you work for, you represent to us that you have legal authority to bind that entity.
By accepting these Terms of Use you are also expressly agreeing to the following Refinitiv's website Terms of Use.
Refinitiv ESG scores are derived from third party publicly available sources ("Third Party Sources") and are formulated on the basis of Refinitiv own transparent and objectively applied methodology. Refinitiv's ESG Information methodology can be accessed here.

Score range	Description	
0 to 25	First Quartile	Scores within this range indicates poor relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly.
> 25 to 50	Second Quartile	Scores within this range indicates satisfactory relative ESG performance and moderate degree of transparency in reporting material ESG data publicly.
> 50 to 75	Third Quartile	Scores within this range indicates good relative ESG performance and above average degree of transparency in reporting material ESG data publicly.
> 75 to 100	Fourth Quartile	Score within this range indicates excellent relative ESG performance and high degree of transparency in reporting material ESG data publicly.

CG Report : by Thai Institute of Directors Association (Thai IOD), Established in December 1999, the Thai IOD is a membership organization that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

General Disclaimers And Disclosures:

This report is prepared and issued by Thanachart Securities Public Company Limited (TNS) as a resource only for clients of TNS, Thanachart Capital Public Company Limited (TCAP) and its group companies.

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 76 Derivative Warrants which are ADVANC16C2210A, ADVANC16C2211A, AMAT16C2209A, AOT16C2212A, AOT16C2209A, BANPU16C2212A, BANPU16C2210A, BCH16C2211A, BH16C2212A, BGRIM16C2212A, BGRI16C2209A, BLA16C2212A, BLA16C2208A, BLA16C2209A, CBG16C2210A, CENTEL16C2209A, COM716C2208A, COM716C2209A, COM716C2211A, COM716C2211B, COM716C2211C, CPALL16C2211A, EA16C2209A, EA16C2211A, ESSO16C2209A, ESSO16C2209B, FORTH16C2211A, GPSC16C2209A, GULF16C2210A, GUNK16C2209A, HANA16C2209A, HANA16C2211A, IVL16C2209A, IVL16C2211A, JMART16C2210A, JMART16C2211A, JMT16C2210A, JMT16C2211A, KBAN16C2208A, KBAN16C2209A, KBANK16C2211A, KCE16C2208A, KCE16C2209A, KCE16C2211A, KTC16C2211A, KTC16C2209A, MINT16C2211A, MTC16C2212A, MTC16C2209A, PTG16C2211A, PTG16C2209A, PTTEP16C2212A, PTTE16C2209A, RBF16C2209A, RCL16C2208A, SAWAD16C2211A, S5016C2209A, S5016P2209A, SAWA16C2209A, SCB16C2211A, SCB16C2208A, SCGP16C2212A, SET5016P2212A, SET5016C2209B, SET5016C2212A, SET5016P2209B, SINGER16C2212A, SPRC16C2212A, SPRC16C2209A, STEC16C2209A, TIDLOR16C2212A, TOP16C2211A, TTA16C2208A, TTA16C2211A, TU16C2210A, WHA16C2209A (underlying securities are (ADVANC, AMATA, AOT, BANPU, BCH, BGRIM, BH, BLA, CBG, CENTEL, COM7, CPALL, EA, ESSO, FORTH, GPSC, GULF, GUNKUL, HANA, IVL, JMART, JMT, KBANK, KCE, KTC, MINT, MTC, PTG, PTTEP, RBF, RCL, SAWAD, SCB, SET50, SCGP, SINGER, SPRC, STEC, TIDLOR, TOP, TTA, TU, WHA). 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: The One Enterprise Pcl. (ONEE 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
18 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
Strategy, Insurance, 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