

BUY (Unchanged)
Change in Numbers

TP: Bt 27.00
Upside : 14.4%

(From: Bt 29.00)
24 JUNE 2024

Small Cap Research

Sabina Pcl. (SABINA TB)

Decent yields

We maintain our **BUY** on **SABINA** despite 2-6% earnings cuts in 2024-26F. **SABINA** is a leader in the branded ladies' underwear market, with a sustainable omnichannel business model and a high ROE of 27-29%. The stock offers attractive dividend yields of 6-7%.



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Earnings cuts but still a BUY

Due to softer economic growth momentum, we cut our earnings estimates for SABINA by 6/4/2% in 2024-26F. Our DCF-based 12-month TP (2024F base year) falls to Bt27.0 from Bt29.0. However, we maintain our **BUY** on SABINA. **First**, SABINA is one of Thailand's top two sustainable leaders in the ladies' underwear market, and it has a strong brand recognition. **Second**, we see it as a well-managed firm that has strengthened its brand value and adjusted well to an omnichannel sales model. Its market share rose from 10.8% in 2013 to 13.4% in 2023. **Third**, SABINA is a highly profitable firm with 27-29% ROE and 19-21% ROA in 2024-25F, supporting its 16x PE multiple in 2024F. **Lastly**, we estimate attractive dividend yields of 6.2-6.8% in 2024-25F.

Both sales and margin trending up

We project SABINA's earnings to grow by 11/9/7% in 2024-26F, driven by revenue growth and margin expansion. Despite slow consumption, we estimate SABINA's top line to still grow by 7/7/5% in 2024-26F, driven by both online and offline sales. OEM exports hit a bottom in 2Q23 but have gradually improved because of more new customers. We also expect its gross margin to widen to 50.6/51.0/51.3% in 2024-26F from 50.1% in 2023 due to a rising sales mix of its finished products sourced from China and improving economies of scale.

Highly profitable business

SABINA runs a highly profitable business. Its ROE stood at 24.8% in 2023, and we project this to rise to 27.2-29.4% in 2024-25F, despite it being a net cash company. Due to its net cash position and strong cash flow of Bt736m EBITDA p.a. vs. capex of around Bt30m p.a. in 2024-26F, SABINA can pay decent dividends. Over the past five years, its dividend payout ratio was 100% vs. its minimum policy of 40%. We expect a 100% dividend payout ratio to continue, and we estimate a DPS of Bt1.47/1.61 in 2024-25F, implying dividend yields of 6.2-6.8%.

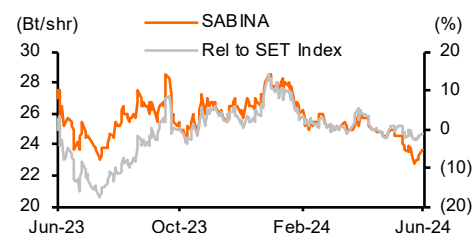
Limited impact of wage hike

The likely minimum daily wage hike to Bt400 in October 2024 has been a market concern. SABINA's staff costs (excluding management) accounted for 21% of its total costs (cost of goods sold + SG&A expenses) in 2023. However, SABINA has prepared for this matter since 2023 by investing in more machinery to replace some of its workforce. The company has also imported more finished products from China. Staff cost savings from October 2023 to October 2024 look set to more than offset the rising costs from the minimum wage hike. Meanwhile, we had already factored in this concern in our previous update.

COMPANY VALUATION

Y/E Dec (Bt m)	2023A	2024F	2025F	2026F
Sales	3,431	3,679	3,930	4,125
Net profit	463	512	559	599
Consensus NP	—	514	559	605
Diff frm cons (%)	—	(0.5)	(0.0)	(0.9)
Norm profit	463	512	559	599
Prev. Norm profit	—	543	583	613
Chg frm prev (%)	—	(5.7)	(4.1)	(2.3)
Norm EPS (Bt)	1.3	1.5	1.6	1.7
Norm EPS grw (%)	10.9	10.7	9.2	7.1
Norm PE (x)	17.7	16.0	14.6	13.7
EV/EBITDA (x)	12.5	11.8	11.1	10.6
P/BV (x)	4.4	4.3	4.3	4.2
Div yield (%)	5.6	6.2	6.8	7.3
ROE (%)	24.8	27.2	29.4	31.1
Net D/E (%)	(3.6)	(0.2)	(0.7)	1.5

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 24-Jun-24 (Bt)	23.60
Market Cap (US\$ m)	223.7
Listed Shares (m shares)	347.5
Free Float (%)	47.3
Avg Daily Turnover (US\$ m)	0.6
12M Price H/L (Bt)	28.50/22.80
Sector	Fashion
Major Shareholder	Thanalongkorn Family 52.42%

Sources: Bloomberg, Company data, Thanachart estimates

ESG Summary Report P8

Earnings cuts but still a BUY

We cut our earnings estimates for SABINA by 6/4/2% in 2024-26F

We cut our earnings estimates for Sabina Pcl (SABINA) by 6/4/2% in 2024-26F. Softer economic momentum in Thailand and Europe has led us to change our assumptions for offline sales growth, OEM export growth, and average gross margin. Details of our new assumptions are shown in Exhibit 1. Given our downward earnings revisions, our DCF-based 12-month TP (2024F base year) falls to Bt27.0/share from Bt29.0.

Ex 1: Changes In Our Key Assumptions And Earnings Revisions

	2019	2020	2021	2022	2023	2024F	2025F	2026F
Offline sales growth (%)								
- New	3.7	(22.3)	(17.5)	24.7	5.6	6.2	3.9	2.4
- Old						7.7	3.9	2.4
- Change (ppt)						(1.5)	—	—
Online sales growth (%)								
- New	32.3	65.2	12.2	20.7	33.6	16.2	12.1	9.3
- Old						16.2	12.1	9.3
- Change (ppt)						—	—	—
OEM export growth (%)								
- New	0.0	(7.5)	12.6	18.1	(29.4)	(20.0)	10.0	7.0
- Old						5.0	3.0	3.0
- Change (ppt)						(25.0)	7.0	4.0
Gross margin (%)								
- New	54.4	47.4	48.9	48.0	50.1	50.6	51.0	51.3
- Old						51.0	51.3	51.6
- Change (ppt)						(0.3)	(0.4)	(0.3)
Normalized profit (Bt m)								
- New	413	277	294	417	463	512	559	599
- Old						543	583	613
- Change (%)						(5.7)	(4.1)	(2.3)

Sources: Company data, Thanachart estimates

Ex 2: 12-month DCF-based TP Calculation Using A Base Year Of 2024F

(Bt m)	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Terminal value
EBITDA excl. depre from right of use	669	725	772	808	841	868	897	928	960	994	1,030	1,068	—
Free cash flow	481	545	558	596	629	659	681	704	728	754	781	780	12,098
PV of free cash flow	481	466	442	437	426	413	395	364	347	331	316	290	4,506
Risk-free rate (%)	2.5												
Market risk premium (%)	8.0												
Beta	0.9												
WACC (%)	7.6												
Terminal growth (%)	2.0												
Enterprise value - add investments	9,213												
Net debt (end 2023)	(67)												
Minority interest	8												
Equity value	9,271												
# of shares (m)	347												
Equity value / share (Bt)	27.00												

Sources: Company data, Thanachart estimates

We maintain our BUY call on SABINA

However, we maintain our BUY rating on SABINA on the back of the following reasons:

First, SABINA is one of the top two sustainable leaders in the ladies' underwear market in Thailand, and it has strong brand recognition.

Second, we see it as a well-managed firm that has strengthened its brand value and adjusted well to an omnichannel sales model. According to Euromonitor International, its share of the ladies' underwear market increased from 10.8% in 2013 to 13.4% in 2023. Meanwhile, as measured by our data collection, its branded market share increased from 32% in 2013 to 47% in 2023.

Third, SABINA is a highly profitable firm with 27-29% ROE and 19-21% ROA in 2024-25F, supporting its 16x PE multiple in 2024F.

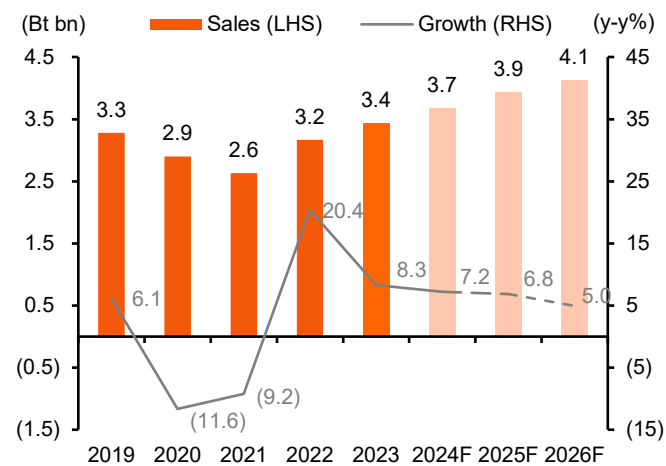
Lastly, we regard SABINA's 6.2-6.8% dividend yields in 2024-25F as attractive.

Both sales and margin trending up**We estimate SABINA's earnings to grow by 11/9/7% in 2024-26F**

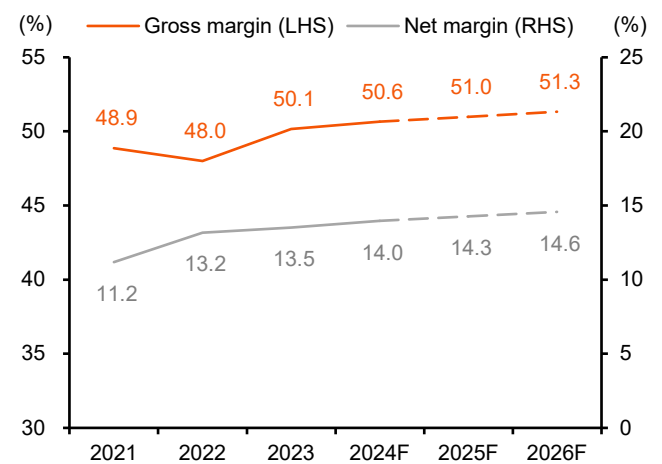
We estimate SABINA's earnings to grow by 11/9/7% in 2024-26F, driven by revenue growth and margin expansion.

Despite slow consumption, we estimate SABINA's top line to still grow by 7/7/5% in 2024-26F, mainly driven by both online and offline sales in Thailand. In those years, we forecast online and offline sales growth of 16/12/9% and 6/4/2%. Meanwhile, OEM exports, which hit a bottom in 2Q23, have been gradually improving via more new customers. Two new Asian customers have started to produce with SABINA this year, and a few new customers are in the process of development.

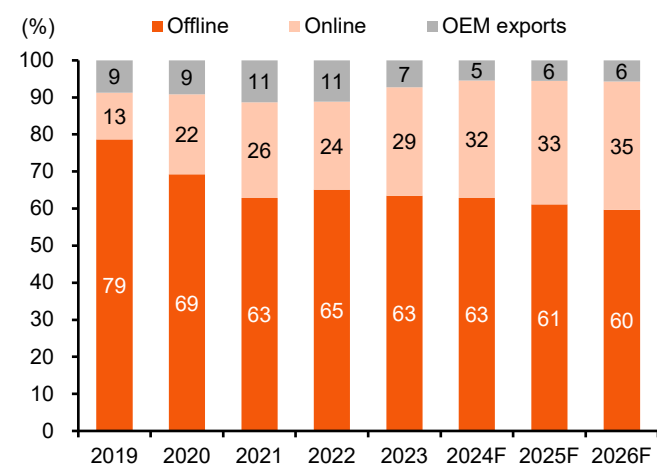
We also expect its gross margin to widen to 50.6/51.0/51.3% in 2024-26F from 50.1% in 2023 due to a rising sales mix of finished products sourced from China and improving economies of scale.

Ex 3: Revenue And Growth

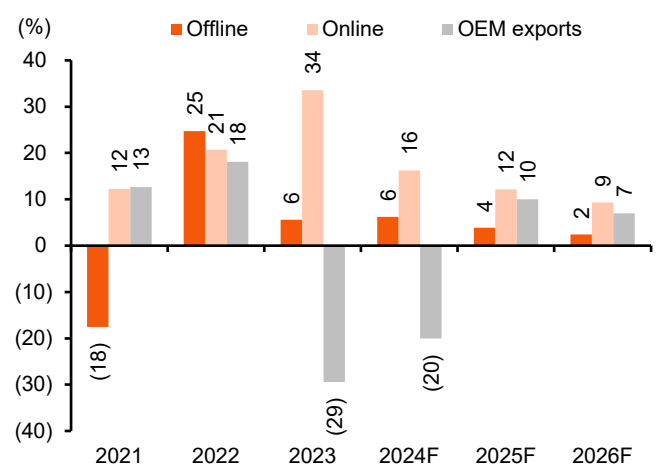
Sources: Company data, Thanachart estimates

Ex 4: Margin

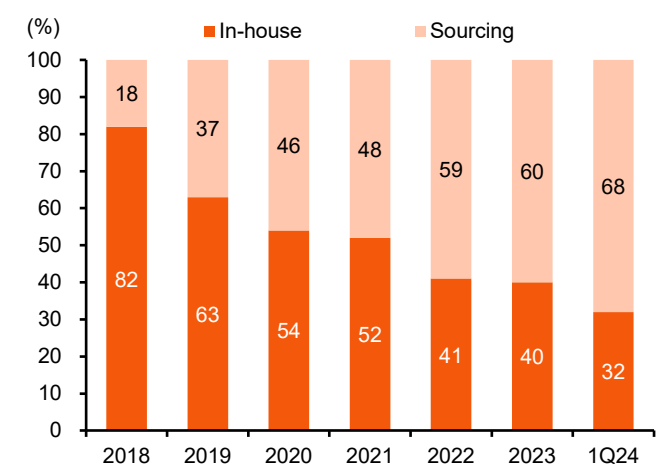
Sources: Company data, Thanachart estimates

Ex 5: Revenue Mix By Distribution Channel

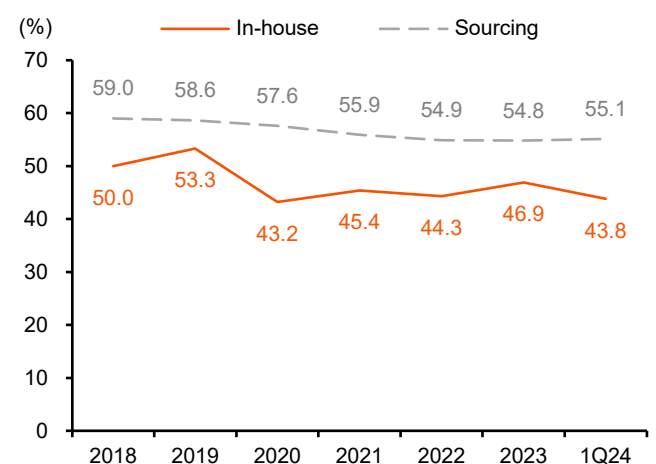
Sources: Company data, Thanachart estimates

Ex 6: Revenue Growth For Each Distribution Channel

Sources: Company data, Thanachart estimates

Ex 7: Sales Mix Breakdown By Source Of Products

Source: Company data

Ex 8: In-House Production And Sourcing's Gross Profit

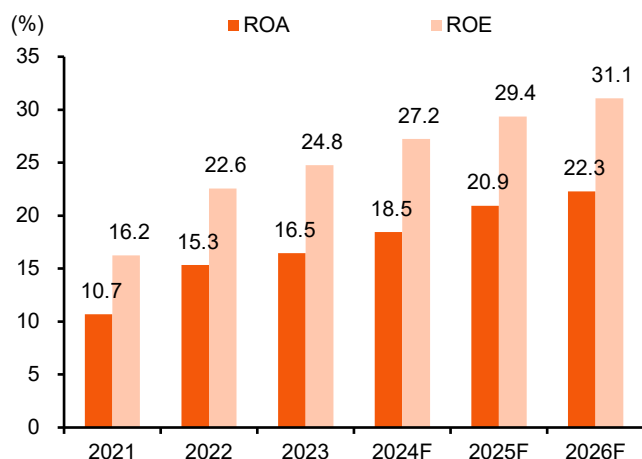
Source: Company data

Highly profitable business

Offers decent dividend yields

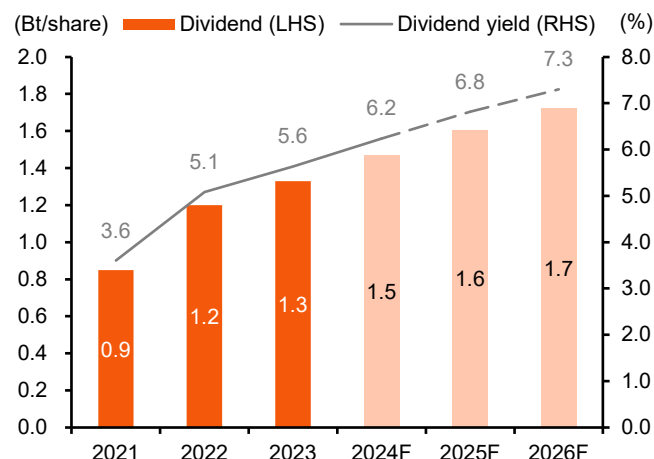
SABINA runs a highly profitable business. Its ROE stood at 24.8% in 2023, and we estimate this to rise to 27.2-29.4% in 2024-25F, despite it being a net cash company. Due to its net cash position and strong cash flow of Bt736m EBITDA p.a. vs. capex of around Bt30m p.a. in 2024-26F, SABINA can pay decent dividends. Over the past five years, SABINA's dividend payout ratio has been 100%, compared to its minimum dividend payout policy of at least 40% of net profit. We expect its 100% dividend payout ratio to continue, and we estimate a DPS of Bt1.47/1.61 in 2024-25F, implying dividend yields of 6.2-6.8%.

Ex 9: ROA And ROE



Sources: Company data, Thanachart estimates

Ex 10: Dividend Yield



Sources: Company data, Thanachart estimates

Limited impact of wage hike

SABINA has prepared for a likely minimum wage hike

The likely minimum daily wage hike to Bt400 in October 2024 has been a concern for the market. SABINA's staff costs (excluding management) accounted for 21% of its total costs (cost of goods sold + SG&A expenses) in 2023. However, SABINA has prepared for this matter since 2023 by investing in more machinery to replace some of its workforce. The company has also imported more finished products from China. Staff cost savings from October 2023 to October 2024 look set to more than offset the rising costs from the minimum wage hike. SABINA estimates the number of staff from October 2023 until October 2024 will decline by around 292 positions.

Ex 11: No Impact From Likely Minimum Wage Increase

(Bt m/month)	
Cost increase from minimum wage increase from Bt351 to Bt400/day	2.7
# of staff affected = 2,147 people	
Cost reduction from staff reduction from October 23 to October 24	3.0
# of staff reduced = 292 people	
Net cost saving	0.3

Source: Company data

Meanwhile, in our previous update, we had already factored in the minimum wage rate hike issue by assuming minimum wage increases of 10% p.a. in 2024F and 2025F.

Valuation Comparison

Ex 12: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth		— PE —		— P/BV —		EV/EBITDA		— Div yield —	
			24F	25F	24F	25F	24F	25F	24F	25F	24F	25F
			(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)
Dollar Industries Ltd	DOLLAR IN	India	2.3	30.4	34.6	26.5	4.2	3.7	21.8	17.1	0.5	0.8
Page Industries Ltd	PAG IN	India	na	na	na	na	na	na	na	na	0.8	1.0
Wacoal Holdings Corp	3591 JP	Japan	na	na	na	45.8	na	na	na	na	2.3	2.3
PVH Corp	PVH US	US	(3.6)	8.6	10.9	10.0	1.4	1.2	6.7	6.9	0.1	0.1
Triumph Group Inc	TGI US	US	na	na	na	30.9	23.4	na	11.8	10.3	0.0	na
Hanesbrands Inc	HBI US	US	na	45.2	11.1	7.6	3.5	2.5	8.7	8.5	0.0	0.0
L Brands Inc	LB US	US	na	na	na	na	na	na	na	na	na	na
Sabina Pcl *	SABINA TB	Thailand	10.7	9.2	16.0	14.6	4.3	4.3	11.8	11.1	6.2	6.8
Average			3.1	23.4	18.1	22.6	7.4	2.9	12.2	10.8	1.4	1.8

Source: Bloomberg
Note: * Thanachart estimates, using Thanachart normalized EPS
Based on 24 June 2024 closing prices

COMPANY DESCRIPTION

Sabina Pcl (SABINA) is the second-largest manufacturer and distributor in Thailand's ladies' underwear market. The company transformed from OEM to owned-brand products under the name "Sabina" in 2006. Products cover four customer target groups: children, teens, adults, and other products. In 2017, SABINA expanded its distribution channels from store retailing, OEM sales, 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 of ladies' underwear in Thailand
- Has the strong "Sabina" brand in Thailand
- Owners and company executives have many years of experience in the ladies' underwear industry

O — Opportunity

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

W — Weakness

- Small exposure to markets abroad

T — Threat

- Thailand and global economic slowdowns
- Regulatory risk
- Resurgence of COVID-19

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	30.32	27.00	-11%
Net profit 24F (Bt m)	514	512	0%
Net profit 25F (Bt m)	559	559	0%
Consensus REC	BUY: 5	HOLD: 1	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Our TP is below the Bloomberg consensus number despite our short-term earnings being in line with the Street's given our more conservative view of its long-term growth.

RISKS TO OUR INVESTMENT CASE

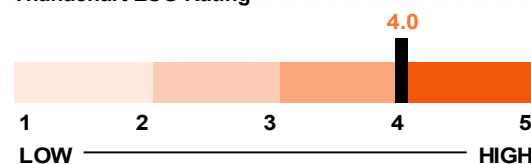
- If domestic or global consumption recovers slower than our current expectation, this would represent the key downside risk to our earnings forecasts.
- If competition in Thailand's underwear industry is higher than our present expectation, this would cause downside risk to our earnings forecasts.
- 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.

Sources: Bloomberg consensus, Thanachart estimates

Source: Thanachart

SABINA is among the top three lingerie manufacturers and brand owners in Thailand. It has its own production lines and also outsources operations. While it does not generate significant amounts of greenhouse gases, it employs around 3,000 people. Given its clear plans and targets for ESG issues, we assign SABINA an ESG score of 4.0.

Thanachart ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	MSCI (CCC-AAA)	ESG Book (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
SABINA	YES	AAA	-	-	71.84	55.35	-	-	5.0

Sources: SETTRADE, SET ESG Index, SET ESG Rating, The Dow Jones Industrial Average (DJSI), MSCI ESG Research LLC, ESG Book, 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. We believe SABINA has a strong focus on environmental issues. - SABINA has set a five-year goal to reduce electricity consumption by a third, starting in 2019. This indicates that electricity consumption will fall from 5,798,536 kWh to less than 3,885,019 kWh by 2024. SABINA targets having net-zero greenhouse gas emissions in 2065. - SABINA has a goal to develop a water circulation system and improve the efficiency of water use. It targets to reduce water use by 10% in 2026 compared with 2022. - SABINA has adopted the 3R principle (Reduce, Reuse, and Recycle). It was able to reduce landfill waste by 9% in 2023 compared with 2022. SABINA also implemented a waste-management initiative by converting 80% of total waste into recycled waste through various projects in 2023.
SOCIAL - Human Rights - Staff Management - Health & Safety - Product Safety & Quality - Social Responsibility	- SABINA has around 3,000 employees. It has policies for internal staff transfers and hiring retirees. It provides employees with a wide range of welfare and assistance without discriminating against origin, race, religion, gender, or marital status. - SABINA targets staff training for 100% of total employees each year, at least 20 hours/person/year. It conducts surveys on job satisfaction and company-staff relationships. - SABINA has focused on creating products made of sustainable and environment-friendly materials, which amounted to 5% of all SKUs by 2023. The long-term goal is to achieve a figure of 10% of these SKUs by 2025. - SABINA provided 88 general scholarships for students from primary to tertiary education levels, one scholarship to an educational institution for the disabled, and 30 continuing education scholarships from Matthayom 4 to bachelor's degree level in 2023.
GOVERNANCE & SUSTAINABILITY - Board - Ethics & Transparency - Business Sustainability - Risk Management - Innovation	- SABINA has a 13-member board of directors (BOD), seven of whom are female. The 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 of ensuring the importance of those rights through 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 not only producing products that match customers' current demand but also innovating to create green products that use environmentally-friendly materials and processes.

Sources: Company data, Thanachart

INCOME STATEMENT

Offline and online sales
drive revenue growth

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Sales	3,168	3,431	3,679	3,930	4,125
Cost of sales	1,647	1,710	1,815	1,927	2,008
Gross profit	1,520	1,721	1,863	2,004	2,117
% gross margin	48.0%	50.1%	50.6%	51.0%	51.3%
Selling & administration expenses	1,018	1,154	1,236	1,320	1,385
Operating profit	502	567	628	684	732
% operating margin	15.9%	16.5%	17.1%	17.4%	17.8%
Depreciation & amortization	69	81	65	52	46
EBITDA	571	648	692	737	778
% EBITDA margin	18.0%	18.9%	18.8%	18.7%	18.9%
Non-operating income	18	19	20	21	23
Non-operating expenses	0	0	0	0	0
Interest expense	(4)	(9)	(8)	(5)	(4)
Pre-tax profit	516	578	640	701	752
Income tax	99	114	127	140	150
After-tax profit	417	464	514	561	601
% net margin	13.2%	13.5%	14.0%	14.3%	14.6%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	0	(1)	(2)	(2)	(2)
Extraordinary items	0	0	0	0	0
NET PROFIT	417	463	512	559	599
Normalized profit	417	463	512	559	599
EPS (Bt)	1.2	1.3	1.5	1.6	1.7
Normalized EPS (Bt)	1.2	1.3	1.5	1.6	1.7

BALANCE SHEET

No new significant
investments planned in
2024-26

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Current assets:	2,201	2,284	2,084	2,100	2,136
Cash & cash equivalent	528	440	200	150	100
Account receivables	472	382	403	431	452
Inventories	1,126	1,380	1,393	1,425	1,485
Others	74	83	88	95	99
Investments & loans	0	0	0	0	0
Net fixed assets	241	250	241	222	204
Other assets	299	346	342	350	360
Total assets	2,740	2,880	2,667	2,673	2,700
LIABILITIES:					
Current liabilities:	670	779	546	518	514
Account payables	289	269	249	264	275
Bank overdraft & ST loans	317	373	195	137	129
Current LT debt	0	0	0	0	0
Others current liabilities	64	136	102	117	110
Total LT debt	0	0	0	0	0
Others LT liabilities	201	227	219	227	234
Total liabilities	871	1,005	765	744	748
Minority interest	1	8	10	12	14
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	(29)	(58)	(58)	(58)	(58)
Retained earnings	1,274	1,302	1,328	1,353	1,374
Shareholders' equity	1,868	1,867	1,892	1,917	1,938
Liabilities & equity	2,740	2,880	2,667	2,673	2,700

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT*Strong cash inflow
stream*

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Earnings before tax	516	578	640	701	752
Tax paid	(90)	(65)	(146)	(123)	(153)
Depreciation & amortization	69	81	65	52	46
Chg ln working capital	145	(183)	(55)	(45)	(70)
Chg ln other CA & CL / minorities	3	21	(21)	(9)	(8)
Cash flow from operations	642	432	483	577	566
Capex	(34)	(50)	(30)	(20)	(20)
Right of use	(43)	(62)	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	5	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg ln other assets & liabilities	60	(1)	(29)	(14)	(10)
Cash flow from investments	(12)	(113)	(59)	(34)	(30)
Debt financing	(77)	56	(178)	(58)	(8)
Capital increase	0	0	(1)	0	0
Dividends paid	(299)	(435)	(486)	(534)	(578)
Warrants & other surplus	(80)	(28)	0	0	0
Cash flow from financing	(456)	(407)	(665)	(593)	(586)
Free cash flow	608	382	453	557	546

VALUATION*High dividend yields,
based on our estimates*

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	19.6	17.7	16.0	14.6	13.7
Normalized PE - at target price (x)	22.5	20.3	18.3	16.8	15.6
PE (x)	19.6	17.7	16.0	14.6	13.7
PE - at target price (x)	22.5	20.3	18.3	16.8	15.6
EV/EBITDA (x)	14.0	12.5	11.8	11.1	10.6
EV/EBITDA - at target price (x)	16.0	14.4	13.5	12.7	12.1
P/BV (x)	4.4	4.4	4.3	4.3	4.2
P/BV - at target price (x)	5.0	5.0	5.0	4.9	4.8
P/CFO (x)	12.8	19.0	16.9	14.2	14.5
Price/sales (x)	2.6	2.4	2.2	2.1	2.0
Dividend yield (%)	5.1	5.6	6.2	6.8	7.3
FCF Yield (%)	7.4	4.7	5.5	6.8	6.7
(Bt)					
Normalized EPS	1.2	1.3	1.5	1.6	1.7
EPS	1.2	1.3	1.5	1.6	1.7
DPS	1.2	1.3	1.5	1.6	1.7
BV/share	5.4	5.4	5.5	5.5	5.6
CFO/share	1.9	1.2	1.4	1.7	1.6
FCF/share	1.8	1.1	1.3	1.6	1.6

Sources: Company data, Thanachart estimates

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate					
Sales (%)	20.4	8.3	7.2	6.8	5.0
Net profit (%)	41.8	10.9	10.7	9.2	7.1
EPS (%)	41.8	10.9	10.7	9.2	7.1
Normalized profit (%)	41.8	10.9	10.7	9.2	7.1
Normalized EPS (%)	41.8	10.9	10.7	9.2	7.1
Dividend payout ratio (%)	99.8	99.8	99.8	99.8	99.8
Operating performance					
Gross margin (%)	48.0	50.1	50.6	51.0	51.3
Operating margin (%)	15.9	16.5	17.1	17.4	17.8
EBITDA margin (%)	18.0	18.9	18.8	18.7	18.9
Net margin (%)	13.2	13.5	14.0	14.3	14.6
D/E (incl. minor) (x)	0.2	0.2	0.1	0.1	0.1
Net D/E (incl. minor) (x)	(0.1)	(0.0)	(0.0)	(0.0)	0.0
Interest coverage - EBIT (x)	116.0	66.3	80.9	150.9	201.6
Interest coverage - EBITDA (x)	131.9	75.7	89.2	162.4	214.2
ROA - using norm profit (%)	15.3	16.5	18.5	20.9	22.3
ROE - using norm profit (%)	22.6	24.8	27.2	29.4	31.1
DuPont					
ROE - using after tax profit (%)	22.6	24.8	27.3	29.5	31.2
- asset turnover (x)	1.2	1.2	1.3	1.5	1.5
- operating margin (%)	16.4	17.1	17.6	18.0	18.3
- leverage (x)	1.5	1.5	1.5	1.4	1.4
- interest burden (%)	99.2	98.5	98.8	99.4	99.5
- tax burden (%)	80.9	80.2	80.2	80.0	80.0
WACC (%)	7.6	7.6	7.6	8.1	8.1
ROIC (%)	21.7	27.5	28.0	29.0	30.8
NOPAT (Bt m)	406	455	503	547	586
invested capital (Bt m)	1,657	1,800	1,888	1,904	1,967

Sources: Company data, Thanachart estimates

High profitability
company

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AA - AAA	LEADER: A company leading its industry in managing the most significant ESG risks and opportunities

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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

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