

## Srinanaporn Marketing (SNNP TB) - HOLD, Price Bt12.4, TP Bt13.1 | Results Comment

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### In-line flattish 3Q24

- SNNP's 3Q24 norm earnings were Bt163m, +2% y-y and +1% q-q. The flattish earnings were in line with our expectations.
- Export sales plunged by 43% y-y and 35% q-q due to SNNP's intention to eliminate small distributors who unauthorizedly undercut its product prices.
- Domestic sales grew 7% q-q. Amid the muted snack market, SNNP successfully launched new products. Sales were flat q-q despite the weak seasonal impact.
- EBIT margin rose to 14.2% from 13.2% last year and 13.1% last quarter, thanks to SNNP's product mix strategy and cost savings in marketing expenses.

Income Statement						Income Statement					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24	(Bt m)	q-q%	y-y%	% 2024F	2024F	2025F
Revenue	1,486	1,640	1,440	1,505	1,390	Revenue	(8)	(6)	70	6,186	6,647
<b>Gross profit</b>	<b>428</b>	<b>479</b>	<b>425</b>	<b>436</b>	<b>417</b>	<b>Gross profit</b>	<b>(4)</b>	<b>(3)</b>	<b>71</b>	<b>1,802</b>	<b>1,956</b>
SG&A	232	271	236	238	220	SG&A	(8)	(5)	70	990	1,064
Operating profit	197	208	189	197	197	Operating profit	(0)	0	72	812	892
<b>EBITDA</b>	<b>240</b>	<b>253</b>	<b>235</b>	<b>238</b>	<b>241</b>	<b>EBITDA</b>	<b>1</b>	<b>0</b>	<b>72</b>	<b>994</b>	<b>1,100</b>
Other income	12	4	18	7	8	Other income	9	(34)	81	40	40
Other expense	0	0	0	0	0	Other expense					
Interest expense	2	3	2	3	4	Interest expense	34	98	155	6	4
<b>Profit before tax</b>	<b>206</b>	<b>209</b>	<b>205</b>	<b>201</b>	<b>200</b>	<b>Profit before tax</b>	<b>(0)</b>	<b>(3)</b>	<b>72</b>	<b>846</b>	<b>929</b>
Income tax	38	33	40	33	29	Income tax	(11)	(23)	67	152	165
Equity & invest. income	(9)	(10)	(9)	(8)	(6)	Equity & invest. income	na	na	na	(35)	(35)
Minority interests	1	(1)	2	2	(2)	Minority interests	na	na	27	4	4
Extraordinary items	0	0	0	0	0	Extraordinary items					
<b>Net profit</b>	<b>160</b>	<b>165</b>	<b>158</b>	<b>162</b>	<b>163</b>	<b>Net profit</b>	<b>1</b>	<b>2</b>	<b>73</b>	<b>663</b>	<b>733</b>
<b>Normalized profit</b>	<b>160</b>	<b>165</b>	<b>158</b>	<b>162</b>	<b>163</b>	<b>Normalized profit</b>	<b>1</b>	<b>2</b>	<b>73</b>	<b>663</b>	<b>733</b>
EPS (Bt)	0.17	0.17	0.16	0.17	0.17	EPS (Bt)	1	2	73	0.69	0.76
Normalized EPS (Bt)	0.17	0.17	0.16	0.17	0.17	Normalized EPS (Bt)	1	2	73	0.69	0.76

  

Balance Sheet						Financial Ratios					
(consolidated)						9M as					
Yr-end Dec (Bt m)	3Q23	4Q23	1Q24	2Q24	3Q24	(%)	3Q23	4Q23	1Q24	2Q24	3Q24
Cash & ST investment	75	72	152	103	0	Sales grow th	1.2	0.5	1.4	2.4	(6.5)
A/C receivable	1,669	1,894	2,014	2,113	1,957	Operating profit grow th	18.8	6.6	(2.4)	1.6	0.2
Inventory	677	602	648	751	781	EBITDA grow th	16.9	8.0	0.9	(0.4)	0.3
Other current assets	2	8	4	4	12	Norm profit grow th	12.7	8.3	2.3	3.6	2.0
Investment	87	77	65	59	52	Norm EPS grow th	12.7	8.3	2.3	3.6	2.0
Fixed assets	2,045	1,999	2,046	2,032	1,893	Gross margin	28.8	29.2	29.5	28.9	30.0
Other assets	628	574	569	591	574	Operating margin	13.2	12.7	13.1	13.1	14.2
<b>Total assets</b>	<b>5,183</b>	<b>5,225</b>	<b>5,498</b>	<b>5,653</b>	<b>5,397</b>	EBITDA margin	16.2	15.5	16.3	15.8	17.3
S-T debt	313	222	296	566	602	Norm net margin	10.8	10.1	10.9	10.8	11.8
A/C payable	1,030	1,070	1,033	1,038	1,050	D/E (x)	0.2	0.1	0.1	0.2	0.2
Other current liabilities	50	79	119	88	41	Net D/E (x)	0.1	0.1	0.1	0.2	0.2
L-T debt	260	234	217	189	157	Interest coverage (x)	106.5	84.7	130.8	71.4	54.1
Other liabilities	164	158	160	182	161	Interest rate	1.7	2.3	1.5	2.1	2.4
Minority interest	267	244	261	262	225	Effective tax rate	18.4	15.8	19.4	16.2	14.5
<b>Shareholders' equity</b>	<b>3,099</b>	<b>3,218</b>	<b>3,411</b>	<b>3,328</b>	<b>3,161</b>	ROA	12.3	12.7	11.8	11.6	11.8
Working capital	1,316	1,425	1,629	1,825	1,689	ROE	20.5	20.9	19.0	19.3	20.1
Total debt	573	455	513	755	759						
<b>Net debt</b>	<b>498</b>	<b>384</b>	<b>361</b>	<b>652</b>	<b>759</b>						

Sources: Company data, Thanachart estimates

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