

Srinanaporn Marketing (SNNP TB) - HOLD, Price Bt11.9, TP Bt13.1**Results Comment**

Pattadol Bunnak | Email: pattadol.bun@thanachartsec.co.th

Slightly-softer-than-expected 4Q24

- SNNP reported Bt168m norm earnings in 4Q24, up 2% y-y and 3% q-q. Earnings were slightly softer than expected due to Vietnam's continued inventory hiccup.
- Export sales recovered by 52% from the inventory destocking in 3Q24 but were still 33% below the normalized level in 4Q23 as orders in Vietnam were not back to normal.
- Domestic was a strong area, with 14% y-y and 9% q-q growth, thanks to a successful product launch.
- Gross margin remained relatively stable at 30%.
- SG&A to sales increased to 17.0% from 16.5% last year and 15.8% in 3Q24. We suspect SNNP needed higher marketing and promotional expenses amid soft spending.

Income Statement						Income Statement					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24	(Bt m)	q-q%	y-y%	% 2024F	2024A	2025F
Revenue	1,640	1,440	1,505	1,390	1,613	Revenue	16	(2)	96	5,948	6,647
Gross profit	479	425	436	417	483	Gross profit	16	1	98	1,761	1,956
SG&A	271	236	238	220	273	SG&A	24	1	98	968	1,064
Operating profit	208	189	197	197	209	Operating profit	6	1	98	793	892
EBITDA	254	235	239	242	253	EBITDA	5	(0)	97	969	1,100
Other income	4	18	7	8	3	Other income	(59)	(19)	89	36	40
Other expense	0	0	0	0	0	Other expense					
Interest expense	3	2	3	4	3	Interest expense	(35)	(3)	201	12	4
Profit before tax	209	205	201	200	210	Profit before tax	5	0	96	816	929
Income tax	33	40	33	29	35	Income tax	21	7	90	137	165
Equity & invest. income	(10)	(9)	(8)	(6)	(4)	Equity & invest. income	na	na	na	(27)	(35)
Minority interests	(1)	2	2	(2)	(2)	Minority interests	na	na	na	(1)	4
Extraordinary items	0	0	0	0	0	Extraordinary items					
Net profit	165	158	162	163	168	Net profit	3	2	98	651	733
Normalized profit	165	158	162	163	168	Normalized profit	3	2	98	651	733
EPS (Bt)	0.17	0.16	0.17	0.17	0.18	EPS (Bt)	3	2	98	0.68	0.76
Normalized EPS (Bt)	0.17	0.16	0.17	0.17	0.18	Normalized EPS (Bt)	3	2	98	0.68	0.76

Balance Sheet						Financial Ratios					
(consolidated)						12M as					
Yr-end Dec (Bt m)	4Q23	1Q24	2Q24	3Q24	4Q24	(%)	4Q23	1Q24	2Q24	3Q24	4Q24
Cash & ST investment	72	152	103	127	81	Sales grow th	0.5	1.4	2.4	(6.5)	(1.6)
A/C receivable	1,894	2,014	2,113	1,957	2,075	Operating profit grow th	6.6	(2.4)	1.6	0.2	0.6
Inventory	602	648	751	781	816	EBITDA grow th	7.9	0.9	(0.4)	0.3	(0.3)
Other current assets	8	4	4	12	2	Norm profit grow th	8.3	2.3	3.6	2.0	1.8
Investment	77	65	59	52	47	Norm EPS grow th	8.3	2.3	3.6	2.0	1.8
Fixed assets	1,999	2,046	2,032	1,893	1,926	Gross margin	29.2	29.5	28.9	30.0	29.9
Other assets	574	569	591	574	573	Operating margin	12.7	13.1	13.1	14.2	13.0
Total assets	5,225	5,498	5,653	5,397	5,520	EBITDA margin	15.5	16.3	15.9	17.4	15.7
S-T debt	222	296	566	602	641	Norm net margin	10.1	10.9	10.8	11.8	10.4
A/C payable	1,070	1,033	1,038	1,050	963	D/E (x)	0.1	0.1	0.2	0.2	0.2
Other current liabilities	79	119	88	41	76	Net D/E (x)	0.1	0.1	0.2	0.2	0.2
L-T debt	234	217	189	157	110	Interest coverage (x)	85.0	131.2	71.7	54.2	87.4
Other liabilities	158	160	182	161	197	Interest rate	2.3	1.5	2.1	2.4	1.5
Minority interest	244	261	262	225	245	Effective tax rate	15.8	19.4	16.2	14.5	16.8
Shareholders' equity	3,218	3,411	3,328	3,161	3,286	ROA	12.7	11.8	11.6	11.8	12.3
Working capital	1,425	1,629	1,825	1,689	1,928	ROE	20.9	19.0	19.3	20.1	20.8
Total debt	455	513	755	759	752						
Net debt	384	361	652	759	752						

Sources: Company data, Thanachart estimates

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. Copyright © Thanachart Securities Public Company Limited. All rights reserved. The report may not be reproduced in whole or in part or delivered to other persons without our written consent.

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 Derivative Warrants underlying securities before making investment decisions.

Note: Thanachart Capital Pcl (TCAP) holds an 89.96% of Thanachart Securities (TNS). TCAP holds a 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 combinedly hold a 60% stake in 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 24.35% of the shareholding in TMBThanachart Bank Pcl.

Note: 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 LIMITED (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.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED No. 1/2025 (B.E. 2568) tranche 1-3 which its maturity at 2028, 2030, 2032 (B.E. 2571, 2573, 2575)”, therefore investors need to be aware that there could be conflicts of interest in this research.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of SRISAWAD CAPITAL 1969 PUBLIC COMPANY LIMITED No. 1/2025 (B.E. 2568) tranche 1-3 which its maturity at 2027-2029 (B.E. 2570-2572)”, therefore investors need to be aware that there could be conflicts of interest in this research.

Note: Thanachart Securities Public Company Limited (TNS) acts as an underwriter of “Debentures of GULF ENERGY DEVELOPMENT PUBLIC COMPANY LIMITED No. 1/2025 (B.E. 2568) tranche 1 which its maturity at 2028 (B.E. 2571)”, therefore investors need to be aware that there could be conflicts of interest in this research.

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: