

R&B Food Supply Pcl (RBF TB) - SELL, Price Bt4.30, TP Bt3.70**Results Comment**

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Weaker-than-expected 1Q25

- Normalized earnings came in at Bt108m, down 28% y-y and 16% q-q, with disappointments across all business segments.
- Domestic sales declined 7% y-y, as broad-based weak affordability impacted RBF's branded food clients. We also suspect RBF lost some orders during the quarter.
- International revenue dropped 18% y-y, led by weak sales in China. We believe other markets, such as India, also faced lower orders due to soft purchasing power.
- EBIT margin fell to 12.2%, from 15.9% last year, mainly due to a weaker product mix with lower contributions from high-margin international products. We also believe RBF had to run more promotions amid the weak market.
- Maintain SELL.

Income Statement						Income Statement					
(consolidated)						3M as					
Yr-end Dec (Bt m)	1Q24	2Q24	3Q24	4Q24	1Q25	(Bt m)	q-q%	y-y%	% 2025F	2025F	2026F
Revenue	1,167	1,031	1,083	1,112	1,050	Revenue	(6)	(10)	23	4,549	4,696
Gross profit	435	357	375	379	371	Gross profit	(2)	(15)	23	1,602	1,654
SG&A	249	236	232	233	242	SG&A	4	(3)	25	983	1,014
Operating profit	186	122	143	147	128	Operating profit	(13)	(31)	21	620	640
EBITDA	250	187	209	214	194	EBITDA	(10)	(23)	22	892	936
Other income	2	6	2	6	8	Other income	44	321	56	15	15
Other expense	0	0	0	0	0	Other expense					
Interest expense	3	3	3	3	3	Interest expense	6	(2)	26	11	18
Profit before tax	185	125	142	150	134	Profit before tax	(11)	(28)	21	624	637
Income tax	37	24	23	23	29	Income tax	28	(23)	26	111	113
Equity & invest. income	1	1	2	1	1	Equity & invest. income	35	24	30	5	5
Minority interests	0	(1)	0	0	1	Minority interests	414	673	2,177	0	0
Extraordinary items	23	1	(11)	0	(2)	Extraordinary items	na	na	na	0	0
Net profit	172	102	109	129	106	Net profit	(18)	(38)	20	518	529
Normalized profit	149	101	120	129	108	Normalized profit	(16)	(28)	21	518	529
EPS (Bt)	0.09	0.05	0.05	0.06	0.05	EPS (Bt)	(18)	(38)	20	0.26	0.26
Normalized EPS (Bt)	0.07	0.05	0.06	0.06	0.05	Normalized EPS (Bt)	(16)	(28)	21	0.26	0.26

Balance Sheet						Financial Ratios					
(consolidated)						3M as					
Yr-end Dec (Bt m)	1Q24	2Q24	3Q24	4Q24	1Q25	(%)	1Q24	2Q24	3Q24	4Q24	1Q25
Cash & ST investment	965	699	654	838	784	Sales grow th	10.5	(2.4)	(6.6)	(3.4)	(10.0)
A/C receivable	1,132	1,011	1,004	1,062	1,052	Operating profit grow th	(1.1)	(33.4)	(41.7)	(27.7)	(31.0)
Inventory	1,165	1,190	1,198	1,110	1,147	EBITDA grow th	2.4	(22.5)	(32.6)	(19.0)	(22.6)
Other current assets	67	39	41	37	70	Norm profit grow th	(6.0)	(32.4)	(37.3)	(22.0)	(27.6)
Investment	211	171	262	263	265	Norm EPS grow th	(6.0)	(32.4)	(37.3)	(22.0)	(27.6)
Fixed assets	2,041	2,090	2,109	2,128	2,210	Gross margin	37.3	34.7	34.6	34.1	35.3
Other assets	367	492	382	373	357	Operating margin	15.9	11.8	13.2	13.2	12.2
Total assets	5,948	5,692	5,650	5,810	5,884	EBITDA margin	21.5	18.1	19.3	19.3	18.5
S-T debt	0	0	0	0	0	Norm net margin	12.8	9.8	11.1	11.6	10.3
A/C payable	549	595	528	534	498	D/E (x)	-	-	-	-	-
Other current liabilities	129	88	46	70	89	Net D/E (x)	(0.2)	(0.1)	(0.1)	(0.2)	(0.2)
L-T debt	0	0	0	0	0	Interest coverage (x)	88.7	63.9	77.2	81.5	69.8
Other liabilities	243	240	232	239	237	Interest rate	na	na	na	na	na
Minority interest	17	18	17	16	15	Effective tax rate	20.2	19.0	16.4	15.0	21.6
Shareholders' equity	5,010	4,751	4,826	4,950	5,045	ROA	10.2	7.0	8.5	9.0	7.4
Working capital	1,748	1,606	1,674	1,637	1,700	ROE	12.1	8.3	10.1	10.6	8.6
Total debt	0	0	0	0	0						
Net debt	(965)	(699)	(654)	(838)	(784)						

Sources: Company data, Thanachart estimates

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