RS Public Co Ltd (RS TB) - SELL, Price Bt0.24, TP Bt0.10

Results Comment

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2Q25 still making loss

- RS reported net loss of Bt229m in 2Q25. This was in-line.
- Larger loss y-y were falling total revenue (-33% y-y) and gross margin.
- Entertainment business (49% of total revenue): revenue growth was -43% y-y and +24% q-q.
- Commerce business (49% of total revenue): overall segment revenue growth was -36% y-y and -7% q-q.
- SG&A expenses decreased 25% y-y and 4% q-q due to restructuring and eliminating redundant operations to enhance cost efficiency.

Income Statement					(consolidated)
Yr-end Dec (Bt m)	2Q24	3Q24	4Q24	1Q25	2Q25
Revenue	800	640	563	455	485
Gross profit	**356**	**186**	**135**	**76**	**128**
SG&A	411	492	437	324	310
Operating profit	(55)	(306)	(302)	(248)	(182)
EBITDA	**75**	**(161)**	**(153)**	**(112)**	**(31)**
Other income	38	15	(25)	26	14
Other expense	2	11	12	0	1
Interest expense	51	53	43	50	52
Profit before tax	**(70)**	**(354)**	**(382)**	**(272)**	**(221)**
Income tax	(23)	54	(11)	7	10
Equity & invest. income	10	5	2	1	0
Minority interests	3	6	4	4	2
Extraordinary items	(12)	586	49	0	0
Net profit	**(47)**	**189**	**(315)**	**(275)**	**(229)**
Normalized profit	**(35)**	**(397)**	**(364)**	**(275)**	**(229)**
EPS (Bt)	(0.04)	0.17	(0.14)	(0.13)	(0.10)
Normalized EPS (Bt)	(0.03)	(0.36)	(0.17)	(0.13)	(0.10)

Income Statement			6M as		
(Bt m)	q-q%	y-y%	% 2025F	2025F	2026F
Revenue	7	(39)	35	2,679	2,679
Gross profit	**68**	**(64)**	**21**	**971**	**971**
SG&A	(4)	(25)	35	1,807	1,861
Operating profit	na	na	na	(836)	(890)
EBITDA	**na**	**na**	**na**	**(129)**	**(157)**
Other income	(48)	(64)	149	27	27
Other expense	287	(49)	3	37	37
Interest expense	5	1	53	190	158
Profit before tax	**na**	**na**	**na**	**(1,036)**	**(1,058)**
Income tax	35	na	na	0	0
Equity & invest. income	(53)	(97)	3	35	57
Minority interests	(52)	(32)	na	0	0
Extraordinary items	na	na	na	0	0
Net profit	**na**	**na**	**na**	**(1,001)**	**(1,000)**
Normalized profit	**na**	**na**	**na**	**(1,001)**	**(1,000)**
EPS (Bt)	na	na	na	(0.47)	(0.47)
Normalized EPS (Bt)	na	na	na	(0.47)	(0.47)

Balance Sheet					(consolidated)
Yr-end Dec (Bt m)	2Q24	3Q24	4Q24	1Q25	2Q25
Cash & ST investment	290	306	260	254	235
A/C receivable	726	486	398	365	341
Inventory	207	201	202	166	148
Other current assets	85	78	87	86	96
Investment	857	842	844	845	841
Fixed assets	413	384	374	364	351
Other assets	5,800	5,987	5,866	5,626	5,516
Total assets	**8,378**	**8,283**	**8,031**	**7,706**	**7,528**
S-T debt	2,419	2,009	2,346	3,637	3,638
A/C payable	806	762	725	813	894
Other current liabilities	312	342	249	199	203
L-T debt	1,251	1,333	1,205	0	0
Other liabilities	761	696	681	509	475
Minority interest	81	75	73	69	68
Shareholders' equity	**2,749**	**3,066**	**2,753**	**2,479**	**2,250**
Working capital	127	(75)	(125)	(283)	(405)
Total debt	3,669	3,342	3,551	3,637	3,638
Net debt	**3,379**	**3,036**	**3,290**	**3,383**	**3,403**

Financial Ratios					
(%)	2Q24	3Q24	4Q24	1Q25	2Q25
Sales growth	(17.1)	(37.2)	(34.0)	(32.7)	(39.4)
Operating profit growth	na	na	na	na	na
EBITDA growth	(73.2)	na	na	na	na
Norm profit growth	na	na	na	na	na
Norm EPS growth	na	na	na	na	na
Gross margin	44.6	29.1	24.0	16.7	26.4
Operating margin	(6.8)	(47.8)	(53.6)	(54.6)	(37.6)
EBITDA margin	9.4	(25.2)	(27.2)	(24.7)	(6.4)
Norm net margin	(4.4)	(61.9)	(64.7)	(60.4)	(47.2)
D/E (x)	1.3	1.1	1.3	1.4	1.6
Net D/E (x)	1.2	1.0	1.2	1.3	1.5
Interest coverage (x)	1.5	(3.1)	(3.5)	(2.3)	(0.6)
Interest rate	5.8	6.0	5.0	5.5	5.7
Effective tax rate	33.3	(15.2)	3.0	(2.7)	(4.4)
ROA	(1.7)	(19.0)	(17.9)	(14.0)	(12.0)
ROE	(5.0)	(54.5)	(50.1)	(42.0)	(38.8)

Sources: Company data, Thanachart estimates

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