

BUY (Unchanged)
Change in Numbers

TP: Bt 11.60
Upside : 61.1%

(From: Bt 11.50)
4 FEBRUARY 2026

Small Cap Research

SCGJWD Logistics Pcl (SJWD TB)

Cost-driven growth

Despite the weak economy, we expect SJWD's earnings to continue to grow at a double-digit level of 12/19% in 2026-27F, supported by cost management. With the share price already having been de-rated significantly to 11x 2026F PE, we are a BUYer of SJWD.



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A double-digit growth outlook; BUY

We reaffirm BUY on SJWD with a DCF-based 2026F TP of Bt11.6 (from Bt11.5). *First*, despite the weak economy, we forecast EPS growth of 12/19% in 2026-27F. *Second*, the growth isn't relying only on the top line but more so on cost management. Since the merger in 2023, SJWD still sees room to extract further cost synergies. *Third*, we see SJWD as a long-term FDI play as the FDI will eventually increase export-import trade flows that benefit logistics companies. *Lastly*, SJWD's share price has been significantly de-rated; as a leading logistics company, we see it attractive at 11x 2026F PE.

Post-merger cost optimisation

Following the 1Q23 merger with SCG Logistics, SJWD's core earnings jumped from Bt535m pre-merger in 2022 to a stabilised Bt778-788m in 2023-24. We expect 2025F earnings to increase about 38%, driven by cost rationalisation and rising equity income. We also forecast a 12/19% earnings growth in 2026-27F. Aside from a full-year high utilisation of the cold storage expansion completed last year and organic growth of other businesses, post-merger cost optimisation plans are key earnings drivers, in our view. SJWD has many IT and process optimisation initiatives, including impairments of redundant systems to reduce operating costs. We forecast operating margin to rise from 4.4% in 2024 to 5.5/6.1/6.8% in 2025-27F.

Logistics demand is currently soft

We forecast only 1-3% revenue growth in 2026-27F. By segment, we believe high-margin warehouse management (23% of total EBIT and equity income) is a bright spot growing 6-7% p.a. due to cold storage expansion. Automotive yard and logistics is facing a new headwind from the expiration of EV package incentives that can keep domestic car demand low, in our view. Demand for building materials and other goods transportation is also soft due to weak economy and property market. We believe equity income will normalise in 2026F as Cambodia land sale contributions fade. We leave potential overseas expansion or M&As as an upside.

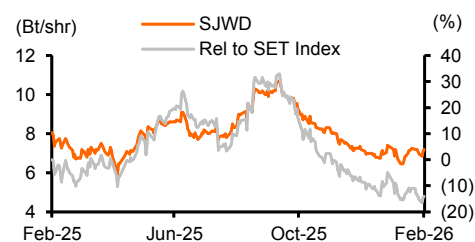
FDI is a long-term benefit

We expect SJWD's warehouse, transportation and other logistics businesses to benefit over the long term from the current surge in FDI. The value of BOI applications rose from Bt0.6tr in 2021 to Bt1.9tr in 2025. As these applications are approved and projects come online over the next few years, they will generate export and import trade flows for the country. This supports our long-term average earnings growth outlook of 15% p.a. in 2028-30F.

COMPANY VALUATION

Y/E Dec (Bt m)	2024A	2025F	2026F	2027F
Sales	24,504	25,253	25,490	26,259
Net profit	1,119	1,083	1,210	1,433
Consensus NP	—	1,099	1,222	1,313
Diff frm cons (%)	—	(1.5)	(1.0)	9.2
Norm profit	788	1,083	1,210	1,433
Prev. Norm profit	—	1,068	1,180	1,340
Chg frm prev (%)	—	1.4	2.5	7.0
Norm EPS (Bt)	0.43	0.60	0.67	0.79
Norm EPS grw (%)	(9.5)	37.5	11.7	18.5
Norm PE (x)	16.6	12.0	10.8	9.1
EV/EBITDA (x)	9.0	7.4	6.3	5.3
P/BV (x)	0.6	0.6	0.5	0.5
Div yield (%)	3.9	3.7	4.2	4.9
ROE (%)	3.5	4.7	5.1	5.8
Net D/E (%)	43.3	40.4	33.0	26.8

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 4-Feb-26 (Bt)	7.20
Market Cap (US\$ m)	412.1
Listed Shares (m shares)	1,811.0
Free Float (%)	26.3
Avg Daily Turnover (US\$ m)	0.4
12M Price H/L (Bt)	10.70/5.90
Sector	Transportation
Major Shareholder	SCG 42.9%

Sources: Bloomberg, Company data, Thanachart estimates

Post-merger cost optimisation

JWD and SCG Logistics merged in 1Q23

JWD Infologistics (JWD) and SCG Logistics Management (SCGL), the logistics arm of the SCC Group, merged in 1Q23 into SCG JWD Logistics (SJWD). The merger combined JWD's value-added warehousing logistics operations with SCGL's transportation-focused logistics network. As a result, SJWD's core earnings increased from Bt535m in 2022 (pre-merger) to Bt778-788m in 2023-24.

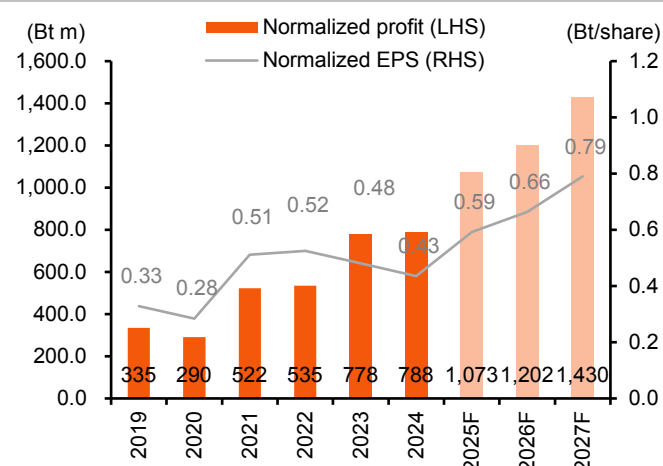
Cost synergies realisation started from 2025F

We project SJWD's earnings to grow by 38/12/19% in 2025-27F, with growth primarily cost-driven rather than revenue-led. The earnings inflection in 2025F is largely attributable to post-merger cost rationalisation, including SG&A reductions, supported by the elimination of overlapping functions and a cleaner balance sheet following asset write-offs in 2024, which lower depreciation. Equity income also rises meaningfully in 2025F, driven by a recovery in Vietnam logistics profitability on higher utilisation, tighter cost control and operating leverage. This is supplemented by equity income from industrial land sales in Cambodia, providing a material but largely non-recurring boost in 2025F, while gains from rental warehouse asset sales to REITs are expected to be recurring at Bt25m p.a. from 2025F onward.

We expect earnings growth of 12/19% in 2026-27F

Management has indicated a second phase of cost rationalisation in 2026, targeting further efficiency improvements, impairments of redundant systems, further streamlining of work processes, consolidation of IT platforms, and optimisation of the outsourcing mix through increased insourcing. This leads us to raise our 2026-27F earnings forecasts by 3-7%. While the impact in 2026F will be partial, we expect a full-year Bt100m cost-saving benefit to be reflected in 2027F, supporting earnings of 12/19% in 2026-27F. In parallel with additional cost savings, SJWD benefits from organic growth in high-margin logistics segments, led by cold storage, where utilisation continues to improve following recent capacity expansion. Given cold storage's structurally superior margin profile at 35-40% vs. the company's overall margin of 13-14%, this provides incremental margin boost through 2027F, in our view. We forecast operating margin to rise from 4.4% in 2024 to 5.5/6.1/6.8% in 2025-27F.

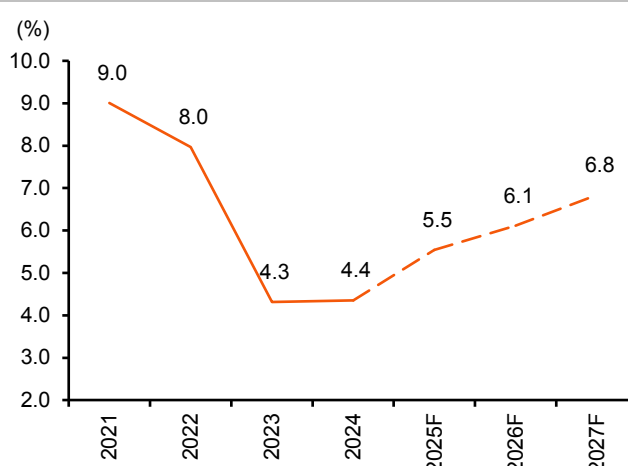
Ex 1: Project 38/12/19% Earnings Growth in 2025-27F



Sources: Company data, Thanachart estimates

Note: Contributions from SCGL started in February 2023

Ex 2: Cost Optimisation Driving EBIT Margin Expansion



Sources: Company data, Thanachart estimates

Note: Contributions from SCGL started in February 2023

Ex 3: Key Earnings Revisions

	2023	2024	2025F	2026F	2027F
SG&A (Bt m)					
- New	2,149	2,235	2,028	1,981	1,942
- Old			2,027	1,996	2,040
- Change (%)			0.0	(0.7)	(4.8)
Normalised profit (Bt m)					
- New	778	788	1,083	1,210	1,433
- Old			1,068	1,180	1,340
- Change (%)			1.4	2.5	7.0

Sources: Company data, Thanachart estimates

Logistics demand is currently soft

We expect muted revenue growth in the near term

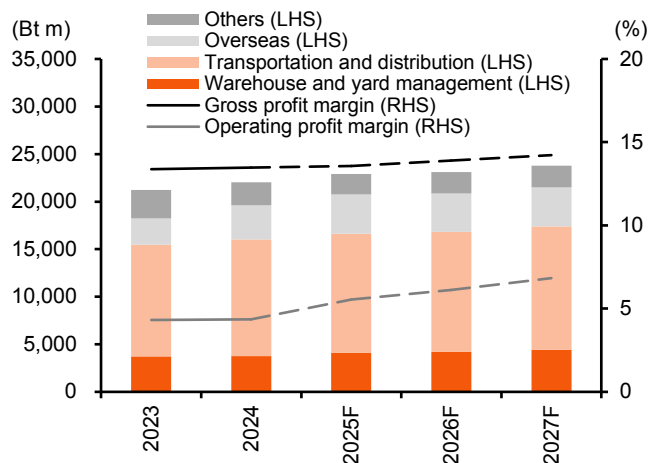
High-margin warehouse management remains a bright spot

EV incentive expiry, macro softness cap other segments

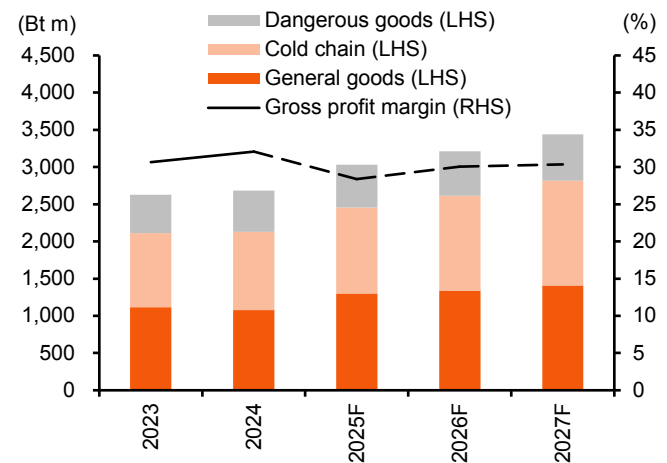
We forecast modest revenue growth of 1-3% in 2026-27F. By segment, high-margin warehouse management (23% of total EBIT and equity income) remains a key bright spot, growing 6-7% p.a., driven by ongoing cold storage capacity expansion and rising utilisation. SJWD's cold-chain business continues to scale, supported by service expansion across the food supply chain and rising demand for integrated temperature-controlled logistics solutions. The company added 11% new cold storage capacity in 1Q25, which has been absorbed well by the market.

In contrast, automotive yard and logistics (8% of total EBIT and equity income), where SJWD previously enjoyed strong exposure to EV imports under government EV incentive packages, now faces a headwind following the expiration of these incentives. With demand largely pulled forward into prior periods, we forecast automotive yard and logistics revenue to contract by 10% in 2026F, before a modest recovery of 3% in 2027F. Building materials and other goods transportation (28% of total EBIT and equity income) are also likely to remain soft, with revenue projected at 1-3%, reflecting a sluggish macro environment and a weak property market.

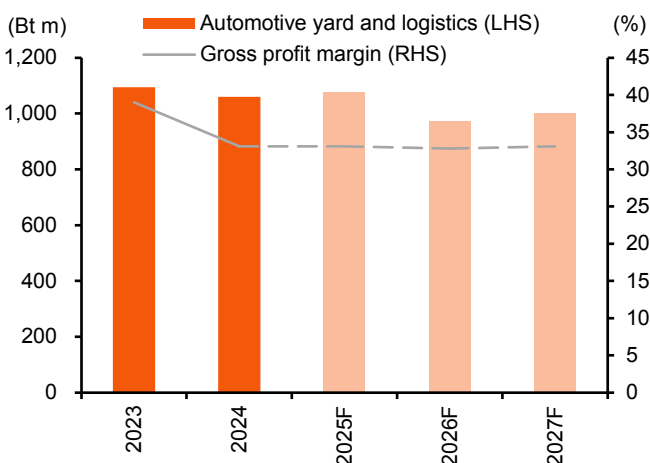
SJWD's equity income comes mainly from its stakes in logistics operations in Vietnam, Malaysia and Cambodia, as well as investments in rental warehouse assets through Alpha (a JV with Origin Property) and air freight operator ANI. Equity income, which accounted for 23% of total EBIT in 2026F, is expected to normalise from 2026F as contributions from Cambodian land sales fade. We leave potential overseas expansion or M&A deals as an upside. SJWD aims to become a leading integrated logistics platform in ASEAN, with a focus on equity partnerships rather than full acquisitions. Given a low net D/E of 0.3x in 2026F, we believe the company has the capacity to finance acquisitions with debt.

Ex 4: Overall Revenue and Margin Forecast

Sources: Company data, Thanachart estimates

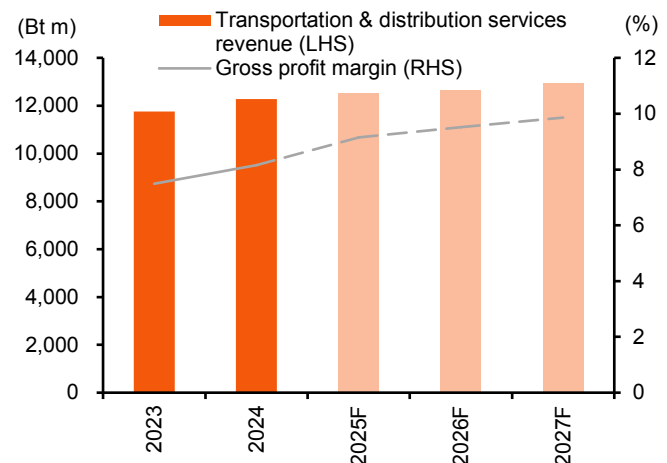
Ex 5: Warehouse Management Revenue and Margin

Sources: Company data, Thanachart estimates

Ex 6: Automotive Yard and Logistics Revenue and Margin

Sources: Company data, Thanachart estimates

Note: Contributions from SCGL started in February 2023

Ex 7: Transportation Revenue and Margin

Sources: Company data, Thanachart estimates

Note: Contributions from SCGL started in February 2023

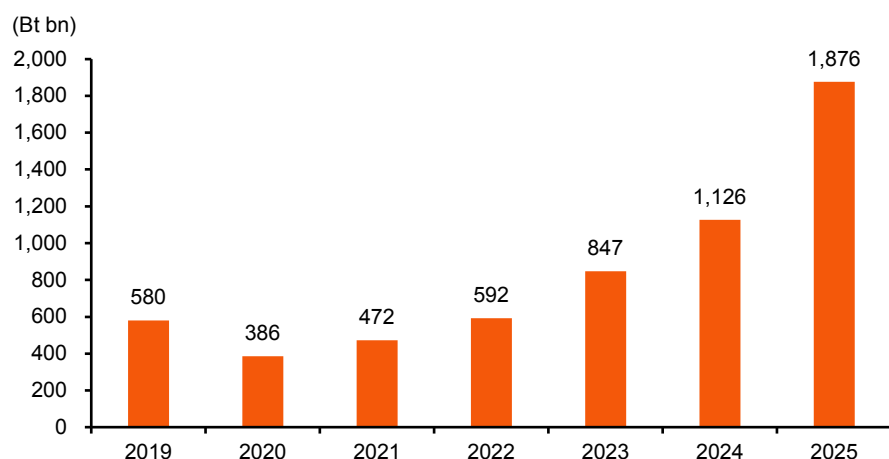
FDI is a long-term benefit

FDI-led trade growth drives long-term logistics demand

Over the long term, SJWD stands to benefit from Thailand's FDI-led industrial expansion. The value of BOI applications rose from Bt0.6tr in 2021 to Bt1.9tr in 2025. As these investments come online, we expect an increase in export-import trade flows over the long term, supporting sustained demand for logistics services. SJWD's business lines are well placed to capture this demand.

SJWD expects general warehousing and dangerous goods terminal to see higher utilisation from a broader range of industrial goods, while transportation and distribution services, including inland logistics and freight should benefit from increased trade volumes. This FDI-driven demand should drive long-term revenue streams and supports our long-term average earnings growth forecast of 15% p.a. in 2028-30F.

Ex 8: Total BOI Application Value



Source: Board Of Investment

Ex 9: 12-month DCF-based TP Calculation Using a Base Year of 2026F

(Bt m)	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	2036F	Terminal value
EBITDA excl. depre from right of use	3,160	3,536	3,916	4,303	4,701	5,069	5,456	5,865	6,308	6,782	7,277	—
Free cash flow	7,466	1,744	1,841	1,954	2,037	2,067	2,185	2,300	2,419	2,540	2,450	33,812
PV of free cash flow	7,446	1,458	1,406	1,364	1,301	1,207	1,165	1,121	1,078	1,035	912	12,591
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.4											
WACC (%)	9.4											
Terminal growth (%)	2.0											
Enterprise value - add investments*	32,085											
Net debt (2025F)	9,981											
Minority interest	1,148											
Equity value	20,957											
# of shares (m)	1,811											
Equity value / share (Bt)	11.6											

Source: Thanachart estimates

Valuation Comparison

Ex 10: Comparison with Regional Peers

Name	BBG Code	Country	EPS growth		— PE —		— P/BV —		EV/EBITDA		Div Yield	
			25F	26F	25F	26F	25F	26F	25F	26F	25F	26F
			(%)	(%)	(x)	(x)	(x)	(x)	(x)	(x)	(%)	(%)
Qube Holdings Ltd	QUB AU	Australia	9.8	11.4	28.2	25.3	2.7	2.6	16.7	15.5	2.2	2.4
Tegma Gestao Logistica SA	TGMA3 BZ	Brazil	0.7	(0.4)	9.7	9.8	2.7	2.6	6.5	6.1	8.3	8.3
Xiamen Xiangyu Co Ltd-A	600057 CH	China	46.2	17.1	11.4	9.7	0.9	0.9	15.0	13.6	4.1	4.8
Sinotrans Ltd	598 HK	HK	(0.7)	(8.8)	8.6	9.4	0.8	0.8	7.2	8.2	6.8	5.8
Kerry Logistics Network Ltd	636 HK	HK	7.6	0.9	9.6	9.5	0.8	0.7	4.4	4.4	3.5	3.6
Container Corp Of India Ltd	CCRI IN	India	27.0	26.0	29.8	23.7	3.1	2.9	17.6	14.6	1.9	1.9
Mitsubishi Logistics Corp	9301 JP	Japan	51.8	(35.6)	10.0	15.5	1.2	1.3	16.2	14.8	2.8	2.9
Sankyu Inc	9065 JP	Japan	5.2	14.5	15.5	13.5	1.6	1.6	9.2	8.6	2.6	2.9
Yamato Holdings Co Ltd	9064 JP	Japan	(34.1)	63.0	25.5	15.6	1.0	1.0	8.1	6.7	2.5	2.7
CJ Logistics Corp	000120 KS	S.Korea	(9.6)	22.6	9.5	7.8	0.5	0.5	6.1	5.6	0.8	0.8
SCGJWD Logistics Pcl *	SJWD TB	Thailand	37.5	11.7	12.0	10.8	0.6	0.5	7.4	6.3	3.7	4.2
Average			12.9	11.1	15.4	13.7	1.4	1.4	10.4	9.5	3.6	3.7

Sources: Company data, Thanachart estimates

Note: * Thanachart estimates, using Thanachart normalised EPS

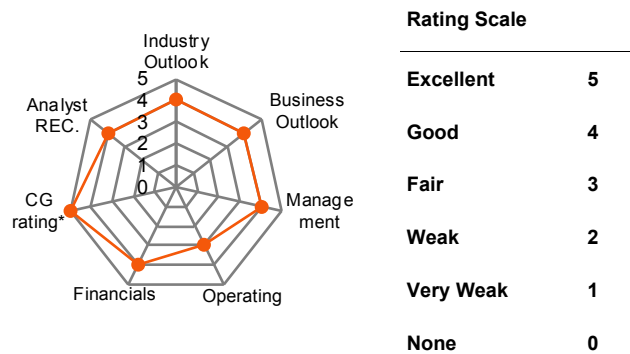
Based on 4 February 2026 closing prices

COMPANY DESCRIPTION

SCGJWD Logistics Pcl (SJWD) is a fully integrated inland logistics service provider, with these main businesses: 1) warehouse management services in four sectors (general goods, dangerous goods, automotive yard & logistics management and cold chain), 2) transportation & distribution services nationwide and cross-border, and 3) other logistics services (relocation, self-storage, document storage, logistics infrastructure and freight). SJWD also has warehouse management and logistics services overseas, including in Laos, Cambodia, Myanmar, Indonesia and Vietnam.

Source: Thanachart

COMPANY RATING



Source: Thanachart; * CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Strong management expertise in the Thai logistics market.
- Solid reputation in the transportation and logistics market under the SJWD brand.
- Fully integrated logistics and supply-chain services in Thailand and abroad.
- Sole chemical and dangerous goods service provider.
- Regional expansion with strong partners.

O — Opportunity

- The Thai government's policy to promote Thailand as a logistics and transportation hub for ASEAN.
- Penetrating in the fast-growing ASEAN market.

W — Weakness

- High investment in its warehouse management business with long payback periods.

T — Threat

- Domestic and overseas economic slowdowns.
- Sluggish growth in Thai exports.
- Competition from other logistics providers.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	12.83	11.60	-10%
Net profit 25F (Bt m)	1,099	1,083	-2%
Net profit 26F (Bt m)	1,222	1,210	-1%
Consensus REC	BUY: 7	HOLD: 0	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

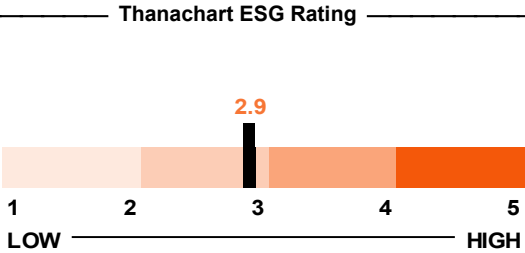
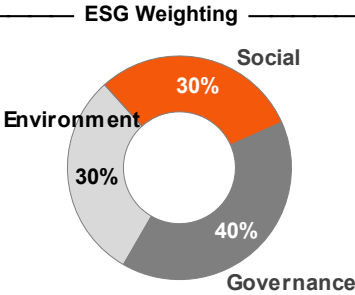
- Our 2025–26F earnings are largely in line with Bloomberg consensus. However, our DCF-based TP is lower, reflecting more conservative long-term revenue assumptions. As a result, our TP implies a lower target PE than the street, consistent with SJWD's modest ROE profile.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- If growth in the global or domestic economy is lower than our expectations, this would create downside risk to demand for warehouse management and transportation and logistics.
- If competition from local and international logistics providers is stronger than our expectations, this would pose downside risk to SJWD's warehouse utilisation rates and rental charges.

Source: Thanachart



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	Thanachart ESG Rating (1.0-5.0)	MSCI (CCC-AAA)	ESG Book (0-100)	CG Rating (0-5)
SJWD	YES	AAA	-	2.88	0	-	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.

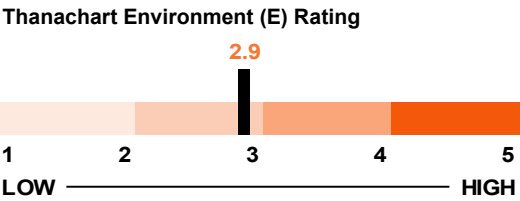


ESG Summary

- SJWD is a provider of logistics service solutions, including warehousing, cold-storage, auto yards, and transportation and distribution. It also has equity investments in logistics businesses in Vietnam, Indonesia, Malaysia and Cambodia.
- We assign SJWD a moderate ESG score of 2.9, with the highest score for Social, followed by Environment and Governance
- SJWD has a moderate ESG profile and we do not view it as a strong ESG-driven investment. Its ESG performance is largely risk-mitigating, and therefore it is unlikely to be a valuation catalyst.
- Social (S) is the strongest pillar with a decent score at 3.0, supported by decent safety outcomes, human-rights compliance and supply chain management, which contribute to operational resilience.
- Environmental (E) score is also decent at 2.9, anchored by reasonable operational controls and a clear Net Zero ambition. However, execution lagged management targets in 2024, and the business remains sensitive to energy costs.

Governance (G) pillar is at 2.8, constrained by weak broad structure around board independence and diversity, limiting potential for governance-driven re-rating. There is plan on business diversification but it still needs time to prove the sustainability of it.

We assign SJWD a moderate Environmental (E) score of 2.9, reflecting reasonable operational controls but slower-than-targeted emissions reductions in 2024 and high energy sensitivity.

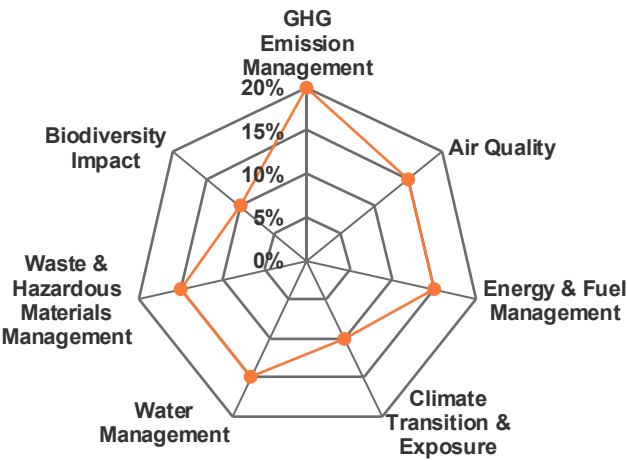


ENVIRONMENT

Our Comments

- GHG Emission Management
- Air Quality
- Energy & Fuel Management
- Climate Transition & Exposure
- Water Management
- Waste & Hazardous Materials Management
- Biodiversity Impact

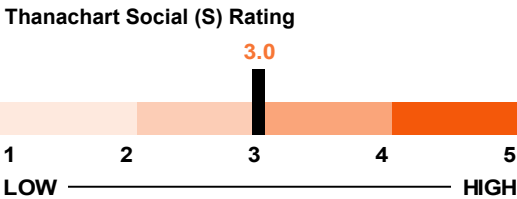
SCALE WEIGHTING



- We assign SJWD a moderate Environmental (E) score of 2.9, reflecting reasonable operational controls over emissions and utilities; however, execution in 2024 lagged management’s stated emissions reduction target and high energy sensitivity.
- GHG emissions are the most material environmental factor due to logistics-intensive operations, high transportation fuel consumption, and electricity-intensive cold-chain assets. The company has set a Net Zero 2050 ambition, with interim reduction targets through 2030. While progress was made in 2024, reductions fell short of annual targets, reflecting continued reliance on diesel and grid electricity.
- Energy consumption and cost volatility represent a financially and environmentally material factor. Efficient energy management is a priority, particularly in fleet operations and cold-chain facilities, and will require ongoing initiatives such as renewable energy deployment, EV fleet adoption, and route optimisation.
- Water management demonstrates moderate environmental stewardship, with recycling initiatives and ISO 14001–certified systems ensuring structured oversight.
- Waste management and biodiversity impacts are within industry norms and operationally compliant.

Sources: Thanachart, Company data

We assign SJWD a moderate Social (S) score of 3.0, reflecting its emphasis on occupational health and safety across logistics and warehouse operations, adherence to human rights standards and supply chain management.



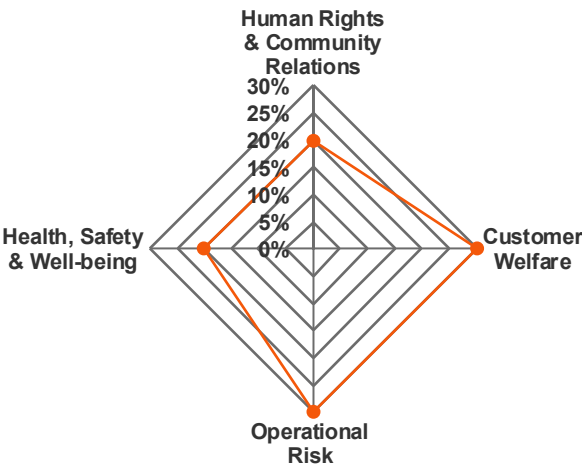
SOCIAL

Our Comments

- Human Rights & Community Relations
- Customer Welfare
- Operational Risk Management
- Health, Safety & Well-being

- We assign SJWD a moderate Social (S) score of 3.0, reflecting decent occupational safety practices, adherence to human rights and supply chain management.
- As a leading logistics and warehouse management operator, SJWD places focus on occupational health and safety. SJWD continues to pursue a “Zero Accident” policy, contributing to a consistently low Lost Time Injury Frequency Rate (LTIFR). Safety protocols cover warehouse operations, cold-chain handling, and hazardous goods management, reflecting the company’s priority on protecting employees and client assets.
- The company maintains a formal human rights policy covering fair wages, non-discrimination, and employee protection, reducing labour-related compliance and reputational risk. The workforce is 63% male and 37% female, reflecting industry norms and moderate gender diversity.
- SJWD emphasises sustainable supply chain management through process of business partner selection, auditing and risk assessment to assure both service quality and regulatory compliance. This demonstrates a moderate, process-oriented approach, though disclosures focus on process rather than outcomes or supplier ESG improvements.
- Service quality, reliability and the safety of client goods are closely monitored.

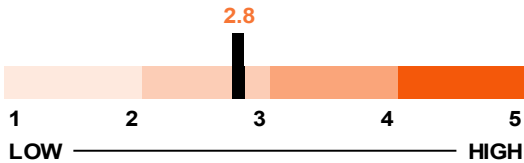
SCALE WEIGHTING



Sources: Thanachart, Company data

We assign SJWD a moderate Governance (G) score of 2.8, supported by adequate audit oversight, established ethics frameworks and integration of ESG into business strategy. Board structure is the key constraint, as limited gender diversity and the presence of major shareholder representatives reduce effective board independence.

Thanachart Governance (G) Rating

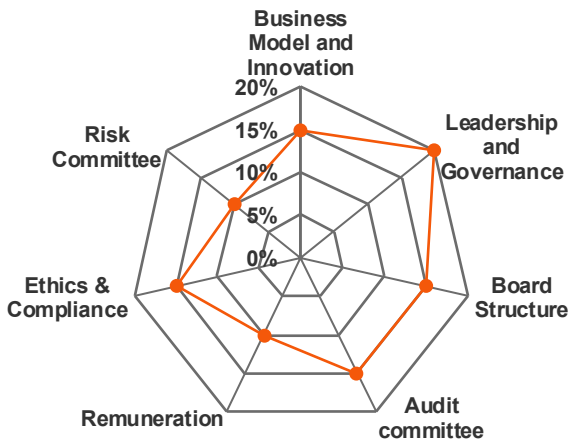


GOVERNANCE & SUSTAINABILITY

Our Comments

- Business Model and Innovation
- Leadership and Governance
- Board Structure
- Audit committee
- Remuneration
- Ethics & Compliance
- Risk Committee

SCALE WEIGHTING



Sources: Thanachart, Company data

- We assign the company a moderate Governance (G) score of 2.8, reflecting adequate audit oversight and established ethics frameworks, partially offset by structural weaknesses in board independence and diversity.
- SJWD has embedded ESG considerations into its core business model, supporting our assessment under Business Model & Innovation. The company has invested in Automated Storage and Retrieval Systems (ASRS), telemetric fleet management, and energy-efficient temperature-controlled warehouses to improve operational efficiency and reduce lifecycle environmental impacts. Initiatives such as EV trucks, EV forklifts, and rooftop solar installations further demonstrate governance alignment between strategy and sustainability outcomes.
- Audit governance is relatively healthy, supported by established internal and external audit functions and non-executive audit committee oversight.
- The executive remuneration framework is in place, with performance-linked compensation structures. However, explicit and high-weight ESG-linked incentives remain limited, constraining alignment between management remuneration and long-term sustainability objectives.
- SJWD has implemented Anti-Corruption, Whistleblowing, and Anti-Unfair Competition policies. The company reported zero cases of legal violations or negative environmental impacts.
- Board structure is a primary area for improvement. While the board comprises members with deep expertise in engineering, logistics and finance, gender diversity remains limited. Although non-executive directors represent 67% of the board, the presence of major shareholder representatives, including a non-independent chair, reduces overall board independence relative to best-practice governance standards.

INCOME STATEMENT

FY ending Dec (Bt m)	2023A	2024A	2025F	2026F	2027F
Sales	23,732	24,504	25,253	25,490	26,259
Cost of sales	20,559	21,202	21,825	21,949	22,523
Gross profit	3,173	3,302	3,427	3,541	3,737
% gross margin	13.4%	13.5%	13.6%	13.9%	14.2%
Selling & administration expenses	2,149	2,235	2,028	1,981	1,942
Operating profit	1,024	1,067	1,400	1,559	1,795
% operating margin	4.3%	4.4%	5.5%	6.1%	6.8%
Depreciation & amortization	1,593	1,523	1,697	1,860	2,023
EBITDA	2,617	2,590	3,096	3,419	3,818
% EBITDA margin	11.0%	10.6%	12.3%	13.4%	14.5%
Non-operating income	183	152	126	127	131
Non-operating expenses	0	0	0	0	0
Interest expense	(471)	(660)	(658)	(636)	(617)
Pre-tax profit	736	558	868	1,050	1,309
Income tax	150	85	174	210	262
After-tax profit	586	473	694	840	1,047
% net margin	2.5%	1.9%	2.7%	3.3%	4.0%
Shares in affiliates' Earnings	258	393	500	482	501
Minority interests	(66)	(78)	(111)	(112)	(115)
Extraordinary items	(17)	331	0	0	0
NET PROFIT	761	1,119	1,083	1,210	1,433
Normalized profit	778	788	1,083	1,210	1,433
EPS (Bt)	0.5	0.6	0.6	0.7	0.8
Normalized EPS (Bt)	0.5	0.4	0.6	0.7	0.8

We project EPS growth of
+12/+19% in 2026-27F

BALANCE SHEET

FY ending Dec (Bt m)	2023A	2024A	2025F	2026F	2027F
ASSETS:					
Current assets:	5,984	6,602	6,729	6,355	6,485
Cash & cash equivalent	1,492	2,414	2,414	2,000	2,000
Account receivables	3,753	3,715	3,829	3,865	3,981
Inventories	134	84	87	87	89
Others	604	389	400	403	415
Investments & loans	4,830	8,362	8,362	8,362	8,362
Net fixed assets	8,859	9,739	9,678	9,476	9,135
Other assets	19,567	19,333	19,398	19,439	19,458
Total assets	39,240	44,036	44,167	43,633	43,441
LIABILITIES:					
Current liabilities:	4,801	4,936	5,343	5,168	4,682
Account payables	3,083	3,176	3,269	3,287	3,373
Bank overdraft & ST loans	481	450	744	633	554
Current LT debt	403	408	583	496	0
Others current liabilities	834	903	748	751	755
Total LT debt	7,586	11,905	11,068	9,427	8,676
Others LT liabilities	3,526	3,284	3,047	3,092	3,133
Total liabilities	15,913	20,124	19,458	17,687	16,490
Minority interest	998	1,037	1,148	1,663	1,778
Preferreds shares	0	0	0	0	0
Paid-up capital	906	906	906	906	906
Share premium	19,877	19,877	19,877	19,877	19,877
Warrants	0	0	0	0	0
Surplus	572	391	501	501	501
Retained earnings	976	1,702	2,277	3,000	3,889
Shareholders' equity	22,330	22,875	23,561	24,284	25,172
Liabilities & equity	39,240	44,036	44,167	43,633	43,441

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2023A	2024A	2025F	2026F	2027F
Earnings before tax	736	558	868	1,050	1,309
Tax paid	(126)	(96)	(166)	(213)	(259)
Depreciation & amortization	1,593	1,523	1,697	1,860	2,023
Chg In working capital	(1,200)	181	(23)	(18)	(33)
Chg In other CA & CL / minorities	972	410	211	775	382
Cash flow from operations	1,975	2,576	2,586	3,454	3,421
Capex	(5,525)	(2,402)	(1,400)	(1,400)	(1,400)
Right of use	(1,892)	386	(300)	(300)	(300)
ST loans & investments	(2)	222	0	0	0
LT loans & investments	(1,626)	(3,532)	0	0	0
Adj for asset revaluation	(391)	0	0	0	0
Chg In other assets & liabilities	(13,268)	(48)	(121)	158	149
Cash flow from investments	(22,703)	(5,375)	(1,821)	(1,542)	(1,551)
Debt financing	2,453	4,294	(368)	(1,838)	(1,326)
Capital increase	18,937	0	0	0	0
Dividends paid	(802)	(481)	(507)	(487)	(544)
Warrants & other surplus	708	(92)	110	0	0
Cash flow from financing	21,295	3,720	(766)	(2,325)	(1,871)
Free cash flow	(3,549)	174	1,186	2,054	2,021

VALUATION

FY ending Dec	2023A	2024A	2025F	2026F	2027F
Normalized PE (x)	15.0	16.6	12.0	10.8	9.1
Normalized PE - at target price (x)	24.1	26.7	19.4	17.4	14.7
PE (x)	15.3	11.7	12.0	10.8	9.1
PE - at target price (x)	24.7	18.8	19.4	17.4	14.7
EV/EBITDA (x)	7.1	9.0	7.4	6.3	5.3
EV/EBITDA - at target price (x)	9.8	12.1	10.0	8.6	7.4
P/BV (x)	0.6	0.6	0.6	0.5	0.5
P/BV - at target price (x)	0.9	0.9	0.9	0.9	0.8
P/CFO (x)	5.9	5.1	5.0	3.8	3.8
Price/sales (x)	0.5	0.5	0.5	0.5	0.5
Dividend yield (%)	3.5	3.9	3.7	4.2	4.9
FCF Yield (%)	(30.5)	1.3	9.1	15.8	15.5
(Bt)					
Normalized EPS	0.5	0.4	0.6	0.7	0.8
EPS	0.5	0.6	0.6	0.7	0.8
DPS	0.3	0.3	0.3	0.3	0.4
BV/share	12.3	12.6	13.0	13.4	13.9
CFO/share	1.2	1.4	1.4	1.9	1.9
FCF/share	(2.2)	0.1	0.7	1.1	1.1

Sources: Company data, Thanachart estimates

*De-rated; attractive at 11x
2026F PE*

FINANCIAL RATIOS

FY ending Dec	2023A	2024A	2025F	2026F	2027F
Growth Rate					
Sales (%)	302.1	3.3	3.1	0.9	3.0
Net profit (%)	51.0	47.0	(3.2)	11.7	18.5
EPS (%)	(4.9)	31.4	(3.2)	11.7	18.5
Normalized profit (%)	45.4	1.2	37.5	11.7	18.5
Normalized EPS (%)	(8.3)	(9.5)	37.5	11.7	18.5
Dividend payout ratio (%)	59.5	45.3	45.0	45.0	45.0
Operating performance					
Gross margin (%)	13.4	13.5	13.6	13.9	14.2
Operating margin (%)	4.3	4.4	5.5	6.1	6.8
EBITDA margin (%)	11.0	10.6	12.3	13.4	14.5
Net margin (%)	2.5	1.9	2.7	3.3	4.0
D/E (incl. minor) (x)	0.4	0.5	0.5	0.4	0.3
Net D/E (incl. minor) (x)	0.3	0.4	0.4	0.3	0.3
Interest coverage - EBIT (x)	2.2	1.6	2.1	2.5	2.9
Interest coverage - EBITDA (x)	5.6	3.9	4.7	5.4	6.2
ROA - using norm profit (%)	3.0	1.9	2.5	2.8	3.3
ROE - using norm profit (%)	6.1	3.5	4.7	5.1	5.8
DuPont					
ROE - using after tax profit (%)	4.6	2.1	3.0	3.5	4.2
- asset turnover (x)	0.9	0.6	0.6	0.6	0.6
- operating margin (%)	5.1	5.0	6.0	6.6	7.3
- leverage (x)	2.1	1.8	1.9	1.8	1.8
- interest burden (%)	61.0	45.8	56.9	62.3	68.0
- tax burden (%)	79.6	84.8	80.0	80.0	80.0
WACC (%)	9.4	9.4	9.4	9.4	9.4
ROIC (%)	9.9	3.1	3.4	3.7	4.4
NOPAT (Bt m)	815	904	1,120	1,247	1,436
invested capital (Bt m)	29,308	33,224	33,542	32,840	32,402

Sources: Company data, Thanachart estimates

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80-89	▲▲▲▲	Very Good
70-79	▲▲▲	Good
60-69	▲▲	Satisfactory
50-59	▲	Pass
Below		N/A

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