

# Carabao Group

(CBG.BK/CBG TB)\*

## Outperform Maintained

Price as of 17 Nov 2023	80.00
12M target price (Bt/shr)	85.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	6.25

### Key messages

ประมาณการของผู้บริหาร CBG ให้ภาพโมเมนตัมการเติบโตของกำไรที่ค่อนข้างบวก โดยบริษัทคาดว่าจะมีรายได้เพิ่มประมาณ 200-250 ล้านบาทจากการผลิตบรรจุภัณฑ์ให้กับเบียร์คาราบาวใน 4Q66 และคาดว่าจะเพิ่มขึ้นจากต้นทุนที่ลดลง เราจึงคาดว่าผลประกอบการน่าจะฟื้นตัวได้อย่างแข็งแกร่งใน 4Q66 ในขณะที่เดียวกัน สัญญาณว่ารายได้จากเบียร์คาราบาวที่เพิ่มขึ้นจะหนุนให้ประมาณการกำไรปี 2567 ของเรามี upside เพิ่มขึ้น ทั้งนี้ จากปัจจัยกระตุ้นในระยะสั้นน่าจะทำให้ราคาหุ้นมี upside สูงกว่าราคาเป้าหมายปี 2567F ของเราที่ 85 บาท (PE 35x)

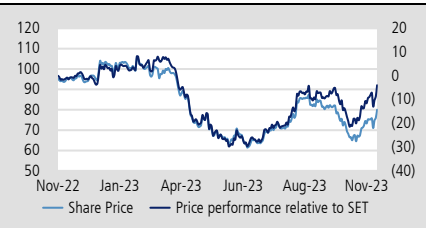
### Trading data

Mkt cap (Btmn/US\$m)	80,000/2,253		
Outstanding shares (mn)	1,000		
Foreign ownership (mn)	n.a.		
3M avg. daily trading (mn)	6.12		
52-week trading range (Bt)	61.5/105.5		
Performance (%)	3M	6M	12M
Absolute	5.3	18.5	-17.1
Relative	13.0	26.7	-5.3

### Quarterly EPS

	1Q	2Q	3Q	4Q
2021	0.70	0.97	0.60	0.60
2022	0.66	0.74	0.48	41
2023	0.26	0.48	0.53	

### Share price chart



Source: SET

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## ธุรกิจเบียร์ของกลุ่มเริ่มต้นได้ดี

### Event

ประชุมนักวิเคราะห์, อัปเดตแนวโน้ม

### Impact

เริ่มธุรกิจเบียร์โดยได้รับการตอบรับดี

ประธานของ CBG เล่าถึงแผนเจาะตลาดเบียร์ (ดำเนินการโดยธุรกิจครอบครัว) ซึ่งเริ่มเปิดขายเชิงพาณิชย์ช่วงต้นเดือนพฤศจิกายน 2566 โดยบริษัทใช้งบลงทุน (capex) ประมาณ 4 พันล้านบาทเพื่อผลิตเบียร์ด้วยกำลังการผลิต 200-300 ล้านลิตรต่อปี โดยใช้แบรนด์ “คาราบาว” และ “ตะวันแดง” มีทั้งหมด 5 รสชาติครอบคลุมทั้งกลุ่มราคาประหยัด และกลุ่มพรีเมียมซึ่งจัดจำหน่ายผ่านตัวแทน 790 ราย, รถจำหน่าย (cash van), และ เซนรานสะดวกชื่อ “CJ & ถูกดี” 6,000 ร้าน ทั้งนี้ ยอดการผลิต 200 ล้านลิตรจะทำให้บริษัทได้ส่วนแบ่งตลาดประมาณ 8-9% ทั้งนี้ผู้บริหารเผยว่าการที่เบียร์คาราบาวได้รับการตอบรับดีจากลูกค้าที่คุ้นเคยกับโรงเบียร์เยอรมันตะวันแดงอยู่แล้ว ได้มีส่วนช่วยให้บริษัทเพิ่มส่วนแบ่งตลาดได้ง่ายขึ้นและเร็วขึ้น ซึ่งหลังจากที่เปิดตัวเป็นครั้งแรก เบียร์คาราบาวได้รับการตอบรับดี สำหรับในระยะต่อไป เบียร์คาราบาวจะไม่ขายแค่ในประเทศไทยเท่านั้น แต่จะส่งออกไปยังประเทศในกลุ่ม CLMV ด้วย

### CBG ได้รายได้ OEM และรายได้จากการจัดจำหน่าย

CBG จะได้อนุมัติของอ้อมจากเบียร์คาราบาว ได้แก่ 1.) มีรายได้ OEM จากการผลิตบรรจุภัณฑ์กระป๋องอูเมนิ่ม ขวดแก้ว หลาก ลังกระดาษ ฯลฯ 2.) รายได้จากการจัดจำหน่าย ในรูปของส่วนแบ่งรายได้ 5% โดยใน 3Q66 CBG บันทึกรายได้จากการผลิตบรรจุภัณฑ์ให้กับเบียร์คาราบาวประมาณ 150-160 ล้านบาท ซึ่งหากเบียร์คาราบาวทำยอดขายได้ตามเป้า 200 ล้านลิตรต่อปี จะสร้างรายได้จากบรรจุภัณฑ์ให้ CBG ประมาณ 350-360 ล้านบาทในปี และ 800-900 ล้านบาทในปี 2567 ซึ่งสูงกว่าประมาณการของเราที่ 225 ล้านบาท/450 ล้านบาท ในปี 2566-2567

### ปัจจัยบวกหนุนราคาหุ้นอัปเดต

จากการที่บริษัทคาดว่าจะมีรายได้เพิ่มประมาณ 200-250 ล้านบาทจากการผลิตบรรจุภัณฑ์ให้กับเบียร์คาราบาวใน 4Q66 และคาดว่า margin จะเพิ่มขึ้นจากต้นทุนที่ลดลง เราจึงคาดว่าผลประกอบการน่าจะฟื้นตัวได้อย่างแข็งแกร่งใน 4Q66 ในขณะที่เดียวกัน สัญญาณว่ารายได้จากเบียร์คาราบาวที่เพิ่มขึ้นจะหนุนให้ประมาณการกำไรปี 2567 ของเรามี upside เพิ่มขึ้น ทั้งนี้ จากปัจจัยกระตุ้นในระยะสั้นน่าจะทำให้ราคาหุ้นมีอ็อปชันสูงกว่าราคาเป้าหมายปี 2567F ของเราที่ 85 บาท (PE 35x)

### Risks

GPM ฟื้นตัวในจังหวะที่ช้าลง, เบียร์คาราบาวเจาะตลาดไม่สำเร็จ, รายได้จากตลาด CLMV ไม่โตตามคาด, เพิ่มการเติบโตในจีนไม่สำเร็จ

### Key financials and valuations

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue (Btmn)	17,231	17,364	19,215	18,126	20,157	22,507
Gross Profit (Btmn)	7,058	6,183	5,633	5,256	5,887	6,512
EBIT (Btmn)	4,333	3,444	2,799	2,484	3,062	3,649
Net Profit (Btmn)	3,525	2,881	2,286	1,983	2,405	2,901
EPS (Bt)	3.53	2.88	2.29	1.98	2.41	2.90
DPS	2.80	3.80	4.80	5.80	6.80	7.80
EPS Growth (%)	40.7	(18.3)	(20.6)	(13.3)	21.3	20.6
P/E (X)	34.6	34.7	45.9	40.4	33.3	27.6
P/B (X)	12.0	9.9	9.9	7.0	6.4	5.8
Net Debt to Equity (%)	39	57	59	47	40	30
Dividend Yield (%)	2.3	3.8	4.6	7.3	8.5	9.8
Return on Average Equity (%)	38.1	28.6	21.9	18.0	20.2	22.0

Source: Company data, KGI Securities Research

**Figure 1: CBG's upside from beer business**

Production plan/yr	Market share of Carabao Beer	Carabao Beer revenues	Packaging revenues for CBG	Distribution revenues*	Total revenues	Net profit assuming net profit margin of 40%
		Bt mn	Bt mn	Bt mn	Bt mn	Bt mn
200mn liters	9%	17,727	800	355	1,155	462
300mn liters	14%	26,591	1,200	532	1,732	693
400mn liters	18%	35,455	1,600	709	2,309	924

Source: KGI Securities Research

\*Remark: Distribution revenue is based on 40% of the beer being distributed through CBG's channels

**Figure 2: Key assumptions**

Bt mn	2020	2021	2022	2023F	2024F	2025F
<b>Revenue (Bt mn)</b>	<b>17,231</b>	<b>17,364</b>	<b>19,215</b>	<b>18,126</b>	<b>20,157</b>	<b>22,507</b>
<b>i.) Domestic</b>	<b>9,063</b>	<b>10,433</b>	<b>12,331</b>	<b>12,646</b>	<b>14,129</b>	<b>15,876</b>
- Domestic -energy drink	6,207	5,691	5,707	5,707	5,907	6,113
- Domestic - OEM (coffee)	443	504	467	520	520	520
- 3rd product/logistic	2,413	3,568	5,349	6,419	7,703	9,243
<b>ii.) Export</b>	<b>8,168</b>	<b>6,931</b>	<b>6,880</b>	<b>5,480</b>	<b>6,028</b>	<b>6,631</b>
<b>Rev growth</b>	15.4%	0.8%	10.7%	-5.7%	11.2%	11.7%
<b>i.) Domestic</b>	16.3%	15.1%	18.2%	2.6%	11.7%	12.4%
- Domestic - energy drink	6.1%	-8.3%	0.3%	0.0%	3.5%	3.5%
- Domestic - OEM (coffee)	-16.7%	13.8%	-7.3%	11.3%	0.0%	0.0%
- 3rd product/logistic	71.3%	47.9%	49.9%	20.0%	20.0%	20.0%
<b>ii.) - Export</b>	15.3%	-15.1%	-0.7%	-20.3%	10.0%	10.0%
<b>Export by country</b>						
CLMV	6,875	5,660	2,485	2,696	3,020	3,352
ICUK (UK + non-UK)	52	128	95	200	200	250
China	385	731	50	606	645	637
<b>Total export</b>	<b>8,168</b>	<b>6,931</b>	<b>6,880</b>	<b>3,852</b>	<b>4,165</b>	<b>4,539</b>
<b>Beer business</b>						
Production volume (unit)				90	180	300
- distribution margin (Bt1/unit)				90	180	300
- packaging revenue (Bt1.5/unit)				135	270	450
<b>Total revenue</b>				<b>225</b>	<b>450</b>	<b>750</b>
Gross margin	41.0%	35.6%	29.3%	29.0%	30.0%	31.0%
EBIT margin (%)	25.1%	19.8%	14.6%	13.7%	16.0%	17.3%
EBITDA margin (%)	25.8%	20.7%	15.2%	18.2%	20.1%	20.9%
Net margin (%)	20.5%	16.6%	11.9%	10.9%	13.6%	13.8%
Selling exp/rev	11.1%	10.7%	10.9%	12.5%	12.2%	12.2%
Admin exp/rev	5.6%	6.2%	5.1%	5.4%	5.5%	5.3%
Effective tax rate	15.8%	15.3%	16.1%	16.5%	16.0%	16.0%

Source: KGI Securities Research

**Figure 3: CBG's quarterly earnings performance**

Bt mn	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	% chg		9M22	9M23	% chg
								QoQ	YoY			
<b>Income Statement (Bt m)</b>												
Revenue	4,783	5,247	4,695	4,490	4,124	4,707	4,707	0.0	0.3	14,725	13,537	(8.1)
Cost of Good sold	(3,317)	(3,631)	(3,335)	(3,299)	(3,107)	(3,447)	(3,445)	(0.1)	3.3	(10,283)	(9,998)	(2.8)
<b>Gross profit</b>	<b>1,466</b>	<b>1,616</b>	<b>1,359</b>	<b>1,191</b>	<b>1,017</b>	<b>1,260</b>	<b>1,262</b>	<b>0.2</b>	<b>(7.2)</b>	<b>4,442</b>	<b>3,539</b>	<b>(20.3)</b>
Operating Expenses	(727)	(765)	(815)	(772)	(729)	(712)	(655)	(8.0)	(19.5)	(2,307)	(2,096)	(9.1)
Other income	43	68	55	78	65	51	46	(10.1)	(17.2)	166	162	(2.7)
<b>Operating Profit</b>	<b>783</b>	<b>919</b>	<b>600</b>	<b>498</b>	<b>353</b>	<b>599</b>	<b>653</b>	<b>9.0</b>	<b>8.7</b>	<b>2,302</b>	<b>1,604</b>	<b>(30.3)</b>
Depreciation of fixed assets	(197)	(202)	(207)	(208)	(203)	(209)	(201)	(4.0)	(2.8)	(606)	(613)	1.3
<b>EBITDA</b>	<b>980</b>	<b>1,120</b>	<b>807</b>	<b>705</b>	<b>556</b>	<b>808</b>	<b>854</b>	<b>5.6</b>	<b>5.8</b>	<b>2,907</b>	<b>2,217</b>	<b>(23.7)</b>
Interest Expense	(25)	(26)	(30)	(34)	(36)	(44)	(51)	17.0	70.1	(81)	(131)	61.7
<b>Pre-tax Profit</b>	<b>758</b>	<b>892</b>	<b>570</b>	<b>463</b>	<b>317</b>	<b>555</b>	<b>601</b>	<b>8.4</b>	<b>5.5</b>	<b>2,221</b>	<b>1,473</b>	<b>(33.7)</b>
Current Taxation	(112)	(164)	(103)	(55)	(61)	(80)	(80)	0.3	(21.7)	(378)	(221)	(41.5)
Minority	14	13	8	0	8	7	9	27.6	9.7	35	23	(33.6)
<b>Net Profit</b>	<b>660</b>	<b>742</b>	<b>475</b>	<b>409</b>	<b>264</b>	<b>481</b>	<b>530</b>	<b>10.0</b>	<b>11.4</b>	<b>1,877</b>	<b>1,275</b>	<b>(32.1)</b>
<b>EPS (Bt)</b>	<b>0.66</b>	<b>0.74</b>	<b>0.48</b>	<b>0.41</b>	<b>0.26</b>	<b>0.48</b>	<b>0.53</b>	<b>10.0</b>	<b>11.4</b>	<b>1.88</b>	<b>1.27</b>	<b>(32.1)</b>
<b>Profitability</b>												
Gross profit margin	30.7	30.8	29.0	26.5	24.7	26.8	26.8			30.2	26.1	
Operating EBIT margin	16.4	17.5	12.8	11.1	8.6	12.7	13.9			15.6	11.9	
Operating EBITDA margin	20.5	21.3	17.2	15.7	13.5	17.2	18.1			19.7	16.4	
Net profit margin	13.8	14.1	10.1	9.1	6.4	10.2	11.3			12.7	9.4	
Selling exp/rev	9.9	9.8	11.9	12.3	12.4	10.5	10.2			10.5	11.0	
Admin exp/rev	5.3	4.8	5.5	4.9	5.2	4.6	3.8			5.2	4.5	
Effective tax rate	14.8	18.3	18.0	11.8	19.2	14.5	13.4			17.0	15.7	
Days A/R turnover	35.1	39.1	51.1	51.5	43.9	41.7	49.2					
Days inventories turnover	63.5	65.3	72.4	75.2	74.8	59.3	55.8					
Days A/P turnover	49.9	52.5	53.1	51.2	41.4	47.7	55.1					

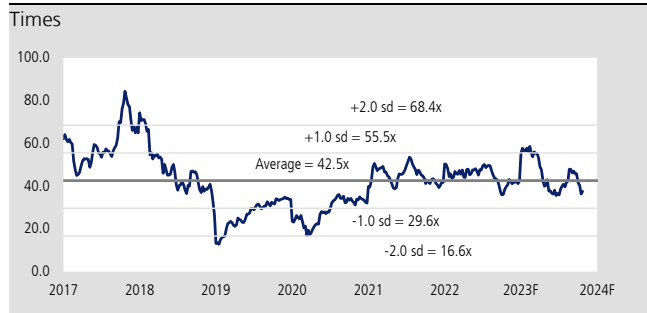
Source: KGI Securities Research

**Figure 4: CBG's revenue and gross margin breakdown**

	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	% chg		9M22	9M23	% chg
								QoQ	YoY			
<b>Revenue breakdown</b>												
<b>i.) Domestic</b>	<b>3,067</b>	<b>3,148</b>	<b>3,070</b>	<b>3,046</b>	<b>2,799</b>	<b>3,202</b>	<b>3,545</b>	<b>10.7</b>	<b>15.5</b>	<b>9,285</b>	<b>9,546</b>	<b>2.8</b>
- Domestic -energy drink	1,272	1,482	1,641	1,312	1,160	1,512	1,636	8.2	(0.3)	4,395	4,308	(2.0)
- Domestic - OEM (coffee)	121	132	132	82	48	64	61	(4.7)	(53.8)	385	173	(55.1)
- 3rd product/logistic	1,417	1,270	1,184	1,478	1,468	1,452	1,450	(0.1)	22.5	3,871	4,370	12.9
Others	257	264	113	174	123	174	398	128.7	252.2	634	695	9.6
<b>ii.) Export</b>	<b>1,716</b>	<b>2,099</b>	<b>1,625</b>	<b>1,440</b>	<b>1,325</b>	<b>1,505</b>	<b>1,162</b>	<b>(22.8)</b>	<b>(28.5)</b>	<b>5,440</b>	<b>3,992</b>	<b>(26.6)</b>
- CLMV	1,513	1,764	1,340	1,292	1,194	1,291	953	(26.2)	(28.9)	4,617	3,438	(25.5)
- China	60	252	133	22	9	41	38	(7.3)	(71.4)	445	88	(80.2)
- UK	45	46	57	56	39	56	48	(14.3)	(15.8)	148	143	(3.4)
- Others	98	37	38	74	83	117	123	5.1	223.7	173	323	86.7
<b>Total Revenue</b>	<b>4,783</b>	<b>5,247</b>	<b>4,695</b>	<b>4,490</b>	<b>4,124</b>	<b>4,707</b>	<b>4,707</b>	<b>0.0</b>	<b>0.3</b>	<b>14,725</b>	<b>13,537</b>	<b>(8.1)</b>
<b>Gross margin (Bt mn)</b>												
Energy drink	1,202	1,351	1,206	943	837	1,062	996			2,553	1,899	(25.6)
OEM	14	15	15	10	6	9	11			29	15	(48.3)
Distribution	142	149	92	181	141	145	145			291	286	(1.7)
Others	108	101	45	56	33	44	110			209	77	(63.2)
<b>Total</b>	<b>1,466</b>	<b>1,616</b>	<b>1,358</b>	<b>1,191</b>	<b>1,017</b>	<b>1,260</b>	<b>1,262</b>			<b>3,082</b>	<b>2,277</b>	<b>(26.1)</b>
<b>Gross margin (%)</b>												
Energy drink	40.2%	37.7%	36.9%	34.3%	33.7%	35.2%	35.6%					
OEM	11.6%	11.4%	11.4%	12.2%	12.5%	14.1%	18.0%					
Distribution	10.0%	11.7%	7.8%	12.2%	9.6%	10.0%	10.0%					
Others	42.0%	38.3%	39.8%	32.2%	26.8%	25.3%	27.6%					
<b>Total</b>	<b>30.7%</b>	<b>30.8%</b>	<b>29.0%</b>	<b>26.5%</b>	<b>24.7%</b>	<b>26.8%</b>	<b>26.8%</b>					

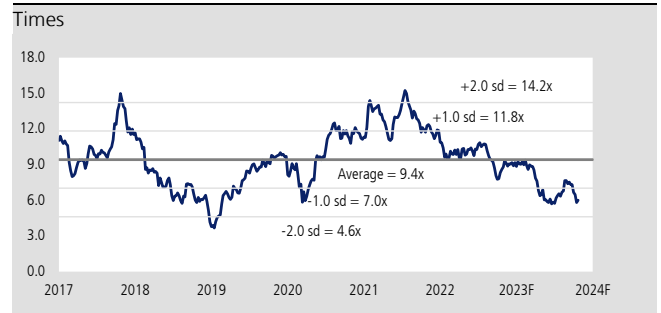
Source: KGI Securities Research

**Figure 5: PE**



Source: KGI Securities Research

**Figure 6: PBV**



Source: KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F	2025F
<b>Total Assets</b>	<b>17,087</b>	<b>19,186</b>	<b>20,039</b>	<b>20,535</b>	<b>21,702</b>	<b>22,895</b>
<b>Current Assets</b>	<b>3,992</b>	<b>5,382</b>	<b>6,347</b>	<b>5,631</b>	<b>6,159</b>	<b>7,005</b>
Cash & S-T Investments	947	1,134	936	1,235	1,275	1,556
Inventories	1,489	2,337	2,718	2,175	2,419	2,701
Accounts Receivable	1,420	1,756	2,533	2,175	2,419	2,701
Others	136	155	160	45	47	48
<b>Non-Current Assets</b>	<b>13,094</b>	<b>13,804</b>	<b>13,692</b>	<b>14,905</b>	<b>15,542</b>	<b>15,890</b>
L-T Investments	107	103	98	140	140	140
Net Fixed Assets	12,032	12,537	12,229	12,946	13,358	13,358
Others	956	1,164	1,365	1,819	2,045	2,392
<b>Total Liabilities</b>	<b>6,929</b>	<b>9,075</b>	<b>9,474</b>	<b>9,152</b>	<b>9,204</b>	<b>9,073</b>
<b>Current Liabilities</b>	<b>5,655</b>	<b>5,427</b>	<b>8,187</b>	<b>5,366</b>	<b>5,367</b>	<b>5,439</b>
Accounts Payable	1,573	1,769	1,853	2,316	2,569	2,879
ST Borrowings	3,679	3,484	6,198	2,890	2,638	2,400
Others	404	174	137	160	160	160
Long-term Liabilities	1,274	3,648	1,287	3,786	3,838	3,634
Long-term Debts	1,116	3,123	526	3,673	3,673	3,373
Others	159	525	761	113	165	261
Shareholders' Equity	10,157	10,111	10,565	11,383	12,535	13,908
Common Stock	1,000	1,000	1,000	1,000	1,000	1,000
Capital Surplus	3,963	3,963	3,963	3,963	3,963	3,963
Preferred Stock	-	-	-	-	-	-

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec	2020	2021	2022	2023F	2024F	2025F
<b>Growth (% YoY)</b>						
Sales	15.4	0.8	10.7	(5.7)	11.2	11.7
OP	36.7	(20.5)	(18.7)	(11.3)	23.3	19.2
EBITDA	33.5	(19.3)	(18.4)	12.8	17.5	15.1
NP	40.4	(18.3)	(20.6)	(13.3)	21.3	20.6
EPS	40.4	(18.3)	(20.6)	(13.3)	21.3	20.6
<b>Profitability (%)</b>						
Current Ratio (x)	0.85	0.71	0.99	0.78	1.05	1.15
Gross Margin	41.0	35.6	29.3	29.0	29.2	29.9
Operating Margin	25.1	19.8	14.6	13.7	15.2	16.2
EBITDA Margin	25.8	20.7	15.2	18.2	19.3	19.9
Net profit Margin	20.5	16.6	11.9	10.9	12.9	12.9
ROAA	22.1	15.9	11.7	9.8	11.4	13.0
ROAE	38.1	28.6	21.9	18.0	20.2	22.0
<b>Stability</b>						
Net Debt/Equity (%)	0.39	0.57	0.59	0.47	0.40	0.30
Net Debt/Equity (%)	0.39	0.57	0.59	0.47	0.40	0.30
Interest Coverage (%)	40.6	39.3	24.3	15.2	12.8	15.4
Interest & ST Debt Coverag	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Cash Flow Interest Coverag	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Cash Flow/Interest & ST De	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Quick Ratio (X)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Net Debt (Bt mn)	3,848	5,819	6,344	5,327	5,036	4,217
<b>Per Share Data (Bt)</b>						
EPS	3.5	2.9	2.3	2.0	2.4	2.9
CFPS	4.2	3.2	2.6	4.2	3.3	3.8
BVPS	10.2	10.1	10.6	11.4	12.5	13.9
SPS	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
EBITDA/Share	4.4	3.6	2.9	3.3	3.9	4.5
DPS	2.80	3.80	4.80	5.80	6.80	7.80
<b>Activity</b>						
Asset Turnover (x)	1.7	1.9	1.9	1.8	1.7	1.6
Days Receivables	30.1	36.9	48.1	43.8	43.8	43.8
Days Inventory	53.4	76.3	73.0	61.7	61.9	61.6

Source: KGI Securities Research

**Profit & Loss**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F	2025F
<b>Revenue</b>	<b>17,231</b>	<b>17,364</b>	<b>19,215</b>	<b>18,126</b>	<b>20,157</b>	<b>22,507</b>
Cost of Good sold	(10,173)	(11,181)	(13,582)	(12,869)	(14,270)	(15,995)
<b>Gross profit</b>	<b>7,058</b>	<b>6,183</b>	<b>5,633</b>	<b>5,256</b>	<b>5,887</b>	<b>6,512</b>
Operating Expenses	(2,880)	(2,945)	(3,078)	(3,235)	(3,513)	(3,851)
Other income	156	205	244	463	688	988
<b>Operating Profit</b>	<b>4,333</b>	<b>3,444</b>	<b>2,799</b>	<b>2,484</b>	<b>3,062</b>	<b>3,649</b>
Depreciation of fixed assets	(113)	(146)	(129)	(30)	(30)	(30)
<b>EBITDA</b>	<b>4,446</b>	<b>3,590</b>	<b>2,928</b>	<b>3,304</b>	<b>3,882</b>	<b>4,469</b>
Interest Expense	(107)	(88)	(115)	(164)	(240)	(237)
<b>Pre-tax Profit</b>	<b>4,227</b>	<b>3,356</b>	<b>2,684</b>	<b>2,320</b>	<b>2,822</b>	<b>3,412</b>
Current Taxation	(667)	(513)	(433)	(383)	(452)	(546)
Minority	(34)	38	35	45	35	35
Exordinary Items	7.00	8.00	9.00	10.00	11.00	12.00
<b>Net Profit</b>	<b>3,525</b>	<b>2,881</b>	<b>2,286</b>	<b>1,983</b>	<b>2,405</b>	<b>2,901</b>
<b>EPS (Bt)</b>	<b>3.53</b>	<b>2.88</b>	<b>2.29</b>	<b>1.98</b>	<b>2.41</b>	<b>2.90</b>

Source: KGI Securities Research

**Cash flow statement**

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F	2025F
<b>Operating Cash Flow</b>	<b>3,636</b>	<b>2,486</b>	<b>2,131</b>	<b>3,863</b>	<b>2,931</b>	<b>3,383</b>
Net profit	4,227	3,356	2,684	2,320	2,822	3,412
Depreciation & Amortiza	113	146	129	30	30	30
Change in Working Capita	(773)	(1,022)	(1,021)	1,001	(388)	(464)
Others	113	146	129	30	30	30
Investment Cash Flow	(1,670)	(1,176)	(498)	(1,500)	(2,500)	(1,500)
Net CAPEX	(1,655)	(1,163)	(435)	(1,500)	(2,000)	(1,000)
Change in LT Investment	-	-	-	-	(500)	(500)
Change in Others Assets	-	-	-	-	-	-
<b>Free Cash Flow</b>	<b>1,799</b>	<b>1,411</b>	<b>1,608</b>	<b>2,258</b>	<b>803</b>	<b>2,222</b>
Financing Cash Flow	- 1,933	- 1,116	- 1,830	- 1,324	- 391	- 1,603
Change in Share Capital	(2,100)	(2,400)	(1,750)	(724)	(991)	(1,203)
Net Change in Debt	239	1,908	27	(600)	600	(400)
Change in Others LT Liab.	-	-	-	-	-	-
<b>Net Cash Flow</b>	<b>33</b>	<b>194</b>	<b>(197)</b>	<b>1,039</b>	<b>40</b>	<b>281</b>

Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- <u>COGS</u> / <u>Revenue</u>	+ <u>Depreciation</u> / <u>Revenue</u>	+ <u>Operating Exp.</u> / <u>Revenue</u>	= <u>Operating Margin (%)</u>
2021	64.4	0.8	17.0	17.81
2022	70.7	0.7	16.0	12.62
2023F	71.0	0.2	17.9	10.98
2024F	70.8	0.1	17.4	11.63
Year	1/ <u>working Capita</u> / <u>Revenue</u>	+ <u>Net PPE</u> / <u>Revenue</u>	+ <u>Others Assets</u> / <u>Revenue</u>	= <u>Capital Turnover (x)</u>
2021	-0.3	72.2	6.7	1.27
2022	-9.6	63.6	7.1	1.63
2023F	1.5	71.4	10.0	1.21
2024F	3.9	66.3	10.1	1.24
Year	Operating Margin	x Capital Turnover	x Cash Tax Rate	= <u>After-tax Return on Inv. Capital (%)</u>
2021	17.8	1.3	15.3	3.5
2022	12.6	1.6	16.1	3.3
2023F	11.0	1.2	16.5	2.2
2024F	11.6	1.2	16.0	2.3

Source: KGI Securities Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFCO	SEAFCO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRIAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

Source:www.thai-iod.com

**Disclaimer:** The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

## Anti-corruption Progress Indicator

### Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.



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**KGI's Ratings**

<b>Rating</b>	<b>Definition</b>
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances.  Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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