



L.P.N. Development

(LPN.BK/LPN.TB)

SET ESG Rating

None

Underperform • Maintained

Price as of 15 Feb 2024	3.82
12M target price (Bt/shr)	2.80
Unchanged/Revised up(down)(%)	(20)
Upside/downside (%)	(26.70)

Key messages

กำไร 4Q66 ของ LPN ทดุดตัวลงอย่างมากเหลือเพียง 17 ล้านบาท ต่ำกว่าเราและตลาด (Bloomberg consensus) คาดอย่างมีนัยยะ ขณะที่ กำไรปี 2566 ทดุดตัวลงแรง 42% YoY อยู่ที่ 353 ล้านบาท ดังนั้น พันธกิจในปี 2567 คือต้องลดสต็อกบ้านที่มีมารจิ้นต่ำลงออกก่อนเพื่อกระตุ้นเงินทุนหมุนเวียนให้มากขึ้นและลดอัตราส่วนหนี้สินที่มีภาระดอกเบี้ยคอกทุน (net gearing) ให้ต่ำกว่า 1x เพราะฉะนั้น เราคาดว่ากำไรปี 2567F ยังคงขยับและกำไรปี 2568 อาจยังคงไม่น่าตื่นเต้นนัก ทั้งนี้ เรากำหนดเป้าหมายสำหรับหุ้น LPN นอกจากนี้ เราปรับลดราคาเป้าหมายลงใหม่ที 2.80 บาท จากเดิม 3.50 บาทอิงจากค่าเฉลี่ยระหว่าง -1 S.D. ของ PB ที่ 0.5x กับ -1 S.D.ของ PE ที่ 7.6x

Trading data

Mkt cap (Btmn/US\$mn)	5.6/139
Outstanding shares (mn)	1,454
Foreign ownership (mn)	89
3M avg. daily trading (mn)	0
52-week trading range (Bt)	3.7-4.8
Performance (%)	3M 6M 12M
Absolute	-1.0 -5.9 -11.2
Relative	1.0 3.1 6.2

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2020	0.15	0.10	0.07	0.17
2021	0.08	0.08	0.02	0.02
2022	0.13	0.10	0.16	0.03
2023	0.10	0.06	0.07	0.01

Share price chart



Source: SET

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กำไร 4Q66 ต่ำลงส่วนแนวโน้มปี 2567 ยังไม่สดใสนัก

Event

ผลประกอบการ 4Q66 และ ธุรกิจในปี 2567F กับแนวโน้มกำไร

Impact

กำไร 4Q66 แย่ลงทั้ง YoY และ QoQ

ในขณะที่ รายได้รวมใน 4Q66 จะถือเป็นอัตราเลวเพียงหลักเดียว ส่วนกำไรหดตัวลงด้วยอยู่ที่ 17 ล้านบาท (-54% YoY และ -83% QoQ) ต่ำกว่าเราและ consensus คาดอย่างมากอยู่ที่ 85 ล้านบาทและ 91 ล้านบาท ตามลำดับ สาเหตุจากการลดลงของอัตรากำไรขั้นต้นการขายที่อยู่อาศัยเหลืออยู่เพียง 18% จากระดับปกติอยู่ราว 20% เป็นเพราะมีรายจ่ายในด้านการขายและบริหาร (SG&A) สูงขึ้นจากรายการพิเศษต่าง ๆ ที่เกิดขึ้นเพียงครั้งเดียว รวมทั้งมีการเพิ่มขึ้นของต้นทุนทางการเงินและรายจ่ายภาษี

กำไรปี 2566 ทดุดตัวลงแรง 42% YoY เหลืออยู่ที่ 353 ล้านบาท

ในขณะที่ บริษัทและลูกค้าการเปิดโครงการใหม่รวมทั้งปีเพิ่มขึ้น 20% และ 10% YoY ตามลำดับ แต่รายได้จากการขายที่อยู่อาศัยแยกลงถึง 39% YoY หลัก ๆ เกิดจากโครงการแนวราบอ่อนตัว ท่ามกลางโครงการคอนโดมิเนียมทรงตัว ส่วนรายได้ประจำที่มาจากบริษัทย่อย (LPP และ LPS) เด็บโตพอสมควรที่ 28% YoY รวมอยู่เกือบ 2 ล้านบาท ทั้งนี้ คาดบริษัท LPP Property Management กำหนดเข้าจดทะเบียนในตลาดรอง MAI ภายในสิ้นปีนี้ (2567) ในด้านอัตรากำไรขั้นต้น (gross margin) อ่อนตัวลงที่ 22% จาก 23.8% ปี 2565 ส่วนอัตรากำไรสุทธิ (net margin) ลดเหลือเพียง 4.8% จาก 6% ในปี 2565

กัฒพันธ์เพื่อลดสต็อกบ้านในมือออกโดยเร็ว

LPN ยังไม่ได้เปิดเผยแผนธุรกิจปี 2567 แต่ทว่า ประธานกรรมการบริหาร (CEO) ท่านใหม่ เน้นที่จะระบายสต็อกบ้านที่มีอยู่มุลการรวมราว 3.56 หมื่นล้านบาทออกไปโดยเร็ว ซึ่งหลัก ๆ เป็นที่อยู่อาศัยราคาในระดับล่างที่มีความเคลื่อนไหวช้า ขณะที่ ทาง LPN ยอมที่จะลดอัตรากำไรขั้นต้นลงประมาณ 1-3 ppt เพื่อกระตุ้นยอดขายให้ดีขึ้น เพิ่มเงินทุนหมุนเวียนและลด net gearing ให้ต่ำกว่า 1x ขณะที่ เราคาดการณ์เปิดโครงการใหม่น้อยลงในปีนี้ ท่ามกลาง บริษัทและการเติบโตรายได้ยังคงไม่น่าตื่นเต้น นอกจากนี้ กำไรหลักอาจชะลอตัว YoY โดยเรคาดอัตรากำไรเด็บโตรายได้และกำไรปี 2568 เป็นเพียงเลขหลักเดียว

Valuation & action

เราปรับลดประมาณการทั้งรายได้ปี 2567F ลงราว 10% และอัตรากำไรขั้นต้นของโครงการที่อยู่อาศัยลง 3ppt อยู่ที่ 19% ทำให้กำไรปีนี้อยู่ที่ 304 ล้านบาท (-14% YoY) ต่ำลง -40% จากประมาณการเดิม ขณะที่ อัตรากำไรขั้นต้นปี 2568 อาจเป็นเพียงเลขหลักเดียว ทั้งนี้ เรากำหนดเป้าหมายและปรับลดราคาเป้าหมายลงใหม่ที 2.80 บาท จากเดิม 3.50 บาทอิงจากค่าเฉลี่ยระหว่าง -1 S.D. ของ PB ที่ 0.5x กับ -1 S.D.ของ PE ที่ 7.6x

Risks

ภาวะเศรษฐกิจอ่อนแอ โอกาสการปฏิรูปนโยบายจากภาครัฐ การให้สินเชื่อมีความเข้มงวดมากขึ้น ท่ามกลางภาวะหนี้สินภาคครัวเรือนสูงยึดถือ แนวโน้มอัตราดอกเบี้ยขาขึ้น รวมทั้ง การปรับขึ้นค่าแรงขั้นต่ำ

Key financials and valuations

	Dec-21A	Dec - 22A	Dec-23	Dec - 24F	Dec - 25F
Total revenue (Btmn)	5,570	10,276	7,407	8,048	8,692
Gross Profit (Btmn)	1,611	2,253	1,629	1,649	1,784
SG&A (Btmn)	1,059	1,268	1,120	1,167	1,260
Net Profit (Btmn)	302	612	353	304	328
Normalized Profit (Btmn)	299	612	353	304	328
EPS (Bt)	0.2	0.4	0.2	0.2	0.2
Normalized EPS (Bt)	0.2	0.4	0.2	0.2	0.2
DPS (Bt)	0.2	0.2	0.1	0.1	0.1
EPS Growth (%)	(57.8)	102.5	(42.4)	(13.7)	7.6
Normalized EPS Growth	(57.8)	104.4	(42.3)	(13.7)	7.6
P/E (X)	23.9	9.2	16.0	18.5	17.2
P/B (X)	0.6	0.5	0.5	0.5	0.5
EV/EBITDA (X)	24.0	14.0	27.2	24.2	27.8
Net Debt to Equity (%)	83.3	89.2	107.6	96.7	107.3
Dividend Yield (%)	3.1	5.8	3.4	3.1	3.3
Return on Average Equity (%)	2.7	5.2	2.9	2.5	2.7

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGIT <GO> Please see back page for disclaimer

Figure 1: Earnings revisions for 2023-24F

Year to 31 Dec (Btmn)	2024F Previous	2024F Revised	Chg (%)	2025F Current
Total revenue	8,218	8,048	(2.1)	8,692
Residential revenue	5,891	5,334	(9.5)	5,606
Low-rise	2,384	1,502	(37.0)	1,577
High-rise	3,507	3,832	9.3	4,030
Total gross profit	1,915	1,649	(13.9)	1,784
EBIT	853	496	(41.8)	540
Net profit	504	304	(39.6)	328
Normalized profit	504	304	(39.6)	328
Key financials	2024F Previous	2024F Revised	Chg (ppts)	2025F Current
SG&A to sales (%)	13.1	14.5	1.4	14.5
Residential gross margin (%)	22.0	19.0	(3.0)	19.0
Net margin (%)	6.1	3.8	(2.3)	3.8

Source: Company data, KGI Securities Research

Figure 2: KGI's forecasts for new launches, presales and transfer

(Btmn)	2024F			2025F Current
	Previous	New	Change	
Launch	10,500	6,500	(38.1)	9,000
Low-rise	7,000	5,000	(28.6)	7,000
High-rise	3,500	1,500	(57.1)	2,000
Presales	11,869	10,717	(9.7)	10,491
Low-rise	3,122	3,317	6.2	4,054
High-rise	8,747	7,400	(15.4)	6,438
Transfer	5,891	5,334	(9.5)	5,606
Low-rise	2,384	1,502	(37.0)	1,577
High-rise	3,507	3,832	9.3	4,030

Source: Company data, KGI Securities Research

Figure 3: LPN's 4Q23/2023 earnings review

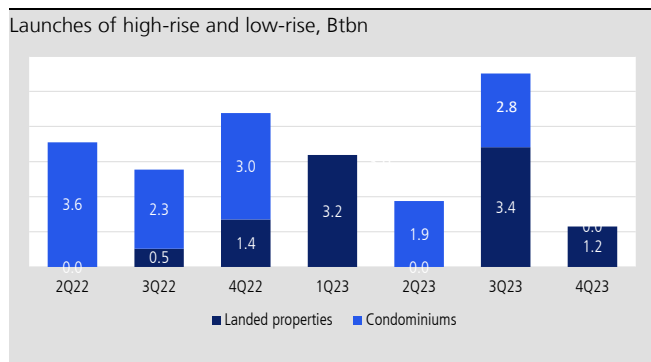
Bt mn	4Q23	4Q22	YoY (%)	3Q23	QoQ (%)	2023	2022	YoY (%)
Total revenue	1,867	1,887	(1.1)	1,991	(6.2)	7,407	10,276	(27.9)
Revenue from sales of real estate	1,253	1,373	(8.7)	1,397	(10.3)	5,103	8,423	(39.4)
Revenue from rental and services	88	81	9.5	87	1.7	332	308	7.8
Management business income	526	433	21.3	507	3.7	1,971	1,545	27.6
Gross Profit	381	412	(7.6)	438	(13.0)	1,629	2,447	(33.4)
SG&A	331	273	21.1	292	13.4	1,120	1,462	(23.3)
Operating EBIT	64	145	(55.8)	155	(58.6)	546	1,010	(45.9)
Net Profit	17	38	(53.6)	104	(83.2)	353	612	(42.3)
Normalized profit	17	38	(53.6)	104	(83.2)	353	612	(42.3)
Percent	4Q23	4Q22	YoY (ppts)	3Q23	QoQ (ppts)	2023	2022	YoY (ppts)
Gross margin	20.4	21.8	(1.4)	22.0	(1.6)	22.0	23.8	(1.8)
Residential gross margin	18.1	22.0	(3.8)	22.0	(3.9)	21.4	21.2	0.2
EBIT margin	3.4	7.7	(4.2)	7.8	(4.3)	7.4	9.8	(2.5)
SG&A/sales	17.7	14.5	3.2	14.7	3.1	15.1	14.2	0.9
Revenue breakdown by segments	4Q23	4Q22	YoY (%)	3Q23	QoQ (%)	2023	2022	YoY (%)
Low-rise	315	519	(39.3)	396	(20.5)	1,365	2,064	(33.9)
High-rise	938	855	9.8	1,001	(6.3)	3,738	3,769	(0.8)
Sales of office building	0	0	na	0	na	0	2,589	na

Source: Company data, KGI Securities Research

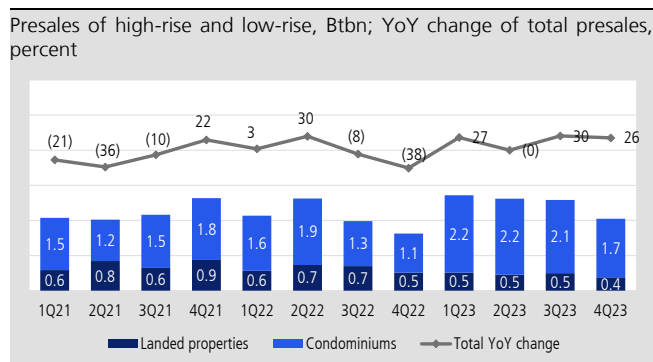
Figure 4: Condominiums to start transfer in 2022-24F

Condominium projects	Project value (Btmn)	Units	% sold	Expected transfer
Lumpini Place Taopoon Interchange	1,700	710	79	1Q22
Lumpini Selected Charan 65 - Sirindhorn Station	1,100	514	51	2Q22
Lumpini Ville Chaeng Watthana - Pakkret Station	1,065	647	34	4Q22
Lumpini Ville Chaeng Watthana 10	540	476	70	3Q22
Lumpini Township Rangsit Klong 1 (G)	2,000	2,928	46	1Q23
Lumpini Ville Ekkachai 48 (phase1)	2,270	1,785	24	3Q23
Lumpini Place Chaengwattana Pakkret Station	1,220	536	11	3Q24
Lumpini Ville Charan Fai chai	3,200	1,482	35	4Q24

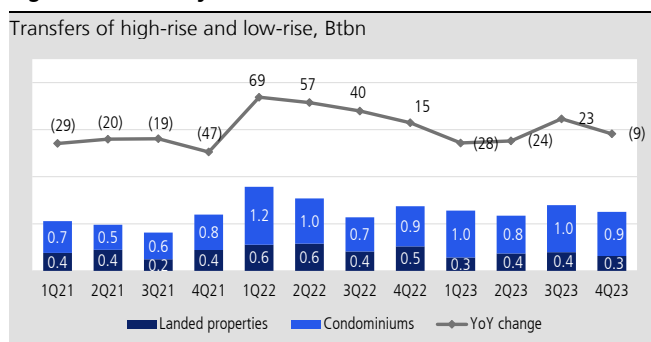
Source: Company data, KGI Research

Figure 5: Quarterly launches


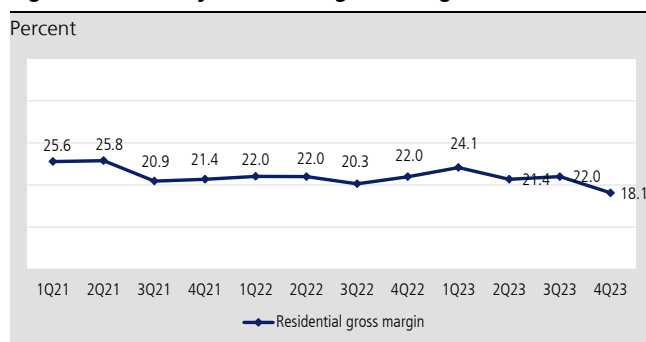
Source: Company data, KGI Securities Research

Figure 6: Quarterly presales


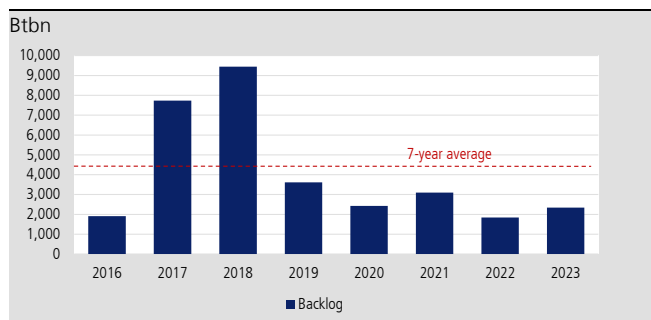
Source: Company data, KGI Securities Research

Figure 7: Quarterly transfers


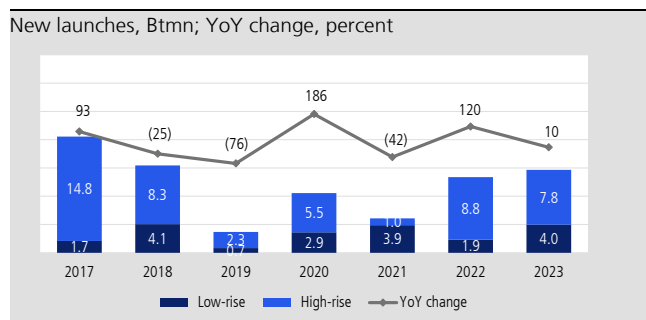
Source: Company data, KGI Securities Research

Figure 8: Quarterly residential gross margin


Source: Company data, KGI Securities Research

Figure 9: Backlog


Source: Company data, KGI Securities Research

Figure 10: New launches


Source: Company data, KGI Securities Research

Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A	Dec-23A
Income Statement (Bt mn)																
Revenue	1,821	1,538	1,354	2,649	1,423	1,361	1,183	1,603	2,205	1,986	4,198	1,887	1,816	1,732	1,991	1,867
Cost of Goods Sold	(1,245)	(1,067)	(943)	(1,904)	(975)	(930)	(854)	(1,200)	(1,628)	(1,473)	(3,254)	(1,475)	(1,374)	(1,364)	(1,553)	(1,486)
Gross Profit	576	472	411	745	448	431	328	403	577	513	944	412	442	368	438	381
Operating Expense	(317)	(270)	(261)	(411)	(250)	(235)	(253)	(322)	(305)	(294)	(589)	(273)	(251)	(247)	(292)	(331)
Other incomes	28	16	14	21	2	5	2	5	6	2	2	1	4	2	4	8
Operating Profit	287	217	164	356	200	201	77	87	278	222	356	140	196	123	150	58
Depreciation of fixed asset	(21)	(21)	(24)	(26)	(26)	(27)	(27)	(27)	(26)	(27)	(27)	(28)	0	0	0	0
Operating EBITDA	310	242	190	385	228	231	106	117	307	252	387	173	199	128	155	64
Non-Operating Income	1	4	1	3	2	3	3	3	3	3	3	5	4	5	4	6
Interest Income	1	4	1	3	2	3	3	3	3	3	3	5	4	5	4	6
Other Non-op Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating Expense	(14)	(31)	(26)	(35)	(47)	(55)	(48)	(45)	(38)	(41)	(58)	(55)	(13)	(10)	(13)	(17)
Interest Expense	(9)	(30)	(25)	(34)	(46)	(54)	(47)	(44)	(37)	(41)	(58)	(55)	(13)	(10)	(13)	(17)
Other Non-op Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Income/(Loss)	(5)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Pre-tax profit	279	191	141	324	157	151	33	47	244	184	302	89	187	118	141	47
Current Taxation	(57)	(43)	(37)	(80)	(33)	(29)	(8)	(13)	(52)	(37)	(66)	(52)	(41)	(31)	(34)	(24)
Minorities	(1)	(0)	(0)	0	(0)	(0)	0	0	(0)	(0)	(0)	(0)	(0)	(1)	(3)	(6)
Extraordinary items	1	7	0	0	0	0	3	(0)	1	0	0	(0)	0	1	0	0
Net Profit	217	154	103	244	123	121	26	32	191	147	236	38	145	87	104	17
Normalized Profit	216	147	103	244	123	121	23	32	191	147	236	38	145	86	104	17
EPS (Bt)	0.15	0.10	0.07	0.17	0.08	0.08	0.02	0.02	0.13	0.10	0.16	0.03	0.10	0.06	0.07	0.01
Normalized EPS (Bt)	0.15	0.10	0.07	0.17	0.08	0.08	0.02	0.02	0.13	0.10	0.16	0.03	0.10	0.06	0.07	0.01
Margins																
Gross profit margin	31.7	30.7	30.4	28.1	31.5	31.7	27.8	25.1	26.2	25.8	22.5	21.8	24.4	21.2	22.0	20.4
Operating EBIT margin	15.8	14.1	12.1	13.4	14.1	14.8	6.5	5.4	12.6	11.2	8.5	7.4	10.8	7.1	7.6	3.1
Operating EBITDA margin	17.0	15.8	14.0	14.5	16.0	17.0	9.0	7.3	13.9	12.7	9.2	9.2	11.0	7.4	7.8	3.4
Net profit margin	11.9	10.0	7.6	9.2	8.6	8.9	2.2	2.0	8.7	7.4	5.6	2.0	8.0	5.0	5.2	0.9
Growth (YoY)																
Revenue growth	(34.7)	(8.1)	(3.6)	(35.1)	(21.9)	(11.5)	(12.7)	(39.5)	54.9	45.9	254.9	17.7	(17.6)	(12.8)	(52.6)	(1.1)
Operating EBIT growth	(36.0)	1.6	15.1	(53.8)	(30.3)	(7.3)	(53.3)	(75.6)	38.9	10.2	365.1	61.1	(29.7)	(44.4)	(57.8)	(58.3)
Operating EBITDA growth	(34.3)	2.8	14.8	(51.5)	(26.3)	(4.5)	(43.9)	(69.5)	34.5	8.8	263.7	47.3	(35.1)	(49.0)	(60.0)	(63.0)
Net profit growth	(38.0)	(13.1)	(11.3)	(60.3)	(43.3)	(21.2)	(74.2)	(86.8)	55.7	21.9	791.4	17.2	(24.2)	(40.9)	(55.9)	(53.6)
Normalized profit growth	(38.2)	(12.5)	(11.5)	(60.3)	(43.2)	(17.6)	(77.3)	(86.8)	55.3	21.9	911.6	17.2	(24.0)	(41.5)	(55.9)	(53.6)

Source: Company data, KGI Securities Research

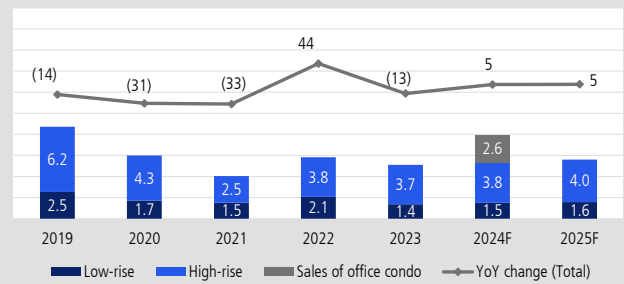
Figure 11: Company profile

L.P.N. Development Public Company Limited (LPN) focuses primarily on residential condominiums/landed properties located in Bangkok and vicinity. Also, it has several well-reputable associates specializing in after-sales service and community management. LPN mainly targets the mid-to-low-end market with a broad-based brand to capture demand using a mixed business approach through different economic cycles.

Source: Company data

Figure 12: Residential revenue forecast

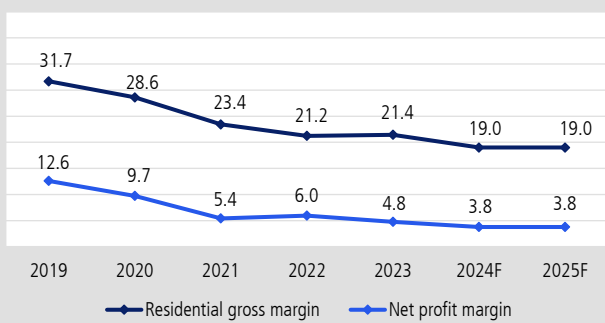
Residential revenues forecast, Btbn; YoY change, percent



Source: Company data, KGI Securities Research

Figure 13: Margins

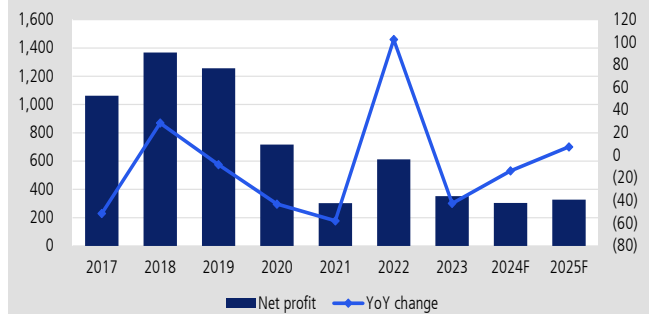
Residential gross margin and net margin, percent



Source: Company data, KGI Securities Research

Figure 14: Net profit

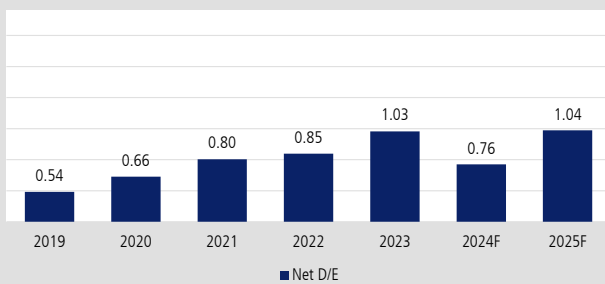
Net profit, Btbn (LHS); YoY change, percent (RHS)



Source: Company data, KGI Securities Research

Figure 15: Net D/E

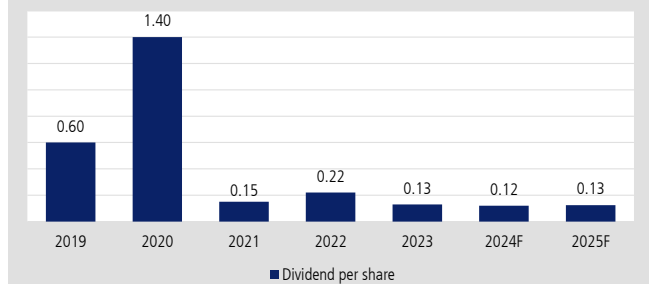
Times



Source: Company data, KGI Securities Research

Figure 16: Company dividend per share (DPS)

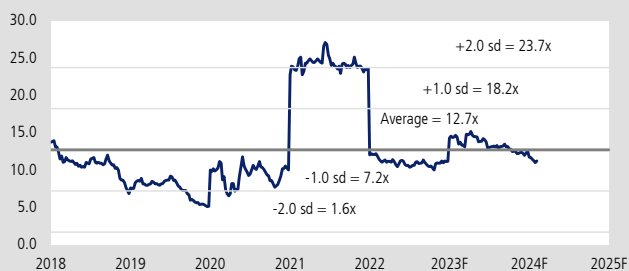
DPS, Bt



Source: Company data, KGI Securities Research

Figure 17: Company trading P/E

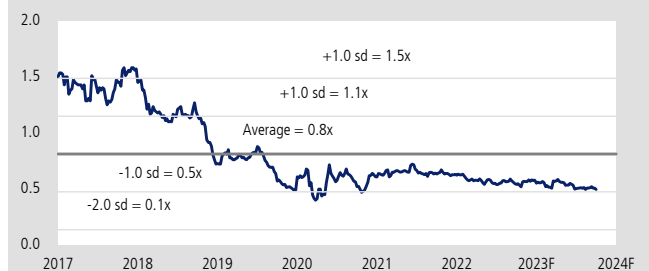
PER, times



Source: KGI Securities Research

Figure 18: Company trading P/BV

PB, times



Source: KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Total Assets	23,777	24,114	26,566	26,884	28,579
Current Assets	19,151	19,702	21,091	22,064	23,711
Cash & ST Investment	335	508	569	2,487	457
Inventories	8,838	11,042	13,037	14,203	17,597
Account Receivable	748	735	475	473	511
Others	9,028	7,119	6,673	4,800	5,045
Non-current Assets	4,625	4,412	5,475	4,819	4,868
LT Investment	3,733	3,587	4,434	3,900	3,945
Net fixed Assets	280	266	277	280	273
Others	612	559	764	640	650
Total Liabilities	12,379	12,247	14,607	14,753	16,302
Current Liabilities	8,279	7,701	11,421	9,084	10,128
Account Payable	1,170	942	1,027	1,234	1,297
ST Borrowing	7,105	6,740	10,384	7,750	8,730
Others	4	18	9	100	100
Long-term Liabilities	4,101	4,546	3,186	5,669	6,174
Long-term Debts	2,391	3,841	2,485	3,982	4,446
Others	1,710	704	701	1,687	1,728
Shareholders' Equity	11,397	11,868	11,959	12,131	12,278
Common Stock	1,476	1,454	1,454	1,454	1,454
Capital Surplus	442	442	442	442	442
Retained Earnings	9,584	9,972	10,048	10,321	10,465

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2021	2022	2023	2024F	2025F
Growth (%YoY)					
Sales	(24.4)	84.5	(27.9)	8.7	8.0
OP	(44.8)	76.3	(47.1)	(7.1)	8.7
EBITDA	(39.3)	63.7	(40.9)	(7.0)	7.7
NP	(57.8)	102.5	(42.4)	(13.7)	7.6
Normalized Profit	(57.8)	104.4	(42.3)	(13.7)	7.6
EPS	(57.8)	102.5	(42.4)	(13.7)	7.6
Normalized EPS	(57.8)	104.4	(42.3)	(13.7)	7.6
Profitability (%)					
Gross Margin	28.9	21.9	22.0	20.5	20.5
Operating Margin	10.1	9.7	7.1	6.1	6.1
EBITDA Margin	12.3	10.9	8.9	7.6	7.6
Net Margin	5.4	6.0	4.8	3.8	3.8
ROAA	1.3	2.5	1.3	1.1	1.1
ROAE	2.7	5.2	2.9	2.5	2.7
Stability					
Gross Debt/Equity (%)	108.6	103.2	122.1	121.6	132.8
Net Debt/Equity (%)	83.3	89.2	107.6	96.7	107.3
Interest Coverage (x)	3.0	5.3	10.3	5.7	5.4
Interest & ST Debt Coverage (x)	0.1	0.1	0.1	0.1	0.1
Cash Flow Interest Coverage (x)	(5.0)	0.7	(14.4)	19.0	(31.7)
Cash Flow/Interest & ST Debt (x)	(0.1)	0.0	(0.1)	0.2	(0.4)
Current Ratio (x)	2.3	2.6	1.8	2.4	2.3
Quick Ratio (x)	1.2	1.1	0.7	0.9	0.6
Net Debt (Bt mn)	9,160.9	10,073.6	12,299.8	9,243.8	12,719.3
Per Share Data (Bt)					
EPS	0.2	0.4	0.2	0.2	0.2
Normalized EPS	0.2	0.4	0.2	0.2	0.2
CFPS	(0.6)	0.1	(0.5)	1.1	(2.1)
BVPS	7.7	8.0	8.1	8.2	8.3
SPS	3.8	7.0	5.0	5.5	5.9
EBITDA/Share	0.5	0.8	0.4	0.4	0.4
DPS	0.2	0.2	0.1	0.1	0.1
Activity					
Asset Turnover (x)	0.2	0.4	0.3	0.3	0.3
Days Receivables	49.0	26.1	23.4	21.5	21.5
Days Inventory	986.4	589.4	1,124.4	1,138.4	1,341.9
Days Payable	130.5	50.3	88.6	98.9	98.9
Cash Cycle	904.9	565.2	1,059.2	1,060.9	1,264.5

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2021	2022	2023	2024F	2025F
Revenue	5,570	10,276	7,407	8,048	8,692
Cost of Goods Sold	(3,270)	(6,837)	(4,232)	(4,554)	(4,786)
Gross Profit	1,611	2,253	1,629	1,649	1,784
Operating Expenses	(1,059)	(1,268)	(1,120)	(1,167)	(1,260)
Other Incomes	14	11	19	8	9
Operating Profit	565	996	528	490	533
Depreciation of fixed assets	(107)	(108)	(114)	(118)	(122)
Operating EBITDA	683	1,118	660	614	661
Non-Operating Income	11	14	19	6	7
Interest Income	11	14	19	6	7
Other Non-op Income	0	0	0	0	0
Non-Operating Expense	(189)	(191)	(53)	(88)	(100)
Interest Expense	(189)	(191)	(53)	(88)	(100)
Other Non-op Expense	0	0	0	0	0
Equity Income/(Loss)	(5)	(2)	(1)	0	0
Pretax Profit	385	818	492	409	440
Current Taxation	(83)	(206)	(131)	(102)	(110)
Minorities	0	0	9	2	2
Extraordinaries items	3	1	0	0	0
Net Profit	302	612	353	304	328
Normalized Profit	299	612	353	304	328
EPS (Bt)	0.20	0.41	0.24	0.21	0.22
Normalized EPS (Bt)	0.20	0.41	0.24	0.21	0.22

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
Operating Cash Flow	(943)	131	(762)	1,667	(3,162)
Net Profit	306	688	366	304	328
Depreciation & Amortization	107	108	114	118	122
Change in Working Capital	(1,354)	(591)	(1,252)	1,243	(3,614)
Others					
Investment Cash Flow	348	(901)	(1,181)	1,523	(130)
Net CAPEX	342	107	(1,150)	492	(171)
Change in LT Investment	0	0	(0)	(7)	0
Change in Other Assets	(21)	(3)	(28)	52	0
Free Cash Flow	(595)	(771)	(1,943)	3,191	(3,292)
Financing Cash Flow	13	944	2,017	(1,272)	1,261
Change in Share Capital	0	82	0	(103)	0
Net Change in Debt	740	1,086	2,287	(1,138)	1,445
Change in Other LT Liab.	(0)	(0)	7	0	0
Net Cash Flow	(582)	173	75	1,918	(2,031)

Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
2021		58.7%		1.9%		19.0%		20.3%
2022		66.5%		1.1%		12.3%		20.1%
2023		57.1%		1.5%		15.1%		26.2%
2024F		56.6%		1.5%		14.5%		27.4%
2025F		55.1%		1.4%		14.5%		29.0%
Year	1/	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
2021		2.0		0.1		4.2		0.2
2022		1.2		0.0		2.3		0.3
2023		1.3		0.0		3.5		0.2
2024F		1.6		0.0		3.3		0.2
2025F		1.6		0.0		3.3		0.2
Year		Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2021		20.3%		0.2		21.5%		0.7%
2022		20.1%		0.3		25.2%		1.4%
2023		26.2%		0.2		26.6%		1.4%
2024F		27.4%		0.2		25.0%		1.4%
2025F		29.0%		0.2		25.0%		1.5%

Source: KGI Securities Research

L.P.N. Development – Recommendation & target price history



Source: KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRIAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERAWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

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.

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 MANAGEMENT	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	SUNSWEEP
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
GCC	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	SIRISAWAD 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 ERAWAN 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
BPCG	BPCG	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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Rating	Definition
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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