

PLEASE CLICK ON THE PAGE NUMBER TO MOVE TO THE RELEVANT PAGE.

KEY HIGHLIGHTS

Results

TISCO Financial Group (TISCO TB/HOLD/Bt100.00/Target: Bt97.00)

Page 2

3Q23: Decent results; several headwinds ahead.

Asian Gems Corporate Highlights

Home Product Center (HMPRO TB/BUY/Bt12.20/Target: Bt17.00)

Page 5

Better long-term outlook but under pressure in the short term.

KEY INDICES

Symbol	Close	Chg	%Chg
SET	1,450.75	(5.24)	(0.36)
SET50	890.26	(3.31)	(0.37)
Value (Btm) - SET	34,368		
Top 5 Sector			
BANK	393.26	0.78	0.20
PETRO	697.31	(4.27)	(0.61)
PROP	231.87	(0.54)	(0.23)
ENERG	20,655.53	(99.80)	(0.48)
ICT	159.17	0.29	0.18

Source: Bloomberg

TOP VOLUME

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
PTT	33.50	0.00	1,245.7
JMT	38.00	(6.75)	1,755.0
BDMS	27.50	0.00	1,273.5
DELTA	84.50	(1.74)	2,019.3
HANA	64.75	(0.77)	1,259.0

TOP GAINERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
CMO	2.08	30.82	5.6
B	0.06	20.00	0.7
HYDRO	0.35	9.38	0.2
MVP	1.68	8.39	10.0
NV	2.54	7.63	1.4

TOP LOSERS

Symbol	Close (Baht)	+/-(% Chg)	5-day ADT (BTm)
THL	0.03	(25.00)	3.6
SDC	0.05	(16.67)	0.3
OTO	0.88	(12.87)	36.4
MORE	0.17	(10.53)	0.7
TFI	0.10	(9.09)	0.0

*ADT: Average daily turnover

KEY STATISTICS

Commodity	Current Price	%Chg		
		1m	3M	YTD
Brent crude*	90.6	(2.6)	14.9	10.9
Dubai crude*	90.2	(4.7)	11.6	14.6
Baltic Dry Index	1,945.0	40.8	78.4	28.4
Gold Spot***	1,923.8	(0.0)	(1.6)	5.5

*(US\$/bbl), *** (US\$/toz)

FOREIGN PORTFOLIO INVESTMENT IN EQUITIES (THAILAND)

Day (Mil US\$)	MTD Net (Mil US\$)	YTD Net (Mil US\$)	YTD Net YoY%
(48.4)	(162.0)	(4,688.7)	(7,961.8)

Source: Bloomberg

Foreign Exchange Rate - THB/US\$ (onshore) = 36.22

Interest Rate (%) - TH 1-day RP = 1.50

Thai Lending Rate (%)* - MLR = 7.10

COMPANY RESULTS

TISCO Financial Group (TISCO TB)

3Q23: Decent Results; Several Headwinds Ahead

TISCO posted a net profit of Bt1,874m in 3Q23 (+6% yoy, +1% qoq). The results were 7% above our forecasts but in line with consensus. However, we revise TISCO's 2024-25F earnings projections down by 6.7% and 12.6% respectively due to normalisation in funding and credit costs. We maintain HOLD on TISCO with a lower target price of Bt97.00.

3Q23 RESULTS

Year to 31 Dec (Btm)	3Q23	2Q23	3Q22	qoq chg (%)	yoy chg (%)
Total gross loans	231,794	230,494	213,188	0.6	8.7
Net interest income	3,557	3,420	3,221	4.0	10.4
Non-interest income	1,217	1,289	1,221	(5.6)	(0.3)
Loan loss provision	(147)	(63)	(119)	132.4	23.6
Non-Interest Expenses	(2,329)	(2,378)	(2,155)	(2.1)	8.0
Pre-provision operating profit	2,478	2,366	2,323	4.8	6.7
Net income	1,874	1,854	1,771	1.1	5.8
EPS (Bt)	2.34	2.32	2.21	1.1	5.8
Ratio (%)					
NPL Ratio	2.3	2.2	2.1		
Loan loss coverage ratio (%)	206	224	248		
Net interest margin (NIM %)	5.2	5.0	5.2		
Credit cost (bp)	25	11	23		
Cost to income (%)	48.8	50.5	48.5		
Common equity tier 1 (CET1) ratio (%)	17.0	19.5	20.2		

Source: TISCO Financial Group, UOB Kay Hian

RESULTS

- 3Q23 results were flat yoy and qoq.** TISCO Financial Group (TISCO) recorded a net profit of Bt1,874m, up 6% yoy and 1% qoq. The bank's loan portfolio expanded by 9% yoy and 1% qoq, primarily supported by corporate loans, which grew by 30% yoy. NPLs rose slightly from 2.2% in the previous quarter to 2.3%. However, TISCO's substantial loan loss reserves allowed for a provision of only Bt147m, resulting in a credit cost of 25bp. The loan loss coverage (LLC) ratio declined from 224% in the second quarter to 206% but remains healthy.
- Well-managed liquidity led to a NIM expansion in 3Q23.** Although TISCO's loan yield increased 22bp qoq, the bank's loan spread experienced a decrease of 3bp on a qoq basis as the pace at which funding costs rose outstripped the yields generated from the loans. Despite the reduction in loan spread, the bank managed to improve its net interest margin (NIM) by 12bp qoq as it had offloaded a significant portion of debts in 3Q23 that were used to facilitate the dividend payment.

KEY FINANCIALS

Year to 31 Dec (Btm)	2021	2022	2023F	2024F	2025F
Net interest income	12,460	12,734	13,774	14,051	15,268
Non-interest income	6,369	5,607	5,400	6,144	6,645
Net profit (rep./act.)	6,781	7,222	7,436	7,335	7,347
Net profit (adj.)	6,781	7,222	7,436	7,335	7,347
EPS (Bt)	8.5	9.0	9.3	9.2	9.2
PE (x)	11.8	11.1	10.8	10.9	10.9
P/B (x)	1.9	1.9	1.9	1.8	1.8
Dividend yield (%)	6.3	7.1	7.7	8.0	8.1
Net int margin (%)	4.8	5.0	5.1	4.9	5.0
Cost/income (%)	44.0	47.1	49.0	48.3	49.0
Loan loss cover (%)	236.7	258.8	193.5	164.0	150.0
Consensus net profit	-	-	7,424	7,699	8,192
UOBKH/Consensus (x)	-	-	1.00	0.95	0.90

Source: TISCO Financial Group, Bloomberg, UOB Kay Hian

HOLD

(Maintained)

Share Price	Bt100.00
Target Price	Bt97.00
Upside	-3.0%
(Previous TP)	Bt106.00)

COMPANY DESCRIPTION

A small bank with roughly 2% of the credit market. The bank's strong focus is on auto HP lending, which accounts for 64% of its loan book.

STOCK DATA

GICS sector	Financials
Bloomberg ticker:	TISCO TB
Shares issued (m):	800.6
Market cap (Btm):	80,064.6
Market cap (US\$m):	2,198.7

3-mth avg daily t'over (US\$m): 9.2

Price Performance (%)

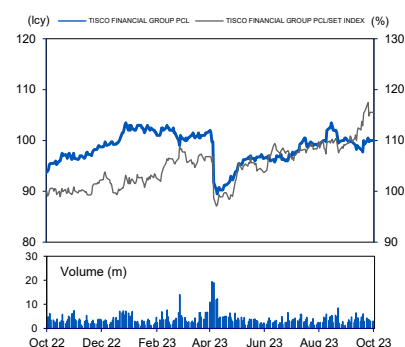
52-week high/low Bt103.50/Bt89.50

1mth	3mth	6mth	1yr	YTD
0.0	3.9	(1.5)	6.7	0.8

Major Shareholders

	%
Thai NVDR	10.9
CDIB & Partners Investment Holding	10.0
South East Asia Uk (Type C) Nominees	8.0
FY23 NAV/Share (Bt)	52.95
FY23 CAR Tier-1 (%)	17.28

PRICE CHART



Source: Bloomberg

ANALYST(S)

Kwanchai Atiphopchai, CFA
+662 659 8030
kwanchai@uobkayhian.co.th

ASSISTANT ANALYST(S)

Thanawat Thangchadakorn

STOCK IMPACT

- Anticipated repricing in deposit rates poses challenges for TISCO's NIM outlook.** Despite TISCO's commendable increase in its NIM in 3Q23, primarily due to efficient funding management, we foresee a potential downturn in the bank's NIM over the next 12 months. This is due to the anticipated repricing in deposit interest rates. The management predicts a rise in funding costs to the normalised level of 2.9%, up from 2.02% in 3Q23. Although TISCO is actively pursuing a high-yield strategy, we are skeptical about its ability to offset the impending increase in funding costs adequately. This skepticism stems from our belief that the escalating funding costs could eclipse the benefits garnered from their current high-yield strategy.
- Normalised credit costs ahead.** An additional challenge that could drag TISCO's earnings outlook for 2024-25 is the issue of credit costs. Despite the bank's successful efforts in maintaining its credit costs below the 30bp mark during 9M23, its existing excess loan loss reserves are beginning to dwindle. Looking ahead, management projections for 2024 suggest an increase to approximately 50bp, with the potential to escalate to 100bp by 2025 as it approaches a normalised level. The management aims to reduce its loan loss coverage (LLC) ratio to 150%, allowing for a certain degree of flexibility from the existing level of 206% recorded in 3Q23.

EARNINGS REVISION/RISK

NET PROFIT FORECASTS

	2023F	2024F	2025F
Old	7,256	7,860	8,408
New	7,436	7,335	7,347
% chg	+2.5	-6.7	-12.6

Source: UOB Kay Hian

- We finetune 2023F earnings forecast by +2.5%**, owing to the better-than-expected 9M23 results. However, we slashed the 2024-25 earnings projections by 6.7% and 12.6% because of normalisation in funding and credit costs.

VALUATION/RECOMMENDATION

- Maintain HOLD with a lower target price of Bt97.00** using the Gordon Growth Model (cost of equity: 11.5%, long-term growth: 2%). Our target price implies 1.8x 2023F P/B, which is slightly higher than its historical five-year P/B mean.

SHARE PRICE CATALYST

- Upgrade in dividend payout.

PE BAND



Source: TISCO, UOB Kay Hian

P/B BAND



Source: TISCO, UOB Kay Hian

CAR SALES



Source: Bloomberg, UOB Kay Hian

USED VEHICLE PRICE INDEX



Source: Bank of Thailand, UOB Kay Hian

PROFIT & LOSS

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Interest income	14,904	17,958	20,458	22,656
Interest expense	(2,171)	(4,183)	(6,407)	(7,388)
Net interest income	12,734	13,774	14,051	15,268
Fees & commissions	5,081	4,959	5,675	6,134
Other income	526	441	470	511
Non-interest income	5,607	5,400	6,144	6,645
Total income	18,341	19,174	20,196	21,913
Staff costs	(6,107)	(6,449)	(6,877)	(7,608)
Other operating expense	(2,523)	(2,947)	(2,884)	(3,132)
Pre-provision profit	9,711	9,779	10,434	11,173
Loan loss provision	(723)	(529)	(1,310)	(2,034)
Pre-tax profit	8,988	9,250	9,124	9,138
Tax	(1,766)	(1,813)	(1,788)	(1,791)
Minorities	0	(1)	(1)	(1)
Net profit	7,222	7,436	7,335	7,347
Net profit (adj.)	7,222	7,436	7,335	7,347

BALANCE SHEET

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Cash with central bank	1,005	1,172	1,238	1,312
Govt treasury bills & securities	3,990	10,547	11,146	11,807
Interbank loans	40,272	36,328	38,392	40,669
Customer loans	208,881	225,716	239,680	254,131
Investment securities	2,172	2,344	2,477	2,624
Derivative receivables	147	0	0	0
Associates & JVs	873	895	895	895
Fixed assets (incl. prop.)	2,820	2,966	2,669	2,485
Other assets	5,253	6,238	6,478	6,742
Total assets	265,414	286,206	302,976	320,665
Interbank deposits	6,195	9,375	9,908	10,495
Customer deposits	188,266	192,189	203,108	215,153
Derivative payables	0	0	0	0
Debt equivalents	15,757	28,640	32,472	36,046
Other liabilities	12,405	13,607	14,166	14,783
Total liabilities	222,623	243,811	259,653	276,477
Shareholders' funds	42,788	42,391	43,319	44,183
Minority interest - accumulated	3	3	4	4
Total equity & liabilities	265,414	286,206	302,976	320,665

OPERATING RATIOS

Year to 31 Dec (%)	2022	2023F	2024F	2025F
Capital Adequacy				
Tier-1 CAR	19.6	17.3	17.2	16.6
Total CAR	23.3	20.7	20.6	19.9
Total assets/equity (x)	6.2	6.8	7.0	7.3
Tangible assets/tangible common equity (x)	6.3	6.9	7.2	7.4
Asset Quality				
NPL ratio	2.1	2.3	2.4	2.6
Loan loss coverage	258.8	193.5	164.0	150.0
Loan loss reserve/gross loans	5.4	4.5	4.0	3.8
Increase in NPLs	(7.7)	18.0	11.0	12.1
Credit cost (bp)	34.3	23.3	54.3	79.8
Liquidity				
Loan/deposit ratio	111.0	117.4	118.0	118.1
Liquid assets/short-term liabilities	23.2	23.8	23.8	23.8
Liquid assets/total assets	17.1	16.8	16.8	16.8

KEY METRICS

Year to 31 Dec (%)	2022	2023F	2024F	2025F
Growth				
Net interest income, yoy chg	2.2	8.2	2.0	8.7
Fees & commissions, yoy chg	(9.4)	(2.4)	14.4	8.1
Pre-provision profit, yoy chg	(7.9)	0.7	6.7	7.1
Net profit, yoy chg	6.5	3.0	(1.4)	0.2
Net profit (adj.), yoy chg	6.5	3.0	(1.4)	0.2
Customer loans, yoy chg	8.3	8.1	6.2	6.0
Profitability				
Net interest margin	5.0	5.1	4.9	5.0
Cost/income ratio	47.1	49.0	48.3	49.0
Adjusted ROA	2.8	2.7	2.5	2.4
Reported ROE	17.2	17.5	17.1	16.8
Adjusted ROE	17.2	17.5	17.1	16.8
Valuation				
P/BV (x)	1.9	1.9	1.8	1.8
P/NTA (x)	1.9	1.9	1.9	1.9
Adjusted P/E (x)	11.1	10.8	10.9	10.9
Dividend Yield	7.1	7.7	8.0	8.1
Payout ratio	79.3	83.4	87.4	88.2

ASIAN GEMS CORPORATE HIGHLIGHTS

Home Product Center (HMPRO TB)

Better Long-term Outlook But Under Pressure In The Short Term

We are still positive on HMPRO's long-term outlook. Although we expect to see some short-term pressures following its Mega Home store ramp-up plan, we foresee fewer pressures in 2024. We expect 3Q23 to be flattish on a yoy basis following higher SGA-to-sales. 2023-24 earnings are still expected to grow by 6.4% per year. Maintain BUY. Target price: Bt17.00.

WHAT'S NEW

- Marching on the Mega Home expansion.** Home Product Center (HMPRO) is still committing to its plan to reach 150 total stores in 2026 from 127 at end-23, equivalent to around 7-8 additional stores per year. We expect the new stores for each year to be divided into 1-2 and 6-7 stores of Home Pro and Mega Home respectively.
- We expect continuous improvement in Mega Home profitability.** As Mega Home stores were up from 14 stores at end-21 to 27 stores at end-23, we expect the company to see more benefit from better economies of scale. Mega Home's current gross margin is expected to be around 18-20%, compared to Home Pro at 27% and its peers such as Global House (GLOBAL) and DOHOME at 25% and 15-20% respectively. Also, we expect to see more synergy between Home Pro and Mega Home such as online sales channels, product cross-selling and database of customers.
- Hard work starting to pay off.** Although there was some pressure on HMPRO's earnings following the Mega Home stores ramping up expenses in 2022-23, we expect to see better Mega Home operations. The key drivers on Mega Home will be the new stores which were opened in 2022-23 and are starting to make profit as it normally takes around 1.5 years on average for stores to break even. Therefore, even though the company plans to aggressively add new Mega Home stores in 2024-26, we expect Mega Home's worst performance to be over.
- An update on HMPRO's overseas expansion plan.** HMPRO's management is still positive on Vietnam's outlook on the back of country development, growing urbanisation rate and similar customer behavior to Thailand. However, HMPRO is still behind in terms of paperwork like store operating licenses. Therefore, the first store in Vietnam might only come in late-24 at the soonest or even 2025. For Home Pro Malaysia, we do not expect to see the store ramping up in these 1-2 years as management is still keen to improve its internal efficiency first.

KEY FINANCIALS

Year to 31 Dec (Btm)	2021	2022	2023F	2024F	2025F
Net turnover	61,791	66,811	70,946	73,544	76,218
EBITDA	8,139	8,666	9,701	10,452	11,200
Operating profit	4,931	5,510	6,201	6,660	7,168
Net profit (rep./act.)	5,441	6,217	6,614	7,039	7,525
Net profit (adj.)	5,441	6,217	6,614	7,039	7,525
EPS (Bt)	0.4	0.5	0.5	0.5	0.6
PE (x)	29.49	25.81	24.26	22.79	21.32
P/B (x)	7.01	6.62	6.18	5.81	5.47
EV/EBITDA (x)	22.5	21.6	19.6	18.2	17.1
Dividend yield (%)	2.6	3.1	3.3	3.5	3.8
Net margin (%)	8.8	9.3	9.3	9.6	9.9
Net debt/(cash) to equity (%)	60.8	65.6	66.5	60.7	54.7
Interest cover (x)	19.9	20.3	18.7	19.3	20.7
Consensus net profit	-	-	6,747	7,500	8,254
UOBKH/Consensus (x)	-	-	0.98	0.94	0.91

Source: Home Product Center, Bloomberg, UOB Kay Hian

BUY

(Maintained)

Share Price	Bt12.20
Target Price	Bt17.00
Upside	+39.34%

COMPANY DESCRIPTION

Thailand's largest home improvement centre with a nearly 40% market share of the modern trade segment.

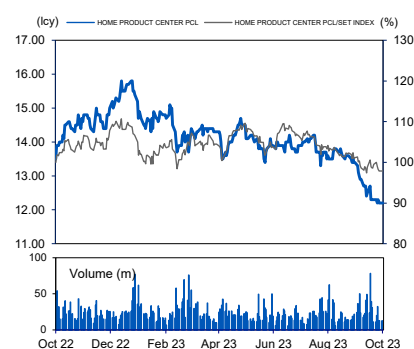
STOCK DATA

GICS sector	Consumer Discretionary			
Bloomberg ticker:	HMPRO TB			
Shares issued (m):	13,151.2			
Market cap (Btm):	160,444.6			
Market cap (US\$m):	4,456.8			
3-mth avg daily t'over (US\$m):	8.3			
Price Performance (%)				
52-week high/low	Bt15.80/Bt13.20			
1mth	3mth	6mth	1yr	YTD
1.4	2.9	(2.8)	6.8	(9.0)

Major Shareholders

Land and House	30.23
Quality House	19.87
Thai NVDR	6.76
FY23 NAV/Share (Bt)	1.98
FY23 Net Debt/Share (Bt)	1.31

PRICE CHART



Source: Bloomberg

ANALYST(S)

Kampon Akaravarinchai
+662 659 8031
kampon@uobkayhian.co.th

3Q23 EARNINGS PREVIEW

Year to 31 Dec (Btm)	3Q22	2Q23	3Q23F	yoy (%)	qoq (%)
Sales and services	16,337	18,252	16,699	2.2	(8.5)
Gross profit	4,515	4,943	4,626	2.5	(6.4)
Operating EBIT	1,384	1,477	1,387	0.2	(6.1)
Net profit	1,533	1,620	1,507	(1.7)	(6.9)
Percent	3Q22	2Q23	3Q23F	yoy (ppts)	qoq (ppts)
Gross margin	27.6	27.1	27.7	0.1	0.6
SG&A to sales	19.2	19.0	19.4	0.2	0.4
Net profit margin	9.4	8.9	9.0	(0.4)	0.2

Source: HMPRO, UOB Kay Hian

STOCK IMPACT

- Unexciting 3Q23 earnings.** We expect HMPRO to report 3Q23 earnings of Bt1,507m, down 1.7% yoy and 6.9% qoq. The key pressure on 3Q23 is expected to be from the higher SGA-to-sales which offset the revenue increase in 3Q23.
- Slight improvement in 3Q23 top-line.** HMPRO is expected to report 3Q23 revenue growth of 2.2% yoy. Although 3Q23 same-store-sales (SSS) growth is expected to decrease 2-3% yoy, this will be offset by the sales from new stores and Market Village's rental income growth following the recovery in tourist areas.
- Short-term pressure from new stores ramping up.** We expect SGA-to-sales in 3Q23 to increase to 19.4% from 19% and 19.2% in 2Q23 and 3Q22 respectively. The higher SGA-to-sales is mainly due to increased operating expenses and depreciation costs from new stores. We expect 3Q23 gross profit margin to be flattish on a yoy basis.

STOCK IMPACT

- Some short-term setback but good for the long term.** Although there might be a temporary setback in the short term, the future looks promising for HMPRO. We anticipate flattish 3Q23 earnings for HMPRO due to increased operating expenses and depreciation costs from new stores, as well as a minor decrease in SSS. The SSS in mtd Oct 23 was at -2% yoy to -3% yoy, slightly better compared to -5% yoy to -6% yoy in Sep 23. We still maintain our projection of HMPRO's 2023 earnings at Bt6.6b, up 6.4% yoy. We expect the company 2024's earnings to grow by 6.4% yoy on the back of consumption improvement and the government stimulus packages.

EARNINGS REVISION/RISK

- None.**

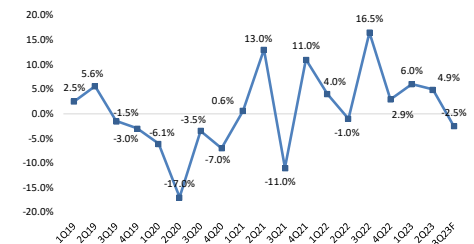
VALUATION/RECOMMENDATION

- Maintain BUY with a target price of Bt17.00.** Our 2023 target price is based on 2023F PE of 33.4x, equivalent to HMPRO's five-year mean. Although there is short-term pressure regarding the additional expenses on new stores opening, we are still positive on HMPRO's mid- to long-term business development.

SHARE PRICE CATALYST

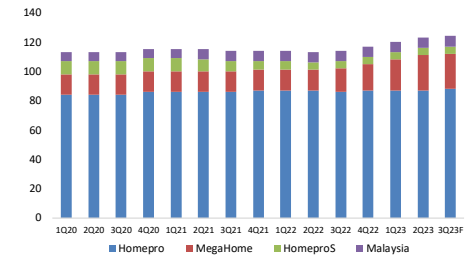
- a) Strong gross profit margin expansion, b) better-than-expected Mega Home's operation improvement, and c) positive progress in overseas businesses such as in Malaysia and Vietnam.

SAME-STORE SALES



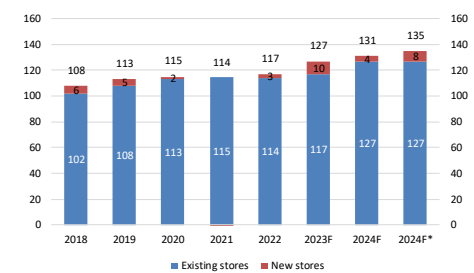
Source: HMPRO, UOB Kay Hian

NUMBER OF STORES BY QUARTER



Source: HMPRO, UOB Kay Hian

NUMBER OF STORES BY YEAR



Source: HMPRO, UOB Kay Hian *company plan

PROFIT & LOSS

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Net turnover	66,811	70,946	73,544	76,218
EBITDA	8,666	9,701	10,452	11,200
Deprec. & amort.	3,156	3,500	3,792	4,032
EBIT	5,510	6,201	6,660	7,168
Total other non-operating income	2,578	2,586	2,681	2,779
Associate contributions	(2)	0	0	0
Net interest income/(expense)	(428)	(520)	(543)	(542)
Pre-tax profit	7,658	8,267	8,799	9,406
Tax	(1,441)	(1,653)	(1,760)	(1,881)
Minorities	0	0	0	0
Net profit	6,217	6,614	7,039	7,525
Net profit (adj.)	6,217	6,614	7,039	7,525

CASH FLOW

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Operating	9,937	10,513	11,494	11,640
Pre-tax profit	7,658	8,267	8,799	9,406
Tax	(1,441)	(1,653)	(1,760)	(1,881)
Deprec. & amort.	3,156	3,500	3,792	4,032
Working capital changes	387	597	394	40
Non-cash items	176	(197)	269	44
Other operating cashflows	0	0	0	0
Investing	(7,064)	(6,992)	(5,559)	(5,148)
Capex (growth)	(7,416)	(6,694)	(5,593)	(5,218)
Investments	(67)	0	0	0
Others	419	(298)	34	70
Financing	(1,998)	(2,878)	(5,427)	(5,787)
Dividend payments	(4,866)	(4,878)	(5,427)	(5,787)
Issue of shares	0	0	0	0
Proceeds from borrowings	2,863	2,000	0	0
Others/interest paid	4	0	0	0
Net cash inflow (outflow)	874	643	508	706
Beginning cash & cash equivalent	4,546	5,420	6,063	6,571
Ending cash & cash equivalent	5,420	6,063	6,571	7,277

BALANCE SHEET

Year to 31 Dec (Btm)	2022	2023F	2024F	2025F
Fixed assets	42,178	45,372	47,174	48,359
Other LT assets	1,576	1,982	1,976	1,986
Cash/ST investment	5,420	6,063	6,571	7,277
Other current assets	16,010	15,937	16,458	17,100
Total assets	65,185	69,355	72,179	74,723
ST debt	6,437	6,437	6,437	6,437
Other current liabilities	18,048	18,375	19,559	20,285
LT debt	14,897	16,897	16,897	16,897
Other LT liabilities	1,557	1,665	1,693	1,773
Shareholders' equity	24,246	25,981	27,594	29,331
Minority interest	0	0	0	0
Total liabilities & equity	65,185	69,355	72,179	74,723

KEY METRICS

Year to 31 Dec (%)	2022	2023F	2024F	2025F
Profitability				
EBITDA margin	13.0	13.7	14.2	14.7
Pre-tax margin	11.5	11.7	12.0	12.3
Net margin	9.3	9.3	9.6	9.9
Net profit (adj.)	14.3	6.4	6.4	6.9
Leverage				
Debt to total capital	46.8	47.3	45.8	44.3
Debt to equity	88.0	89.8	84.6	79.6
Net debt/(cash) to equity	65.6	66.5	60.7	54.7
Interest cover (x)	20.3	18.7	19.3	20.7

Disclosures/Disclaimers

This report is prepared by UOB Kay Hian Securities (Thailand) Public Company Limited (“UOBKHST”), which is a licensed corporation providing Securities Brokerage, Securities Dealing, Underwriting, Derivative Agent and Financial Advisory in Thailand.

This report is provided for information only and is not an offer or a solicitation to deal in securities or to enter into any legal relations, nor an advice or a recommendation with respect to such securities.

This report is prepared for general circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. Advice should be sought from a financial adviser regarding the suitability of the investment product, taking into account the specific investment objectives, financial situation or particular needs of any person in receipt of the recommendation, before the person makes a commitment to purchase the investment product.

This report is confidential. This report may not be published, circulated, reproduced or distributed in whole or in part by any recipient of this report to any other person without the prior written consent of UOBKHST. This report is not directed to or intended for distribution to or use by any person or any entity who is a citizen or resident of or located in any locality, state, country or any other jurisdiction as UOBKHST may determine in its absolute discretion, where the distribution, publication, availability or use of this report would be contrary to applicable law or would subject UOBKHST and its connected persons (as defined in Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 and the Securities and Exchange Act of Thailand) to any registration, licensing or other requirements within such jurisdiction.

The information or views in the report (“Information”) has been obtained or derived from sources believed by UOBKHST to be reliable. However, UOBKHST makes no representation as to the accuracy or completeness of such sources or the Information and UOBKHST accepts no liability whatsoever for any loss or damage arising from the use of or reliance on the Information. UOBKHST and its associate may have issued other reports expressing views different from the Information and all views expressed in all reports of UOBKHST and its connected persons are subject to change without notice. UOBKHST reserves the right to act upon or use the Information at any time, including before its publication herein.

Except as otherwise indicated below, (1) UOBKHST, its associates and its officers, employees and representatives may, to the extent permitted by law, transact with, perform or provide broking, underwriting, corporate finance-related or other services for or solicit business from, the subject corporation(s) referred to in this report; (2) UOBKHST, its associate and its officers, employees and representatives may also, to the extent permitted by law, transact with, perform or provide broking or other services for or solicit business from, other persons in respect of dealings in the securities referred to in this report or other investments related thereto; (3) the officers, employees and representatives of UOBKHST may also serve on the board of directors or in trustee positions with the subject corporation(s) referred to in this report. (All of the foregoing is hereafter referred to as the “Subject Business”); and (4) UOBKHST may otherwise have an interest (including a proprietary interest) in the subject corporation(s) referred to in this report.

As of the date of this report, no analyst responsible for any of the content in this report has any proprietary position or material interest in the securities of the corporation(s) which are referred to in the content they respectively author or are otherwise responsible for.

IMPORTANT DISCLOSURES FOR U.S. PERSONS

This research report is prepared by UOBKHST, a company authorized, as noted above, to engage in securities and derivative activities in Thailand. UOBKHST is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution by UOBKHST (whether directly or through its US registered broker dealer affiliate named below) to “major U.S. institutional investors” in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). All US persons that receive this document by way of distribution from or which they regard as being from UOBKHST by their acceptance thereof represent and agree that they are a major institutional investor and understand the risks involved in executing transactions in securities.

Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through UOB Kay Hian (U.S.) Inc (“UOBKHUS”), a registered broker-dealer in the United States. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through UOBKHST.

UOBKHUS accepts responsibility for the contents of this research report, subject to the terms set out below, to the extent that it is delivered to and intended to be received by a U.S. person other than a major U.S. institutional investor.

The analyst whose name appears in this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority (“FINRA”) and may not be an associated person of UOBKHUS and, therefore, may not be subject to applicable restrictions under FINRA Rules on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Certification/Regulation AC

Each research analyst of UOBKHST who produced this report hereby certifies that (1) the views expressed in this report accurately reflect his/her personal views about all of the subject corporation(s) and securities in this report; (2) the report was produced independently by him/her; (3) he/she does not carry out, whether for himself/herself or on behalf of UOBKHST or any other person, any of the Subject Business involving any of the subject corporation(s) or securities referred to in this report; and (4) he/she has not received and will not receive any compensation that is directly or indirectly related or linked to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. However, the compensation received by each such research analyst is based upon various factors, including UOBKHST's total revenues, a portion of which are generated from UOBKHST's business of dealing in securities.

Reports are distributed in the respective countries by the respective entities and are subject to the additional restrictions listed in the following table.

General	This report is not intended for distribution, publication to or use by any person or entity who is a citizen or resident of or located in any country or jurisdiction where the distribution, publication or use of this report would be contrary to applicable law or regulation.
Hong Kong	This report is distributed in Hong Kong by UOB Kay Hian (Hong Kong) Limited ("UOBKHHK"), which is regulated by the Securities and Futures Commission of Hong Kong. Neither the analyst(s) preparing this report nor his associate, has trading and financial interest and relevant relationship specified under Para. 16.4 of Code of Conduct in the listed corporation covered in this report. UOBKHHK does not have financial interests and business relationship specified under Para. 16.5 of Code of Conduct with the listed corporation covered in this report. Where the report is distributed in Hong Kong and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKHHK (and not the relevant foreign research house) in Hong Kong in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Hong Kong who is not a professional investor, or institutional investor, UOBKHHK accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Indonesia	This report is distributed in Indonesia by PT UOB Kay Hian Sekuritas, which is regulated by Financial Services Authority of Indonesia. Where the report is distributed in Indonesia and contains research analyses or reports from a foreign research house, please note recipients of the analyses or reports are to contact PT UOBKH (and not the relevant foreign research house) in Indonesia in respect of any matters arising from, or in connection with, the analysis or report.
Malaysia	Where the report is distributed in Malaysia and contains research analyses or reports from a foreign research house, the recipients of the analyses or reports are to contact UOBKHM (and not the relevant foreign research house) in Malaysia, at +603-21471988, in respect of any matters arising from, or in connection with, the analysis or report as UOBKHM is the registered person under CMSA to distribute any research analyses in Malaysia.
Singapore	This report is distributed in Singapore by UOB Kay Hian Private Limited ("UOBKH"), which is a holder of a capital markets services licence and an exempt financial adviser regulated by the Monetary Authority of Singapore. Where the report is distributed in Singapore and contains research analyses or reports from a foreign research house, please note: (i) recipients of the analyses or reports are to contact UOBKH (and not the relevant foreign research house) in Singapore in respect of any matters arising from, or in connection with, the analysis or report; and (ii) to the extent that the analyses or reports are delivered to and intended to be received by any person in Singapore who is not an accredited investor, expert investor or institutional investor, UOBKH accepts legal responsibility for the contents of the analyses or reports only to the extent required by law.
Thailand	This report is distributed in Thailand by UOB Kay Hian Securities (Thailand) Public Company Limited, which is regulated by the Securities and Exchange Commission of Thailand.
United Kingdom	This report is being distributed in the UK by UOB Kay Hian (U.K.) Limited, which is an authorised person in the meaning of the Financial Services and Markets Act and is regulated by The Financial Conduct Authority. Research distributed in the UK is intended only for institutional clients.
United States of America ('U.S.')	This report cannot be distributed into the U.S. or to any U.S. person or entity except in compliance with applicable U.S. laws and regulations. It is being distributed in the U.S. by UOB Kay Hian (US) Inc, which accepts responsibility for its contents. Any U.S. person or entity receiving this report and wishing to effect transactions in any securities referred to in the report should contact UOB Kay Hian (US) Inc. directly.

Copyright 2023, UOB Kay Hian Securities (Thailand) Public Company Limited. All rights reserved.

<http://www.utrade.co.th>