

BUY (Unchanged)

TP: Bt 15.00 (Pre-XD) (Unchanged)

TP: Bt 10.00 (Post-XD)

Change in Numbers

Upside : 16.3% (Pre-XD)

28 MARCH 2024

Small Cap Research

Siam Wellness Group Pcl (SPA TB)

Time to expand

SPA is resuming branch expansion to unlock capacity to capture the rising number of Chinese tourist arrivals. Its current utilization has surpassed pre-COVID level despite the tourism industry yet to fully recover. We project a 20% EPS CAGR over 2024-26F. Reaffirm BUY.



NUTTAPOP PRASITSUKSANT

662 – 483 8296

nuttapol.pra@thanachartsec.co.th

Resuming expansion

We reaffirm our BUY rating on SPA. **First**, SPA is resuming its branch expansion at a pace of five branches p.a. This bolsters our view of its earnings continuing to grow by 20% p.a. over 2024-26F. SPA stopped expanding in the COVID years in 2020-23 and its 70 existing branches are now running at an average of 82% utilization. The expansions are to take in more Thais and foreigners, including rising numbers of Chinese tourists. **Second**, SPA has done well without a full resumption of Chinese tourists as its revenue in 2023 already surpassed 2019's level (pre-COVID). **Third**, SPA is a highly profitable company at a 32% 2024F ROE and we expect it to reach net cash status this year despite its branch expansion plan. **Lastly**, we expect record-high quarterly earnings again of Bt88m in 1Q24F, up 107% y-y and 5% q-q. We adjust our DCF-based TP (2024F base year) after its 2:1 stock dividend ratio to Bt10 (from pre-stock dividend of Bt15).

New branches in prime areas

SPA aims to open five new Let's Relax massage shops this year in prime locations in Bangkok, i.e., near Iconsiam and Terminal 21 shopping malls. We expect those new branches to capture both demand from Thai office workers around those city center areas, and foreign tourists. SPA also targets adding new wellness treatments to its service portfolio to raise revenue per visit. We estimate SPA's total branches to increase to 85 in 2026F, from 70 in 2023 and 69 shops in 2020.

Chinese tourist resumption

Revenue from foreign tourists, mainly Chinese, was 75% of SPA's total revenue in 2019. In 2023, the tourists contributed only around 60% of total revenue, despite both revenue and earnings being some 10% higher than its pre-COVID level. This implied strong business growth among Thai customers and SPA's capability to capture demand from tourists of other nationalities since Chinese, at more than half of SPA's customer base in 2019, coming to Thailand in 2023 were at only 32% of 2019's level. However, now that the flow of Chinese tourists looks to be much higher, we expect SPA to benefit from this trend strongly.

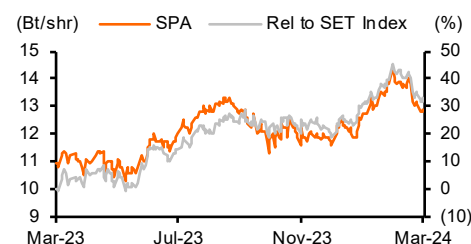
Strong financials again

SPA suffered a serious revenue fall during the COVID period, and its gearing surged to 0.8x in 2022 as the company needed to borrow to survive the crisis. As operations have normalized, we see its financial position becoming net cash again in 2024F, with Bt681m EBITDA and 32% ROE. Even with faster expansion, we estimate capex needs of Bt150m-200m per year in 2024-26F to be easily financed by its internal operating cash flow.

COMPANY VALUATION

Y/E Dec (Bt m)	2023A	2024F	2025F	2026F
Sales	1,446	1,690	1,928	2,147
Net profit	332	336	387	462
Consensus NP	—	338	377	405
Diff frm cons (%)	—	(0.6)	2.5	14.2
Norm profit	268	336	387	462
Prev. Norm profit	—	340	406	468
Chg frm prev (%)	—	(1.4)	(4.8)	(1.3)
Norm EPS (Bt)	0.3	0.4	0.5	0.5
Norm EPS grw (%)	na	25.4	15.2	19.6
Norm PE (x)	41.2	32.9	28.5	23.9
EV/EBITDA (x)	19.6	16.0	13.4	11.5
P/BV (x)	12.2	9.4	7.1	5.8
Div yield (%)	1.1	0.0	0.0	2.1
ROE (%)	36.4	32.3	28.2	26.6
Net D/E (%)	6.8	(9.0)	(29.5)	(42.7)

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 28-Mar-24 (Bt)	12.90
Market Cap (US\$ m)	302.5
Listed Shares (m shares)	855.0
Free Float (%)	57.7
Avg Daily Turnover (US\$ m)	0.7
12M Price H/L (Bt)	14.40/10.30
Sector	MAI
Major Shareholder	Jiravanstit family 15.61%

Sources: Bloomberg, Company data, Thanachart estimates

Resuming expansion

Reaffirm BUY as a major beneficiary of the tourism recovery in Thailand

Branch expansion and resumption of Chinese tourists are two key drivers

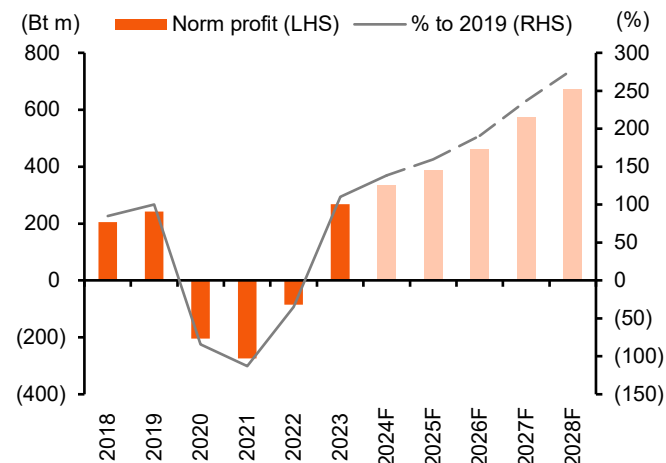
We expect another record for quarterly profits in 1Q24F

We reaffirm our BUY rating on Siam Wellness Group Pcl (SPA) as its business strategy to resume its branch expansion this year bolsters our view that the company is one of the major beneficiaries of a strong recovery of the tourism industry in Thailand.

- **First**, we believe SPA's branch expansion resumption, after being in survival mode during the COVID years in 2020-23, to be on time for the company to benefit from the strong recovery in the number of Chinese tourists visiting Thailand.
- **Second**, SPA's earnings and revenues surpassed its pre-COVID level (2019) in 2023 despite the tourism industry not yet fully recovering. Around 75% of SPA's revenue in 2019 was from foreign tourists, of whom two thirds were Chinese. We, therefore, expect the strong recovery of Chinese tourists coming to Thailand this year to result in a 20% EPS CAGR for SPA over 2024-26F.
- **Third**, backed by its asset-light business model, we see SPA as a high-profitability company with a 32% ROE in 2024F. As its operating cash flow has recovered strongly post-COVID, we estimate SPA to return to a net cash position again this year.

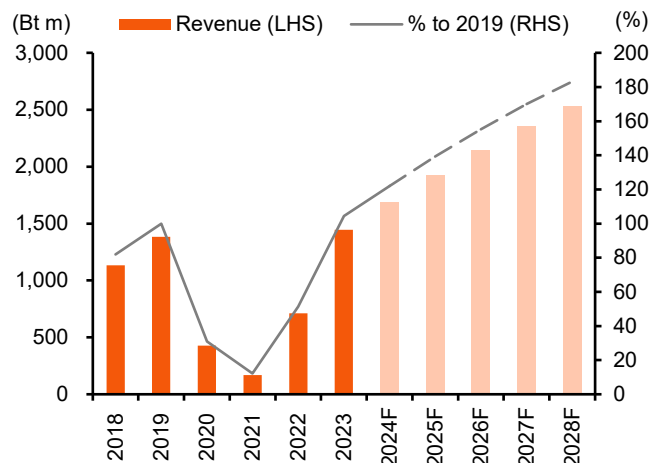
We expect SPA to post another record-high set of quarterly earnings at Bt88m in 1Q24F, up 107% y-y and 5% q-q, driven mainly by the resumption of Chinese tourist arrivals to Thailand during the Chinese New Year and Golden Week period. On a full-year basis, we also forecast SPA's earnings to continue growing by 25/15/20%, backed by branch expansion and a higher average ticket size per visit. Our DCF-based 12-month TP (2024F base year), before stock dividends, remains unchanged at Bt15/share, which implies a post-XD valuation of Bt10.

Ex 1: Earnings Surpass Pre-COVID And Still Growing



Sources: Company data; Thanachart estimates

Ex 2: Revenue Also Continuously Hits New Highs



Sources: Company data; Thanachart estimates

New branches in prime areas

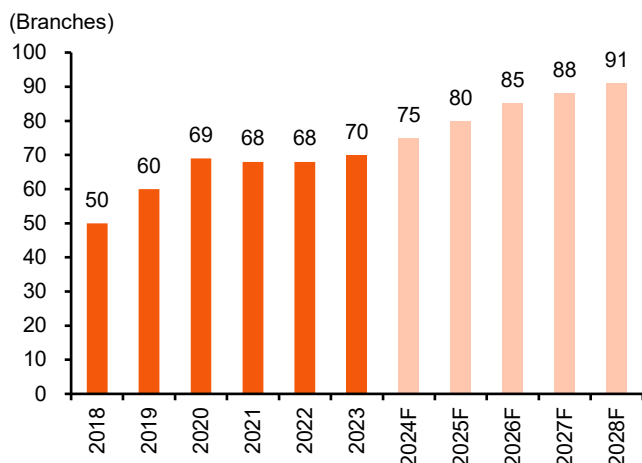
Branch expansion to resume this year in prime areas of Bangkok

SPA is resuming its branch expansion plans this year after halting them during its business crisis years during the COVID period in 2020-23. SPA targets to open five new Let's Relax shops in 2024, with two of them located in prime areas in Bangkok, i.e., Iconsiam and Terminal 21 (Asoke) shopping malls, which are among the top destinations for foreign tourists coming to Thailand. This more aggressive business strategy bolsters our view that SPA looks set to benefit from the continuing recovery of the tourism industry in Thailand this year, especially the beginning of a return of Chinese tourists who made up over 50% of SPA's pre-COVID revenues in 2019. We also expect demand from locals and expats working in those prime areas to be strong at these new branches. We assume SPA opens five new shops per year in 2024-26F, so its total number of branches increases to 85 shops in 2026F, from 70 shops in 2023 and 69 in 2020. We estimate capex needs of Bt150m-200m annually over the next three years, which we expect to be easily financed by its operating cash flow, based on our forecasts of Bt681/786//886m EBITDA during the period.

Ability to raise prices and add wellness services boost ticket size

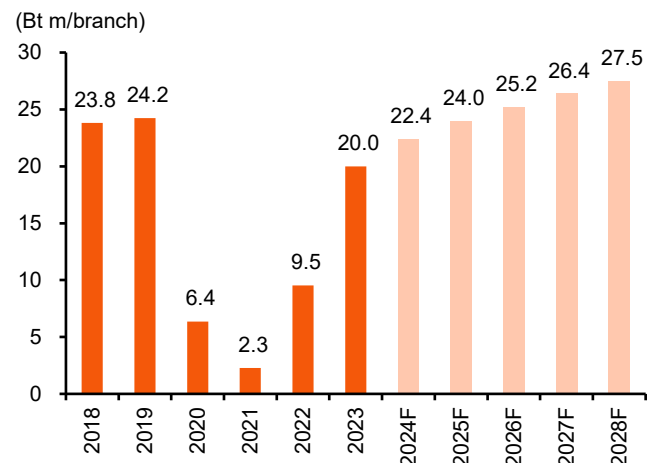
Our estimates of 17/14/11% revenue growth for SPA in 2024-26F mainly reflect this branch expansion plan. However, they are also based on our projection for increasing average revenue per branch for SPA, which is driven by its ability to raise service prices every few years and the introduction of new wellness treatment services at its shops to increase spending per customer visit.

Ex 3: Branch Expansion Resumes After Muted Years



Sources: Company data; Thanachart estimates

Ex 4: Average Revenue Per Branch Is Increasing



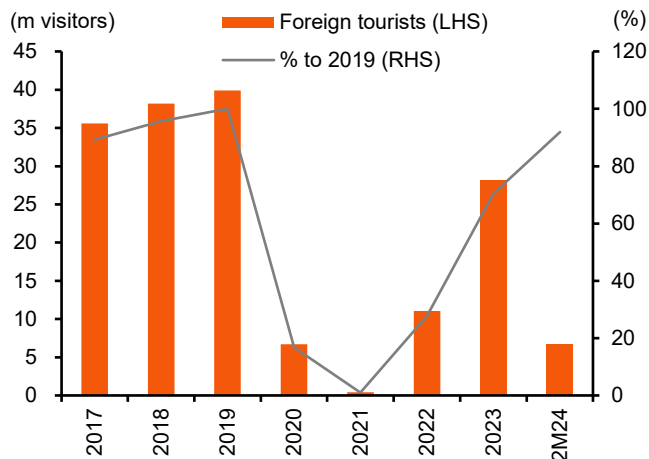
Sources: Company data; Thanachart estimates

Chinese tourist resumption

Accelerating growth pace from a strong recovery in Chinese tourists this year

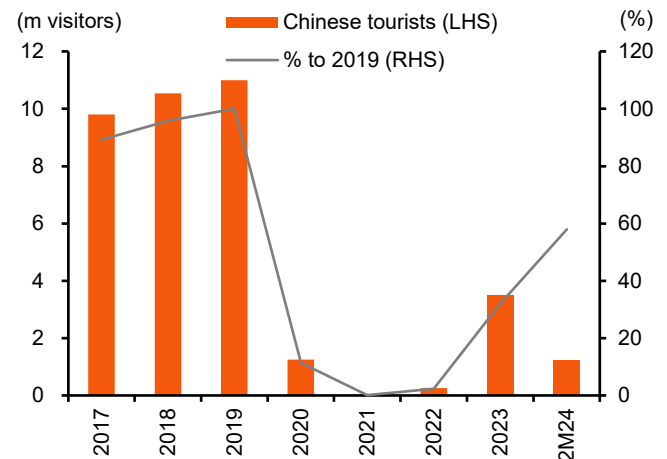
SPA's earnings and revenue surpassing its pre-COVID level (2019) in 2023 impresses us. We see this demonstrating its ability to capture demand among locals and foreign tourists of other nationalities besides Chinese, the number of whom recovered to only 32% of the pre-COVID level in 2023 (3.5m in 2023 vs. 11m in 2019). Therefore, driven by the strong resumption of 1.2m Chinese tourists coming to Thailand during 2M24 (58% compared to the first two months of 2019), we expect SPA's earnings to grow far more strongly this year.

Ex 5: Total Tourist Arrivals Already Near Pre-COVID ...



Source: Tourism Authority of Thailand (TAT)

Ex 6: ... But Just A Halfway Chinese Tourist Recovery



Source: Tourism Authority of Thailand (TAT)

Note that SPA has announced its plan to pay a stock dividend at a 2:1 ratio (1 dividend share per 2 existing shares) for its financial performance in 2023. The XD date is set for 29 April 2024. After factoring in the share dilution impact from the stock dividend, our DCF-based 12-month TP (2024F base year) for SPA falls to Bt10/share (from Bt15 pre-XD).

Ex 7: 12-month DCF-based TP Calculation, Using A Base Year Of 2024F

(Bt m)	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	2034F	2035F	Terminal value
EBITDA excl. depre from right of use	490	609	704	835	954	1,058	1,141	1,233	1,330	1,433	1,541	1,657	—
Free cash flow	303	391	505	648	755	866	943	1,025	1,111	1,201	1,296	1,396	20,410
PV of free cash flow	303	333	397	470	505	535	538	515	512	508	503	497	7,271
Risk-free rate (%)	2.5												
Market risk premium (%)	8.0												
Beta	1.0												
WACC (%)	7.3												
Terminal growth (%)	2.0												
Enterprise value - add investments	12,889												
Net debt (2023)	61												
Minority interest	—												
Equity value	12,827												
# of shares (m)	855												
Target price/share (Bt)	15.0												

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 8: Valuation Comparison With Regional Peers

Name	BBG Code	Country	EPS growth		— PE —		— P/BV —		EV/EBITDA		Div Yield	
			24F	25F	24F	25F	24F	25F	24F	25F	24F	25F
			(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Hongkong & Shanghai	45 HK	Hong Kong	143.0	26.9	26.5	20.9	1.6	1.4	6.8	5.4	1.7	2.0
Shangri-La Asia	69 HK	Hong Kong	(3.3)	24.0	na	na	na	na	na	na	na	na
Genting Malaysia Bhd	GENM MK	Malaysia	114.0	18.8	16.5	13.9	1.3	1.2	7.6	7.2	5.8	6.0
Mirvac Group	MGR AU	Australia	na	17.3	17.0	14.5	0.9	0.8	17.2	16.7	4.4	4.6
Indian Hotels	IH IN	India	28.0	28.5	65.5	51.0	9.2	8.0	39.3	32.3	0.2	0.3
Mandarin Oriental Int'l	MAND SP	Singapore	na	na	na	na	na	na	na	na	na	na
Hotel Shilla	008770 KS	South Korea	35.5	36.8	19.7	14.4	3.2	2.6	11.7	9.9	0.4	0.5
Resorttrust Inc	4681 JP	Japan	(9.5)	4.0	18.0	17.3	2.2	2.0	8.9	8.3	2.1	2.2
Central Plaza Hotel	CENTEL TB*	Thailand	32.8	36.9	39.3	28.7	2.8	2.7	13.7	12.2	1.1	1.6
Erawan Group	ERW TB*	Thailand	7.2	12.2	26.9	24.0	2.9	2.7	12.7	11.5	1.8	1.7
Minor International	MINT TB*	Thailand	17.2	20.2	27.6	23.0	2.3	2.1	6.9	6.4	1.4	1.7
Siam Wellness Group	SPA TB*	Thailand	25.4	15.2	32.9	28.5	9.4	7.1	16.0	13.4	0.0	0.0
Average			39.0	21.9	29.0	23.6	3.6	3.1	14.1	12.3	1.9	2.0

Sources: Company data, Thanachart estimates

Note: * Thanachart estimates, using normalized EPS

Based on 28 Mar 2024 closing prices

COMPANY DESCRIPTION

Siam Wellness Group Pcl (SPA) runs wellness spas and other related businesses, with four main operations: 1) Spas under the brands "Let's Relax", "Rarin-Jinda Wellness Spa" & "Baan-Suan Massage". 2) Hotel & Restaurants: A boutique resort hotel in Chiang Mai under the name "Rarin-Jinda Wellness Spa Resort" and the "Deck 1" and "D Bistro" restaurants. 3) Spa products: Distributes and sells spa-related products under the "Blooming" brand. 4) Traditional Thai massage school "Blooming Thai Massage School" to train therapists in massage and spa services to support its business expansion.

Source: Thanachart

THANACHART'S SWOT ANALYSIS

S — Strength

- Strong brand recognition, especially among Chinese and other Asian tourists.
- Its own upstream business helps provide sufficient therapists and products for rapid expansion.
- Asset-light business model.

O — Opportunity

- Gaining market share from smaller local players via both organic and inorganic expansion.
- Expansion of its business overseas.
- Adding more wellness services and new treatments as bundled packages to increase ticket size.

CONSENSUS COMPARISON

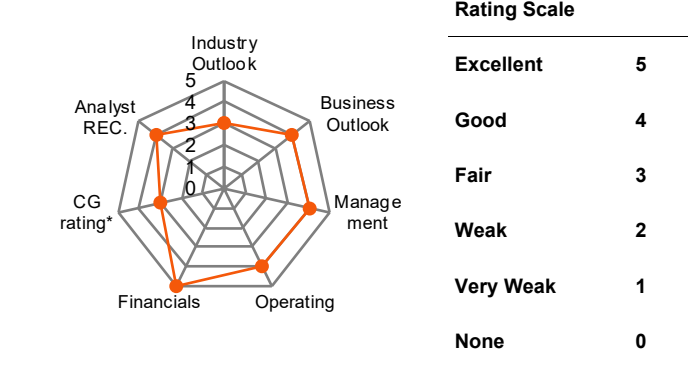
	Consensus	Thanachart	Diff
Target price (Bt)	14.99	15.00	0%
Net profit 24F (Bt m)	338	336	-1%
Net profit 25F (Bt m)	377	387	2%
Consensus REC	BUY: 5	HOLD: 4	SELL: 0

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2024-25F earnings forecasts for SPA are relatively in line with the Bloomberg consensus numbers.
- Our DCF-based TP is, therefore, also at the same level.

Sources: Bloomberg consensus, Thanachart estimates

COMPANY RATING



W — Weakness

- Relies heavily on branch expansion to grow, due to limited capacity of service hours per shop.
- Highly dependent on tourist traffic

T — Threat

- Extraordinary and uncontrollable events, i.e., geopolitical disturbances, natural disasters, etc. could disrupt its operations and decrease tourist traffic.
- Large network but only a small management team

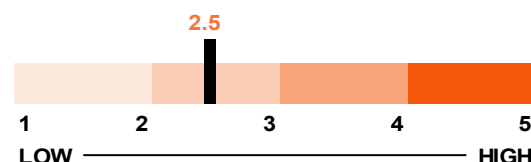
RISKS TO OUR INVESTMENT CASE

- A slower-than-expected resumption of tourists to Thailand would be the key downside risk to our bullish view on SPA.
- A slower pace of branch expansion represents another downside risk to our earnings forecasts.
- Any events causing a downturn in Thailand's tourism industry, e.g., involving politics, the global economy or natural disasters, would be negatives for our numbers.

Source: Thanachart

SPA runs 70 wellness shops in Thailand and two franchise shops abroad as of 2023. Social aspects are a key component of its ESG plans as labor is the major ingredient of its services. Customer health is always another major concern. To maintain good service hygiene, SPA has to balance its potential harm to the environment, i.e., waste and water. We maintain its ESG score at 2.5 as its policies still lack details.

Thanachart ESG Rating



	SET ESG Index	SET ESG (BBB-AAA)	DJSI Index	MSCI (CCC-AAA)	ESG Book (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
SPA	-	-	-	-	-	-	-	-	3.0

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.

Factors

Our Comments

ENVIRONMENT

- Environmental Policies & Guidelines
- Energy Management
- Carbon Management
- Water Management
- Waste Management

- SPA runs a spa and wellness services business that does not emit much greenhouse gas (GHG). This is likely why the company has yet to set clear targets and plans for overall environmental management.
- SPA is increasing the portion of eco-friendly materials and reducing plastics used in its service equipment and spa products to lower non-recyclable and chemical waste, targeting to cut the use of non-eco-friendly materials by 15% annually.
- We believe SPA could introduce more water-management policies or water-treatment programs since various washing and cleaning steps are required to maintain the hygiene of its shops and services.

SOCIAL

- Human Rights
- Staff Management
- Health & Safety
- Product Safety & Quality
- Social Responsibility

- SPA has routine internal meetings for its staff (i.e., therapists and front-office reception) to receive feedback on issues they may encounter in their daily work and to ensure its staff can make their voices heard and be involved in the company's business plan.
- SPA pays on a pay-per-job basis (revenue sharing) with a minimum daily guarantee to its therapists while it provides routine training for all staff.
- The company helps create jobs for local communities. It targets to recruit locals to amount to 50% of its staff at its provincial shops.

GOVERNANCE &
SUSTAINABILITY

- Board
- Ethics & Transparency
- Business Sustainability
- Risk Management
- Innovation

- SPA has a total of nine members on its board of directors, four of whom are female.
- SPA is strongly committed to providing sufficient operational data to the public to protect the rights and benefits of all of its stakeholders.
- SPA has set up committees to ensure data privacy for its clients as it needs to record various health data. SPA uses a protected digital platform at its shops while continuously educating its staff to maintain a high awareness of privacy issues.
- SPA has a high revenue dependency on foreign tourists at over 70%, so it has high-risk exposure to the tourism industry in Thailand.
- SPA continuously introduces new wellness services to expand its customer base while also improving its services, both in treatment processes and with product innovations.

Sources: Thanachart, Company data

INCOME STATEMENT

*Financial performance
has already surpassed its
pre-COVID peak*

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Sales	711	1,446	1,690	1,928	2,147
Cost of sales	631	1,010	1,181	1,303	1,433
Gross profit	80	436	509	625	714
% gross margin	11.3%	30.2%	30.1%	32.4%	33.3%
Selling & administration expenses	123	147	157	164	169
Operating profit	(43)	289	352	460	545
% operating margin	-6.0%	20.0%	20.8%	23.9%	25.4%
Depreciation & amortization	312	276	329	326	341
EBITDA	269	565	681	786	886
% EBITDA margin	37.8%	39.1%	40.3%	40.8%	41.3%
Non-operating income	10	27	20	25	31
Non-operating expenses	0	0	0	0	0
Interest expense	(50)	(46)	(29)	(28)	(30)
Pre-tax profit	(83)	270	342	458	547
Income tax	2	1	7	71	85
After-tax profit	(85)	269	336	387	462
% net margin	-11.9%	18.6%	19.9%	20.1%	21.5%
Shares in affiliates' Earnings	(0)	(1)	0	0	0
Minority interests	(0)	(0)	(0)	(0)	(0)
Extraordinary items	(3)	64	0	0	0
NET PROFIT	(88)	332	336	387	462
Normalized profit	(85)	268	336	387	462
EPS (Bt)	(0.1)	0.4	0.4	0.5	0.5
Normalized EPS (Bt)	(0.1)	0.3	0.4	0.5	0.5

BALANCE SHEET

*SPA has started winding
down debts raised to
survive the COVID crisis*

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
ASSETS:					
Current assets:	272	363	409	922	1,336
Cash & cash equivalent	185	252	300	800	1,200
Account receivables	30	30	46	53	59
Inventories	38	43	49	54	59
Others	19	38	14	16	18
Investments & loans	0	0	0	0	0
Net fixed assets	1,031	954	1,015	1,042	1,034
Other assets	1,117	656	668	680	657
Total assets	2,419	1,973	2,093	2,645	3,027
LIABILITIES:					
Current liabilities:	510	376	356	389	406
Account payables	94	124	146	161	177
Bank overdraft & ST loans	0	0	0	0	0
Current LT debt	170	43	19	34	38
Others current liabilities	246	209	191	195	191
Total LT debt	442	271	175	304	346
Others LT liabilities	898	425	384	387	364
Total liabilities	1,850	1,072	915	1,081	1,116
Minority interest	0	0	0	0	0
Preferred shares	0	0	0	0	0
Paid-up capital	214	214	214	214	214
Share premium	279	279	279	279	279
Warrants	0	0	0	0	0
Surplus	79	79	79	79	79
Retained earnings	(3)	329	606	992	1,339
Shareholders' equity	569	901	1,177	1,564	1,911
Liabilities & equity	2,419	1,973	2,093	2,645	3,027

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2022A	2023A	2024F	2025F	2026F
Earnings before tax	(83)	270	342	458	547
Tax paid	(0)	(3)	(5)	(72)	(84)
Depreciation & amortization	312	276	329	326	341
Chg In working capital	32	25	(0)	4	5
Chg In other CA & CL / minorities	53	(39)	(22)	2	(6)
Cash flow from operations	313	529	645	717	802
Capex	(211)	(46)	(200)	(175)	(150)
Right of use	(210)	347	(200)	(180)	(150)
ST loans & investments	0	(17)	26	0	0
LT loans & investments	0	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	54	(448)	(45)	(6)	(33)
Cash flow from investments	(367)	(164)	(418)	(361)	(333)
Debt financing	90	(298)	(119)	144	46
Capital increase	0	0	0	0	0
Dividends paid	0	(1)	(59)	0	(116)
Warrants & other surplus	39	1	0	0	0
Cash flow from financing	129	(298)	(179)	144	(70)
Free cash flow	102	483	445	542	652

Resumption of branch expansion is supported by internal cashflow

VALUATION

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Normalized PE (x)	na	41.21	32.9	28.5	23.9
Normalized PE - at target price (x)	na	47.92	38.2	33.2	27.7
PE (x)	na	33.21	32.86	28.5	23.9
PE - at target price (x)	na	38.61	38.21	33.2	27.7
EV/EBITDA (x)	42.6	19.6	16.0	13.4	11.5
EV/EBITDA - at target price (x)	49.3	22.8	18.7	15.7	13.5
P/BV (x)	19.4	12.2	9.4	7.1	5.8
P/BV - at target price (x)	22.5	14.2	10.9	8.2	6.7
P/CFO (x)	35.2	20.8	17.1	15.4	13.7
Price/sales (x)	15.5	7.6	6.5	5.7	5.1
Dividend yield (%)	0.0	1.1	0.0	0.0	2.1
FCF Yield (%)	0.9	4.4	4.0	4.9	5.9
(Bt)					
Normalized EPS	(0.1)	0.3	0.4	0.5	0.5
EPS	(0.1)	0.4	0.4	0.5	0.5
DPS	0.0	0.1	0.0	0.0	0.3
BV/share	0.7	1.1	1.4	1.8	2.2
CFO/share	0.4	0.6	0.8	0.8	0.9
FCF/share	0.1	0.6	0.5	0.6	0.8

Sources: Company data, Thanachart estimates

SPA is not expensive in our view given its strong growth and financials

FINANCIAL RATIOS

FY ending Dec	2022A	2023A	2024F	2025F	2026F
Growth Rate					
Sales (%)	324.4	103.3	16.8	14.1	11.4
Net profit (%)	na	na	1.0	15.2	19.6
EPS (%)	na	na	1.0	15.2	19.6
Normalized profit (%)	na	na	25.4	15.2	19.6
Normalized EPS (%)	na	na	25.4	15.2	19.6
Dividend payout ratio (%)	0.0	35.8	0.0	0.0	50.0
Operating performance					
Gross margin (%)	11.3	30.2	30.1	32.4	33.3
Operating margin (%)	(6.0)	20.0	20.8	23.9	25.4
EBITDA margin (%)	37.8	39.1	40.3	40.8	41.3
Net margin (%)	(11.9)	18.6	19.9	20.1	21.5
D/E (incl. minor) (x)	1.1	0.3	0.2	0.2	0.2
Net D/E (incl. minor) (x)	0.7	0.1	(0.1)	(0.3)	(0.4)
Interest coverage - EBIT (x)	na	6.3	12.08	16.65	18.3
Interest coverage - EBITDA (x)	5.3	12.3	23.4	28.4	29.8
ROA - using norm profit (%)	na	12.2	16.5	16.3	16.3
ROE - using norm profit (%)	na	36.4	32.3	28.2	26.6
DuPont					
ROE - using after tax profit (%)	na	36.6	32.3	28.2	26.6
- asset turnover (x)	0.3	0.7	0.8	0.8	0.8
- operating margin (%)	na	21.9	22.0	25.2	26.9
- leverage (x)	3.9	3.0	2.0	1.7	1.6
- interest burden (%)	254.3	85.4	92.2	94.3	94.8
- tax burden (%)	na	99.5	98.0	84.5	84.5
WACC (%)	7.3	7.3	7.3	8.4	8.4
ROIC (%)	(4.1)	28.9	35.8	36.3	41.8
NOPAT (Bt m)	(43)	288	345	389	461
invested capital (Bt m)	996	963	1,072	1,102	1,095

Sources: Company data, Thanachart estimates

*Asset-light business
model supports high ROE*

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ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We identify five categories of ESG risk severity that could impact a company's enterprise value

Moody's ESG Solutions

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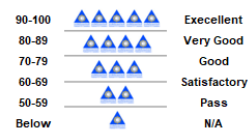
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Thanachart Securities Pcl.

Research Team

18 Floor, MBK Tower

444 Phayathai Road, Pathumwan Road, Bangkok 10330

Tel: 662 - 779-9119

Email: thanachart.res@thanachartsec.co.th

Pimpaka Nichgaroon, CFA

Head of Research, Strategy

Tel: 662-779-9199

pimpaka.nic@thanachartsec.co.th

Nuttapop Prasitsuksant

Telecom, Utilities

Tel: 662-483-8296

nuttapop.pra@thanachartsec.co.th

Rata Limsuthiwanpoom

Auto, Industrial Estate, Media, Prop. Fund

Tel: 662-483-8297

rata.lim@thanachartsec.co.th

Siriporn Arunothai

Small Cap, Healthcare, Hotel

Tel: 662-779-9113

siriporn.aru@thanachartsec.co.th

Sittichet Rungrassameephat

Analyst, Retail Market Strategy

Tel: 662-483-8303

sittichet.run@thanachartsec.co.th

Adisak Phupipathirungul

Retail Market Strategy

Tel: 662-779-9120

adisak.phu@thanachartsec.co.th

Pattadol Bunnak

Electronics, Food & Beverage, Shipping

Tel: 662-483-8298

pattadol.bun@thanachartsec.co.th

Saksid Phadthananarak

Construction, Transportation

Tel: 662-779-9112

saksid.pha@thanachartsec.co.th

Yupapan Polpornprasert

Energy, Petrochemical

Tel: 662-779-9110

yupapan.pol@thanachartsec.co.th

Thaloengsak Kucharoenpaisan

Analyst, Retail Market Strategy

Tel: 662-483-8304

thaloengsak.kuc@thanachartsec.co.th

Pattarawan Wangmingmat

Senior Technical Analyst

Tel: 662-779-9105

pattarawan.wan@thanachartsec.co.th

Phannarai Tiyapittayarut

Property, Retail

Tel: 662-779-9109

phannarai.von@thanachartsec.co.th

Sarachada Sornsong

Bank, Finance

Tel: 662-779-9106

sarachada.sor@thanachartsec.co.th

Witchanan Tambamroong

Technical Analyst

Tel: 662-779-9123

witchanan.tam@thanachartsec.co.th

Nariporn Klangpremchitt, CISA

Analyst, Retail Market Strategy

Tel: 662-779-9107

nariporn.kla@thanachartsec.co.th