



# Berli Jucker

Berli Jucker  
Public Company Limited

# BJC

Bloomberg BJC TB  
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## 2Q19: Beat estimates on impressive margin

**2Q19 net profit was Bt1.5bn (+9% YoY and +2% QoQ) and core profit was Bt1.8bn (+37% YoY and +20% QoQ), beating estimates on a wider gross margin and lower tax rate. Factoring these in raises our earnings by 4% in 2019F and 3% in 2020F. Last year's abnormally low effective tax rate leads us to expect lower core earnings growth YoY in 2H19F. NEUTRAL with a new DCF TP of Bt54 (from Bt53).**

**2Q19 net profit was Bt1.5bn, +9% YoY and +2% QoQ**, 10% above our estimate and 15% above consensus from a wider gross margin and lower tax rate. Excluding Bt274mn extra loss (Bt245mn after-tax provisions for employee benefits, Bt29mn FX loss), 2Q19 core profit was Bt1.8bn, +37% YoY and +20% QoQ. The jump YoY was supplied by better sales, wider gross margin and lower effective tax rate. BJC announced a 1H19 DPS of Bt0.18 (XD on August 28).

**Sales breakdown.** Of 2Q19 sales, 72% came from the modern retail supply chain (BIGC, MSC), 12% from the packaging supply chain (PSC), 12% from the consumer supply chain (CSC) and 5% from the healthcare and technical supply chain (H&TSC).

**Revenue up.** 2Q19 revenue grew 4% YoY to Bt40bn on better sales in all units. Revenue from MSC grew 3% YoY, with store expansion offsetting SSS contraction of 0.3% YoY (SSS growth was +0.4% YoY if excluding B2B sales). In 2Q19, it opened 63 mini BigC stores but closed 25, giving it 147 large stores (Big C Supercenter, Extra, and Jumbo), 61 Big C Markets, 835 Mini Big Cs, and 140 Pure Drug stores. Revenue from CSC grew 9% YoY from better food and non-food and international trading sales. Revenue from H&TSC grew 4% YoY from consolidation of White Group. Revenue from PSC grew 2% YoY from higher aluminum can sales (+3% YoY in 2Q19 from -17% YoY in 1Q19) as orders from new customers offset the decline of orders from an old customer and a rise in glass packaging sales (+2% YoY).

**Wider margin.** Gross margin widened 120bps YoY to 19.9% with a better margin for MSC and CSC outpacing the weaker margin for PSC and H&TSC. Margin rose at MSC (+130bps YoY) from a drop in B2B sales to 6.3% in 2Q19 from 7.1% in 2Q18, lower damage and shrinkage expenses and lower inventory provision expenses on good stock management and at CSC (+140bps YoY) from lower raw material prices of palm oil, crude coconut oil and pulp prices. Margin dropped at PSC (-110bps YoY) from lower economies of scale for the new can sizes and more low-margin export sales, followed by H&TSC (-90bps YoY). EBIT margin rose 50bps YoY to 8.8% from a wider gross margin and higher other income (+3% YoY) that offset higher SG&A/sales (+60bps YoY), most at MSC from higher personnel & utilities expenses.

**Lower tax.** 2Q19 effective tax rate was 12% (vs 22% in 2Q18 and 15% in 1Q19), from more benefit from the group tax restructuring after the acquisition of BIGC.

### Forecasts and valuation

Year to 31 Dec	Unit	2017	2018	2019F	2020F	2021F
Revenue	(Btmn)	149,158	156,142	162,822	170,221	177,585
EBITDA	(Btmn)	20,040	21,032	21,817	22,865	23,798
Core profit	(Btmn)	5,122	6,444	7,038	7,653	8,248
Reported profit	(Btmn)	5,211	6,650	6,782	7,653	8,248
Core EPS	(Bt)	1.28	1.61	1.76	1.91	2.06
DPS	(Bt)	0.57	0.73	0.70	0.77	0.82
P/E, core	(x)	38.4	30.6	28.0	25.7	23.9
EPS growth, core	(%)	35.5	25.6	9.2	8.7	7.8
P/BV, core	(x)	1.8	1.7	1.7	1.7	1.7
ROE	(%)	4.6	5.7	6.1	6.6	7.0
Dividend yield	(%)	1.2	1.5	1.4	1.6	1.7
FCF yield	(x)	1.3	3.0	3.8	4.5	4.9
EV/EBIT	(x)	27.6	26.1	25.2	23.9	22.7
EBIT growth, core	(%)	33.5	6.5	3.2	4.9	4.2
EV/CE	(x)	1.3	1.3	1.3	1.3	1.3
ROCE	(%)	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)
EV/EBITDA	(x)	17.4	16.7	16.1	15.2	14.5
EBITDA growth	(%)	28.7	5.0	3.7	4.8	4.1

Source: SCBS Investment Research

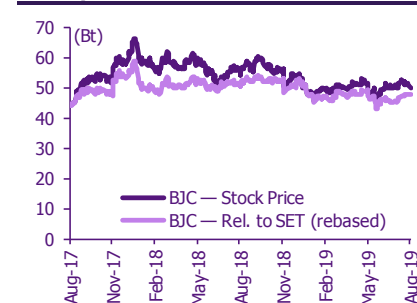
## NEUTRAL

### Stock data

Last close (Aug 14) (Bt)	49.25
12-m target price (Bt)	54.00
Upside (Downside) to TP (%)	9.64
Mkt cap (Btmn)	197.27
Mkt cap (US\$mn)	6,405

Risk rating	L
Mkt cap (%) SET	1.18
Sector % SET	10.08
Shares issued (mn)	4,005
Par value (Bt)	1.00
12-m high / low (Bt)	61.5 / 44.8
Avg. daily 6m (US\$mn)	10.99
Foreign limit / actual (%)	49 / 12
Free float (%)	25.7
Dividend policy (%)	≥ 50

### Price performance



Source: SET, SCBS Investment Research

### Share performance

(%)	1M	3M	12M
Absolute	(2.5)	(4.4)	(10.5)
Relative to SET	4.3	(3.1)	(6.3)

Source: SET, SCBS Investment Research

### Expected total return (ETR)

Target price	(Bt)	54.00
12-month dividend	(Bt)	0.70
Capital gain	(%)	9.64
Dividend yield	(%)	1.43
Total return	(%)	11.07

Source: SET, SCBS Investment Research

### Analyst

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## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Total revenue	(Btmn)	41,695	42,893	125,330	149,158	156,142	162,822	170,221	177,585
Cost of goods sold	(Btmn)	(32,363)	(33,071)	(102,735)	(120,706)	(126,173)	(130,970)	(136,780)	(142,558)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>9,333</b>	<b>9,822</b>	<b>22,595</b>	<b>28,452</b>	<b>29,968</b>	<b>31,852</b>	<b>33,441</b>	<b>35,027</b>
SG&A	(Btmn)	(7,011)	(7,179)	(24,324)	(30,686)	(32,263)	(34,425)	(36,145)	(37,913)
Other income	(Btmn)	693	1,500	11,204	14,885	15,771	16,478	17,289	18,081
Interest expense	(Btmn)	(556)	(493)	(5,203)	(4,528)	(4,719)	(4,951)	(4,897)	(4,796)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>2,459</b>	<b>3,650</b>	<b>4,272</b>	<b>8,122</b>	<b>8,757</b>	<b>8,954</b>	<b>9,688</b>	<b>10,398</b>
Corporate tax	(Btmn)	(398)	(400)	(983)	(2,260)	(1,569)	(1,343)	(1,453)	(1,560)
Equity a/c profits	(Btmn)	(26)	87	181	24	(110)	(74)	(81)	(90)
Minority interests	(Btmn)	(367)	(661)	(1,015)	(764)	(634)	(499)	(500)	(501)
<b>Core profit</b>	<b>(Btmn)</b>	<b>1,668</b>	<b>2,676</b>	<b>2,455</b>	<b>5,122</b>	<b>6,444</b>	<b>7,038</b>	<b>7,653</b>	<b>8,248</b>
Extra-ordinary items	(Btmn)	12	116	851	88	206	(256)	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>1,679</b>	<b>2,792</b>	<b>3,307</b>	<b>5,211</b>	<b>6,650</b>	<b>6,782</b>	<b>7,653</b>	<b>8,248</b>
EBITDA	(Btmn)	4,996	6,263	15,570	20,040	21,032	21,817	22,865	23,798
<b>Core EPS (Bt)</b>	<b>(Btmn)</b>	<b>1.05</b>	<b>1.68</b>	<b>0.95</b>	<b>1.28</b>	<b>1.61</b>	<b>1.76</b>	<b>1.91</b>	<b>2.06</b>
Net EPS (Bt)	(Bt)	1.05	1.75	1.28	1.31	1.66	1.70	1.91	2.06
DPS (Bt)	(Bt)	0.60	0.84	0.50	0.57	0.73	0.70	0.77	0.82

### Balance Sheet

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Total current assets	(Btmn)	17,763	18,380	35,993	38,542	43,360	41,835	43,244	44,466
Total fixed assets	(Btmn)	25,665	26,320	272,708	276,517	279,661	279,712	279,019	278,001
<b>Total assets</b>	<b>(Btmn)</b>	<b>43,428</b>	<b>44,701</b>	<b>308,701</b>	<b>315,059</b>	<b>323,021</b>	<b>321,547</b>	<b>322,263</b>	<b>322,467</b>
Total loans	(Btmn)	14,332	14,975	152,476	157,180	160,917	156,122	153,622	150,272
Total current liabilities	(Btmn)	18,204	15,313	51,851	50,254	90,286	75,191	85,196	66,912
Total long-term liabilities	(Btmn)	7,208	8,637	145,701	153,631	117,651	130,299	119,999	137,127
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>25,411</b>	<b>23,950</b>	<b>197,553</b>	<b>203,886</b>	<b>207,937</b>	<b>205,490</b>	<b>205,195</b>	<b>204,039</b>
Paid-up capital	(Btmn)	1,592	1,592	3,990	3,996	4,003	4,570	4,570	4,570
<b>Total equity</b>	<b>(Btmn)</b>	<b>18,017</b>	<b>20,750</b>	<b>111,148</b>	<b>111,173</b>	<b>115,084</b>	<b>116,057</b>	<b>117,068</b>	<b>118,428</b>
<b>BVPS (Bt)</b>	<b>(Bt)</b>	<b>11.31</b>	<b>13.03</b>	<b>42.87</b>	<b>27.85</b>	<b>28.77</b>	<b>29.02</b>	<b>29.27</b>	<b>29.61</b>

### Cash Flow Statement

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Core Profit	(Btmn)	1,668	2,676	2,455	5,122	6,444	7,038	7,653	8,248
Depreciation and amortization	(Btmn)	1,982	2,121	6,095	7,389	7,556	7,912	8,279	8,604
Operating cash flow	(Btmn)	4,396	4,693	17,938	17,380	17,636	15,448	16,383	17,299
Investing cash flow	(Btmn)	(3,284)	(1,611)	(208,512)	(14,846)	(11,641)	(7,963)	(7,586)	(7,586)
Financing cash flow	(Btmn)	(1,352)	(3,151)	192,912	(1,390)	(4,683)	(10,521)	(9,142)	(10,238)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>(240)</b>	<b>(69)</b>	<b>2,338</b>	<b>1,145</b>	<b>1,312</b>	<b>(3,035)</b>	<b>(346)</b>	<b>(525)</b>

### Key Financial Ratios

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
Gross margin	(%)	22.4	22.9	18.0	19.1	19.2	19.6	19.6	19.7
Operating margin	(%)	5.6	6.2	(1.4)	(1.5)	(1.5)	(1.6)	(1.6)	(1.6)
EBITDA margin	(%)	12.0	14.6	12.4	13.4	13.5	13.4	13.4	13.4
EBIT margin	(%)	7.2	9.7	7.6	8.5	8.6	8.5	8.6	8.6
Net profit margin	(%)	4.0	6.5	2.6	3.5	4.3	4.2	4.5	4.6
ROE	(%)	9.3	13.8	3.7	4.6	5.7	6.1	6.6	7.0
ROA	(%)	3.8	6.1	1.4	1.6	2.0	2.2	2.4	2.6
Net D/E	(x)	0.7	0.7	1.3	1.4	1.3	1.3	1.3	1.3
Interest coverage	(x)	9.0	12.7	3.0	4.4	4.5	4.4	4.7	5.0
Debt service coverage	(x)	0.6	0.8	0.6	0.9	0.3	0.5	0.4	0.7
Payout Ratio	(%)	56.9	47.9	39.2	43.7	43.9	40.0	40.0	40.0

### Main Assumptions

FY December 31	Unit	2014	2015	2016	2017	2018	2019F	2020F	2021F
SSS growth (MSC)	(%)	(1.5)	(3.0)	(12.8)	(5.6)	1.0	0.5	1.5	1.5
New stores, all formats (MSC)	(Stores)	77	98	63	180	154	209	157	157
Ending stores, all formats (MSC)	(Stores)	636	734	797	977	1,131	1,340	1,497	1,654
New stores, hypermarket (MSC)	(Stores)	4	2	6	9	7	8	6	6
Ending stores, hypermarket (MSC)	(Stores)	123	125	131	140	147	155	161	167
Gross profit margin (MSC)	(%)	15.0	13.7	14.7	16.7	16.5	17.1	17.2	17.3

## Financial statement

## Profit and Loss Statement

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Total revenue	(Btmn)	37,067	39,307	37,069	39,024	38,823	41,226	38,389	40,435
Cost of goods sold	(Btmn)	(29,799)	(31,505)	(30,055)	(31,707)	(31,414)	(32,998)	(30,969)	(32,368)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>7,268</b>	<b>7,802</b>	<b>7,014</b>	<b>7,317</b>	<b>7,409</b>	<b>8,228</b>	<b>7,421</b>	<b>8,067</b>
SG&A	(Btmn)	(7,662)	(8,169)	(7,597)	(8,030)	(8,096)	(8,539)	(8,227)	(8,571)
Other income	(Btmn)	3,661	4,018	3,737	3,925	3,923	4,186	3,929	4,044
Interest expense	(Btmn)	(1,116)	(1,174)	(1,146)	(1,170)	(1,193)	(1,211)	(1,197)	(1,245)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>2,151</b>	<b>2,477</b>	<b>2,008</b>	<b>2,042</b>	<b>2,043</b>	<b>2,664</b>	<b>1,925</b>	<b>2,294</b>
Corporate tax	(Btmn)	(576)	(558)	(506)	(456)	(195)	(412)	(289)	(274)
Equity a/c profits	(Btmn)	7	0	(6)	(76)	(39)	10	6	(81)
Minority interests	(Btmn)	(203)	(188)	(184)	(195)	(115)	(140)	(146)	(138)
<b>Core profit</b>	<b>(Btmn)</b>	<b>1,378</b>	<b>1,731</b>	<b>1,312</b>	<b>1,316</b>	<b>1,694</b>	<b>2,122</b>	<b>1,496</b>	<b>1,802</b>
Extra-ordinary items	(Btmn)	9	132	133	80	(11)	3	8	(274)
<b>Net Profit</b>	<b>(Btmn)</b>	<b>1,387</b>	<b>1,863</b>	<b>1,445</b>	<b>1,396</b>	<b>1,683</b>	<b>2,126</b>	<b>1,504</b>	<b>1,528</b>
EBITDA	(Btmn)	5,156	5,571	5,020	5,109	5,110	5,794	5,005	5,443
<b>Core EPS (Bt)</b>	<b>(Btmn)</b>	<b>0.35</b>	<b>0.43</b>	<b>0.33</b>	<b>0.33</b>	<b>0.42</b>	<b>0.53</b>	<b>0.37</b>	<b>0.45</b>
Net EPS (Bt)	(Bt)	0.35	0.47	0.36	0.35	0.42	0.53	0.38	0.38

## Balance Sheet

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Total current assets	(Btmn)	35,789	38,542	38,491	38,190	38,876	43,360	43,120	41,138
Total fixed assets	(Btmn)	276,767	276,517	276,842	276,968	278,273	279,661	279,656	278,863
<b>Total assets</b>	<b>(Btmn)</b>	<b>312,556</b>	<b>315,059</b>	<b>315,332</b>	<b>315,159</b>	<b>317,148</b>	<b>323,021</b>	<b>322,775</b>	<b>320,002</b>
Total loans	(Btmn)	158,278	157,180	156,973	157,453	159,195	160,917	160,572	158,288
Total current liabilities	(Btmn)	53,030	50,254	61,514	59,247	85,047	90,286	83,156	93,724
Total long-term liabilities	(Btmn)	150,483	153,631	141,574	143,673	118,985	117,651	123,203	110,681
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>203,513</b>	<b>203,886</b>	<b>203,088</b>	<b>202,920</b>	<b>204,032</b>	<b>207,937</b>	<b>206,359</b>	<b>204,406</b>
Paid-up capital	(Btmn)	3,993	3,996	3,997	4,000	4,002	4,003	4,003	4,005
<b>Total equity</b>	<b>(Btmn)</b>	<b>109,043</b>	<b>111,173</b>	<b>112,245</b>	<b>112,239</b>	<b>113,117</b>	<b>115,084</b>	<b>116,416</b>	<b>115,596</b>
<b>BVPS (Bt)</b>	<b>(Bt)</b>	<b>27.31</b>	<b>27.84</b>	<b>28.08</b>	<b>28.07</b>	<b>28.27</b>	<b>28.76</b>	<b>29.10</b>	<b>28.89</b>

## Cash Flow Statement

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Core Profit	(Btmn)	1,387	1,863	1,445	1,396	1,683	2,126	1,504	1,528
Depreciation and amortization	(Btmn)	1,889	1,920	1,867	1,896	1,874	1,919	1,883	1,903
Operating cash flow	(Btmn)	4,738	6,792	2,637	4,214	4,790	5,995	3,925	5,258
Investing cash flow	(Btmn)	(7,650)	(3,453)	(2,205)	(2,136)	(3,002)	(4,298)	(2,150)	5,912
Financing cash flow	(Btmn)	3,490	(1,668)	(1,653)	(1,899)	(1,035)	(96)	(1,096)	(5,513)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>577</b>	<b>1,671</b>	<b>(1,221)</b>	<b>179</b>	<b>753</b>	<b>1,601</b>	<b>679</b>	<b>5,656</b>

## Key Financial Ratios

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
Gross margin	(%)	19.6	19.8	18.9	18.8	19.1	20.0	19.3	19.9
Operating margin	(%)	(1.1)	(0.9)	(1.6)	(1.8)	(1.8)	(0.8)	(2.1)	(1.2)
EBITDA margin	(%)	13.9	14.2	13.5	13.1	13.2	14.1	13.0	13.5
EBIT margin	(%)	8.8	9.3	8.5	8.2	8.3	9.4	8.1	8.8
Net profit margin	(%)	3.7	4.7	3.9	3.6	4.3	5.2	3.9	3.8
ROE	(%)	5.0	6.3	4.7	4.7	6.0	7.4	5.2	6.2
ROA	(%)	1.8	2.2	1.7	1.7	2.1	2.7	1.9	2.2
Net D/E	(x)	1.4	1.4	1.4	1.4	1.4	1.3	1.3	1.3
Interest coverage	(x)	4.6	4.7	4.4	4.4	4.3	4.8	4.2	4.4
Debt service coverage	(x)	0.8	1.0	0.6	0.6	0.3	0.4	0.4	0.3

## Main Assumptions

FY December 31	Unit	3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19
SSS growth (MSC)	(%)	9.2	3.8	0.3	(0.5)	2.5	1.8	1.0	(0.3)
New stores, all formats (MSC)	(Stores)	59	73	26	27	28	73	14	38
Ending stores, all formats (MSC)	(Stores)	904	977	1,003	1,030	1,058	1,131	1,145	1,183
New stores, hypermarket (MSC)	(Stores)	3	5	2	1	2	2	0	0
Ending stores, hypermarket (MSC)	(Stores)	135	140	142	143	145	147	147	147
Gross profit margin (MSC)	(%)	17.7	17.3	15.9	16.1	16.8	17.2	16.3	17.4

Figure 1: Earnings review

P & L (Btmn)	2Q18	3Q18	4Q18	1Q19	2Q19	% Chg YoY	% Chg QoQ
Total revenue	39,024	38,823	41,226	38,389	40,435	3.6	5.3
Gross profit	7,317	7,409	8,228	7,421	8,067	10.2	8.7
SG&A expense	(8,030)	(8,096)	(8,539)	(8,227)	(8,571)	6.7	4.2
Net other income/expense	3,925	3,923	4,186	3,929	4,044	3.0	2.9
Interest expense	(1,170)	(1,193)	(1,211)	(1,197)	(1,245)	6.4	4.0
Pre-tax profit	2,042	2,043	2,664	1,925	2,294	12.3	19.2
Corporate tax	(456)	(195)	(412)	(289)	(274)	(40)	(5.3)
Equity a/c profits	(76)	(39)	10	6	(81)	6.3	(1,385.1)
Minority interests	(195)	(115)	(140)	(146)	(138)	(28.8)	(5.0)
EBITDA	5,109	5,110	5,794	5,005	5,443	6.5	8.7
Core profit	1,316	1,694	2,122	1,496	1,802	36.9	20.4
Extra. Gain (Loss)	80	(11)	3	8	(274)	(442.5)	(3,726.6)
Net Profit	1,396	1,683	2,126	1,504	1,528	9.4	1.6
Net EPS	0.35	0.42	0.53	0.38	0.38	9.4	1.6
<b>B/S (Btmn)</b>							
Total assets	315,159	317,148	323,021	322,775	320,002	1.5	(0.9)
Total liabilities	202,920	204,032	207,937	206,359	204,406	0.7	(0.9)
Total equity	112,239	113,117	115,084	116,416	115,596	3.0	(0.7)
BVPS (Bt)	28.07	28.27	28.76	29.10	28.89	2.9	(0.7)
<b>Financial ratio (%)</b>							
Gross margin	18.8	19.1	20.0	19.3	19.9	1.2	0.6
EBITDA margin	13.1	13.2	14.1	13.0	13.5	0.4	0.4
Net profit margin	3.6	4.3	5.2	3.9	3.8	0.2	(0.1)
SG&A expense/Revenue	20.6	20.9	20.7	21.4	21.2	0.6	(0.2)

Source: SCBS Investment Research

Figure 2: Key statistics

	2Q18	3Q18	4Q18	1Q19	2Q19	% Chg YoY	% Chg QoQ
<b>Sales (Bt mn)</b>	<b>39,024</b>	<b>38,823</b>	<b>41,226</b>	<b>38,389</b>	<b>40,435</b>	<b>3.6</b>	<b>5.3</b>
- PSC	4,880	5,040	5,851	4,896	4,989	2.2	1.9
- CSC	4,332	4,342	4,578	4,728	4,734	9.3	0.1
- H&TSC	1,997	2,022	2,603	1,998	2,079	4.1	4.1
- MSC	28,010	27,655	28,532	27,047	28,990	3.5	7.2
<b>GPM (%)</b>	<b>18.8</b>	<b>19.1</b>	<b>20.0</b>	<b>19.3</b>	<b>19.9</b>	<b>1.2</b>	<b>0.6</b>
- PSC	22.2	20.8	21.3	22.7	21.1	(1.1)	(1.6)
- CSC	20.2	20.3	20.8	21.9	21.6	1.4	(0.3)
- H&TSC	31.9	32.1	33.1	32.0	31.0	(0.9)	(1.0)
- MSC	16.1	16.8	17.2	16.3	17.4	1.3	1.1
<b>EBIT margin (%)</b>	<b>8.2</b>	<b>8.3</b>	<b>9.4</b>	<b>8.1</b>	<b>8.8</b>	<b>0.5</b>	<b>0.6</b>
- PSC	17.3	14.3	15.7	15.0	15.7	(1.6)	0.7
- CSC	8.0	7.2	6.5	8.0	8.8	0.8	0.8
- H&TSC	10.5	12.2	17.1	14.4	11.6	1.1	(2.8)
- MSC	6.8	7.4	7.4	6.4	7.1	0.3	0.7

Source: SCBS Investment Research

Figure 3: Valuation summary (price as of Aug 14, 2019)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F	18A	19F	20F
BJC	Neutral	49.25	54.0	11.1	30.6	28.0	25.7	26	9	9	1.7	1.7	1.7	6	6	7	1.5	1.4	1.6	16.7	16.1	15.2
CPALL	Buy	83.50	98.0	18.8	39.0	37.1	32.8	16	5	13	9.3	7.5	6.7	28	24	23	1.3	1.4	1.6	21.6	20.2	18.3
GLOBAL	Buy	15.30	19.0	25.5	40.0	32.1	33.8	(4)	25	(5)	4.8	4.3	4.0	13	14	12	1.1	1.3	0.9	26.1	21.7	22.0
HMPRO	Buy	17.10	19.5	16.4	39.7	34.5	30.6	16	15	13	11.3	10.3	9.4	29	31	32	2.0	2.3	2.6	22.6	20.3	18.5
MAKRO	Neutral	35.50	40.0	15.4	27.6	28.7	27.7	14	(4)	3	9.5	8.8	8.2	37	32	31	2.7	2.7	2.7	16.8	17.0	16.6
ROBINS	Buy	62.75	70.0	13.9	23.3	21.4	19.0	7	11	9	3.7	3.4	3.1	16	17	17	2.2	2.3	2.6	12.9	12.3	11.1
<b>Average</b>					<b>33.4</b>	<b>30.3</b>	<b>28.3</b>	<b>13</b>	<b>10</b>	<b>7</b>	<b>6.7</b>	<b>6.0</b>	<b>5.5</b>	<b>22</b>	<b>21</b>	<b>20</b>	<b>1.8</b>	<b>1.9</b>	<b>2.0</b>	<b>19.5</b>	<b>17.9</b>	<b>16.9</b>

Source: SCBS Investment Research

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2S, AAV, ACAP, AGE, AH, AHC, AIRA, AIT, AKR, ALLA, ALT, AMA, AMANAH, APCO, AQUA, ARIP, ARROW, ASIA, ASIMAR, ASK, ASN, ASP, ATP30, AU, AUCT, AYUD, BA, BBL, BDMS, BEC, BEM, BFIT, BGRIM, BIZ, BJC, BJCHI, BLA, BOL, BPP, BROOK, BTW, CBG, CEN, CENTEL, CGH, CHEWA, CHG, CHOW, CI, CIMBT, CNS, COM7, COMAN, CPALL, CSC, CSP, DCC, DCORP, DDD, EASON, ECF, ECL, EE, EPG, ERW, ETE, FN, FNS, FORTH, FPI, FSMART, FVC, GBX, GCAP, GLOBAL, GLOW, GULF, HARN, HTC, HYDRO, ICN, ILINK, INET, IRC, ITD\*, JAS, JCKH, JKN, JWD, K, KBS, KCAR, KGI, KKC, KOOL, KTIS, L&E, LANNA, LDC, LH, LHK, LOXLEY, LRH, LST, M, MACO, MAJOR, MALEE, MBKET, MC, MEGA, METCO, MFC, MFEC, MK, MOONG, MSC, MTI, NCH, NEP, NINE, NOBLE, NOK, NSI, NTV, NWR, OCC, OGC, ORI, PAP, PATO, PB, PDI, PJW, PLAT, PM, PORT, PPP, PREB, PRECHA, PRINC, PRM, PT, QLT, RICHY, RML, RS, RWI, S, S11, SALEE, SANKO, SAWAD, SCG, SCI, SCN, SE, SEAFCO, SEAOLIL, SELIC, SENA, SFP, SIAM, SINGER, SIRI, SKE, SMK, SMPK, SMT, SNP, SORKON, SPC, SPI, NEX, SPVI, SR, SSF, SST, STA, SUC, SUSCO, SUTHA, SWC, SYMC, SYNEX, TACC, TAE, TAKUNI, TBSP, TCC, TEAM, TFG, TFMAMA, THRE, TICON, TIPCO, TK, TKN, TKS, TM, TMC, TMI, TMILL, TMT, TNITY, TNL, TNP, TNR, TOA, TOG, TPA, TPAC, TPBI, TPCORP, TRITN, TRT, TSE, TSR, TSTE, TTA, TTW, TVI, TVO, TWP, TWPC, U, UMI, UOBKH, UP, UPF, UPOIC, UT, UWC, VNT, WHAUP, WICE, WIUK, XO, YUASA, ZMICO

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7UP, ABICO, ABM, AEC, AEONTS, AF, AJ, ALUCON, AMARIN, AMC, AS, ASAP, ASEFA, ASIAN, BCH, BEAUTY, BGT, BH, BIG, BLAND, BM, BR, BROCK, BSBM, BTNC, CCET, CCP, CGD, CHARAN, CHAYO, CITY, CMO, CMR, COLOR, CPL, CPT, CRD, CSR, CTW, CWT, D, DCON, B52, DIMET, EKH, EMC, EPCO, ESSO, ESTAR, FE, FLOYD, PROUD, FSS, FTE, GENCO, GIFT, GJS, GLAND, GPI, GREEN, GTB, GYT, HTECH, IFS, IHL, III, INOX, INSURE, IRCP, IT, ITCL, J, JCK, JMART, JMT, JTS, JUBILE, KASET, KCM, KIAT, KWC, KWG, KYE, LALIN, LEE, LPH, MATCH, MATI, MBAX, M-CHAI, MDX, META, MILL, MJD, MM, MODERN, MPG, NC, NDR, NETBAY, NNCL, NPK, OCEAN, PAF, PDG, PF, PICO, PIMO, PK, PL, PLE, PMTA, PPPM, PRIN, PSTC, PTL, RCI, RCL, RJH, ROJNA, RPC, RPH, SAMCO, SAPPE, SCP, SF, SGF, SGP, SKN, SKR, SKY, SLP, SMIT, SOLAR, SPA, SPCG, SPG, SQ, SRICHA, SSC, SSP, STANLY, STPI, SUN, SUPER, SVOA, T, TCCC, TCMC, THE, THG, THMUI, SEG, TITLE, TIW, TMD, TOPP, TPCH, TPIPP, TPOLY, TTI, TVT, TYCN, UEC, UMS, UNIQ, VCOM, VIBHA, VPO, WIN, WORK, WP, WPH, ZIGA

**Corporate Governance Report**

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 evaluation 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. SCB Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition

(Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2017 to 19 October 2018) is publicized.

CSL was voluntarily delisted from the Stock Exchange of Thailand effectively on July 26, 2018

\* บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำความผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข้อดังกล่าวประกอบด้วย

**Anti-corruption Progress Indicator****Certified (ได้รับการรับรอง)**

ADVANC, AKP, AMANAH, AP, APCS, ASK, ASP, AYUD, BAFS, BANPU, BAY, BBL, BCH, BCP, BCPG, BGRIM, BJCHI, BKI, BLA, BROOK, BRR, BSBM, BTS, BWG, CENTEL, CFRESH, CHEWA, CIG, CM, CNS, COM7, CPALL, CPF, CPI, CPN, CSC, DCC, DEMCO, DIMET, DRT, DTAC, DTC, EASTW, ECL, EGCO, EPCO, FE, FNS, FPT, FSS, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GLOW, GOLD, GPSC, GSTEEL, GUNKUL, HANA, HARN, HMPRO, HTC, ICC, IFEC, IFS, INET, INTUCH, IRPC, IVL, K, KASET, KBANK, KBS, KCAR, KCE, KGI, KKP, KSL, KTB, KTC, KWC, L&E, LANNA, LHFG, LHK, LPN, M, MAKRO, MALEE, MBAX, MBK, MBKET, MC, MCOT, MFC, MINT, MONO, MOONG, MSC, MTI, NBC, NINE, NKI, NMG, NNCL, NSI, OCC, OCEAN, OGC, PATO, PB, PCSGH, PDG, PDI, PDJ, PE, PG, PHOL, PL, PLANET, PLAT, PM, PPP, PPPM, PPS, PREB, PRG, PRINC, PSH, PSTC, PT, PTG, PTT, PTTEP, PTTGC, Q-CON, QH, QLT, RATCH, RML, ROBINS, S & J, SABINA, SAT, SC, SCB, SCC, SCCC, SCG, SCN, SE-ED, SELIC, SENA, SGP, SINGER, SIRI, SIS, SITHAI, SMIT, SMK, SMPK, SNC, SNP, SORKON, SPACK, SPC, SPI, SPRC, SRICHA, SSF, SSI, SSSC, STA, SUSCO, SVI, SYNTEC, TAE, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, THANI, THCOM, THRE, THREL, TIP, TIPCO, TISCO, TKT, TMB, TMD, TMI, TMILL, TMT, TNITY, TNL, TNP, TOG, TOP, TPA, TPCORP, TRU, TRUE, TSC, TSTH, TTCL, TU, TVD, TVI, TWPC, U, UBIS, UOBKH, VGI, VNT, WACOAL, WHA, WICE, WIUK

**Declared (ประกาศเจตนารมณ์)**

A, ABICO, AIE, AJ, AMATA, AMATAV, ANAN, AOT, APCO, ARROW, ASIAN, B, BJC, BLAND, BLISS, BM, BPP, BR, BUI, CEN, CGH, CHG, CHO, CHOTI, CI, CIMBT, CITY, COL, CPR, DDD, EFORL, EKH, ESTAR, ETE, FLOYD, FN, FPI, FTE, GPI, GYT, ICHI, ILINK, INSURE, IRC, ITCL, JAS, JTS, KWG, LDC, LEE, LIT, LRH, MATCH, MATI, META, MFEC, MILL, MTC, NCL, NEP, NWR, ORI, PAP, PK, PLANB, POST, PRM, PRO, PSL, PYLON, QTC, ROJNA, RWI, SAPPE, SCI, SHANG, SPALI, SST, STANLY, SUPER, SWC, SYMC, SYNEX, TAKUNI, THE, THIP, TKN, TMC, TNR, TOPP, TPP, TRITN, TTI, TVO, UEC, UKEM, UP, UREKA, UV, UWC, VIH, XO, YUASA

**N/A**

2S, 7UP, AAV, ABM, ACAP, ACC, ACG, ADAM, ADB, AEC, AEONTS, AF, AFC, AGE, AH, AHC, AI, AIRA, AIT, AJA, AKR, ALL, ALLA, ALT, ALUCON, AMA, AMARIN, AMC, APEX, APURE, AQ, AQUA, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, BA, BAT-3K, BCT, BDMS, BEAUTY, BEC, BEM, BFIT, BGC, BGT, BH, BIG, BIZ, BKD, BOL, BROCK, BSM, BTNC, BTW, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHOW, CHUO, CK, CKP, CMAN, CMC, CMO, CMR, CNT, COLOR, COMAN, COTTO, CPH, CPL, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DCORP, DELTA, B52, DOD, DOHOME, DTCL, EA, EARTH, EASON, ECF, EE, EIC, EMC, EPG, ERW, ESSO, EVER, F&D, FANCY, PRIME, FMT, PROUD, FORTH, FSMART, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GRAMMY, GRAND, GREEN, GSC, GTB, GULF, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IHL, III, ILM, INGRS, INOX, IRCP, IT, ITD, J, JCK, JCKH, JCT, JKN, JMART, JMT, JSP, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KKC, KOOL, KTECH, KTIS, KUMWEL, KWM, KYE, LALIN, LH, LOXLEY, LPH, LST, MACO, MAJOR, MANRIN, MAX, M-CHAI, MCS, MDX, MEGA, METCO, MGT, MIDA, MITSIB, MJD, MK, ML, MM, MODERN, MORE, MPG, MPIC, MVP, NC, NCH, NDR, NER, NETBAY, NEW, NEWS, NFC, NOBLE, NOK, NPK, NPPG, NTV, NUSA, NVD, NYT, OHTL, OISHI, OSP, OTO, PACE, PAE, PAF, PERM, PF, PICO, PIMO, PJW, PLE, PMTA, POLAR, POMPUI, PORT, PPM, PR9, PRAKIT, PRECHA, PRIN, PTL, RAM, RCI, RCL, RICH, RICHY, RJH, ROCK, ROH, RP, RPC, RPH, RS, RSP, S, S11, SAAM, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCP, SDC, SE, SEAFCO, SEAOLIL, SF, SFP, SGF, SIAM, SIMAT, SISB, SKE, SKN, SKR, SKY, SLP, SMART, STARK, SMT, SOLAR, SONIC, SPA, SPCG, SPG, SPORT, NEX, SPVI, SQ, SR, SSC, SSP, STAR, STEC, STHAI, STI, STPI, SUC, SUN, SUTHA, SVH, SVOA, T, TACC, TAPAC, TBSP, TC, TCC, TCCC, TCJ, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THG, THL, THMUI, SEG, TIGER, TITLE, TIW, TK, TKS, TM, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPCH, TPCH, TPIPP, TPLAS, TPOLY, TQM, TR, TRC, TRT, TRUBB, TSE, TSF, TSI, TSR, TSTE, TTA, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPF, UPOIC, UT, UTP, UVAN, VARO, VCOM, VI, VIBHA, VL, VNG, VPO, VRANDA, WAVE, WG, WHAUP, WIN, WINNER, WORK, WORLD, WP, WPH, WR, YCI, ZEN, ZIGA, ZMICO

**Explanations**

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 30, 2018) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.