

# Berli Jucker

Berli Jucker  
Public Company Limited

# BJC

Bloomberg BJC TB  
Reuters BJC.BK

## 3Q19: Core profit misses estimates

**3Q19 net profit was Bt1.8bn, +5% YoY and +16% QoQ. Excluding extra items, core profit was Bt1.4bn, -15% YoY and -20% QoQ, below market estimates. We cut our forecast by 4% in each of 2019 and 2020 as we cut our sales for the MSC unit. With weak SSS growth in the MSC unit in 4Q19TD and slow revival in the PSC unit, we expect 4Q19F core earnings growth to be unexciting YoY. NEUTRAL with a new DCF TP of Bt53 (from Bt56).**

**3Q19 net profit was Bt1.8bn, +5% YoY and +16% QoQ**, in line with market estimates with extra items of Bt332mn consisting of Bt32mn FX gain and Bt300mn gain on the reversal of property tax provision expense after a change in accounting treatment. From 3Q19, BJC has changed to recording property tax expenses in the year in which they are incurred rather than making provisions for property taxes for the following year in advance. Excluding extra items, 3Q19 core profit was Bt1.4bn, -15% YoY and -20% QoQ, below market estimates. The drop reflected lower sales and higher effective tax rate.

**Sales breakdown.** Of 3Q19 sales, 70% came from the modern retail supply chain (BIGC, MSC), 13% from the packaging supply chain (PSC), 12% from the consumer supply chain (CSC) and 6% from the healthcare and technical supply chain (H&TSC).

**Lower revenue.** Revenue in 3Q19 fell 1% YoY to Bt39bn due to lower MSC revenue, which slipped 1% YoY with an SSS contraction of 4.9% YoY (SSS contraction was -5.5% YoY excluding B2B sales), offsetting store expansion. In 3Q19 it opened a hypermarket and a Big C Food Place, 61 mini BigC stores (but closed 9) and three Pure Drug stores, giving it 147 large stores (Big C Supercenter, Extra, and Jumbo), 62 Big C Markets, 887 Mini Big Cs and 143 Pure Drug stores. Revenue from PSC was flat YoY as higher glass packaging sales (+5% YoY) were offset by lower aluminum can sales (-6% YoY in 3Q19 from +3% YoY in 2Q19) from lower energy drink can sales. Revenue from CSC grew 3% YoY and from H&TSC was up 11% YoY.

**Wider margin.** Gross margin widened 10bps YoY to 19.2% with a better margin for MSC and CSC outpacing the weaker margin for PSC and H&TSC. Margin rose at MSC (+30bps YoY) off a higher non-food margin from better management of promotional campaigns and lower logistics costs sufficient to offset a rise in low-margin B2B sales to 8.7% in 3Q19 from 8.6% in 3Q18, and at CSC (+60bps YoY) from lower raw material prices of palm oil, crude coconut oil and pulp prices. Margin dropped at PSC (-260bps YoY) from lower economies of scale for the new can sizes and more low-margin export sales, followed by H&TSC (-390bps YoY). EBIT margin dropped 10bps YoY to 8.2% as higher SG&A/sales (+60bps YoY) overwhelmed the wider gross margin and higher other income (+4% YoY).

**Higher tax.** 3Q19 effective tax rate was 16.5% (vs 10% in 3Q18 and 12% in 2Q19).

### Forecasts and valuation

Year to 31 Dec	Unit	2017	2018	2019F	2020F	2021F
Revenue	(Btmn)	149,158	156,142	160,594	167,663	174,780
EBITDA	(Btmn)	20,040	21,032	21,485	22,101	22,859
Core profit	(Btmn)	5,122	6,444	6,823	7,270	7,783
Reported profit	(Btmn)	5,211	6,650	6,889	7,270	7,783
Core EPS	(Bt)	1.28	1.61	1.71	1.82	1.95
DPS	(Bt)	0.57	0.73	0.68	0.73	0.78
P/E, core	(x)	38.6	30.7	29.0	27.2	25.4
EPS growth, core	(%)	35.5	25.6	5.9	6.6	7.1
P/BV, core	(x)	1.8	1.7	1.7	1.7	1.7
ROE	(%)	4.6	5.7	5.9	6.2	6.6
Dividend yield	(%)	1.2	1.5	1.4	1.5	1.6
FCF yield	(x)	1.3	3.0	4.3	4.4	4.8
EV/EBIT	(x)	27.7	26.2	25.7	24.9	23.9
EBIT growth, core	(%)	33.5	6.5	1.1	2.4	3.5
EV/CE	(x)	1.3	1.3	1.3	1.3	1.3
ROCE	(%)	(0.6)	(0.7)	(0.9)	(1.0)	(1.0)
EV/EBITDA	(x)	17.5	16.8	16.3	15.8	15.1
EBITDA growth	(%)	28.7	5.0	2.2	2.9	3.4

Source: SCBS Investment Research



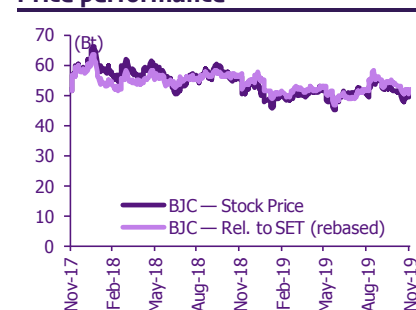
## NEUTRAL

### Stock data

Last close (Nov 12) (Bt)	49.50
12-m target price (Bt)	53.00
Upside (Downside) to TP (%)	7.07
Mkt cap (Btbn)	198.34
Mkt cap (US\$mn)	6,541

Risk rating	L
Mkt cap (%) SET	1.16
Sector % SET	9.60
Shares issued (mn)	4,007
Par value (Bt)	1.00
12-m high / low (Bt)	56.5 / 44.8
Avg. daily 6m (US\$mn)	11.31
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	(3.4)	0.0	(11.2)
Relative to SET	(3.4)	(0.4)	(9.4)

Source: SET, SCBS Investment Research

### Expected total return (ETR)

Target price	(Bt)	53.00
12-month dividend	(Bt)	0.68
Capital gain	(%)	7.07
Dividend yield	(%)	1.38
Total return	(%)	8.45

Source: SET, SCBS Investment Research

### Analyst

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**Financial statement****Profit and Loss Statement**

<b>FY December 31</b>	<b>Unit</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019F</b>	<b>2020F</b>	<b>2021F</b>
Total revenue	(Btmn)	41,695	42,893	125,330	149,158	156,142	160,594	167,663	174,780
Cost of goods sold	(Btmn)	(32,363)	(33,071)	(102,735)	(120,706)	(126,173)	(129,333)	(134,819)	(140,336)
<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>31,260</b>	<b>32,844</b>	<b>34,444</b>
SG&A	(Btmn)	(7,011)	(7,179)	(24,324)	(30,686)	(32,263)	(34,176)	(35,931)	(37,569)
Other income	(Btmn)	693	1,500	11,204	14,885	15,771	16,545	17,050	17,573
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>8,679</b>	<b>9,065</b>	<b>9,652</b>
Corporate tax	(Btmn)	(398)	(400)	(983)	(2,260)	(1,569)	(1,302)	(1,360)	(1,448)
Equity a/c profits	(Btmn)	(26)	87	181	24	(110)	(100)	20	35
Minority interests	(Btmn)	(367)	(661)	(1,015)	(764)	(634)	(454)	(455)	(456)
<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>6,823</b>	<b>7,270</b>	<b>7,783</b>
Extra-ordinary items	(Btmn)	12	116	851	88	206	66	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>6,889</b>	<b>7,270</b>	<b>7,783</b>
EBITDA	(Btmn)	4,996	6,263	15,570	20,040	21,032	21,485	22,101	22,859
<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>1.71</b>	<b>1.82</b>	<b>1.95</b>
Net EPS (Bt)	(Bt)	1.05	1.75	1.28	1.31	1.66	1.72	1.82	1.95
DPS (Bt)	(Bt)	0.60	0.84	0.50	0.57	0.73	0.68	0.73	0.78

**Balance Sheet**

<b>FY December 31</b>	<b>Unit</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019F</b>	<b>2020F</b>	<b>2021F</b>
Total current assets	(Btmn)	17,763	18,380	35,993	38,542	43,360	42,277	43,637	44,766
Total fixed assets	(Btmn)	25,665	26,320	272,708	276,517	279,661	278,742	277,686	276,358
<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>321,019</b>	<b>321,323</b>	<b>321,124</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	74,747	84,664	66,310
Total long-term liabilities	(Btmn)	7,208	8,637	145,701	153,631	117,651	130,108	119,781	136,888
<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>204,855</b>	<b>204,445</b>	<b>203,198</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>116,164</b>	<b>116,878</b>	<b>117,926</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>29.04</b>	<b>29.22</b>	<b>29.48</b>

**Cash Flow Statement**

<b>FY December 31</b>	<b>Unit</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019F</b>	<b>2020F</b>	<b>2021F</b>
Core Profit	(Btmn)	1,668	2,676	2,455	5,122	6,444	6,823	7,270	7,783
Depreciation and amortization	(Btmn)	1,982	2,121	6,095	7,389	7,556	7,856	8,139	8,411
Operating cash flow	(Btmn)	4,396	4,693	17,938	17,380	17,636	15,374	15,832	16,621
Investing cash flow	(Btmn)	(3,284)	(1,611)	(208,512)	(14,846)	(11,641)	(6,937)	(7,082)	(7,083)
Financing cash flow	(Btmn)	(1,352)	(3,151)	192,912	(1,390)	(4,683)	(10,521)	(9,056)	(10,085)
<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>(2,084)</b>	<b>(306)</b>	<b>(547)</b>

**Key Financial Ratios**

<b>FY December 31</b>	<b>Unit</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019F</b>	<b>2020F</b>	<b>2021F</b>
Gross margin	(%)	22.4	22.9	18.0	19.1	19.2	19.5	19.6	19.7
Operating margin	(%)	5.6	6.2	(1.4)	(1.5)	(1.5)	(1.8)	(1.8)	(1.8)
EBITDA margin	(%)	12.0	14.6	12.4	13.4	13.5	13.4	13.2	13.1
EBIT margin	(%)	7.2	9.7	7.6	8.5	8.6	8.5	8.3	8.3
Net profit margin	(%)	4.0	6.5	2.6	3.5	4.3	4.3	4.3	4.5
ROE	(%)	9.3	13.8	3.7	4.6	5.7	5.9	6.2	6.6
ROA	(%)	3.8	6.1	1.4	1.6	2.0	2.1	2.3	2.4
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	4.3	4.5	4.8
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**

<b>FY December 31</b>	<b>Unit</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019F</b>	<b>2020F</b>	<b>2021F</b>
SSS growth (MSC)	(%)	(1.5)	(3.0)	(12.8)	(5.6)	1.0	(1.3)	1.5	1.5
New stores, all formats (MSC)	(Stores)	77	98	63	180	154	205	157	157
Ending stores, all formats (MSC)	(Stores)	636	734	797	977	1,131	1,336	1,493	1,650
New stores, hypermarket (MSC)	(Stores)	4	2	6	9	7	4	6	6
Ending stores, hypermarket (MSC)	(Stores)	123	125	131	140	147	151	157	163
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	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
Total revenue	(Btmn)	39,307	37,069	39,024	38,823	41,226	38,389	40,435	38,620
Cost of goods sold	(Btmn)	(31,505)	(30,055)	(31,707)	(31,414)	(32,998)	(30,969)	(32,368)	(31,222)
<b>Gross profit</b>	<b>(Btmn)</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>	<b>7,399</b>
SG&A	(Btmn)	(8,169)	(7,597)	(8,030)	(8,096)	(8,539)	(8,227)	(8,571)	(8,295)
Other income	(Btmn)	4,018	3,737	3,925	3,923	4,186	3,929	4,044	4,069
Interest expense	(Btmn)	(1,174)	(1,146)	(1,170)	(1,193)	(1,211)	(1,197)	(1,245)	(1,256)
<b>Pre-tax profit</b>	<b>(Btmn)</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>	<b>1,917</b>
Corporate tax	(Btmn)	(558)	(506)	(456)	(195)	(412)	(289)	(274)	(317)
Equity a/c profits	(Btmn)	0	(6)	(76)	(39)	10	6	(81)	(44)
Minority interests	(Btmn)	(188)	(184)	(195)	(115)	(140)	(146)	(138)	(114)
<b>Core profit</b>	<b>(Btmn)</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>	<b>1,442</b>
Extra-ordinary items	(Btmn)	132	133	80	(11)	3	8	(274)	332
<b>Net Profit</b>	<b>(Btmn)</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>	<b>1,774</b>
EBITDA	(Btmn)	5,571	5,020	5,109	5,110	5,794	5,005	5,443	5,078
<b>Core EPS (Bt)</b>	<b>(Btmn)</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>	<b>0.36</b>
Net EPS (Bt)	(Bt)	0.47	0.36	0.35	0.42	0.53	0.38	0.38	0.44

## Balance Sheet

FY December 31	Unit	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
Total current assets	(Btmn)	38,542	38,491	38,190	38,876	43,360	43,120	41,138	40,249
Total fixed assets	(Btmn)	276,517	276,842	276,968	278,273	279,661	279,656	278,863	279,522
<b>Total assets</b>	<b>(Btmn)</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>	<b>319,771</b>
Total loans	(Btmn)	157,180	156,973	157,453	159,195	160,917	160,572	158,288	158,111
Total current liabilities	(Btmn)	50,254	61,514	59,247	85,047	90,286	83,156	93,724	72,875
Total long-term liabilities	(Btmn)	153,631	141,574	143,673	118,985	117,651	123,203	110,681	130,226
<b>Total liabilities</b>	<b>(Btmn)</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>	<b>203,101</b>
Paid-up capital	(Btmn)	3,996	3,997	4,000	4,002	4,003	4,003	4,005	4,006
<b>Total equity</b>	<b>(Btmn)</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>116,670</b>
<b>BVPS (Bt)</b>	<b>(Bt)</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>	<b>29.16</b>

## Cash Flow Statement

FY December 31	Unit	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
Core Profit	(Btmn)	1,863	1,445	1,396	1,683	2,126	1,504	1,528	1,774
Depreciation and amortization	(Btmn)	1,920	1,867	1,896	1,874	1,919	1,883	1,903	1,905
Operating cash flow	(Btmn)	6,792	2,637	4,214	4,790	5,995	3,925	5,258	3,784
Investing cash flow	(Btmn)	(3,453)	(2,205)	(2,136)	(3,002)	(4,298)	(2,150)	5,912	(9,662)
Financing cash flow	(Btmn)	(1,668)	(1,653)	(1,899)	(1,035)	(96)	(1,096)	(5,513)	(2,313)
<b>Net cash flow</b>	<b>(Btmn)</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>	<b>(8,191)</b>

## Key Financial Ratios

FY December 31	Unit	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
Gross margin	(%)	19.8	18.9	18.8	19.1	20.0	19.3	19.9	19.2
Operating margin	(%)	(0.9)	(1.6)	(1.8)	(1.8)	(0.8)	(2.1)	(1.2)	(2.3)
EBITDA margin	(%)	14.2	13.5	13.1	13.2	14.1	13.0	13.5	13.1
EBIT margin	(%)	9.3	8.5	8.2	8.3	9.4	8.1	8.8	8.2
Net profit margin	(%)	4.7	3.9	3.6	4.3	5.2	3.9	3.8	4.6
ROE	(%)	6.3	4.7	4.7	6.0	7.4	5.2	6.2	5.0
ROA	(%)	2.2	1.7	1.7	2.1	2.7	1.9	2.2	1.8
Net D/E	(x)	1.4	1.4	1.4	1.4	1.3	1.3	1.3	1.3
Interest coverage	(x)	4.7	4.4	4.4	4.3	4.8	4.2	4.4	4.0
Debt service coverage	(x)	1.0	0.6	0.6	0.3	0.4	0.4	0.3	0.4

## Main Assumptions

FY December 31	Unit	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
SSS growth (MSC)	(%)	3.8	0.3	(0.5)	2.5	1.8	1.0	(0.3)	(4.9)
New stores, all formats (MSC)	(Stores)	73	26	27	28	73	14	38	57
Ending stores, all formats (MSC)	(Stores)	977	1,003	1,030	1,058	1,131	1,145	1,183	1,239
New stores, hypermarket (MSC)	(Stores)	5	2	1	2	2	0	0	1
Ending stores, hypermarket (MSC)	(Stores)	140	142	143	145	147	147	147	147
Gross profit margin (MSC)	(%)	17.3	15.9	16.1	16.8	17.2	16.3	17.4	17.1

**Figure 1: Earnings review**

P & L (Btmn)	3Q18	4Q18	1Q19	2Q19	3Q19	% Chg YoY	% Chg QoQ
Total revenue	38,823	41,226	38,389	40,435	38,620	(0.5)	(4.5)
Gross profit	7,409	8,228	7,421	8,067	7,399	(0.1)	(8.3)
SG&A expense	(8,096)	(8,539)	(8,227)	(8,571)	(8,295)	2.5	(3.2)
Net other income/expense	3,923	4,186	3,929	4,044	4,069	3.7	0.6
Interest expense	(1,193)	(1,211)	(1,197)	(1,245)	(1,256)	5.3	0.9
Pre-tax profit	2,043	2,664	1,925	2,294	1,917	(6.2)	(16.5)
Corporate tax	(195)	(412)	(289)	(274)	(317)	62	15.8
Equity a/c profits	(39)	10	6	(81)	(44)	13.7	(45.2)
Minority interests	(115)	(140)	(146)	(138)	(114)	(1.2)	(17.8)
EBITDA	5,110	5,794	5,005	5,443	5,078	(0.6)	(6.7)
Core profit	1,694	2,122	1,496	1,802	1,442	(14.9)	(20.0)
Extra. Gain (Loss)	(11)	3	8	(274)	332	(3,170.3)	(221.3)
Net Profit	1,683	2,126	1,504	1,528	1,774	5.4	16.1
Net EPS	0.42	0.53	0.38	0.38	0.44	5.4	16.1
<b>B/S (Btmn)</b>							
Total assets	317,148	323,021	322,775	320,002	319,771	0.8	(0.1)
Total liabilities	204,032	207,937	206,359	204,406	203,101	(0.5)	(0.6)
Total equity	113,117	115,084	116,416	115,596	116,670	3.1	0.9
BVPS (Bt)	28.27	28.76	29.10	28.89	29.16	3.1	0.9
<b>Financial ratio (%)</b>							
Gross margin	19.1	20.0	19.3	19.9	19.2	0.1	(0.8)
EBITDA margin	13.2	14.1	13.0	13.5	13.1	(0.0)	(0.3)
Net profit margin	4.3	5.2	3.9	3.8	4.6	0.3	0.8
SG&A expense/Revenue	20.9	20.7	21.4	21.2	21.5	0.6	0.3

Source: SCBS Investment Research

**Figure 2: Key statistics**

	3Q18	4Q18	1Q19	2Q19	3Q19	% Chg YoY	% Chg QoQ
<b>Sales (Bt mn)</b>	<b>38,823</b>	<b>41,226</b>	<b>38,389</b>	<b>40,435</b>	<b>38,620</b>	<b>(0.5)</b>	<b>(4.5)</b>
- PSC	5,040	5,851	4,896	4,989	5,064	0.5	1.5
- CSC	4,342	4,578	4,728	4,734	4,470	2.9	(5.6)
- H&TSC	2,022	2,603	1,998	2,079	2,239	10.7	7.7
- MSC	27,655	28,532	27,047	28,990	27,274	(1.4)	(5.9)
<b>GPM (%)</b>	<b>19.1</b>	<b>20.0</b>	<b>19.3</b>	<b>19.9</b>	<b>19.2</b>	<b>0.1</b>	<b>(0.8)</b>
- PSC	20.8	21.3	22.7	21.1	18.2	(2.6)	(2.9)
- CSC	20.3	20.8	21.9	21.6	20.9	0.6	(0.7)
- H&TSC	32.1	33.1	32.0	31.0	28.2	(3.9)	(2.8)
- MSC	16.8	17.2	16.3	17.4	17.1	0.3	(0.3)

Source: SCBS Investment Research

**Figure 3: Valuation summary** (price as of Nov 12, 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	49.50	53.0	8.4	30.7	29.0	27.2	26	6	7	1.7	1.7	1.7	6	6	6	1.5	1.4	1.5	16.8	16.3	15.8
CPALL	Buy	80.00	98.0	24.1	35.6	32.0	27.9	5	11	15	7.2	6.4	5.7	24	22	22	1.5	1.6	1.9	19.5	17.8	16.2
GLOBAL	Buy	15.00	19.5	30.9	31.5	32.3	28.4	25	(3)	14	4.2	3.9	3.6	14	13	13	1.4	0.9	1.1	21.3	21.2	19.0
HMPRO	Buy	16.80	19.0	15.4	39.0	35.0	30.9	16	11	13	11.1	10.2	9.3	29	30	32	2.1	2.3	2.6	22.2	20.4	18.6
MAKRO	Neutral	33.50	40.0	22.3	27.1	26.3	25.3	(4)	3	4	8.4	7.8	7.2	32	31	29	2.9	2.9	2.9	16.1	15.7	15.4
<b>Average</b>					<b>32.8</b>	<b>30.9</b>	<b>28.0</b>	<b>13</b>	<b>6</b>	<b>10</b>	<b>6.5</b>	<b>6.0</b>	<b>5.5</b>	<b>21</b>	<b>20</b>	<b>21</b>	<b>1.9</b>	<b>1.8</b>	<b>2.0</b>	<b>19.2</b>	<b>18.3</b>	<b>17.0</b>

Source: SCBS Investment Research

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2S, ABM, ADB, AF, AGE, AH, AHC, AIT, ALLA, ALT, AMANAH, AMARIN, APCO, APCS, AQUA, ARIP, ASAP, ASIA, ASIAN, ASIMAR, ASK, ASN, ASP, ATP30, AUCT, AYUD, B, BA, BBL, BDMS, BEC, BEM, BFIT, BGC, BGRIM, BIZ, BJC, BJCHI, BLA, BPP, BROOK, CBG, CEN, CENTEL, CGH, CHG, CHOTI, CHOW, CI, CIMBT, CNS, COLOR, COM7, COTTO, CRD, CSC, CSP, DCC, DCON, DDD, DOD, EASON, ECL, EE, EPG, ERW, ESTAR, ETE, FLOYD, FN, FNS, FORTH, FPI, FPT, FSMART, FSS, FVC, GENCO, GJS, GL, GLOBAL, GLOW, GULF, HPT, HTC, HYDRO, ICN, IFS, INET, INSURE, IRC, IRCP, IT, ITD\*, ITEL, J, JAS\*, JCK, JCKH, JMART, JMT, JWD, KBS, KCAR, KGI, KIAT, KOOL, KWC, KWM, L&E, LALIN, LANNA, LDC, LHK, LOXLEY, LRH, LST, M, MACO, MAJOR, MBAX, MEGA, METCO, MFC, MK, MODERN, MOONG, MPG, MSC, MTI, NEP, NETBAY, NEX, NINE, NOBLE, NOK, NTV, NWR, OCC, OGC, ORI, OSP, PATO, PB, PDG, PDI, PL, PLAT, PM, PPP, PRECHA, PRIN, PRINC, PSTC, PT, QLT, RCL, RICHY, RML, RWI, S11, SAAM, SALEE, SAMCO, SANKO, SAPPE, SAWAD, SCG, SCI, SCP, SE, SFP, SIAM, SINGER, SIRI, SKE, SKR, SKY, SMIT, SMK, SMP, SMT, SNP, SONIC, SPA, SPC, SPCG, SPVI, SR, SRICHA, SSC, SSF, SST, STANLY, SUC, SUN, SUSCO, SUTHA, SWC, SYMC, SYNEK, T, TACC, TAE, TAKUNI, TBSP, TCC, TCMC, TEAM, TEAMG, TFG, TFMAMA, THG, THRE, TIPCO, TITL, TIW, TKN, TKS, TM, TMC, TMD, TMI, TMT, TNITY, TNL, TNP, TNR, TOG, TPA, TPAC, TPBI, TPCORP, TPOLY, TRITN, TRT, TSE, TSTE, TVI, TVT, TWP, TWPC, UBIS, UEC, UMI, UOBKH, UP, UPF, UPOIC, UT, UWC, VNT, WIIC, XO, YUASA, ZEN, ZMICO

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A, ABICO, ACAP\*, AEC, AEONTS, AJ, ALUCON, AMC, APURE, AS, ASEFA, AU, B52, BCH, BEAUTY, BGT, BH, BIG, BLAND, BM, BR, BROCK, BSBM, BSM, BTNC, CCET, CCP, CGD, CHARAN, CHAYO, CITY, CMAN, CMC, CMO, CMR, CPL, CPT, CSR, CTW, CWT, D, DIMET, EKH, EMC, EPCO, ESSO, FE, FTE, GIFT, GLAND, GLOCON, GPI, GREEN, GTB, GYT, HTECH, HUMAN, IHL, INGRS, INOX, JTS, JUBILE, KASET, KCM, KKC, KWG, KYE, LEE, LPH, MATCH, MATI, M-CHAI, MCS, MDX, META, MGT, MJD, MM, MVP, NC, NDR, NER, NNCL, NPK, NUSA, OCEAN, PAF, PF, PICO, PIMO, PK, PLE, PMTA, POST, PPM, PROUD, PTL, RCI, RJH, ROJNA, RPC, RPH, SF, SGF, SGP, SKN, SLP, SMART, SOLAR, SPG, SQ, SSP, STI, SUPER, SVOA, TCCC, THE, THMUI, TIC, TIGER, TNH, TOPP, TPCH, TPIPP, TPLAS, TQM, TTI, TYCN, UTP, VCOM, VIBHA, VPO, WIN, WORK, WP, WPH, ZIGA

**Corporate Governance Report**

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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 2018 to 25 October 2019) is publicized.

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

**Declared (ประกาศเจตนารมณ์)**

2S, ABICO, AF, AI, AIRA, ALT, AMA, AMARIN, AMATA, ANAN, B, BM, BPP, BUI, CHG, CHO, CHOTI, CHOW, CI, CMC, COL, DDD, DELTA, EFORL, EPCO, ESTAR, ETE, FPI, FTE, ICHI, INOX, IRC, ITEL, JAS, JSP, JTS, KWG, LDC, LIT, META, MFEC, MPG, NEP, NOK, NWR, ORI, PRM, PSL, ROJNA, RWI, SAAM, SAPPE, SCI, SEAOL, SHANG, SKR, SPALI, STANLY, SYNEK, TAE, TAKUNI, TMC, TOPP, TPP, TRITN, TVO, UV, UWC, WHAUP, XO, YUASA, ZEN

**N/A**

7UP, A, A5, AAV, ABM, ACAP, ACC, ACE, ACG, ADB, AEC, AEONTS, AFC, AGE, AH, AHC, AIT, AJ, AJA, AKR, ALL, ALLA, ALUCON, AMATAV, AMC, AOT, APCO, APEX, APURE, AQ, ARIN, ARIP, AS, ASAP, ASEFA, ASIA, ASIAN, ASIMAR, ASN, ATP30, AU, AUCT, AWC, B52, BA, BAT-3K, BCT, BDMS, BEAUTY, BEC, BEM, BFIT, BGC, BGT, BH, BIG, BIZ, BJC, BKD, BLAND, BLISS, BOL, BR, BROCK, BSM, BTNC, BTW, CAZ, CBG, CCET, CCP, CGD, CHARAN, CHAYO, CHUO, CITY, CK, CKP, CMAN, CMO, CMR, CNT, COLOR, COMAN, COTTO, CPH, CPL, CPR, CPT, CPW, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DCORP, DOD, DOHOME, DTCI, EA, EASON, ECF, EE, EIC, EKH, EMC, EPG, ERW, ESSO, EVER, F&D, FANCY, FLOYD, FMT, FN, FORTH, FPT, FSMART, FVC, GENCO, GIFT, GL, GLAND, GLOBAL, GLOCON, GPI, GRAMMY, GRAND, GREEN, GSC, GTB, GULF, GYT, HFT, HPT, HTECH, HUMAN, HYDRO, ICN, IFEC, IHL, III, ILINK, ILM, INGRS, INSET, IP, IRCP, IT, ITD, J, JCK, JCKH, JCT, JKN, JMART, JMT, JUBILE, JUTHA, JWD, KAMART, KC, KCM, KDH, KIAT, KKC, KOOL, KTECH, KTIS, KUMWEL, KWM, KYE, LALIN, LEE, LH, LHFG, LOXLEY, LPH, LST, MACO, MAJOR, MANRIN, MATCH, MATI, MAX, M-CHAI, MCS, MDX, MEGA, METCO, MGT, MIDA, MILL, MITSIB, MJD, MK, ML, MM, MODERN, MORE, MPIC, MTC, MVP, NC, NCH, NCL, NDR, NER, NETBAY, NEW, NEWS, NEX, NFC, NOBLE, NPK, NTV, NUSA, NVD, NYT, OHTL, OISHI, OSP, OTO, PACE, PAE, PAF, PERM, PF, PICO, PIMO, PJW, PK, PLE, PMTA, POLAR, POMPU, PORT, POST, PPM, PPPM, PR9, PRAKIT, PRECHA, PRIME, PRIN, PRO, PROUD, PTL, RAM, RBF, RCI, RCL, RICH, RICHY, RJH, ROCK, ROH, RP, RPC, RPH, RS, RSP, S, S11, SAFARI, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAWAD, SAWANG, SCP, SDC, SE, SEAFSCO, SEG, SF, SFP, SGF, SHR, SIAM, SIMAT, SINGER, SISB, SKE, SKN, SKY, SLP, SMART, SMT, SOLAR, SONIC, SPA, SPCG, SPG, SPORT, SPVI, SQ, SR, SSC, SSP, STAR, STARK, STEC, STHAI, STI, STPI, SUC, SUN, SUPER, SUTHA, SVH, SVOA, SWC, SYMC, T, TACC, TAPAC, TBSP, TC, TCC, TCCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TGPRO, TH, THAI, THANA, THE, THG, THL, THMUI, TIGER, TITLE, TIW, TK, TKN, TKS, TM, TMI, TMW, TNDT, TNH, TNPC, TOA, TPAC, TPBI, TPCH, TPIPL, TPIPP, TPLAS, TPOLY, TQM, TR, TRC, TRT, TRUBB, TSE, TSF, TSI, TSR, TSTE, TTA, TTI, TTT, TTW, TVT, TWP, TWZ, TYCN, UAC, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UT, UTP, UVAN, VARO, VCOM, VI, VIBHA, VL, VNG, VPO, VRANDA, WAVE, WG, WIN, WINNER, WORK, WORLD, WP, WPH, WR, YCI, ZIGA, ZMICO

**Explanations**

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