

BUY (Unchanged)

Company Update

TP: Bt 100.00

(Unchanged)

21 APRIL 2020

Upside : 170.3%

Energy Absolute Pcl (EA TB)

Covid-19 delays showcasing

Covid-19 has delayed EA's E-transport showcasing by six months to 4Q20F but the schedule for its Phase-1 battery plant is unchanged. Meanwhile, E-bus bidding looks likely be sped up by the government given proof that lower internal combustion-engine use improves air quality, thereby offering new opportunities for EA. Reaffirm BUY.



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Covid-19 delays EA's E-transport to 4Q20F...

The Covid-19 crisis has delayed EA's planned showcasing of its E-taxis and E-ferries, likely by six months to 4Q20F while it has had a tiny negative impact so far on its biodiesel & renewable businesses. Its battery plant Phase-1's scheduled commercial start-up in 4Q20 is reportedly unchanged. Note that our current earnings estimates and TP already reflect this (see *Siam Senses: Things have changed*, dated 31 March 2020). Though Covid-19 will likely continue to hit domestic spending over the short- to medium-term, the law requires taxis to change to a new model every nine years while the government is supporting energy efficiency and smart grid/communities, which are EA's new business focus areas. We remain positive on EA's earnings growth over the long term while we see its share price drop from its peak this year as reflecting medium-term negatives.

...but some positive aspects, in our view

The country lockdown has hit the domestic economy. On the other hand, the huge reduction in combustion-engine vehicles on the roads has improved the air quality in Bangkok significantly with the PM2.5 level early this year (a national agenda item) falling to the Thai safety zone standard. We expect the government to speed up policy support for EVs on the road. Recent news about the Bangkok Mass Transit Authority planning to issue ToR for E-bus bidding given cost savings and environmental issues could lead to another new downstream business for EA, which is also studying E-truck development.

1H20F earnings growth of 17%

We estimate EA to post normalized earnings growth of 17% in 1H20F (32% y-y in 1Q20F and 14% y-y in 2Q20F). We expect this to mainly be driven by its existing business while we delay our expectation for the delivery of 1,000 E-taxis to 4Q20F (from 2,500 being gradually delivered during 2Q-4Q20F) and the commercial operation of E-ferries to 2H20F. EA's 2H20 schedule for exporting its PCM to clients is reportedly unchanged.

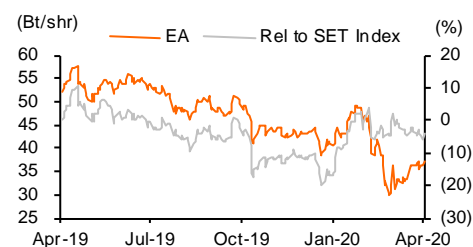
IFA suggests LPH's price is reasonable

EA plans to ask for shareholder approval to buy a 19% stake in Land Prosperity Holdings (LPH), which is owned by EA's major shareholder, for Bt5.1bn on 23 April. The full IFA report says the two land plots (2,869 rai combined) are worth Bt19.77-21.94/LPH share, or 10-22% above EA's purchase offer, suggesting the acquisition price is reasonable. Besides, EA has the option to sell the land back at the purchase price plus 5% interest p.a. if the development plans fail. The IFA believes the investment could deliver decent returns given good locations and logistics. We advise minority shareholders to approve the purchase.

COMPANY VALUATION

Y/E Dec (Bt m)	2019A	2020F	2021F	2022F
Sales	14,887	18,807	32,850	53,304
Net profit	6,082	6,797	8,824	12,979
Consensus NP	—	7,438	8,297	12,856
Diff frm cons (%)	—	(8.6)	6.4	1.0
Norm profit	5,922	6,797	8,824	12,979
Prev. Norm profit	—	6,797	8,824	12,979
Chg frm prev (%)	—	0.0	0.0	0.0
Norm EPS (Bt)	1.6	1.8	2.4	3.5
Norm EPS grw (%)	45.0	14.8	29.8	47.1
Norm PE (x)	23.3	20.3	15.6	10.6
EV/EBITDA (x)	17.5	15.6	12.7	9.6
P/BV (x)	5.9	4.7	3.8	3.0
Div yield (%)	0.8	1.0	1.9	2.8
ROE (%)	28.5	25.9	27.1	31.6
Net D/E (%)	128.4	134.8	128.2	124.7

PRICE PERFORMANCE



COMPANY INFORMATION

Price as of 21-Apr-20 (Bt)	37.00
Market Cap (US\$ m)	4,247.1
Listed Shares (m shares)	3,730.0
Free Float (%)	39.9
Avg Daily Turnover (US\$ m)	16.7
12M Price H/L (Bt)	57.75/29.75
Sector	Utilities
Major Shareholder	Ahunai family 44.3%

Sources: Bloomberg, Company data, Thanachart estimates

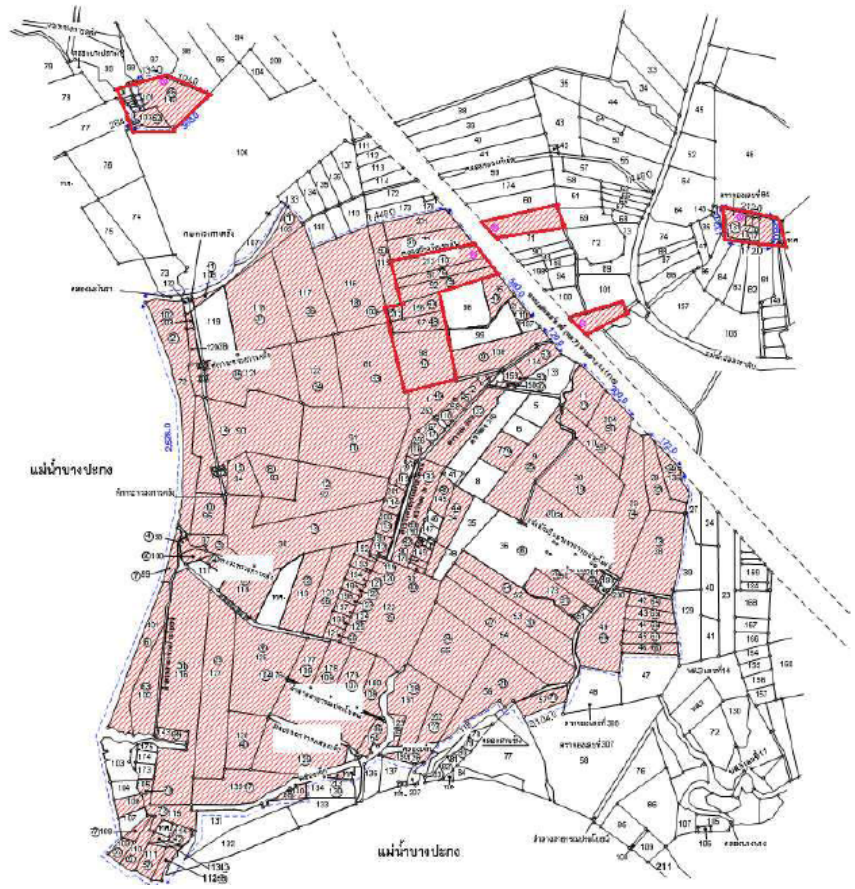


We advise shareholders to approve stake purchase

Energy Absolute Pcl (EA) plans to ask for shareholder approval to buy a 19% stake in Land Prosperity Holdings (LPH), which is owned by the company's major shareholder, Khun Somphote Ahunai and family, for Bt5.1bn on 23 April. Note that LPH owns two plots of land via two of its subsidiaries – Double P Land Ltd (DPL) and Watanapiboon Land Ltd (WPL), with a combined area of 2,869 rai (4.59m sq m) in Chachoengsao province. The two plots are 30km away from each other. We suggest that minority shareholders approve the stake purchase for the following reasons:

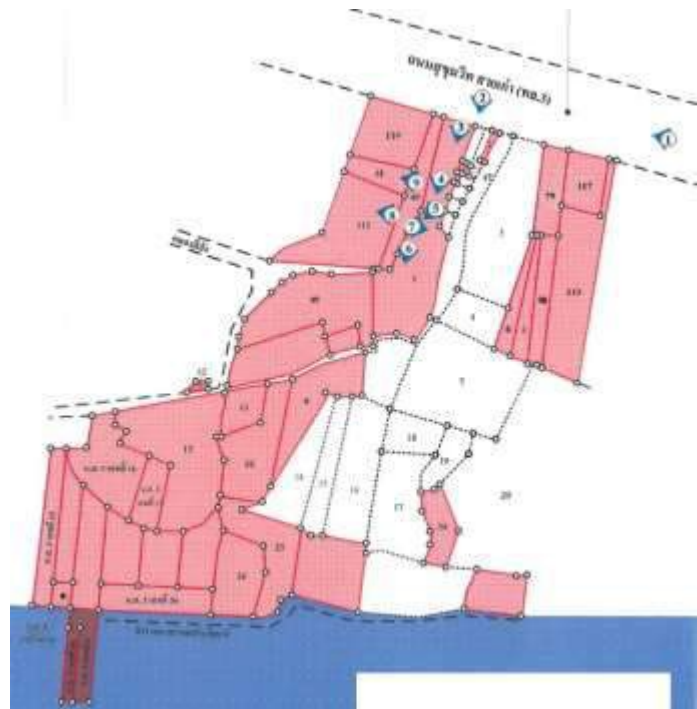
- The full IFA (Finnex Advisory) report says the two land plots (2,869 rai combined) are worth Bt19.77-21.94/LPH share, or 10-22% above EA's purchase offer of Bt18/LPH.
- We expect the investment to yield decent returns to EA in the future as it is not easy to find big land plots with good locations and logistics adjacent to main roads, close to the sea and Suvarnabhumi airport, and only one hour's drive from Bangkok.
 - Plot 1 (2,261 rai via DPL): The plan is to develop this into a digitalized industrial estate under the smart grid and Internet of Things (IOT) concept. Location wise, the front area is next to the Bangkok-Pattaya motorway, while the rear is connected to the sea via the Bangprakong River. As the location is in the Eastern Economic Corridor (EEC), we believe the land would be attractive to technology or green companies willing to pay a slightly higher price.
 - Plot 2 (608 rai via WPL): The plan is to develop this into a digitalized residential estate under the smart grid and IOT concept. The front area is adjacent to the coast and the rear connects to Sukhumvit Road (the old Bangkok-Pattaya route). The goal is to tap into the demand trend for smart communities which are not only environmentally friendly but also allow energy conservation to help lower the costs of related parties.
- Besides, we believe the investment risk is low because EA has the option to sell back the land at the purchase price plus 5% interest p.a. if the development plans fail.
- Given that EA intends to hold a 19% stake in LPH, it would receive dividend income under the cost accounting method. Losses which could materialize in the initial years of development would therefore not appear in the P&L.
- In addition to the planned acquisition of a 19% stake in LPH, EA's wholly owned Amita Technology Thailand (ATT) which will produce and operate a Li-ion battery plant and related businesses (i.e. VOCs concentration and NMP Purification Project Electrolyte Plant and infrastructure system) will lease 91 rais of land from LPH on a 15-year contract plus another 15-year renewable option (Ex 1- the areas marked by the red lines). ATT will pay Bt2.18m/month or equivalent to Bt23,750/rai/month. The IFA believes the rental is fair as compared to the rental in the equivalent nearby area of Bt25,000/rai/month.

Ex 1: Map Of DPL's Land Plot



Source: Company data

Ex 2: Map Of WPL's Land Plot



Source: Company data

Ex 3: Map Of DPL And WPL's Land Plots – 30km Away From Each Other



Source: Company data

Ex 4: Normalized Profit Breakdown By Business

	2018	2019	2020F	2021F	2022F
Renewables	5,233	7,742	8,176	8,203	8,131
Biodiesel, green diesel and PCM	157	(21)	279	852	838
EVs	-	-	33	505	725
E-buses, E-trucks	-	-	-	100	250
E-ferries	-	-	(18)	(15)	36
Li-ion batteries	-	-	(206)	505	3,203
Solar + Batteries	-	-	-	224	2,080
Charging stations (50%)	-	-	(16)	70	93
Parent & R&D	(1,189)	(1,705)	(1,444)	(1,335)	(1,373)
Minority	86	55	16	(197)	(723)
Tax	(32)	25	(23)	(89)	(392)
FX	(166)	(160)	-	-	-
Equity income	(6)	(14)	-	-	110
Total normalized profit	4,083	5,922	6,797	8,824	12,979

Sources: Company data, Thanachart estimates

Ex 5: 12-month SOTP-based DCF-derived TP Calculation, Using A Base Year Of 2020F

(Bt m)	2020F	2021F	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	Terminal value
EBITDA	11,537	14,862	21,067	25,286	27,066	36,061	41,941	44,965	44,449	45,364	45,683	
Free cash flow	(7,669)	(7,565)	(11,121)	(15,083)	6,779	2,694	12,617	9,811	38,224	38,254	38,473	-
PV of free cash flow	-	(7,565)	(9,452)	(12,143)	5,169	1,946	8,632	6,358	23,461	22,241	21,188	19,428
Risk-free rate (%)	3.5											
Market risk premium (%)	8.0											
Beta	1.0											
WACC (%)	5.6											
Terminal growth (%)	-											
Enterprise value - add investments	371,398											
Net debt	31,932											
Minority interest	1,502											
Equity value	337,964											
No. of shares (fully diluted) (m)	3,730											
Equity value/share (Bt)	90.60											
Sum-of-the-parts valuation												(Bt/shr)
Solar												
- Lopburi												0.2
- Nakornsawan												2.0
- Lampang												2.2
- Pitsanulok												3.0
Wind 126 MW												3.0
Wind 260MW												6.1
Bio, green diesel & PCM												8.2
Total												24.7
ES business												60.0
Charging stations												5.3
E-ferries												0.6
E-taxis												3.8
Solar+ BES (Condao, Myanmar, Thailand)												5.9
Other potential businesses (E-trucks, blockchain)												0.0
Total												100.2

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 6: Comparison With Regional Peers

Name	BBG code	Country	EPS growth		PE		P/BV		EV/EBITDA		Div yield	
			20F (%)	21F (%)	20F (x)	21F (x)	20F (x)	21F (x)	20F (x)	21F (x)	20F (%)	21F (%)
Datang International Power	991 HK	China	12.8	16.3	8.6	7.4	0.4	0.4	8.9	8.7	6.3	7.5
Huadian Power	1071 HK	China	10.5	9.7	6.5	5.9	0.4	0.4	7.7	7.4	7.0	7.8
Huaneng Power	600011 CH	China	16.6	14.5	11.3	9.9	0.7	0.6	7.4	6.7	6.1	6.7
Cheung Kong Infrastructure	1038 HK	Hong Kong	(3.5)	1.5	11.6	11.4	1.0	0.9	33.4	32.3	5.4	5.5
China Power Int'l	2380 HK	Hong Kong	6.7	28.3	7.9	6.2	0.5	0.5	8.9	8.0	6.7	7.9
China Resources Power	836 HK	Hong Kong	14.7	11.0	5.1	4.6	0.5	0.5	5.1	4.7	7.6	8.5
CLP Holdings	2 HK	Hong Kong	8.8	5.0	17.6	16.8	1.8	1.8	10.9	10.4	3.9	4.1
Hongkong Electric Holdings	6 HK	Hong Kong	(1.7)	0.2	15.2	15.2	1.3	1.2	78.0	30.9	5.6	5.6
Huaneng Power	902 HK	Hong Kong	15.9	12.6	7.6	6.7	0.4	0.4	7.4	7.0	9.5	10.8
Reliance Infrastructure	RELI IN	India	na	na	na	na	na	na	na	na	na	na
Tata Power	TPWR IN	India	(5.6)	26.2	7.6	6.0	0.5	0.4	7.6	7.3	4.3	4.8
Tenaga Nasional	TNB MK	Malaysia	(5.6)	4.1	13.4	12.9	1.2	1.1	7.6	7.5	4.3	4.4
YTL Corp	YTL MK	Malaysia	(31.7)	17.9	26.6	22.6	0.7	0.7	12.0	11.5	5.8	5.8
YTL Power	YTLP MK	Malaysia	(45.6)	21.6	18.4	15.1	0.4	0.4	10.4	9.9	6.0	6.0
Manila Electric	MER PM	Philippines	(2.4)	0.2	12.8	12.8	3.2	2.9	7.2	7.0	5.8	5.9
BCPG Pcl *	BCPG TB	Thailand	28.9	8.6	13.7	12.7	1.9	1.7	15.4	15.9	4.2	4.2
B.Grimm Power Pcl *	BGRIM TB	Thailand	52.0	6.0	35.4	33.5	3.8	3.5	13.0	12.9	1.1	1.2
Banpu Power Pcl *	BPP TB	Thailand	13.2	13.2	9.5	8.4	1.0	0.9	96.1	76.1	5.2	5.9
CK Power Pcl *	CKP TB	Thailand	223.2	85.5	36.6	19.7	1.3	1.2	17.7	13.7	1.1	2.0
EA Pcl*	EA TB	Thailand	14.8	29.8	20.3	15.6	4.7	3.8	15.6	12.7	1.0	1.9
Electricity Generating *	EGCO TB	Thailand	(0.7)	3.4	13.4	13.0	1.2	1.1	24.9	23.5	2.8	3.0
Global Power Synergy *	GPSC TB	Thailand	9.3	24.6	34.1	27.3	1.8	1.8	16.1	14.2	1.8	2.2
Gulf Energy Dev. Pcl *	GULF TB	Thailand	43.7	29.2	77.2	59.7	9.6	9.0	43.8	38.0	0.8	1.0
Gunkul Engineering *	GUNKUL TB	Thailand	(15.3)	6.6	11.8	11.1	2.0	1.8	16.9	16.2	3.4	3.6
RATCH Group *	RATCH TB	Thailand	7.9	15.7	13.5	11.6	1.4	1.3	23.4	18.7	4.1	4.7
SPCG Pcl*	SPCG TB	Thailand	(0.1)	(8.4)	5.9	6.5	1.0	1.0	4.2	3.9	7.6	7.0
TPC Power Holding *	TPCH TB	Thailand	50.0	12.7	7.5	6.6	1.3	1.1	5.9	4.8	4.0	4.5
WHA Utilities & Power *	WHAUP TB	Thailand	(8.6)	10.5	9.9	9.0	1.1	1.0	46.4	34.6	3.0	3.3
Average			15.1	15.1	17.0	14.4	1.7	1.5	20.4	16.5	4.6	5.0

Sources: Bloomberg, * Thanachart estimates

Based on 21 April 2020 closing prices

COMPANY DESCRIPTION

Established in 2006 as a biodiesel business operator, Energy Absolute Pcl (EA) has become Thailand's largest producer of renewable power with a total capacity of 660MW (net) by 2018 (278MW of solar power and 386MW of wind power). EA has a wholly owned subsidiary called Energy Solution Management (ESM) to provide O&M services for the group's renewable power plants. EA invested in the energy storage business via a 70% stake in Taiwan-based Amita Technologies with plans to build a 50GWh energy storage plant in Thailand between 2018-22.

Source: Thanachart

THANACHART'S SWOT ANALYSIS

S — Strength

- Management has a strong financial background with what we regard as well-thought-out plans for expansion.

O — Opportunity

- Electricity industry gearing towards renewable energy.
- Huge potential capacity expansion planned.
- Energy storage (ES) could be part of the requirements for the government grid and private off-grid systems.

CONSENSUS COMPARISON

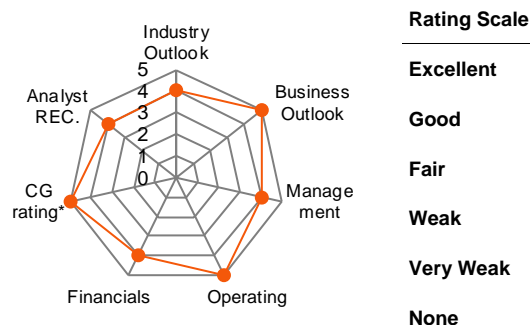
	Consensus	Thanachart	Diff
Target price (Bt)	56.08	100.00	78%
Net profit 2020F (Bt m)	7,438	6,797	-9%
Net profit 2021F (Bt m)	8,297	8,824	6%
Consensus REC	BUY: 6	HOLD: 1	SELL: 1

HOW ARE WE DIFFERENT FROM THE STREET?

- Our TP is 78% above the Bloomberg consensus estimate, which we attribute to us having already incorporated the valuation of its ES giga-factory and downstream businesses.
- Our 2020F net profit is 9% lower than the Street's, likely as we now assume its new E-transport businesses operates in 4Q20F. Our 2021F profit is 6% above other brokers', likely as we expect higher revenues and margins from its BES-related business and an improved biodiesel business performance.

Sources: Bloomberg consensus, Thanachart estimates

COMPANY RATING



Source: Thanachart; * CG Rating

Rating Scale

Excellent	5
Good	4
Fair	3
Weak	2
Very Weak	1
None	0

W — Weakness

- In a heavy capex cycle due to scheduled new capacity expansion but gearing is still below its threshold.

T — Threat

- New capacity tendered by the government will likely see lower returns.
- Regulations from both domestic and overseas power markets.

RISKS TO OUR INVESTMENT CASE

- If investment costs come in higher than we presently anticipate this would represent the key downside risk to our call.
- If projects are delayed from their commercial operation date (COD) schedules, this would represent a secondary downside risk.

Source: Thanachart

INCOME STATEMENT

	FY ending Dec (Bt m)	2018A	2019A	2020F	2021F	2022F
<i>2020F revenue, earnings likely to see strong growth with Hanuman's full-year operation...</i>	Sales	11,552	14,887	18,807	32,850	53,304
	Cost of sales	5,668	6,752	9,400	19,869	33,727
	Gross profit	5,884	8,134	9,408	12,981	19,577
	% gross margin	50.9%	54.6%	50.0%	39.5%	36.7%
	Selling & administration expenses	805	946	1,117	2,025	3,067
	Operating profit	5,079	7,189	8,291	10,956	16,509
	% operating margin	44.0%	48.3%	44.1%	33.4%	31.0%
<i>...plus PCM bringing in new earnings from 2Q20F</i>	Depreciation & amortization	1,833	2,517	3,246	3,906	4,558
	EBITDA	6,912	9,706	11,537	14,862	21,067
	% EBITDA margin	59.8%	65.2%	61.3%	45.2%	39.5%
	Non-operating income	44	68	58	83	106
	Non-operating expenses	0	0	0	0	0
	Interest expense	(1,086)	(1,386)	(1,545)	(1,840)	(2,240)
	Pre-tax profit	4,036	5,870	6,804	9,198	14,375
	Income tax	32	(11)	23	177	783
	After-tax profit	4,004	5,881	6,781	9,021	13,592
	% net margin	34.7%	39.5%	36.1%	27.5%	25.5%
	Shares in affiliates' Earnings	(6)	(14)	0	0	110
	Minority interests	86	55	16	(197)	(723)
	Extraordinary items	1,063	160	0	0	0
	NET PROFIT	5,148	6,082	6,797	8,824	12,979
	Normalized profit	4,084	5,922	6,797	8,824	12,979
	EPS (Bt)	1.4	1.6	1.8	2.4	3.5
	Normalized EPS (Bt)	1.1	1.6	1.8	2.4	3.5

BALANCE SHEET

	FY ending Dec (Bt m)	2018A	2019A	2020F	2021F	2022F
<i>Fixed assets, debt, to rise on battery plant and investments...</i>	ASSETS:					
	Current assets:	8,150	14,033	12,123	16,165	15,577
	Cash & cash equivalent	5,479	10,029	7,200	7,200	1,800
	Account receivables	1,651	2,666	3,092	5,400	8,762
	Inventories	330	758	1,030	2,177	2,772
	Others	691	580	801	1,388	2,243
	Investments & loans	0	0	5,130	5,660	6,859
<i>...with capex for ES Phase 2 due to gradually start from 2021F</i>	Net fixed assets	47,587	51,371	61,576	76,329	98,475
	Other assets	3,470	4,816	4,259	5,207	5,914
	Total assets	59,208	70,220	83,087	103,362	126,825
	LIABILITIES:					
	Current liabilities:	12,503	6,008	7,806	7,743	9,277
	Account payables	150	285	386	817	1,386
	Bank overdraft & ST loans	1,817	660	3,024	915	0
	Current LT debt	1,264	4,308	3,193	4,411	5,337
	Others current liabilities	9,271	755	1,204	1,601	2,554
	Total LT debt	26,145	36,993	42,417	52,869	61,380
	Others LT liabilities	1,008	2,240	2,122	2,966	4,090
	Total liabilities	39,690	45,353	52,345	63,578	74,748
	Minority interest	1,379	1,502	1,648	3,697	6,109
	Preferreds shares	0	0	0	0	0
	Paid-up capital	373	373	373	373	373
	Share premium	3,681	3,681	3,681	3,681	3,681
	Warrants	0	0	0	0	0
	Surplus	(779)	(874)	(874)	(874)	(874)
	Retained earnings	14,864	20,185	25,915	32,908	42,789
	Shareholders' equity	18,139	23,365	29,094	36,087	45,968
	Liabilities & equity	59,208	70,220	83,087	103,362	126,825

Sources: Company data, Thanachart estimates

CASH FLOW STATEMENT

We expect negative FCF from 2020F...

...as we assume the Li-ion BESS gradually expands to Phase 2

FY ending Dec (Bt m)	2018A	2019A	2020F	2021F	2022F
Earnings before tax	4,036	5,870	6,804	9,198	14,375
Tax paid	(32)	11	(23)	(177)	(783)
Depreciation & amortization	1,833	2,517	3,246	3,906	4,558
Chg In working capital	(87)	(1,308)	(597)	(3,026)	(3,387)
Chg In other CA & CL / minorities	9,637	(8,213)	256	1,435	1,703
Cash flow from operations	15,387	(1,123)	9,686	11,336	16,465
Capex	(14,201)	(6,301)	(13,451)	(18,659)	(26,703)
ST loans & investments	(44)	32	0	0	0
LT loans & investments	0	0	(5,130)	(530)	(1,199)
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(14)	(159)	524	122	612
Cash flow from investments	(14,259)	(6,428)	(18,057)	(19,067)	(27,289)
Debt financing	1,521	12,895	6,672	9,562	8,523
Capital increase	0	0	0	0	0
Dividends paid	(746)	(932)	(1,239)	(2,003)	(3,270)
Warrants & other surplus	(931)	77	172	172	172
Cash flow from financing	(156)	12,039	5,605	7,731	5,425
Free cash flow	1,187	(7,424)	(3,765)	(7,323)	(10,238)

VALUATION

20x 2020F PE vs. 38% three-year normalized EPS growth looks attractive to us

FY ending Dec	2018A	2019A	2020F	2021F	2022F
Normalized PE (x)	33.8	23.3	20.3	15.6	10.6
Normalized PE - at target price (x)	91.3	63.0	54.9	42.3	28.7
PE (x)	26.8	22.7	20.3	15.6	10.6
PE - at target price (x)	72.5	61.3	54.9	42.3	28.7
EV/EBITDA (x)	23.4	17.5	15.6	12.7	9.6
EV/EBITDA - at target price (x)	57.4	41.7	35.9	28.5	20.8
P/BV (x)	7.6	5.9	4.7	3.8	3.0
P/BV - at target price (x)	20.6	16.0	12.8	10.3	8.1
P/CFO (x)	9.0	(122.9)	14.2	12.2	8.4
Price/sales (x)	11.9	9.3	7.3	4.2	2.6
Dividend yield (%)	0.7	0.8	1.0	1.9	2.8
FCF Yield (%)	0.9	(5.4)	(2.7)	(5.3)	(7.4)
(Bt)					
Normalized EPS	1.1	1.6	1.8	2.4	3.5
EPS	1.4	1.6	1.8	2.4	3.5
DPS	0.3	0.3	0.4	0.7	1.0
BV/share	4.9	6.3	7.8	9.7	12.3
CFO/share	4.1	(0.3)	2.6	3.0	4.4
FCF/share	0.3	(2.0)	(1.0)	(2.0)	(2.7)

Sources: Company data, Thanachart estimates

FINANCIAL RATIOS

FY ending Dec	2018A	2019A	2020F	2021F	2022F
Growth Rate					
Sales (%)	(0.2)	28.9	26.3	74.7	62.3
Net profit (%)	34.8	18.1	11.8	29.8	47.1
EPS (%)	34.8	18.1	11.8	29.8	47.1
Normalized profit (%)	8.7	45.0	14.8	29.8	47.1
Normalized EPS (%)	8.7	45.0	14.8	29.8	47.1
Dividend payout ratio (%)	18.1	18.4	20.0	30.0	30.0
Operating performance					
Gross margin (%)	50.9	54.6	50.0	39.5	36.7
Operating margin (%)	44.0	48.3	44.1	33.4	31.0
EBITDA margin (%)	59.8	65.2	61.3	45.2	39.5
Net margin (%)	34.7	39.5	36.1	27.5	25.5
D/E (incl. minor) (x)	1.5	1.7	1.6	1.5	1.3
Net D/E (incl. minor) (x)	1.2	1.3	1.3	1.3	1.2
Interest coverage - EBIT (x)	4.7	5.2	5.4	6.0	7.4
Interest coverage - EBITDA (x)	6.4	7.0	7.5	8.1	9.4
ROA - using norm profit (%)	7.9	9.2	8.9	9.5	11.3
ROE - using norm profit (%)	24.9	28.5	25.9	27.1	31.6
DuPont					
ROE - using after tax profit (%)	24.4	28.3	25.9	27.7	33.1
- asset turnover (x)	0.2	0.2	0.2	0.4	0.5
- operating margin (%)	44.3	48.7	44.4	33.6	31.2
- leverage (x)	3.2	3.1	2.9	2.9	2.8
- interest burden (%)	78.8	80.9	81.5	83.3	86.5
- tax burden (%)	99.2	100.2	99.7	98.1	94.6
WACC (%)	5.6	5.6	5.6	5.6	5.6
ROIC (%)	13.2	17.2	14.9	15.2	17.9
NOPAT (Bt m)	5,039	7,202	8,263	10,745	15,610

Sources: Company data, Thanachart estimates

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For sectors, an "Overweight" sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. "Underweight" is used when we have SELLs on majority of the stocks we cover by market cap. "Neutral" is used when there are relatively equal weightings of BUYs and SELLs.

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