

8 JULY 2021

THAILAND / TRANSPORT & LOGISTICS

NAM YONG TERMINAL NYT TB

BUY

TARGET PRICE	THB5.50
CLOSE	THB4.50
UP/DOWNSIDE	+22.2%
TP vs CONSENSUS	+0.0%

ประโยชน์ทางตรงจากการส่งออก

ผู้ประกอบการทำเทียบเรือชั้นนำ

NYT เป็นผู้ประกอบการทำเทียบเรือและพื้นที่ฝากเก็บสินค้าให้เช่า บริการทำเทียบเรือของบริษัทฯ ที่ท่า A5 ของท่าเรือแหลมฉบังคิดเป็นกว่า 70% ของรายได้ของ NYT ในปี 2020 รายได้ดังกล่าวส่วนมากมาจากการที่เกี่ยวข้องกับการส่งออกและนำเข้า การขนส่งสินค้ามีล้อ (Ro/Ro) และสินค้าทั่วไป Ro/Ro เป็นหนึ่งในวิธีการขนส่งรถยนต์ที่ได้รับความนิยมและมีราคาถูกที่สุด ท่าเทียบเรือของบริษัทฯ ได้ให้บริการแก่กว่า 80% ของรถยนต์ส่งออกและนำเข้าจากประเทศไทยรวมในช่วง 10 ปีที่ผ่านมา

โตตามการส่งออกรถยนต์ของไทย

การนำเข้าและส่งออกรถยนต์ของไทยส่วนมากต้องทำผ่านท่าเทียบเรือของ NYT จากสมมติฐานของเราที่คาดว่า การส่งออกรถยนต์จะฟื้นตัว 22% และการนำเข้ารถยนต์จะเพิ่มขึ้นตามการฟื้นตัวของเศรษฐกิจในประเทศ เราคาดว่ารายได้ของ NYT ในปี 2021 จะโต 19% y-y เป็น 1.4 พัน ลบ. นอกจากนี้เนื่องจากต้นทุนส่วนมากเป็นต้นทุนคงที่ เมื่อรายได้ฟื้นตัวดี เราคาดว่าต้นทุนของ NYT จะทรงตัว ในประการสุดท้ายจากส่วนแบ่งกำไรที่ดีขึ้น ซึ่งจะทำให้บริษัทฯ หันมามีกำไรในปี 2021 ในที่สุด เมื่อเทียบกับผลขาดทุนจำนวนมากในปีที่แล้ว เราคาดว่ากำไรสุทธิจากการดำเนินงานของ NYT จะโตอย่างมีนัยสำคัญเป็น 389 ลบ. (+70% y-y)

ธุรกิจใหม่ โอกาสในการเติบโตใหม่

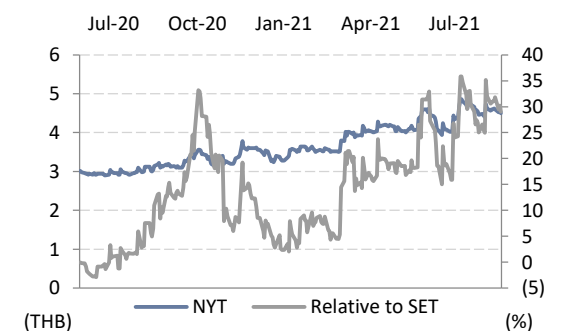
ในที่สุด NYT ได้ตัดสินใจลงทุนในธุรกิจใหม่เป็นครั้งแรกในรอบหลายปี โดยบริษัทฯ ได้ลงทุนกว่า 100 ลบ. เพื่อซื้อหุ้น 51% ใน Seahorse Ferries (not listed) ซึ่งให้บริการขนส่งทางเรือสำหรับรถยนต์และผู้โดยสารใน 2 เส้นทาง 1) สัตหีบ-ประจวบคีรีขันธ์; และ 2) สัตหีบ-สงขลา จากต้นทุนที่ประหยัดได้มากสำหรับลูกค้าและระยะเวลาในการส่งมอบที่แข่งขันได้สำหรับสินค้าขนส่งทางทะเล เราเชื่อว่าธุรกิจดังกล่าวจะเป็นปัจจัยหนุนสำคัญใหม่ให้แก่บริษัทฯ ในระยะยาว

เริ่มด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 5.50 บาท

NYT เป็นหุ้นเชิงรับที่ดีจากธุรกิจที่มีลักษณะผูกขาด จากแนวโน้มการฟื้นตัวที่ดีของการส่งออกรถยนต์ในปีนั้นและปีหน้า เราเชื่อว่ารายได้และกำไรสุทธิของบริษัทฯ มีโอกาสฟื้นตัวและสูงเกินความคาดหมายของตลาด โดยอาจเกินระดับก่อน Covid ในปีนี้ เราเริ่ม NYT ด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 5.50 บาท ซึ่งคิดจากค่า 2021E P/E ที่ 17.5x (-0.25SD ของค่า P/E เฉลี่ย 5 ปีย้อนหลัง) ถ้า NYT ฟื้นตัวเต็มที่ในปี 2021 เราคาดว่าบริษัทฯ จะให้ผลตอบแทนในรูปแบบเงินปันผลที่น่าสนใจถึงกว่า 6% p.a. ในขณะที่ความเสี่ยงของอาจประกอบด้วย 1) การส่งออกรถยนต์ของไทยที่อ่อนแอเกินคาด; 2) บริษัทฯ ไม่ประสบความสำเร็จในการขยายสัญญาเช่าท่าเทียบเรือ A5; และ 3) ความเสี่ยงจากธุรกิจใหม่ของบริษัทฯ

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	1,195	1,422	1,526	1,691
Net profit	229	389	419	467
EPS (THB)	0.18	0.31	0.34	0.38
vs Consensus (%)	-	45.5	21.4	10.1
EBITDA	848	841	856	889
Core net profit	243	389	419	467
Core EPS (THB)	0.20	0.31	0.34	0.38
Chg. In EPS est. (%)	nm	nm	nm	nm
EPS growth (%)	(33.7)	59.9	7.6	11.5
Core P/E (x)	22.9	14.3	13.3	11.9
Dividend yield (%)	4.4	6.3	6.8	7.5
EV/EBITDA (x)	8.7	8.5	8.1	7.6
Price/book (x)	1.7	1.7	1.7	1.7
Net debt/Equity (%)	54.5	46.9	40.2	33.6
ROE (%)	6.9	11.9	12.7	14.0



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.7)	11.4	50.0
Relative to country (%)	(2.5)	10.0	30.7
Mkt cap (USD m)	173		
3m avg. daily turnover (USD m)	1.2		
Free float (%)	41		
Major shareholder	Nam Yuen Yong Shipping (25%)		
12m high/low (THB)	5.40/2.88		
Issued shares (m)	1,240.00		

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 8 กรกฎาคม 2021

Investment thesis

NYT is the terminal operator with the highest volume of cars exported through Thailand, and has an approximate market share of 80%, facilitating Thailand's total car exports. NYT provides a full scope of services for car exports and imports through A5 Terminal, which can be categorised as follows:

- 1) Terminal services;
- 2) Supporting car storage areas and warehousing services;
- 3) Other services related to its core business.

The company has a solid dividend yield track record of over 5% p.a. Together with being a low beta stock and having a monopoly business, we believe NYT is a good defensive stock for investors looking for a decent yield.

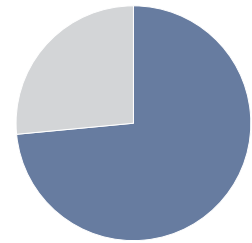
Company profile

NYT is the roll-on/roll-off and general cargo terminal operator of A5 Terminal which is located at Laem-Chabang Port, Sriracha district, Chonburi.

www.namyongterminal.com

Principal activities (revenue, 2020)

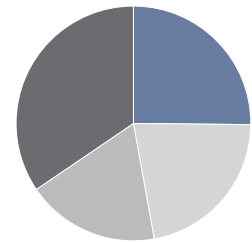
- Seaport and related - 73.5 %
- Warehouse service - 26.5 %



Source: Nam Yong Terminal

Major shareholders

- Nam Yuen Yong Shipping - 25.2 %
- Leungsuwan Family - 22.0 %
- N.Y.K (Thailand) - 18.3 %
- Others - 34.5 %



Source: Nam Yong Terminal

Catalysts

- The recovery of the world economy that would boost the demand for cars from Thailand;
- Decent dividend yield of over 5% p.a.

Risks to our call

The key downside risks to our P/E multiple TP includes 1) weaker-than-expected Thai car exports; and 2) inability to secure an A5 contract extension.

Event calendar

Date	Event
Aug 2021	2Q21 results announcement

Key assumptions

	2020	2021E	2022E	2023E
	(%)	(%)	(%)	(%)
Thailand's car export growth	(30.2)	6.0	12.8	13.0
NYT's revenue growth	(15.8)	9.3	13.6	13.7

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in Thailand's car exports, we project 2021 earnings to rise by 1.5%, and vice versa, all else being equal.
- For every 1% increase in rental space revenue, we project 2021 earnings to rise by 0.3%, and vice versa, all else being equal.

Source: FSSIA estimates

Valuation and recommendation

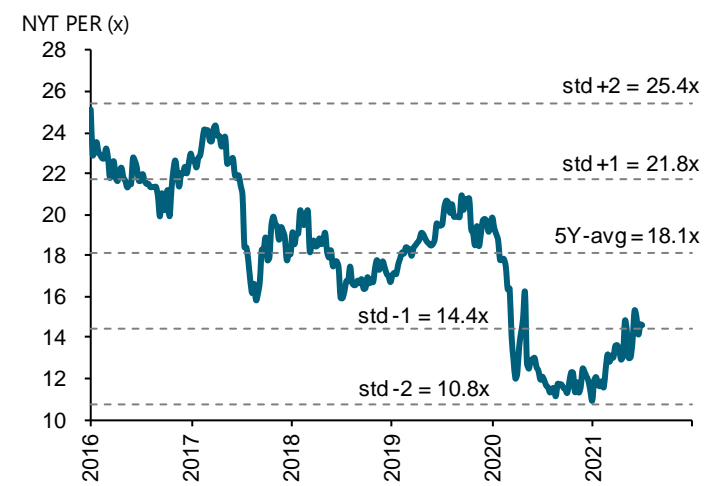
Recommend BUY with TP of THB5.50

We initiate coverage on NYT with a BUY recommendation and a P/E multiple TP of THB5.50, pegged to 17.5x 2021E P/E (-0.25SD of its 5-year mean P/E). NYT is now trading at only 14.3x 2021E P/E, near -1SD of its 5-year mean P/E. Its 2021E core earnings have a chance to beat the pre-Covid level, at THB389m vs THB367m in 2019. The stronger 2021E earnings over 2019 come from the expectation that C0 Terminal should break even vs the huge loss in 2019 of THB36m.

More upside risk on the new business

We are bullish on NYT's new business and believe it could be the new key driver for the company in the long term. If this business can finally start its operations and receive good feedback from customers on how Seahorse's services can really help them, we believe Seahorse should boost the company's revenue and earnings in 2022 going forward. We have not yet included the growth potential of this new business into our earnings estimates and TP.

Exhibit 1: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 2: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Highlights

Monopoly in Thailand's car export terminals

Most of Namyong Terminal's revenue comes from services related to exports and imports, Ro/Ro and general cargo. Ro/Ro is one of the most popular and economical methods for shipping vehicles, including heavy construction equipment and other oversized cargo, overseas. Ro/Ro the process of carrying rolling vehicles that do not require loading or off-loading. Instead, vehicles are driven on and off the ship decks. Namyong Terminal only facilitates the transport of vehicles.

Exhibit 3: Laem Chabang Port layout



Source: NYT

Exhibit 4: A5 Terminal



Source: NYT

A5 Terminal has an advantageous location – at the entrance to the watercourse. This offers clients the convenience of enabling huge vessels to move in and out of the wharf. The location of A5 Terminal, for NYT's clients, minimises the time spent on transportation, potentially by a few hours. The total car export and import capacity is about 1.5m units per year. Compared to the annual car exports of around 1m-1.2m units per year (the highest car export level in Thailand was 1.2m units), this port should be able to handle the future growth of car exports for many years to come.

The initial concession period will end in 2026. After the concession ends, the Port Authority of Thailand (PAT) will have the option to 1) open bidding; 2) renew the concession with NYT; or 3) operate it by themselves. In our view, NYT, which has been the sole operator of A5 Terminal since 1996 (over 25 years), and has been the key operator of the Ro/Ro business for over 15 years, should be at the forefront of consideration to operate the Ro/Ro business in Thailand.

Exhibit 5: A5 Terminal



Source: NYT

Exhibit 6: Car storage area

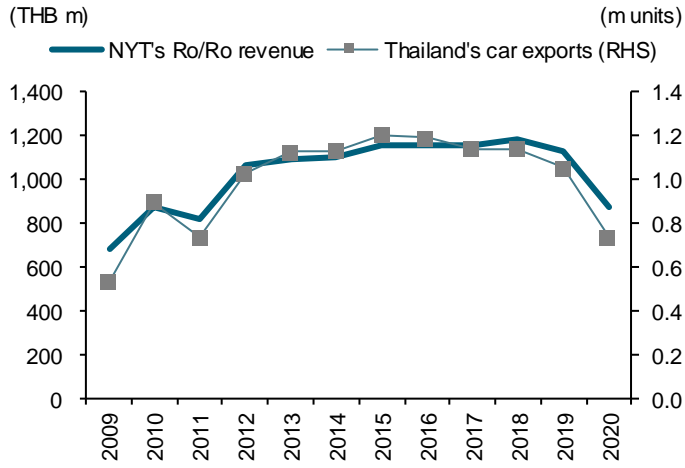


Source: NYT

Strong recovery of car exports

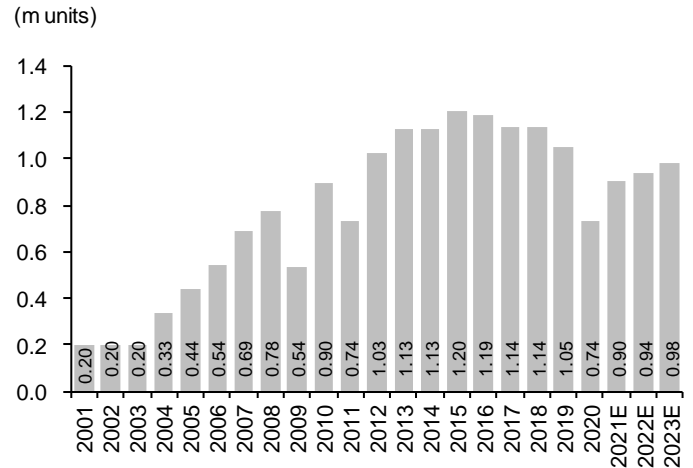
NYT's Ro/Ro revenue almost has a perfect correlation with the number of new car exports from Thailand (correlation = 0.97). This means that over 70% of its revenue is directly in line with the number of cars exported from Thailand.

Exhibit 7: Comparison between Thailand's car exports and NYT's Ro/Ro revenue



Sources: NYT; Thai Automotive Industry Association

Exhibit 8: Thailand's car export outlook

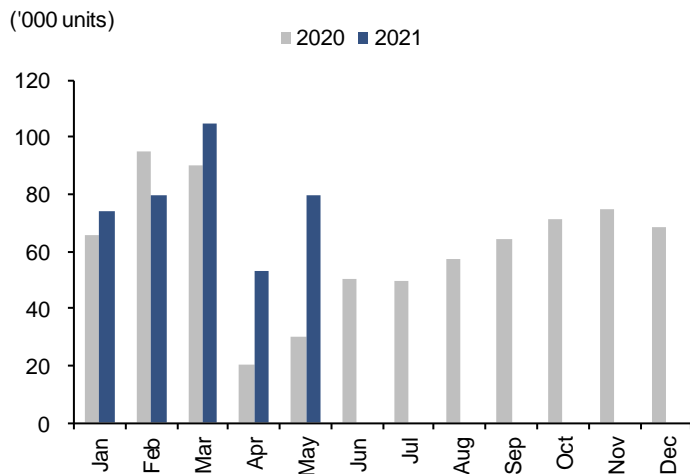


Source: Thai Automotive Industry Association

Thanks to the Covid vaccine rollouts worldwide, many countries have already vaccinated over 40% of their population. Together with the number of new Covid cases now declining continuously, this has helped the global economy to start recovering gradually since the beginning of 2021, in line with Thailand's car exports which have posted solid growth since Jan-21. YTD (Jan-May), car exports surged 30% y-y thanks to the strong demand from Asia and Australia for new cars. According to the International Monetary Fund (IMF), global GDP growth is projected at 6% in 2021, moderating to 4.4% in 2022. The projections for 2021 and 2022 are stronger than in the Oct-20 report. The upward revision reflects additional financial support in a few large economies, the anticipated vaccine-powered recovery in the second half of 2021, and the continued adaptation of economic activity in response to subdued mobility.

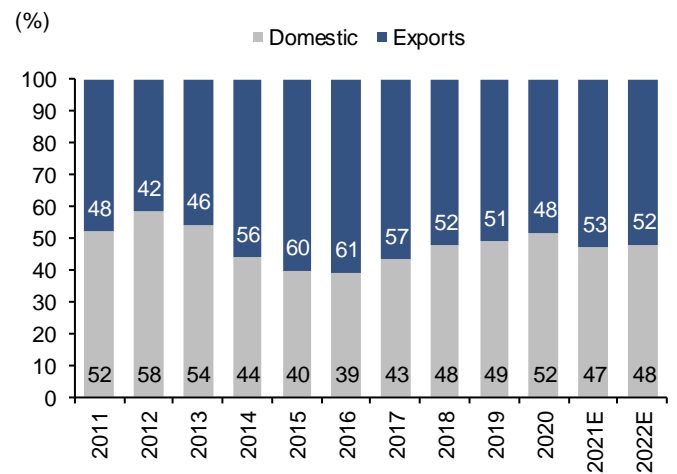
As a result, we expect Thailand's car exports in 2021 to recover to 0.9m units (+22% y-y), close to the pre-Covid level of 1m-1.2m units. Thailand just needs to export 73,000 units per month in order to reach our export estimate of 0.9m units at the end of this year, while monthly car exports in Jan-May were at 78,000 units. Therefore, we believe our estimate is achievable.

Exhibit 9: Thailand's car exports 2021 vs 2020



Source: Thai Automotive Industry Association

Exhibit 10: Thailand's domestic car sales vs exports



Source: Thai Automotive Industry Association

Recovery of C0 Terminal

Besides A5 Terminal, NYT has also invested in a 49% share of NYKT International Terminal Company (NYKT, not listed) which operates C0 Terminal at Laem Chabang Port. It currently provides terminal services for general cargo, special projects, steel, heavy industrial products, and others. The initial concession period will end in 2023 and it has an option to renew the contract for another 10+10 years.

Operating the C0 Terminal can actually generate a sustainable net profit. However, due to the current accounting standard, NYT has to recognise the amortisation expense of its investment in NYKT, which means that most of the time the company has a share of loss from NYKT.

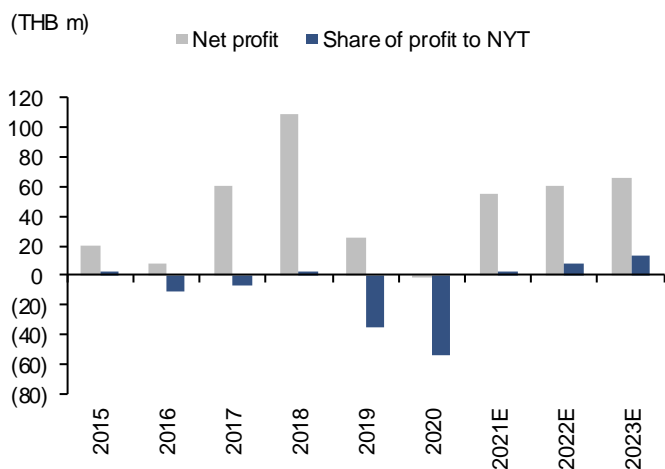
Moreover, during 2020, most of the customers using C0 Terminal had to postpone most of their projects due to the impact of Covid-19. As a result, NYKT made a loss of THB1m, while NYT had to recognise a huge share of loss of THB55m in 2020.

Recovery in 2021

Most of the Thai export sector has shown a promising recovery in early 2021. The Thai National Shippers' Council expects Thai exports to grow by 6-7% this year, helped by the global economic recovery, economic growth for major trading partners, and healthy exports of industrial products such as automobiles, electrical appliances, equipment and parts, and oil-related products such as plastic pellets and chemicals.

The company also indicated that the performance of NYTK should no longer contribute a loss to NYT this year. This is because most of its current customers can now resume their shipping. This includes heavy industrial material parts and oil rings. In 1Q21, NYT recognized only a THB1.5m share of loss from investments in associates. This is a good sign that the operations of C0 Terminal should have a solid recovery this year.

Exhibit 11: C0 Terminal performance



Note: NYT increased its shareholding in NYKT from 20% to 29% in 2019
Sources: NYT; FSSIA estimates

Exhibit 12: C0 Terminal



Source: NYT

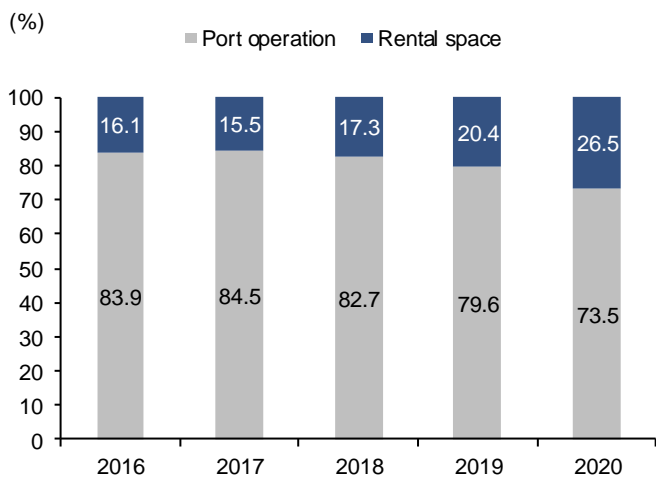
Storage and rental service growth

Storage and rental services account for 27% of NYT’s total revenue. This business includes a warehouse and supporting area rentals. It mainly uses it for car storage before they are loaded onto vessels, in an area close to A5 Terminal. Furthermore, covered storage and open yard warehouses are selectively used as supporting areas to serve clients when vehicles are being loaded as freight or are waiting for the next round to be loaded on board.

NYT’s warehouse business is still in the growth stage. This business has shown promising growth for the company’s revenue since 2012 and helped the company’s revenue and net profit have stable growth every year. Compared to the Ro/Ro business for which the company is unable to control the volume of car exports, the revenue of the warehouse business typically grows in line with the total car exports in Thailand, which has had an average export rate of about 1m-1.2m units per year since 2012. Therefore, the warehouse business should be able to fulfil the company’s growth potential.

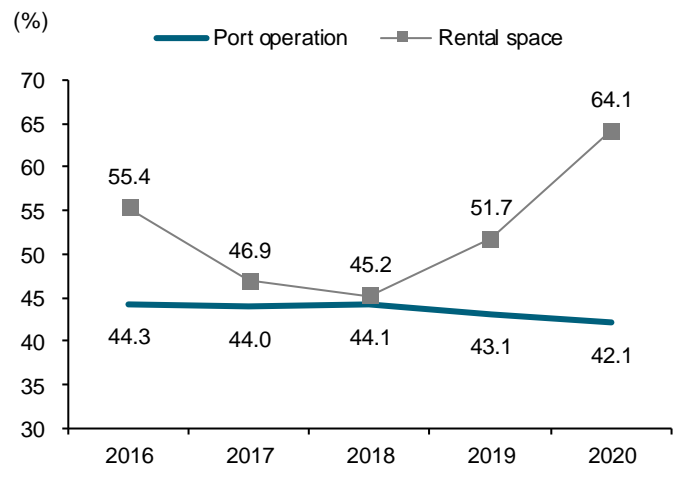
Most of NYT’s warehouses are located in and near Laem Chabang Port. Most of its customers are companies that need to store their products at the port before being exported to overseas markets. The company has a total warehouse area of over 270,000 sqm, with an almost 100% utilisation rate. This business has a solid growth track record. It grew at a 10% 5-year (2016-20) CAGR. During the Covid outbreak in 2020, much of the export industry had to suspend operations. This caused Thai exports to decline by 6% y-y in 2020. However, NYT’s warehouse revenue still had decent growth of 9% y-y in 2020.

Exhibit 13: Higher proportion of rental space revenue



Source: NYT

Exhibit 14: Better GPM for the rental space business



Source: NYT

New business, new growth potential

After NYT started to focus on the space rental business in 2012, it had no new business or any other growth driver since then. But now, NYT has entered into a new business that could be the new driver for the company in the future.

In mid-2020, the company invested in a 51% share in Seahorse Ferries, for a total initial investment value of around THB100m. The other major shareholder is the Leungsuwan family, who is also one of NYT’s major shareholders. Seahorse will provide a Ro/Ro passenger (ROPAX) ferry service that will carry a truck fleet between Sattahip province, the province located near Laem Chabang Port and the Eastern Economic Corridor (EEC) area to Prachuap Khiri Khan and Songkhla province.

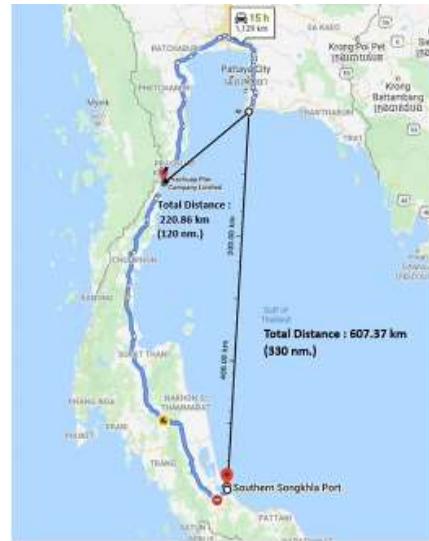
Seahorse’s ferry can carry 586 passengers, 80 trucks, and 20 passenger cars. The target customers are a combination of 49% import-exporters, 31% logistics providers, and 20% transporters. The key products are agricultural items and rubber from the southern part of Thailand.

Exhibit 15: ROPAX ferry service



Source: NYT

Exhibit 16: Routing



Source: NYT

Benefit of using Seahorse’s service

1. **Faster:** It can shorten the travel time by 4 hours (around 20-40% faster than travel by road). Truck drivers won’t need to drive over 10-20 hours to reach their destination, just go to the port and board the ferry.
2. **Cheaper:** According to the company, using its ferry service can help its customers to reduce logistics costs, including labour costs, gasoline costs, and maintenance costs.
3. **Better:**
 - 3.1 Using ferries can minimise road accidents. According to the “Global Report on Road Safety 2018”, conducted by the World Health Organization (WHO), Thailand ranked 9th for traffic fatalities. Road collisions killed more than 22,000 people in 2018, which equates to about 60 people dying on Thailand’s roads each day. Travel by ferry should reduce the risk of accidents on the road that can be a huge cost to every company in many ways.
 - 3.2 Easier scheduling. Bangkok has some of the worst traffic in the world. The route from the southern part of Thailand to Laem Chabang Port and the EEC area has to pass the Bangkok metropolitan area. It means that truck drivers can’t predict their ETA correctly when there is heavy traffic in and around Bangkok. Therefore, using Seahorse can help their customers predict their ETA and scheduling more easily.

According to NYT, ROPAX ferry services is a new business in Thailand that should increase the company’s business opportunities. The investment in Seahorse increases the opportunity for NYT to realise revenue in the future and to expand into other businesses apart from its current terminal and warehouse services.

New driver in the long term

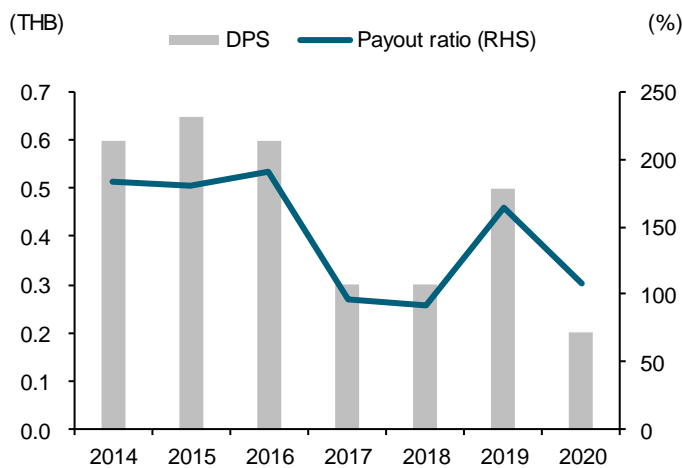
We like NYT’s new business model as it is a new business for the company as well as in Thailand. The company claims that this ferry service will be the first ROPAX service in Thailand. Its model looks valid in that it can help its customers gain the various benefits of using the service. According to NYT, this service needs only 45 trucks per trip in order to reach its breakeven point. In the long term, if this new project is a success, the company plans to expand its fleet to four ferries, which could be a huge game-changer for the company.

However, at this moment, Seahorse is ready to provide full services but it has to wait for the green light from PAT. As of now, PAT has not yet given the green light to the company to start this service as it is concerned about the Covid outbreak. Ferries carry many people and there is a high risk that they could become new Covid clusters. We believe that when the Covid-19 situation is better, possibly at the end of 3Q21, Seahorse should be able to start its service and NYT would be able to recognise the additional revenue.

Decent dividend yield

NYT has been categorised as a dividend play company as it typically pays a dividend of over 90% of its payout ratio (NYT did a 1 to 2 stock split in 2017, making its payout ratio and DPS before 2017 look higher). Over 70% of its revenue depends on car exports, which is an external factor that the company is unable to control. The average net profit of the company has been around THB350m-400m per year since 2010. However, with the 1) strong recovery of car exports; 2) continuous growth in rental space; and 3) its new business, compared to its current share price, we believe NYT will be able to pay a decent dividend going forward. We expect that the company should pay about a THB0.28 dividend yield, pegged to a 90% payout ratio, reflecting an attractive dividend of 6.1% p.a. Moreover, with all three catalysts that we mentioned earlier, we believe NYT should pay a higher DPS every year going forward.

Exhibit 17: NYT’s DPS and payout ratio



Note: NYT did a stock split in 2017
Source: NYT

Exhibit 18: NYT’s dividend outlook

	2020	2021E	2022E	2023E
DPS (THB)	0.20	0.28	0.30	0.34
Payout ratio (%)	109	90	90	90
Dividend yield (%)	4.44	6.28	6.75	7.53

Note: Based on NYT’s share price at THB4.50
Source: NYT

Financial outlook

Strong recovery in 2021

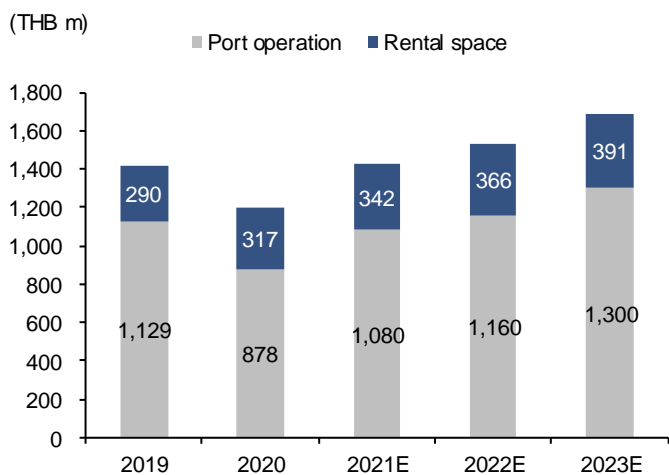
With the expectation of a 22% recovery in Thailand's car exports, we expect NYT's Ro/Ro revenue to grow by 23%, slightly better than the total exports as it should be supported by the higher car imports. Moreover, the growth of the Ro/Ro business has usually been better than the growth in car exports. Meanwhile, we conservatively expect rental space revenue to grow by 8% y-y, close to the historical growth momentum at a 10% 5-year CAGR. We expect no additional rental area for this year. The higher revenue will likely come from a higher rental price that would increase every year. As a result, we expect that the company's total revenue in 2021 will jump to THB1.42b (+19% y-y), close to its all-time high in 2018 at THB1.43b.

Due to the new accounting standard (IFRS16) that was implemented in 2020, the company has to recognise a lower depreciation cost. This caused the company's rental space GPM to jump significantly in 2020. We expect that the company's total cost should be largely maintained, slightly growing in line with the higher car exports. The company's 2021E GPM should stay at 46.9% vs 48% in 2020, as the company had re-valued its rental space, making its GPM in 2H20 jump to an abnormal level.

C0 Terminal's performance should improve significantly, as mentioned above. Most C0 customers have now resumed their import-export activities. We expect the share of profit/loss from associates to NYT in 2021 to improve significantly and turn a profit of THB2m vs a THB55m loss in 2020. In 1Q21, NYT recognised only a THB1.5m share of loss from investments in associates. This is a good sign that the operations of C0 Terminal should have a solid recovery this year.

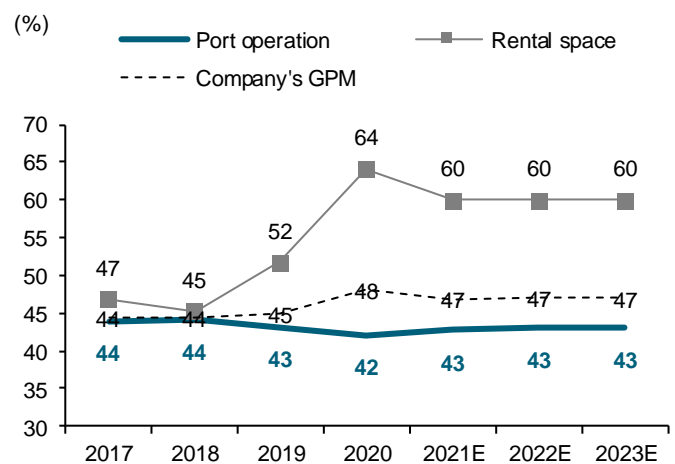
As a result, we anticipate NYT's core net profit in 2021 to grow significantly to THB389m (+70% y-y). Moreover, the company has an investment portfolio of THB500m, consisting of fixed income investments (85%) and securities (15%). Last year, its investments made a loss of THB15m due to the impact of Covid-19. We believe its investment portfolio should improve this year but we have not included the gain or loss of investment income into our core net profit forecast.

Exhibit 19: NYT's revenue outlook



Sources: NYT; FSSIA estimates

Exhibit 20: NYT's GPM



Source: NYT; FSSIA estimates

Risks

The expiration of the A5 Terminal concession

A5 Terminal is the key terminal for the company's revenue. Its concession will expire in 2026 (5 years). If NYT is unable to renew the concession it would lose the majority of its business, negatively impacting its revenue.

After the concession ends, based on our expectation, PAT will have the option to 1) open bidding; 2) renew the concession with NYT; or 3) operate it by themselves. In our view, the most likely possibility is that PAT will open bidding for the new concession because it does not have the know-how to run a Ro/Ro business itself. NYT, which has been the sole operator of A5 Terminal since 1996 (over 25 years), and has been the key operator of the Ro/Ro business for over 15 years, should be at the forefront of consideration to operate the Ro/Ro business in Thailand.

Running a Ro/Ro business requires know-how, experience, technology, and supporting services. Normally, according to the Laem Chabang Port Authority, A5 Terminal can handle only 700,000 cars per year. Thanks to NYT, which has a car storage area near A5 Terminal that can facilitate its customers and operate a more efficient Ro/Ro business, A5 Terminal can handle over 1.5m cars per year. If PAT opens bidding on A5 Terminal after the concession ends in 2026, NYT should have an advantage in terms of cost efficiency and more experience than its competitors.

Moreover, over 80% of car exports have to pass through A5 Terminal. The rest pass through A1 Terminal, operated by NYK Auto Logistics (Thailand; not listed), under the NYK Logistics group, which is also partnered with NYT on C0 Terminal. Moreover, NYK (Thailand) is also the third largest major shareholder of NYT. We believe NYK, as a Japanese company, would not be willing to enter into full Ro/Ro operations in Thailand and compete with NYT for A5 Terminal.

Weak car exports

Over 70% of NYT's revenue is reliant upon Thailand's car export volume, something the company is unable to control. Therefore, there is a risk that car exports in Thailand may decline going forward. However, Thailand, as a worldwide car production hub, ranked 11th for the 2020 car production volume. Based on historical data, Thailand has consistently exported new cars at an average of 1m-1.2m per year since 2012. We believe Thailand will remain a car export hub for Asia, Australia, and many other countries in the world.

Unsuccessful in its new business venture

NYT invested over THB100m to hold a 51% share in Seahorse, the Ro/Ro passenger ferry service. This is not only a new business for the company but also a new business in Thailand. Therefore, it may have a high risk from customer satisfaction. Nevertheless, to break even on this business, the company needs to find at least 45 trucks or 56% of its capacity. Compared to the over ten thousand trucks travelling this route, we believe the Seahorse business will not be a big burden to the company.

Corporate Governance - NYT

Board structure

Number of Independent Directors (ID)	7 of 12 board members
Percentage of IDs on the board	58%
ID participation/attendance at board meetings	100%
ID participation in audit/remuneration committees	4/4 in audit committee and 3/3 in remuneration committee
ID terms (years of service, re-election/replacement procedures)	ID terms is 3 years subject to date of appointment or rotation. AGM must approve proposed re-election.

Source: NYT

Additional comments: Chairman of the Board of Directors is also an Independent Director

Audit Practices

Auditor	EY Office Limited
Length of service	More than ten years
Reporting incidents	None
Fee track record	THB 1.36m in 2020, THB 1.33m in 2019, and THB1.25m in 2018
Policy on change of audit firm	None

Source: NYT

Additional comments: None

Compensation and remuneration

Directors' remuneration vs earnings/ROE/share performance	In 2020, THB 2.873m vs reported net profit of THB 227m
Changes/stability in senior management	None in 2020, change of Chief Accountant in 2019
Incidents of termination of senior management	None
Track record on insider sales	None

Source: NYT

Additional comments: None

Shareholders' rights

Communication - shareholder participation in AGMs/EGMs	To organise the Annual General Meeting of Shareholders (AGM) once a year and within 4 months from the end of the fiscal year. Extraordinary General Meeting (EGM) may be arranged to seek shareholders' approval should there be matters considered to be affecting or concerning the shareholders' benefits, or relating to the applicable conditions, regulations, and laws.
Related party transactions	To be approved by or receiving consent from the Board of Directors, that will be in accordance with the relevant notifications, regulations and rules of practices of the Securities and Exchange Commission and the Stock Exchange of Thailand for the benefit of the Company and the shareholders whereby the director with conflict of interest is not entitled to vote.
Voting issues - policies, incidents of rejected proposals	None

Source: NYT

Additional comments: None

Financial Statements

Nam Yong Terminal

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	1,419	1,195	1,422	1,526	1,691
Cost of goods sold	(575)	(192)	(423)	(501)	(614)
Gross profit	844	1,003	999	1,025	1,077
Other operating income	7	5	7	8	8
Operating costs	(161)	(160)	(165)	(177)	(196)
Operating EBITDA	690	848	841	856	889
Depreciation	(207)	(429)	(333)	(307)	(284)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	483	419	508	549	606
Net financing costs	22	(53)	(46)	(41)	(35)
Associates	(36)	(55)	2	8	13
Recurring non-operating income	(36)	(55)	2	8	13
Non-recurring items	9	(15)	0	0	0
Profit before tax	479	296	464	516	584
Tax	(102)	(69)	(93)	(103)	(117)
Profit after tax	377	227	371	413	467
Minority interests	0	1	18	6	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	377	229	389	419	467
Non-recurring items & goodwill (net)	(9)	15	0	0	0
Recurring net profit	367	243	389	419	467
Per share (THB)					
Recurring EPS *	0.30	0.20	0.31	0.34	0.38
Reported EPS	0.30	0.18	0.31	0.34	0.38
DPS	0.50	0.20	0.28	0.30	0.34
Diluted shares (used to calculate per share data)	1,240	1,240	1,240	1,240	1,240
Growth					
Revenue (%)	(0.6)	(15.8)	19.0	7.3	10.8
Operating EBITDA (%)	(0.8)	22.8	(0.8)	1.7	4.0
Operating EBIT (%)	1.4	(13.3)	21.3	8.0	10.4
Recurring EPS (%)	(9.4)	(33.7)	59.9	7.6	11.5
Reported EPS (%)	(7.0)	(39.3)	70.3	7.6	11.5
Operating performance					
Gross margin inc. depreciation (%)	44.9	48.0	46.9	47.1	46.9
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	48.7	71.0	59.1	56.1	52.6
Operating EBIT margin (%)	34.1	35.1	35.8	36.0	35.8
Net margin (%)	25.9	20.4	27.4	27.4	27.6
Effective tax rate (%)	-	-	-	-	-
Dividend payout on recurring profit (%)	168.9	101.9	90.0	90.0	90.0
Interest cover (X)	(20.6)	6.9	11.0	13.6	17.7
Inventory days	-	3.2	3.0	2.8	2.5
Debtor days	31.2	33.4	27.5	29.5	29.0
Creditor days	27.6	46.9	24.6	19.7	6.3
Operating ROIC (%)	21.9	18.4	23.4	25.5	28.1
ROIC (%)	12.7	7.9	9.9	11.3	13.0
ROE (%)	9.7	6.9	11.9	12.7	14.0
ROA (%)	7.9	5.9	7.4	8.3	9.5
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Seaport and related	1,129	878	1,080	1,160	1,300
Warehouse service	290	317	342	366	391

Sources: Nam Yong Terminal; FSSIA estimates

Financial Statements

Nam Yong Terminal

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	367	243	389	419	467
Depreciation	207	429	333	307	284
Associates & minorities	36	54	(18)	(6)	0
Other non-cash items	2	47	0	0	0
Change in working capital	(43)	(118)	16	(25)	(25)
Cash flow from operations	568	656	720	694	725
Capex - maintenance	(59)	(198)	(70)	(70)	(70)
Capex - new investment	(27)	(86)	(32)	(32)	(32)
Net acquisitions & disposals	(907)	31	0	0	0
Other investments (net)	(144)	460	0	0	0
Cash flow from investing	(1,137)	206	(102)	(102)	(102)
Dividends paid	(372)	(620)	(350)	(377)	(420)
Equity finance	0	0	0	0	0
Debt finance	(2)	(22)	(195)	(180)	(180)
Other financing cash flows	0	(60)	(18)	(6)	0
Cash flow from financing	(374)	(701)	(564)	(563)	(600)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(943)	161	54	29	23
Free cash flow to firm (FCFF)	(564.02)	937.20	687.53	657.51	684.03
Free cash flow to equity (FCFE)	(570.75)	781.11	404.47	406.18	443.48

Per share (THB)

FCFF per share	(0.45)	0.76	0.55	0.53	0.55
FCFE per share	(0.46)	0.63	0.33	0.33	0.36
Recurring cash flow per share	0.49	0.62	0.57	0.58	0.61

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	2,367	2,646	2,746	2,846	2,946
Less: Accumulated depreciation	(1,339)	(1,444)	(1,581)	(1,711)	(1,836)
Tangible fixed assets (net)	1,029	1,202	1,165	1,135	1,110
Intangible fixed assets (net)	214	1,724	1,530	1,356	1,200
Long-term financial assets	175	189	182	185	183
Invest. in associates & subsidiaries	1,146	1,072	1,072	1,072	1,072
Cash & equivalents	94	255	309	338	361
A/C receivable	124	95	120	127	141
Inventories	0	3	4	4	4
Other current assets	1,519	1,067	1,071	1,071	1,072
Current assets	1,737	1,420	1,504	1,540	1,579
Other assets	55	87	71	79	75
Total assets	4,355	5,693	5,524	5,367	5,218
Common equity	3,792	3,254	3,275	3,310	3,357
Minorities etc.	0	40	22	16	16
Total shareholders' equity	3,792	3,293	3,296	3,326	3,373
Long term debt	0	1,855	1,675	1,495	1,315
Other long-term liabilities	278	163	175	178	181
Long-term liabilities	278	2,018	1,851	1,674	1,496
A/C payable	25	24	33	21	0
Short term debt	0	195	180	180	180
Other current liabilities	260	163	164	166	169
Current liabilities	286	382	377	368	349
Total liabilities and shareholders' equity	4,355	5,693	5,524	5,367	5,218
Net working capital	1,358	978	998	1,015	1,048
Invested capital	3,976	5,252	5,018	4,841	4,688

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	3.06	2.62	2.64	2.67	2.71
Tangible book value per share	2.89	1.23	1.41	1.58	1.74

Financial strength

Net debt/equity (%)	(2.5)	54.5	46.9	40.2	33.6
Net debt/total assets (%)	(2.1)	31.5	28.0	24.9	21.7
Current ratio (x)	6.1	3.7	4.0	4.2	4.5
CF interest cover (x)	26.1	17.5	10.4	11.7	14.6

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	15.2	22.9	14.3	13.3	11.9
Recurring P/E @ target price (x) *	18.6	28.0	17.5	16.3	14.6
Reported P/E (x)	14.8	24.4	14.3	13.3	11.9
Dividend yield (%)	11.1	4.4	6.3	6.8	7.5
Price/book (x)	1.5	1.7	1.7	1.7	1.7
Price/tangible book (x)	1.6	3.6	3.2	2.9	2.6
EV/EBITDA (x) **	7.9	8.7	8.5	8.1	7.6
EV/EBITDA @ target price (x) **	9.7	10.2	10.0	9.6	9.0
EV/invested capital (x)	1.4	1.4	1.4	1.4	1.4

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Nam Yong Terminal; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENDEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PAP	PCSGH	PDJ	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEAOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description	Score Range
Excellent	90-100
Very Good	80-89
Good	70-79

Disclaimer:

The disclosure of the survey results 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 results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA’s compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAH	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

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Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

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Naruedom Mujjalinkool FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Nam Yong Terminal	NYT TB	THB 4.50	BUY	The key downside risks to our P/E multiple TP includes 1) weaker-than-expected Thai car exports; and 2) inability to secure an A5 contract extension.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

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All share prices are as at market close on 7-Jul-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / current price.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.