

OSOTSPA PCL OSP TB
THAILAND / CONSUMER STAPLES

BUY

UNCHANGED

ยักษ์กำลังตื่น

- เป็นเวลาที่ดีในการสะสมหุ้น; เปลี่ยนจากหุ้นเชิงรับเป็นหุ้นเติบโตหลังการออกเครื่องตีพิมพ์ลูกกำลัง M-150 ใหม่
- ยอดขายเครื่องตีพิมพ์ในประเทศดีกว่าที่ตลาดคาด; กระแสเป็นบวกต่อเนื่องใน 1Q22
- คงแนะนำซื้อที่ราคาเป้าหมาย 42 บาท (DCF)

เปลี่ยนจากหุ้นเชิงรับเป็นหุ้นเติบโต

ราคาหุ้นของ OSP ได้เคลื่อนไหวออกข้างโดยอยู่ระหว่าง 32-38 บาทนับตั้งแต่แตะจุดสูงสุดที่ 48 บาท/หุ้นในเดือน ก.พ. 20 ก่อนการระบาดโควิด นักลงทุนได้มองข้ามหุ้นดังกล่าว เนื่องจากกำไรไม่โตเมื่อเทียบกับบริษัทอื่นในกลุ่มจากการบริหารแบบอนุรักษ์นิยม เราคิดว่าปัจจุบันเป็นโอกาสที่ดีในการสะสมหุ้น เนื่องจาก OSP น่าจะเข้าสู่ยุคแห่งการเติบโตใหม่จาก 1) การฟื้นตัวของยอดขายหลังการระบาดโควิด; 2) เครื่องตีพิมพ์ M-150 ใหม่ที่ราคา 12 บาท/ขวด ซึ่งให้อัตรากำไรขั้นต้น (GPM) ที่สูงกว่าอย่างมีนัยสำคัญ; และ 3) โครงการ Fast Forward 10x ซึ่งอาจช่วยลดต้นทุนได้ 5.0 พัน ลบ. ในช่วงปี 2022-28

แนวโน้มใน 1Q22; ผลกระทบจำกัดจากต้นทุนวัตถุดิบที่อยู่ในระดับสูง

การประชุมนักวิเคราะห์ของ OSP เป็นบวก ยอดขายเครื่องตีพิมพ์ในประเทศโตดีกว่าตลาดโดยอยู่ที่ 2.6% y-y เทียบกับตลาดเครื่องตีพิมพ์เพื่อสุขภาพและเครื่องตีพิมพ์ลูกกำลังที่โต -10.3%/-8.1% แนวโน้มเชิงบวกดังกล่าวน่าจะต่อเนื่องไปใน 1Q22 ยอดขาย QTD โตต่อเนื่อง y-y ในด้านสถานะราคาสินค้าโภคภัณฑ์ที่อยู่ในระดับสูง เราเห็นความเสี่ยงจำกัดต่อ GPM ของ OSP เนื่องจากบริษัทฯ ได้ทำสัญญาป้องกันความเสี่ยงสำหรับวัตถุดิบสำคัญทั้งหมด เช่น กระจกป้องกันอลูมิเนียม (ทำสัญญาตอนปลายปี 2021 ที่ประมาณ USD2,800-2,900/ตัน) และโซดาแอส นอกจากนี้บริษัทฯ ยังได้สะสมเศษแก้วเพิ่มไว้มากพอจนถึงช่วง 1H22 OSP ได้รับผลกระทบจำกัดจากต้นทุนน้ำตาล เนื่องจากราคาน้ำตาลในประเทศยังทรงตัว ในขณะที่บริษัทฯ ได้สะสมปริมาณน้ำตาลคงคลังสำหรับโปรดักส์เพื่อการส่งออก นอกจากนี้ OSP ยังได้ปรับส่วนลดสำหรับ Supplier ลง 2-3% มาตั้งแต่ปลายปี 2021 ซึ่งน่าจะช่วยลดผลกระทบจากต้นทุนวัตถุดิบที่เพิ่มขึ้นได้

ตั้งเป้าผลิต M-150 ใหม่เป็นจำนวนมากภายในปลายปีนี้

OSP จะเปิดตัวเครื่องตีพิมพ์ M-150 ใหม่ที่ราคา 12 บาท/ขวดที่มีวิตามิน B12 เพิ่มเท่าตัวในเร็ววันนี้ ผู้บริหารตั้งเป้าผลิตสินค้าดังกล่าวเป็นจำนวนมากภายในปี 2022 และทำการตลาดเชิงรุกให้เปลี่ยนจาก M-150 ในปัจจุบันเป็น M-150 ใหม่อย่างเต็มที่ ปริมาณขาย M-150 ใหม่อาจสูงกว่า M-150 เดิมที่มีราคา 10 บาท/ขวดภายใน 1 ปีโดยจะขึ้นอยู่กับว่าคู่แข่งจะออกสินค้าราคาสูงเพื่อมาสนับสนุนตลาดใน segment 12 บาทมากน้อยขนาดไหน

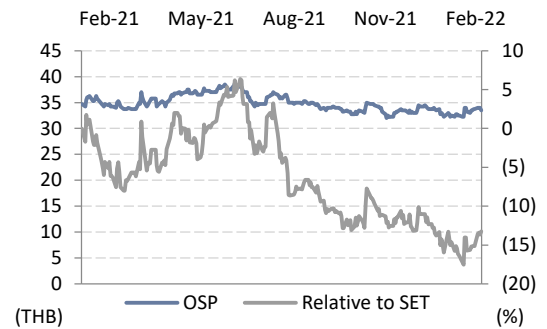
เวลาที่ดีที่จะสะสมหุ้น

ปัจจุบันราคาหุ้นของ OSP มีการซื้อขายที่ 27.6x ของค่า 2022E P/E ซึ่งใกล้เคียงกับ -1.0SD ของค่าเฉลี่ย 5 ปีที่ 31.9x และยังต่ำกว่าของ CBG ที่ 29.8x เราเชื่อว่า OSP น่าจะปรับตัวได้ดีกว่า CBG ถ้าการเปลี่ยนแปลงของตลาดเครื่องตีพิมพ์ลูกกำลังประสบความสำเร็จภายในสิ้นปีนี้ เนื่องจาก OSP มีสัดส่วนตลาดในประเทศสูงและเป็นผู้นำในตลาดดังกล่าว

TARGET PRICE	THB42.00
CLOSE	THB33.50
UP/DOWNSIDE	+25.4%
PRIOR TP	THB42.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+8.7%

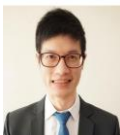
KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	26,934	29,203	30,369	31,531
Net profit	3,255	3,647	4,041	4,488
EPS (THB)	1.08	1.21	1.35	1.49
vs Consensus (%)	-	(1.5)	0.2	2.8
EBITDA	4,855	5,467	6,013	6,637
Core net profit	3,231	3,647	4,041	4,488
Core EPS (THB)	1.08	1.21	1.35	1.49
Chg. In EPS est. (%)	nm	0.1	0.4	nm
EPS growth (%)	(3.5)	12.9	10.8	11.1
Core P/E (x)	31.1	27.6	24.9	22.4
Dividend yield (%)	3.3	3.7	4.1	4.5
EV/EBITDA (x)	20.4	18.1	16.6	15.1
Price/book (x)	5.1	5.1	5.1	5.1
Net debt/Equity (%)	(6.9)	(7.4)	(5.0)	(2.6)
ROE (%)	16.5	18.4	20.4	22.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	2.3	(1.5)	(0.7)
Relative to country (%)	0.9	(2.2)	(11.0)
Mkt cap (USD m)	3,076		
3m avg. daily turnover (USD m)	10.4		
Free float (%)	34		
Major shareholder	The Orion Group (32%)		
12m high/low (THB)	39.00/31.50		
Issued shares (m)	3,003.80		

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 25 กุมภาพันธ์ 2022

Investment thesis

OSP is the market leader and an innovator in both the beverage and personal care segments. Its share price has been underperforming its peers', as quarterly core earnings have been at cTHB800m-900m for the last six quarters, dragged by a shrinking market share in Myanmar (c10% of total sales) and low organic growth in the domestic beverage (71%) and personal care markets (9%). We expect earnings growth to resume at a rate of 10%/8% in 2022/23, driven by the projected recovery of the domestic energy drink market, 2x sales growth from C-vitt, and its new beverage plant in Myanmar, which should boost its sales and GPM.

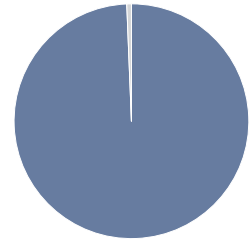
Company profile

Osotspa was established in 1891 as a pharmaceutical company. It is now one of the largest consumer product companies in Thailand. Revenue is derived from beverages (84% of sales), personal care (11% of sales) and others (5%). About 17% of its sales come from overseas markets, such as Myanmar, Laos and Cambodia, nearly all of which are from the energy drinks segment. It was listed in October 2018.

www.osotspa.com

Principal activities (revenue, 2021)

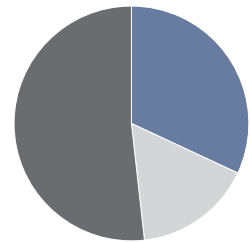
- Sales of goods - 99.4 %
- Other income - 0.6 %



Source: Osotspa PCL

Major shareholders

- The Orizon Group - 32.0 %
- Mr. Niti Osathanugrah - 16.3 %
- Others - 51.8 %



Source: Osotspa PCL

Catalysts

Potential catalysts for OSP's share price include higher-than-expected sales growth from new innovative products in the beverage and personal care segments and higher-than-expected cost savings.

Risks to our call

The key downside risks to our DCF-based TP are 1) a decline in energy drink market share in Myanmar due to strong competition; 2) a slow recovery in the economy; and 3) lower-than-expected SG&A savings from the Fast Forward 10X program.

Event calendar

Date	Event
May 2022	1Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
Sales growth	7.5	4.0	3.8
Domestic beverages	6.7	2.7	2.8
Personal care	10.0	10.0	7.0
Overseas beverages & personal care	12.0	7.0	7.0
GPM	34.4	35.2	35.9
SG&A to sales	22.6	22.3	21.8

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in sales, we estimate 2022 EPS would rise 0.9%, and vice versa, all else being equal.
- For every 1ppt increase in GPM, we estimate 2022 EPS would rise 5.6%, and vice versa, all else being equal.
- For every 0.1% increase in SG&A to sales, we estimate 2022 EPS would fall 0.6%, and vice versa, all else being equal.

Source: FSSIA estimates

Strong recovery of 4Q21 NP, in line with expectation

OSP booked a strong net profit of TH851m in 4Q21 (+47% q-q, flat y-y), in line with BBG's consensus expectation. The strong NP recovery was driven by the strong recovery in domestic beverage sales. Note that there was an FX gain from Myanmar's currency appreciation of cTHB20m, and THB75m in equity income and SG&A expenses were booked. Overall, 2021 NP was at THB3.3b, dropping 7.1% y-y from THB3.5b in 2020.

4Q21 revenue grew 9% y-y and 14% q-q to THB7b, driven by double-digit domestic energy drink sales growth (vs CBG's -8% y-y sales growth).

4Q21 GPM was at 34.6% (vs 33.5% in 3Q21 and 36.6% in 4Q20). The improvement q-q was mainly due to a higher utilisation rate and efficient cost control from the Fit Fast Firm program.

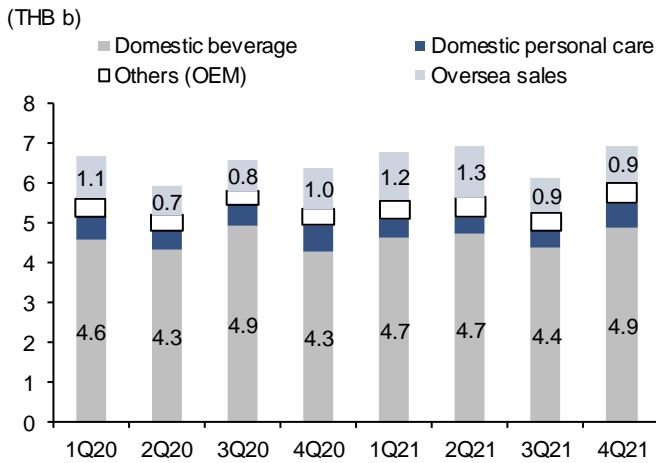
SG&A was under control at 21.7% in 4Q21 (vs 21.9% in 4Q20). Equity income grew 159% q-q to THB89m due to higher C-vitt sales and an FX gain of cTHB20m. OSP announced a cash dividend payment of THB0.65/shr, implying a 1.9% dividend yield. The XD date is 5 May.

Exhibit 1: OSP – 4Q21 results summary

	4Q20	1Q21	2Q21	3Q21	4Q21	----- Change -----		4Q21	2020	2021	Change
YE Dec 31	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	% 21A	(THB m)	(THB m)	y-y%
Total revenue	6,387	6,776	6,913	6,121	6,952	14	9	26	25,785	26,934	4
Retail sales	6,387	6,776	6,913	6,121	6,952	14	9	26	25,583	26,762	5
Other income	0	0	0	0	0	n/a	n/a	0	202	171	(15)
Cost of sales	(4,052)	(4,509)	(4,405)	(4,069)	(4,544)	12	12	27	(16,757)	(16,757)	0
Gross profit	2,335	2,267	2,509	2,052	2,409	17	3	26	9,231	9,407	2
Operating costs	(1,400)	(1,508)	(1,612)	(1,441)	(1,509)	5	8	25	(5,710)	(6,070)	6
Operating profit	935	759	896	611	900	47	(4)	27	3,520	3,336	(5)
Operating EBITDA	1,296	1,107	1,262	997	1,317	32	2	27	4,805	4,855	1
Interest expense	(29)	(28)	(24)	(22)	(22)	(2)	(26)	23	(65)	(96)	46
Profit before tax	937	768	919	645	909	41	(3)	28	3,455	3,241	(6)
Tax	(106)	(163)	(191)	(122)	(188)	54	77	28	(587)	(664)	13
Associates	(12)	73	66	34	89	159	(876)	15	414	584	41
Minority interests	17	17	21	19	14	(27)	(21)	n/a	67	70	4
Non recurring items	9	0	0	0	24	nm	nm	nm	156	24	(85)
Reported net profit	851	1,004	820	580	851	47	0	26	3,504	3,255	(7)
Recurring net profit	842	1,004	820	580	827	43	(2)	26	3,349	3,231	(4)
EPS (THB)	0.23	0.33	0.27	0.19	0.28	47	23	26	1.17	1.08	(7)
Recurring EPS (THB)	0.28	0.33	0.27	0.19	0.28	43	(1)	26	1.11	1.08	(4)
Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)		(%)	(%)	(ppt)
Sales margin	36.6	33.5	36.3	33.5	34.6	1.1	(1.9)		34.5	37.4	2.9
EBIT margin	14.6	11.2	13.0	10.0	12.9	3.0	(1.7)		13.7	12.4	(1.3)
Recurring net margin	13.0	8.9	10.5	8.5	10.4	1.8	(2.6)		13.0	12.0	(1.0)
SG&A / Sales	21.9	22.3	23.3	23.5	21.7	(1.8)	(0.2)		22.1	22.5	0.4
Effective tax rate	11.3	21.2	20.8	18.9	20.7	1.8	9.4		17.0	20.5	3.5
Sales breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)		(THB m)		
Beverages	5,269	5,801	5,938	5,220	5,750	10	9		21,547		
Personal care	724	500	481	446	674	51	(7)		2,501		
Others	394	475	494	455	528	16	34		1,535		
Total	6,387	6,776	6,913	6,121	6,952	14	9		25,583		

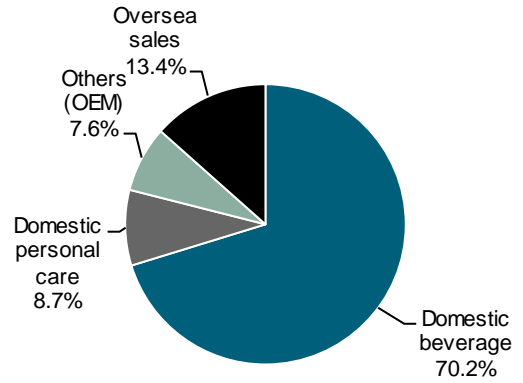
Sources: OSP; FSSIA estimates

Exhibit 2: Sales breakdown, quarterly



Sources: OSP; FSSIA estimates

Exhibit 3: Sales breakdown in 4Q21



Sources: OSP; FSSIA estimates

Exhibit 4: New energy drink under M-150 brand



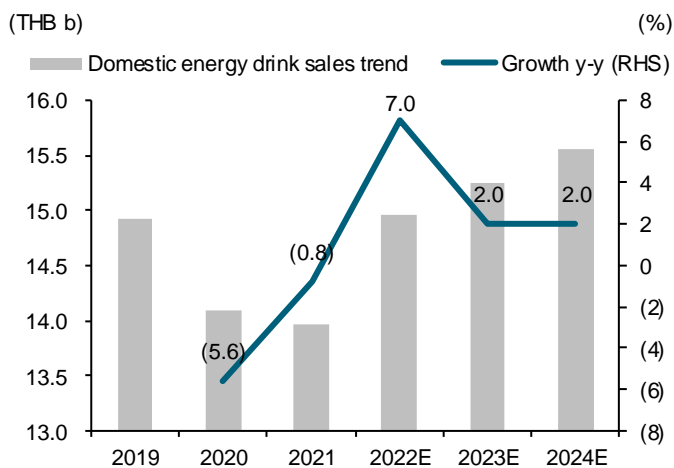
Source: OSP

Exhibit 5: Full support for the new M-150



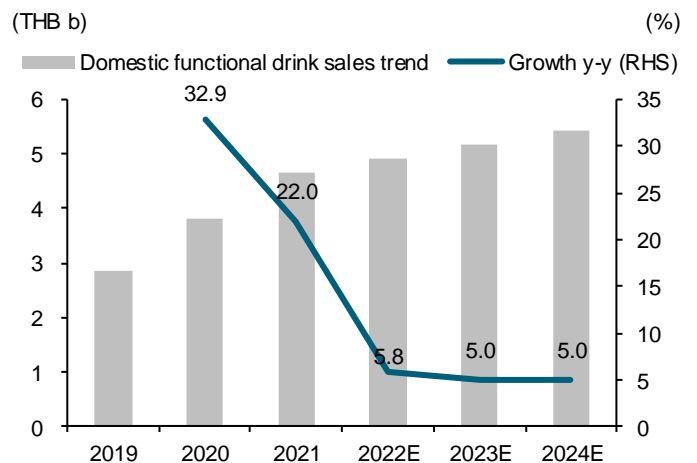
Source: OSP

Exhibit 6: Domestic energy drink sales trend



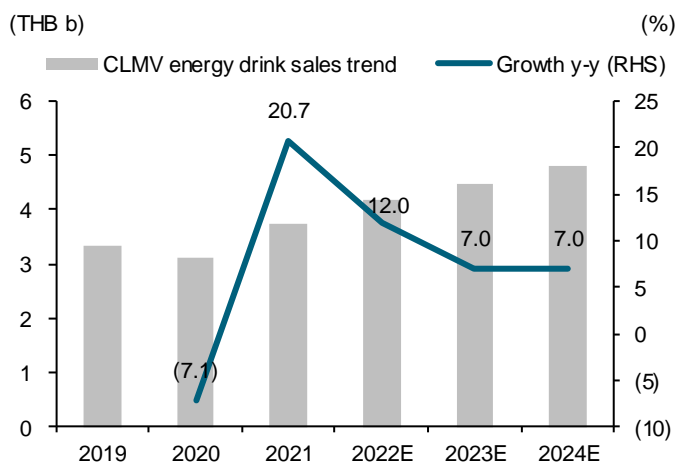
Sources: OSP; FSSIA estimates

Exhibit 7: Domestic functional drink sales trend



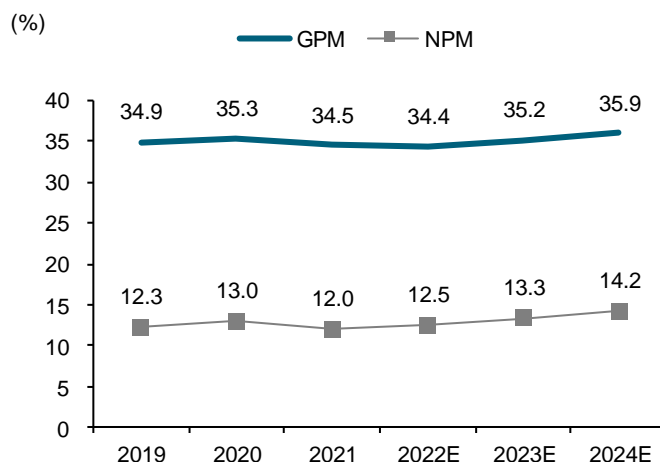
Sources: OSP; FSSIA estimates

Exhibit 8: Domestic personal care sales trend



Sources: OSP; FSSIA estimates

Exhibit 9: GPM and NPM



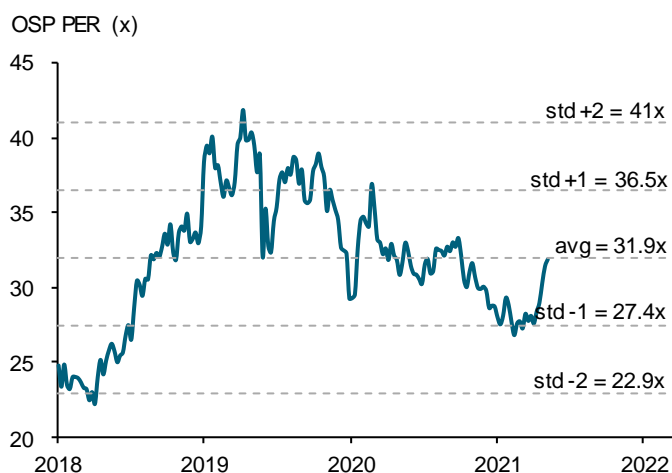
Sources: OSP; FSSIA estimates

Exhibit 10: Peer valuation comparison

	CBG	OSP
Current price (THB)	99.25	33.5
No. of shares (m shares)	1,000	3,004
2021 NP (THB m)	2,881	3,255
2022E NP (THB m)	3,336	3,647
2023E NP (THB m)	3,890	4,041
2021 EPS (THB/share)	2.88	1.08
2022E EPS (THB/share)	3.34	1.21
2023E EPS (THB/share)	3.89	1.35
2021 P/E (x)	34.4	31.1
2022E P/E (x)	29.8	27.6
2023E P/E (x)	25.5	24.9
P/E 5-Year Average (x)	38.0	31.9
2022E EPS growth (%)	15.8	12.0
2023E EPS growth (%)	16.6	10.8

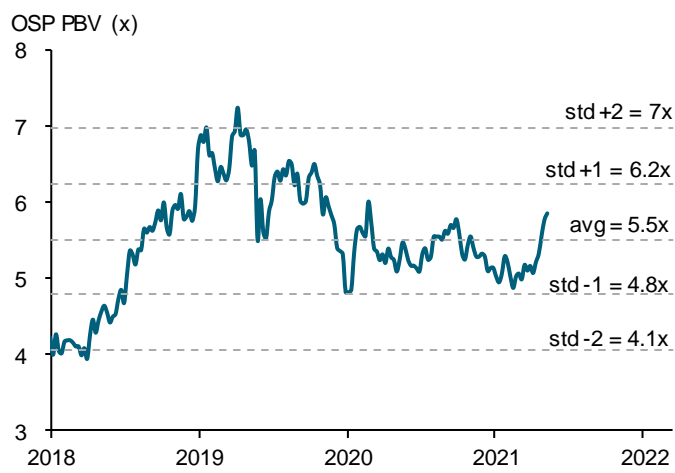
Source: FSSIA estimates

Exhibit 11: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 12: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Osotspa PCL

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	25,785	26,934	29,203	30,369	31,531
Cost of goods sold	(15,269)	(16,008)	(17,234)	(17,684)	(18,121)
Gross profit	10,515	10,925	11,969	12,685	13,409
Other operating income	0	0	0	0	0
Operating costs	(5,710)	(6,070)	(6,502)	(6,672)	(6,772)
Operating EBITDA	4,805	4,855	5,467	6,013	6,637
Depreciation	(1,285)	(1,518)	(1,646)	(1,712)	(1,778)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,520	3,336	3,820	4,301	4,860
Net financing costs	(65)	(96)	(103)	(173)	(276)
Associates	414	584	599	631	665
Recurring non-operating income	414	584	599	631	665
Non-recurring items	156	24	0	0	0
Profit before tax	4,025	3,849	4,317	4,759	5,249
Tax	(587)	(664)	(762)	(846)	(939)
Profit after tax	3,437	3,185	3,556	3,913	4,310
Minority interests	67	70	91	128	179
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	3,504	3,255	3,647	4,041	4,488
Non-recurring items & goodwill (net)	(156)	(24)	0	0	0
Recurring net profit	3,349	3,231	3,647	4,041	4,488
Per share (THB)					
Recurring EPS *	1.11	1.08	1.21	1.35	1.49
Reported EPS	1.17	1.08	1.21	1.35	1.49
DPS	1.10	1.10	1.23	1.37	1.52
Diluted shares (used to calculate per share data)	3,004	3,004	3,004	3,004	3,004
Growth					
Revenue (%)	(0.3)	4.5	8.4	4.0	3.8
Operating EBITDA (%)	7.0	1.0	12.6	10.0	10.4
Operating EBIT (%)	0.6	(5.2)	14.5	12.6	13.0
Recurring EPS (%)	5.5	(3.5)	12.9	10.8	11.1
Reported EPS (%)	7.5	(7.1)	12.0	10.8	11.1
Operating performance					
Gross margin inc. depreciation (%)	35.8	34.9	35.3	36.1	36.9
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	18.6	18.0	18.7	19.8	21.1
Operating EBIT margin (%)	13.7	12.4	13.1	14.2	15.4
Net margin (%)	13.0	12.0	12.5	13.3	14.2
Effective tax rate (%)	17.0	20.5	20.5	20.5	20.5
Dividend payout on recurring profit (%)	98.7	102.3	101.5	101.5	101.5
Interest cover (X)	60.2	41.0	43.1	28.5	20.0
Inventory days	43.0	54.0	46.4	36.1	36.2
Debtor days	43.2	39.5	37.9	38.6	38.6
Creditor days	48.5	47.0	50.8	52.0	52.1
Operating ROIC (%)	28.3	21.1	23.9	27.0	29.6
ROIC (%)	22.1	19.3	21.1	23.5	25.7
ROE (%)	18.1	16.5	18.4	20.4	22.7
ROA (%)	13.3	12.3	13.3	14.4	15.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
2020	2021	2022E	2023E	2024E	
Sales of goods	25,583	26,762	28,771	29,920	31,065
Other income	202	171	432	449	466
category 3					

Sources: Osotspa PCL; FSSIA estimates

Financial Statements

Osotspa PCL

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	3,349	3,231	3,647	4,041	4,488
Depreciation	1,285	1,518	1,646	1,712	1,778
Associates & minorities	20	(15)	91	128	179
Other non-cash items	(67)	(70)	(91)	(128)	(179)
Change in working capital	(1,083)	169	1,126	1	20
Cash flow from operations	3,503	4,833	6,419	5,755	6,286
Capex - maintenance	(5,164)	(2,357)	(2,200)	(2,100)	(2,142)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	2,098	(696)	(423)	(49)	(51)
Other investments (net)	0	0	0	0	0
Cash flow from investing	(3,066)	(3,052)	(2,623)	(2,149)	(2,193)
Dividends paid	(3,304)	(3,304)	(3,702)	(4,102)	(4,556)
Equity finance	1,447	709	0	0	0
Debt finance	831	(224)	404	1,394	1,241
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,026)	(2,818)	(3,298)	(2,708)	(3,315)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(588)	(1,037)	499	898	778
Free cash flow to firm (FCFF)	502.96	1,876.32	3,898.81	3,778.45	4,368.74
Free cash flow to equity (FCFE)	1,268.98	1,557.22	4,200.38	4,999.58	5,333.97

Per share (THB)

FCFF per share	0.17	0.62	1.30	1.26	1.45
FCFE per share	0.42	0.52	1.40	1.66	1.78
Recurring cash flow per share	1.53	1.55	1.76	1.92	2.09

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	24,204	26,379	28,579	30,679	32,821
Less: Accumulated depreciation	(11,359)	(12,648)	(14,243)	(15,902)	(17,623)
Tangible fixed assets (net)	12,845	13,730	14,336	14,777	15,197
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	2,985	4,001	4,001	4,001	4,001
Cash & equivalents	3,531	2,493	2,992	3,889	4,667
A/C receivable	3,505	3,660	3,897	4,023	4,148
Inventories	2,077	2,658	1,726	1,773	1,819
Other current assets	67	16	18	18	19
Current assets	9,179	8,827	8,632	9,703	10,653
Other assets	846	583	633	658	683
Total assets	25,855	27,142	27,601	29,139	30,534
Common equity	19,224	19,884	19,829	19,768	19,701
Minorities etc.	105	19	19	19	19
Total shareholders' equity	19,329	19,904	19,849	19,788	19,720
Long term debt	1,142	641	874	1,678	2,395
Other long-term liabilities	827	1,068	746	775	805
Long-term liabilities	1,969	1,708	1,620	2,454	3,200
A/C payable	1,815	2,309	2,484	2,552	2,618
Short term debt	191	469	640	1,230	1,755
Other current liabilities	2,551	2,752	3,008	3,115	3,241
Current liabilities	4,557	5,530	6,133	6,897	7,614
Total liabilities and shareholders' equity	25,855	27,142	27,601	29,139	30,534
Net working capital	1,283	1,274	148	147	127
Invested capital	17,959	19,588	19,117	19,582	20,008

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

Per share (THB)

Book value per share	6.40	6.62	6.60	6.58	6.56
Tangible book value per share	6.40	6.62	6.60	6.58	6.56

Financial strength

Net debt/equity (%)	(11.4)	(6.9)	(7.4)	(5.0)	(2.6)
Net debt/total assets (%)	(8.5)	(5.1)	(5.4)	(3.4)	(1.7)
Current ratio (x)	2.0	1.6	1.4	1.4	1.4
CF interest cover (x)	20.4	17.3	41.9	29.9	20.3

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	30.0	31.1	27.6	24.9	22.4
Recurring P/E @ target price (x) *	37.7	39.0	34.6	31.2	28.1
Reported P/E (x)	28.7	30.9	27.6	24.9	22.4
Dividend yield (%)	3.3	3.3	3.7	4.1	4.5
Price/book (x)	5.2	5.1	5.1	5.1	5.1
Price/tangible book (x)	5.2	5.1	5.1	5.1	5.1
EV/EBITDA (x) **	20.5	20.4	18.1	16.6	15.1
EV/EBITDA @ target price (x) **	25.8	25.7	22.8	20.8	18.9
EV/invested capital (x)	5.5	5.1	5.2	5.1	5.0

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

Sources: Osotspa PCL; 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
CENTEL	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	SEOIL	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	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
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	TTB	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:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

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

ANALYST(S) CERTIFICATION

Karun Intrachai FSS International Investment Advisory Securities Co., Ltd

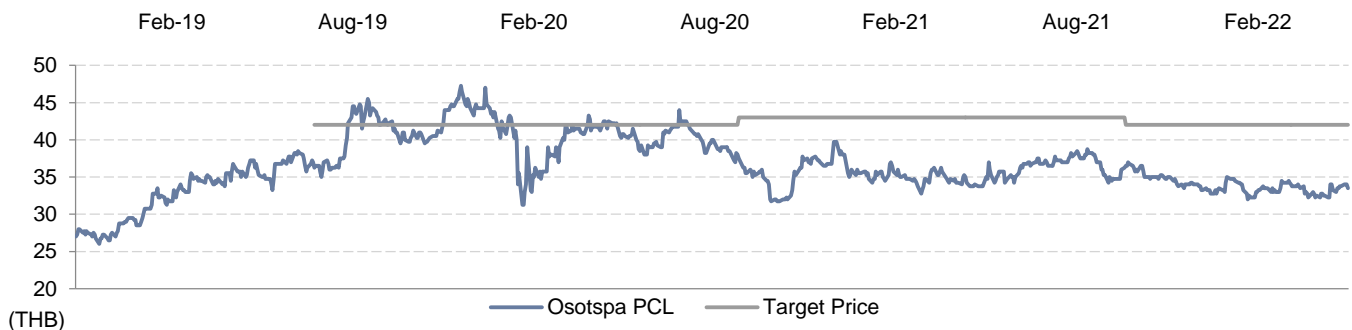
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Osotspa PCL (OSP TB)



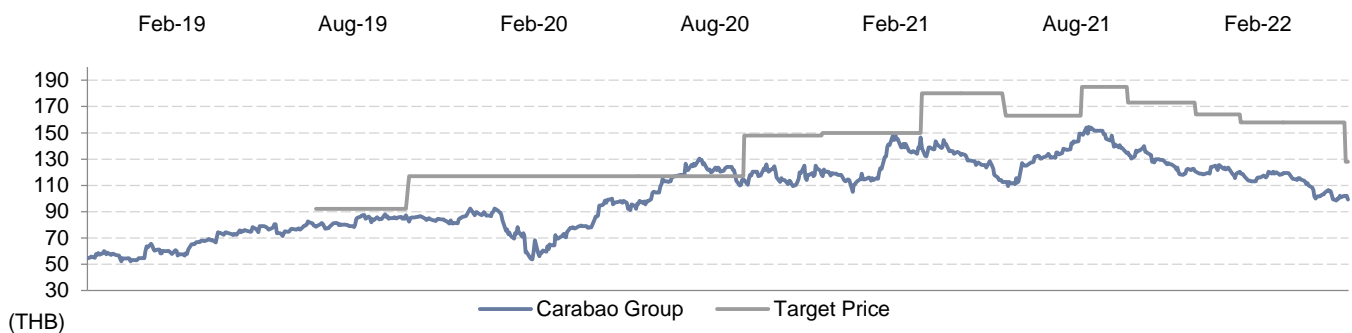
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
19-Sep-2019	BUY	42.00	17-Sep-2020	BUY	43.00	-	-	-
21-Nov-2019	HOLD	42.00	16-Aug-2021	BUY	42.00			

Karun Intrachai started covering this stock from 17-Sep-2020

Price and TP are in local currency

Source: FSSIA estimates

Carabao Group (CBG TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Sep-2019	BUY	92.00	18-Feb-2021	BUY	180.00	14-Oct-2021	BUY	164.00
02-Dec-2019	BUY	117.00	30-Apr-2021	BUY	163.00	22-Nov-2021	BUY	158.00
17-Sep-2020	BUY	148.00	07-Jul-2021	BUY	185.00	21-Feb-2022	BUY	128.00
24-Nov-2020	BUY	150.00	16-Aug-2021	BUY	173.00			

Karun Intrachai started covering this stock from 17-Sep-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Osotspa PCL	OSP TB	THB 33.50	BUY	The key downside risks to our DCF-based TP are 1) a decline in energy drink market share in Myanmar due to strong competition; 2) a slow recovery in the economy; and 3) lower-than-expected SG&A savings from the Fast Forward 10X program.
Carabao Group	CBG TB	THB 99.25	BUY	The key downside risks to our DCF-based TP are 1) slower-than-expected sales growth in Myanmar, Cambodia, and the vitamin C drink market; 2) a decrease in domestic energy drink market share; and 3) higher-than-expected SG&A expenses from overseas operations, such as in China and the UK.

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

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 24-Feb-2022 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.