

SIAM MAKRO MAKRO TB
THAILAND / CONSUMER STAPLESBUY
UNCHANGED

ต้นทุนดอกเบี้ยที่อยู่ในระดับสูงกระทบกำไรสุทธิ 1Q22

- ยอดขายของ MAKRO ใน 1Q22 โต 10% q-q และ 94% y-y สอดคล้องกับมุมมองของผู้บริหารในการประชุมนักวิเคราะห์ครั้งก่อนหน้า อย่างไรก็ตามค่าใช้จ่ายดอกเบี้ยที่สูงเกินคาดถึง 1.5 พัน ลบ. (+30% q-q, 11.6x y-y) กลับทำให้กำไรปกติลดลง 14% q-q และเพิ่มขึ้นเพียง 18% y-y
- แนะนำซื้อที่ราคาเป้าหมายที่ 52 บาทจากพัฒนาการทางธุรกิจที่ดี

TARGET PRICE	THB52.00
CLOSE	THB35.50
UP/DOWNSIDE	+46.5%
TP vs CONSENSUS	+9.9%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	266,435	475,983	518,899	564,382
Net profit	13,687	12,640	16,884	19,888
EPS (THB)	1.29	1.19	1.60	1.88
vs Consensus (%)	-	2.8	1.9	7.6
EBITDA	15,873	28,028	33,687	37,941
Core net profit	6,972	12,640	16,884	19,888
Core EPS (THB)	0.66	1.19	1.60	1.88
EPS growth (%)	(51.8)	81.3	33.6	17.8
Core P/E (x)	53.9	29.7	22.2	18.9
Dividend yield (%)	2.6	2.5	3.4	4.0
EV/EBITDA (x)	28.2	14.7	12.4	11.4
Price/book (x)	1.3	1.3	1.2	1.2
Net debt/Equity (%)	24.6	12.5	13.8	18.0
ROE (%)	3.5	4.3	5.6	6.4

กำไรสุทธิ 1Q22 พลาดเป้าหมายเฉลี่ยไป 20%

MAKRO รายงานกำไรปกติจำนวน 2.1 พัน ลบ. ใน 1Q22 ลดลง 14% q-q แต่เพิ่มขึ้น 18% y-y ส่วนมากจากค่าใช้จ่ายดอกเบี้ยที่เพิ่มขึ้นอย่างมีนัยสำคัญเป็น 1.5 พัน ลบ. เพิ่มขึ้น 30% q-q และ 11.6x จากปีก่อนหน้า ยอดขายโตเป็น 106 พัน ลบ. เพิ่มขึ้น 10% q-q และ 94% y-y จากการรวมกลุ่มค้าปลีกมาตั้งแต่วันที่ 25 ต.ค. 21 รายได้จากธุรกิจค้าส่งโต 3% y-y เป็น 58 พัน ลบ. จากการเติบโตของยอดขายจากสาขาเดิม (SSSG) ที่สูงขึ้นของ MAKRO ประเทศไทย และอีก 6 สาขาใหม่ นับตั้งแต่ 1Q21 รวมถึงการเติบโตของยอดขายจาก MAKRO International ในกัมพูชา อินเดีย และพม่า รายได้จากธุรกิจค้าปลีกอยู่ที่ 53 พัน ลบ. เพิ่มขึ้น 33% q-q จากยอดขายที่เพิ่มขึ้นเป็น 50 พัน ลบ. (+32% q-q) รวมถึงรายได้ค่าเช่าและการให้บริการในธุรกิจค้าปลีกที่ 3 พัน ลบ. (+36% q-q)

ธุรกิจค้าส่งฟื้นตัว y-y ใน 1Q22

รายได้จากธุรกิจค้าส่งมีแนวโน้มปรับตัวดีขึ้นต่อเนื่องมาตั้งแต่ 1Q21 โดยโตขึ้น 3% y-y เป็น 58 พัน ลบ. ใน 1Q22 อัตราการขึ้นต้นปรับตัวดีขึ้น y-y เป็น 10.4% จากการดำเนินงานของ MAKRO ประเทศไทยซึ่งช่วยขจัดเซกเมนต์หนี้สินสุทธิต่อเนื่องจำนวน 135 ลบ. จาก MAKRO International ซึ่งปรับตัวดีขึ้น 6% q-q และ 17% y-y ในขณะที่ยอดขายเพิ่มหลังการกลับมาเปิดเศรษฐกิจในกัมพูชา อินเดีย และพม่า MAKRO เปิดสาขาใหม่ 2 แห่งใน 1Q22 ในประเทศไทย ซึ่งทำให้ตัวเลขสาขา รวมเพิ่มเป็น 151 สาขา (144 สาขาในประเทศไทยและ 7 สาขาในต่างประเทศ)

ธุรกิจค้าปลีกฟื้นตัวกลับ

ใน 1Q22 รายได้จากธุรกิจค้าปลีกเพิ่มเป็น 53.3 พัน ลบ. (+33% q-q) จากรายได้ค้าปลีกที่เพิ่มขึ้น 32% q-q และรายได้บริการที่เพิ่มขึ้น 36% q-q อย่างไรก็ตามอัตรากำไรขั้นต้นลดลงเหลือ 18.8% จาก 20.1% ใน 4Q21 จากค่าใช้จ่ายที่เกี่ยวข้องกับการเปิดสาขาใหม่ที่สูงขึ้น ระบบใหม่ ๆ และการปรับตราสินค้า ใน 1Q22 กำไรสุทธิจากธุรกิจค้าปลีกก่อนตัวลงเหลือ 309 ลบ. ลดลง 22% q-q จากค่าใช้จ่ายดอกเบี้ยที่สูงขึ้น MAKRO ปิดสาขาของ Lotus's 1 แห่งในประเทศไทย แต่เปิดสาขาเพิ่ม 3 แห่งในมาเลเซีย อัตราการเข้าของพื้นที่เช่าที่ประมาณ 1 ล้าน ตรม. ยังอยู่ในระดับสูงที่ 90% สำหรับ Lotus's ประเทศไทยและ 91% สำหรับ Lotus's มาเลเซีย

รอให้ Lotus's เจริญเติบโต

เราแนะนำซื้อที่ราคาเป้าหมาย 52 บาท (DCF) เราคิดว่ากำไรสุทธิของ MAKRO น่าจะค่อย ๆ ปรับตัวดีขึ้นในปี 2022 จากผลประกอบการของ Lotus's



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(10.7)	(15.5)	(4.1)
Relative to country (%)	(7.1)	(11.0)	(6.1)
Mkt cap (USD m)	10,848		
3m avg. daily turnover (USD m)	16.4		
Free float (%)	7		
Major shareholder	CP ALL (93%)		
12m high/low (THB)	57.25/35.00		
Issued shares (m)	10,580.32		

Sources: Bloomberg consensus; FSSIA estimates



Suwat Sinsadok, CFA, FRM, ERP

suwat.sin@fssia.com
+66 2611 3558

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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 12 มิถุนายน 2022

Exhibit 1: MAKRO – summary of 1Q22 operations

	1Q21	2Q21	3Q21	4Q21	1Q22	----- Change-----		1Q22	2021	2022E	Change
Year to Dec 31	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	%22E	(THB m)	(THB m)	(y-y %)
Total revenue	56,097	54,955	54,971	100,411	111,216	11	98	23	266,435	475,983	79
Retail sales	54,868	53,813	53,824	96,342	106,268	10	94	23	258,847	458,592	77
Service income	1,010	910	915	1,342	1,453	8	44	9	4,177	16,509	295
Other income	219	233	232	2,727	3,496	28	1,496	396	3,411	882	(74)
Gross profit	6,764	6,311	6,789	18,166	20,163	11	198	26	38,029	77,831	105
Operating costs	(4,442)	(4,560)	(4,616)	(13,917)	(16,076)	16	262	28	(27,535)	(57,354)	108
Operating profit	2,321	1,751	2,173	4,249	4,087	(4)	76	20	10,494	20,477	95
Operating EBITDA	2,972	2,406	2,831	7,663	7,003	(9)	136	25	15,873	28,028	77
Interest expense	(129)	(142)	(137)	(1,148)	(1,494)	30	1,056	31	(1,557)	(4,777)	207
Profit before tax	2,192	1,608	2,036	3,102	2,593	(16)	18	17	8,937	15,700	76
Tax	(461)	(331)	(473)	(862)	(767)	(11)	66	24	(2,128)	(3,140)	48
Associates	36	0	0	(262)	224	(186)	528	-	-	-	-
Minority interests	(33)	10	10	402	0	(100)	(101)	(1)	389	(70)	(118)
Non-recurring items	0	0	0	6,714	0	(100)	n/a	0	226	(150)	(166)
Reported net profit	1,734	1,287	1,572	9,094	2,050	(77)	18	32	13,687	12,640	(8)
Recurring net profit	1,734	1,287	1,572	2,380	2,050	(14)	18	16	6,972	12,640	81
EPS (THB)	0.36	0.27	0.33	0.86	0.19	(77)	(46)	16	1.29	1.19	(8)
Recurring EPS (THB)	0.36	0.27	0.33	0.22	0.19	(14)	(46)	16	0.66	1.19	81
Key Ratios (%)											
Retail sales margin	10.1	9.6	10.5	14.6	14.3				11.8	13.2	
Operating margin	4.1	3.2	4.0	4.2	3.7				3.9	4.3	
Recurring net margin	3.1	2.3	2.9	2.4	1.8				2.6	2.7	
SG&A / Sales	8.1	8.5	8.6	14.4	15.1				10.6	12.5	
Effective tax rate	21.0	20.6	23.3	27.8	29.6				23.8	20.0	

Sources: MAKRO; FSSIA estimates

Exhibit 2: Wholesale business operations

	1Q21	4Q21	1Q22	----- Change -----	
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Sales	54,868	58,839	56,622	(4)	3
Service revenue	1,010	1,093	1,026	(6)	2
Total revenue	56,097	60,234	57,948	(4)	3
Gross profit ⁽¹⁾	5,534	6,575	5,862	(11)	6
GPM (%)	10.1	11.2	10.4	(7)	3
EBITDA ⁽²⁾	3,243	3,818	3,282	(14)	1
Net profit	1,734	2,180	1,741	(20)	0
Makro-Thailand	1,877	2,263	1,843	(19)	(2)
Makro-International	(163)	(143)	(135)	6	17
Food Service APME	20	60	33	(45)	65
Number of stores (no.)	145	149	151	1	4
Thailand	138	142	144	1	4
Overseas ⁽³⁾	7	7	7	-	-
Sales space (sqm.)	810,797	819,983	822,952	0	1
Thailand	776,858	786,044	789,013	0	2
Overseas	33,939	33,939	33,939	-	-

⁽¹⁾ Gross profit from sales; ⁽²⁾ earnings before interest, tax and depreciation & amortisation;⁽³⁾ excluding restaurant/food shops under Food Service APME

Source: MAKRO

Exhibit 3: Retail business operations

	4Q21	1Q22	Change
	(THB m)	(THB m)	(q-q%)
Retail ⁽¹⁾			
Sales	37,503	49,646	32
Service revenue	2,174	2,960	36
Total revenue	40,177	53,269	33
Gross profit ⁽²⁾	7,522	9,352	24
GPM (%)	20.1	18.8	(6)
EBITDA ⁽³⁾	4,217	5,355	27
Net profit	397	309	(22)
Number of stores (no.)	2,680	2,664	(1)
Lotus's Thailand	2,618	2,600	(1)
Lotus's Malaysia	62	64	3
Sales space (sqm.)	1,813,696	1,827,340	1
Lotus's Thailand	1,519,227	1,528,289	1
Lotus's Malaysia	294,469	299,051	2
Net leasable area (sqm.)	1,017,786	1,026,272	1
Lotus's Thailand	717,224	722,693	1
Occupancy rate (%)	90	90	-
Lotus's Malaysia	300,562	303,579	1
Occupancy rate (%)	92	91	(1)

⁽¹⁾ In 2021, retail business operating results were during 25 Oct - 31 Dec 2021; ⁽²⁾ gross profit from sales; ⁽³⁾ earnings before interest, tax and depreciation & amortisation
 "CPRD wholly owns Lotus's Stores (Thailand) Co., Ltd. and Lotus's Stores (Malaysia) Sdn. Bhd., which is a leading retailer of grocery and consumer goods through a variety of store formats as well as a leading mall operator in Thailand and Malaysia"

Source: MAKRO

Financial Statements

Siam Makro

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	218,760	266,435	475,983	518,899	564,382
Cost of goods sold	(188,439)	(223,026)	(390,602)	(423,902)	(460,357)
Gross profit	30,322	43,408	85,382	94,997	104,026
Other operating income	0	0	0	0	0
Operating costs	(17,788)	(27,535)	(57,354)	(61,310)	(66,084)
Operating EBITDA	12,534	15,873	28,028	33,687	37,941
Depreciation	(3,577)	(5,379)	(7,551)	(8,349)	(9,139)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	8,957	10,494	20,477	25,338	28,802
Net financing costs	(619)	(1,557)	(4,777)	(4,283)	(3,984)
Associates	(63)	(226)	150	165	182
Recurring non-operating income	(63)	(226)	150	165	182
Non-recurring items	0	6,714	0	0	0
Profit before tax	8,274	15,425	15,850	21,220	24,999
Tax	(1,813)	(2,128)	(3,140)	(4,211)	(4,964)
Profit after tax	6,461	13,298	12,710	17,009	20,036
Minority interests	102	389	(70)	(125)	(148)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	6,563	13,687	12,640	16,884	19,888
Non-recurring items & goodwill (net)	0	(6,714)	0	0	0
Recurring net profit	6,563	6,972	12,640	16,884	19,888
Per share (THB)					
Recurring EPS *	1.37	0.66	1.19	1.60	1.88
Reported EPS	1.37	1.29	1.19	1.60	1.88
DPS	1.00	0.92	0.90	1.20	1.41
Diluted shares (used to calculate per share data)	4,800	10,580	10,580	10,580	10,580
Growth					
Revenue (%)	3.9	21.8	78.6	9.0	8.8
Operating EBITDA (%)	14.7	26.6	76.6	20.2	12.6
Operating EBIT (%)	9.2	17.2	95.1	23.7	13.7
Recurring EPS (%)	5.1	(51.8)	81.3	33.6	17.8
Reported EPS (%)	5.1	(5.4)	(7.7)	33.6	17.8
Operating performance					
Gross margin inc. depreciation (%)	12.2	14.3	16.4	16.7	16.8
Gross margin of key business (%)	10.3	10.4	15.3	15.7	15.8
Operating EBITDA margin (%)	5.7	6.0	5.9	6.5	6.7
Operating EBIT margin (%)	4.1	3.9	4.3	4.9	5.1
Net margin (%)	3.0	2.6	2.7	3.3	3.5
Effective tax rate (%)	21.7	23.8	20.0	20.0	20.0
Dividend payout on recurring profit (%)	73.1	139.6	75.0	75.0	75.0
Interest cover (X)	14.4	6.6	4.3	6.0	7.3
Inventory days	28.3	38.0	35.3	39.2	39.2
Debtor days	1.7	2.2	2.9	3.8	3.8
Creditor days	52.7	72.2	58.7	59.8	62.3
Operating ROIC (%)	43.0	17.7	19.1	21.8	25.1
ROIC (%)	9.9	2.9	3.9	4.5	4.9
ROE (%)	10.3	3.5	4.3	5.6	6.4
ROA (%)	6.3	2.1	2.8	3.3	3.5
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Sales	214,140	258,847	458,592	499,493	543,920
Service income	3,757	4,177	16,509	18,500	19,533
Other Income	863	3,411	882	906	930

Sources: Siam Makro; FSSIA estimates

Financial Statements

Siam Makro

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	6,563	6,972	12,640	16,884	19,888
Depreciation	3,577	5,379	7,551	8,349	9,139
Associates & minorities	82	419	0	0	0
Other non-cash items	(19)	(191)	959	305	341
Change in working capital	1,979	13,416	(9,367)	3,767	5,605
Cash flow from operations	12,181	25,996	11,783	29,304	34,973
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,254)	(91,201)	(16,277)	(15,628)	(15,975)
Net acquisitions & disposals	(87,658)	(193,519)	45,279	(20,243)	(21,450)
Other investments (net)	794	12,662	(2,607)	9,165	(2,435)
Cash flow from investing	(88,118)	(272,058)	26,395	(26,706)	(39,860)
Dividends paid	(4,800)	(9,734)	(9,480)	(12,663)	(14,916)
Equity finance	85,786	182,967	4,996	4,996	4,996
Debt finance	627	130,840	(33,225)	1,817	11,718
Other financing cash flows	0	0	0	0	0
Cash flow from financing	81,612	304,074	(37,709)	(5,850)	1,798
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	5,675	58,011	468	(3,251)	(3,089)
Free cash flow to firm (FCFF)	(75,317.54)	(244,505.64)	42,954.96	6,881.72	(902.17)
Free cash flow to equity (FCFE)	(75,310.42)	(115,221.97)	4,952.29	4,416.17	6,831.57

Per share (THB)

FCFF per share	(7.12)	(23.11)	4.06	0.65	(0.09)
FCFE per share	(7.12)	(10.89)	0.47	0.42	0.65
Recurring cash flow per share	2.13	1.19	2.00	2.41	2.78

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	141,469	141,469	157,746	173,374	189,349
Less: Accumulated depreciation	(110,905)	(23,025)	(30,506)	(38,784)	(47,852)
Tangible fixed assets (net)	30,564	118,444	127,241	134,591	141,498
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	85,552	14,310	14,310	14,310	14,310
Cash & equivalents	10,518	68,530	68,998	65,747	62,658
A/C receivable	945	2,301	5,216	5,687	6,185
Inventories	14,478	31,967	43,633	47,370	51,452
Other current assets	2,310	7,203	12,867	14,028	15,257
Current assets	28,251	110,000	130,715	132,831	135,552
Other assets	15,219	326,737	326,737	356,196	387,418
Total assets	159,587	569,490	599,001	637,927	678,777
Common equity	107,792	287,997	296,153	305,369	315,337
Minorities etc.	471	501	571	696	844
Total shareholders' equity	108,263	288,498	296,724	306,065	316,181
Long term debt	2,002	105,120	80,063	81,434	90,271
Other long-term liabilities	8,847	57,661	103,010	112,298	122,141
Long-term liabilities	10,848	162,781	183,074	193,732	212,412
A/C payable	27,974	60,236	65,450	73,423	83,609
Short term debt	6,547	34,269	26,100	26,547	29,428
Other current liabilities	5,954	23,707	27,654	38,159	37,147
Current liabilities	40,475	118,211	119,204	138,129	150,183
Total liabilities and shareholders' equity	159,587	569,490	599,001	637,927	678,777
Net working capital	(16,196)	(42,472)	(31,387)	(44,498)	(47,862)
Invested capital	115,140	417,018	436,900	460,598	495,363

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

Per share (THB)

Book value per share	22.46	27.22	27.99	28.86	29.80
Tangible book value per share	22.46	27.22	27.99	28.86	29.80

Financial strength

Net debt/equity (%)	(1.8)	24.6	12.5	13.8	18.0
Net debt/total assets (%)	(1.2)	12.4	6.2	6.6	8.4
Current ratio (x)	0.7	0.9	1.1	1.0	0.9
CF interest cover (x)	(118.5)	(14.4)	5.4	5.7	6.7

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	26.0	53.9	29.7	22.2	18.9
Recurring P/E @ target price (x) *	38.0	78.9	43.5	32.6	27.7
Reported P/E (x)	26.0	27.4	29.7	22.2	18.9
Dividend yield (%)	2.8	2.6	2.5	3.4	4.0
Price/book (x)	1.6	1.3	1.3	1.2	1.2
Price/tangible book (x)	1.6	1.3	1.3	1.2	1.2
EV/EBITDA (x) **	13.5	28.2	14.7	12.4	11.4
EV/EBITDA @ target price (x) **	19.8	39.2	21.0	17.6	16.0
EV/invested capital (x)	1.5	1.1	0.9	0.9	0.9

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

Sources: Siam Makro; 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	ICHI	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	PCSGH	PDJ	PG	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	MITSI	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	WIIK	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	HL	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	AMANAHA	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	SEAOL	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

Suwat Sinsadok, CFA, FRM, ERP FSS International Investment Advisory Securities Co., Ltd

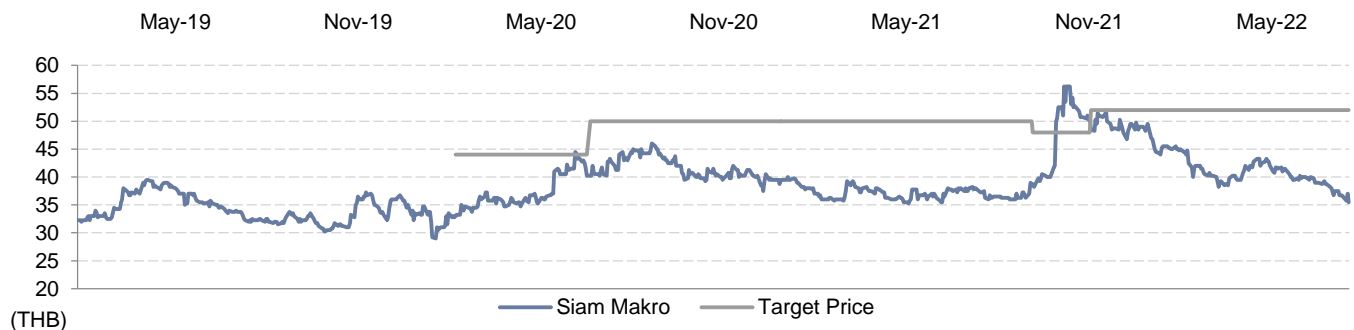
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History of change in investment rating and/or target price

Siam Makro (MAKRO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
02-Apr-2020	BUY	44.00	11-Aug-2021	BUY	48.00	22-Feb-2022	BUY	52.00
24-Jul-2020	BUY	50.00	30-Sep-2021	HOLD	52.00			

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Siam Makro	MAKRO TB	THB 35.50	BUY	The key downside risks to our DCF-based TP include: 1) lower-than-expected SSSG; 2) a lower-than-expected GPM improvement; and 3) operational losses from its overseas business.

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 11-May-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

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.