

# SINO LOGISTICS CORPORATION

## THAILAND / TRANSPORT & LOGISTIC

# SINO TB

# BUY

UNCHANGED

TARGET PRICE	THB2.00
CLOSE	THB1.56
UP/DOWNSIDE	+28.2%
PRIOR TP	THB2.30
CHANGE IN TP	-13.0%
TP vs CONSENSUS	-

## พลิกเป็นขาดทุนใน 4Q23

- พลิกเป็นขาดทุนสุทธิ 0.5 ล้านบาทใน 4Q23 ต่ำผิดปกติ จากอัตรากำไรขั้นต้นที่ลดลงเหลือเพียง 16.3% ต่ำสุดในรอบปี
- ปรับประมาณการกำไรปี 2024-26 ลง 25-38% จากการปรับลดค่าระวางลง
- ประเมินราคาเป้าหมายปี 2024 ที่ 2.00 บาท (P/E 16 เท่า) ผ่านจุดต่ำไปแล้ว

### พลิกเป็นขาดทุนสุทธิ 0.5 ล้านบาทใน 4Q23

SINO ประกาศผลขาดทุนสุทธิ 0.5 ล้านบาทใน 4Q23 ต่ำผิดปกติ แ่ลงจาก 3Q23 ที่มีกำไรสุทธิ 7.2 ล้านบาท จากอัตรากำไรขั้นต้นที่ลดลงเหลือเพียง 16.3% ต่ำสุดในรอบปี จากงวด 9M23 ที่มีอัตรา 22.7% ทั้งนี้ ดัชนีค่าระวางเรือคอนเทนเนอร์ (SCFI) เฉลี่ยใน 4Q23 ขยับขึ้น 10.4% q-q จากสถานการณ์ความไม่สงบในทะเลแดง ซึ่งควรเป็นผลดีต่อ Freight forwarder อย่างบริษัทแต่อัตรากำไรขั้นต้นกลับลดลง เชื่อว่าน่าจะเป็นผลจากการลดราคาล่วงหน้ากับลูกค้าบางส่วน เมื่อราคาเรือขยับขึ้นจึงเป็นต้นทุนของบริษัทที่ไม่สามารถส่งผ่านได้ ขณะที่ค่าใช้จ่ายในการขายและบริหารอยู่ในระดับสูง 16.1% ของรายได้ ส่งผลให้ 4Q23 ขาดทุนดังกล่าว

### กำไรทั้งปี 2023 หดตัว 92.4% y-y ทิศทางเดียวกับอุตสาหกรรม

จบปี 2023 SINO มีกำไรสุทธิ 52.7 ล้านบาท -92.4% y-y ตามทิศทางเดียวกับอุตสาหกรรมเนื่องจากค่าระวางเรือในปี 2023 ที่ทรุดต่ำลงรุนแรงจากที่ปรับขึ้นไปสูงในช่วง super cycle ช่วงโควิด อย่างไรก็ตาม สิ่งที่ทำบริษัททำได้ดีตามเป้าหมายคือการขนส่งสินค้าที่เพิ่มเป็น 46,000 ตู้ (+31.7% y-y) ส่งผลให้รายได้อยู่ที่ 1,800.0 ล้านบาท -69.5% y-y อัตรากำไรขั้นต้นลดลงจากปีก่อนหน้าที่ 22.8% เป็น 21.0% ภาระดอกเบี้ยจ่ายเพิ่มขึ้นตามอัตราดอกเบี้ยในตลาด และส่งผลให้มีกำไร 52.7 ล้านบาทดังกล่าว

### ปรับประมาณการกำไรปี 2024-26 ลง 25-38%

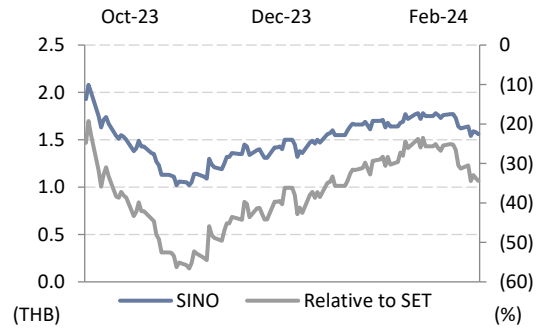
หลังจากผ่านวิกฤตค่าระวางเรือที่ปรับลงรุนแรงในปี 2023 มาแล้ว ความผันผวนในปีนี้อยู่ที่จากสถานการณ์ความไม่สงบในหลายภูมิภาค เหตุการณ์ในทะเลแดงทำให้เรือขนส่งสินค้าต้องเดินทางอ้อมแหลมกูดโฮป ระยะเวลาที่ยาวนานขึ้น 14-20 วันทำให้ค่าขนส่งและค่าประกันปรับตัวสูงขึ้น ขณะเดียวกันเศรษฐกิจโลกยังฟื้นตัวช้าๆ เราจึงปรับประมาณการกำไรปี 2024-26 ลง 25-38% ส่วนใหญ่มาจากการปรับลดราคาค่าระวางเรือ โดยคาดว่าปริมาณการขนส่งสินค้าจะสามารถเพิ่มขึ้นได้ 15% ตามเป้าหมายและบริษัทจำเป็นต้องบริหารต้นทุนให้ดีและกระจายรายได้สู่การขนส่งทางอื่น เช่น ทางอากาศซึ่งมีอัตรากำไรสูงกว่าการขนส่งประเภทอื่น

### ประเมินราคาเป้าหมายใหม่เป็น 2.00 บาท

จากประมาณการที่ปรับลงทำให้คาดการณ์กำไรปี 2024 เป็น 130.7 ล้านบาท +148.1% y-y โดดแรงจากฐานต่ำ เราประเมินราคาเป้าหมายปี 2024 ใหม่เป็น 2.00 บาท อิง P/E 16 เท่า (เดิม 17 เท่า) SINO แจงจ่ายเงินปันผล 0.014423 บาท/หุ้น (yield 0.9%) XD 2 พ.ค. คงแนะนำซื้อเชื่อว่าผ่านจุดต่ำสุดของอุตสาหกรรมไปแล้ว

## KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	1,800	2,195	2,445	2,707
Net profit	53	131	158	175
EPS (THB)	0.05	0.13	0.15	0.17
vs Consensus (%)	-	(7.1)	(25.0)	(19.0)
EBITDA	162	259	291	313
Recurring net profit	53	131	158	175
Core EPS (THB)	0.05	0.13	0.15	0.17
Chg. In EPS est. (%)	nm	(37.8)	(27.7)	nm
EPS growth (%)	(94.1)	148.1	20.6	10.9
Core P/E (x)	30.8	12.4	10.3	9.3
Dividend yield (%)	2.4	3.2	3.9	4.4
EV/EBITDA (x)	10.4	6.5	5.7	5.4
Price/book (x)	1.9	1.8	1.8	1.8
Net debt/Equity (%)	7.5	7.1	5.3	8.9
ROE (%)	7.0	14.9	17.6	19.1



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.1)	9.1	n/a
Relative to country (%)	(9.0)	10.3	n/a
Mkt cap (USD m)			45
3m avg. daily turnover (USD m)			1.1
Free float (%)			46
Major shareholder		Bunditkitsada Family (42%)	
12m high/low (THB)			2.14/0.99
Issued shares (m)			1,040.00

Sources: Bloomberg consensus; FSSIA estimates



**Jitra Amorntum**

Fundamental Investment Analyst on Securities; License no. 014530  
jitra.a@fssia.com, +66 2646 9966

## Investment thesis

ปี 2023 เป็นปีที่ยากลำบากสำหรับธุรกิจ Freight forwarder โดยสถานการณ์กลับข้างจากปี 2022 โดยสิ้นเชิง อย่างไรก็ตาม เราเชื่อว่าสถานการณ์ที่ยากลำบากที่สุดได้ผ่านไปแล้ว แม้ว่าความผันผวนจะยังมีอยู่ แต่เชื่อว่าเศรษฐกิจที่จะทยอยปรับตัวดีขึ้นจะช่วยหนุนค่าระวางให้มีเสถียรภาพมากกว่าในปัจจุบัน ในขณะที่ SINO มีความชำนาญในเส้นทางไทย-อเมริกาเหนือซึ่งเชื่อว่าน่าจะฟื้นตัวได้เร็วกว่าฝั่งเอเชีย คำแนะนำซื้อจึงอยู่บนสมมติฐานว่าบริษัทผ่านจุดต่ำสุดไปแล้ว การฟื้นตัวจะค่อยเป็นค่อยไป

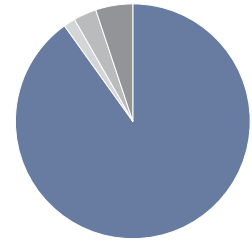
## Company profile

กลุ่ม SINO ประกอบธุรกิจบริหารจัดการขนส่งสินค้าระหว่างประเทศ (Freight forwarder) แบบครบวงจร (Integrated Logistics Services) ทั้งทางทะเล (Sea freight) ในรูปแบบของการขนส่งแบบเต็มตู้ (Full Container Load "FCL") และแบบไม่เต็มตู้ (Less Than Container Load "LCL") การขนส่งทางอากาศ (Air freight) และการขนส่งต่อเนื่องหลายรูปแบบ (Multimodal transport operation) ตอบสนองความต้องการของลูกค้าตั้งแต่ต้นทางถึงปลายทางทั่วโลก (End-to-end global logistics) รวมถึงการให้บริการให้เช่าคลังสินค้า การให้บริการขนส่งทางบก การให้บริการด้านพิธีการศุลกากร และบริการสนับสนุนอื่นๆ เพื่อให้บริการด้านโลจิสติกส์อย่างครบวงจร

[www.sinologistics.co.th](http://www.sinologistics.co.th)

## Principal activities (revenue, 2023)

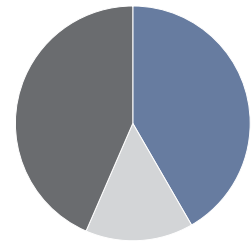
- Sea freight - 90.1 %
- Air freight - 1.6 %
- Warehouse service - 3.2 %
- Logistics support - 5.1 %



Source: SINO Logistics Corporation

## Major shareholders

- Bunditkitsada Family - 41.7 %
- Nimitpanya Family - 14.9 %
- Others - 43.5 %



Source: SINO Logistics Corporation

## Catalysts

ปัจจัยหนุนการเติบโตได้แก่ 1) การฟื้นของเศรษฐกิจและการค้าโลก 2) ราคาค่าระวางเรือที่มีเสถียรภาพ ไม่มีสงครามหรือความรุนแรงอื่นใด 3) การแข่งขันชะลอความรุนแรง

## Risks to our call

Downside risks to our DCF-based TP include 1) ความผันผวนของราคาค่าระวาง 2) เศรษฐกิจและการค้าโลกไม่เติบโตตามคาด 3) สงคราม 4) ความผันผวนของราคาน้ำมัน

## Event calendar

Date	Event
24 April 2024	General Annual Meeting
2 May 2024	Ex-dividend date
20 May 2024	Dividend payment

## Key assumptions

	2024E (THB m)	2025E (THB m)	2026E (THB m)
Total operating revenue	2,195	2,445	2,707
% growth	21.9	11.4	10.7
Sea freight	1,959	2,179	2,311
Air freight	32	34	37
Warehouse service	62	66	70
Logistics support	63	70	77
Thanaleng dry port	80	96	211
Gross margin (%)	21.6	21.5	21.1

Source: FSSIA estimates

## Earnings sensitivity

- For every 5% change in sea freight rate, we project 2024 net profit to change by 4.6%, all else being equal.
- For every 0.5% change in gross margin, we project 2024 net profit to change by 7%, all else being equal.
- For every 0.5% change in SG&A to sales ratio, we project 2024 net profit to change by 7%, all else being equal.

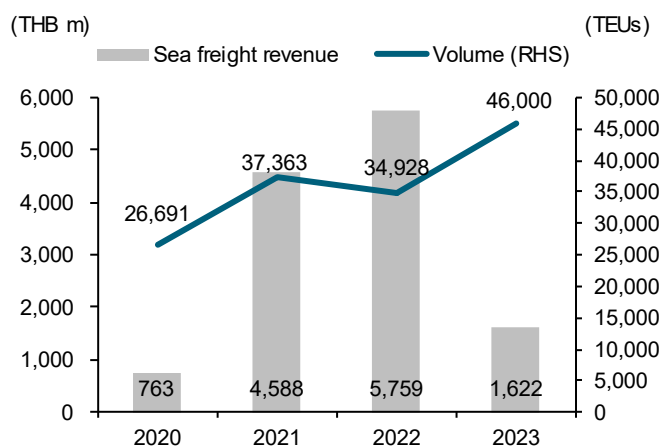
Source: FSSIA estimates

## Exhibit 1: 4Q23/2023 earnings results

Year to Dec 31	4Q22	1Q23	2Q23	3Q23	4Q23	-----Change-----		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Service revenue	677.6	430.0	400.4	480.1	489.6	2.0	(27.7)	5,907	1,800	(69.5)
Cost of services	(477.2)	(318.7)	(302.5)	(391.4)	(410.0)	4.7	(14.1)	(4,561)	(1,423)	(68.8)
Gross profit	200.4	111.3	97.9	88.6	79.6	(10.2)	(60.3)	1,346	377	(72.0)
Operating costs	(147.8)	(82.2)	(68.9)	(76.3)	(78.8)	3.2	(46.7)	(500)	(306)	(38.7)
Operating profit	49.5	35.0	31.7	13.2	3.7	(72.3)	(92.6)	871	84	(90.4)
Operating EBITDA	57.6	49.3	50.6	36.1	26.4	(26.9)	(54.2)	903	162	(82.0)
Interest expense	(1.8)	(3.3)	(4.0)	(4.2)	(4.0)	(5.6)	127.0	(9)	(16)	77.6
Profit before tax	47.8	31.7	27.7	9.0	(0.3)	(103.7)	(100.7)	862	68	(92.1)
Corporate tax	(7.1)	(7.6)	(5.8)	(1.8)	(0.1)	(92.3)	(98.0)	(170)	(15)	(91.0)
<b>Reported net profit</b>	<b>40.7</b>	<b>24.1</b>	<b>21.9</b>	<b>7.2</b>	<b>(0.5)</b>	<b>(106.6)</b>	<b>(101.2)</b>	<b>691</b>	<b>53</b>	<b>(92.4)</b>
<b>Core profit</b>	<b>40.7</b>	<b>24.1</b>	<b>21.9</b>	<b>7.2</b>	<b>(0.5)</b>	<b>(106.6)</b>	<b>(101.2)</b>	<b>691</b>	<b>53</b>	<b>(92.4)</b>
Reported EPS (THB)	0.05	0.03	0.03	0.01	(0.00)	(105.3)	(100.9)	1.34	0.06	(95.5)
Core EPS (THB)	0.05	0.03	0.03	0.01	(0.00)	(106.6)	(100.9)	1.34	0.06	(95.5)
<b>Key Ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	29.6	25.9	24.5	18.5	16.3	(2.2)	(13.3)	22.8	21.0	(1.8)
Operating margin	7.3	8.1	7.9	2.8	0.7	(2.0)	(6.6)	14.7	4.6	(10.1)
EBITDA margin	8.5	11.5	12.6	7.5	5.4	(2.1)	(3.1)	15.3	9.0	(6.3)
Core profit margin	6.0	5.6	5.5	1.5	(0.1)	(1.6)	(6.1)	11.7	2.9	(8.8)
SG&A / Sales	21.8	19.1	17.2	15.9	16.1	0.2	(5.7)	8.5	17.0	8.6
<b>Revenue structure</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>
Sea freight	634	387	363	426	446	4.7	(29.6)	5,759	1,622	(71.8)
Air freight	16	13	6	4	6	50.8	(63.1)	41	29	(29.9)
Warehouse	8	6	11	27	13	(52.6)	54.8	21	57	168.1
Logistic support	19	24	21	23	24	6.0	26.4	85	92	7.9

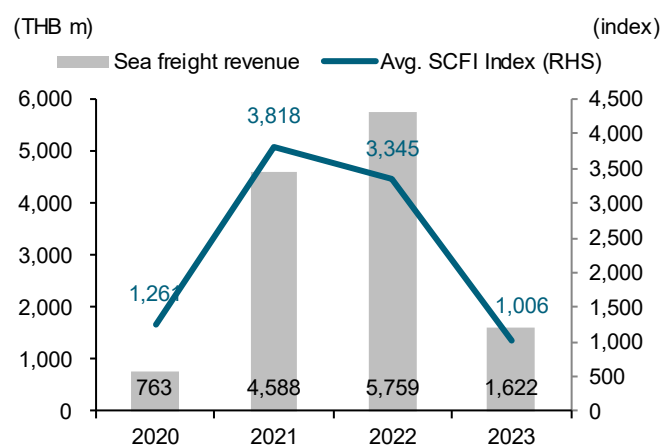
Sources: SINO, FSSIA's compilation

## Exhibit 2: Revenue from sea freight and volume



Sources: SINO, FSSIA's compilation

## Exhibit 3: Revenue from sea freight and SCFI Index



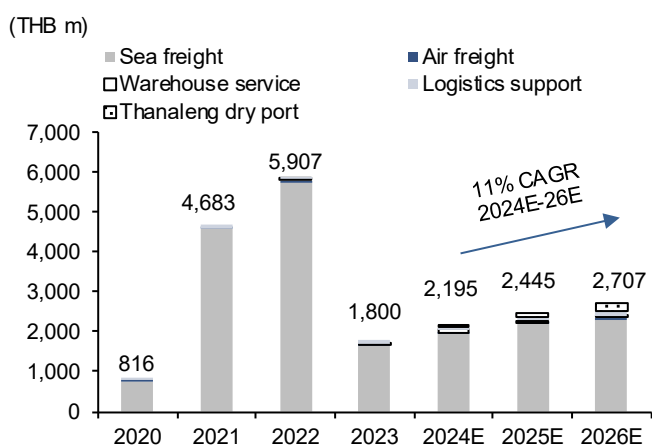
Sources: SINO, Bloomberg, FSSIA's compilation

## Exhibit 4: Key changes of assumptions

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
<b>Total revenue</b>	<b>2,195</b>	<b>2,445</b>	<b>2,707</b>	<b>2,804</b>	<b>3,039</b>	<b>3,221</b>	<b>(21.7)</b>	<b>(19.5)</b>	<b>(16.0)</b>
Sea freight	1,959	2,179	2,311	2,425	2,622	2,780	(19.2)	(16.9)	(16.9)
Air freight	32	34	37	52	56	59	(39.3)	(38.7)	(37.1)
Warehouse service	62	66	70	117	126	134	(47.4)	(47.4)	(47.4)
Logistics support	63	70	77	131	139	147	(51.7)	(49.5)	(47.6)
Cost of goods sold	1,721	1,920	2,137	2,129	2,308	2,447	(19.1)	(16.8)	(12.7)
Gross profit	474	526	570	676	730	774	(29.9)	(28.0)	(26.4)
EBITDA	259	292	315	318	329	349	(18.6)	(11.5)	(9.8)
<b>Core profit</b>	<b>131</b>	<b>159</b>	<b>177</b>	<b>212</b>	<b>221</b>	<b>234</b>	<b>(38.4)</b>	<b>(28.2)</b>	<b>(24.5)</b>
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Gross margin	21.6	21.5	21.1	24.1	24.0	24.0	(2.5)	(2.5)	(3.0)
SG&A to sales	14.0	13.5	13.1	14.8	15.2	15.5	(0.8)	(1.7)	(2.4)
EBITDA margin	11.8	11.9	11.6	11.4	10.8	10.9	0.5	1.1	0.7
Core profit margin	6.0	6.5	6.5	7.6	7.3	8.5	(1.6)	(0.8)	(1.9)

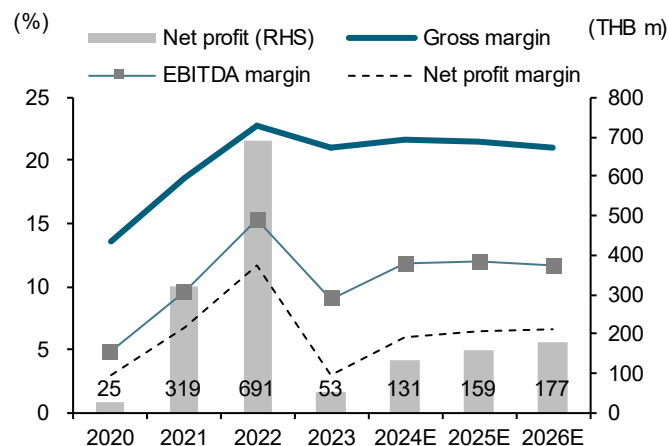
Sources: SINO, FSSIA estimates

## Exhibit 5: Revenue forecast by business unit



Sources: SINO, FSSIA estimates

## Exhibit 6: Margins and core profit



Sources: SINO, FSSIA estimates

## Financial Statements

SINO Logistics Corporation

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	5,907	1,800	2,195	2,445	2,707
Cost of goods sold	(4,561)	(1,423)	(1,721)	(1,920)	(2,137)
<b>Gross profit</b>	<b>1,346</b>	<b>377</b>	<b>474</b>	<b>526</b>	<b>570</b>
Other operating income	25	13	11	12	14
Operating costs	(500)	(306)	(307)	(330)	(355)
<b>Operating EBITDA</b>	<b>903</b>	<b>162</b>	<b>259</b>	<b>291</b>	<b>313</b>
Depreciation	(33)	(79)	(82)	(83)	(84)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>871</b>	<b>84</b>	<b>178</b>	<b>208</b>	<b>229</b>
Net financing costs	(9)	(16)	(12)	(8)	(7)
Associates	0	0	0	0	0
Recurring non-operating income	0	0	0	0	0
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>862</b>	<b>68</b>	<b>165</b>	<b>200</b>	<b>222</b>
Tax	(170)	(15)	(35)	(42)	(47)
<b>Profit after tax</b>	<b>691</b>	<b>53</b>	<b>131</b>	<b>158</b>	<b>175</b>
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>691</b>	<b>53</b>	<b>131</b>	<b>158</b>	<b>175</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>691</b>	<b>53</b>	<b>131</b>	<b>158</b>	<b>175</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.86	0.05	0.13	0.15	0.17
Reported EPS	0.86	0.05	0.13	0.15	0.17
DPS	0.35	0.04	0.05	0.06	0.07
Diluted shares (used to calculate per share data)	800	1,040	1,040	1,040	1,040
<b>Growth</b>					
Revenue (%)	26.1	(69.5)	21.9	11.4	10.7
Operating EBITDA (%)	102.1	(82.0)	59.7	12.1	7.6
Operating EBIT (%)	99.0	(90.4)	112.3	17.1	10.2
Recurring EPS (%)	(39.5)	(94.1)	148.1	20.6	10.9
Reported EPS (%)	(39.5)	(94.1)	148.1	20.6	10.9
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	22.8	21.0	21.6	21.5	21.1
Gross margin exc. depreciation (%)	23.3	25.3	25.3	24.9	24.2
Operating EBITDA margin (%)	15.3	9.0	11.8	11.9	11.6
Operating EBIT margin (%)	14.7	4.6	8.1	8.5	8.5
Net margin (%)	11.7	2.9	6.0	6.4	6.5
Effective tax rate (%)	19.8	22.6	21.0	21.1	21.2
Dividend payout on recurring profit (%)	40.5	74.0	40.0	40.3	40.5
Interest cover (X)	99.1	5.4	14.7	25.7	31.9
Inventory days	-	-	-	-	-
Debtor days	34.0	50.8	43.3	41.7	41.4
Creditor days	29.0	53.6	32.6	31.1	28.1
Operating ROIC (%)	226.2	16.3	18.6	21.9	24.0
ROIC (%)	163.7	10.3	13.3	15.4	16.6
ROE (%)	134.3	7.0	14.9	17.6	19.1
ROA (%)	52.4	5.0	10.2	12.0	13.2
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Sea freight	5,759	1,622	1,959	2,179	2,311
Air freight	41	29	32	34	37
Warehouse service	21	57	62	66	70
Logistics support	85	92	63	70	77

Sources: SINO Logistics Corporation; FSSIA estimates

## Financial Statements

SINO Logistics Corporation

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	691	53	131	158	175
Depreciation	33	79	82	83	84
Associates & minorities	0	0	0	0	0
Other non-cash items	(474)	(71)	(146)	(111)	(143)
Change in working capital	780	(158)	43	17	20
<b>Cash flow from operations</b>	<b>1,031</b>	<b>(98)</b>	<b>110</b>	<b>147</b>	<b>136</b>
Capex - maintenance	(12)	(10)	(80)	(50)	(80)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(3)	(519)	(28)	(20)	(23)
<b>Cash flow from investing</b>	<b>(15)</b>	<b>(529)</b>	<b>(108)</b>	<b>(70)</b>	<b>(103)</b>
Dividends paid	(704)	(160)	(52)	(63)	(71)
Equity finance	288	325	0	0	0
Debt finance	(140)	(68)	3	(17)	(10)
Other financing cash flows	-	-	-	-	-
<b>Cash flow from financing</b>	<b>(556)</b>	<b>97</b>	<b>(49)</b>	<b>(80)</b>	<b>(81)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	3	5
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>5</b>
<b>Movement in cash</b>	<b>460</b>	<b>(530)</b>	<b>(48)</b>	<b>0</b>	<b>(43)</b>
Free cash flow to firm (FCFF)	1,024.55	(611.61)	13.75	85.09	39.88
Free cash flow to equity (FCFE)	875.84	(695.25)	4.66	63.01	27.81
<b>Per share (THB)</b>					
FCFF per share	0.99	(0.59)	0.01	0.08	0.04
FCFE per share	0.84	(0.67)	0.00	0.06	0.03
Recurring cash flow per share	0.31	0.06	0.06	0.12	0.11
<b>Balance Sheet (THB m) Year Ending Dec</b>					
Tangible fixed assets (gross)	38	52	58	34	38
Less: Accumulated depreciation	(4)	(12)	(20)	(28)	(37)
<b>Tangible fixed assets (net)</b>	<b>33</b>	<b>40</b>	<b>38</b>	<b>5</b>	<b>2</b>
<b>Intangible fixed assets (net)</b>	<b>127</b>	<b>239</b>	<b>251</b>	<b>266</b>	<b>285</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	690	160	113	113	70
A/C receivable	250	251	271	288	326
Inventories	0	0	0	0	0
Other current assets	66	629	639	628	632
<b>Current assets</b>	<b>1,006</b>	<b>1,040</b>	<b>1,023</b>	<b>1,030</b>	<b>1,028</b>
Other assets	42	54	60	63	67
<b>Total assets</b>	<b>1,208</b>	<b>1,373</b>	<b>1,372</b>	<b>1,364</b>	<b>1,382</b>
Common equity	648	862	889	907	923
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>648</b>	<b>862</b>	<b>889</b>	<b>907</b>	<b>923</b>
Long term debt	69	140	143	124	114
Other long-term liabilities	134	128	126	123	125
<b>Long-term liabilities</b>	<b>203</b>	<b>268</b>	<b>269</b>	<b>247</b>	<b>239</b>
A/C payable	263	132	160	153	164
Short term debt	41	85	34	37	38
Other current liabilities	54	26	20	21	18
<b>Current liabilities</b>	<b>357</b>	<b>243</b>	<b>214</b>	<b>211</b>	<b>219</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,208</b>	<b>1,373</b>	<b>1,372</b>	<b>1,364</b>	<b>1,382</b>
Net working capital	(1)	722	729	743	777
Invested capital	201	1,055	1,078	1,078	1,130
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	0.81	0.83	0.85	0.87	0.89
Tangible book value per share	0.65	0.60	0.61	0.62	0.61
<b>Financial strength</b>					
Net debt/equity (%)	(89.6)	7.5	7.1	5.3	8.9
Net debt/total assets (%)	(48.0)	4.7	4.6	3.5	5.9
Current ratio (x)	2.8	4.3	4.8	4.9	4.7
CF interest cover (x)	100.7	(43.6)	1.4	8.8	4.9
<b>Valuation</b>					
<b>Recurring P/E (x) *</b>	<b>1.8</b>	<b>30.8</b>	<b>12.4</b>	<b>10.3</b>	<b>9.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>2.3</b>	<b>39.5</b>	<b>15.9</b>	<b>13.2</b>	<b>11.9</b>
Reported P/E (x)	1.8	30.8	12.4	10.3	9.3
Dividend yield (%)	22.4	2.4	3.2	3.9	4.4
Price/book (x)	1.9	1.9	1.8	1.8	1.8
Price/tangible book (x)	2.4	2.6	2.5	2.5	2.5
EV/EBITDA (x) **	0.7	10.4	6.5	5.7	5.4
EV/EBITDA @ target price (x) **	1.1	13.2	8.3	7.3	6.9
EV/invested capital (x)	3.3	1.6	1.6	1.5	1.5
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: SINO Logistics Corporation; FSSIA estimates

## Disclaimer for ESG scoring

ESG score	Methodology	Rating																												
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																												
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>THSI inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETTHSI Index</b> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																												
<b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																												
<b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																												
<b>Thai CAC</b> By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																												
<b>Morningstar Sustainalytics</b>	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.																												
<b>ESG Book</b>	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	<table border="1"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table> <p>The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.</p>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+																		
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<b>MSCI</b>	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.																													
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<b>Moody's ESG solutions</b>	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																													
<b>Refinitiv ESG rating</b>	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																													
<b>S&amp;P Global</b>	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																													
<b>Bloomberg</b>	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																												
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																												

**Rating** regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

## GENERAL DISCLAIMER

### ANALYST(S) CERTIFICATION

#### Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

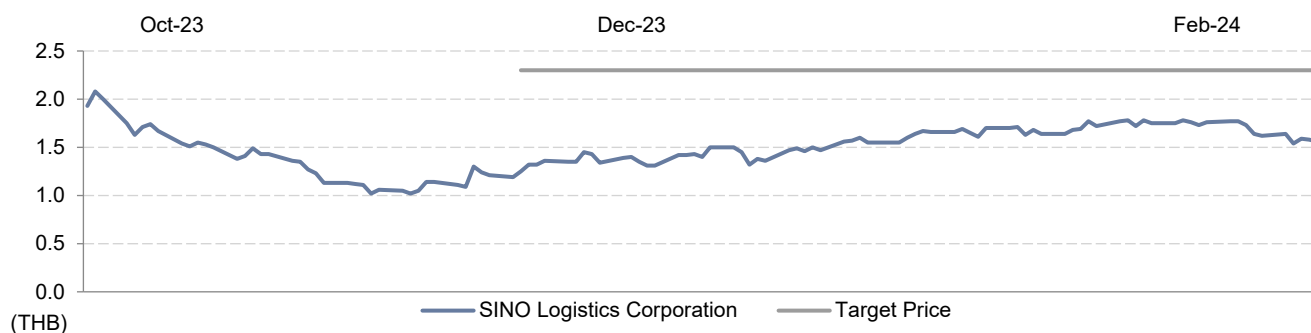
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

#### SINO Logistics Corporation (SINO TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
13-Nov-2023	BUY	2.30	-	-	-	-	-	-

Jitra Amornthum started covering this stock from 13-Nov-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
SINO Logistics Corporation	SINO TB	THB 1.56	BUY	Downside risks to our DCF-based TP include 1) ความผันผวนของราคาค่าระวาง 2) เศรษฐกิจและการค้าโลกไม่เติบโตตามคาด 3) สงคราม 4) ความผันผวนของราคาน้ำมัน

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.

All share prices are as at market close on 23-Feb-2024 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.