

Carabao Group

(CBG.BK/CBG TB)*

Neutral Maintained

Price as of 12 May 2023	74.0
12M target price (Bt/shr)	92.0
Unchanged/Revised up (down) (%)	Unchanged
Upside/downside (%)	24.2

Key messages

กำไรสุทธิของ CBG ใน 1Q66 อยู่ที่ 264 ล้านบาท (-35% QoQ, -60% YoY) ต่ำกว่าประมาณการของเรา/consensus 33%/50% เนื่องจากรายได้ และ margin ต่ำกว่าที่คาดไว้ CBG เสียโฉมมนต์การเติบโตของธุรกิจไปแล้วตั้งแต่ COVID ระบาด และส่วนแบ่งตลาดลดลง ในขณะที่ธุรกิจส่งออกที่ขึ้นกับตลาด CLMV อย่างมากก็ไม่ต่างจากแนวโน้มธุรกิจในประเทศมากนัก ทั้งนี้ เนื่องจากกำไรใน 1Q66 คิดเป็นเพียง 11% ของประมาณการกำไรเต็มปีของเราเท่านั้น เราจึงน่าจะต้องปรับลดประมาณการกำไรและราคาเป้าหมายลงอีก

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ผลประกอบการ 1Q66: ทั้งรายได้และ margin อ่อนแอทั้งคู่

Event

กำไรสุทธิของ CBG ใน 1Q66 อยู่ที่ 264 ล้านบาท (-35% QoQ, -60% YoY) ต่ำกว่าประมาณการของเรา/consensus 33%/50% เนื่องจากรายได้ และ margin ต่ำกว่าที่คาดไว้ ทั้งนี้ กำไรใน 1Q66 คิดเป็นเพียง 11% ของประมาณการกำไรเต็มปีของเรา

Impact

รายได้ลดลงจากทั้งยอดขายในประเทศและยอดส่งออก

รายได้รวมลดลง 8% QoQ และ 14% YoY โดยยอดขายในประเทศ (68% ของรายได้รวม) ลดลงเล็กน้อย 1% QoQ และ YoY แต่ยอดส่งออกหดตัวถึง 11% QoQ และ 25% YoY เนื่องจากอัตราการเติบโตของการส่งออกอ่อนแอในทุกตลาด โดยเฉพาะการส่งออกไปยัง CLMV ซึ่งลดลงอย่างต่อเนื่องตลอดไตรมาสที่ผ่านมา

มาร์จิ้นยังคงลดลงต่อ

GPM ลดลงคิดค่าอยู่ที่ 24.7% (จาก 26.5% ใน 4Q65 และ 30.7% ใน 1Q65) แม้ว่าราคาออลูมิเนียม และวัตถุดิบหลักอื่น ๆ ได้มีการปรับตัวลดลง ในขณะเดียวกัน ค่าใช้จ่าย SG&A ยังไม่ลดลง และกดดันให้ EBIT margin ลดลงอย่างมากเหลือ 8.6% ใน 1Q66 (จาก 11.1% ใน 4Q65 และ 16.4% ใน 1Q65)

Valuation & Action

CBG เสียโฉมมนต์การเติบโตของธุรกิจไปแล้วตั้งแต่ COVID ระบาด และส่วนแบ่งตลาดลดลง ในขณะที่ธุรกิจส่งออกที่ขึ้นกับตลาด CLMV อย่างมากก็ไม่ต่างจากแนวโน้มธุรกิจในประเทศมากนัก ทั้งนี้ เนื่องจากกำไรใน 1Q66 คิดเป็นเพียง 11% ของประมาณการกำไรเต็มปีของเราเท่านั้น เราจึงน่าจะต้องปรับลดประมาณการกำไรและราคาเป้าหมายลงอีก

Financial table

	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F	Dec-25F
Revenue (Btmn)	17,231	17,364	19,215	19,526	21,697	24,201
Gross Profit (Btmn)	7,058	6,183	5,633	6,051	7,060	7,986
EBIT (Btmn)	4,333	3,444	2,799	2,988	3,694	4,241
Net Profit (Btmn)	3,525	2,881	2,286	2,386	2,943	3,393
EPS (Bt)	3.53	2.88	2.29	2.39	2.94	3.39
DPS	2.80	3.80	4.80	5.80	6.80	7.80
EPS Growth (%)	40.7	(18.3)	(20.6)	4.4	23.3	15.3
P/E (X)	34.6	34.7	45.9	31.0	25.1	21.8
P/B (X)	12.0	9.9	9.9	6.6	6.2	5.7
EV/EBITDA (X)	27.9	29.5	38.0	31.3	26.3	23.5
Net Debt to Equity (%)	39	57	59	56	50	47
Dividend Yield (%)	2.3	3.8	4.6	7.8	9.2	10.5
Return on Average Equity (%)	38.1	28.6	21.9	21.9	25.5	27.3

Source: KGI Securities Research

Figure 1: CBG's quarterly earnings

Bt mn	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	% chg	
										QoQ	YoY
Income Statement (Bt m)											
Revenue	4,030	4,995	3,957	4,382	4,783	5,247	4,695	4,490	4,124	(8.2)	(13.8)
Cost of Good sold	(2,475)	(3,094)	(2,608)	(3,004)	(3,317)	(3,631)	(3,335)	(3,299)	(3,107)	(5.8)	(6.3)
Gross profit	1,555	1,901	1,349	1,378	1,466	1,616	1,359	1,191	1,017	(14.7)	(30.7)
Operating Expenses	(726)	(769)	(739)	(711)	(727)	(765)	(815)	(772)	(729)	(5.6)	0.3
Other income	35	39	86	45	43	68	55	78	65	(16.6)	50.4
Operating Profit	864	1,172	696	712	783	919	600	498	353	(29.1)	(54.9)
Depreciation of fixed assets	(180)	(186)	(193)	(194)	(197)	(202)	(207)	(208)	(203)	(2.2)	2.9
EBITDA	1,044	1,358	889	906	980	1,120	807	705	556	(21.2)	(43.3)
Interest Expense	(21)	(21)	(23)	(23)	(25)	(26)	(30)	(34)	(36)	5.7	47.0
Pre-tax Profit	843	1,151	673	690	758	892	570	463	317	(31.6)	(58.2)
Current Taxation	(147)	(198)	(82)	(86)	(112)	(164)	(103)	(55)	(61)	11.6	(45.7)
Minority	5	14	10	10	14	13	8	0	8		
Net Profit	700	966	601	613	660	742	475	409	264	(35.5)	(60.0)
EPS (Bt)	0.70	0.97	0.60	0.61	0.66	0.74	0.48	0.41	0.26	(35.5)	(60.0)
Profitability											
Gross profit margin	38.6	38.1	34.1	31.4	30.7	30.8	29.0	26.5	24.7		
Operating EBIT margin	21.4	23.5	17.6	16.3	16.4	17.5	12.8	11.1	8.6		
Operating EBITDA margin	25.9	27.2	22.5	20.7	20.5	21.3	17.2	15.7	13.5		
Net profit margin	17.4	19.3	15.2	14.0	13.8	14.1	10.1	9.1	6.4		
Selling exp/rev	11.8	9.7	11.5	10.3	9.9	9.8	11.9	12.3	12.4		
Admin exp/rev	6.3	5.7	7.2	6.0	5.3	4.8	5.5	4.9	5.2		
D/E ratio (x)	0.6	0.9	1.0	0.9	0.8	0.9	1.0	0.9	0.8		
Effective tax rate	17.5	17.2	12.1	12.5	14.8	18.3	18.0	11.8	19.2		
Days A/R turnover	29.2	38.7	46.6	36.6	35.1	39.1	51.1	51.5	43.9		
Days inventories turnover	60.0	44.6	68.6	71.0	63.5	65.3	72.4	75.2	74.8		
Days A/P turnover	60.7	52.5	64.9	53.7	49.9	52.5	53.1	51.2	41.4		

Source: KGI Securities Research

Figure 2: Revenue breakdown

	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	% chg	
										QoQ	YoY
Revenue breakdown											
i.) Domestic	2,223	2,473	2,660	3,077	3,067	3,148	3,070	3,046	2,799	(8.1)	(8.7)
- Domestic -energy drink	1,343	1,417	1,392	1,539	1,272	1,482	1,641	1,312	1,160	(11.6)	(8.8)
- Domestic - OEM (coffee)	111	139	116	138	121	132	132	82	48	(41.5)	(60.3)
- 3rd product/logistic	706	799	897	1,166	1,417	1,270	1,184	1,478	1,468	(0.7)	3.6
Others	63	118	255	234	257	264	113	174	123	(29.3)	(52.1)
ii.) Export	1,807	2,522	1,296	1,306	1,716	2,099	1,625	1,440	1,325	(8.0)	(22.8)
- CLMV	1,484	1,942	1,117	1,117	1,513	1,764	1,340	1,292	1,194	(7.6)	(21.1)
- China	210	488	16	17	60	252	133	22	9	(59.1)	(85.0)
- UK	20	38	60	10	45	46	57	56	39	(30.4)	(13.3)
- Others	93	54	99	166	98	37	38	74	83	12.2	(15.3)
Total Revenue	4,030	4,995	3,956	4,383	4,783	5,247	4,695	4,490	4,124	(8.2)	(13.8)
Gross margin (Bt mn)											
Energy drink	1,473	1,777	1,159	1,167	1,202	1,351	1,206	943	837		
OEM	15	21	18	18	14	15	15	10	6		
Distribution	42	60	65	93	142	149	92	181	141		
Others	25	43	107	100	108	101	45	56	33		
Total	1,555	1,901	1,349	1,378	1,466	1,616	1,358	1,191	1,017		
Gross margin (%)											
Energy drink	46.8%	45.1%	43.1%	41.0%	40.2%	37.7%	36.9%	34.3%	33.7%		
OEM	13.5%	15.1%	15.5%	13.0%	11.6%	11.4%	11.4%	12.2%	12.5%		
Distribution	5.9%	7.5%	7.2%	8.0%	10.0%	11.7%	7.8%	12.2%	9.6%		
Others	39.7%	36.4%	42.0%	42.7%	42.0%	38.3%	39.8%	32.2%	26.8%		
Total	38.6%	38.1%	34.1%	31.4%	30.7%	30.8%	29.0%	26.5%	24.7%		

Source: KGI Securities Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result 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 assessment 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 result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFICO	SEAFICO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution 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 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, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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