

Pruksa Holding

(PSH.BK/PSH TB)*

Outperform-Maintained

Price as of 6 Nov 2018	20.3
12M target price (Bt/shr)	23.9
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	17.7

Key messages

เราคาดว่ากำไรสุทธิใน 3Q61 ของ PSH จะอยู่ที่ 1.63 พันล้านบาท เพิ่มขึ้น 27% YoY และ 4% QoQ เนื่องจาก PSH มีแผนจะโอนสองโครงการใหม่ ได้แก่ Plum Condo ปิ่นเกล้า (2.5 พันล้านบาท ขายได้แล้ว 76%) และ Plum Condo รามคำแหง (2.5 พันล้านบาท ขายได้แล้ว 71%) เราคาดว่ากำไรน่าจะเติบโตอย่างแข็งแกร่งทั้ง YoY และ QoQ ใน 4Q61 จากการโอนโครงการคอนโดขนาดใหญ่ และยอดโอนโครงการแนวราบที่เพิ่มขึ้นจากการเร่งเปิดโครงการใหม่ใน 2H61 เราประเมินราคาเป้าหมายของ PSH ที่ 23.90 บาท อิงจาก PER เฉลี่ยระยะยาว -1 S.D. ที่ 8x ถึงแม้ว่าเราจะปรับลดมูลค่าเหมาะสมลงเพื่อสะท้อนถึงผลกระทบจากมาตรการ LTV ใหม่แล้วก็ตาม แต่ราคาหุ้นก็ยังมี upside จากราคาเป้าหมายของเรา ราคาหุ้นในปัจจุบันคิดเป็น PER ปี FY19 แต่ 6-7x เท่านั้น ในขณะที่อัตราผลตอบแทนจากเงินปันผลสูงถึงประมาณ 7% ดังนั้น เราจึงยังคงแนะนำให้ซื้อ PSH

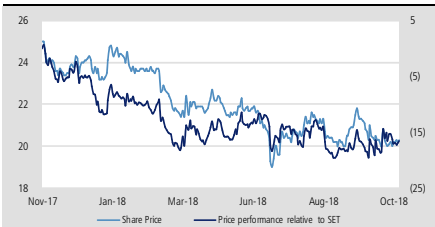
Trading data

Mkt cap (Btbn/US\$m)	44.6/1,116		
Outstanding shares (mn)	2,189		
Foreign ownership (mn)	44		
3M avg. daily trading (mn)	2		
52-week trading range (Bt)	19.0 – 25.0		
Performance (%)	3M	6M	12M
Absolute	-3.8	-8.1	-18.5
Relative	-0.8	-3.9	-16.4

Quarterly EPS

Bt	1Q	2Q	3Q	4Q
2016	0.56	0.84	0.42	0.86
2017	0.31	0.80	0.59	0.80
2018	0.39	0.71	n.a.	n.a.

Share price chart



Source: SET

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ประมาณการ 3Q61: ทัั้งใหญ่ทั้งถูก

Event

ประมาณการ 3Q18 earnings preview.

Impact

กำไรใน 3Q61 จะได้รับหนุนจากการโอนสองโครงการคอนโดใหม่

เราคาดว่ากำไรสุทธิใน 3Q61 ของ PSH จะอยู่ที่ 1.63 พันล้านบาท เพิ่มขึ้น 27% YoY และ 4% QoQ โดยกำไรที่เพิ่มขึ้น YoY จะมาจากรายได้จากการโอนที่เพิ่มขึ้นเนื่องจาก PSH มีแผนจะโอนสองโครงการใหม่ ได้แก่ Plum Condo ปิ่นเกล้า (2.5 พันล้านบาท ขายได้แล้ว 76%) และ Plum Condo รามคำแหง (2.5 พันล้านบาท ขายได้แล้ว 71%) ในขณะที่บริษัทไม่ได้มีการโอนคอนโดใหม่ใน 3Q60 เราคาดว่ารายได้จะเพิ่มขึ้น 10% YoY และ 2% QoQ เป็น 1.15 หมื่นล้านบาท โดยจะมาจากโครงการคอนโดประมาณ 3.5 พันล้านบาท และโครงการบ้านจัดสรร 8 พันล้านบาท เราคาดว่าอัตรากำไรขั้นต้นจะอยู่ที่ประมาณทรงตัวทั้ง YoY และ QoQ อยู่ที่ประมาณ 36% และคาดว่าค่าใช้จ่ายในการดำเนินงานจะอยู่ที่ไตรมาสละ 2 พันล้านบาท

การเน้นเปิดโครงการใหม่ช่วงปลายปีจะช่วยยกระดับยอดขายคอนโดอยู่อาศัย

เราคาดว่ากำไรรวม 9M61 จะคิดเป็น 68% ของประมาณการกำไรปี FY61 ของเรา โดยกำไรใน 4Q61 น่าจะสูงที่สุดในรอบปีนี้ จากยอดโอนที่เพิ่มขึ้นทั้งจากโครงการแนวราบและคอนโด โดยเฉพาะอย่างยิ่งเมื่อ PSH เพิ่งเปิดโครงการใหม่ไปแค่ 2 หมื่นล้านบาทใน 1H61 หรือคิดเป็นแค่ 32% ของโครงการที่มีแผนจะเปิดในปีนี้ ดังนั้น การเปิดโครงการใหม่ในช่วงปลายปีที่น่าจะช่วยให้โครงการแนวราบน่าจะช่วยหนุนทั้งยอด presales และยอดโอนของโครงการกลุ่มนี้ ในขณะที่ยอดโอนบ้านจัดสรรใน 1H61 คิดเป็นสัดส่วนประมาณ 44% ของประมาณการปีนี้ทั้งปีของเรา

Backlog ของโครงการคอนโดมิเนียมจะทำให้มีรายได้แน่นอนแล้ว 95% ของประมาณการปีนี้

สำหรับในฝั่งของคอนโดมิเนียมนั้น PSH มีกำหนดจะโอนโครงการใหญ่อย่างเช่น Chapter One Eco รัชดา-ห้วยขวาง (5.5 พันล้านบาท ขายได้แล้ว 82%) และ Urbano ราชวิถี (1.4 พันล้านบาทขายได้แล้ว 55%) ใน 4Q61 ทำให้เรามองว่าความเสี่ยงที่รายได้ปีนี้จะต่ำกว่าประมาณการมีจำกัด เพราะรายได้จากการโอนคอนโด และ backlog ในมือเมื่อปลาย 2Q61 คิดเป็นสัดส่วนถึง 95% ของประมาณการปีนี้แล้ว ดังนั้น เราจึงคาดว่ากำไรน่าจะเติบโตอย่างแข็งแกร่งทั้ง YoY และ QoQ ใน 4Q61

Valuation & Action

เราประเมินราคาเป้าหมายของ PSH ที่ 23.90 บาท อิงจาก PER เฉลี่ยระยะยาว -1 S.D. ที่ 8x ถึงแม้ว่าเราจะปรับลดมูลค่าเหมาะสมลงเพื่อสะท้อนถึงผลกระทบจากมาตรการ LTV ใหม่แล้วก็ตาม แต่ราคาหุ้นก็ยังมี upside จากราคาเป้าหมายของเรา ราคาหุ้นในปัจจุบันคิดเป็น PER ปี FY19 แต่ 6-7x เท่านั้น ในขณะที่อัตราผลตอบแทนจากเงินปันผลสูงถึงประมาณ 7% ดังนั้น เราจึงยังคงแนะนำให้ซื้อ PSH

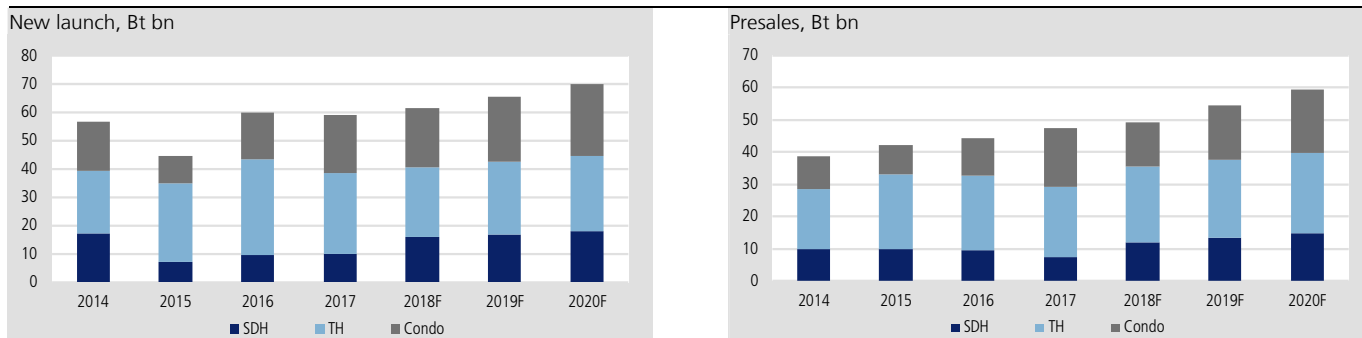
Risks

ภาวะเศรษฐกิจอ่อนแอลง, การก่อสร้าง และกำหนดโอนชะลอตัวลง

Key financials and valuations

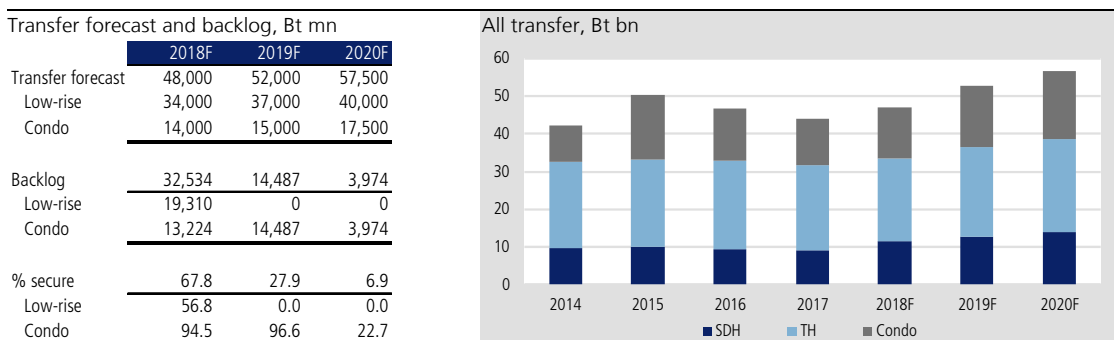
	Dec-16A	Dec-17A	Dec-18F	Dec-19F	Dec-20F
Revenue (Bt mn)	46,926	43,935	48,000	52,000	57,500
Gross profit (Bt mn)	15,742	15,713	16,800	18,200	20,125
EBIT (Bt mn)	7,836	7,354	7,845	8,604	9,515
Net profit (Bt mn)	5,940	5,456	5,945	6,523	7,216
EPS (Bt)	2.72	2.50	2.72	2.98	3.30
DPS (Bt)	1.40	1.29	1.36	1.49	1.65
EPS growth (%)	(21.1)	(8.2)	9.0	9.7	10.6
P/E (x)	8.28	9.42	7.47	6.81	6.15
P/B (x)	1.36	1.33	1.06	0.98	0.91
EV/EBITDA (x)	8.7	9.7	8.5	8.0	7.5
Net Debt to Equity (x)	0.6	0.6	0.6	0.6	0.7
Dividend Yield (%)	6.2	5.5	6.7	7.3	8.1
Return on Avg. Equity (%)	16.9	14.6	14.8	15.0	15.3

Source: Company data, KGI Research

Figure 1: New launch and presales are expected to grow modestly in coming years


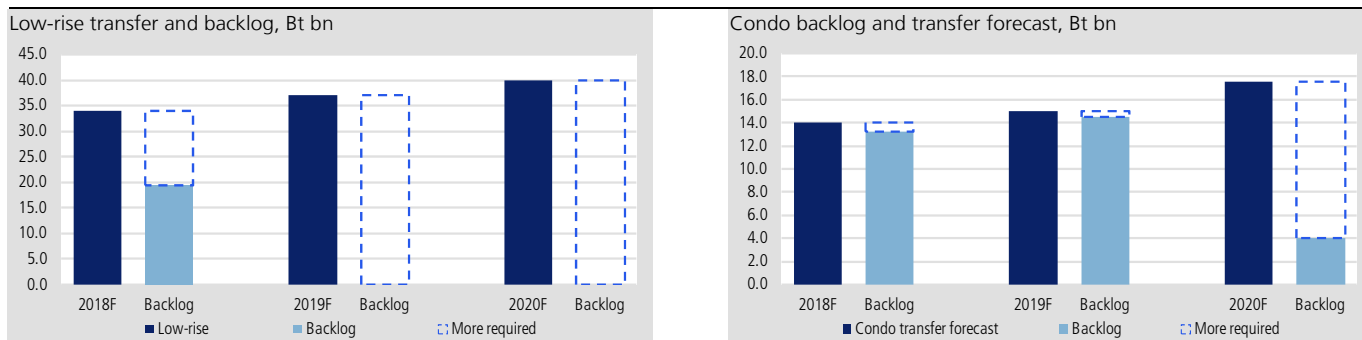
Source: Company data, KGI Research

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Figure 2: Condo backlog secured 95% of our FY18 forecast for the segment


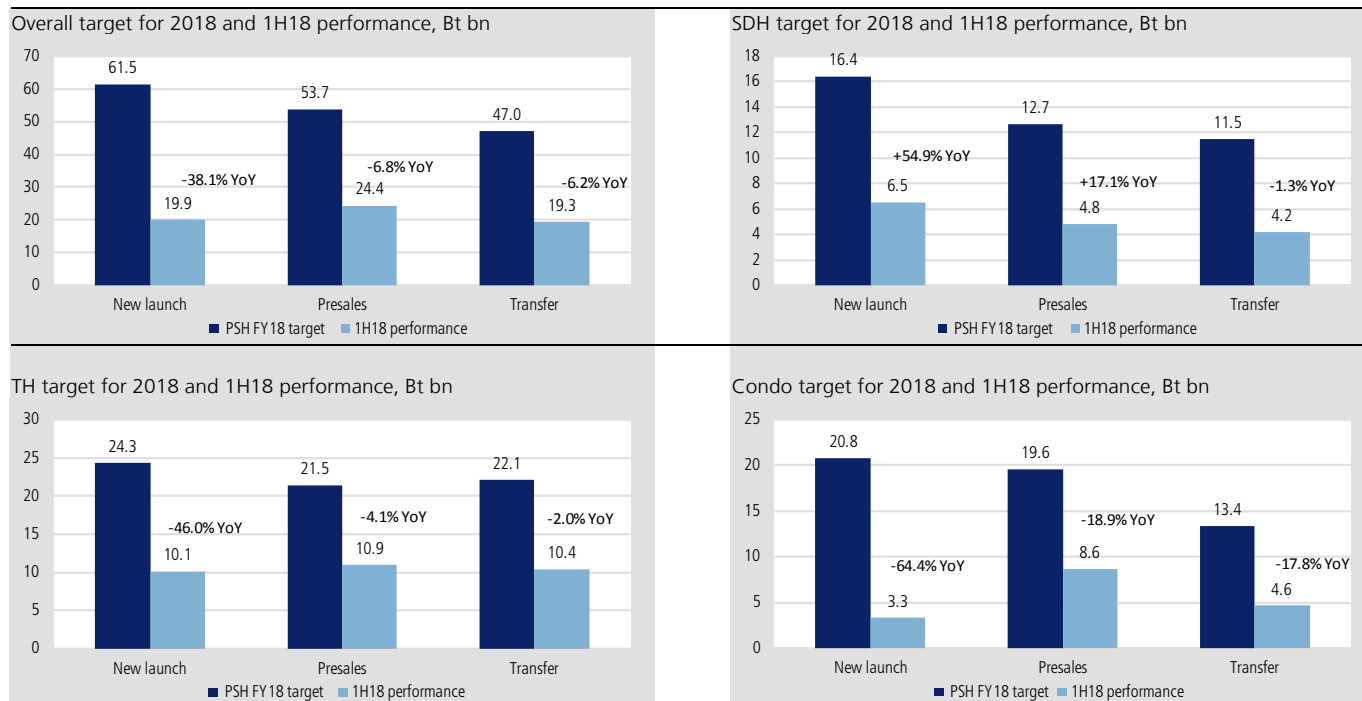
Source: Company data, KGI Research

Source: Company data, KGI Research

Figure 3: Condo transfer to gain traction from 9 new projects expected to handover in 2019 versus 7 projects in 2018


Source: Company data, KGI Research

Source: Company data, KGI Research

Figure 4: Backload new launch plan in 2018 resulted in sluggish presales during 1H18


Source: Company data, KGI Research

Source: Company data, KGI Research

Figure 5: 3Q18 earnings preview

Bt mn	3Q18F	3Q17	YoY (%)	2Q18	QoQ (%)
Sales	11,500	10,059	14.3	10,930	5.2
Cost of sales	7,360	6,398	15.0	6,980	5.4
Gross profit	4,140	3,661	13.1	3,950	4.8
SG&A	2,070	1,938	6.8	1,980	4.5
EBIT	2,070	1,724	20.1	1,969	5.1
Depreciation and amortizati	125	118	5.9	126	(0.4)
EBITDA	2,195	1,842	19.2	2,095	4.8
Interest Expense	40	48	(16.9)	41	(1.3)
Other Income (Exp.)	50	35	40.9	48	4.5
Pre-tax Profit	2,080	1,711	21.5	1,977	5.2
Corporate Tax	416	393	6.0	385	8.0
Pre-exceptional Profit	1,664	1,319	26.2	1,591	4.6
Extraordinary Gain	0	0	n.a.	0	n.a.
Minority Interest	31	28	11.8	28	11.8
Net Profit	1,633	1,291	26.5	1,563	4.4
Normalized Profit	1,633	1,291	26.5	1,563	4.4
EPS (Bt)	0.75	0.59	26.5	0.71	4.4
Percent	3Q18F	3Q17	YoY (ppts)	2Q18	QoQ (ppts)
Gross profit margin	36.0	36.4	(0.4)	36.1	(0.1)
EBIT margin	18.0	17.1	0.9	18.0	(0.0)
EBITDA margin	19.1	18.3	0.8	19.2	(0.1)
Net margin	14.2	12.8	1.4	14.3	(0.1)
SG&A/sales	18.0	19.3	(1.3)	18.1	(0.1)

Source: Company data, KGI Research

Figure 6: Transfer timeline

Project	Value (Bt mn)	% sold	Expected transfer					
			2017	2018	2019	2020	2021	
Plum Condo Chokchai 4	950	62%		1Q18				
The Tree Sukhumvit 64	600	64%		1Q18				
Plum Condo Changwattana (P3)	2,200	57%		2Q18				
Plum Condo Pinklao Station	2,500	76%		3Q18				
Plum Condo Ramkamhaeng Station	2,500	71%		3Q18				
Chapter One Eco (Ratchada-Huaikwang)	5,500	82%		4Q18				
Urbano Rajavithi	1,400	55%		4Q18				
Plum Condo Ram 60 Interchange	2,000	49%				1Q19		
The Reserve Thonglor	1,800	98%				2Q19		
The Tree Charansanitwong 30	1,000	50%				2Q19		
The Tree Sukhumvit 71 (Ekkamai)	2,500	96%				2Q19		
The Tree Ladpao	500	100%				2Q19		
Chapter One Shine Bangpo	1,700	98%				3Q19		
The Privacy Tha-Phar Interchange	2,500	44%				3Q19		
The Privacy Rama 9	2,400	88%				4Q19		
The Reserve Phahol-Pradipat	1,700	74%				4Q19		
The Reserve Sukhumvit 61	2,700	99%					1Q20	
The Reserve Sathorn	2,700	15%						2Q21

Source: Company data, KGI Research

Figure 7: Presales progress

Project	Value (Bt mn)	4Q16	1Q17	2Q17	3Q17	4Q17	1Q18	2Q18	Launch	Transfer
Plum Condo Changwattana (P1)	1,150	94%	99%	99%	99%	98%	100%	100%	Jun-16	Jun-17
The Tree Rio Bang Aor Station	3,800	90%	87%	85%	85%	85%	78%	82%	Sep-14	Jun-17
Plum Condo Central Station P1-2	4,500	74%	77%	80%	80%	80%	80%	79%	Sep-15	Dec-17
Plum Condo Changwattana (P2)	1,500	94%	91%	91%	91%	85%	90%	95%	Jun-16	Dec-17
The Tree Onnut Station	550	41%	55%	60%	60%	66%	66%	64%	Dec-16	Dec-17
Plum Condo Chokchai 4	950	9%	26%	37%	37%	47%	59%	62%	Dec-16	Mar-18
The Tree Sukhumvit 64	600	39%	46%	47%	47%	54%	58%	64%	Dec-16	Mar-18
Plum Condo Changwattana (P3)	2,200			29%	29%	53%	50%	57%	Jun-17	Jun-18
Plum Condo Pinklao Station	2,500	70%	75%	78%	78%	77%	76%	76%	Sep-16	Sep-18
Plum Condo Ramkamhaeng Station	2,500	60%	64%	74%	74%	74%	74%	71%	Sep-16	Sep-18
Chapter One Eco (Ratchada-Huaikwang)	5,500	14%	28%	34%	34%	59%	71%	82%	Dec-16	Dec-18
Urbano Rajavithi	1,400	49%	50%	57%	57%	51%	53%	55%	Dec-16	Dec-18
Plum Condo Ram 60 Interchange	2,000						40%	49%	Dec-17	Mar-19
The Reserve Thonglor	1,800		93%	100%	100%	99%	98%	98%	Mar-17	Jun-19
The Tree Charansanitwong 30	1,000			36%	36%	47%	48%	50%	Jun-17	Jun-19
The Tree Sukhumvit 71 (Ekkamai)	2,500		62%	83%	83%	89%	91%	96%	Mar-17	Jun-19
The Tree Ladpao	500						75%	100%	Mar-18	Jun-19
Chapter One Shine Bangpo	1,700			93%	93%	98%	98%	98%	Jun-17	Sep-19
The Privacy Tha-Phar Interchange	2,500					39%	43%	44%	Sep-17	Sep-19
The Privacy Rama 9	2,400					45%	76%	88%	Sep-17	Dec-19
The Reserve Phahol-Pradipat	1,700					62%	65%	74%	Sep-17	Dec-19
The Reserve Sukhumvit 61	2,700					31%	100%	99%	Dec-17	Mar-20
The Reserve Sathorn	2,700							15%	Jun-18	Jun-21

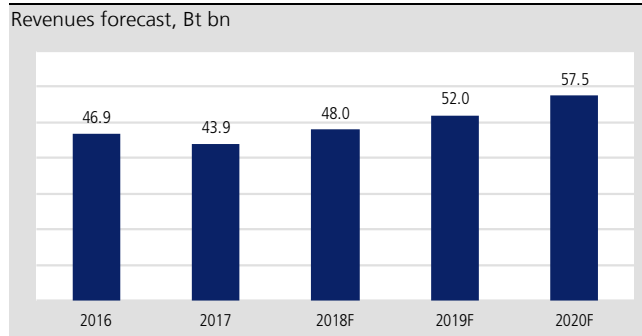
Source: Company data, KGI Research

Figure 8: Company profile

Pruksa Holding Plc. (PSH) operates a property development business in several segments including townhouses, single-detached houses and condominiums. PSH has expertise in both government and private projects due to its superior precast construction technology. PSH mainly targets the mid-to-low-end segment with broad-based brands using a mixed business approach through different economic cycles.

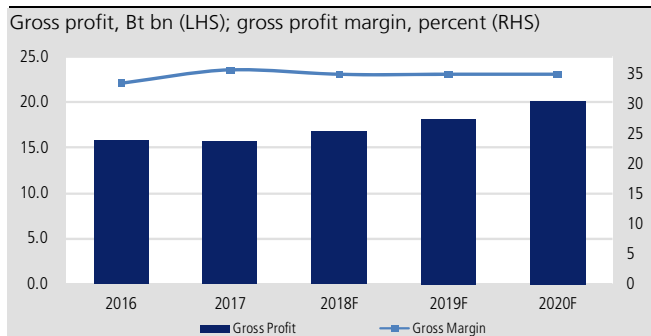
Source: Company data

Figure 9: Revenues forecast



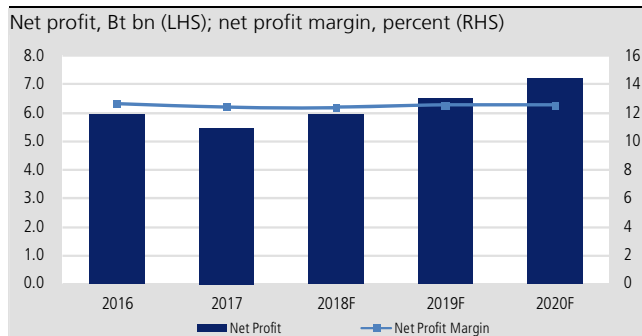
Source: Company data, KGI Research

Figure 10: Gross profit



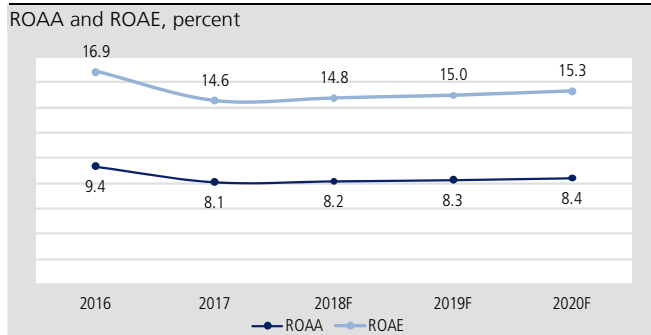
Source: Company data, KGI Research

Figure 11: Net profit



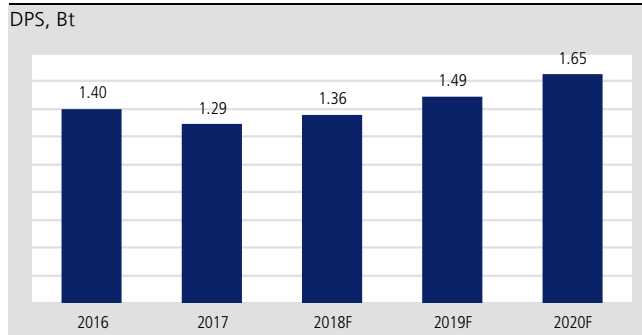
Source: Company data, KGI Research

Figure 12: Company ROAA and ROAE



Source: Company data, KGI Research

Figure 13: Company dividend per share (DPS)



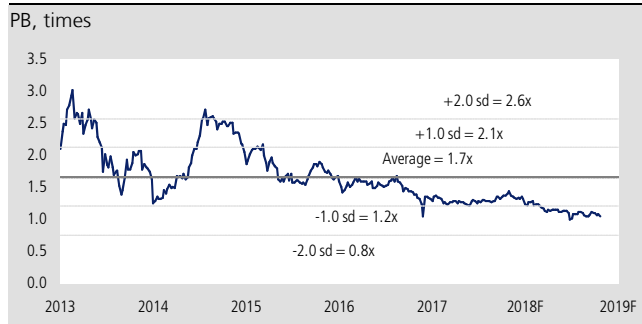
Source: Company data, KGI Research

Figure 14: Company trading PER



Source: KGI Research

Figure 15: Company trading PB



Source: KGI Research

Quarterly Income Statement

Quarterly Income Statement (Bt mn)	2015				2016				2017				2018	
	Mar-15A	Jun-15A	Sep-15A	Dec-15A	Mar-16A	Jun-16A	Sep-16A	Dec-16A	Mar-17A	Jun-17A	Sep-17A	Dec-17A	Mar-18A	Jun-18A
Revenue	8,326	14,031	11,421	17,461	10,284	13,610	9,084	13,948	8,072	12,481	10,059	13,322	8,352	10,930
Cost of Goods Sold	5,484	9,492	7,528	11,480	6,905	9,285	6,027	8,967	5,306	7,973	6,398	8,546	5,374	6,980
Gross Profit	2,843	4,539	3,893	5,981	3,379	4,325	3,057	4,981	2,766	4,509	3,661	4,776	2,978	3,950
Operating Expenses	1,674	1,807	1,816	2,363	1,702	2,010	1,927	2,515	1,851	2,206	1,938	2,542	1,853	1,980
Other Operating incomes	25	33	43	102	14	62	60	112	18	50	36	75	16	48
Operating Profit	1,194	2,765	2,119	3,719	1,692	2,377	1,189	2,578	933	2,353	1,759	2,309	1,142	2,017
Depreciation of fixed assets	95	102	122	106	110	118	115	125	117	111	118	121	128	126
Operating EBITDA	1,289	2,867	2,242	3,825	1,802	2,494	1,304	2,702	1,050	2,464	1,878	2,430	1,269	2,143
Non-Operating Income	-	(1)	-	-	(0)	(0)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other Non-op Income	-	(1)	-	-	(0)	(0)	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Non-Operating Expenses	77	78	76	98	97	81	47	62	52	55	48	43	38	41
Interest Expense	77	78	76	98	97	81	47	62	52	55	48	43	38	41
Pre-tax Profit	1,117	2,686	2,044	3,621	1,594	2,296	1,141	2,516	881	2,298	1,711	2,266	1,103	1,977
Current taxation	226	520	415	638	328	423	212	515	185	516	393	489	225	385
Minorities	-	(2)	(9)	1	-	39	-	128	15	38	28	37	20	28
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	891	2,168	1,638	2,983	1,266	1,833	928	1,873	681	1,744	1,291	1,740	858	1,563
Margins (%)														
Gross profit margin	34.1	32.4	34.1	34.3	32.9	31.8	33.7	35.7	34.3	36.1	36.4	35.9	35.7	36.1
Operating margin	14.3	19.7	18.6	21.3	16.5	17.5	13.1	18.5	11.6	18.8	17.5	17.3	13.7	18.5
Operating EBITDA margin	15.5	20.4	19.6	21.9	17.5	18.3	14.4	19.4	13.0	19.7	18.7	18.2	15.2	19.6
Net profit margin	10.7	15.5	14.3	17.1	12.3	13.5	10.2	13.4	8.4	14.0	12.8	13.1	10.3	14.3
Growth (%)														
Revenue growth	3.9	29.8	(1.4)	41.2	23.5	(3.0)	(20.5)	(20.1)	(21.5)	(8.3)	10.7	(4.5)	3.5	(12.4)
Operating growth	(19.7)	14.4	(13.2)	49.1	41.7	(14.1)	(43.9)	(30.7)	(44.9)	(1.0)	47.9	(10.4)	22.4	(14.3)
Operating EBITDA growth	(18.5)	14.6	(10.5)	47.0	39.7	(13.0)	(41.8)	(29.4)	(41.7)	(1.2)	43.9	(10.1)	20.9	(13.0)
Net profit growth	(16.2)	15.9	(10.9)	58.5	42.1	(15.4)	(43.3)	(37.2)	(46.2)	(4.9)	39.0	(7.1)	25.9	(10.4)

Source: KGI Research

Peer comparison – Key valuation stats

	Rating	Target price (Bt)	Current price (Bt)	Upside (%)	17 EPS (Bt)	18F EPS (Bt)	19F EPS (Bt)	18F EPS growth (%)	19F EPS growth (%)	18F PER (x)	19F PER (x)	18F PBV (X)	19F PBV (X)	18F Div Yield (%)	18F ROAE (%)
ANAN*	OP	6.00	4.64	29.3	0.40	0.67	0.75	67.3	12.7	7.0	6.2	1.0	0.9	4.3	15.6
AP*	N	9.40	8.10	16.0	1.00	1.11	1.17	10.8	5.3	7.3	6.9	1.1	1.0	4.8	15.4
LH*	OP	12.20	10.60	15.1	0.88	0.90	0.99	3.1	9.4	11.7	10.7	2.4	2.3	7.5	20.9
LPN*	N	9.60	9.40	2.1	0.72	1.07	1.20	48.9	11.6	8.8	7.9	1.1	1.0	6.4	12.4
PSH*	OP	23.90	20.30	17.7	2.50	2.72	2.98	9.0	9.7	7.5	6.8	1.1	1.0	6.7	14.8
QH*	N	3.00	3.08	(2.6)	0.32	0.31	0.33	(3.7)	5.6	9.9	9.4	1.3	1.2	6.6	13.1
SIRI*	N	1.60	1.52	5.3	0.19	0.20	0.21	3.5	4.3	7.7	7.4	0.7	0.7	7.8	9.4
SPALI*	N	24.10	22.00	9.5	3.39	2.76	3.02	(18.6)	9.5	8.0	7.3	1.5	1.3	4.8	19.4
Sector	Neutral				9.39	9.74	10.64	3.7	9.3	8.5	7.8	1.3	1.2	6.1	15.1

Source: KGI Research

Balance Sheet

Year as of 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
Total Assets	66,344	72,244	78,316	84,742	92,403
Current Assets	61,705	66,228	71,744	77,622	84,534
Cash & ST Investments	585	1,348	1,445	1,566	1,695
Inventories	59,838	63,791	69,109	74,766	81,413
Accounts Receivable	0	0	0	0	0
Others	1,282	1,090	1,190	1,290	1,426
Non-current Assets	4,638	6,015	6,572	7,119	7,869
LT Investments	108	108	117	127	137
Net fixed Assets	3,928	5,274	5,762	6,242	6,902
Others	603	634	693	751	830
Total Liabilities	30,180	33,584	36,556	39,581	43,480
Current Liabilities	17,527	17,639	19,271	20,877	23,085
Accounts Payable	1,995	2,379	2,599	2,815	3,113
ST Borrowings	11,303	10,498	11,469	12,425	13,739
Others	4,229	4,762	5,203	5,636	6,233
Long-term Liabilities	12,653	15,945	17,285	18,704	20,395
Long-term Debts	12,000	15,500	16,803	18,181	19,825
Others	653	445	483	522	569
Shareholders' Equity	36,164	38,660	41,760	45,161	48,923
Common Stock	2,186	2,187	2,187	2,187	2,187
Capital Surplus	1,790	1,819	1,819	1,819	1,819
Retained Earnings	31,416	33,871	36,844	40,105	43,713
Non-controlling interests	751	750	878	1,018	1,173

Source: KGI Research

Key Ratios

Year to 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
Growth (YoY)					
Sales	(8.4)	(6.4)	9.3	8.3	10.6
EBIT	(20.0)	(6.1)	6.7	9.7	10.6
EBITDA	(18.9)	(5.6)	6.7	9.5	10.6
NP	(22.7)	(8.1)	9.0	9.7	10.6
EPS	(21.1)	(8.2)	9.0	9.7	10.6
Profitability (%)					
Gross Margin	33.5	35.8	35.0	35.0	35.0
Operating Margin	16.7	16.7	16.3	16.5	16.5
EBITDA Margin	17.7	17.8	17.4	17.6	17.6
Net Profit Margin	12.7	12.4	12.4	12.5	12.5
ROAA	9.4	8.1	8.2	8.3	8.4
ROAE	16.9	14.6	14.8	15.0	15.3
Stability					
Gross Debt/Equity (%)	83.5	86.9	87.5	87.6	88.9
Net Debt/Equity (%)	62.8	63.8	64.2	64.3	65.1
Interest Coverage (X)	27.3	37.3	30.8	31.2	31.5
Interest & ST Debt Coverage (X)	0.7	0.7	0.7	0.7	0.7
Cash Flow Interest Coverage (X)	20.6	24.2	13.1	13.7	13.0
Cash Flow/Interest & ST Debt (X)	0.5	0.4	0.3	0.3	0.3
Current Ratio (X)	3.5	3.8	3.7	3.7	3.7
Quick Ratio (X)	3.5	3.7	3.6	3.6	3.6
Net Debt (Bt mn)	22,717	24,650	26,827	29,040	31,870
Per Share Data (Bt)					
EPS	2.72	2.50	2.72	2.98	3.30
CFPS	3.66	3.49	3.70	4.05	4.48
BVPS	16.54	17.68	19.10	20.65	22.37
SPS	21.47	20.09	21.95	23.78	26.29
EBITDA/Share	3.79	3.58	3.82	4.18	4.62
DPS	1.40	1.29	1.36	1.49	1.65
Activity					
Asset Turnover (x)	0.7	0.6	0.6	0.6	0.6
Days Receivables	0.0	0.0	0.0	0.0	0.0
Days Inventory	687.2	799.5	777.4	776.8	762.6
Days Payable	13.9	18.2	18.9	19.0	18.8
Cash Cycle	673.3	781.3	758.5	757.8	743.8

Source: KGI Research

Profit & Loss

Year to 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
Sales	46,926	43,935	48,000	52,000	57,500
Cost of Goods Sold	31,184	28,222	31,200	33,800	37,375
Gross Profit	15,742	15,713	16,800	18,200	20,125
Operating Expenses	8,153	8,537	9,120	9,776	10,810
Other income	247	178	165	180	200
Operating Profit	7,836	7,354	7,845	8,604	9,515
Net Non-operating Income	-2	-0	0	0	0
Net Interest Expense	287	197	254	275	302
Net Extraordinaries	128	118	128	140	155
Pretax Income	7,547	7,157	7,591	8,329	9,213
Income Taxes	1,478	1,582	1,518	1,666	1,843
Net Profit	5,940	5,456	5,945	6,523	7,216
EBITDA	8,289	7,822	8,347	9,142	10,110
EPS (Bt)	2.72	2.50	2.72	2.98	3.30

Source: KGI Research

Cash Flow

Year to 31 Dec (Bt mn)	2016	2017	2018F	2019F	2020F
Operating Cash Flow	5,909	4,780	3,334	3,760	3,918
Earnings before tax	7,547	7,157	7,591	8,329	9,213
Depreciation & Amortization	454	467	502	538	595
Change in Working Capital	4,114	3,778	5,394	5,441	6,349
Others	-2,022	-934	-636	-334	-460
Investment Cash Flow	-171	-1,844	-1,058	-1,085	-1,345
Net CAPEX	-270	-1,813	-990	-1,018	-1,255
Change in LT Investment	99	0	-10	-10	-10
Change in Other Assets	0	-32	-59	-58	-79
Free Cash Flow					
Financing Cash Flow	-5,009	-2,185	-2,179	-2,553	-2,445
Change in Share Capital	26	30	0	0	0
Net Change in Debt	-905	2,487	2,312	2,374	3,005
Change in Other LT Liab.	-4,130	-4,702	-4,491	-4,927	-5,450
Net Cash Flow	729	751	97	121	129

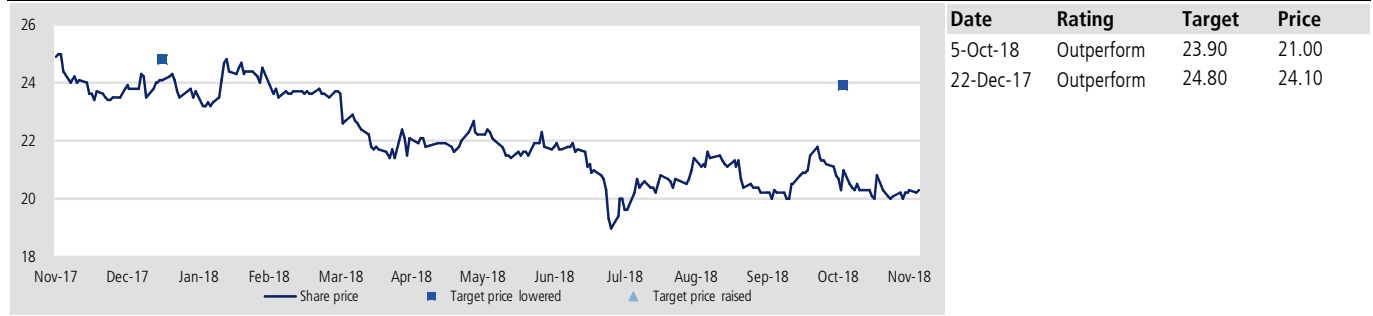
Source: KGI Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{COGS Revenue}}{\text{Revenue}}$	+ $\frac{\text{Depreciation Revenue}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp. Revenue}}{\text{Revenue}}$	= Operating Margin		
2016	66.5%	1.0%	17.4%	15.2%		
2017	64.2%	1.1%	19.4%	15.3%		
2018F	65.0%	1.0%	19.0%	15.0%		
2019F	65.0%	1.0%	18.8%	15.2%		
2020F	65.0%	1.0%	18.8%	15.2%		
Year	1/ $\frac{\text{Working Capital Revenue}}{\text{Revenue}}$	+ $\frac{\text{Net PPE Revenue}}{\text{Revenue}}$	+ $\frac{\text{Other Assets Revenue}}{\text{Revenue}}$	= Capital Turnover		
2016	1.31	8.4%	1.3%	0.71		
2017	1.51	12.0%	1.4%	0.61		
2018F	1.49	12.0%	1.4%	0.61		
2019F	1.49	12.0%	1.4%	0.61		
2020F	1.47	12.0%	1.4%	0.62		
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	= After-tax Return on Inv. Capital
2016	15.2%		0.71		0.80	8.7%
2017	15.3%		0.61		0.78	7.2%
2018F	15.0%		0.61		0.80	7.3%
2019F	15.2%		0.61		0.80	7.5%
2020F	15.2%		0.62		0.80	7.6%

Source: KGI Research

Pruksa Holding – Recommendation & target price history



Source: KGI Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
EGCO	ELECTRICITY GENERATING	KTB	KRUNG THAI BANK	TISCO	TISCO FINANCIAL GROUP
KBANK	KASIKORN BANK	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING		
KKP	KIATNAKIN BANK	SCB	THE SIAM COMMERCIAL BANK		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	ERW	THE ERAWAN GROUP	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	GFPT	GFPT	SPALI	SUPALAI
AP	ASIAN PROPERTY DEVELOPMENT	IFEC	INTER FAR EAST ENGINEERING	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BBL	BANGKOK BANK	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	MINT	MINOR INTERNATIONAL	TASCO	TIPCO ASPHALT
BIGC	BIG C SUPERCENTER	PS	PRUKSA REAL ESTATE	TCAP	THANACHART CAPITAL
CK	CH. KARNCHANG	QH	QUALITY HOUSES	TMB	TMB BANK
CPALL	CP ALL	ROBINS	ROBINSON DEPARTMENT STORE	TRUE	TRUE CORPORATION
CPN	CENTRAL PATTANA	RS	RS		
DRT	DIAMOND ROOFING TILES	SAMART	SAMART CORPORATION		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
CENTEL	CENTRAL PLAZA HOTEL	HMPRO	HOME PRODUCT CENTER	MAKRO	SIAM MAKRO
DCC	DYNASTY CERAMIC	ILINK	INTERLINK COMMUNICATION	MODERN	MODERNFORM GROUP
GL	GROUP LEASE	KTC	KRUNGTHAI CARD	TRT	TIRATHAI
GLOW	GLOW ENERGY	MAJOR	MAJOR CINEPLEX GROUP	TVO	THAI VEGETABLE OIL

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	CHG	CHULARAT HOSPITAL	NOK	NOK AIRLINES
ANAN	ANANDA DEVELOPMENT	CKP	CK POWER	PACE	PACE DEVELOPMENT CORPORATION
BA	BANGKOK AIRWAYS	DTAC	TOTAL ACCESS COMMUNICATION	SAWAD	SRI SAWAD POWER 1979
BCH	BANGKOK CHAIN HOSPITAL	GLOBAL	SIAM GLOBAL HOUSE	TMT	THAI METAL TRADE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	TPCH	TPC POWER HOLDING
BEM	BANGKOK EXPRESSWAY AND METRO	GUNKUL	GUNKUL ENGINEERING	WHA	WHA CORPORATION
BJCHI	BJC HEAVY INDUSTRIES	LPH	LADPRAO GENERAL HOSPITAL	WORK	WORKPOINT ENTERTAINMENT
CBG	CARABAO GROUP	MTLS	MUANGTHAI LEASING		

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
CPN	CENTRAL PATTANA	SCC	THE SIAM CEMENT		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IFEC	INTER FAR EAST ENGINEERING	SVI	SVI
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	TCAP	THANACHART CAPITAL
DCC	DYNASTY CERAMIC	KKP	KIATNAKIN BANK	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	KTB	KRUNG THAI BANK	TMB	TMB BANK
EGCO	ELECTRICITY GENERATING	MINT	MINOR INTERNATIONAL		
ERW	THE ERAWAN GROUP	SCB	THE SIAM COMMERCIAL BANK		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	DTAC	TOTAL ACCESS COMMUNICATION	PACE	PACE DEVELOPMENT CORPORATION
ANAN	ANANDA DEVELOPMENT	GFPT	GFPT	PS	PRUKSA REAL ESTATE
AP	ASIAN PROPERTY DEVELOPMENT	GL	GROUP LEASE	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BA	BANGKOK AIRWAYS	GLOW	GLOW ENERGY	ROBINS	ROBINSON DEPARTMENT STORE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	SAMART	SAMART CORPORATION
BIGC	BIG C SUPERCENTER	HMPRO	HOME PRODUCT CENTER	SPALI	SUPALAI
BJCHI	BJC HEAVY INDUSTRIES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CENDEL	CENTRAL PLAZA HOTEL	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MAKRO	SIAM MAKRO	TMT	THAI METAL TRADE
CK	CH. KARNCHANG	MODERN	MODERNFORM GROUP	TPCH	TPC POWER HOLDING
CKP	CK POWER	NOK	NOK AIRLINES	WHA	NOK AIRLINES

Level 2: Declared

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	GUNKUL	GUNKUL ENGINEERING	QH	QUALITY HOUSES
BH	BUMRUNGRAD HOSPITAL	ILINK	INTERLINK COMMUNICATION	TRT	TIRATHAI
GLOBAL	SIAM GLOBAL HOUSE	MTLS	MUANGTHAI LEASING	TVO	THAI VEGETABLE OIL

Level 1: Committed

Stock	Company name	Stock	Company name	Stock	Company name
CBG	CARABAO GROUP	RS	RS	SAWAD	SRI SAWAD POWER 1979
MAJOR	MAJOR CINEPLEX GROUP				

No progress

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	CPALL	CP ALL	WORK	WORKPOINT ENTERTAINMENT
BEM	BANGKOK EXPRESSWAY AND METRO	LPH	LADPRAO GENERAL HOSPITAL		

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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KGI's Ratings

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. <i>Excess return = 12M target price/current price-</i>
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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