



Result

AUCT's 2Q20 net profit was at Bt71m (+65%YoY, +37%QoQ), 1H20 was Bt123m (+19%YoY) which accounted for 47% of our 2020E forecast.

- The YoY growth in 2Q20 earnings was primarily driven by surging gross profit margin to 57.5% from 48.8% in 2Q19 due to saving logistic cost.
- Meanwhile, revenue grew at Bt226m (+26%YoY, -3%QoQ), driven by higher vehicle units that entered the auction. EBITDA also surged by 84%YoY to Bt122m, the record level.
- Expect 3Q20 performance to grow both YoY and QoQ due to high seasonality and higher vehicle units that entered the auction.
- We are positive to its 2020-21E outlook on the backs of; (1) growing supply for vehicles for auction along with rising NPL (2) growing use of mobile application to support auction activities (3) potential growth from direct end user, new customer segment.

We maintain BUY rating. Our earnings forecast is under review and our target price will be roll over to 2021 target after analyst meeting on 18th August.

Valuation table

Year end Dec	18A	19A	20E	21E	22E
PE (x)	30.3	22.1	19.6	19.6	23.0
Recurring net profit growth (%)	64.0	37.4	12.6	(0.0)	(14.9)
Recurring EPS (Bt)	0.31	0.43	0.48	0.48	0.41
Recurring EPS growth (%)	64.0	37.4	12.6	(0.0)	(14.9)
PBV (x)	10.9	10.0	9.7	9.4	9.2
BVPS (Bt)	0.9	0.9	1.0	1.0	1.0
ROE (%)	36.9	47.2	50.2	48.7	40.4
DPS (Bt)	0.30	0.40	0.45	0.45	0.38
Dividend yield (%)	3.2	4.3	4.8	4.8	4.1
Enterprise value (Bt m)	4,833	4,781	4,710	4,538	4,493
EV-to-EBITDA (x)	18.6	14.0	12.2	11.8	13.3

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Recommendation: BUY

Current price*: Bt9.4

Target price: Bt9.6

Up/(downside): 1%

IOD: 4 out of 5

CAC: N/A

Stock data

RIC code	AUCTm.BK
Index	.SETI
SET Index (7 August 2020)	1,324.40
Market cap (Bt m)	5,170
Shares outstanding (million)	550
Par (Bt)	0.25

