

ECF

บริษัท อีสต์โคสต์เฟอร์นิเทค จำกัด (มหาชน)

EAST COAST FURNITECH PUBLIC COMPANY LIMITED



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CG Report Score :

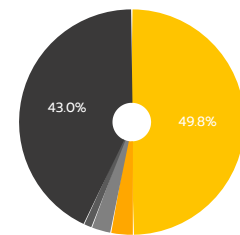
THSI List : -

Stock Data (21/08/2020)

	YTD	2019	2018
Paid-up (MB)	239.87	239.87	239.85
Listed share (M)	959.49	959.49	959.41
Par (B)	0.25	0.25	0.25
Market Cap (MB)	1,218.55	1,170.57	2,187.44
Price (B./share)	127	122	2.28
EPS (B.)	0.02	0.04	0.04

Statistics (21/08/2020)

	P/E	P/BV	Div.Yield
ECF (x)	29.15	1.00	1.31
CONSUMP - mai (x)	25.19	2.05	3.75
CONSUMP - SET (x)	53.53	1.40	1.48
mai (x)	32.48	1.58	2.87
SET (x)	21.57	1.47	3.89

Shareholder Structure (04/06/2020)

Suksawad Group (49.8%)	Thai NVDR co.,Ltd (3.2%)
Panich Group (2.8%)	Pattamasuttayasonthi Group (12%)
Others Shareholders (43.0%)	

Financial Ratios

	6M/2020	6M/2019	2019	2018
ROE (%)	3.18	2.60	2.82	2.75
ROA (%)	4.32	4.53	4.50	4.65
D/E (x)	2.19	1.47	1.49	1.37
GP Margin (%)	23.73	30.33	29.46	30.22
EBIT Margin (%)	11.69	10.20	12.08	9.54
NP Margin (%)	2.44	1.98	3.09	2.24

Company Background

ECF is the manufacturer and distributor of particleboard & MDF-made furniture, rubber wood-made furniture, foil paper, and sawn timber. Currently, ECF established all 4 subsidiaries namely, 1.VV Décor Co., Ltd that is the distributor of foil paper, 2. ECF Holdings Co., Ltd (ECFH), 3. ECF Power Co., Ltd (ECF-P) operating the renewable energy business that holds the shares of 2 associate companies comprising of 1.) SAFE Energy Holding Co., Ltd (SAFE) 33.37 percent for the business of biomass power plant and 2.) Green Earth Power (Thailand) Co., Ltd (GEP) 20 percent for the solar power plant business of 220 MW, Myanmar, and the latest subsidiary company is Planet Board Co., Ltd.

Key Development of Company

Year 1999 ECF registered the Company on 12 October and has been the listed company on the Market for Alternative Investment (mai) since 2013.

Year 2016 ECF established ECF-P as the subsidiary in order to invest in renewable energy business and ECF-P has invested in SAFE as the associates at 33.37 percent of total shares.

Year 2017 ECF-P has invested 20 percent of total shares in 220 MW solar power plant of GEP Myanmar.

Year 2018 the Board of Directors of the Company resolved to invest the MDF board factory under PNB as the new subsidiary company which is held 57 percent of total shares by the Company.

Year 2019 On 27 September, GEP could start commercial operation date and recognize the income for phase 1 with the capacity of 50 MW and is under the construction of phase 2, 3 and 4 respectively.

Revenue Structure

Period : 30 Jun

(Unit : MB)

	6M/2020	%	6M/2019	%	2019	%	2018	%
Furniture Products	548.00	93.25	598.75	90.13	1,195.30	92.59	1,297.19	89.87
Foil Paper	22.63	3.85	32.53	4.90	47.87	3.71	54.63	3.78
Others Products	151	0.26	7.61	1.15	11.10	0.85	41.29	2.86
Total Sales Revenues	572.14	97.36	638.89	96.18	1,254.18	97.16	1,393.11	96.52
Others Revenues	15.54	2.64	25.41	3.82	36.72	2.84	50.22	3.48
Total Revenues	587.68	100.00	664.30	100.00	1,290.90	100.00	1,443.33	100.00

Business Plan

- For furniture business, ECF has the plan to build distribution centers in many strategic provinces covering the product distribution over the country; that is the significant strategy in order that the Company could decrease the cost of furniture distribution via retail shops and wholesale shops including to accommodate the plan to expand online distribution channel in the near future.
- At present, ECF Power Co., Ltd as the subsidiary has invested in the solar power plant with installed capacity 220 MW.

Investment Highlight

- The Company uses the strategy to diversify the customer base in order to reduce the dependency of only one customer. Currently, the Company has decreased the proportion of the dependency of Japan customers from the previous that equivalent to more than 50 percent to be less than 50 percent of total sales revenue at present that causes from the Company has more orders continuously from the new customers in China, India, and the U.S. since the 3rd quarter whereas the Company has been receiving the orders from Japan customers as usual.
- The Minbu solar power plant with an installed capacity of 220 MW 4 phases, currently has finished the 1st phase construction, if the Project could complete the construction all 4 phases, the Company will be able to realize more profit sharing.

Risk Factor

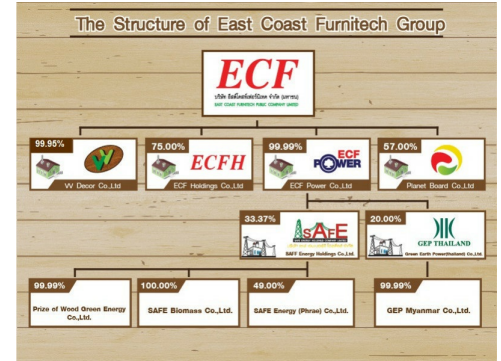
- The risk from the fluctuation of the exchange rate, since the Company distributes the products to the overseas customers in terms of U.S. dollars, however, the Company mitigates that risk by entering into the forward currency contract.
- The risk from the competition of industry; the important competitors of Thai are the manufacturers in Malaysia which have the capacity and product price approximate to Thai Manufacturers. The Company could mitigate that risk by a good relationship with the existing customers more than 10 years, focus on the product development, and the way of decreasing the cost and expenses in the production process to lift up the advantage of competition.
- The risk from the construction of solar power plant; since the Company's power plant is completing construction that may have the risk from the delay of construction and continues to the delay of the start commercial date of the project.

Capital Structure

(Unit : MB)

	6M/2020	6M/2019	2019	2018
Current Liabilities	1,873.42	1,136.98	1,676.02	1,181.25
Non-Current Liabilities	795.68	927.19	460.54	766.96
Shareholders' Equity	1,220.48	1,408.42	1,434.04	1,425.94

Company Structure



Company Image



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