

India

REDUCE (no change)

Consensus ratings*: Buy 17 Hold 14 Sell 14

Current price:	Rs412
Target price:	Rs328
Previous target:	Rs460
Up/downside:	-20.4%
InCred Research / Consensus:	-35.6%

Reuters:	
Bloomberg:	WPRO IN
Market cap:	US\$31,112m
	Rs2,259,227m
Average daily turnover:	US\$59.9m
	Rs4348.4m
Current shares o/s:	5,485.1m
Free float:	27.0%

*Source: Bloomberg

Key changes in this note

- Lower FY22-24F revenue CAGR by 1.6%.
- Lower FY22-24F EBIT CAGR by 1.7%.
- Lower FY22-24F PAT CAGR by 2.5%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(0.6)	(23.2)	(27.5)
Relative (%)	(5.8)	(19.7)	(31.6)

Major shareholders	% held
FPI	7.0
LIC	3.8
JP Morgan Chase Bank	2.3

Analyst(s)



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Wipro

Margin reset is alarming

- 2QFY23F constant currency (cc) organic revenue guidance is encouraging.
- Management stated EBIT margin has bottomed out but execution is uneven.
- Cash flow and conversion weak driven by bonuses, statutory payouts.

2QFY23F earnings guidance likely conceals 1QFY23 miss

Wipro Ltd's (WPRO IN) 1QFY23 IT services revenue was below estimate, although in line with its guidance, despite ~60bp contribution from Rizing acquisition, while EBIT margin miss was steep. Although demand environment commentary, large-deal wins, and cc revenue growth guidance (3%-5% qoq growth) was reassuring and better than expected, the deterioration in 1QFY23 execution and margin reset lower drives a material cut in our earnings estimates.

Deal wins robust but execution is key

Wipro closed eight large deals (vs. nine in 4QFY22) of >US\$30m with total contract value (TCV) of US\$1.1bn (vs. US\$ 405m+ in 4QFY22) and most of them new. The company highlighted that overall TCV was up 32% yoy in 1QFY23 while annual contract value (ACV) was up 18% yoy. Although the strong demand environment commentary driven by highest-ever deal pipeline and net hiring (up 6.4% qoq) supports the 2-4% qoq organic cc revenue growth guidance for 2QFY23F, there is macro uncertainty and execution also remains uneven. Hence, we lower our FY22-24F US\$ revenue CAGR by 160bp to 10.1%.

IT services EBIT margin down for four consecutive quarters

IT services EBIT margin, down 200bp qoq to 15%, was impacted due to higher employee expenses (up 4% qoq and 22.8% yoy; 58.6% of revenue vs. 58.2% in 4QFY22), travel expenses (up 56.7% and 113.9%; 1.4% vs. 0.9%) and lower sequential utilization (down 140bp qoq to 83.8%) while consolidated EBIT margin (14.3%) missed our estimate by 157bp. Quarterly promotions and wage hikes from Sep 2022F are key near-term headwinds while tailwinds include improvement in utilization and optimization of sub-contractor cost. Even if management commentary of bottoming out of EBIT margin plays out, 1QFY23 miss increases the ask rate to achieve our earlier assumption. Hence, we trim our average FY23F-FY24F EBIT margin assumptions by ~120bp to 15.8%.

Retain Reduce rating with revised target price of Rs328

A combination of lower revenue growth and trimming of margin drives a 250bp cut in our FY22-24F PAT CAGR to 7.5%. This, in turn, lowers our implied P/E multiple to 12.7x vs. 17x earlier and our target price to Rs328 vs. Rs460 earlier, despite retaining our PE/G multiple at 1.7x. We retain our Reduce rating on the stock. Acceleration in deal velocity and better-than-expected EBIT margin execution are key upside risks to our estimates and rating.

Financial Summary

	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Revenue (Rsm)	610,232	619,430	790,934	911,093	1,019,145
Operating EBITDA (Rsm)	122,272	147,773	164,656	170,853	201,791
Net Profit (Rsm)	97,216	107,945	122,191	116,583	141,200
Core EPS (Rs)	17.0	18.8	21.5	21.3	25.7
Core EPS Growth	8.2%	10.6%	14.7%	(1.2%)	21.1%
FD Core P/E (x)	24.00	21.98	18.80	19.38	16.01
DPS (Rs)	1.0	1.0	6.0	15.9	19.8
Dividend Yield	0.24%	0.25%	1.46%	3.87%	4.81%
EV/EBITDA (x)	16.95	14.28	12.87	12.15	10.14
P/FCFE (x)	30.25	18.54	27.93	27.81	17.92
Net Gearing	(47.3%)	(48.0%)	(27.3%)	(26.9%)	(29.9%)
P/BV (x)	4.35	4.26	3.45	3.31	3.16
ROE	17.2%	19.6%	20.0%	17.4%	20.2%
% Change In Core EPS Estimates				(11.24%)	(4.63%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly performance

YE Mar (Rs m)	1QFY23	1QFY22	YoY (%)	4QFY22	QoQ (%)	1QFY23F	Var. (%)
IT services revenue (US\$ m)	2,736	2,415	13.3	2,722	0.5	2,768	(1.2)
Revenue (Rs m)	2,15,286	1,82,524	17.9	2,08,600	3.2	2,18,365	(1.4)
US\$-Rs realization	77.8	74.7	4.1	75.9	2.5	77.8	0.0
EBITDA	38,594	39,800	(3.0)	41,374	(6.7)	42,800	(9.8)
EBITDA Margin (%)	17.9	21.8	(388 bp)	19.8	(191 bp)	19.6	(167 bp)
EBIT	30,856	31,410	(1.8)	34,029	(9.3)	34,720	(11.1)
EBIT Margin (%)	14.3	17.2	(288 bp)	16.3	(198 bp)	15.9	(157 bp)
Depreciation	7,738	8,390	(7.8)	7,345	5.4	8,080	(4.2)
Net other income	2,679	5,033	(46.8)	3,304	(18.9)	3,432	(22.0)
PBT	33,535	36,443	(8.0)	37,333	(10.2)	38,152	(12.1)
Provision for tax	7,931	6,225	27.4	6,399	23.9	8,012	(1.0)
% tax rate	23.6	17.1	657 bp	17.1	651 bp	21.0	265 bp
Net Profit	25,636	32,321	(20.7)	30,873	(17.0)	30,079	(14.8)
EPS (Rs)	4.7	5.5	(20.7)	5.6	(17.0)	5.5	(14.8)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key conference-call takeaways

- **Outlook:** Retains double-digit revenue growth aspiration for FY23F. IT services margin has bottomed out at 15%. Key tailwinds - improvement in utilization, optimization in sub-contractor expenses (30% higher cost than in-house employees), employee pyramid correction and growth leverage while wage hike in Sep 2022F is a key headwind.
- No slowdown in spending or pull-back yet due to uncertain macro. Demand for overall IT services remains robust. Order pipeline is at all-time high.
- Digital, ER&D services and Cyber-security services are witnessing strong demand and they remain strategic areas for Wipro (half of order bookings in 1Q was from strategic areas). Cloud bookings were up 35% yoy while ER&D bookings doubled yoy.
- Americas 1 witnessed strong growth across verticals. Europe growth was healthy, and the order pipeline remains robust. Many large deals were from Europe during 1Q, with Europe TCV up 40% yoy. APMEA growth was led by Australia and South East Asia with bookings up 60% yoy.
- Among services lines, growth was led by digital (up 25% yoy), domain & consulting (up 45% yoy) and ER&D services (up 18% yoy).
- Quarterly promotions and wage hikes from Sep 2022F are key near-term headwinds.
- Wipro added net 15,446 employees in 1QFY23 with the headcount at 258,574 (up 6.4% qoq and 23.2% yoy). It added 10,000 freshers during the quarter (aiming for 30k for FY23F). Net addition in 1QFY23 was higher than average net addition of 11,354 per quarter in FY22. LTM attrition was down 50bp qoq at 23.3%. Utilization was down 140bp qoq at 83.8%.

Figure 2: Operating metrics trend

Operating trends	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
IT services revenue (US\$ m)	1921.6	1992.4	2071.0	2152.4	2414.5	2580.0	2639.7	2721.7	2735.5
Growth YoY (%)	-5.7	-2.8	-1.1	3.8	25.7	29.5	27.5	26.4	13.3
Growth QoQ (%)	-7.3	3.7	3.9	3.9	12.2	6.9	2.3	3.1	0.5
CC growth YoY (%)	-4.4	-3.4	-2.0	0.5	21.3	28.8	28.5	28.5	17.2
CC growth QoQ (%)	-7.5	2.0	3.4	3.0	12.0	8.1	3.0	3.1	2.1
Total revenue (Rs. m)	1,49,131	1,51,145	1,56,700	1,62,454	1,82,524	1,96,674	2,03,136	2,08,600	2,15,286
Growth YoY (%)	1.3	-0.1	1.3	3.4	22.4	30.1	29.6	28.4	17.9
Growth QoQ (%)	-5.1	1.4	3.7	3.7	12.4	7.8	3.3	2.7	3.2
EBIT Margin (%)	17.2	18.5	21.2	20.5	17.2	17.3	16.9	16.3	14.3
US\$-INR realized rate	76.0	74.1	74.0	73.8	74.7	75.1	76.1	75.9	77.8
Headcount	1,81,804	1,85,243	1,90,308	1,97,712	2,09,890	2,21,365	2,31,671	2,43,128	2,58,574
Utilization (%)	84.5	86.9	86.3	86.0	86.8	89.2	85.8	85.2	83.8
LTM Attrition (%)	13.0	11.0	11.0	12.1	15.5	20.5	22.7	23.8	23.3
Vertical (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFSI	30.7	31.2	30.5	30.5	33.4	34.8	35.2	35.4	35.4
Health business unit	13.5	13.7	13.9	13	11.9	11.7	11.8	11.5	11.5
Energy & Utilities	13.2	12.9	13.1	13.2	13.1	12.3	11.7	11.5	11.1
Communications	5.1	5.3	5.2	5	5.1	5.00	5.00	4.80	5.00
Consumer	15.9	16.2	16.4	17	17.3	17.3	17.7	17.9	18.5
Manufacturing and Tech	21.6	20.7	20.9	21.3	19.2	18.9	18.6	18.9	18.5
Vertical (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFSI	589.9	621.6	631.7	656.5	806.4	897.8	929.2	963.5	968.4
Health business unit	259.4	273.0	287.9	279.8	287.3	301.9	311.5	313.0	314.6
Energy & Utilities	253.7	257.0	271.3	284.1	316.3	317.3	308.8	313.0	303.6
Communications	98.0	105.6	107.7	107.6	123.1	129.0	132.0	130.6	136.8
Consumer	305.5	322.8	339.6	365.9	417.7	446.3	467.2	487.2	506.1
Manufacturing and Tech	415.1	412.4	432.8	458.5	463.6	487.6	491.0	514.4	506.1
Vertical YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFSI	-8.4	-3.1	-2.4	4.1	36.7	44.4	47.1	46.8	20.1
Health business unit	-3.6	2.5	4.9	0.0	10.8	10.6	8.2	11.9	9.5
Energy & Utilities	-2.8	-2.8	0.4	7.0	24.7	23.5	13.8	10.2	-4.0
Communications	-18.5	-9.6	-9.8	-5.6	25.7	22.2	22.6	21.4	11.1
Consumer	-3.9	-1.5	-4.1	5.0	36.7	38.3	37.6	33.1	21.2
Manufacturing and Tech	-2.6	-4.6	0.8	5.3	11.7	18.2	13.4	12.2	9.2
Vertical QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFSI	-6.4	5.4	1.6	3.9	22.8	11.3	3.5	3.7	0.5
Health business unit	-7.3	5.2	5.5	-2.8	2.7	5.1	3.2	0.5	0.5
Energy & Utilities	-4.4	1.3	5.6	4.7	11.3	0.3	-2.7	1.3	-3.0
Communications	-14.1	7.8	2.0	-0.1	14.4	4.8	2.3	-1.0	4.7
Consumer	-12.3	5.6	5.2	7.7	14.2	6.9	4.7	4.3	3.9
Manufacturing and Tech	-4.7	-0.6	4.9	5.9	1.1	5.2	0.7	4.8	-1.6
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFSI	-40.5	31.7	10.0	24.8	150.0	91.4	31.3	34.3	4.9
Health business unit	-20.5	13.5	14.9	-8.1	7.5	14.5	9.6	1.5	1.6
Energy & Utilities	-11.8	3.4	14.3	12.8	32.2	1.0	-8.5	4.2	-9.4
Communications	-16.1	7.6	2.1	-0.1	15.5	5.9	3.0	-1.3	6.1
Consumer	-42.8	17.2	16.9	26.3	51.8	28.6	20.9	20.0	18.9
Manufacturing and Tech	-20.4	-2.6	20.4	25.6	5.1	24.0	3.4	23.4	-8.3
Geography (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas 1	29.2	29.7	29.4	29.2	27.6	27.5	28.2	28.3	29.1
Americas 2	30.3	30.1	29.1	29.3	30.5	30.6	30.4	31	31.3
Europe	26.7	26.1	28	28.4	30.2	30.2	29.7	29.3	28.3
APMEA	13.8	14.1	13.5	13.1	11.7	11.7	11.7	11.4	11.3
Geography (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas 1	561.1	591.7	608.9	628.5	666.4	709.5	744.4	770.2	796.0
Americas 2	582.2	599.7	602.7	630.7	736.4	789.5	802.5	843.7	856.2
Europe	513.1	520.0	579.9	611.3	729.2	779.2	784.0	797.5	774.1
APMEA	265.2	280.9	279.6	282.0	282.5	301.9	308.8	310.3	309.1
Geography YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas 1	NA	NA	NA	0.7	18.8	19.9	22.3	22.6	19.5
Americas 2	NA	NA	NA	2.7	26.5	31.6	33.2	33.8	16.3
Europe	NA	NA	NA	9.6	42.1	49.8	35.2	30.5	6.2
APMEA	NA	NA	NA	1.5	6.5	7.5	10.5	10.0	9.4
Geography QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas 1	-10.1	5.5	2.9	3.2	6.0	6.5	4.9	3.5	3.3
Americas 2	-5.1	3.0	0.5	4.6	16.8	7.2	1.6	5.1	1.5
Europe	-8.0	1.4	11.5	5.4	19.3	6.9	0.6	1.7	-2.9
APMEA	-4.6	5.9	-0.5	0.9	0.2	6.9	2.3	0.5	-0.4
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas 1	-63.1	30.6	17.1	19.6	37.9	43.1	34.9	25.8	25.8
Americas 2	-31.6	17.5	2.9	28.0	105.8	53.1	13.0	41.3	12.5
Europe	-44.8	6.9	59.9	31.4	117.9	50.0	4.8	13.5	-23.3
APMEA	-12.7	15.7	-1.3	2.4	0.5	19.4	7.0	1.4	-1.2
Services (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
iDEAS	58	57.6	57.3	56.8	60.1	61.3	61	61.2	61.9
iCORE	42	42.4	42.7	43.2	39.9	38.7	39	38.8	38.1
Services (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
iDEAS	1114.5	1147.6	1186.7	1222.6	1451.1	1581.5	1610.2	1665.7	1693.3
iCORE	807.1	844.8	884.3	929.8	963.4	998.5	1029.5	1056.0	1042.2
Services YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
iDEAS	NA	NA	NA	1.0	30.2	37.8	35.7	36.2	16.7
iCORE	NA	NA	NA	7.8	19.4	18.2	16.4	13.6	8.2

Services QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
iDEAS	-8.0	3.0	3.4	3.0	18.7	9.0	1.8	3.4	1.7
iCORE	-6.4	4.7	4.7	5.1	3.6	3.6	3.1	2.6	-1.3
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
iDEAS	-96.5	33.1	39.1	35.9	228.6	130.4	28.7	55.5	27.6
iCORE	-55.6	37.7	39.5	45.5	33.5	35.1	31.0	26.5	-13.8
Client (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	3.2	3.2	3.1	3.1	3.1	3.1	3.2	3.2	3.2
Top 2-5	9.1	8.8	8.8	9.1	9	9.4	9.5	9.7	9.8
Top 6-10	8	7.6	7	7.3	7.7	7.6	7.5	7.6	7.9
Others	79.7	80.4	81.1	80.5	80.2	79.9	79.8	79.5	79.1
Client YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-18.5	-2.8	2.2	7.3	21.7	25.4	31.6	30.5	16.9
Top 2-5	-15.1	-10.9	-6.5	2.7	24.3	38.3	37.6	34.8	23.4
Top 6-10	9.3	5.6	0.3	6.7	20.9	29.5	36.6	31.6	16.2
Others	-5.3	-2.5	-0.8	3.5	26.4	28.7	25.4	24.9	11.7
Client QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-1.2	3.7	0.7	3.9	12.2	6.9	5.6	3.1	0.5
Top 2-5	-8.3	0.3	3.9	7.5	10.9	11.6	3.4	5.3	1.5
Top 6-10	4.4	-1.5	-4.3	8.4	18.3	5.5	1.0	4.5	4.5
Others	-8.5	4.6	4.8	3.2	11.8	6.5	2.2	2.7	0.0
Incremental revenues (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-0.7	2.3	0.4	2.5	8.1	5.1	4.5	2.6	0.4
Top 2-5	-15.9	0.5	6.9	13.6	21.4	25.2	8.3	13.2	4.1
Top 6-10	6.5	-2.3	-6.5	12.2	28.8	10.2	1.9	8.9	9.3
Others	-142.0	70.4	77.7	53.1	203.7	125.0	45.1	57.3	0.0
Client metrics	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
No. of active clients	1004	1089	1136	1120	1229	1284	1315	1369	1433
Revenue per active client	8.1	7.4	7.1	7.3	7.0	7.2	7.4	7.6	7.5
No of new customers	42	97	89	52	129	116	67	116	164
100 m+	13	11	10	11	13	15	17	19	20
75 m+	22	24	24	27	27	28	29	29	30
50 m+	39	39	38	40	42	44	47	50	50
20 m+	97	100	97	93	95	100	110	117	120
10 m+	163	166	168	167	176	182	189	194	195
1 m+	577	573	567	566	601	623	661	679	703
Per employee analysis	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Revenue (US\$ m) - TTM	8,139	8,083	8,059	8,137	8,630	9,218	9,787	10,356	10,677
Employees (Average TTM)	1,83,365	1,84,313	1,85,060	1,88,767	1,95,788	2,04,819	2,15,160	2,26,514	2,38,685
Revenue per Employee (TTM)	44,387	43,852	43,546	43,108	44,080	45,005	45,485	45,719	44,732

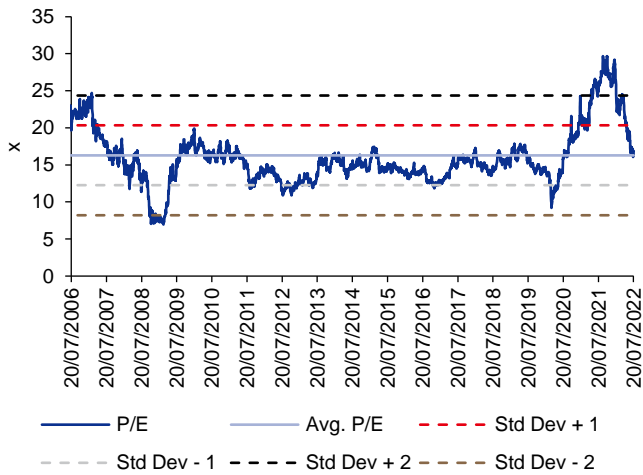
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in our earnings estimates

Y/E, Mar (Rs m)	FY23F			FY24F		
	New	Old	% change	New	Old	% change
US\$ IT services revenue	11,410	11,730	-2.7	12,564	12,920	-2.8
Revenue (Rs m)	9,11,093	9,04,701	0.7	10,19,145	10,07,874	1.1
EBIT (Rs m)	1,38,413	1,52,894	-9.5	1,68,159	1,73,354	-3.0
EBIT Margin (%)	15.2	16.9	(171) bp	16.5	17.2	(70) bp
PAT (Rs m)	1,16,583	1,31,282	-11.2	1,41,200	1,47,915	-4.5
EPS (Rs)	21.3	24.0	-11.2	25.7	27.0	-4.5

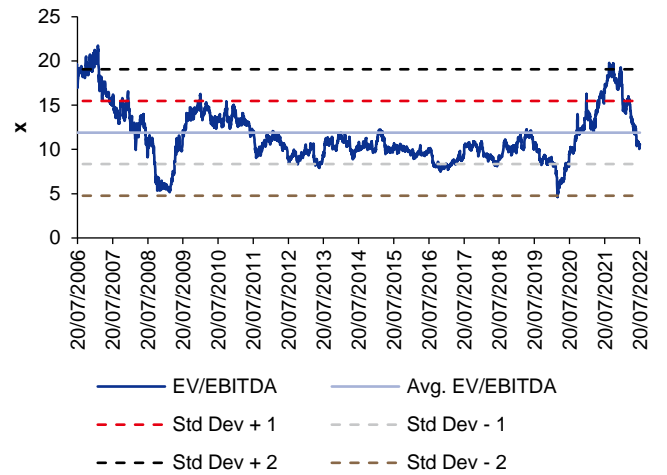
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: One-year forward P/E at ~17

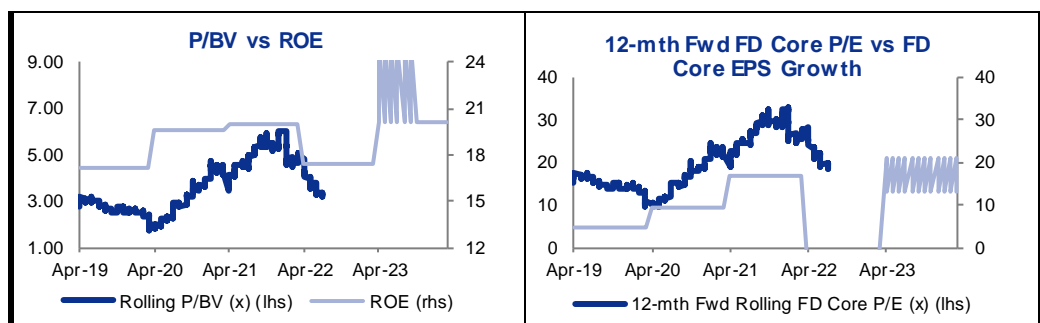


SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: One-year forward EV/EBITDA at 10.6x



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS

Profit & Loss

(Rs mn)	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Total Net Revenues	610,232	619,430	790,934	911,093	1,019,145
Gross Profit	195,002	223,859	265,973	288,704	329,184
Operating EBITDA	122,272	147,773	164,656	170,853	201,791
Depreciation And Amortisation	(20,855)	(27,634)	(30,911)	(32,439)	(33,632)
Operating EBIT	101,417	120,139	133,745	138,413	168,159
Financial Income/(Expense)	14,803	13,358	7,789	6,534	7,617
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	5,119	5,461	7,498	5,063	5,086
Profit Before Tax (pre-EI)	121,339	138,958	149,032	150,011	180,861
Exceptional Items					
Pre-tax Profit	121,339	138,958	149,032	150,011	180,861
Taxation	(24,801)	(30,346)	(28,946)	(33,556)	(39,789)
Exceptional Income - post-tax	1,144	(81)	2,186		
Profit After Tax	97,682	108,531	122,272	116,455	141,072
Minority Interests	(466)	(586)	(81)	128	128
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	97,216	107,945	122,191	116,583	141,200
Recurring Net Profit	96,072	108,026	120,005	116,583	141,200
Fully Diluted Recurring Net Profit	96,072	108,026	120,005	116,583	141,200

Cash Flow

(Rs mn)	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
EBITDA	122,272	147,773	164,656	170,853	201,791
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(23,856)	22,922	(36,488)	8,668	(15,226)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	8,611	1,770	(81)	128	128
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(6,384)	(24,915)	(25,686)	(33,556)	(39,789)
Cashflow From Operations	100,643	147,550	102,401	146,093	146,904
Capex	(23,497)	(19,577)	(20,153)	(64,840)	(20,770)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	57,509	27,316	(204,342)	19,777	20,882
Cash Flow From Investing	34,012	7,739	(224,495)	(45,063)	112
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased	(105,311)	(116,644)			
Dividends Paid	(6,863)	(5,459)	(5,467)	(87,437)	(108,724)
Preferred Dividends					
Other Financing Cashflow	(38,824)	(6,737)	52,053	(8,180)	(8,180)
Cash Flow From Financing	(150,998)	(128,840)	46,586	(95,617)	(116,904)
Total Cash Generated	(16,343)	26,449	(75,508)	5,413	30,112
Free Cashflow To Equity	77,146	127,973	82,248	81,253	126,134
Free Cashflow To Firm	134,655	155,289	(122,094)	101,030	147,016

SOURCES: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet					
(Rs mn)	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Total Cash And Equivalents	334,134	345,500	345,491	350,904	381,016
Total Debtors	129,683	121,422	176,028	172,234	195,452
Inventories	1,865	1,064	1,334	1,334	1,334
Total Other Current Assets	54,169	55,200	97,899	97,899	97,899
Total Current Assets	519,851	523,186	620,752	622,371	675,701
Fixed Assets	96,176	100,703	109,495	141,896	129,034
Total Investments	22,615	22,502	30,738	30,738	30,738
Intangible Assets	143,256	148,232	286,416	286,416	286,416
Total Other Non-Current Assets	30,891	32,699	27,653	27,653	27,653
Total Non-current Assets	292,938	304,136	454,302	486,703	473,841
Short-term Debt	54,020	60,363	95,233	95,233	95,233
Current Portion of Long-Term Debt					
Total Creditors	58,400	54,174	62,522	67,396	75,389
Other Current Liabilities	103,973	115,503	150,574	150,574	150,574
Total Current Liabilities	216,393	230,040	308,329	313,203	321,196
Total Long-term Debt	4,840	7,458	56,463	56,463	56,463
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	36,464	39,316	55,717	55,717	55,717
Total Non-current Liabilities	41,304	46,774	112,180	112,180	112,180
Total Provisions					
Total Liabilities	257,697	276,814	420,509	425,383	433,376
Shareholders Equity	553,217	549,010	654,030	683,176	715,652
Minority Interests	1,875	1,498	515	515	515
Total Equity	555,092	550,508	654,545	683,691	716,167

Key Ratios					
	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Revenue Growth	4.1%	1.5%	27.7%	15.2%	11.9%
Operating EBITDA Growth	9.1%	20.9%	11.4%	3.8%	18.1%
Operating EBITDA Margin	20.0%	23.9%	20.8%	18.8%	19.8%
Net Cash Per Share (Rs)	44.93	46.60	32.59	33.55	39.04
BVPS (Rs)	94.65	96.84	119.35	124.55	130.47
Gross Interest Cover	13.84	23.61	25.12	16.92	20.56
Effective Tax Rate	20.4%	21.8%	19.4%	22.4%	22.0%
Net Dividend Payout Ratio	5.9%	5.3%	27.4%	75.0%	77.0%
Accounts Receivables Days	75.68	73.98	68.63	69.76	65.84
Inventory Days	2.56	1.35	0.83	0.78	0.71
Accounts Payables Days	53.21	51.94	40.57	38.10	37.77
ROIC (%)	28.2%	32.0%	37.2%	22.1%	25.7%
ROCE (%)	12.5%	14.9%	14.8%	12.9%	15.1%
Return On Average Assets	10.3%	12.0%	12.0%	10.2%	12.0%

SOURCES: INCRED RESEARCH, COMPANY REPORTS

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Corporate Governance Report: ([Thai CGR and Anti-Corruption of Thai Listed Companies - Click Here](#))

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Score Range:	90 - 100	80 – 89	70 - 79	Below 70	No Survey Result
Description:	Excellent	Very Good	Good	N/A	N/A

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Definition:	
Add	The stock’s total return is expected to exceed 10% over the next 12 months.
Hold	The stock’s total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock’s total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:	
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:	
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.