

India
ADD (no change)

Consensus ratings*: Buy 28 Hold 5 Sell 0

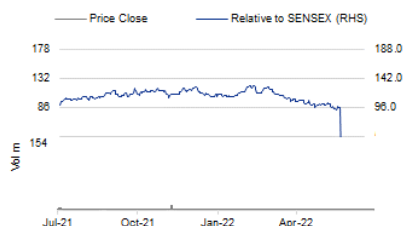
Current price:	Rs2,276
Target price:	Rs2,726
Previous target:	Rs3,201
Up/downside:	19.8%
InCred Research / Consensus:	-8.3%

Reuters:	
Bloomberg:	MPHL IN
Market cap:	US\$5,896m
	Rs428,148m
Average daily turnover:	US\$20.7m
	Rs1501.6m
Current shares o/s:	189.9m
Free float:	44.0%

*Source: Bloomberg

Key changes in this note

- Lower FY22-24F revenue CAGR by 2.1%.
- Lower FY22-24F EBIT CAGR by 2.2%.
- Lower FY22-24F PAT CAGR by 2.3%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(0.5)	(21.4)	(4.2)
Relative (%)	(6.4)	(20.7)	(9.5)

Major shareholders	% held
Mirae Asset fund	2.0
HDFC LIFE INSURANCE	1.4
Government Pension fund Global	1.3


Analyst(s)

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Mphasis

Weighed by Digital Risk business

- Management commentary suggests Digital Risk business headwinds could subside gradually.
- Deal-win momentum remains a key monitorable.
- Adjust our estimates but retain Add rating with a lower target price of Rs2,726.

Digital Risk headwinds could subside gradually

Mphasis Ltd's (MPHL IN) 1QFY23 revenue missed estimate as the Digital Risk (DR) impact (~1% in our view) and project-specific challenges of a European insurance customer decelerated direct core growth (2.4% qoq-cc vs. 4.7% in 4QFF22 and average 7.7% in the previous seven quarters). Client mining was encouraging while top 10 and 6-10 customers' yoy growth was above company average in constant currency (cc) terms. That said, deal wins moderated qoq while DR headwinds could subside gradually. Together, this leads to a cut in our growth assumptions and target price.

Deal-win momentum remains a key monitorable

Direct business new deal win was down 13% qoq and 40.2% yoy at US\$302m, leading to LTM deal win at US\$1,225m, down ~14% vs. 4QFY22 and ~10% vs. 1QFY22. Please note that LTM booking was up by a modest ~4% vs. 4Q and ~11% vs. 1Q, even adjusted for the US\$250m deal signed in 1QFY22. The company won 11 large deals on a LTM basis including a US\$60m+ cloud transformation deal in 2QFY23. Client mining remains encouraging with the company adding 1/3 clients on a yoy basis in US\$150m+ and US\$75m+ buckets while top/top 2-5/top 6-10 customer revenue growing 26.3%/38.5%/45.7%, respectively, led by market share gains with incremental opportunity potential, as per management.

EBIT margin could remain in a narrow band

Reported EBIT margin at 15.3% was up 5bp qoq but down 62bp yoy, while EBIT margin adjusted for M&A charge was down 10bp yoy at 15.8%. Management retained its FY23F EBIT margin guidance (15.25-17%) as tailwinds from utilization improvement, growth leverage and operational efficiency could be offset by continued investment and higher wage cost. Hence, we retain our FY23F-24F average EBIT margin assumption of 15.5%.

Retain Add rating with lower target price of Rs2,726

We have cut our US\$ revenue estimates for FY23F/24F to account for weak start of the year, macro uncertainty and EBIT margin assumption given persisting cost pressure. This changes our FY22-24F US\$ revenue CAGR to 13.3% (from 15.4% earlier) and PAT (Rs) CAGR to 17.5% (from 19.8%). Though we retain our PEG multiple of 1.5x, revised PAT CAGR lowers our target P/E to 26.2x (vs. 29.6x earlier) and the target price to Rs2,726 vs. Rs3,201 earlier. Strong cash conversion (OCF/EBITDA at 81% in FY22), net cash (Rs116/share) and a high dividend payout ratio (~60%+) provide cushion while moderation in deal velocity, material fall in in Digital Risk and DXC businesses are key downside risks.

Financial Summary

	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Revenue (Rsm)	88,435	97,223	119,614	141,656	162,954
Operating EBITDA (Rsm)	16,504	18,028	21,175	25,295	29,169
Net Profit (Rsm)	11,849	12,167	14,456	16,865	19,748
Core EPS (Rs)	62.7	65.0	76.4	88.8	104.0
Core EPS Growth	12.0%	3.7%	17.7%	16.2%	17.1%
FD Core P/E (x)	36.33	35.05	29.79	25.64	21.89
DPS (Rs)	35.0	65.0	46.0	55.0	62.4
Dividend Yield	1.85%	2.83%	2.00%	2.42%	2.74%
EV/EBITDA (x)	25.51	22.80	19.73	16.33	13.87
P/FCFE (x)	36.03	32.10	29.12	26.23	22.71
Net Gearing	(16.3%)	(23.7%)	(18.3%)	(25.6%)	(33.0%)
P/BV (x)	7.27	6.57	6.23	5.70	5.16
ROE	21.4%	19.7%	21.5%	23.2%	24.7%
% Change In Core EPS Estimates				(5.07%)	(7.17%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 1: Quarterly performance

YE Mar (Rs m)	1QFY23	1QFY22	YoY (%)	4QFY22	QoQ (%)	1QFY22F	Var. (%)
Revenue (US\$ m)	436.0	362.9	20.1	431.0	1.2	443.0	(1.6)
Revenue (Rs m)	34,112	26,908	26.8	32,777	4.1	34,435	(0.9)
USD-INR realization	78.2	74.1	5.5	76.0	2.9	77.7	0.7
EBITDA	6,000	4,894	22.6	5,772	4.0	6,061	(1.0)
EBITDA margin (%)	17.6	18.2	(60 bp)	17.6	(2 bp)	17.6	(1 bp)
EBIT	5,205	4,271	21.9	4,973	4.7	5,238	(0.6)
EBIT margin (%)	15.3	15.9	(62 bp)	15.2	8 bp	15.2	5 bp
Depreciation	796	623	27.7	799	(0.4)	823	(3.3)
Net other income	124	310	(59.9)	183	(32.1)	199	(37.5)
PBT	5,329	4,581	16.3	5,156	3.4	5,436	(2.0)
Provision for tax	1,310	1,184	10.7	1,235	6.0	1,386	(5.5)
% tax rate	24.6	25.8	(126 bp)	24.0	62 bp	25.5	(92 bp)
Net profit	4,019	3,398	18.3	3,921	2.5	4,050	(0.8)
EPS (Rs)	21.2	17.9	18.2	20.6	2.7	21.3	(0.6)

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: Operating metrics trend

Operating trends	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Gross revenue (US\$ m)	305.4	327.4	333.9	342.2	362.9	385.2	414.0	431.0	436.0
Growth YoY (%)	2.8	7.4	5.0	7.0	18.8	17.7	24.0	25.9	20.1
Growth QoQ (%)	-4.5	7.2	2.0	2.5	6.0	6.1	7.5	4.1	1.2
CC growth YoY (%)	3.8	6.7	4.3	4.9	16.3	17.2	24.2	26.8	22.1
CC growth QoQ (%)	-4.6	6.0	1.6	2.0	5.9	6.6	7.8	4.3	2.0
Revenue (Rs. m)	22,882	24,354	24,744	25,243	26,908	28,692	31,237	32,777	34,112
Growth YoY (%)	10.9	12.9	8.7	7.6	17.6	17.8	26.2	29.8	26.8
Growth QoQ (%)	-2.5	6.4	1.6	2.0	6.6	6.6	8.9	4.9	4.1
EBIT margin (%)	15.7	16.1	16.4	16.1	15.9	15.0	15.1	15.2	15.3
US\$-INR realized rate	75.4	74.0	73.7	73.2	73.7	73.9	74.8	75.3	77.8
Headcount	26,143	27,148	28,116	29,473	31,454	32,295	34,915	36,534	36,899
Onsite utilization - trainees (%)	93	94	90	93	93	91	89	89	90
Offshore utilization -trainees (%)	81	80	80	84	81	80	73	68	70
Offshore utilization ex-trainees (%)	82	80	80	85	83	82	79	77	74
Vertical (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFS	48.8	53.4	53.3	50.1	51.2	54.6	55.3	53.6	53.4
Insurance	10.0	9.5	9.7	10.1	9.1	8.8	8.8	9.5	8.9
Technology, media & telecom	14.1	11.8	12.9	14.5	14.2	12.5	13.2	13.3	13.4
Logistics & transportation	14.0	12.3	12.6	13.4	14.0	13.1	12.7	12.8	13.0
Others	13.1	13.0	11.5	11.9	11.4	11.0	10.1	10.7	11.4
Vertical (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFS	149.0	174.9	178.0	171.6	185.9	210.2	228.9	231.0	232.6
Insurance	30.4	31.2	32.4	34.5	33.2	33.9	36.4	41.1	38.6
Technology, media & telecom	43.2	38.6	43.0	49.8	51.6	48.2	54.6	57.1	58.3
Logistics & transportation	42.9	40.2	42.2	45.9	50.8	50.4	52.5	55.2	56.7
Others	39.9	42.4	38.3	40.6	41.4	42.5	41.6	46.3	49.6
Vertical YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFS	12.3	25.3	23.1	17.5	24.8	20.2	28.6	34.7	25.1
Insurance	-12.3	-9.1	-9.4	-5.6	9.1	8.7	12.5	19.3	16.3
Technology, media & telecom	-12.2	-21.3	-14.0	3.4	19.4	24.8	27.0	14.7	13.1
Logistics & transportation	11.9	-1.5	-4.6	-2.0	18.4	25.3	24.3	20.4	11.6
Others	-5.2	3.9	-11.4	-4.3	3.7	0.1	8.7	14.1	19.8
Vertical QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFS	2.1	17.4	1.8	-3.6	8.4	13.1	8.9	0.9	0.7
Insurance	-16.7	2.5	3.9	6.4	-3.7	2.1	7.6	12.8	-6.1
Technology, media & telecom	-10.2	-10.6	11.2	15.9	3.6	-6.5	13.1	4.6	2.2
Logistics & transportation	-8.4	-6.1	4.9	8.8	10.7	-0.7	4.1	5.3	2.6
Others	-5.7	6.2	-9.7	5.8	2.1	2.5	-1.9	11.1	7.2
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
BFS	3.0	25.9	3.1	-6.5	14.4	24.3	18.7	2.1	1.6
Insurance	-6.1	0.8	1.2	2.1	-1.3	0.7	2.6	4.7	-2.5
Technology, media & telecom	-4.9	-4.6	4.3	6.8	1.8	-3.3	6.3	2.5	1.3
Logistics & transportation	-3.9	-2.6	2.0	3.7	4.9	-0.4	2.0	2.8	1.5
Others	-2.4	2.5	-4.1	2.2	0.9	1.0	-0.8	4.6	3.3
Geography (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas	78.8	78.1	77.9	75.2	76.3	78.0	80.3	81.5	82.3
EMEA	11.9	10.8	12.0	13.4	12.1	12.1	11.3	10.7	9.7
India	4.1	4.5	4.7	5.0	4.7	5.4	5.1	4.9	5.0
ROW	7.1	6.5	5.5	6.4	6.9	4.5	3.3	3.0	2.9
Geography (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas	234.6	255.7	260.0	257.5	276.9	300.6	332.6	351.1	359.0
EMEA	36.4	35.4	39.9	45.8	44.0	46.5	46.8	46.0	42.4
India	12.6	14.9	15.6	17.0	17.0	20.7	20.9	21.0	21.8
ROW	21.8	21.4	18.5	21.8	25.0	17.4	13.6	12.9	12.8
Geography YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas	0.2	5.9	5.4	5.5	18.0	17.6	27.9	36.3	29.6
EMEA	14.9	14.7	8.8	16.2	20.7	31.1	17.3	0.4	-3.6
India	-15.3	-7.4	-3.4	6.4	35.6	39.1	34.7	23.4	28.1
ROW	33.2	31.0	-1.5	6.7	14.5	-18.5	-26.1	-40.9	-48.9
Geography QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas	-3.9	9.0	1.7	-1.0	7.5	8.6	10.6	5.6	2.3

EMEA	-7.6	-2.7	12.6	14.9	-4.0	5.6	0.7	-1.7	-7.8
India	-21.4	18.3	4.6	9.5	0.1	21.4	1.3	0.3	3.9
ROW	6.5	-1.8	-13.7	18.4	14.3	-30.2	-21.7	-5.4	-1.2
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Americas	-9	21	4	-2	19	24	32	18	8
EMEA	-3	-1	4	6	-2	2	0.3	-0.8	-3.6
India	-3	2	1	1	0	4	0.3	0.1	0.8
ROW	1	0	-3	3	3	-8	-4	-1	0
Segment (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Direct International	78.5	81.8	84.7	85.8	89.0	91.8	92.8	93.1	93.6
HP/DXC business	20.1	16.2	13.1	12.0	9.2	6.5	5.4	5.2	4.8
Others	1.5	2.0	2.2	2.3	1.8	1.7	1.8	1.7	1.7
Segment (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Direct International	240	268	283	294	323	354	384	401	408
HP/DXC business	61	53	44	41	33	25	22	22	21
Others	5	6	7	8	6	7	7	7	7
Segment YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Direct International	10.2	19.1	19.7	21.6	34.8	32.1	35.9	36.8	26.3
HP/DXC business	-16.0	-27.6	-41.1	-43.1	-45.4	-53.2	-49.3	-45.2	-38.0
Others	-31.0	0.6	-2.6	17.5	44.2	3.1	2.2	-7.9	13.2
Segment QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Direct International	-0.7	11.7	5.6	3.8	10.0	9.5	8.7	4.5	1.6
HP/DXC business	-14.9	-13.3	-17.5	-6.6	-18.3	-25.7	-10.6	0.9	-7.5
Others	-31.7	44.1	12.6	5.9	-16.1	3.1	11.6	-4.6	3.1
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Direct International	-1.7	28.1	15.0	10.8	29.4	30.7	30.7	17.1	6.5
HP/DXC business	-10.8	-8.1	-9.3	-2.9	-7.5	-8.6	-2.6	0.2	-1.7
Others	-2.1	2.0	0.8	0.4	-1.2	0.2	0.8	-0.3	0.2
Deal wins (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
TCV	259	360	247	245	505	241	335	347	302
QoQ	29	39	-31	-0.8	106.1	-52.3	39.0	3.6	-13.0
YoY	72	107	31	21.9	95.0	-33.1	35.6	41.6	-40.2
TTM TCV	823	1,009	1,067	1,111	1,357	1,238	1,326	1,428	1,225
Ex- DXC clients (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	12	12	11	10	11	11	11	11	11
Top 2-5	27	27	29	31	31	31	32	33	34
Top 6-10	9	11	12	12	13	15	15	15	15
Non top 10	52	50	48	47	45	43	42	41	40
Ex-DXC clients (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	29	32	31	29	36	39	42	44	45
Top 2-5	65	72	82	91	100	110	123	132	139
Top 6-10	22	29	34	35	42	53	58	60	61
Non top 10	125	134	136	138	145	152	161	164	163
Ex DXC clients YoY (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-5.5	2.1	1.4	-6.4	23.5	21.0	35.9	50.3	26.3
Top 2-5	24.0	34.0	39.0	50.9	54.7	51.6	50.0	45.5	38.5
Top 6-10	10.2	45.6	59.8	62.2	94.6	80.1	69.9	70.8	45.7
Non top 10	8.1	12.4	8.5	7.9	16.6	13.6	18.9	19.2	12.2
Ex- DXC clients QoQ (%)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-8.3	11.7	-3.2	-5.6	21.0	9.5	8.7	4.4	1.6
Top 2-5	7.3	11.7	13.4	11.0	10.0	9.5	12.2	7.7	4.7
Top 6-10	-0.7	36.6	15.2	3.8	19.2	26.3	8.7	4.4	1.6
Non top 10	-2.5	7.4	1.4	1.7	5.3	4.6	6.2	1.9	-0.8
Incremental revenue (US\$ m)	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Top	-2.6	3.4	-1.0	-1.7	6.2	3.4	3.4	1.9	0.7
Top 2-5	1.8	11.0	8.7	7.2	15.3	12.9	16.7	11.3	7.0
Top 6-10	1.7	18.8	13.1	8.5	22.0	23.9	21.3	13.8	8.0
Non top 10	4.4	7.6	9.7	9.0	9.1	9.5	13.4	9.4	6.3
Client metrics – ex-DXC	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
US\$ 100 m+	2	2	2	2	4	4	4	4	4
US\$ 75 m+	4	4	4	5	5	5	6	6	6
US\$ 50 m+	4	4	5	5	7	7	7	7	7
US\$ 20 m+	7	8	9	9	9	9	9	10	11
US\$ 10 m+	16	17	16	18	18	19	21	22	24
US\$ 5 m+	32	31	35	37	39	41	42	42	44
US\$ 1 m+	79	80	81	84	84	88	97	104	105
Per employee analysis	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
Revenues (US\$ m) - TTM	1,249	1,271	1,288	1,313	1,375	1,434	1,516	1,607	1,680
Employees (average TTM)	26,699	26,745	26,951	27,720	29,048	30,335	32,034	33,800	35,161
Revenue per employee (TTM basis)	46,766	47,529	47,785	47,369	47,328	47,278	47,328	47,532	47,784

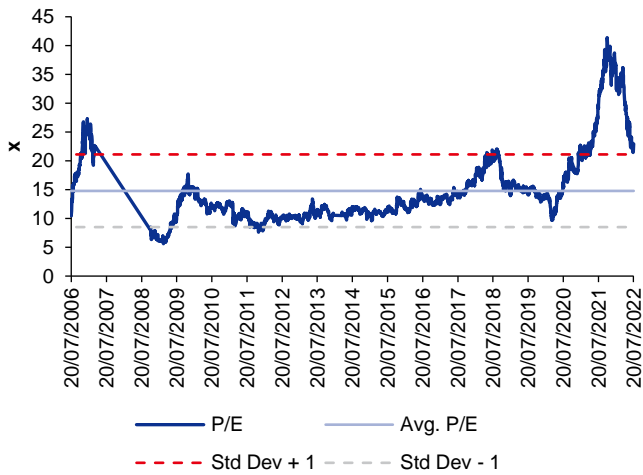
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: Change in our earnings estimates

Y/E, Mar (Rs m)	FY23F			FY24F		
	New	Old	% change	New	Old	% change
US\$ revenue	1,817	1,877	-3.2	2,063	2,139	-3.6
Revenue	1,41,656	1,46,399	-3.2	1,62,954	1,69,012	-3.6
EBIT	21,899	22,502	-2.7	25,421	26,366	-3.6
EBIT Margin (%)	15.5	15.4	9 bp	15.6	15.6	0 bp
Net PAT	16,865	17,473	-3.5	19,748	20,520	-3.8
EPS (Rs)	88.8	92.0	-3.5	104.0	108.0	-3.8

SOURCE: INCRED RESEARCH

Figure 4: One-year forward P/E multiple at ~23x



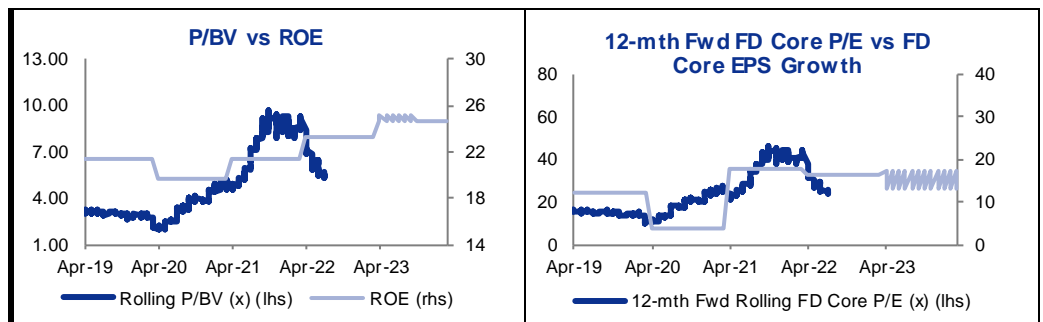
SOURCE: INCRED RESEARCH, BLOOMBERG

Figure 5: One-year forward EV/EBITDA multiple at ~15x



SOURCE: INCRED RESEARCH, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Total Net Revenues	88,435	97,223	119,614	141,656	162,954
Gross Profit	25,484	29,500	34,950	41,683	47,746
Operating EBITDA	16,504	18,028	21,175	25,295	29,169
Depreciation And Amortisation	(2,316)	(2,418)	(2,908)	(3,396)	(3,748)
Operating EBIT	14,188	15,610	18,268	21,899	25,421
Financial Income/(Expense)	701	493	1,008	639	1,069
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	266	202			
Profit Before Tax (pre-EI)	15,154	16,306	19,276	22,538	26,490
Exceptional Items					
Pre-tax Profit	15,154	16,306	19,276	22,538	26,490
Taxation	(3,305)	(4,138)	(4,820)	(5,673)	(6,742)
Exceptional Income - post-tax					
Profit After Tax	11,849	12,167	14,456	16,865	19,748
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	11,849	12,167	14,456	16,865	19,748
Recurring Net Profit	11,849	12,167	14,456	16,865	19,748
Fully Diluted Recurring Net Profit	11,849	12,167	14,456	16,865	19,748

Cash Flow

(Rs mn)	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
EBITDA	16,504	18,028	21,175	25,295	29,169
Cash Flow from Invt. & Assoc.					
Change In Working Capital	422	(453)	(1,501)	(2,139)	(2,392)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	244	419			
Other Operating Cashflow					
Net Interest (Paid)/Received					
Tax Paid	(3,960)	(3,448)	(3,686)	(5,673)	(6,742)
Cashflow From Operations	13,210	14,545	15,989	17,484	20,035
Capex	(1,261)	(1,262)	(1,200)	(1,000)	(1,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	2,670	(6,957)	(1,620)	1,566	1,996
Cash Flow From Investing	1,408	(8,219)	(2,820)	566	996
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(6,065)	(6,527)	(12,177)	(10,442)	(11,849)
Preferred Dividends					
Other Financing Cashflow	(2,182)	(2,088)	(1,710)	(927)	(927)
Cash Flow From Financing	(8,247)	(8,615)	(13,887)	(11,369)	(12,776)
Total Cash Generated	6,372	(2,288)	(719)	6,681	8,255
Free Cashflow To Equity	11,949	13,284	14,788	16,484	19,035
Free Cashflow To Firm	14,619	6,327	13,168	18,050	21,031

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	21,035	25,968	23,846	30,527	38,782
Total Debtors	17,696	18,505	22,269	24,450	28,126
Inventories					
Total Other Current Assets	5,400	6,929	11,048	11,048	11,048
Total Current Assets	44,131	51,403	57,164	66,025	77,956
Fixed Assets	8,010	7,826	8,803	6,406	3,658
Total Investments	4,284	4,590	4,776	4,776	4,776
Intangible Assets	22,292	22,400	29,043	29,043	29,043
Total Other Non-Current Assets	8,818	7,770	7,775	7,775	7,775
Total Non-current Assets	43,404	42,587	50,398	48,001	45,253
Short-term Debt	5,713	5,135	5,272	5,272	5,272
Current Portion of Long-Term Debt					
Total Creditors	6,667	5,964	8,496	8,538	9,822
Other Current Liabilities	9,292	10,339	15,332	15,332	15,332
Total Current Liabilities	21,672	21,437	29,100	29,142	30,426
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	7,567	7,285	9,030	9,030	9,030
Total Non-current Liabilities	7,567	7,285	9,030	9,030	9,030
Total Provisions					
Total Liabilities	29,239	28,722	38,130	38,172	39,456
Shareholders Equity	58,296	65,267	69,431	75,854	83,754
Minority Interests					
Total Equity	58,296	65,267	69,431	75,854	83,754

Key Ratios					
	Mar-20A	Mar-21A	Mar-22A	Mar-23F	Mar-24F
Revenue Growth	14.4%	9.9%	23.0%	18.4%	15.0%
Operating EBITDA Growth	24.7%	9.2%	17.5%	19.5%	15.3%
Operating EBITDA Margin	18.7%	18.5%	17.7%	17.9%	17.9%
Net Cash Per Share (Rs)	50.89	82.08	67.04	102.22	145.68
BVPS (Rs)	313.00	346.45	365.56	399.38	440.97
Gross Interest Cover	17.47	24.62	30.64	23.62	27.41
Effective Tax Rate	21.8%	25.4%	25.0%	25.2%	25.5%
Net Dividend Payout Ratio	66.3%	99.8%	59.7%	61.9%	60.0%
Accounts Receivables Days	74.67	67.95	62.21	60.19	58.88
Inventory Days					
Accounts Payables Days	42.09	34.04	31.17	31.10	29.08
ROIC (%)	29.1%	25.2%	29.1%	29.7%	34.5%
ROCE (%)	17.4%	16.0%	17.5%	19.6%	20.8%
Return On Average Assets	14.0%	13.0%	13.6%	14.8%	16.0%

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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Recommendation Framework

Stock Ratings

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.