BUY (Unchanged)

Change in Numbers

TP: Bt 5.50 (From: Bt 4.50)

Upside : 22.2%

5 JANUARY 2023

Small Cap Research

The Erawan Group Pcl (ERW TB)

China reopening play

We reaffirm our BUY call on ERW with the stock also becoming our top Thai hotel pick. We see ERW as the sector's best play on China's reopening while it should also turn a profit as soon as 4Q22F with no more balance sheet concerns. Our 2023F TP raised to Bt5.50/share.

SIRIPORN ARUNOTHAI
662 – 779 9113
siriporn.aru@thanachartsec.co.th

Thanachart Securities

Now our top sector pick

We reaffirm BUY on ERW and the stock is now our top Thai hotel pick, replacing Central Plaza Hotel (CENTEL, BUY, Bt51.25). *First*, ERW is the sector's biggest beneficiary of China's reopening, in our view, with 12% total revenue exposure in 2019 vs. CENTEL at 5% and Minor Int'l (MINT, BUY, Bt33.25) at 5%. *Second*, we expect ERW to post a stronger-than-expected profit in 4Q22F and we lift our earnings by 12/5% in 2023-24F with 2022F's loss falling to Bt411m (from a Bt668m loss). *Third*, with net D/E of 1.2x in 2023F and free cash flow having turned positive since 2022F, balance sheet risk is no longer a concern. *Lastly*, as an asset-based company in a lucrative and growing industry, ERW has been trading at high PE at a five-year pre-COVID average of 37x. We see potential upside with its 30.6x 2024F PE. Our DCF-based 12-month TP (2023F base year) is lifted to Bt5.5 (from Bt4.5).

Top beneficiary of China's reopening

We expect ERW to benefit from China's reopening more than CENTEL and MINT in two areas. Firstly, ERW is a pure hotel play with 96% of revenues coming from its hotel business vs. 41% for CENTEL and 76% for MINT. CENTEL and MINT also have food businesses. The other angle is that Chinese tourist revenue came to 12% of ERW's total 2019 hotel revenue vs. 12% for CENTEL and 6% for MINT. For total Chinese revenue exposure, ERW's was 12% in 2019, CENTEL's was 5%, and MINT's was also 5%.

Turning a profit in 4Q22F

While CENTEL and MINT turned to profits in some quarters in 9M22 from a food business turnaround and a Europe hotel rebound for MINT, as a pure hotel play, we expect ERW to turn around later in 4Q22F. We estimate a Bt46m profit in 4Q22F vs. a Bt11m loss in 3Q22 and a Bt346m loss in 4Q21. Given its substantial operating leverage, we project a sharp recovery to 2023-24F profits of Bt301/720m after a Bt411m loss in 2022F. See Exhibits 10 and 13 for details of our earnings revisions and key assumptions.

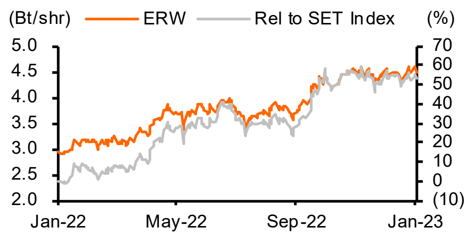
No more balance sheet risk

As a result of the COVID crisis, ERW in 2021 increased capital by Bt2bn, sold two hotels on Koh Samui worth Bt925m, and revalued assets by Bt2.7bn. In 2022, it sold three hotels in Phuket, Hua Hin, and Krabi for a combined Bt1.1bn. This should help improve its balance sheet and cash flow situation materially, and we estimate its net D/E ratio to be 1.4/1.2x in 2022-23F vs. 2.8x in 2020 (2.5x debt covenant). We estimate its EBITDA to check in at Bt948m/1.7bn/2.2bn in 2022-24F. We also expect capex of Bt800m in 2022F on nine new hotels, while we assume capex of Bt500/800m in 2023-24F for the renovation of existing hotels and the opening of three new hotels in 2024.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Sales	1,485	4,430	5,711	6,497
Net profit	(2,050)	(418)	301	720
Consensus NP	—	(463)	317	632
Diff frm cons (%)	—	*na*	*(4.9)*	*14.1*
Norm profit	(2,021)	(411)	301	720
Prev. Norm profit	—	(668)	268	685
Chg frm prev (%)	—	*na*	*12.1*	*5.2*
Norm EPS (Bt)	(0.5)	(0.1)	0.1	0.1
Norm EPS grw (%)	na	na	na	127.5
Norm PE (x)	na	na	69.5	30.6
EV/EBITDA (x)	na	30.6	16.4	12.4
P/BV (x)	3.5	3.7	3.6	2.9
Div yield (%)	0.0	0.0	0.3	1.0
ROE (%)	na	na	5.3	10.8
Net D/E (%)	164.5	143.3	124.8	72.7

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 5-Jan-23 (Bt)	4.50
Market Cap (US$ m)	600.6
Listed Shares (m shares)	4,531.6
Free Float (%)	58.8
Avg Daily Turnover (US$ m)	1.7
12M Price H/L (Bt)	4.60/2.90
Sector	Tourism
Major Shareholder	Vongkusolkit & Wattanavekin Group 55%

Sources: Bloomberg, Company data, Thanachart estimates

ESG Summary Report P10

Top beneficiary of China's reopening

Low Chinese arrivals to Thailand because of zero-COVID policy

Chinese tourists ranked No.1 in the number of international tourists visiting Thailand in 2019 with 11m arrivals, accounting for 28% of total international tourists. However, given the COVID-19 pandemic and China's zero-COVID policy, although Thailand fully reopened in October 2022, only 0.2m Chinese tourists visited Thailand (just 2.5% of total international tourists) in January-November 2022.

Easing of China's border curbs should boost visitors to Thailand in 2023F

Nevertheless, the Chinese government recently announced it would drop its quarantine requirements for international arrivals from 8 January 2023 and only require a negative COVID test result obtained within 48 hours before departure for inbound travelers. With the easing of its border curbs, we expect more Chinese travelers to visit Thailand from early next year.

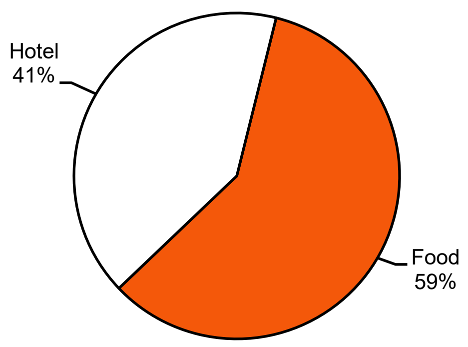
We see ERW as the main beneficiary among peers…

Among the three hotels under our coverage, we expect ERW to benefit from China's reopening more than CENTEL and MINT in two areas:

1) ERW is a pure hotel play

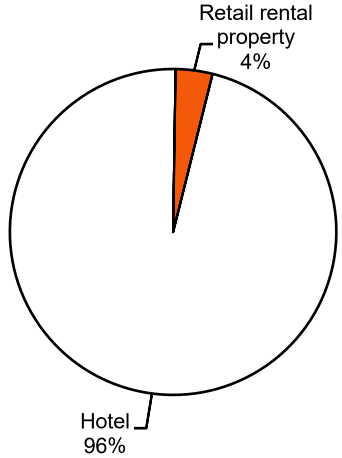
First, ERW is a pure hotel play with 96% of its revenue coming from the hotel business in 2019 vs. 41% for CENTEL and 76% for MINT. CENTEL and MINT also had revenue contributions from their food businesses of 59% and 20% in 2019, respectively.

Ex 1: CENTEL's Revenue Breakdown By Business In 2019



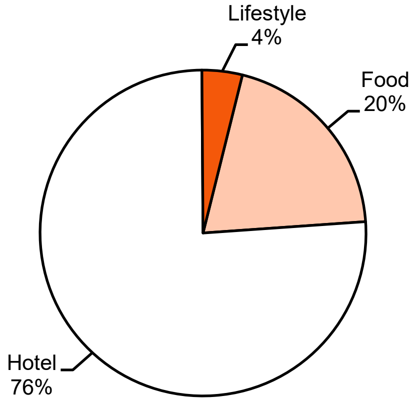
Source: Company data

Ex 2: ERW's Revenue Breakdown By Business In 2019



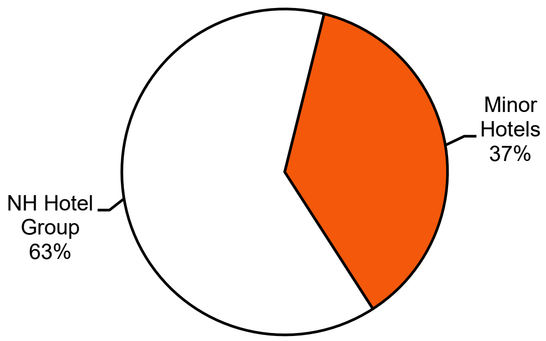
Source: Company data

Ex 3: MINT's Revenue Breakdown By Business In 2019



Source: Company data

Ex 4: MINT's Hotel Revenue Breakdown In 2019



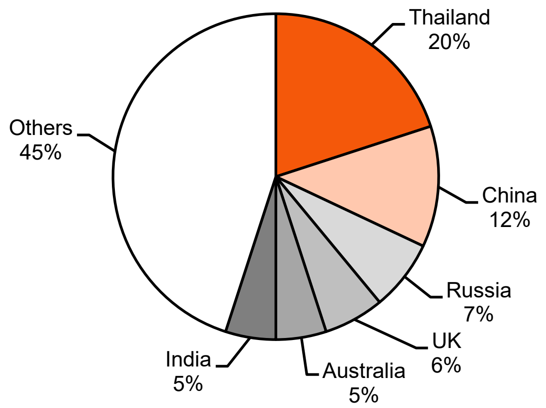
Source: Company data

2) ERW had the highest Chinese revenue exposure in 2019

Second, Chinese tourist revenue stood at 12% of ERW's total hotel revenue in 2019 vs. 12% for CENTEL and 6% for MINT. Note that Chinese tourist revenue came to 13% of Minor Hotels' (excluding NH Hotel Group [NH])) hotel revenue in 2019 and it contributed 2% of NH's hotel revenue in 2019. Meanwhile, Minor Hotels' revenue accounted for 37% of MINT's total hotel revenue and NH's revenue contributed 63%.

Based on Chinese revenue exposure to each company's total revenue, we found that Chinese revenue contribution to ERW's total revenue came to 12% in 2019, followed by CENTEL and MINT at 5% each.

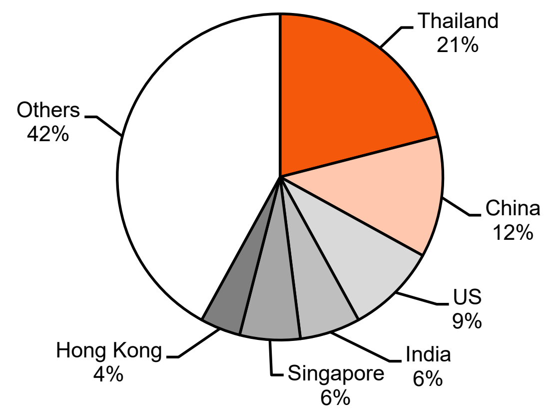
Ex 5: CENTEL's Hotel Revenue Breakdown By Nationality*



Source: Company data

Note: * In 2019

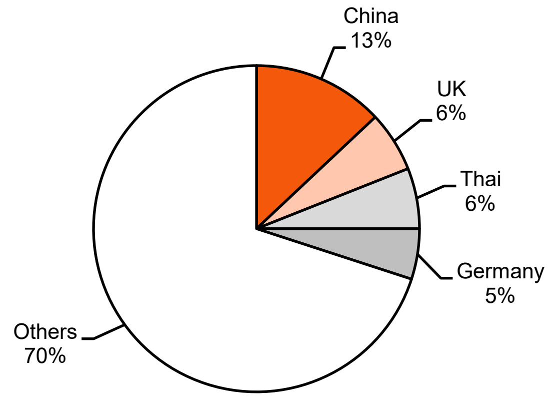
Ex 6: ERW's Hotel Revenue Breakdown By Nationality*



Source: Company data

Note: * In 2019

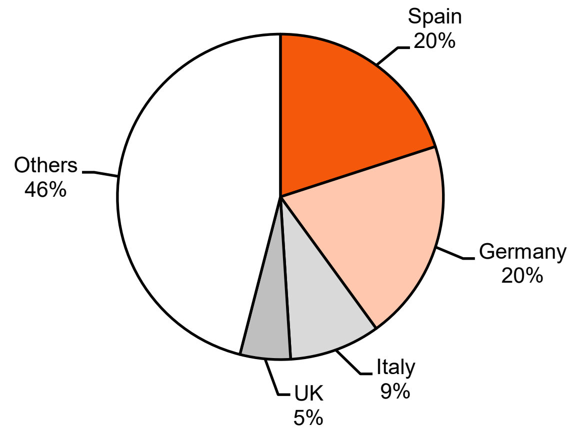
Ex 7: MINT's Hotel Revenue Breakdown By Nationality*



Source: Company data

Note: * Only Minor Hotels (excluding NH's revenue) in 2019

Ex 8: NH's Hotel Revenue Breakdown By Nationality*



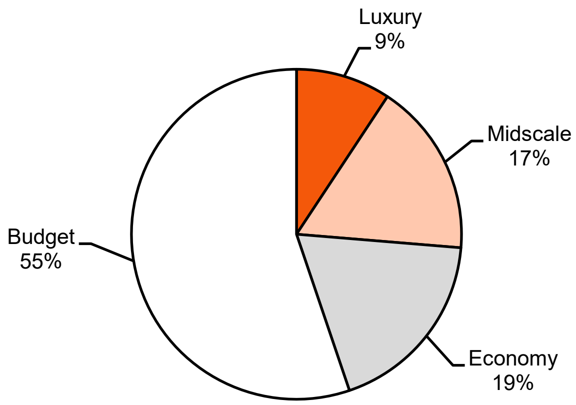
Source: Company data

Note: * In 2019

Thanks to the above two reasons, we expect ERW to be the biggest beneficiary of the rebound in Chinese tourists to Thailand and elsewhere.

In addition, given ERW's room capacity of 55% from the budget segment and 36% from the mid-scale and economy segments, it is therefore enjoying a recovery in Thai tourists. Meanwhile, ERW should also benefit from a return of Chinese tourists, which we expect to start next year.

Ex 9: Room Capacity Breakdown (As Of 3Q22)



Source: Company data

Turning a profit in 4Q22F

MINT and CENTEL have turned around faster

In the first nine months of 2022, CENTEL and MINT's operations turned around to make profits in some quarters. The key support for CENTEL's positive earnings in 2Q22 was a turnaround in its food business. Meanwhile, MINT's positive earnings in 2Q22 and 3Q22 were driven by the recovery in operations of its food business in Thailand and Australia and also of NH's hotel operation in Europe.

ERW is expected to turn around later in 4Q22F

Given that ERW is a pure hotel play, we expect ERW to turn around later in 4Q22F. Non-Hop Inn's RevPar in October-November 2022 came to 106% of the 2019 level. Hop Inn (Thailand)'s RevPar in October-November 2022 also surpassed its pre-COVID level by 6%. Hop Inn (Philippines)'s RevPar in October-November 2022 stood at 81% of the 2019 level. We estimate a Bt46m profit in 4Q22F vs. a Bt11m loss in 3Q22 and a Bt346m loss in 4Q21.

Thanks to stronger-than-expected numbers of Thai and international tourists, ERW's higher-than-expected expected occupancy rate and average room rate (ARR) in 3Q22, with the trend still continuing in 4Q22, we, therefore, revise up our tourist number assumptions and our earnings forecasts. Details are shown in Exhibits 10 and 13.

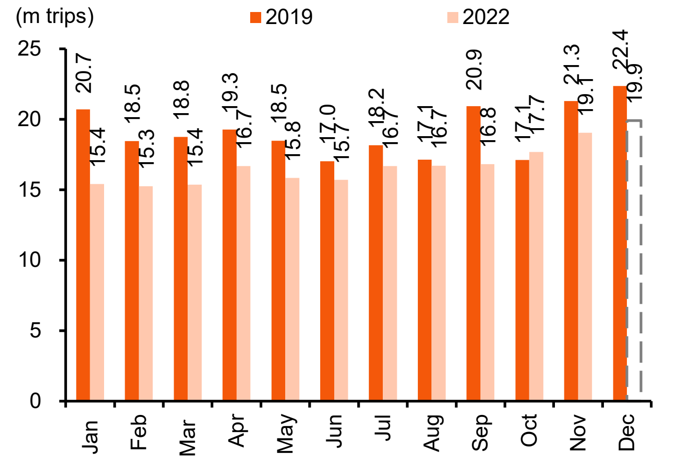
Ex 10: Thai And International Tourist Assumptions

	2019	2020	2021	2022F	2023F	2024F
Numbers of foreign tourists (people)						
- New	39,916,251	6,702,396	427,869	11,800,000	28,000,000	39,900,000
- Old				9,000,000	26,000,000	39,000,000
- Change (%)				*31.1*	*7.7*	*2.3*
Numbers of Thai tourists (visits)						
- New	229,748,960	123,214,821	71,858,377	201,161,203	218,261,512	236,641,429
- Old				194,987,146	211,369,043	236,641,429
- Change (%)				*3.2*	*3.3*	—

Sources: TAT, Thanachart estimates

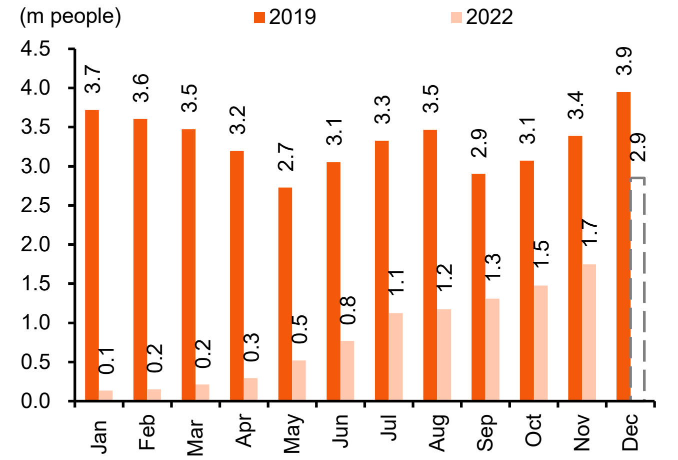
Note that the number of Thai and international tourists in 11M22 stood at 8.9m people and 181m trips. We estimate the number of Thai and international tourists in December 2022 has recovered to 89% and 72% of December 2019's level.

Ex 11: Number Of Thai Tourists



Source: Ministry of Tourism and Sports

Ex 12: Number Of International Tourists



Source: Ministry of Tourism and Sports

Ex 13: Changes In Our Key Assumptions And Earnings Revisions

	2019	2020	2021	2022F	2023F	2024F
# of rooms						
- New	9,569	9,802	10,094	10,188	10,188	10,677
- Old				10,188	10,188	10,677
- Change (%)				—	—	—
Occupancy rate (%)						
- New	76.4	36.6	29.3	63.2	72.3	77.2
- Old				59.1	71.2	77.2
- Change (pp)				*4.0*	*1.1*	—
ARR (Bt/room/night)						
- New	1,764	1,136	913	1,380	1,557	1,636
- Old				1,244	1,435	1,603
- Change (%)				*10.9*	*8.5*	*2.0*
Gross margin (%)						
- New	54.5	36.5	13.6	49.2	53.9	55.4
- Old				44.2	53.9	54.4
- Change (pp)				*5.0*	—	*1.0*
SG&A to sales (%)						
- New	38.6	87.5	124.6	49.8	41.2	37.2
- Old				52.2	40.5	36.1
- Change (pp)				*(2.4)*	*0.7*	*1.1*
Normalized profit (Bt m)						
- New	464	(1,585)	(2,021)	(411)	301	720
- Old				(668)	268	685
- Change (%)				*n.a.*	*12.1*	*5.2*

Sources: Company data, Thanachart estimates

We revise up our TP to Bt5.50/share

Given our new assumptions, we raise our earnings estimates by 12/5% in 2023-24F while we expect 2022F's loss to fall to Bt411m (from a Bt668m loss previously). Our DCF-based 12-month TP, using a 2023F base year, is revised up to Bt5.50/share from Bt4.50. Given that ERW-W3 are in-the-money warrants, we factor them into our model. The total number of warrants is 359.7m with an exercise ratio of 1 warrant to 1 common share @ exercise price of Bt3.0/share. The exercise date is 14 June 2024.

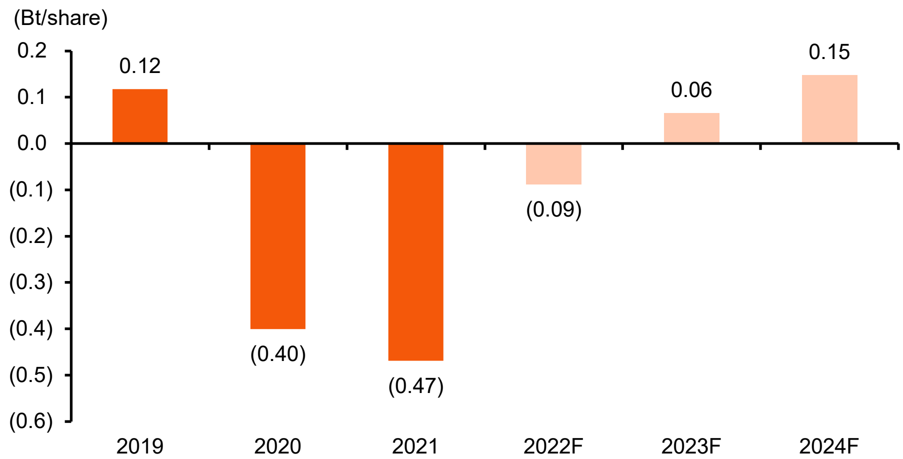
Ex 14: 12-month DCF-based TP Calculation Using A Base Year of 2023F

(Bt m)	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Terminal Value
EBITDA excl. depre from right of use	1,463	1,947	2,200	2,351	2,489	2,600	2,704	2,810	2,918	3,031	3,148	—
Free cash flow	833	1,024	1,697	1,816	2,097	2,071	2,199	2,337	2,476	2,569	2,666	46,629
PV of free cash flow	831	892	1,368	1,363	1,464	1,346	1,330	1,315	1,256	1,208	1,163	20,338
Risk-free rate (%)	2.5											
Market risk premium (%)	8.0											
Beta	1.2											
WACC (%)	7.1											
Terminal growth (%)	2.0											
Enterprise value - add investments	33,874											
Net debt (2022F)	6,951											
Minority interest	11											
Equity value	26,912											
# of shares*	4,891											
Target price/share (Bt)	**5.50**											

Sources: Company data, Thanachart estimates
Note: * Include the exercise of ERW-W3

With an improving top line and ERW's substantial operating leverage, we estimate a sharp turnaround in the company's earnings to profits of Bt301/720m in 2023-24F from a Bt411m loss in 2022F.

Ex 15: ERW's EPS Turnaround



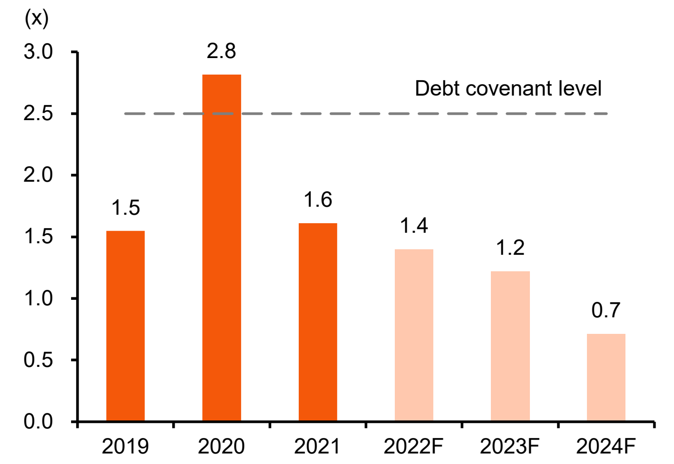
Sources: Company data, Thanachart estimates

No more balance sheet risk

Improving balance sheet and cash flow

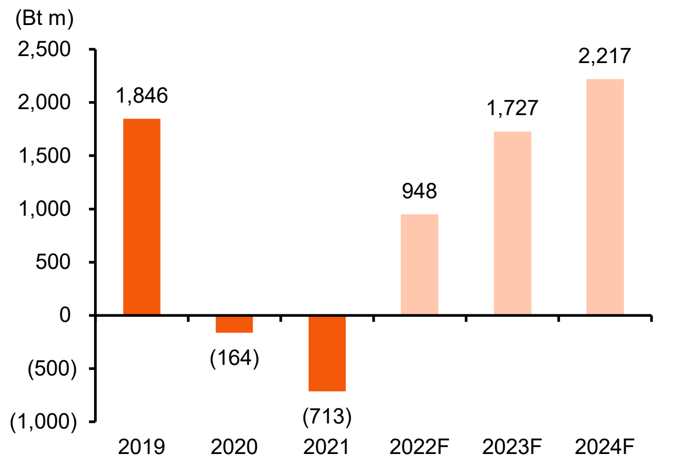
As a result of the COVID crisis, ERW in 2021 increased capital by Bt2bn, sold two hotels on Koh Samui worth Bt925m, and revalued assets by Bt2.7bn. In 2022, it sold three hotels in Phuket, Hua Hin, and Krabi for a combined Bt1.1bn. This should help improve its balance sheet and cash flow situation materially, and we estimate its net D/E ratio at 1.4/1.2x in 2022-23F vs. 2.8x in 2020 (2.5x debt covenant). We estimate its EBITDA to check in at Bt948m/1.7bn/2.2bn in 2022-24F. We also expect capex of Bt800m in 2022F on nine new hotels (eight Hop Inn hotels and one Holiday Inn), while we assume capex of Bt500/800m in 2023-24F for the renovation of existing hotels and the opening of three new Hop Inn hotels in 2024.

Ex 16: Net D/E Ratio



Sources: Company data, Thanachart estimates

Ex 17: Improving EBITDA



Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 18: Valuation Comparison With Regional Peers

Name	BBG code	Country	EPS growth 22F (%)	EPS growth 23F (%)	PE 22F (x)	PE 23F (x)	P/BV 22F (x)	P/BV 23F (x)	EV/EBITDA 22F (x)	EV/EBITDA 23F (x)	Div yield 22F (%)	Div yield 23F (%)
Accor SA	AC FP	France	125.9	45.5	33.8	23.3	1.5	1.4	13.9	11.7	1.5	2.6
Indian Hotels	IH IN	India	na	na	na	56.1	7.6	5.8	87.5	30.4	0.1	0.2
Resorttrust	4681 JP	Japan	20.9	106.6	34.5	16.7	2.1	2.1	13.2	12.1	1.3	1.9
Hotel Shilla	008770 KS	S. Korea	62.4	167.2	73.3	27.4	5.4	4.6	19.1	13.9	0.2	0.3
NH Hotel Group	NHH SM	Spain	na	na	133.5	16.2	1.6	1.2	8.6	7.0	na	na
Shanghai Jin Jiang Capital	2006 HK	Hong Kong	na	278.9	na	na	na	na	na	na	na	na
Hongkong & Shanghai	45 HK	Hong Kong	na	na	na	na	na	na	na	na	na	na
Shangri-La Asia	69 HK	Hong Kong	na	na	na	306.8	7.5	7.3	41.5	18.5	0.0	0.0
InterContinental Hotels	IHG US	US	na	18.9	21.0	17.7	na	na	13.4	12.2	2.2	2.5
Marriott International	MAR US	US	95.4	14.7	22.8	19.9	98.3	130.3	14.7	13.5	0.6	1.1
Hilton Worldwide Holdings	HLT US	US	207.9	25.6	28.2	22.5	na	na	16.6	14.8	0.4	0.5
Asset World Corp	AWC TB	Thailand	(33.3)	144.4	355.6	145.5	2.5	2.5	99.6	51.0	0.4	0.2
Central Plaza Hotel	CENTEL TB*	Thailand	na	681.3	338.2	43.3	3.8	3.5	22.3	15.6	0.0	0.5
Erawan Group	ERW TB*	Thailand	na	na	na	69.5	3.7	3.6	30.6	16.4	0.0	0.3
Minor International	MINT TB*	Thailand	na	na	na	47.3	2.3	2.4	10.9	9.4	0.0	0.4
Average			**79.9**	**164.8**	**115.7**	**62.5**	**12.4**	**15.0**	**30.2**	**17.4**	**0.6**	**0.9**

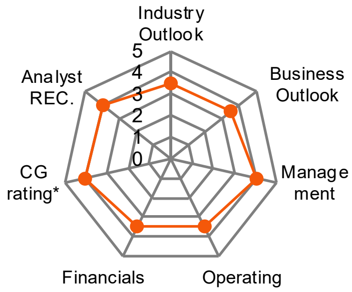
Sources: Company data, Thanachart estimates
Note: * Thanachart estimates, using normalized EPS
Based on 5-Jan-23 closing prices

COMPANY DESCRIPTION

The Erawan Group Public Co., Ltd. (ERW) was established on 29 December 1982. ERW's core businesses are investment, development and management of diversified hotel properties and segments (luxury, mid-scale, economy, and budget) across Thailand's key destinations. ERW owned 73 hotels as of end-3Q22 while it operates other businesses, including retail space rental and management of office buildings.

Source: Thanachart

COMPANY RATING



Rating Scale	
Very Strong	5
Strong	4
Good	3
Fair	2
Weak	1
None	0

Source: Thanachart; *CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- Well connected with strong hotel chains, i.e., Hyatt, Marriott, Novotel, Holiday Inn, and Mercure as ERW's business allies in Thailand.
- Assets are strategically located in popular Thai tourist destinations.

W — Weakness

- Hotel footprint remains concentrated in Bangkok, Thailand.
- Luxury hotel oversupply in Thailand.

O — Opportunity

- Focuses on high-growth segments: mid-scale and economy and budget hotels (owned brand: HOP INN).
- Potential expansion in ASEAN.

T — Threat

- Fierce competition among hotel operators.
- ERW requires significant capital expenditure and financing to support its hotel investments and developments.
- Political unrest, natural disasters and pandemics.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	4.88	5.50	13%
Net profit 22F (Bt m)	(463)	(418)	na
Net profit 23F (Bt m)	317	301	-5%
Consensus REC	**BUY: 13**	**HOLD: 4**	**SELL: 0**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our TP is above the Bloomberg consensus number, which we attribute to us having a more bullish view of Thailand tourism's recovery in the longer term. Meanwhile, our lower earnings in 2023F compared to the Street are likely due to us having a more conservative view on the cost side.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- Thailand's political situation and the COVID-19 pandemic are the key downside risks to our call.
- A slower-than-expected Thai and international tourist demand recovery is a secondary downside risk.
- Higher competition in Thai and global tourism would also provide downside risks to our numbers.

Source: Thanachart

ERW

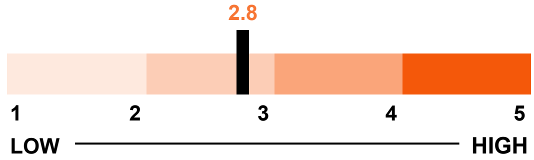
The Erawan Group Public Co. Ltd.

Sector: Services | Hotel

ESG & Sustainability Report

ERW is a hotel operator in Thailand with the Hyatt, Marriott, Holiday Inn, Mercure, Novotel, and Ibis brands. It also has its “Hop Inn” owned brand in the budget-hotel segment. Our ESG score of 2.8 for ERW is moderate. Although its business doesn’t generate significant carbon emissions, while we are confident in ERW’s business practices in general, it doesn’t yet have a clear roadmap for overall ESG issues.

Thanachart ESG Rating



	SETTHSI Index	THSI Index	DJSI Index	MSCI (CCC-AAA)	Arabesque S-Ray (0-100)	Refinitiv (0-100)	S&P Global (0-100)	Moody's (0-100)	CG Rating (0-5)
ERW	-	-	-	-	37.99	41.31	13.05	-	4.0

Sources: SETTRADE, SETTHSI Index, Thailand Sustainability Investment (THSI), The Dow Jones Industrial Average (DJSI), MSCI ESG Research LLC, Arabesque S-Ray®, Refinitiv ESG Information, S&P Global Market Intelligence, Moody's ESG Solutions, Thai IOD (CG rating)
Note: Please see third party on “terms of use” toward the back of this report.

Factors	Our Comments
ENVIRONMENT – **Environmental Policies & Guidelines** – **Energy Management** – **Carbon Management** – **Water Management** – **Waste Management**	▪ ERW operates 8,332 hotel rooms in Thailand and 1,471 in the Philippines. Its business doesn’t create a lot of greenhouse (GHG) gas while we are confident that it has good business practices. However, ERW doesn’t yet have a clear roadmap for key ESG targets, though there are plans for specific areas. ▪ ERW is studying, verifying and gathering data to reduce and improve efficiency for electricity consumption. ▪ ERW has separated paper for recycling purposes since 2008. In 2021, due to the work-from-home (WFH) trend, the amount of recycled paper fell to 790kg, which was equivalent to a reduction of 13 trees being felled and 537kg less CO_2 being emitted. ▪ ERW takes part in the Light-blue Project, which manages food waste. In 2021, it reduced food waste by 108 tonnes. Organic waste was treated to reduce waste for landfills, which implied a reduction of 205 tonnes of CO_2 equivalent.
SOCIAL – **Human Rights** – **Staff Management** – **Health & Safety** – **Product Safety & Quality** – **Social Responsibility**	▪ ERW’s human rights policy cites employment being based on fair and reasonable wages, fair rights and benefits, and fair working hours. No staff below the age of 18 are hired. There is no discrimination regarding the place of birth, race, gender, age, skin color, religion, and disability. ▪ ERW has a culture of job rotations, job transfers, or promotions to other positions based on what’s appropriate for upskilling and advancement in employees’ career paths. It has an online training platform called “The ERW Digital Learning Center”. ▪ ERW has committed to overseeing Occupation, Health and Safety (OHS) elements for staff. During the COVID-19 pandemic, there was training on self-protection through online doctor consultation, WFH measures, and work-at-office rotations.
GOVERNANCE & SUSTAINABILITY – **Board** – **Ethics & Transparency** – **Business Sustainability** – **Risk Management** – **Innovation**	▪ Its board of directors (BOD) comprises 11 members (three females, eight males) with diverse skills, experience, and abilities. ▪ ERW has a corporate governance (CG) policy and principles it is committed to, including legal compliance, adherence to integrity and the Code of Conduct, and disclosure for transparency. ▪ ERW has a Risk Management Committee. The committee reviews risk-management plans, establishes and monitors risk-management direction, handles impacts, and promotes assessable and effective risk responses for impact mitigation. ▪ ERW has a working team to initiate projects relating to technology and innovations. Studies have been conducted to introduce new techniques such as contactless check-in and check-out, the use of smartphones to replace key cards or mobile keys, e-payment, among others.

Source: Thanachart

Revenues rebound from Thailand's tourism recovery

Plans to open 12 new hotels in 2022-24

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	2,306	1,485	4,430	5,711	6,497
Cost of sales	1,465	1,284	2,250	2,633	2,895
Gross profit	**841**	**201**	**2,180**	**3,078**	**3,602**
% gross margin	36.5%	13.6%	49.2%	53.9%	55.4%
Selling & administration expenses	2,017	1,850	2,206	2,356	2,418
Operating profit	**(1,176)**	**(1,649)**	**(25)**	**722**	**1,184**
% operating margin	-51.0%	-111.0%	-0.6%	12.6%	18.2%
Depreciation & amortization	1,012	936	973	1,005	1,033
EBITDA	**(164)**	**(713)**	**948**	**1,727**	**2,217**
% EBITDA margin	-7.1%	-48.0%	21.4%	30.2%	34.1%
Non-operating income	42	80	51	61	64
Non-operating expenses	0	0	0	0	0
Interest expense	(536)	(521)	(453)	(468)	(448)
Pre-tax profit	**(1,669)**	**(2,090)**	**(427)**	**316**	**801**
Income tax	(39)	46	2	9	56
After-tax profit	**(1,630)**	**(2,136)**	**(429)**	**306**	**745**
% net margin	-70.7%	-143.8%	-9.7%	5.4%	11.5%
Shares in affiliates' Earnings	(18)	9	18	10	10
Minority interests	63	105	0	(15)	(35)
Extraordinary items	(130)	(29)	(6)	0	0
NET PROFIT	**(1,715)**	**(2,050)**	**(418)**	**301**	**720**
Normalized profit	**(1,585)**	**(2,021)**	**(411)**	**301**	**720**
EPS (Bt)	(0.4)	(0.5)	(0.1)	0.1	0.1
Normalized EPS (Bt)	(0.4)	(0.5)	(0.1)	0.1	0.1

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	1,962	2,655	1,489	1,506	1,472
Cash & cash equivalent	1,623	1,242	900	900	900
Account receivables	77	100	243	235	178
Inventories	46	39	68	79	87
Others	217	1,274	278	292	307
Investments & loans	48	48	48	48	48
Net fixed assets	14,281	14,494	14,576	14,336	14,373
Other assets	4,923	5,252	5,214	5,167	4,966
Total assets	**21,215**	**22,450**	**21,327**	**21,057**	**20,858**
LIABILITIES:					
Current liabilities:	2,812	1,489	1,457	1,602	1,675
Account payables	145	143	247	253	278
Bank overdraft & ST loans	1,410	690	447	578	641
Current LT debt	726	105	170	153	115
Others current liabilities	532	551	594	619	641
Total LT debt	**10,551**	**10,356**	**8,314**	**7,521**	**5,657**
Others LT liabilities	3,923	4,582	5,950	6,042	5,939
Total liabilities	**17,286**	**16,427**	**15,722**	**15,166**	**13,271**
Minority interest	116	11	11	26	61
Preferreds shares	0	0	0	0	0
Paid-up capital	2,518	4,532	4,532	4,532	4,891
Share premium	910	910	910	910	1,629
Warrants	0	0	0	0	0
Surplus	(133)	2,058	2,058	2,058	2,058
Retained earnings	**519**	**(1,488)**	**(1,905)**	**(1,634)**	**(1,052)**
Shareholders' equity	3,813	6,012	5,595	5,866	7,527
Liabilities & equity	**21,215**	**22,450**	**21,327**	**21,057**	**20,858**

Sources: Company data, Thanachart estimates

Selling three Ibis hotels to strengthen cash inflow stream in 2022

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	(1,669)	(2,090)	(427)	316	801
Tax paid	39	(45)	(2)	(9)	(56)
Depreciation & amortization	1,012	936	973	1,005	1,033
Chg In w orking capital	25	(18)	(68)	2	74
Chg In other CA & CL / minorities	(543)	(1,029)	1,034	(5)	(6)
Cash flow from operations	**(1,136)**	**(2,247)**	**1,510**	**1,309**	**1,847**
Capex	(637)	(909)	(800)	(500)	(800)
Right of use	(4,619)	(749)	(200)	(200)	(50)
ST loans & investments	0	0	0	0	0
LT loans & investments	31	0	0	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	4,725	811	1,369	99	(99)
Cash flow from investments	**(500)**	**(847)**	**369**	**(601)**	**(949)**
Debt financing	2,524	(1,536)	(2,221)	(678)	(1,839)
Capital increase	0	2,014	(0)	0	1,079
Dividends paid	(176)	0	0	(30)	(138)
Warrants & other surplus	(58)	2,236	0	0	0
Cash flow from financing	**2,290**	**2,714**	**(2,221)**	**(708)**	**(898)**
Free cash flow	**(1,774)**	**(3,156)**	**710**	**809**	**1,047**

Inexpensive valuation, in our view

VALUATION

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	na	na	na	69.5	30.6
Normalized PE - at target price (x)	na	na	na	85.0	37.3
PE (x)	na	na	na	69.5	30.6
PE - at target price (x)	na	na	na	85.0	37.3
EV/EBITDA (x)	na	na	30.6	16.4	12.4
EV/EBITDA - at target price (x)	na	na	35.5	19.1	14.6
P/BV (x)	4.7	3.5	3.7	3.6	2.9
P/BV - at target price (x)	5.7	4.3	4.6	4.4	3.6
P/CFO (x)	(15.7)	(8.6)	13.9	16.0	11.9
Price/sales (x)	8.8	13.7	4.6	3.6	3.1
Dividend yield (%)	0.0	0.0	0.0	0.3	1.0
FCF Yield (%)	(10.0)	(16.3)	3.4	3.9	4.8
(Bt)					
Normalized EPS	(0.4)	(0.5)	(0.1)	0.1	0.1
EPS	(0.4)	(0.5)	(0.1)	0.1	0.1
DPS	0.0	0.0	0.0	0.0	0.0
BV/share	1.0	1.3	1.2	1.3	1.5
CFO/share	(0.3)	(0.5)	0.3	0.3	0.4
FCF/share	(0.4)	(0.7)	0.2	0.2	0.2

Sources: Company data, Thanachart estimates

Improving financial status

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	(63.9)	(35.6)	198.2	28.9	13.8
Net profit (%)	na	na	na	na	139.2
EPS (%)	na	na	na	na	127.5
Normalized profit (%)	na	na	na	na	139.2
Normalized EPS (%)	na	na	na	na	127.5
Dividend payout ratio (%)	0.0	0.0	0.0	20.0	30.0
Operating performance					
Gross margin (%)	36.5	13.6	49.2	53.9	55.4
Operating margin (%)	(51.0)	(111.0)	(0.6)	12.6	18.2
EBITDA margin (%)	(7.1)	(48.0)	21.4	30.2	34.1
Net margin (%)	(70.7)	(143.8)	(9.7)	5.4	11.5
D/E (incl. minor) (x)	3.2	1.9	1.6	1.4	0.8
Net D/E (incl. minor) (x)	2.8	1.6	1.4	1.2	0.7
Interest coverage - EBIT (x)	na	na	na	1.54	2.6
Interest coverage - EBITDA (x)	na	na	2.1	3.7	5.0
ROA - using norm profit (%)	na	na	na	1.4	3.4
ROE - using norm profit (%)	na	na	na	5.3	10.8
DuPont					
ROE - using after tax profit (%)	na	na	na	5.3	11.1
- asset turnover (x)	0.1	0.1	0.2	0.3	0.3
- operating margin (%)	na	na	na	13.7	19.2
- leverage (x)	4.1	4.4	3.8	3.7	3.1
- interest burden (%)	147.3	133.2	(1,673.9)	40.3	64.2
- tax burden (%)	na	na	na	97.0	93.0
WACC (%)	7.1	7.1	7.1	7.1	7.1
ROIC (%)	(7.9)	(11.1)	(0.2)	5.1	8.3
NOPAT (Bt m)	(1,176)	(1,649)	(26)	700	1,101
invested capital (Bt m)	14,877	15,921	13,625	13,218	13,040

Sources: Company data, Thanachart estimates

ESG Information - Third Party Terms

www.Settrade.com
SETTRADE: You acknowledge that the use of data, information or service displayed and/or contained in this website may require third party's data, content or software which is subject to the terms of third party provider. By accessing and/or using of such certain data, you acknowledge and agree to comply with and be bound by the applicable third party terms specified below.

ESG Scores by Third Party data from www.SETTRADE.com
1. MSCI (CCC- AAA)
2. Arabesque S-Ray (0-100)
3. Refinitiv (0-100)
4. S&P Global (0-100)
5. Moody's ESG Solutions (0-100)

SET THSI Index (SETTHSI)
Nowadays, long-term investment tends to be more focused on sustainable companies. The financial statement performance and the consideration in environmental, social and governance (ESG) perspective are keys aspects for analysis.
SET has created a Thailand Sustainability Investment (THSI) list since 2015 for using as an alternative investment in the high performance ESG stocks for investors while, supporting the sustainable Thai companies. SET defines the sustainable companies as the companies that embrace risk management, supply chain management and innovations together with responsibility for environmental, social and governance aspects
As a result, SET has created the SETTHSI for the purpose of indicating the price of these sustainable companies that pass the market capital size and liquidity criteria.

Arabesque S-Ray®
The S-Ray data here is published with a 3 month delay. For the latest data, please contact sray@arabesque.com
Arabesque S-Ray® is a service (the "Service") provided by Arabesque S-Ray GmbH ("Arabesque S-Ray") and its branch and subsidiary companies. Arabesque S-Ray is a limited liability company (Gesellschaft mit beschränkter Haftung) incorporated in Frankfurt am Main and organized under the laws of Germany with registered number HRB 113087 in the commercial register of the local court with its seat and business address at Zeppelinallee 15, 60325 Frankfurt am Main, Germany. The Service is unconnected to any of the asset management activities conducted within the wider group of Arabesque companies, and is not investment advice or a solicitation or an offer to buy any security or instrument or to participate in investment services. RELIANCE - Arabesque S-Ray makes no representation or warranty, express or implied, as to the accuracy or completeness of the information contained herein, and accepts no liability for any loss, of whatever kind, howsoever arising, in relation thereto, and nothing contained herein should be relied upon. ENQUIRIES - Any enquiries in respect of this document should be addressed to Arabesque S-Ray.
Arabesque S-Ray® - The ESG Score, ranging from 0 to 100, identifies sustainable companies that are better positioned to outperform over the long run, based on the principles of financial materiality. That is, when computing the ESG Score of a company, the algorithm will only use information that significantly helps explain future risk-adjusted performance. Materiality is applied by overweighting features with higher materiality and rebalancing these weights on a rolling quarterly basis to stay up-to-date

MSCI ESG Research LLC
"Certain information @2021 MSCI ESG Research LLC. Reproduced by permission"
"Although [User ENTITY NAME's] information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for, or a component of, any financial instruments or products or indices. Further, non of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages."

Score range	Description
CCC - B	**LAGGARD:** A company lagging its industry based on its high exposure and failure to manage significant ESG risks
BB - BBB - A	**AVERAGE :** A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers
AA - AAA	**LEADER:** A company leading its industry in managing the most significant ESG risks and opportunities

The Dow Jones Sustainability Indices (DJSI)
The Dow Jones Sustainability Indices (DJSI) are a family of best-in-class benchmarks for investors who have recognized that sustainable business practices are critical to generating long-term shareholder value and who wish to reflect their sustainability convictions in their investment portfolios. The family was launched in 1999 as the first global sustainability benchmark and tracks the stock performance of the world's leading companies in terms of economic, environmental and social criteria. Created jointly by S&P Dow Jones Indices and SAM, the DJSI combine the experience of an established index provider with the expertise of a specialist in Sustainable Investing to select the most sustainable companies from across 61 industries. The indices serve as benchmarks for investors who integrate sustainability considerations into their portfolios, and provide an effective engagement platform for investors who wish to encourage companies to improve their corporate sustainability practices.

S&P Global Market Intelligence
 Such party, its affiliates and suppliers ("Content Providers") do not guarantee the accuracy, adequacy, completeness, timeliness or availability of any Content and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such Content. In no event shall Content Providers be liable for any damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with any use of the Content. A reference to a particular investment or security, a rating or any observation concerning an investment that is part of the Content is not a recommendation to buy, sell or hold such investment or security, does not address the suitability of an investment or security and should not be relied on as investment advice. Credit ratings are statements of opinions and are not statements of fact.
ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We identify five categories of ESG risk severity that could impact a company's enterprise value

Moody's ESG Solutions

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.
MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.
All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.
To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.
NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.
Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from $1,000 to approximately $5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."
Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.
Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.
Additional terms for Hong Kong only: Any Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the Hong Kong Securities and Futures Ordinance ("SFO") is issued by Vigeo Eiris Hong Kong Limited, a company licensed by the Hong Kong Securities and Futures Commission to carry out the regulated activity of advising on securities in Hong Kong. This Second Party Opinion or other opinion that falls within the definition of "advising on securities" under the SFO is intended for distribution only to "professional investors" as defined in the SFO and the Hong Kong Securities and Futures (Professional Investors) Rules. This Second Party Opinion or other opinion must not be distributed to or used by persons who are not professional investors.
MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY125,000 to approximately JPY550,000,000.
MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

Refinitiv ESG
These Terms of Use govern your access or use of the ESG information and materials on the Refinitiv website and any AI powered voice assistance software ("Refinitiv ESG Information").

The Refinitiv ESG Information is for general informational and non-commercial purposes only. Reproduction, redistribution or any other form of copying or transmission of the Refinitiv ESG Information is prohibited without Refinitiv's prior written consent.
All warranties, conditions and other terms implied by statute or common law including, without limitation, warranties or other terms as to suitability, merchantability, satisfactory quality and fitness for a particular purpose, are excluded to the maximum extent permitted by applicable laws. The Refinitiv ESG Information is provided "as is" and Refinitiv makes no express or implied warranties, representations or guarantees concerning the accuracy, completeness or currency of the information in this service or the underlying Third Party Sources (as defined below). You assume sole responsibility and entire risk as to the suitability and results obtained from your use of the Refinitiv ESG Information.
The Refinitiv ESG Information does not amount to financial, legal or other professional advice, nor does it constitute: (a) an offer to purchase shares in the funds referred to; or (b) a recommendation relating to the sale and purchase of instruments; or (c) a recommendation to take any particular legal, compliance and/or risk management decision. Investors should remember that past performance is not a guarantee of future results.
The Refinitiv ESG Information will not be used to construct or calculate and index or a benchmark, used to create any derivative works or used for commercial purposes. Refinitiv's disclaimer in respect of Benchmark Regulations applies to the Refinitiv ESG Information.
No responsibility or liability is accepted by Refinitiv its affiliates, officers, employees or agents (whether for negligence or otherwise) in respect of the Refinitiv ESG Information, or for any inaccuracies, omissions, mistakes, delays or errors in the computation and compilation of the Refinitiv ESG Information (and Refinitiv shall not be obliged to advise any person of any error therein). For the avoidance of doubt, in no event will Refinitiv have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of the Refinitiv ESG Information.
You agree to indemnify, defend and hold harmless Refinitiv from and against any claims, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable legal and experts' fees and costs, as incurred, arising in any manner out of your use of, or inability to use, any Information contained on the Refinitiv web site or obtained via any AI powered voice assistance software.
You represent to us that you are lawfully able to enter into these Terms of Use. If you are accepting these Terms of Use for and on behalf of an entity such as the company you work for, you represent to us that you have legal authority to bind that entity.
By accepting these Terms of Use you are also expressly agreeing to the following Refinitiv's website Terms of Use.
Refinitiv ESG scores are derived from third party publicly available sources ("Third Party Sources") and are formulated on the basis of Refinitiv own transparent and objectively applied methodology. Refinitiv's ESG Information methodology can be accessed here.

Score range	Description	
0 to 25	First Quartile	Scores within this range indicates poor relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly.
> 25 to 50	Second Quartile	Scores within this range indicates satisfactory relative ESG performance and moderate degree of transparency in reporting material ESG data publicly.
> 50 to 75	Third Quartile	Scores within this range indicates good relative ESG performance and above average degree of transparency in reporting material ESG data publicly.
> 75 to 100	Fourth Quartile	Score within this range indicates excellent relative ESG performance and high degree of transparency in reporting material ESG data publicly.

CG Report : by Thai Institute of Directors Association (Thai IOD), Established in December 1999, the Thai IOD is a membership organization that strives to promote professionalism in directorship. The Thai IOD offers directors certification and professional development courses, provides a variety of seminars, forums and networking events, and conducts research on board governance issues and practices. Membership comprises board members from companies ranging from large publicly listed companies to small private firms.

General Disclaimers And Disclosures:

This report is prepared by analysts who are employed by the research department of TNS. While the information is from sources believed to be reliable, neither the information nor the forecasts shall be taken as a representation or warranty for which TNS or TCAP or its group companies or any of their employees incur any responsibility. This report is provided to you for informational purposes only and it is not, and is not to be construed as, an offer or an invitation to make an offer to sell or buy any securities. Neither TNS, TCAP nor its group companies accept any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

The information and opinions contained herein have been compiled or arrived at from sources believed reliable. However, TNS, TCAP and its group companies make no representation or warranty, express or implied, as to their accuracy or completeness. Expressions of opinion herein are subject to change without notice. The use of any information, forecasts and opinions contained in this report shall be at the sole discretion and risk of the user.

TNS, TCAP and its group companies perform and seek to perform business with companies covered in this report. TNS, TCAP, its group companies, their employees and directors may have positions and financial interest in securities mentioned in this report. TNS, TCAP or its group companies may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any entity mentioned in this report. Therefore, investors should be aware of conflict of interest that may affect the objectivity of this report.

Note: Thanachart Securities Public Company Limited act as a Market Maker and Derivative Warrants Issuer. At present, TNS has issued 54 Derivative Warrants which are ADVANC16C2301A, ADVANC16C2302A, AOT16C2302A, BANPU16C2303A, BANPU16C2302A, BGRIM16C2301A, BGRIM16C2302A, BH16C2304A, BH16C2303A, BLA16C2302A, BTS16C2301A, CBG16C2301A, CBG16C2301B, CBG16C2302A, COM716C2302A, CPN16C2303A, CPN16C2301A, CRC16C2303A, DOHOME16C2301A, DOHOME16C2303A, EA16C2303A, ESSO16C2303A, ESSO16C2302A, GPSC16C2301A, GPSC16C2302A, GULF16C2301A, GULF16C2302A, GULF16C2302B, GUNKUL16C2301A, GUNKUL16C2302A, HANA16C2301A, HANA16C2303A, IVL16C2301A, JMART16C2303A, JMT16C2302A, KBANK16C2304A, KBANK16C2301A, KBANK16C2302A, KCE16C2303A, KCE16C2301A, KCE16C2301B, KCE16C2302A, KTB16C2303A, MINT16C2301A, MINT16C2302A, MTC16C2301A, PTTEP16C2303A, RCL16C2303A, SAWAD16C2302A, SCB16C2301A, SCGP16C2303A, SET5016P2303A, SET5016C2303A, VGI16C2301A (underlying securities are (ADVANC, AOT, BANPU, BBL, BGRIM, BH, BLA, BTS, CBG, COM7, CPN, CRC, DOHOME, EA, ESSO, GPSC, GULF, GUNKUL, HANA, IVL, JMART, JMT, KBANK, KCE, KTB, MINT, MTC, PTTEP, RCL. SAWAD, SCB, SCGP, SET50, VGI). before making investment decisions.

Note: Our major shareholder TCAP (Thanachart Capital Pcl) which holding 89.96% of Thanachart Securities and also TCAP holding 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 Co. Ltd has stake in THANI for 60% and being the major shareholder of THANI.

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 24.33% of the shareholding in TMBThanachart Bank Pcl.

Thanachart Capital Public Company Limited (TCAP), Ratchthani Leasing Public Company Limited (THANI), MBK PUBLIC COMPANY LIMITED (MBK) and PATUM RICE MILL AND GRANARY PUBLIC COMPANY LIMTED (PRG) are related companies to Thanachart Securities Public Company Limited (TNS) . Since TNS covers those securities in research report, consequently TNS incurs conflicts of interest.

Disclosure of Interest of Thanachart Securities

Investment Banking Relationship

Within the preceding 12 months, Thanachart Securities has lead-managed public offerings and/or secondary offerings (excluding straight bonds) of the securities of the following companies: The One Enterprise Pcl. (ONEE TB)

Recommendation Structure:

Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on the market price and the formal recommendation.

For sectors, an “Overweight” sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. “Underweight” is used when we have SELLs on majority of the stocks we cover by market cap. “Neutral” is used when there are relatively equal weightings of BUYs and SELLs.

Thanachart Securities Pcl.

Research Team
18 Floor, MBK Tower
444 Phayathai Road, Pathumwan Road, Bangkok 10330
Tel: 662 - 779-9119
Email: thanachart.res@thanachartsec.co.th

Pimpaka Nichgaroon, CFA
Head of Research
Tel: 662-779-9199
pimpaka.nic@thanachartsec.co.th

Adisak Phupiphathirungul, CFA
Retail Market Strategy
Tel: 662-779-9120
adisak.phu@thanachartsec.co.th

Chak Reungsinpinya
Strategy, Insurance, Paper
Tel: 662-779-9104
chak.reu@thanachartsec.co.th

Pattarawan Wangmingmat
Senior Technical Analyst
Tel: 662-779-9105
pattarawan.wan@thanachartsec.co.th

Nuttapop Prasitsuksant
Telecom, Utilities
Tel: 662-483-8296
nuttapop.pra@thanachartsec.co.th

Pattadol Bunnak
Electronics, Food & Beverage, Shipping
Tel: 662-483-8298
pattadol.bun@thanachartsec.co.th

Phannarai Tiyapittayarut
Property, Retail
Tel: 662-779-9109
phannarai.von@thanachartsec.co.th

Rata Limsuthiwanpoom
Auto, Industrial Estate, Media, Prop. Fund
Tel: 662-483-8297
rata.lim@thanachartsec.co.th

Saksid Phadthananarak
Construction, Transportation
Tel: 662-779-9112
saksid.pha@thanachartsec.co.th

Sarachada Sornsong
Bank, Finance
Tel: 662-779-9106
sarachada.sor@thanachartsec.co.th

Siriporn Arunothai
Small Cap, Healthcare, Hotel
Tel: 662-779-9113
siriporn.aru@thanachartsec.co.th

Yupapan Polpornprasert
Energy, Petrochemical
Tel: 662-779-9110
yupapan.pol@thanachartsec.co.th

Witchanan Tambamroong
Technical Analyst
Tel: 662-779-9123
witchanan.tam@thanachartsec.co.th

Sittichet Rungrassameephat
Analyst, Quantitative
Tel: 662-483-8303
sittichet.run@thanachartsec.co.th

Thaloengsak Kucharoenpaisan
Analyst, Retail Market
Tel: 662-483-8304
thaloengsak.kuc@thanachartsec.co.th