

Supalai

Supalai
Public Company Limited

SPALI

Bloomberg SPALI.TB
Reuters SPALI.BK



2023 presales miss target

Lackluster consumer confidence and higher interest rate in 2H23 led to 2023 presales of Bt28.8bn, 20% below target, with new launches down 21%, 17% below target. We expect it to set more aggressive targets for both presales and new launches in 2024, including a new investment in Australia which it will reveal on Jan 25. With earnings down in 2023 and low backlog for the next 2-3 years, we stay Neutral with 2024 TP of Bt23.80/share on average PE (16 years) of 6.9X.

2023 presales 20% below target with launches delayed to 2024. SPALI reported 2023 presales of Bt28.8bn (-11%), 20% below its target and 10% below our forecast. Of presales, 69% were low-rise, with value down 14%, and the remaining 31% from condos, where value fell 10%. 4Q23 presales fell 28% YoY and 14% QoQ to Bt5.3bn with condos down 55% YoY and 37% QoQ and low-rise down 13% YoY and 4% QoQ. Total 2023 new launches came to Bt29.6bn (-21%), missing its midyear revised target of Bt35.7bn, and far below its original target of Bt41bn. We believe after including the delayed 2023 projects, 2024 launches will be a new high at over Bt40bn, with at least 14 of these in 1Q24, valued at Bt17.4bn. It will announce its 2024 business plan on Jan 25.

Backlog backing 4Q23. As of Sep 30, backlog was Bt19.3bn with 44% to be booked as revenue in 4Q23, 46% in 2024 and the rest (10%) in 2025-2026. We keep our 2023 revenue forecast at Bt30.2bn (-10%) with net profit of Bt5.78bn (-29.2%). 4Q23F net profit is expected to grow QoQ but fall YoY.

Update on investment in Australia. In December, SPALI announced a new investment in Australia with Stockland Communities Partnership Holdco Pty Ltd to invest in 12 residential projects with investment value of A\$1,063mn (Bt12bn), with SPALI holding 49.9%. SPALI is planning to use a combination of internal cash flow and debt to pay for the investment in 1Q24, 3Q24 and 1Q25. We assume this investment will lead to higher interest in 2024 and 2025 but expect it to be offset by contribution from the JV from 2Q24. Sales and transfer revenue forecast are under review. Of note, net margin on projects in Australia is generally lower than on projects in Thailand.

Risks and concerns. Operation risk: Cash flow and debt position needs to be monitored in 2024-2025 because of the new investment in Australia. ESG risk: SPALI obtains EIA (Environmental Impact Assessment) for residential projects with an eye to lowering environmental risks. However, there have been suits filed against some condos, which we see as environmental and social ESG risks, since it affects the neighborhood and governance.

Forecast and valuation

Year to 31 Dec	Unit	2021	2022	2023F	2024F	2025F
Revenue	(Btmn)	29,160	34,486	30,250	33,432	34,310
EBITDA	(Btmn)	8,444	9,514	7,120	8,110	8,683
Core Profit	(Btmn)	7,070	8,173	5,786	6,699	7,224
Reported Profit	(Btmn)	7,070	8,173	5,786	6,699	7,224
Core EPS (Full dilution)	(Bt)	3.30	4.18	2.96	3.43	3.70
DPS	(Bt)	1.25	1.45	1.04	1.20	1.29
P/E, core	(x)	5.7	4.5	6.4	5.5	5.1
EPS growth, core	(%)	66.3	27.0	(29.2)	15.8	7.8
P/BV, core	(x)	1.0	0.8	0.7	0.7	0.6
ROE	(%)	18.0	18.5	12.1	12.9	12.8
Dividend yield	(%)	6.6	7.7	5.5	6.3	6.8
EBITDA growth	(%)	57.4	12.7	(25.2)	13.9	7.1

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Jan 5) (Bt)	18.90
Target price (Bt)	23.80
Mkt cap (Btbn)	36.91
Mkt cap (US\$mn)	1,064

Beta	H
Mkt cap (%) SET	0.21
Sector % SET	6.04
Shares issued (mn)	1,953
Par value (Bt)	1.00
12-m high / low (Bt)	24.8 / 17.1
Avg. daily 6m (US\$mn)	3.22
Foreign limit / actual (%)	35 / 18
Free float (%)	63.8
Dividend policy (%)	≥ 35

Share performance

(%)	1M	3M	12M
Absolute	7.9	(2.0)	(18.6)
Relative to SET	4.0	(0.8)	(5.6)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings	AA
-----------------	----

ESG Bloomberg Rank in the sector

ESG Score Rank	10/59
Environmental Score Rank	9/59
Social Score Rank	10/59
Governance Score Rank	6/59

ESG comment

In 2023, SPALI was listed in the SET ESG as AA. One of its goals is to reduce the use of greenhouse gases by 25% within 2024.

Source: Bloomberg Finance L.P.

Analyst

Termporn Tantivat

Fundamental Investment
Analyst on Securities
(662) 949-1020
termporn.tantivat@scb.co.th

Value proposition

SPALI is engaged in real estate development projects that include: 1) detached houses, duplex houses, townhouses and condominiums in areas scattered throughout Bangkok and the provinces; 2) office buildings for rent in commercial districts and 3) hotels in the provinces. SPALI aims to be a leader in sustainable real estate development, contributing to societal and environmental improvement, creating and developing innovative products and services to bring the most value.

In 2010-2023, SPALI launched 317 projects worth Bt365bn and achieved total presales of Bt340bn, which works out to an average of Bt24.2bn per year.

Business outlook

SPALI reported 2023 presales of Bt28.8bn (-11%), 20% below its target and 10% below our forecast. Of presales, 69% were low-rise, with value down 14%, and the remaining 31% from condos, where value fell 10%. 4Q23 presales fell 28% YoY and 14% QoQ to Bt5.3bn with condos down 55% YoY and 37% QoQ and low-rise down 13% YoY and 4% QoQ. Total 2023 new launches came to Bt29.6bn (-21%), missing its midyear revised target of Bt35.7bn, and far below its original target of Bt41bn. We believe after including the delayed 2023 projects, 2024 launches will be a new high at over Bt40bn, with at least 14 of these in 1Q24, valued at Bt17.4bn. It will announce its 2024 business plan on Jan 25.

Bullish views	Bearish views
1. Strong financial position	1. Low backlog in 2024-2025.
2. Outstanding brand loyalty in mid/mid-low segments.	2. Rejection rate in mid/mid-low segments will tend to be high in early 2024
3. Healthy dividend yield averaging 6.5-7% per year.	3. After a drop in and delay of new launches in 2023, we believe new launches in 2024 will be aggressive.

Key catalysts

Factor	Event	Impact	Comment
Property stimulus	Stimulus policy for transfer fee to 1% (from normal rate at 2%) and mortgage fee rate at 0.01% from the normal 1%. All stimulus scheduled to end Dec 31, 2024.	Positive	This continues to keep expenses for both developers and buyers down; the limitation is the cap to housing priced at under Bt3mn (tagged "affordable segment").

Sensitivity analysis

Factor	Earnings impact	TP impact
10% change in property revenue	11%	Bt4/sh.

Our view on ESG

In 2023, SPALI was listed in SET ESG ratings as AA. One of its goals is to reduce the use of greenhouse gases by 25% within 2024. **ESG Risk:** Although SPALI applied for EIA (Environmental Impact Assessment) for residential projects that will help lower environmental risks. However, law suit occurred for some condos project which we estimate as ESG risks for environmental, social as effect surrounding neighborhood and governance.

ESG Disclosure Score

Bloomberg ESG Score	42.36 (2022)
Rank in Sector	10/59

CG Rating	DJSI	SETESG	SET ESG Ratings
SPALI	5	No Yes	AA

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- SPALI has set a goal of environmentally sensitive operations to reduce greenhouse gases by 25% over 2022-2024 to balance business development and minimize environmental impact as part of the global sustainable development goals (SDGs).
- Supalai Grand Tower reuses condensed water from the chiller plant in the building for use in a small air conditioning system (cooling tower) and the water from this cooling system is then reused to water the plants surrounding the project. In addition, the "Zero Waste" project was initiated by inviting tenants and Supalai staff to jointly separate waste before disposal.

Social Issue (S)

- SPALI has set a goal for sustainability in economic, social and environmental arenas under the concept of "Supalai Cares... for Thai Society" along with growing strong business operations over 32 years by driving sustainable corporate development in accordance with the guidelines, CSR IN PROCESS.
- SPALI's policies on human rights are in compliance with the Environmental Impact Analysis Report.
- SPALI has adopted tools for listening to customer feedback through social platforms, such as Facebook, Instagram, Twitter, YouTube, Pantip and other websites, since 2017 to learn from customer resident feedback to regularly improve and develop products and services.

Governance Issue (G)

- SPALI adheres to good corporate governance principles in corporate management and has consistently received the 5-star CG award.
- SPALI has been recently added to the list for Thailand Sustainability Investment 2022.

EGS Disclosure Score

	2021	2022
ESG Disclosure Score	42.11	42.36
Environment	17.97	17.97
Emissions Reduction Initiatives	Yes	Yes
Climate Change Policy	Yes	Yes
Waste Reduction Policy	Yes	Yes
Environmental Supply Chain Management	Yes	Yes
Water Policy	Yes	Yes
Social	24.61	25.36
Human Rights Policy	Yes	Yes
Policy Against Child Labor	Yes	Yes
Consumer Data Protection Policy	Yes	Yes
Equal Opportunity Policy	Yes	Yes
Business Ethics Policy	Yes	Yes
Anti-Bribery Ethics Policy	Yes	Yes
Lost Time Incident Rate - Employees	—	—
Fair Remuneration Policy	No	No
Number of Employees - CSR	1,645	1,725
Governance	83.59	83.59
Size of the Board	10	10
Number of Executives / Company Managers	13	13
Number of Non Executive Directors on Board	6	6
Number of Board Meetings for the Year	12	12
Board Meeting Attendance Pct	100	99
Size of Compensation Committee	3	3
Num of Independent Directors on Compensation Cmte	2	2
Number of Compensation Committee Meetings	2	2

Source: Bloomberg Finance L.P.

Disclaimer

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

Financial statement

Profit and Loss Statement

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total revenue	(Btmn)	25,553	23,557	20,588	29,160	34,486	30,250	33,432	34,310
Cost of goods sold	(Btmn)	15,744	14,280	12,754	17,518	21,070	19,344	21,116	21,382
Gross profit	(Btmn)	9,809	9,277	7,834	11,642	13,416	10,906	12,316	12,928
SG&A	(Btmn)	2,813	2,855	2,589	3,321	4,029	3,918	4,321	4,360
Other income	(Btmn)	257	400	381	487	1,015	583	401	412
Interest expense	(Btmn)	269	233	242	259	277	432	404	400
Pre-tax profit	(Btmn)	6,985	6,589	5,384	8,550	10,125	7,139	7,992	8,580
Corporate tax	(Btmn)	1,449	1,355	1,266	1,943	2,212	1,585	1,688	1,819
Equity a/c profits	(Btmn)	307	234	209	533	390	301	446	515
Minority interests	(Btmn)	72	65	76	69	130	69	51	51
Core profit	(Btmn)	5,770	5,403	4,251	7,070	8,173	5,786	6,699	7,224
Extra-ordinary items	(Btmn)	0	0	0	0	0	0	0	0
Net Profit	(Btmn)	5,770	5,403	4,251	7,070	8,173	5,786	6,699	7,224
EBITDA	(Btmn)	7,113	6,540	5,363	8,444	9,514	7,120	8,110	8,683
Core EPS (Bt)	(Bt)	2.69	2.52	1.98	3.30	4.18	2.96	3.43	3.70
Net EPS (Bt)	(Bt)	2.69	2.52	1.98	3.30	4.18	2.96	3.43	3.70
DPS (Bt)	(Bt)	1.00	1.00	1.00	1.25	1.45	1.04	1.20	1.29

Balance Sheet

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Total current assets	(Btmn)	53,311	55,984	62,401	65,188	69,093	68,308	72,797	74,601
Total fixed assets	(Btmn)	4,392	4,528	5,806	6,244	10,831	7,273	5,857	5,385
Total assets	(Btmn)	57,704	60,511	68,207	71,432	79,924	75,581	78,654	79,986
Total loans	(Btmn)	23,452	18,683	27,313	23,866	28,353	19,837	17,502	13,837
Total current liabilities	(Btmn)	14,406	17,768	23,882	23,817	27,772	21,694	20,167	16,694
Total long-term liabilities	(Btmn)	8,576	4,894	6,928	4,689	4,690	3,534	3,512	3,490
Total liabilities	(Btmn)	22,982	22,662	30,811	28,506	32,461	25,228	23,679	20,184
Paid-up capital	(Btmn)	2,143	2,143	2,143	2,144	1,953	1,953	1,953	1,953
Total equity	(Btmn)	33,986	37,086	36,579	42,070	46,514	49,473	54,146	59,026
BVPS (Bt)	(Bt)	15.86	17.31	17.07	19.62	23.82	25.33	27.72	30.22

Cash Flow Statement

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Core Profit	(Btmn)	5,770	5,403	4,251	7,070	8,173	5,786	6,699	7,224
Depreciation and amortization	(Btmn)	117	118	117	123	127	131	115	115
Operating cash flow	(Btmn)	3,420	3,420	(1,456)	4,273	3,664	7,137	3,780	6,604
Investing cash flow	(Btmn)	(1,962)	6	199	(441)	(954)	(4,984)	3,363	1,269
Financing cash flow	(Btmn)	(932)	(931)	(3,243)	2,397	(3,119)	1,010	(10,595)	(4,412)
Net cash flow	(Btmn)	526	2,495	(4,500)	6,228	(409)	3,162	(3,452)	3,462

Key Financial Ratios

FY December 31	Unit	2018	2019	2020	2021	2022	2023F	2024F	2025F
Gross margin	(%)	38.4	39.4	38.1	39.9	38.9	36.1	36.8	37.7
Operating margin	(%)	27.4	27.3	25.5	28.5	27.2	23.1	23.9	25.0
EBITDA margin	(%)	27.8	27.8	26.0	29.0	27.6	23.5	24.3	25.3
EBIT margin	(%)	28.4	29.0	27.3	30.2	30.2	25.0	25.1	26.2
Net profit margin	(%)	22.6	22.9	20.6	24.2	23.7	19.1	20.0	21.1
ROE	(%)	18.7	15.2	11.5	18.0	18.5	12.1	12.9	12.8
ROA	(%)	10.2	9.1	6.6	10.1	10.8	7.4	8.7	9.1
Net D/E	(x)	0.7	0.5	0.7	0.5	0.6	0.4	0.3	0.2
Interest coverage	(x)	1.0	0.7	0.4	0.5	0.5	0.5	0.7	1.1
Debt service coverage	(x)	37.0	39.7	50.5	38.0	34.6	35.0	35.0	35.0
Payout Ratio	(x)	38.4	39.4	38.1	39.9	38.9	36.1	36.8	37.7

Financial statement

Profit and Loss Statement

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total revenue	(Btmn)	10,862	5,433	8,198	11,133	9,682	5,734	8,165	7,166
Cost of goods sold	(Btmn)	6,530	3,303	4,967	6,728	6,071	3,638	5,306	4,546
Gross profit	(Btmn)	4,332	2,129	3,231	4,404	3,612	2,096	2,859	2,620
SG&A	(Btmn)	1,101	717	940	1,124	1,248	815	957	982
Other income	(Btmn)	264	105	357	229	364	168	279	26
Interest expense	(Btmn)	61	59	61	75	81	96	103	137
Pre-tax profit	(Btmn)	3,434	1,458	2,587	3,435	2,646	1,353	2,078	1,527
Corporate tax	(Btmn)	698	322	564	729	596	318	483	327
Equity a/c profits	(Btmn)	169	58	83	85	165	66	127	4
Minority interests	(Btmn)	(25)	(15)	(30)	(42)	(43)	(21)	(22)	(13)
Core profit	(Btmn)	2,879	1,178	2,075	2,748	2,171	1,080	1,701	1,191
Extra-ordinary items	(Btmn)	0	0	0	0	0	0	0	0
Net Profit	(Btmn)	2,879	1,178	2,075	2,748	2,171	1,080	1,701	1,191
EBITDA	(Btmn)	3,695	1,604	2,761	3,626	2,924	1,548	2,346	1,701
Core EPS	(Bt)	1.34	0.55	0.97	1.28	1.11	0.55	0.87	0.61
Net EPS	(Bt)	1.34	0.55	0.97	1.28	1.11	0.55	0.87	0.61

Balance Sheet

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Total current assets	(Btmn)	65,188	66,079	71,304	69,167	69,093	72,030	74,828	77,417
Total fixed assets	(Btmn)	6,244	6,399	9,782	10,478	10,831	10,313	9,856	8,577
Total assets	(Btmn)	71,432	72,478	81,085	79,646	79,924	82,343	84,684	85,994
Total loans	(Btmn)	16,642	19,844	28,650	26,727	24,467	26,193	28,400	28,955
Total current liabilities	(Btmn)	23,817	24,111	32,196	29,688	27,772	31,211	31,992	28,473
Total long-term liabilities	(Btmn)	4,689	4,179	4,737	4,546	4,690	2,693	3,490	8,299
Total liabilities	(Btmn)	28,506	28,290	36,933	34,234	32,461	33,904	35,482	36,772
Paid-up capital	(Btmn)	2,144	2,143	2,143	2,143	1,953	1,953	1,953	1,953
Total equity	(Btmn)	42,070	43,341	43,276	44,495	46,514	47,499	48,246	48,268
BVPS	(Bt)	19.23	19.83	19.78	20.33	23.33	23.84	24.21	24.23

Cash Flow Statement

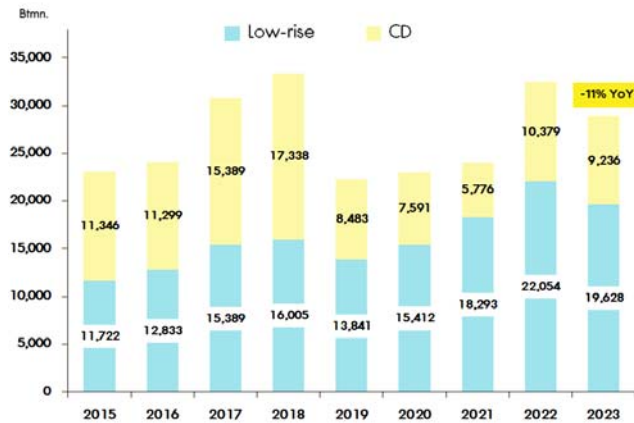
FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Core Profit	(Btmn)	2,879	1,178	2,075	2,748	2,171	1,080	1,701	1,191
Depreciation and amortization	(Btmn)	31	30	30	31	32	33	37	34
Operating cash flow	(Btmn)	4,009	256	(2,033)	1,595	3,270	(1,521)	(1,967)	(2,488)
Investing cash flow	(Btmn)	(200)	(40)	(4,094)	(4,780)	(5,073)	712	1,885	3,501
Financing cash flow	(Btmn)	(3,548)	(119)	7,258	3,950	1,735	1,630	2,321	1,488
Net cash flow	(Btmn)	261	96	1,130	765	(68)	821	2,239	2,502

Key Financial Ratios

FY December 31	Unit	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23
Gross margin	(%)	39.9	39.2	39.4	39.6	37.3	36.6	35.0	36.6
Operating margin	(%)	29.7	26.0	27.9	29.5	24.4	22.3	23.3	22.9
EBITDA margin	(%)	34.0	29.5	33.7	32.6	30.2	27.0	28.7	23.7
EBIT margin	(%)	33.7	29.0	33.3	32.3	29.9	26.4	28.3	23.3
Net profit margin	(%)	26.5	21.7	25.3	24.7	22.4	18.8	20.8	16.6
ROE	(%)	28.4	11.0	19.2	25.0	19.1	9.2	14.2	9.9
ROA	(%)	16.1	6.5	10.8	13.7	10.9	5.3	8.1	5.6
Net D/E	(x)	0.4	0.4	0.6	0.5	0.5	0.5	0.5	0.5
Interest coverage	(x)	60.4	27.2	45.1	48.2	36.0	16.2	22.8	12.4
Debt service coverage	(x)	1.1	0.4	0.4	0.6	0.6	0.3	0.4	0.3

Appendix

Figure 1 : Presales 2015-2023



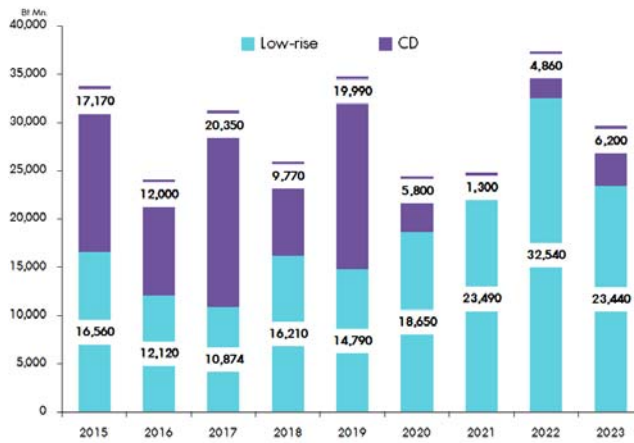
Source: InnovestX Research

Figure 2: Quarterly presales



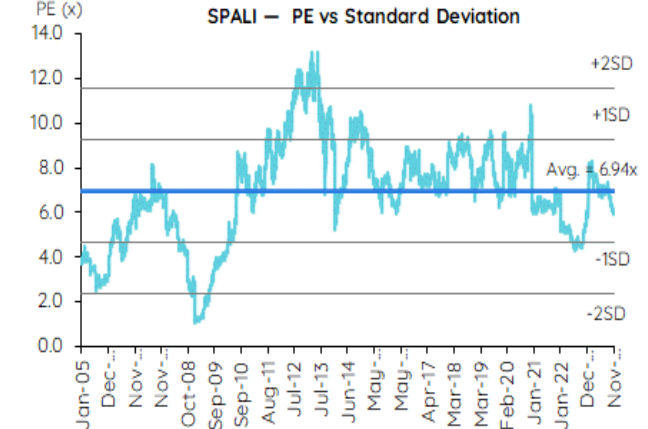
Source: InnovestX Research

Figure 3: New Launch 2015-2023



Source: InnovestX Research

Figure 4: PER band



Source: InnovestX Research

Figure 5: Valuation summary (price as of Jan 5, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F	22A	23F	24F
AP	Outperform	11.40	15.00	37.7	6.1	5.7	5.7	29.4	6.2	1.6	1.0	0.9	0.8	17	16	15	5.7	6.1	6.2	8.3	6.7	6.1
LH	Neutral	8.05	8.80	14.3	11.6	20.2	13.9	20	(43)	46	1.9	2.0	1.9	16	9	14	7.5	4.9	6.2	9.9	11.1	10.3
LPN	Underperform	4.00	3.80	(0.7)	9.5	12.2	11.4	105	(22)	7	0.5	0.5	0.5	5	4	4	5.5	4.3	4.6	18.2	15.5	13.5
PSH	Underperform	12.30	10.00	(11.7)	9.7	16.1	12.4	24	(40)	29	0.6	0.6	0.6	6	4	5	7.8	7.0	6.0	7.5	10.6	10.3
QH	Underperform	2.26	2.30	8.3	10.1	9.2	8.4	43	10	10	0.8	0.8	0.8	8	9	9	6.1	6.5	7.1	2.9	3.2	2.4
SIRI	Neutral	1.86	2.20	28.5	6.9	5.5	6.1	113	26	(10)	0.7	0.6	0.6	10	12	10	7.9	10.2	8.2	23.9	19.5	17.6
SPALI	Neutral	18.90	23.80	31.4	4.5	6.4	5.5	27	(29)	16	0.8	0.7	0.7	18	12	13	7.7	5.5	6.3	6.7	7.8	6.5
Average					8.3	10.8	9.1	52	(13)	14	0.9	0.9	0.8	12	9	10	6.9	6.3	6.4	11.1	10.6	9.5

Source: InnovestX Research

Disclaimer

The information in this report has been obtained from sources believed to be reliable. However, its accuracy or completeness is not guaranteed. Any opinions expressed herein reflect our judgment at this date and are subject to change without notice. This report is for information only. It is not to be construed as an offer, or solicitation of an offer to sell or buy any securities. We accept no liability for any loss arising from the use of this document. We or our associates may have an interest in the companies mentioned therein.

InnovestX Securities Company Limited ("INVX") is wholly owned by SCB X Public Company Limited ("SCBX") and The Siam Commercial Bank Public Company Limited ("SCB") is majority-owned by SCBX. Any information related to SCB is for sector comparison purpose.

This document is prepared by InnovestX Securities Company Limited ("INVX") which is wholly-owned by SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the SCG Chemicals Public Company Limited (SCGC). Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. INVX and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by InnovestX Securities Company Limited ("INVX") which is wholly-owned by SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the Big C Retail Company Limited (BRC), a subsidiary of Berli Jucker Public Company Limited. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. INVX and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

This document is prepared by InnovestX Securities Company Limited ("INVX") which is wholly owned by SCB X Public Company Limited ("SCBX"). The Siam Commercial Bank Public Company Limited, which is majority-owned by SCBX, acts as financial advisor of the LH Hotel Leasehold Real Estate Investment Trust. Any opinions, news, research, analyses, prices, statements, forecasts, projections and/or other information contained in this document (the "Information") is provided as general information purposes only and shall not be construed as individualized recommendation of an offer to buy or sell or the solicitation of an offer to buy or sell any securities. INVX and/or its directors, officers and employees shall not be liable for any direct, indirect, incidental, special or consequential loss or damage, resulting from the use of or reliance on the Information, including without limitation to, damages for loss of profits. The investors shall use the Information in association with other information and opinion, including their own judgment in making investment decision. The Information is obtained from sources believed to be reliable, and INVX cannot guarantee the accuracy, completeness and/or correctness of the Information.

INVX reserves the right to modify the Information from time to time without notice and in its sole discretion. This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of INVX.

Futures and Options trading carry a high level of risk with the potential for substantial losses, and are not suitable for all persons. Before deciding to trade Futures and Options, you should carefully consider your financial position, investment objectives, level of experience, and risk appetite if Futures and Options trading are appropriate. The possibility exists that you could sustain a loss of some or all of your initial investment. You should be aware of all the risks associated with Futures and Options trading, and you are advised to rely on your own judgment while making investment decision and/or should seek advice from professional investment advisor if you have any doubts.

This document is delivered to intended recipient(s) only and is not permitted to reproduce, retransmit, disseminate, sell, distribute, republish, circulate or commercially exploit the Information in any manner without the prior written consent of INVX.

© Copyright 2022 InnovestX Securities Co., Ltd. All right reserved.

CG Rating 2023 Companies with CG Rating

Companies with Excellent CG Scoring

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCT, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBDI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITCL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI¹, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP², SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

Companies with Very Good CG Scoring

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WLIK, WIN, WP, XO

Companies with Good CG Scoring

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DBCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRPC, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RUH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC³, TEAM, TFI, TIGER, TITL, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

Corporate Governance Report

The material contained in this publication is for general information only and is not intended as advice on any of the matters discussed herein. Readers and others should perform their own independent analysis as to the accuracy or completeness or legality of such information. The Thai Institute of Directors, its officers, the authors and editor make no representation or warranty as to the accuracy, completeness or legality of any of the information contained herein. By accepting this document, each recipient agrees that the Thai Institute of Directors Association, its officers, the authors and editor shall not have any liability for any information contained in, or for any omission from, this publication.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

¹OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

²SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

³TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

Anti-corruption Progress Indicator

Certified (ได้ผ่านการรับรอง)

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBDI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITCL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTTGC, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASC, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNY, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WLIK, XO, YUASA, ZEN, ZIGA

Declared (ได้ประกาศเจตนา)

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, OTO, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

N/A

3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APEX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLOCKY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRPC, IT, ITD, ITNS, ITTHI, JAK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVP, NAM, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, POMPUI, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, SSS, STANLY, STARK, STC, STECH, STHAI, STI, STP, STPI, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITL, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TFP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQ, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WPH, WORLD, WP, YGG, YONG, ZAA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.