

Delta Electronics Thailand DELTA

Delta Electronics Thailand
Public Company Limited

Bloomberg DELTA.TB
Reuters DELTA.BK

innovest^x
A Subsidiary of SCBX Group

New plant 8 to support long term growth

We expect the new plant 8 to support DELTA's medium to long-term growth, doubling capacity to US\$3.0bn from US\$1.5bn and supporting new orders for the next 2-3 years. We believe DELTA still has a medium to long-term growth story from EV- and AI-related products, which are mega trends. We maintain our Neutral view with TP of Bt70.

Opening ceremony for DELTA plant 8 and DELTA's R&D center. DELTA plant 8 has four floors with 56,700 sq.m. total, and is located in the Bangpoo Industrial Estate in Samut Prakan. It was built at an investment of ~Bt1.77bn. Plant 8 already has some machines installed, most to support electric vehicle (EV) customers. It has high growth potential with capacity reserved to meet future demand. It also has a small area for the manufacture of ICT products, including data center and telecom products. Another plant is the six-floor R&D center (DELTA plant 9), offering 33,000 sq.m. at an investment of ~Bt814mn. All R&D resources will be relocated to this building by the end of March, taking ~50% of the total space.

New capacity supports growth for medium to long term. We do not expect the new plant to generate much revenue yet due to the slowdown in EV orders in 1H24, with capacity utilization at 15-20%. Orders are expected to rise in 2H24. Depreciated over 50 years, depreciation expenses are expected to increase by only Bt50mn p.a. This does not include machinery and equipment, which will be installed gradually in line with customer orders. DELTA plant 8 is expected to double the current capacity of EV power products of US\$1.5bn, working out to long-term capacity of US\$3bn. DELTA plans to invest an additional US\$500mn in the next 4-5 years for a new plant in Bangpoo Industrial estate, land for which is already secured. It sees EV power supplies as vital to growth but also sees significant potential growth in AI-related products. DELTA is currently in talks with partners, including NVIDIA, but has not yet disclosed any details. We believe DELTA Thailand is conducting research and development in collaboration with DELTA Taiwan. The proportion of AI-related sales is expected to be in line with the target of parent DELTA Taiwan, at ~10% this year and 20-25% next year.

Action & recommendation. We believe DELTA still has a medium to long-term growth story from EV- and AI-related products, which are mega trends. However, in the short term, the high 2024 PE ratio of 44x and the weak EV outlook in 1H24 may pressure earnings visibility and we thus maintain our recommendation of Neutral with target price of Bt70.0.

Key risks are changes in purchasing power, a weaker-than-expected automotive industry and exchange rate volatility.

Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	118,558	146,371	163,071	187,540	215,674
EBITDA	(Btmn)	18,229	22,529	23,247	26,176	29,527
Core profit	(Btmn)	14,564	17,747	19,055	21,854	24,280
Reported profit	(Btmn)	15,345	18,422	19,055	21,854	24,280
Core EPS	(Bt)	1.2	1.4	1.5	1.8	1.9
DPS	(Bt)	0.40	0.45	0.46	0.53	0.58
P/E, core	(x)	63.0	51.7	48.1	42.0	37.8
EPS growth, core	(%)	156.2	21.9	7.4	14.7	11.1
P/BV, core	(x)	16.8	13.6	11.3	9.5	8.1
ROE	(%)	32.0	30.1	25.7	24.7	23.2
Dividend yield	(%)	0.5	0.6	0.6	0.7	0.8
EV/EBITDA	(x)	50.3	40.7	39.4	35.0	31.1
EBITDA growth	(%)	105.4	23.6	3.2	12.6	12.8

Source: InnovestX Research

Tactical: NEUTRAL

(3-month)

Stock data

Last close (Mar 27) (Bt)	73.50
Target price (Bt)	70.00
Upside (Downside) to TP (%)	(4.76)
Mkt cap (Btbn)	916.83
Mkt cap (US\$m)	25,206
Risk rating	M
Mkt cap (%) SET	5.38
Sector % SET	6.15
Shares issued (mn)	12,474
Par value (Bt)	0.10
12-m high / low (Bt)	92.3 / 63.3
Avg. daily 6m (US\$m)	34.16
Foreign limit / actual (%)	100 / 94
Free float (%)	22.4
Dividend policy (%)	≥ 30

Share performance

(%)	1M	3M	12M
Absolute	6.5	(16.5)	(24.8)
Relative to SET	6.6	(14.4)	(12.5)

Source: SET, InnovestX Research

2023 Sustainability / 2022 ESG Score

SET ESG Ratings n.a.

ESG Bloomberg Rank in the sector

ESG Score Rank	1/8
Environmental Score Rank	1/8
Social Score Rank	1/8
Governance Score Rank	2/8

ESG comment

DELTA is committed to quality management and is a leader in the industry in terms of its commitment to ESG issues. Key ESG issues for DELTA include labor management and supplier management. The company has a good track record in both areas.

Source: Bloomberg Finance L.P.

Analyst

Chaiwat Arsirawichai

Fundamental Investment

Analyst on Securities

(66-2) 949-1021

Chaiwat.arsirawichai@scb.co.th

Value proposition

DELTA is a Thai electronics company that currently ranks third on the SET by market capitalization. It has a strong reputation with global companies, especially for power electronics, power supply solutions, AC-DC and DC-DC converters, and thermal fan management system products. DELTA operates seven production facilities in Thailand, two factories in Slovakia, and three factories in India.

DELTA focuses on the power electronics segment, which contributes 81.8% of its 2023 revenue. This segment is driven by EV power, a high-growth area (+25-30% per year over the past three years), which now represents 30% of DELTA's total revenue. The infrastructure revenue segment, ICT, Energy, and Industrial infrastructure, contributed 15.4% of its 2023 revenue. DELTA also has an Automation revenue segment, consisting of industrial and building, contributing 2.7% of 2023 revenue. DELTA also has revenue from AI-related products, currently accounting for 3-5% of its revenue, but with a very strong growth outlook for the future.

Business outlook

We expect net profit to grow 3.4% in 2024 despite expecting sales growth of 12% on the strong demand for e-mobility due to the continued EV trend (expect 30-40% growth in 2024). Energy-efficient solutions for data centers, telecom power and EV-charging businesses are expected to grow 10-15% in 2024. However, we expect a 1% increase in royalty fees to parent DELTA Taiwan (65% holding) and tax expenses to impact earnings in 2024.

Bullish views	Bearish views
1. The continued strong demand for EVs in the medium to long term is driven by the decarbonization trend	1. Short-term weakness in EV demand due to price wars and cost-reduction programs
2. The strong ramp-up in AI-related products positions DELTA to capture the high-growth demand momentum	2. Potential for underutilized capacity if order or project delays occur during the current investment cycle.

Key catalysts

Factor	Event	Impact	Comment
1Q24F earnings outlook	Expect earnings to be flat QoQ on slow demand for its EV-related products	Flat QoQ but higher YoY	We expect 1Q24F core profit to be flat QoQ due to weak EV-related demand, especially from Europe where incentive programs are fading out.
2024 earnings outlook	Expected to grow 3.4% to a record high on the back of potential turnaround from EV-related demand in 2H24 plus new AI-related products.	Increase YoY	We expect earnings to grow 3.4% in 2024F to a record high on the back of an increase in EV-related demand in 2H24 based on customer commitment and decarbonization trend plus new AI-related products that have a very strong demand outlook.

Sensitivity Analysis

Factor	Earnings impact	TP impact
1% rise in sales revenue (Dollar term)	0.1%	Bt0.1/sh.
Bt1.0 per US\$ depreciation	2.7%	Bt2.0/sh.

Our view on ESG

DELTA is committed to quality management and is a leader in the industry in terms of its commitment to environmental, social, and governance (ESG) issues. The company exports its products to all over the world, and its customers in Europe are particularly demanding in terms of ESG compliance. As a result, DELTA's ESG policies are among the best in the industry. Key ESG issues for DELTA include labor management and supplier management. The company has a good track record in both areas.

ESG Disclosure Score

Bloomberg ESG Score	72.12 (2022)	CG Rating	DJSI	SETESG	SET ESG Ratings	
Rank in Sector	1/8	DELTA	5	Yes	Yes	No

Source: Thai Institute of Directors (IOD), SET

Environmental Issue (E)

- DELTA uses the IECQ/QC080000 quality management system standard and promotes the Green Product Management (GPM) system in its major plants. The implementation of the IECQ standard is based on the risk characteristics of each material. The GPM system is a guideline for DELTA to share environmental information in the supply chain. Recently, DELTA has issued international environmental requirements, such as the EU's latest RoHS 2.0 and REACH SVHC, to its supplier partners for reference and compliance.
- We believe that DELTA's environmental management is relatively good. This is because the company sells its products to Europe and the United States, where it must comply with strict regulations, such as the development of environmentally friendly products. This is in line with DELTA's environmental ESG score, which is higher than the industry average.

Social Issue (S)

- DELTA is committed to conducting business in accordance with its social responsibility policy, including treating stakeholders fairly. The company supports various international standards, such as the International Labor Office Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the Global Reporting Initiative (GRI).
- We believe that labor issues will be a significant factor for DELTA, as the company requires a relatively large workforce. Some of the workers will also have highly specialized skills. Therefore, we give more weight to social factors than to other ESG factors.

Governance Issue (G)

- The DELTA Board of Directors is aware of and emphasizes doing business under the principles of good governance. The company has drafted and approved a good governance policy since 2007. It has been reviewed for appropriateness with the company's business context at least once a year to ensure it is appropriate for the current situation and complies with the 2017 Corporate Governance Code for Listed Companies (CG Code), which has been reviewed in detail by the Corporate Governance Committee. This is to ensure that the Board of Directors and all employees adhere to it as a guideline for their work.
- DELTA has a policy of treating employees fairly and providing equal opportunities for career advancement based on each individual's aptitude and abilities. DELTA continuously develops its personnel by organizing training both domestically and internationally to improve their work abilities. DELTA attaches equal importance to its safety, occupational health, and work environment policies as it does to its other business goals.
- We believe that governance factors may still need to be considered, based on issues such as the roles and responsibilities of the Board of Directors, disclosure of executive and director compensation.

ESG Disclosure Score

	2021	2022
ESG Disclosure Score	68.87	72.12
Environment	70.52	69.10
GHG Scope 1 ('000 metric tonnes)	0.8	1.5
GHG Scope 2 Location-Based (%)	50.7	59.9
Waste Reduction Policy	Yes	Yes
Social	48.64	59.82
Women in Management (%)	28.3	15.0
Women in Middle and or Other Management (%)	55	33
Women in Workforce (%)	73	71
Governance	87.36	87.36
Board Size (persons)	9	9
Number of Non Executive Directors on Board (persons)	6	6
Number of Board Meetings for the Year	5	6
Board Meeting Attendance (%)	98	98

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	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	52,047	63,208	84,318	118,558	146,371	163,071	187,540	215,674
Cost of goods sold	(Btmn)	41,411	48,089	66,960	90,618	112,881	125,564	144,406	166,069
Gross profit	(Btmn)	10,636	15,119	17,358	27,940	33,491	37,506	43,134	49,605
SG&A	(Btmn)	(8,314)	(8,762)	(11,435)	(13,447)	(15,483)	(18,916)	(21,755)	(25,018)
Other income	(Btmn)	461	895	1,460	1,327	1,120	1,116	1,210	503
Interest expense	(Btmn)	236	110	50	46	74	0	0	0
Pre-tax profit	(Btmn)	2,997	7,259	6,801	15,811	18,983	19,635	22,519	25,019
Corporate tax	(Btmn)	23	208	98	467	561	580	665	739
Equity a/c profits	(Btmn)	25	61	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	2,942	6,664	5,686	14,564	17,747	19,055	21,854	24,280
Extra-ordinary items	(Btmn)	0	0	0	331	0	0	0	0
Net Profit	(Btmn)	2,974	7,052	6,703	15,345	18,422	19,055	21,854	24,280
EBITDA	(Btmn)	4,486	9,070	8,873	18,229	22,529	23,247	26,176	29,527
Core EPS	(Btmn)	0.24	0.53	0.46	1.17	1.42	1.53	1.75	1.95
Net EPS	(Bt)	0.24	0.57	0.54	1.23	1.48	1.53	1.75	1.95
DPS	(Bt)	0.18	0.33	0.17	0.40	0.45	0.46	0.53	0.58

Balance Sheet (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	32,646	42,452	48,409	66,025	75,566	90,077	107,890	129,481
Total fixed assets	(Btmn)	13,609	14,767	20,929	24,959	32,579	32,891	35,915	37,674
Total assets	(Btmn)	46,255	57,219	69,338	90,984	108,145	122,968	143,805	167,155
Total loans	(Btmn)	206	263	1,738	1,081	2,641	0	0	0
Total current liabilities	(Btmn)	10,952	17,170	24,736	32,670	36,176	37,735	43,188	49,453
Total long-term liabilities	(Btmn)	2,121	2,441	3,380	3,635	4,431	4,356	4,443	4,532
Total liabilities	(Btmn)	13,073	19,611	28,116	36,305	40,606	42,091	47,631	53,985
Paid-up capital	(Btmn)	1,247	1,247	1,247	1,247	1,247	1,247	1,247	1,247
Total equity	(Btmn)	33,182	37,607	41,222	54,680	67,539	80,877	96,175	113,170
BVPS	(Bt)	2.66	3.01	3.30	4.38	5.41	6.48	7.71	9.07

Cash Flow Statement (Btmn)

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	2,997	7,259	6,801	15,811	19,496	19,635	22,519	25,019
Depreciation and amortization	(Btmn)	1,735	2,206	2,508	3,190	4,521	4,657	4,796	4,940
Operating cash flow	(Btmn)	5,236	7,233	335	12,193	13,313	18,806	31,624	34,906
Investing cash flow	(Btmn)	(4,969)	(3,610)	(6,244)	(6,550)	(12,003)	(2,000)	(3,000)	(1,734)
Financing cash flow	(Btmn)	(2,869)	(2,330)	(2,233)	(2,419)	(3,502)	(819)	(20,525)	(22,745)
Net cash flow	(Btmn)	(2,602)	1,293	(8,142)	3,224	(2,193)	15,987	8,099	10,427

Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	20.4	23.9	20.6	23.6	22.9	23.0	23.0	23.0
Operating margin	(%)	4.5	10.1	7.0	12.2	12.3	11.4	11.4	11.4
EBITDA margin	(%)	8.6	14.3	10.5	15.4	15.4	14.3	14.0	13.7
EBIT margin	(%)	6.2	11.7	8.1	13.4	13.0	12.0	12.0	11.6
Net profit margin	(%)	5.7	11.2	8.0	12.9	12.6	11.7	11.7	11.3
ROE	(%)	9.0	18.8	16.3	28.1	27.3	23.6	22.7	21.5
ROA	(%)	6.4	12.3	9.7	16.9	17.0	15.5	15.2	14.5
Net D/E	(x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest coverage	(x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt service coverage	(x)	19.0	44.8	44.5	11.1	22.1	9.3	0.0	0.0
Core PER	(x)	311.6	137.6	161.3	63.0	51.7	48.1	42.0	37.8
PBV	(x)	27.6	24.4	22.2	16.8	13.6	11.3	9.5	8.1
Payout Ratio	(%)	75.5	58.4	31.6	32.5	30.5	30.0	30.0	30.0

Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total sales	(Btmn)	1,129	1,027	2,604	3,337	4,109	4,659	5,358	6,162
- Power Electronics	(Btmn)	955	855	1,903	2,562	3,362	3,683	4,235	4,871
- Infrastructure	(Btmn)	147	145	632	686	633	849	976	1,123
- Automation	(Btmn)	25	25	65	85	110	122	141	162
- Others	(Btmn)	1	1	4	4	4	5	6	7
Total GPM	(%)	20.4	23.9	20.6	23.6	22.9	23.0	23.0	23.0
FX	(THB/US\$)	31.1	31.3	32	35.4	34	35	35	35

Financial statement

Profit and Loss Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total revenue	(Btmn)	24,623	28,004	31,324	34,606	32,294	35,840	40,478	37,759
Cost of goods sold	(Btmn)	19,486	20,988	24,027	26,117	25,581	27,472	31,333	28,495
Gross profit	(Btmn)	5,137	7,016	7,298	8,489	6,713	8,369	9,145	9,264
SG&A	(Btmn)	(2,943)	(3,152)	(3,524)	(3,829)	(3,236)	(3,796)	(4,098)	(4,353)
Other income	(Btmn)	76	101	175	140	156	237	300	428
Interest expense	(Btmn)	19	1	12	14	11	6	89	(32)
Pre-tax profit	(Btmn)	2,891	4,312	4,175	4,504	3,735	4,948	5,596	5,217
Corporate tax	(Btmn)	(39)	(48)	(65)	(314)	(121)	(279)	(167)	(506)
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
Core profit	(Btmn)	2,322	3,918	3,895	4,501	3,459	4,434	5,047	4,775
Extra-ordinary items	(Btmn)	531	346	215	(311)	155	234	382	(64)
Net Profit	(Btmn)	2,852	4,264	4,110	4,190	3,614	4,668	5,429	4,711
EBITDA	(Btmn)	8,875	11,044	11,815	13,373	11,075	13,371	14,805	15,364
Core EPS	(Btmn)	1.86	3.14	3.12	3.61	2.77	3.55	4.05	3.85
Net EPS	(Bt)	2.29	3.42	3.29	3.36	2.90	3.74	4.35	3.78

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total current assets	(Btmn)	49,361	54,011	62,522	66,025	68,025	71,834	77,635	75,566
Total fixed assets	(Btmn)	20,938	22,352	24,041	24,959	26,487	28,913	31,535	32,579
Total assets	(Btmn)	70,299	76,363	86,563	90,984	94,512	100,747	109,170	108,145
Total loans	(Btmn)	697	884	986	1,806	900	2,732	1,779	3,432
Total current liabilities	(Btmn)	23,147	26,720	31,629	32,670	32,745	38,310	40,707	36,176
Total long-term liabilities	(Btmn)	2,511	2,405	2,474	1,829	2,818	1,170	2,409	999
Total liabilities	(Btmn)	26,355	30,008	35,089	36,305	36,463	42,212	44,895	40,606
Paid-up capital	(Btmn)	1,247	1,247	1,247	1,247	1,247	1,247	1,247	1,247
Total equity	(Btmn)	43,944	46,354	51,474	54,680	58,049	58,535	64,275	67,539
BVPS	(Bt)	35.2	37.2	41.3	43.8	46.5	46.9	51.5	54.1

Cash Flow Statement (Btmn)

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Core Profit	(Btmn)	2,819	4,312	4,175	4,505	3,735	4,948	5,595	5,218
Depreciation and amortization	(Btmn)	718	748	829	894	970	1,090	1,209	1,339
Operating cash flow	(Btmn)	2,817	5,047	4,260	(262)	5,879	328	5,631	1,474
Investing cash flow	(Btmn)	(1,343)	(1,590)	(1,878)	(1,407)	(2,237)	(3,060)	(3,431)	(3,275)
Financing cash flow	(Btmn)	(1,354)	(1,943)	65	814	(934)	(3,233)	(1,059)	1,724
Net cash flow	(Btmn)	67	1,584	4,741	3,571	2,539	(2,952)	(1,490)	(2,525)

Key Financial Ratios

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Gross margin	(%)	20.9	25.1	23.3	24.5	20.8	23.4	22.6	24.5
Operating margin	(%)	8.9	13.8	12.0	13.5	10.8	12.8	12.5	13.0
EBITDA margin	(%)	36.0	39.4	37.7	38.6	34.3	37.3	36.6	40.7
EBIT margin	(%)	9.2	14.2	12.6	13.9	11.2	13.4	13.2	14.1
Net profit margin	(%)	11.6	15.2	13.1	12.1	11.2	13.0	13.4	12.5
ROE	(%)	6.5	9.2	8.0	7.7	6.2	8.0	8.4	7.0
ROA	(%)	4.1	5.6	4.7	4.6	3.8	4.6	5.0	4.4
Net D/E	(x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest coverage	(x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt service coverage	(x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Main Assumptions

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total sales	(Btmn)	741	809	848	939	940	1,014	1,129	1,027
- Power Electronics	(Btmn)	558	610	667	727	726	827	955	855
- Infrastructure	(Btmn)	160	177	161	188	183	158	147	145
- Automation	(Btmn)	21	21	20	23	30	29	25	25
- Others	(Btmn)	2	1	0	1	1	1	1	1
Total GPM	(%)	20.9	25.1	23.3	24.5	20.8	23.4	22.6	24.5
FX	(THB/US\$)	35.4	34	35	35	35	35	35	35

Figure 1: DELTA's production facilities

Country	Location	Occupancy	Production Space (Sqr meter)	Product	
Thailand	Bangpoo : Plant 1	78%	16,884	Automotive, Electronics Product	
	Bangpoo: Plant 3	84%	15,752	DNI Delta networking product Magnetics & Solenoids Product for Internal Use	
	Bangpoo: Plant 5	100%	34,054	IT/ Appliance/ Industrial Power Solutions/ Customer Design Power/Communication & Information Solutions/ Industrial & Medical Power	
	Wellgrow: Plant 6	58%	22,456	DC Fan/ EMI Filter & Solenoids	
	Wellgrow: Plant 7	88%	30,000	Computer & Networking/ DC Power	
	Bangpoo: Plant 8	Start Mar 24	56,700	Automotive/ Component product/ ICT Infrastructure of Data Center, Telecom	
	Bangpoo: Plant 9 (R&D Center)	Start Mar 24	33,000	R&D center	
	India	Gurgaon	88%	1,488	Display solutions products/ Industrial Automation
		Rudrapur	99%	11,635	Telecom Power System/ UPS/Wind Power Converter
Krishnagiri		82%	11,152	Power Supply/ Industrial Automation	
Slovakia	Nova Dubnica	75%	9,300	Medical & Industrial Power Supply/Bulk Power/ Telecom Power System	
	Liptovsky Hradok	85%	3,600	Eltek Telecom Power System	

Figure 2: Valuation summary (price as of Mar 27, 2024)

	Rating	Price (Bt/Sh)	Target (Bt/Sh)	ETR (%)	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
					23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
DELTA	Neutral	73.50	70.0	(4.1)	51.7	48.1	42.0	22	7	15	13.6	11.3	9.5	29	26	25	0.6	0.6	0.7	40.7	39.4	35.0
HANA	Outperform	39.50	42.0	10.2	15.9	17.9	16.4	(16)	(11)	9	1.1	1.2	1.2	8	7	7	2.5	3.9	4.3	11.4	10.3	9.9
KCE	Outperform	40.00	52.0	31.9	30.1	20.8	19.5	(31)	45	7	3.4	3.1	2.9	12	16	15	1.5	1.9	2.1	16.3	13.2	13.2
Average					32.6	28.9	25.9	(9)	14	10	6.0	5.2	4.5	16	16	16	1.5	2.2	2.3	22.8	21.0	19.3

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 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, ALL, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, 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, ITEL, 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, PTGCG, 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, TPC, TPIPL, TPIPP, TQS, 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, EK, 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, WIJK, 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, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, 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, RJH, 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, BBGI, 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, 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, ITEL, 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, PPM, PR9, PREB, PRG, PRINC, PRM, PROS, PPS, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTGCG, 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, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, 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, WIJK, XO, YUASA, ZEN, ZIGA

Declared (ประกาศเจตนา)

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, PEER, 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

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, 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, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, 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, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EPRO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINIQA, 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, NAT, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PUJ, PLE, PLT, PMTA, POLAR, 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, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUJ, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPC, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQA, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, 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.