

# Commerce

SET COMM index Close: 12/9/2024 31,501.98 -39.46 / -0.13% Bt4,176mn  
 Bloomberg ticker: SETCOMM



## Bottomed out, new catalysts lined up

Sector SSS has surmounted the year's worst at -1% YoY in 3Q24TD and will march back up for the rest of 3Q24F and 4Q24F, backed by better sentiment and purchasing power after the setup of a new government, with the FY2025 government budget likely to be approved on time plus new stimulus ahead, the return of traffic after flooding recedes and more tourists. Sector earnings are expected to bottom in 3Q24F and rise to this year's best in 4Q24F, up QoQ on seasonality and YoY on store and margin expansion amid revived SSS. We keep our 2024F sector earnings growth at 14%, not yet factoring in upside from government stimulus (welfare card in Sep and digital wallet in 4Q24) and an interest rate cut. Our picks are CPALL and HMPRO.

**The worst is behind, better SSS ahead.** In 3Q24TD, SSS is expected to be down 1% YoY on average, the weakest for the past three quarters, partly from weaker sentiment and partly from traffic disruption caused by heavy rains and flooding in some areas. However, we expect SSS to improve for the rest of 3Q24F and 4Q24F, underwritten by: 1) potentially better sentiment and purchasing power after the setup of a new government, with the FY2025 (Oct 2024-Sep 2025) government budget likely to be approved on time (more government disbursement off last year's low base in Oct 2023-April 2024) plus new stimulus ahead; 2) return of traffic as the rainy season ends and flooding recedes; 3) a continued rise in tourists.

Earnings wise, we expect sector earnings to touch bottom in 3Q24F, then improve to this year's best in 4Q24F, up QoQ from seasonality and YoY from continued store and margin expansion plus revived SSS growth. We keep our 2024F earnings growth at 14%, backed by SSS growth of 0.3%, store expansion of 5% YoY and EBIT margin expansion of 10bps YoY.

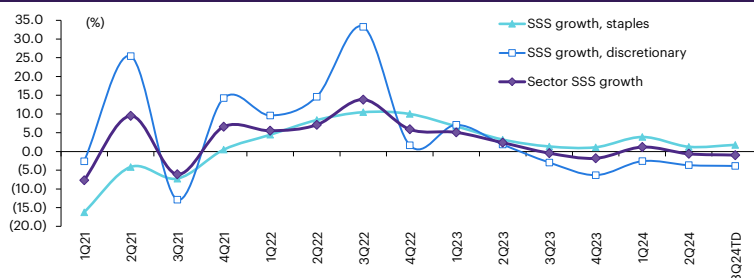
**Upside from new government stimulus.** The government is planning to spend Bt145bn starting this month in an urgent new measure to give a Bt10,000 cash handout to 14.5mn vulnerable persons via the welfare card, as a part of the digital wallet scheme. Payment of Bt10,000 to the remainder of the 50mn Thais eligible for the digital wallet (Bt450bn budgeted) will begin with Bt5,000 in either cash or as a digital wallet in 4Q24F, with the other Bt5,000 provided via the digital wallet in 2025F. At this point, the measure is eliminating all prior spending conditions with regards to products or store types or locations. The measure will be sent to Cabinet for approval on Sep 17. The revised conditions will benefit all retailers under coverage as it opens the way for all to participate; we have not yet put this into our forecasts. Our sensitivity analysis suggests that a 1% rise in SSS will raise sector earnings by 1%.

**Upside from interest rate cut.** A sensitivity analysis suggests that each 25bps cut in interest rate will raise sector earnings by 0.8%. If the BoT cuts policy rate by 75bps over twelve months, as the INVX economist expects, earnings upside could be 2.5%.

**Top picks: CPALL and HMPRO.** We raise our sector DCF target prices by 10% after rolling over TP to mid-2025 from end-2024. We raise our rating for CRC to Outperform but keep other ratings unchanged. CPALL is our pick, with an attractive valuation (trading at 25x 2024PE, -2SD over its 10-year PE) and poised to report the sector's best growth YoY in 2H24F. We also like HMPRO, whose valuation is undemanding (trading at 21x 2024PE, -2SD over its 10-year PE) with resilient growth in 2H24F and as an investment target for Vayupak Fund type A: it has the sector's highest dividend yield at 3.7%, an "AA" SET ESG Rating and robust financial status and growth.

**Key risks** are changes in government policies and purchasing power. Key ESG risks are energy & waste management, sustainable products (E) and product quality management, labor practices and data privacy (S).

### Sector's SSS is estimated to fall 1% YoY in 3Q24TD, but it is set to improve in 4Q24F



Source: InnovestX Research

See the end of this report for disclaimer

### Valuation summary

	Rating	Price (Bt)	TP (Bt)	ETR (%)	P/E (x) 24F	P/E (x) 25F	P/BV (x) 24F	P/BV (x) 25F
BJC	Neutral	23.6	27.5	19.4	21.0	18.8	0.7	0.7
CPALL	Outperform	64.5	80.0	26.1	24.9	21.5	4.6	4.1
CPAXT	Outperform	32.5	40.0	24.6	33.4	28.1	1.2	1.1
CRC	Outperform	31.8	38.0	21.4	23.5	21.0	2.7	2.5
GLOBAL	Outperform	15.5	18.5	20.5	31.8	27.5	3.2	3.0
HMPRO	Outperform	10.7	13.5	29.8	21.0	18.8	5.2	4.8
<b>Average</b>					<b>25.922.6</b>	<b>2.9</b>	<b>2.7</b>	

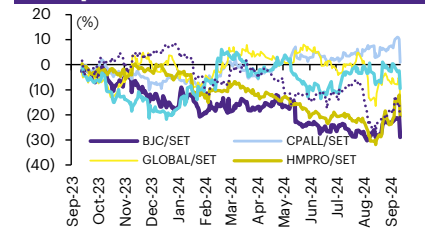
Source: InnovestX Research

### Price performance

Rating	Absolute			Relative to SET		
	1M (%)	3M (%)	12M (%)	1M (%)	3M (%)	12M (%)
BJC	14.0	11.8	(26.8)	4.1	3.2	(21.0)
CPALL	11.2	15.2	0.8	1.5	6.3	8.8
CPAXT	11.1	22.6	(8.5)	1.4	13.2	(1.1)
CRC	23.3	1.6	(23.5)	12.6	(6.2)	(17.4)
GLOBAL	18.3	(1.3)	(9.9)	8.0	(8.9)	(2.7)
HMPRO	35.4	17.6	(20.7)	23.6	8.5	(14.4)

Source: SET, InnovestX Research

### Price performance relative to SET



Source: SET, InnovestX Research

### Analyst

**Sirima Dissara, CFA**  
 Fundamental Investment  
 Analyst on Securities  
 (66-2) 949-1004  
 sirima.dissara@scb.co.th

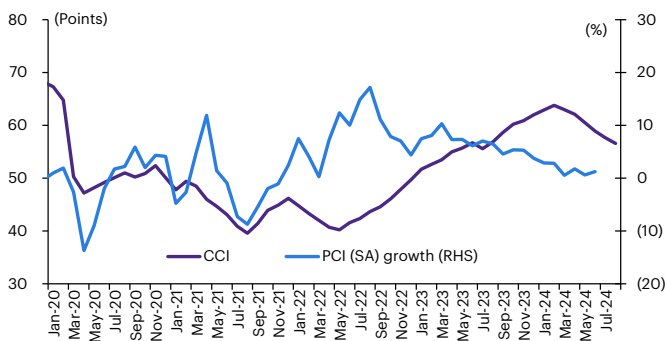
**The worst of SSS is past.** In 3Q24TD, SSS is expected to fall 1% YoY on average, worse than the slip of 0.6% YoY in 2Q24. Behind this is: 1) weaker sentiment, as seen in a 6-month fall in the Consumer Confidence Index (CCI) to a 13-month low in August from political uncertainties and economic concerns; 2) traffic disruption caused by heavy rains and flooding in some areas. These outweighed the positives: 1) more tourists with a YoY growth of 11% in local tourists in July and 22% in international tourists in July-August; 2) the return of government budget disbursement (+23% YoY in July-August) after the passage of the FY2024 (Oct 2023- Sep 2024) budget at the end of April, though government budget disbursement is down 14% YoY in FY2024TD (Oct 2023–August 2024).

In 3Q24TD, SSS for staples (+2% YoY) has outperformed discretionary players (-4% YoY). Among all players, SSS growth is expected only at CPALL (+2.5-3% YoY) and CPAXT (+2-3% YoY in the B2B and B2C units), with stable SSS at BJC (flat YoY). SSS for the remainder shrank: CRC (-2% YoY simple average by unit, -2% YoY for Thailand, -3.5% YoY for Vietnam [flat YoY without the adverse effect from currency translation; by business, -1.5% YoY for the food unit and -15% YoY for the hardline unit] and -3.5% YoY for Italy), GLOBAL (-6% YoY) and HMPRO (-6% YoY).

**Better SSS for the rest of 2024F.** We expect sector SSS to improve for the rest of 3Q24 and 4Q24 from: 1) potentially better sentiment and purchasing power after the setup of a new government, with the FY2025 (Oct 2024-Sep 2025) government budget likely to be approved on time (more government disbursement off last year’s low base in Oct 2023-April 2024) plus new stimulus ahead; 2) return of traffic as the rainy season ends and flooding recedes; 3) continued growth in tourists. IN VX expects international tourist arrivals to rise to 35mn (+24% YoY) in 2024F, then grow further to reach pre-COVID level at 40mn (+14% YoY) in 2025F. SCB EIC expects local tourists to rise beyond pre-COVID level to 270mn (+9% YoY) in 2024F and 276mn (+2% YoY) in 2025F.

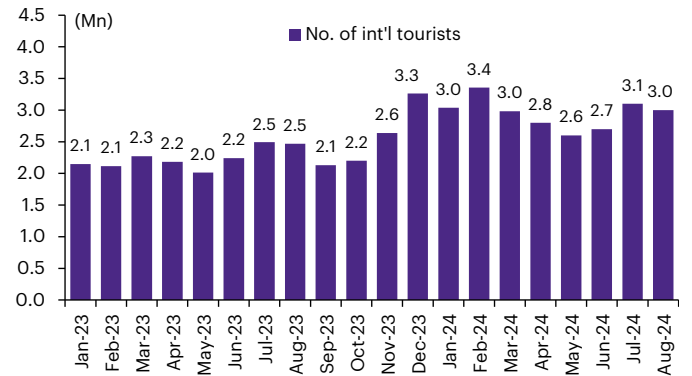
Key risks are changes in government policies and purchasing power, primarily a change in farm income. SCB EIC expects farm income to turn from growth of 3.1% YoY in 2024F to a fall of 1.3% YoY in 2025F, pulled down by lower agricultural prices (-3% YoY) that outweigh better production (+1.7% YoY) in 2025F. The drop in prices will be led by cassava, rubber, sugarcane and palm oil amid a global demand slowdown and lower oil prices, together with lower paddy price from high global stocks and a potential relaxation of India’s paddy export control policies. The rise in production will be backed by an eased drought and high water levels in dams.

**Figure 1: Consumer confidence index (CCI) vs private consumption growth (PCI)**



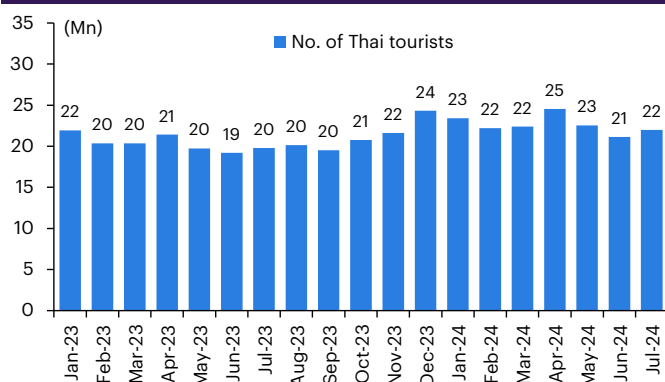
Source: UTCC and InnovestX Research

**Figure 2: International tourists grew 22% YoY in July-Aug 2024**



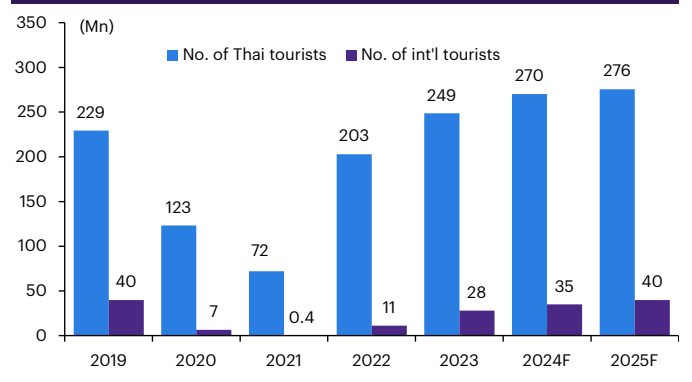
Source: Ministry of Tourism and Sports and InnovestX Research

**Figure 3: Local tourists grew 11% YoY in July 2024**



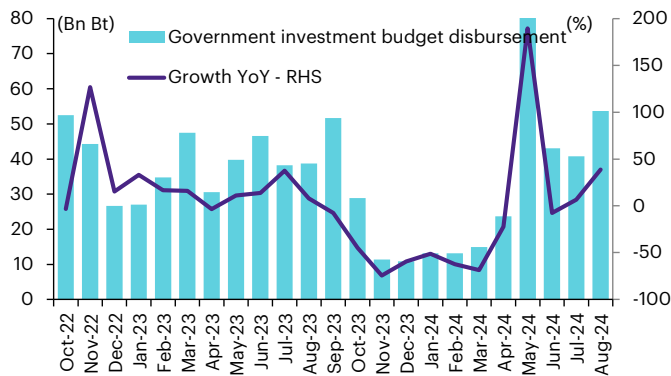
Source: Ministry of Tourism and Sports and InnovestX Research

**Figure 4: In 2024F, int'l and local tourists are set to grow 24% YoY to 35mn (IN VX) and 9% YoY to 270mn (SCB EIC)**



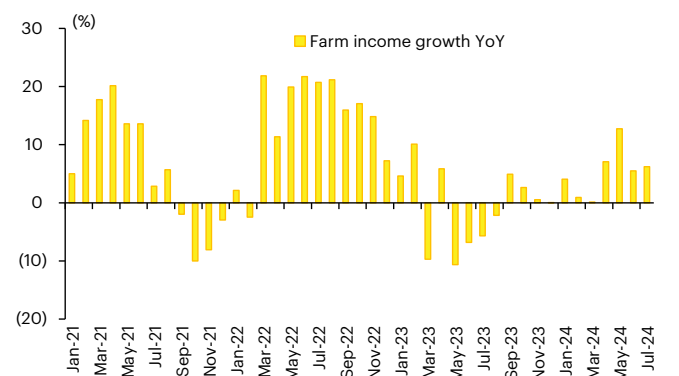
Source: SCB EIC and InnovestX Research

**Figure 5: Government budget disbursement rose 23% YoY in July-August 2024, but is still down 14% YoY in FY2024TD (October 2023-August 2024)**



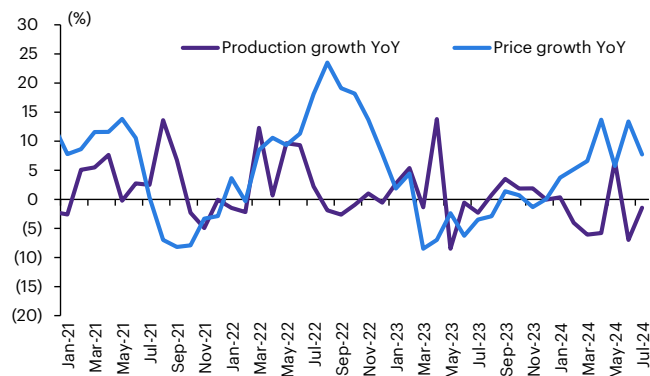
Source: FPO, MOF, and InnovestX Research

**Figure 6: Farm income grew 6% YoY in July ...**



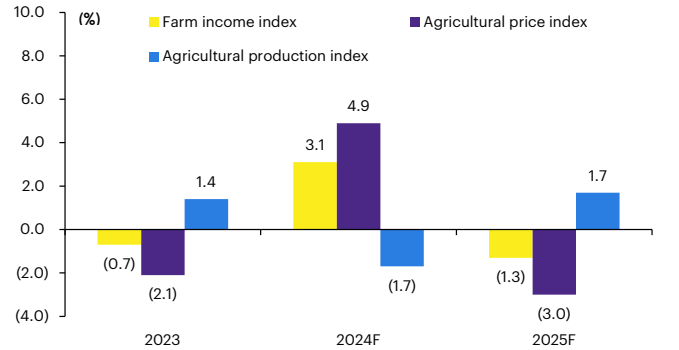
Source: OAE and InnovestX Research

**Figure 7: .... with the rise in agricultural prices (+8% YoY) outpacing the drop in agricultural production (-1% YoY)**



Source: OAE and InnovestX Research

**Figure 8: SCB EIC expects farm income to turn from growing 3.1% YoY in 2024F to falling 1.3% YoY in 2025F**



Source: SCB EIC and InnovestX Research

**Upside from new government stimulus.** The new government is focusing on ways to boost local consumption, considering first enacting an urgent new measure budgeted at Bt145bn to hand out Bt10,000 cash to 14.5mn vulnerable persons under the welfare card scheme, hopefully starting this month, as a part of the digital wallet scheme. The Bt450bn budgeted to give Bt10,000 to 50mn Thais will start with Bt5,000 given in either cash or as a digital wallet for the remainder of those eligible for the digital wallet in 4Q24F, with the other Bt5,000 provided via the digital wallet in 2025F. The conditions are likely to be more flexible than originally envisioned, not placing limits on products or store types or store locations. It will be sent to Cabinet for approval on Sep 17.

The revised conditions, if they are as reported in the press, allows modern trade in any format to participate, and will benefit all retailers under coverage. We have not yet included earnings upside from these measures. In the past, those involved in modern trade will not qualified to participate in the majority of government stimulus during and after the pandemic in 2020-22, with the exception of some shopping tax breaks. Using the most recent shopping tax break, approved in 2023 and effective Jan 1-Feb 15, 2024, the MoF estimated Bt70bn circulated in the economy, with UTCC estimating Bt40-60bn. At that time, we observed a 2-3% YoY increase in SSS, most notably at discretionary players (HMPRO and CRC) from high-ticket sizes.

**Figure 9: Potential new government stimulus from Sep 2024F; modern trade is likely to participate**

Potential new measures	Measure details	Period	Targeted budget (Bt mn)	Modern trade participation
Welfare card (part of the digital wallet)	As a part of the digital wallet scheme, there will be a Bt10,000 cash handout for 14.5mn vulnerable groups via a welfare card in Sep. There will be no conditions as to products allowed or store types or locations.	Sep 2024F	145,000	Likely to be allowed
Digital wallet	The digital wallet scheme is offered to all Thais 16 or older whose monthly income is less than Bt70,000 and bank deposits less than Bt500,000. Estimates are that this applies to 50mn Thais and all will receive Bt10,000. After payment to 14.5mn vulnerable people in Sep, the remainder will be paid either Bt5,000 in cash or as a digital wallet in 4Q24F and the other Bt5,000 provided via the digital wallet in 2025F.	4Q24F and 2025F	450,000	Likely to be allowed

Source: Local newspaper and InnovestX Research

**Figure 10: Recap of some government stimulus in 2020-22, mostly not allowed modern trade to participate**

Previous measures	Measure details	Period	Budget approved (Bt mn)	Modern trade participation
Rao Mai Ting Gun	A one-time cash subsidy of Bt5,000/person/month for 15mn affected individuals (temporary workers, contract employees and those who are self-employed)	Apr-Jun 2020	225,000	Allowed
Other measures	A one-time cash subsidy of Bt5,000/person/month for 7.7mn farmers	May-Jul 2020	115,500	Allowed
	A one-time cash subsidy of Bt1,000/person/month for 6.8mn children, elderly, disabled individuals	May-Jul 2020	20,346	Allowed
	A one-time subsidy of Bt1,000/person/month for 1.2mn affected welfare cardholders	May-Jul 2020	3,493	Not allowed
Khon La Khrueng (phase 1)	Co-pay scheme in which 10mn people will get daily discounts on their shopping, capped at Bt3,000	Oct-Dec 2020	30,000	Not allowed
Other measures	A one-time allowance of Bt500/month for three months for 14mn welfare cardholders	Oct-Dec 2020	21,000	Not allowed
Khon La Khrueng (phase 2)	Expansion of the co-payment scheme to cover 15mn people and increase the cap on subsidy per person throughout the period to Bt3,500 from Bt3,000	Jan-Mar 2021	22,500	Not allowed
Other measures	A one-time allowance for 14mn welfare cardholders	Feb-Mar 2021	7,000	Not allowed
Rao Cha Na	A one-time subsidy of Bt7,000/person for 31mn people (temporary workers, contract employees and those who are self-employed, farmers, welfare cardholders)	Feb-Mar 2021	213,242	Not allowed
Rao Rak Gun	A one-time subsidy of Bt4,000/person for 9mn employees in the private sector covered by Section 33 of the Social Security Act (SSA)	Mar-Apr 2021	37,080	Not allowed
Other measures	A monthly subsidy for electricity and water	May-Jun 2021	10,000	Not allowed
Rao Cha Na (phase 2)	A one-time subsidy of Bt2,000/person for 33mn people (temporary workers, contract employees and those who are self-employed, farmers, welfare cardholders)	May-Jun 2021	60,240	Not allowed
Rao Rak Gun (phase 2)	A one-time subsidy of Bt2,000/person for 9mn employees in the private sector covered by Section 33 of the Social Security Act (SSA)	May-Jun 2021	11,761	Not allowed
Other measures	A one-time subsidy of Bt200/person/month in July-Dec 2021 and additional Bt300/person/month in Nov-Dec 2021 for 14mn welfare cardholders and 2.5mn people who need special assistance	Jul-Dec 2021	28,826	Not allowed
Khon La Khrueng (phase 3)	Expansion of the co-payment scheme to cover 29mn people, capping subsidy per person throughout the period to Bt4,500	Jul-Dec 2021	126,000	Not allowed
Ying Chai Ying Dai	An e-voucher of up to Bt7,000/person (used from Aug-Dec 2021) for a refund of 10-15% on purchases of products and services of up to Bt60,000/person (capped at Bt5,000/day) during Jul-Sep 2021.	Jul-Dec 2021	10,000	Allowed
Other measures	A one-time subsidy of Bt200/person/month in Feb-April 2022 for 14mn welfare cardholders and 2.5mn people who need special assistance	Feb-Apr 2022	9,900	Not allowed
Khon La Khrueng (phase 4)	Co-payment scheme covering 29mn people, capping subsidy per person throughout the period to Bt1,200	Feb-Apr 2022	34,800	Not allowed
Other measures	A one-time subsidy of Bt200/person/month for 13.3mn welfare cardholders and 2.2mn people who need special assistance	Sep-Oct 2022	6,228	Not allowed
Khon La Khrueng (phase 5)	A co-payment scheme to cover 26.5mn people for a half subsidy for purchase at eligible stores, with a maximum spending of Bt150/person/day or Bt800/person during the program	Sep-Oct 2022	21,200	Not allowed

Source: Local newspaper and InnovestX Research

**Figure 11: Recap of shopping tax break stimulus in 2015-23, allowing modern trade to participate**

Year (Approved period)	Shopping tax break measures	Effective period	Modern trade participation
2015	Tax deduction up to Bt15,000 for purchases	Dec 25-31, 2015 (7 days)	Allowed
2016	Tax deduction up to Bt15,000 for purchases	Dec 14-31, 2016 (18 days)	Allowed
2017	Tax deduction up to Bt15,000 for purchases	Nov 11-Dec 3, 2017 (23 days)	Allowed
2018	Tax deduction up to Bt15,000 for purchases, specifically auto tires, books and OTOP products	Dec 15, 2018 to Jan 16, 2019 (33 days)	Allowed
2020	Tax deduction up to Bt30,000 for purchases	Oct 23-Dec 31, 2020 (70 days)	Allowed
2021	Tax deduction up to Bt30,000 for purchases	Jan 1-Feb 15, 2022 (46 days)	Allowed
2022	Tax deduction up to Bt40,000 for purchases	Jan 1-Feb 15, 2023 (46 days)	Allowed
2023	Tax deduction up to Bt50,000 for purchases (*MoF estimated this put Bt70bn into circulation in the economy and UTCC estimates Bt40-60bn)	Jan 1-Feb 15, 2024 (46 days)	Allowed

Source: Local newspaper and InnovestX Research

**2Q24 earnings recap.** In 2Q24, sector core earnings fell 7% QoQ on seasonality, but grew 17% YoY. Backing growth was more stores (+4% YoY, based on number of stores) and EBIT margin expansion (+40bps YoY, from more high-margin products and better control on SG&A/sales) that made up for the SSS contraction (-0.6% YoY). CPALL had the sector’s best growth YoY (+34% YoY), followed by CPAXT (+28% YoY), from better sales and margin. CRC was the sector’s weakest (-9% YoY), pulled down by higher interest and tax expenses together with lower equity income from Grab Food and Gucci.

**Figure 12: 2Q24 core earnings recap**

Core profit (Bt mn)	2Q24	% YoY	% QoQ	Reasons
BJC	1,203	(1.7)	21.6	In line; the slip YoY was due to a higher effective tax rate and higher interest expenses that offset the slight rise in sales, wider EBIT margin, and better equity income.
CPALL	6,155	33.8	2.2	Slightly above estimates on margin, up YoY from higher sales and margin at the CVS unit and higher contribution from CPAXT on better sales and gross margin plus lower SG&A/sales.
CPAXT	2,176	27.9	(12.3)	Slightly above estimates on margin, up YoY from better sales and wider gross margin (both B2B & B2C) and lower SG&A/sales (B2C)
HMPRO	1,622	0.1	(5.3)	In-line; the YoY stability reflected a wider EBIT margin (lower SG&A/sales amid stable gross margin) that offset lower sales (SSS contraction outpacing store expansion).
GLOBAL	765	8.8	5.4	Slightly above estimates on margin and equity income; the YoY improvement reflected better sales from store expansion that outpaced SSS contraction, wider gross margin and higher equity income.
CRC	1,567	(8.8)	(37.9)	Slightly below estimates on interest expenses; the drop YoY is due to higher interest and tax expenses and lower equity income that offset higher sales and slightly wider EBIT margin.
<b>Total</b>	<b>13,487</b>	<b>16.6</b>	<b>(6.7)</b>	

Source: InnovestX Research

**Earnings momentum in 2H24F.** In 3Q24F, we expect sector’s earnings to soften QoQ from seasonality but grow YoY from store and margin expansion outpacing SSS contraction. In 4Q24F, we expect sector’s earnings to grow QoQ from seasonality to be this year’s best and up YoY from continued store and margin expansion together with revived SSS growth.

In 2H24F, CPALL and CPAXT are set to show the sector’s more outstanding growth YoY than peers (without stimulus).

**Figure 13: 3Q24F and 4Q24F earnings momentum**

Core profit	3Q24F		4Q24F		Note
	YoY	QoQ	YoY	QoQ	
BJC	Flat	Down	Flat	Up	3Q24 earnings to be flat YoY, from better sales and margin balancing with higher tax and interest expenses; 4Q24 will be 2024's best
CPALL	Up	Down	Up	Up	3Q24 earnings to be boosted by better sales and margin from CVS and CPAXT; 4Q24 will be 2024's best
CPAXT	Up	Down	Up	Up	3Q24 earnings to be boosted by better sales and margin from B2B & B2C; 4Q24 will be 2024's best
HMPRO	Flat	Down	Up	Up	3Q24 earnings to be flat YoY, from SSS contraction balancing with store and margin expansion; 4Q24 will be 2024's best
GLOBAL	Down	Down	Flat/up	Up	3Q24 earnings to be flat YoY, from SSS contraction outpacing store and margin expansion
CRC	Flat	Down	Flat	Up	3Q24 earnings to be flat YoY, from store expansion and better control on SG&A/sales balancing with higher interest expenses and lower equity income (Gucci & Grab); 4Q24 will be 2024's best

Source: InnovestX Research

**2024F growth.** We expect sector core earnings to grow 14% in 2024F, assuming SSS growth of 0.3% YoY, store expansion of 5% YoY, based on number of stores, and a 10 bps widening in EBIT margin. Note that our 2024F sector earnings forecast is relatively close to market consensus.

**Earnings upside.** We have not yet put any earnings upside from new government stimulus and interest rate cut into forecasts. Our sensitivity analysis suggests that each 1% rise in SSS will add 1% to sector earnings, and each 25bps interest rate cut will lower interest expenses and add 0.8% to sector earnings. Note that the INVX economist expects the BoT to cut policy rate by 75bps over the next twelve months (starting with a 25bps cut in Dec 2024 and another 50bps cut in 1H25). If this is the case, the implication is sector earnings upside of 2.5%, led by CRC (+5% YoY), BJC (+3% YoY), CPALL, CPAXT and GLOBAL (+2% YoY), and HMPRO (+0.3% YoY).

**Figure 14: INVX 2024-25F earnings vs consensus**

Core profit (Bt mn)	INVX		Consensus		% INVX/Consensus	
	2024F	2025F	2024F	2025F	2024F	2025F
BJC	4,496	5,038	4,426	5,211	2%	-3%
CPALL	23,713	27,391	23,117	26,264	3%	4%
CPAXT	10,302	12,252	10,625	12,389	-3%	-1%
HMPRO	6,690	7,483	6,817	7,331	-2%	2%
GLOBAL	2,537	2,933	2,882	3,285	-12%	-11%
CRC	8,303	9,278	8,773	10,070	-5%	-8%
<b>Total</b>	<b>56,040</b>	<b>64,375</b>	<b>56,640</b>	<b>64,550</b>	<b>-1%</b>	<b>0%</b>

Source: Bloomberg Finance L.P. and InnovestX Research



**Figure 15: Sensitivity analysis on the change in SSS and interest rate to sector's earnings**

Earnings change (%)	1% SSSG increase	0.25% interest rate cut
BJC	1.1%	1.0%
CPALL	0.9% (CVS), 0.2% (B2B), 0.2% (B2C)	0.7%
CPAXT	0.6% (B2B), 0.7% (B2C)	0.8%
HMPRO	1.1%	0.1%
GLOBAL	1.0%	0.8%
CRC	1.3%	1.6%
<b>Average</b>	<b>1.0%</b>	<b>0.8%</b>

Source: InnovestX Research

**Figure 16: Sector's core earnings recap and outlook**

Core profit (Bt mn)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	% YoY	% QoQ	2019	2023	2024F	2025F
BJC	1,216	1,224	719	1,673	989	1,203	(1.7)	21.6	7,205	4,832	4,496	5,038
CPALL	3,778	4,601	4,287	5,612	6,022	6,155	33.8	2.2	22,887	18,278	23,713	27,391
CPAXT	2,079	1,701	1,716	3,282	2,481	2,176	27.9	(12.3)	6,265	8,777	10,302	12,252
HMPRO	1,611	1,620	1,533	1,677	1,713	1,622	0.1	(5.3)	6,177	6,442	6,690	7,483
GLOBAL	887	703	525	560	726	765	8.8	5.4	2,103	2,676	2,537	2,933
CRC	2,219	1,717	1,321	2,731	2,524	1,567	(8.8)	(37.9)	7,290	7,988	8,303	9,278
<b>Total</b>	<b>11,791</b>	<b>11,566</b>	<b>10,101</b>	<b>15,536</b>	<b>14,455</b>	<b>13,487</b>	<b>16.6</b>	<b>(6.7)</b>	<b>51,926</b>	<b>48,994</b>	<b>56,040</b>	<b>64,375</b>
<b>% Growth YoY</b>												
BJC	(3.6)	1.6	(9.0)	(0.0)	(18.6)	(1.7)			11.8	(2.0)	(7.0)	12.1
CPALL	7.9	50.2	12.5	84.5	59.4	33.8			7.9	36.2	29.7	15.5
CPAXT	1.4	8.1	7.1	21.7	19.4	27.9			5.4	10.8	17.4	18.9
HMPRO	6.6	6.6	(0.0)	1.5	6.3	0.1			9.1	3.6	3.9	11.8
GLOBAL	(23.3)	(32.9)	(32.2)	(15.7)	(18.2)	8.8			5.0	(26.6)	(5.2)	15.6
CRC	101.0	(7.2)	(9.5)	6.5	13.7	(8.8)			3.3	14.5	3.9	11.7
<b>Growth YoY (%)</b>	<b>11.4</b>	<b>12.8</b>	<b>1.3</b>	<b>26.4</b>	<b>22.6</b>	<b>16.6</b>			<b>7.5</b>	<b>13.7</b>	<b>14.4</b>	<b>14.9</b>

Source: InnovestX Research

**Figure 17: Sector's sales assumptions**

SSS growth (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	ppts YoY	ppts QoQ	2019	2023	2024F	2025F
BJC/BIGC	5.8	4.8	2.1	(0.5)	0.1	(1.9)	(6.7)	(2.0)	(2.3)	3.0	(0.1)	1.5
CPALL	8.0	7.9	3.5	3.6	4.9	3.8	(4.1)	(1.1)	1.7	5.5	3.3	3.0
CPAXT							-	-	-	-	-	-
- B2B	10.9	6.0	3.2	1.7	3.4	1.8	(4.2)	(1.6)	6.3	5.3	3.5	3.0
- B2C	0.8	(0.9)	2.5	5.8	6.9	3.6	4.5	(3.3)	(2.5)	2.1	3.5	3.0
HMPRO	5.8	4.9	(3.6)	(8.5)	(2.0)	(7.3)	(12.2)	(5.3)	0.8	(0.5)	(4.0)	3.0
GLOBAL	(8.7)	(9.5)	(12.3)	(12.3)	(5.3)	(2.3)	7.2	3.0	3.5	(10.7)	(3.4)	3.0
CRC (simple avg)	13.1	3.3	(1.0)	(3.3)	0.3	(2.0)	(5.3)	(2.3)	(0.8)	2.6	(0.7)	3.0
- Fashion	31.0	14.0	6.0	3.0	2.0	3.0	(11.0)	1.0	(2.5)	12.0	2.0	3.0
- Hardline	0.3	(2.0)	(6.0)	(8.0)	(5.0)	(8.0)	(6.0)	(3.0)	(2.3)	(4.0)	(5.5)	3.0
- Food	8.0	(2.0)	(3.0)	(5.0)	4.0	(1.0)	1.0	(5.0)	2.4	(0.2)	1.3	3.0
<b>Average</b>	<b>5.1</b>	<b>2.4</b>	<b>(0.8)</b>	<b>(1.9)</b>	<b>1.2</b>	<b>(0.6)</b>	<b>(3.0)</b>	<b>(1.8)</b>	<b>1.0</b>	<b>1.0</b>	<b>0.3</b>	<b>2.8</b>
<b>Avg - Staples</b>	<b>6.7</b>	<b>3.2</b>	<b>1.7</b>	<b>1.1</b>	<b>3.9</b>	<b>1.3</b>	<b>(1.9)</b>	<b>(2.6)</b>	<b>1.1</b>	<b>3.1</b>	<b>2.3</b>	<b>2.7</b>
<b>Avg - Discretionary</b>	<b>7.1</b>	<b>1.9</b>	<b>(4.0)</b>	<b>(6.5)</b>	<b>(2.6)</b>	<b>(3.7)</b>	<b>(5.5)</b>	<b>(1.1)</b>	<b>(0.1)</b>	<b>(0.8)</b>	<b>(2.7)</b>	<b>3.0</b>
<b>No. store, ending</b>												
BJC/BIGC	1,816	1,832	1,881	1,957	1,978	1,979	8.0	0.1	1,374	1,957	2,088	2,219
- Hyper/Supermkt	215	215	245	247	248	243	13.0	(2.0)	213	247	253	259
- Small formats	1,601	1,617	1,636	1,710	1,730	1,736	7.4	0.3	1,161	1,710	1,835	1,960
CPALL	14,047	14,215	14,391	14,545	14,730	14,854	4.5	0.8	11,712	14,545	15,245	15,945
CPAXT	2,817	2,728	2,689	2,690	2,686	2,690	(1.4)	0.1	140	2,690	2,801	2,912
- B2B	163	163	164	168	169	170	4.3	0.6	140	168	176	184
- B2C	2,654	2,565	2,525	2,522	2,517	2,520	(1.8)	0.1		2,522	2,625	2,728
HMPRO	120	122	124	128	128	130	6.6	1.6	113	128	134	140
GLOBAL	79	80	82	84	86	89	11.3	3.5	67	84	93	99
CRC	1,881	1,866	1,865	1,897	1,892	1,869	0.2	(1.2)	2,083	1,897	1,910	2,043
- Fashion	553	536	535	537	536	516	(3.7)	(3.7)	601	537	559	581
- Hardline	475	468	469	471	461	456	(2.6)	(1.1)	234	471	500	527
- Food	853	862	861	889	895	897	4.1	0.2	1,248	889	851	935
<b>Total</b>	<b>20,760</b>	<b>20,843</b>	<b>21,032</b>	<b>21,301</b>	<b>21,500</b>	<b>21,611</b>	<b>3.7</b>	<b>0.5</b>	<b>15,489</b>	<b>21,301</b>	<b>22,271</b>	<b>23,358</b>
<b>Growth YoY (%)</b>	<b>3.6</b>	<b>3.7</b>	<b>3.3</b>	<b>3.7</b>	<b>3.6</b>	<b>3.7</b>				<b>3.7</b>	<b>4.6</b>	<b>4.9</b>

Source: InnovestX Research

**Figure 18: Sector's margin assumptions**

GP margin (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	ppts YoY	ppts QoQ	2019	2023	2024F	2024
BJC	19.4	18.9	19.2	20.2	20.0	20.3	1.4	0.3	19.5	19.4	20.1	20.2
CPALL	21.7	22.0	21.8	22.2	22.3	22.4	0.5	0.1	22.7	21.9	22.3	22.5
CPAXT	17.1	16.4	16.6	17.0	16.9	16.7	0.4	(0.1)	10.3	16.1	16.1	16.2
HMPRO	26.1	26.3	26.7	27.3	26.2	26.3	(0.0)	0.0	25.7	26.6	26.6	26.8
GLOBAL	25.0	25.4	25.9	26.1	25.0	26.6	1.2	1.6	22.6	25.6	26.0	26.2
CRC	28.9	29.8	30.1	31.0	28.7	29.9	0.1	1.3	29.0	28.7	28.8	28.8
<b>Average</b>	<b>23.0</b>	<b>23.1</b>	<b>23.4</b>	<b>24.0</b>	<b>23.2</b>	<b>23.7</b>	<b>0.6</b>	<b>0.5</b>	<b>21.6</b>	<b>23.1</b>	<b>23.3</b>	<b>23.5</b>
<b>Growth YoY (ppts)</b>	<b>0.5</b>	<b>0.5</b>	<b>0.3</b>	<b>0.8</b>	<b>0.1</b>	<b>0.6</b>			<b>0.3</b>	<b>0.5</b>	<b>0.3</b>	<b>0.1</b>

EBIT margin (%)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	ppts YoY	ppts QoQ	2019	2023	2024F	2024
BJC	7.4	7.5	6.7	8.6	8.1	8.3	0.8	0.2	8.6	7.6	8.1	8.2
CPALL	4.6	4.5	4.4	5.3	5.3	5.1	0.6	(0.2)	6.2	4.7	5.1	5.3
CPAXT	3.6	2.9	3.0	4.5	3.7	3.4	0.5	(0.3)	4.0	3.4	3.7	3.9
HMPRO	12.4	12.0	12.5	13.2	13.0	12.6	0.5	(0.5)	12.7	12.5	13.0	13.6
GLOBAL	12.6	10.8	9.2	9.7	10.7	10.9	0.2	0.2	10.2	10.7	9.7	10.2
CRC	6.5	5.7	5.3	7.4	7.1	5.8	0.1	(1.3)	6.0	6.0	6.3	6.4
<b>Average</b>	<b>7.9</b>	<b>7.2</b>	<b>6.8</b>	<b>8.1</b>	<b>8.0</b>	<b>7.7</b>	<b>0.4</b>	<b>(0.3)</b>	<b>7.9</b>	<b>7.5</b>	<b>7.6</b>	<b>7.9</b>
<b>Growth YoY (ppts)</b>	<b>(0.1)</b>	<b>(0.5)</b>	<b>(0.5)</b>	<b>0.4</b>	<b>0.1</b>	<b>0.4</b>			<b>(0.0)</b>	<b>(0.2)</b>	<b>0.2</b>	<b>0.3</b>

Source: InnovestX Research

**Figure 19: Sector's net interest bearing debt to equity**

Net IBD/E (x)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	ppts YoY	ppts QoQ	2019	2023	2024F	2024
BJC	1.3	1.3	1.3	1.3	1.3	1.3	(0.0)	0.0	1.3	1.3	1.3	1.2
CPALL	1.3	1.4	1.3	1.2	1.2	1.2	(0.1)	0.0	1.1	1.2	1.1	1.0
CPAXT	0.4	0.5	0.5	0.4	0.4	0.4	(0.0)	0.0	0.2	0.4	0.4	0.4
HMPRO	0.6	0.7	0.8	0.7	0.6	0.7	(0.0)	0.1	0.5	0.7	0.7	0.6
GLOBAL	0.4	0.5	0.5	0.5	0.4	0.4	(0.0)	0.0	0.9	0.5	0.4	0.4
CRC	1.8	1.8	2.0	1.7	1.7	1.9	0.0	0.2	1.3	1.7	1.6	1.4
<b>Average</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>0.9</b>	<b>0.9</b>	<b>1.0</b>	<b>(0.0)</b>	<b>0.1</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>
<b>Growth YoY (ppts)</b>	<b>(0.0)</b>	<b>(0.0)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.0)</b>			<b>0.1</b>	<b>(0.1)</b>	<b>(0.0)</b>	<b>(0.1)</b>

Source: InnovestX Research

**Target price and recommendation.** We have rolled our DCF-valuation based target prices over to mid-2025 from end-2024, which raises our target prices by 10% on average. We raise our rating for CRC to Outperform from Neutral but keep the ratings for others unchanged.

**Figure 20: INVX recommendation and new DCF target prices (rolling over TP from end-2024 to mid-2025)**

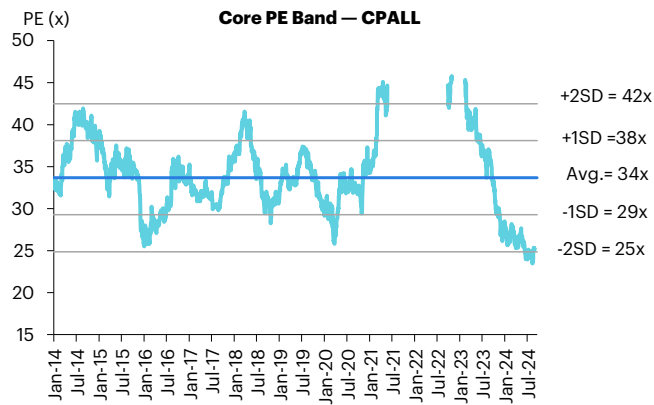
Companies	Recommendation		DCF-Valuation Based Target price		Details
	Old	New	Old (End-2024)	New (Mid-2025)	
BJC	Neutral	Neutral	24.0	27.5	WACC of 7.1% and LT growth rate at 2.5%
CPALL	Outperform	Outperform	77.0	80.0	WACC of 7.1% and LT growth rate at 2.5%
CPAXT	Outperform	Outperform	39.0	40.0	WACC of 7.1% and LT growth rate at 2.5%
HMPRO	Outperform	Outperform	12.0	13.5	WACC of 7.1% and LT growth rate at 2.5%
GLOBAL	Outperform	Outperform	18.0	18.5	WACC of 7.0% and LT growth rate at 2.5%
CRC	Neutral	Outperform	31.0	38.0	WACC of 7.0% and LT growth rate at 2.5%

Source: InnovestX Research

**Top picks: CPALL and HMPRO.** Sector share prices have outperformed the SET by 10% over the past 30 days. The brighter outlook will help further support sector price performance and valuation re-rating, notably stocks that previously traded at an unjustifiably low level.

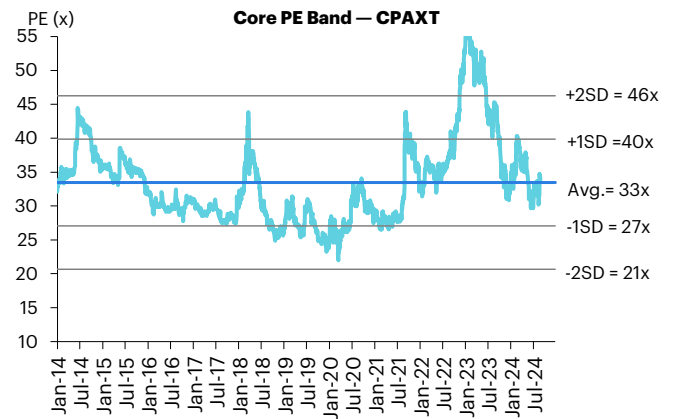
- **CPALL.** We like CPALL, whose valuation is attractive (trading at 25x 2024PE, -2SD over its 10-year PE), and is poised to report the sector's best core earnings growth YoY in 2H24F (without factoring in stimulus) on sales and margin expansion at both CVS and CPAXT.
- **HMPRO.** We also like HMPRO, whose valuation is undemanding (trading at 21x 2024PE, -2SD over its 10-year PE) and growth is resilient (up slightly YoY in 2H24F, led by store and margin expansion). It also offers the sector's highest dividend yield at 3.7% p.a. in 2024-25F, SET ESG rating is "AA" and has a robust financial status with earnings growth. We also see HMPRO as the sector's proxy, matching the long-term investment criteria for Vayupak Fund Type A. This fund has a total value of Bt100-150bn and will be offered for public subscription during Sep 16-20. It will start purchasing shares on the SET on Oct 1 and investment units will be traded on the bourse on Oct 7, with a guaranteed return of 3-9% annually for 10 years.

**Figure 21: Historical core PE band for CPALL**



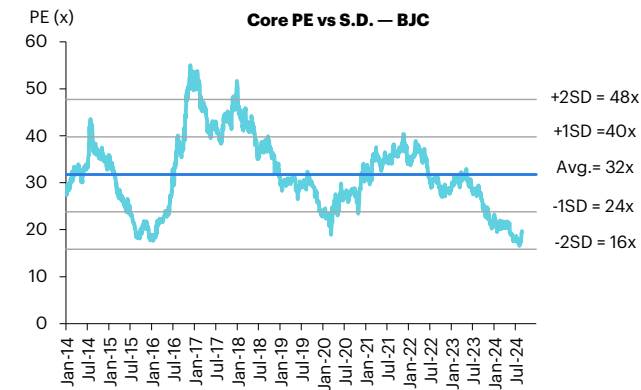
Source: InnovestX Research

**Figure 22: Historical core PE band for CPAXT**



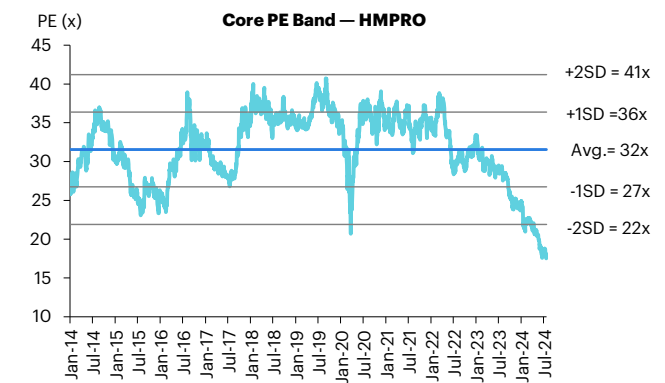
Source: InnovestX Research

**Figure 23: Historical core PE band for BJC**



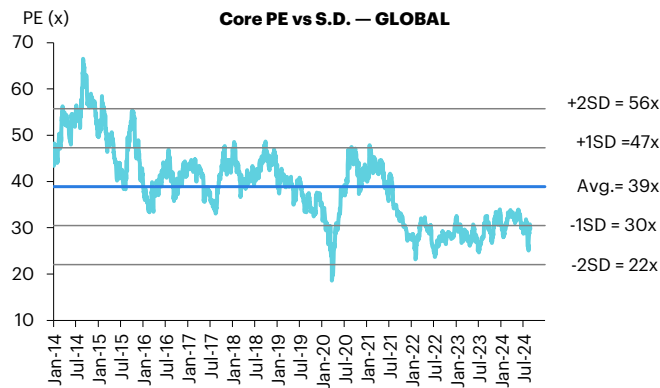
Source: InnovestX Research

**Figure 24: Historical core PE band for HMPRO**



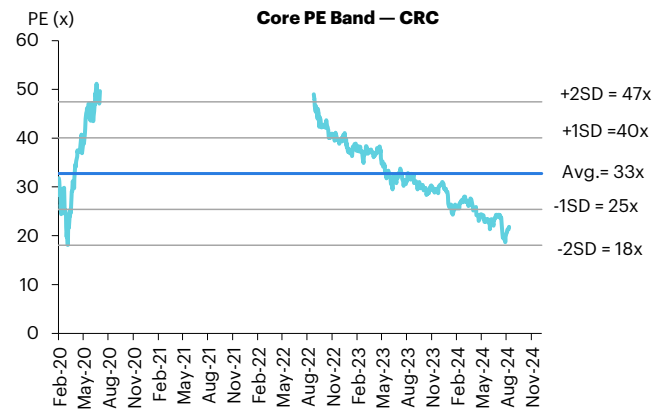
Source: InnovestX Research

**Figure 25: Historical core PE band for GLOBAL**



Source: InnovestX Research

**Figure 26: Historical core PE band for CRC**



Source: InnovestX Research



**Figure 27: Commerce regional peers**

Company name	Country	Mkt Cap (US\$ mn)	Core PE (x)		Core EPS Growth (%)		PBV (x)		ROE (%)		EV/ EBITDA (x)	
			24F	25F	24F	25F	24F	25F	24F	25F	24F	25F
<b>Home Improvement</b>			<b>23.6</b>	<b>22.1</b>	<b>3.0</b>	<b>6.6</b>	<b>12.2</b>	<b>5.9</b>	<b>110.0</b>	<b>35.0</b>	<b>15.1</b>	<b>14.1</b>
Aspirasi Hidup Indonesia Tbk PT	Indonesia	857	15.4	13.5	12.2	13.8	2.0	1.9	13.4	14.2	9.6	8.4
Nitori Holdings Co Ltd	Japan	18,011	27.2	25.9	(0.0)	5.0	2.6	2.4	10.4	9.9	16.0	15.2
DCM Holdings Co Ltd	Japan	1,507	9.9	9.6	(2.6)	3.3	0.7	0.7	7.2	7.6	8.8	8.4
Komeri Co Ltd	Japan	1,430	12.0	11.0	3.0	9.0	0.8	0.7	6.3	6.5	6.1	5.7
Home Depot Inc/The	United States	368,005	24.7	24.0	(3.5)	2.9	73.0	32.8	751.9	227.2	17.0	16.4
Costco Wholesale Corp	United States	399,179	55.5	50.6	14.4	9.8	16.1	13.2	29.4	28.9	34.5	31.1
Lowe's Cos Inc	United States	140,337	20.3	19.8	(2.3)	2.5	(10.2)	(10.4)	(48.9)	(49.5)	13.8	13.8
<b>Convenience Store / Food Retail</b>			<b>15.9</b>	<b>14.1</b>	<b>121.9</b>	<b>12.9</b>	<b>3.4</b>	<b>2.7</b>	<b>20.5</b>	<b>18.1</b>	<b>7.4</b>	<b>6.6</b>
Seven & i Holdings Co Ltd	Japan	38,899	20.3	17.5	15.7	16.4	1.5	1.4	7.4	8.2	8.3	8.0
Valor Holdings Co Ltd	Japan	829	9.4	8.6	15.0	8.4	n.a	0.7	n.a.	7.5	n.a.	4.3
DFI Retail Group Holdings Ltd	Hong Kong	2,461	12.1	9.9	531.8	21.2	2.2	2.0	20.1	22.5	6.7	6.3
President Chain Store Corp	Taiwan	9,281	25.0	23.2	12.6	7.8	7.3	6.9	29.5	29.9	8.7	8.5
Kroger Co/The	United States	37,172	12.6	11.4	34.2	10.5	2.8	2.4	25.2	22.3	6.0	5.9
<b>Hypermarket / Supermarket</b>			<b>20.6</b>	<b>14.0</b>	<b>62.4</b>	<b>46.0</b>	<b>1.9</b>	<b>1.7</b>	<b>10.9</b>	<b>10.5</b>	<b>7.6</b>	<b>7.2</b>
Seven & i Holdings Co Ltd	Japan	38,899	20.3	17.5	15.7	16.4	1.5	1.4	7.4	8.2	8.3	8.0
E-MART Inc	South Korea	1,359	69.4	12.7	124.4	448.3	0.2	0.2	0.3	1.2	8.6	8.3
Puregold Price Club Inc	Philippines	1,543	8.5	7.8	17.0	9.4	0.9	0.8	10.9	10.9	5.1	4.6
Carrefour SA	France	11,248	8.1	6.9	43.5	17.2	0.9	0.9	10.7	12.1	5.4	5.1
Casino Guichard Perrachon SA	France	1,358	1.6	n.a.	100.2	(141.4)	0.2	0.2	(0.9)	(6.2)	5.8	5.6
Tesco PLC	Britain	32,772	14.4	13.3	22.3	7.9	2.2	2.2	14.8	15.3	7.5	7.3
J Sainsbury PLC	Britain	9,200	16.3	12.4	174.9	31.6	1.0	1.0	7.3	7.9	5.2	5.1
Walmart Inc	United States	633,736	33.9	29.7	29.2	14.3	7.2	6.5	21.9	23.1	16.4	15.1
Kroger Co/The	United States	37,172	12.6	11.4	34.2	10.5	2.8	2.4	25.2	22.3	6.0	5.9
<b>Department Store</b>			<b>12.7</b>	<b>11.2</b>	<b>49.0</b>	<b>21.5</b>	<b>1.1</b>	<b>1.1</b>	<b>7.8</b>	<b>8.5</b>	<b>10.5</b>	<b>9.7</b>
Shinsegae Inc	South Korea	1,150	5.1	4.5	30.5	12.7	0.3	0.3	6.9	7.4	6.6	6.2
Hyundai Department Store Co Ltd	South Korea	867	9.7	4.9	240.0	98.3	0.3	0.2	2.2	4.9	6.4	5.8
SM Prime Holdings Inc	Philippines	15,837	20.0	18.2	10.5	10.1	2.1	1.9	10.7	10.9	15.5	14.2
Isetan Mitsukoshi Holdings Ltd	Japan	5,898	14.1	13.6	16.6	3.3	1.3	1.2	9.2	9.4	9.9	9.0
J Front Retailing Co Ltd	Japan	2,750	12.6	11.8	15.4	6.5	1.0	0.9	7.5	7.9	7.8	7.3
Marui Group Co Ltd	Japan	3,700	18.1	16.3	11.2	10.4	1.9	2.2	10.3	11.2	20.5	18.8
Takashimaya Co Ltd	Japan	2,525	9.6	8.7	18.8	9.4	0.7	0.7	7.8	8.0	7.1	6.7
<b>Thailand Modern Trade</b>			<b>23.7</b>	<b>20.5</b>	<b>16.7</b>	<b>14.5</b>	<b>2.7</b>	<b>2.5</b>	<b>12.5</b>	<b>12.9</b>	<b>13.6</b>	<b>12.5</b>
CP ALL PCL	Thailand	17,238	25.1	22.1	25.2	13.8	4.7	4.2	19.2	17.3	14.3	13.5
Home Product Center PCL	Thailand	4,248	21.2	19.6	5.1	8.0	5.3	5.0	25.8	26.3	12.6	11.9
CP Axtra PCL	Thailand	10,112	31.9	27.4	23.4	16.3	1.1	1.1	3.5	4.0	13.2	12.4
Siam Global House PCL	Thailand	2,374	27.1	23.8	10.6	14.1	3.1	2.9	11.6	12.2	19.2	17.2
Berli Jucker PCL	Thailand	2,851	21.9	18.4	(8.6)	18.8	0.8	0.8	3.6	4.2	11.9	11.5
Central Pattana PCL	Thailand	8,512	17.5	16.3	8.8	7.5	2.8	2.6	16.6	16.5	14.5	13.6
Dohome PCL	Thailand	1,043	36.5	28.1	65.0	29.8	2.7	2.5	7.4	8.9	20.3	17.3
Index Livingmall PCL	Thailand	262	11.1	10.3	9.4	8.1	1.4	1.4	12.8	13.4	6.3	5.9
Central Retail Corp PCL	Thailand	5,630	21.4	18.7	10.9	14.4	2.6	2.4	12.2	13.0	9.7	9.1
<b>Average</b>			<b>19.8</b>	<b>16.7</b>	<b>45.5</b>	<b>21.8</b>	<b>4.1</b>	<b>2.7</b>	<b>31.0</b>	<b>16.4</b>	<b>11.1</b>	<b>10.2</b>

Source: Bloomberg Finance L.P. and InnovestX Research

**Figure 28: ESG disclosure information in 2023**

ESG disclosure information	CPALL	CPAXT	BJC	CRC	HMPRO	GLOBAL
<b>Environment (Date as of 2023)</b>						
<b>Environmental Management</b>						
Corporate environmental policy and practice	Yes	Yes	Yes	Yes	Yes	Yes
<b>Energy Management</b>						
Total electricity consumption within the organization (Mn kWh)	3,778	1,313	N/A	694	218	74
Total electricity expense (Mn Bt)	15,890	5,117	N/A	N/A	N/A	431
<b>Water Management</b>						
Total water withdrawal (Cubic meters)	19,874,305	12,572,973	N/A	6,226,155	1,103,596	427,679
Total water discharge (Cubic meters)	884,160	8,035,990	N/A	-	122,288	-
Total water consumption (Cubic meters)	19,705,224	4,536,982	N/A	6,226,155	981,308	427,679
<b>Waste Management</b>						
Total waste generated (kg)	154,348,667	158,245,974	N/A	28,553,441	2,266,170	4,852,000
Total reused/recycled waste (kg)	98,383,983	120,791,481	N/A	9,934,895	1,926,000	4,450,000
% of reused/recycled hazardous waste to hazardous waste (%)	64	76	N/A	35	85	92
<b>Greenhouse Gas Management</b>						
Total GHG emissions (MTCO2Eq)	17,194,457	8,561,881	-	893,754	92,369	57,454
Total GHG emissions - scope 1 (MTCO2Eq)	497,066	175,314	N/A	42,577	215	11,142
Total GHG emissions - scope 2 (MTCO2Eq)	1,522,328	568,413	N/A	296,986	68,356	36,998
Total GHG emissions - scope 3 (MTCO2Eq)	15,175,062	7,818,154	N/A	554,191	23,798	9,314
<b>Social (Date as of 2023)</b>						
<b>Human Rights</b>						
Corporate human rights policy	Yes	Yes	Yes	Yes	Yes	Yes
<b>Employment</b>						
Total number of employees (Persons)	181,108	64,645	45,373	60,507	11,777	10,985
Percentage of female employees (%)	64.6	59.1	59.9	62.1	50.6	43.1
Employee turnover rate (%)	48.3	31.9	28.0	39.5	19.1	N/A
<b>Human Capital Development</b>						
Average employee training hours (Hours / Person / Year)	34	47	N/A	19	29	9
<b>Safety, Occupational Health, and Environment at Work</b>						
No. of employee work injuries leading to employee absence (times)	6	177	N/A	173	24	106
No. of employees that lost-time injuries exceeding 1 day (Person)	969	177	N/A	103	N/A	N/A
<b>Employee Relation and Engagement</b>						
Significant labor dispute	No	No	No	No	No	No
<b>Governance and Economics (Date as of 2023)</b>						
<b>Composition of the Board of Directors</b>						
Total number of directors (Persons)	16	15	15	15	11	10
Total number of female directors (Persons)	1	2	3	3	3	0
Percentage of female directors (%)	6.3	13.3	20.0	20.0	27.3	0.0
Total number of independent directors (Persons)	6	5	8	5	4	4
Percentage of independent directors (%)	37.5	33.3	53.0	33.3	36.4	40.0
Total number of non-executive directors (Persons)	11	13	13	14	10	8
Percentage of non-executive directors (%)	68.8	86.7	86.0	93.3	90.9	80.0
Average director age (Years)	68	68	N/A	65	61	61
The Chairman of the Board is an independent director	No	No	No	No	No	No
The Chairman of the Board is the Highest-ranking Executive	No	No	No	No	No	No
The Chairman of the Board and the Highest-ranking Executive are from the same family	No	No	Yes	No	No	No
<b>Meeting Attendance of the Board of Directors and Audit Committee</b>						
Number of the Board of Directors meeting (Times)	9	10	5	9	12	6
Number of the audit committee meeting (Times)	13	9	N/A	12	12	4
<b>Remuneration of Directors and Executives</b>						
Total Director Remuneration (Mn Bt)	50	45	N/A	22	9	15
Total executive remuneration (Mn Bt)	493	198	73	76	153	75
<b>Policy and practices related to the Board of Directors</b>						
Nomination of Directors	Yes	Yes	Yes	Yes	Yes	Yes
Determination of Director Remuneration	Yes	Yes	Yes	Yes	Yes	Yes
Independence of the Board of Directors from the Management	Yes	No	Yes	Yes	Yes	Yes
Director Development	Yes	Yes	Yes	Yes	Yes	Yes
Board Performance Evaluation	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance of Subsidiaries and Associated Companies	Yes	Yes	Yes	Yes	Yes	Yes
<b>Policy and practices related to the corporate code of conduct</b>						
Prevention of Conflicts of Interest	Yes	Yes	Yes	Yes	Yes	Yes
Prevention of the Misuse of Inside Information	Yes	Yes	Yes	Yes	Yes	Yes
Anti-corruption	Yes	Yes	Yes	Yes	Yes	Yes
Whistleblowing and Protection of Whistleblowers	Yes	Yes	Yes	Yes	Yes	Yes
<b>Sustainability Policy and Strategy</b>						
Company sustainability disclosure aligned with guidelines	UN,TCFD, GRI	UN,TCFD, CDP, GRI, Integrated Report	N/A	UN,TCFD,GRI, Integrated Report	UN,TCFD, CDP, GRI, Integrated Report	GRI

Source: SETSMART and InnovestX Research

**Figure 29: ESG rating and our view on ESG - Staples**

	CPALL	CPAXT	BJC
<b>2023 SET ESG ratings</b>	AAA	AAA	AA
<b>2022 Bloomberg ESG Financial Materiality Score (Rank in the sector)</b>	4.06 (5/33)	4.00 (6/33)	2.60 (10/33)
<b>- E Score (Rank)</b>	3.50 (3/33)	3.46 (4/33)	1.73 (9/33)
<b>- S Score (Rank)</b>	4.85 (4/33)	3.97 (6/33)	2.58 (10/33)
<b>- G Score (Rank)</b>	3.39 (12/33)	4.62 (6/33)	3.62 (11/33)
<b>Environmental (E) Issue</b>  Key risks: energy & waste management, sustainable products	<p>CPALL has committed to being carbon neutral by 2030 with net zero GHG emissions by 2050.</p> <p>By 2030, CPALL targets to reduce final energy consumption compared to the business-as-usual case (BAU) by 25% (vs 2.53% in 2023).</p> <p>By 2030, it targets to reduce 100% excess or leftover food requiring disposal and in waste generated by operations (vs 65.6% in 2023).</p> <p>By 2030, CPALL targets to achieve a private brand with 100% reusable, recyclable or compostable plastic packaging (vs 97.74% in 2023).</p> <p>We view that CPALL is in the leading position compared to peers to show its long-term commitment to cope with climate resilience (net zero target), along with providing medium-term target with progress on energy &amp; waste management, sustainable products.</p>	<p>CPAXT has committed to being carbon neutral by 2030 with net zero GHG emissions by 2050. Of this, 45% will be contributed by improved energy efficiency, followed by 25% renewable energy, 10% green refrigerant, 10% electric vehicle, 5% carbon absorption and 5% carbon credit.</p> <p>By 2030, it targets 100% food waste to landfill (vs 8.3% in 2023), 100% drop in water withdrawals per revenue from 2020.</p> <p>By 2030, it targets 100% use of sustainable packaging.</p> <p>CPAXT showed its long-term commitment on climate resilience policy (net zero target), amid the absence of short-term target to track the progress. It also provides medium-term target with progress on waste management and sustainable products.</p>	<p>BJC has committed to being carbon neutral by 2030 and aims to become net zero GHG (scope 1 &amp; 2) emissions by 2050.</p> <p>By 2032, BJC targets to reduce GHG emissions (scope 1 &amp; 2) by 15% (from 2021 baseline), reduce the use of non-renewable energy (MWh) by 15%, and plant 150,000 trees (vs 28,711 trees in 2023 and 41645 trees in 2021-23).</p> <p>By 2032, BJC aims to reduce food waste generation (tons) by 15%, manage 1,500 tons of waste in communities (vs 87 tons in 2023 and 259 tons in 2021-23).</p> <p>By 2032, it targets to reduce packaging volume (tons) by 15%.</p> <p>BJC shows its long-term commitment on climate resilience policy (with net zero target), along with providing medium-term target with progress on energy &amp; waste management. However, its sustainable product target lagged peers.</p>
<b>Social (S) Issue</b>  Key risks: product quality management, labor practices, data privacy	<p>By 2030, CPALL aims to develop skills and promote jobs to generate income for SMEs and vulnerable groups at 250,000 persons (vs 544,335 persons in 2023), support education for children and vulnerable groups, with access to technical and professional skills necessary for their profession at 500,000 persons (vs 442,130 persons in 2023), support access by 5mn underserved and vulnerable people to safe food and water (vs 4.8mn in 2023).</p> <p>By 2030, CPALL targets to increase the number of new health &amp; nutrition products and services by 25% (vs 27.2% in 2023).</p> <p>By 2030, it targets all stakeholder engagement of 80% (vs 85% in 2023).</p> <p>In 2023, the portion of its female employees was 65% (unchanged vs 2022) and employee turnover was 48% (vs 59% in 2022).</p> <p>In 2023, it had customer data protection policy.</p> <p>We view its satisfied product quality management compared to peers. Regarding on employment practices, we noticed that CPALL's employee turnover rate, albeit showing its positive development YoY, was the sector's highest in 2023.</p>	<p>By 2030, CPAXT aims to create 400,000 jobs supported to generate income for the community (vs 262,696 in 2023), with 150,000 people supported through education and upskilling.</p> <p>By 2030, CPAXT aims to achieve 70% of total sales volume of B2B &amp; B2C products &amp; services to promote health &amp; wellness (vs 47% in 2023).</p> <p>By 2030, it aims to have 100% of employees engaged in learning and initiatives (vs 100% employees trained and developed in 2023), and all stakeholder engagement of 80% (vs 88% in 2023).</p> <p>In 2023, the portion of its female employees was 59% (unchanged vs 2022) and employee turnover was 32% (vs 42% in 2022).</p> <p>In 2023, it had customer data protection policy.</p> <p>We view CPAXT's commitment and progress in product quality management is in the leading position compared to peers. Regarding on employment practices, we observed the positive development on its employee turnover rate YoY in 2023.</p>	<p>By 2032, it targets 15,000 students received the benefits on education (vs 3,000 in 2023 and 9540 in 2021-23) and 1.5mn people received food surplus (vs 0.12mn in 2023 and 0.73mn in 2021-23, 150,000 tons of agricultural products supported (vs 3657 in 2023 and 32525 in 2021-23), 1,500 activities supporting community health and well-being (vs 163 in 2023 and 166 in 2021-23), and 1,500 activities supporting religions and cultures (vs 383 in 2023 and 457 in 2021-23).</p> <p>In 2023, the portion of its female employees was 60% (unchanged vs 2022) and employee turnover was 28% (vs 46% in 2022).</p> <p>In 2023, it had customer data protection policy.</p> <p>We view its product quality management lagged behind its peers. Regarding on employment practices, we observed the positive development YoY on its employee turnover rate in 2023.</p>
<b>Governance (G) Issue</b>  Key risks: Board composition & compensation, shareholder rights, audit governance	<p>In 2023, CPALL's board of directors consists of 16 directors. Of total, one was a female number (6% of entire board), 6 were independent directors (38% of entire board), and 11 were non-executive directors (69% of entire board). We view its board consists of high expertise and experience persons in the business, but lack of gender diversity might result in the lack of perspective variety in strategic decision.</p> <p>In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.</p> <p>In 2023, the number of board of directors meeting was 9 times and the number of audit committee meeting was 13 times. Its regular meetings help it to enhance effectiveness in overseeing business management.</p>	<p>In 2023, CPAXT's board of directors consists of 15 directors. Of total, two were female number (13% of the entire board), 5 were independent directors (33% of the entire board), and 13 were non-executive directors (87% of the entire board). We view its board consists of high expertise and experience persons in the business, but lack of gender diversity might result in the lack of perspective variety in strategic decision.</p> <p>In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.</p> <p>In 2023, the number of board of directors meeting was 10 times and the number of audit committee meeting was 9 times. Its regular meetings help it to enhance effectiveness in overseeing business management.</p> <p>On shareholder rights, we view its free float at 15% (even up from 13.5% since late 2022) is the sector's lowest vs peers under our coverage.</p>	<p>In 2023, BJC's board of directors consists of 15 directors. Of total, three were female number (20% of the entire board), 8 were independent directors (53% of the entire board), and 13 were non-executive directors (86% of the entire board). We view the variety of its board composition leads peers, with high expertise and experience persons, with gender diversity and dependent majority.</p> <p>In 2023, its chairman of board was not the highest-ranking executive. However, the Chairman of the Board and the Highest-ranking Executive were from the same family, showing less independency in board structure than peers.</p> <p>In 2023, the number of board of directors meeting was 5 times. The irregular might limit its effectiveness in overseeing business management.</p> <p>On tax issue, in 1Q24, BJC booked Bt586mn one-off tax expenses on retail operations occurred in 2019-23, based on unfunded tax amount from the use of different assumptions from its tax structure estimation from The Revenue Department.</p>

Source: Bloomberg Finance L.P., company data and InnovestX Research (\*Note 2023 Bloomberg ESG Financial Materiality Scores have not yet available. Bloomberg ESG Scores rate companies on their level of management of financially material industry specific ESG issues. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.)

**Figure 30: ESG rating and our view on ESG - Discretionary**

	CRC	HMPRO	GLOBAL
<b>2023 SET ESG ratings</b>	AAA	AA	AA
<b>2022 Bloomberg ESG Financial Materiality Score (Rank in the sector)</b>	3.38 (8/33)	6.98 (1/33)	3.30 (9/33)
<b>- E Score (Rank)</b>	3.20 (5/33)	7.04 (1/33)	0.96 (12/33)
<b>- S Score (Rank)</b>	3.16 (9/33)	8.52 (1/33)	4.85 (4/33)
<b>- G Score (Rank)</b>	3.80 (9/33)	5.51 (1/33)	4.79 (5/33)
<b>Environmental (E) Issue</b>  Key risks: energy & waste management, sustainable products	<p>CRC has established goals for net zero target by 2050.</p> <p>By 2030, CRC intends to reduce GHG emissions scope 1 &amp; 2 from the baseline year in 2022 by 15% (vs 5% in 2023), achieve total electricity consumed from renewable energy of 30% (vs 10% in 2023) and reduce energy consumption per revenue of 30% (vs 5% in 2023).</p> <p>By 2030, CRC intends to reduce food waste by 30% from the baseline year in 2022, with waste diversion rate target at 30% (vs 10% in 2023).</p> <p>By 2030, CRC aims to have 100% product packaging to be made from eco-friendly materials (vs 20% in 2023).</p> <p>CRC showed its commitment on long-term climate resilience policy (net zero target), along with its medium-term target with progress on energy &amp; waste management and sustainable products. However, its targets scope at only operations in Thailand (71% to its 2023 sales and 77% to EBITDA), not yet fully covered all of its consolidated level.</p>	<p>By 2050, HMPRO aims to achieve net zero emission (vs 2% in 2023), from the decarbonization (i.e., renewable energy, green logistics, zero waste management) and carbon removal (i.e., no deforestation, forest preservation).</p> <p>By 2030, it targets GHG reduction per store at 50% from 2014 (vs 41% in 2023) and switch to renewable energy at 100% for the stores in which the buildings are owned by the company (vs 28% in 2022).</p> <p>By 2030, it aims to achieve zero waste target at 100% (vs 84% in 2023).</p> <p>By 2025, HMPRO targets eco products sales mix (i.e., organic &amp; recycled products, and health &amp; safety products) at 50% of sales (vs 48% in 2023) and product sales mix that promote responsible plastic consumption at 100% of sales (vs 60% in 2023). By 2030, it targets sales mix of circular products of 20% (vs none as this target was set in 2023).</p> <p>We view that HMPRO is in the leading position compared to peers to show its long-term commitment to cope with climate resilience (net zero target), along with more aggressive target than peers (but seems achievable based on its progress) on energy &amp; waste management and sustainable products.</p>	<p>By 2027, GLOBAL targets 63% of alternative energy consumption (vs 54% in 2023) and 100mn kWh/year for electricity generation from solar cell (vs 87mn in 2023), 7% reduction of energy consumption per area from 2018 (vs 4% in 2023).</p> <p>By 2030, it targets a 10% cut in GHG per total revenue from 2022 (vs 0.4% in 2023) and the amount of waste sent to landfill at zero (184MT in 2023).</p> <p>By 2025, it targets to raise portion of revenue of ESG products (i.e., energy saving products, healthcare products, and products for new normal market) to 40% of total revenue (vs 34% in 2023).</p> <p>We view GLOBAL is in lagging position compared to peers, without showing its long-term commitment to cope with climate resilience. However, we see its 2023 progress YoY on providing more medium-term target with progress on energy &amp; waste management, and sustainable products.</p>
<b>Social (S) Issue</b>  Key risks: product quality management, labor practices, data privacy	<p>By 2030, it plans to generate income for the community and farmers amounting to Bt5.4bn/year in 2030 (vs Bt1.8bn/year in 2023).</p> <p>By 2030, it targets employee engagement score of 77% (vs 73% in 2023) and it sets the portion of female management-level employees of 50% (vs 56% in 2023).</p> <p>In 2023, the portion of its female employees was 62% (vs 61.8% in 2022) and employee turnover was 39.5% (vs 42% in 2022).</p> <p>In 2023, it had customer data protection policy.</p> <p>We view its product quality management lagged behind its peers. Regarding on employment practices, we observed the positive development YoY on its employee turnover rate in 2023.</p>	<p>For the society and community, it targets the number of young technician entrepreneur teams at 1,800 teams in 2025 (vs 2,159 teams in 2022 and 2650 teams in 2023).</p> <p>By 2025, it targets employee engagement at 88% (vs 87% in 2023), associates knowledge development at 96% (vs 92% in 2022) and lost time injury rate at zero (vs 0.07% in 2023).</p> <p>In 2023, the portion of its female employees was 51% (vs 42.7% in 2022) and employee turnover was 19% (vs 20% in 2022).</p> <p>In 2023, it had customer data protection policy.</p> <p>We view its satisfied product quality management compared to peers. On employment practices, we noticed that HMPRO's employee turnover rate, showing the positive development YoY, was the sector's lowest in 2023.</p>	<p>By 2025, it targets the number of technicians in Chang-D project at 2,800 teams (vs 2,100 teams in 2023).</p> <p>By 2025, it aims to achieve the number of training hours of employees at above 8.5 hours/person (vs 8.3 hours in 2023) and employee engagement of more than 90% (vs 93% in 2023), and lost time injury rate/store at below 1% (vs 1.27% in 2023).</p> <p>In 2023, the portion of its female employees was 43.1% (vs 42.7% in 2022). It did not provide employee turnover rate.</p> <p>In 2023, it had customer data protection policy.</p> <p>We view its moderate product quality management compared to peers.</p>
<b>Governance (G) Issue</b>  Key risks: Board composition & compensation, shareholder rights, audit governance	<p>In 2023, CRC's board of directors consists of 15 directors. Of total, three were female numbers (20% of the entire board), 5 were independent directors (33% of the entire board), and 14 were non-executive directors (93% of the entire board). We view the variety of its board composition leads peers, with high expertise and experience persons, with gender diversity.</p> <p>In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.</p> <p>In 2023, the number of board of directors meeting was 9 times and the number of audit committee meeting was 12 times. The regular meetings help it to enhance effectiveness in overseeing business management.</p>	<p>In 2023, HMPRO's board of directors consists of 11 directors. Of total, three were female numbers (27% of the entire board), 4 were independent directors (36% of the entire board), and 10 were non-executive directors (91% of the entire board). We view the variety of its board composition leads peers, with high expertise and experience persons, with gender diversity.</p> <p>In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.</p> <p>In 2023, the number of board of directors meeting was 12 times and the number of audit committee meeting was 12 times. The regular meetings help it to enhance effectiveness in overseeing business management.</p>	<p>In 2023, GLOBAL's board of directors consists of 10 directors. Of total, none was female number (0% of the entire board), 4 were independent directors (40% of the entire board), and 8 were non-executive directors (80% of the entire board). We view overall board consists of high expertise and experience persons in the business, but the absence of gender diversity might result in the lack of perspective variety in strategic decision.</p> <p>In 2023, its chairman of board was not the highest-ranking executive, showing independency in board structure.</p> <p>In 2023, the number of board of directors meeting was 6 times and the number of audit committee meeting was 4 times. The irregular meetings might limit its effectiveness in overseeing business management.</p>

Source: Bloomberg Finance L.P., company data and InnovestX Research (\*Note 2023 Bloomberg ESG Financial Materiality Scores have not yet available. Bloomberg ESG Scores rate companies on their level of management of financially material industry specific ESG issues. Values range from 0 to 10; 10 is best. To review the fully transparent methodology, see ESG Financial Materiality Score Model in Bloomberg.)

**Figure 31: Valuation summary** (price as of Sep 12, 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
BJC	Neutral	23.60	27.5	19.4	19.6	21.0	18.8	(2)	(7)	12	0.8	0.7	0.7	4	4	4	3.4	2.9	3.2	12.3	11.5	10.9
CPALL	Outperform	64.50	80.0	26.1	32.5	24.9	21.5	41	31	16	5.2	4.6	4.1	17	20	21	1.6	2.0	2.4	11.8	10.7	9.8
CPAXT	Outperform	32.50	40.0	24.6	39.2	33.4	28.1	11	17	19	1.2	1.2	1.1	3	3	4	1.8	1.5	1.8	13.5	12.3	11.2
CRC	Outperform	31.75	38.0	21.4	24.0	23.5	21.0	14	2	12	2.9	2.7	2.5	12	11	12	1.7	1.7	1.9	9.8	9.4	8.9
GLOBAL	Outperform	15.50	18.5	20.5	30.1	31.8	27.5	(27)	(5)	16	3.5	3.2	3.0	12	10	11	1.2	1.1	1.3	19.6	20.5	18.4
HMPRO	Outperform	10.70	13.5	29.8	21.8	21.0	18.8	4	4	12	5.5	5.2	4.8	26	25	27	3.7	3.7	3.7	13.3	12.7	11.6
<b>Average</b>					<b>27.9</b>	<b>25.9</b>	<b>22.6</b>	<b>7</b>	<b>7</b>	<b>14</b>	<b>3.2</b>	<b>2.9</b>	<b>2.7</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>2.2</b>	<b>2.1</b>	<b>2.4</b>	<b>13.4</b>	<b>12.8</b>	<b>11.8</b>

Source: InnovestX Research

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**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, 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, 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, OISHI<sup>1</sup>, 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, SFP<sup>2</sup>, SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMP, SMT, SNC, SNPP, 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, 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, RUH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SPC, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC<sup>3</sup>, TEAM, TFI, TIGER, TITLE, 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.

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

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

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

**Anti-corruption Progress Indicator**

**Certified (ได้ผ่านการรับรอง)**

2S, AAI, ADVANC, AE, 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, BLA, BPP, BRR, BSBM, BTC, 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, KCCAMC, 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, 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, SMP, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCOC, 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, APO, 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, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CFARM, 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, DTCL, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, 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, KCC, 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, LTS, MAGURO, 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, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PICO, PIN, PJW, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, QTGC, RAM, RCL, READY, RICHY, RUH, 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, SNPP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, STX, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THUMI, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTG, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNIQU, 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.