

DUSIT THANI DUSIT TB

THAILAND / TOURISM & LEISURE

BUY

UNCHANGED

1Q24 results at first glance

DUSIT พลิกมารายงานกำไรปกติ 54 ลบ. ใน 1Q24

Highlights

- DUSIT รายงานกำไรปกติ 54 ลบ. ใน 1Q24 พลิกจากที่เคยขาดทุนปกติ 68 ลบ. ใน 4Q23
 - เมื่อรวมกำไรจากอัตราแลกเปลี่ยน 67 ลบ. กำไรสุทธิอยู่ที่ 122 ลบ.
- #### ธุรกิจโรงแรม
- รายได้จากธุรกิจโรงแรมโต 24% y-y รายได้จากโรงแรมที่บริษัท เป็นเจ้าของโต 21% y-y โดยได้ปัจจัยหนุนสำคัญจากโรงแรมในไทยโดยเฉพาะอย่างยิ่งโรงแรมในพญา ภูเก็ต และหัวหิน RevPAR โต 20% y-y พร้อมอัตราการเข้าพัก (OCC rate) ที่ 81% (เทียบกับ 75% ใน 1Q23) นอกจากนี้รายได้จากโรงแรมในต่างประเทศยังเพิ่ม 18% y-y
 - รายได้จากการบริหารโรงแรมกระโดดเพิ่ม 43% y-y โดยได้ปัจจัยหนุนจากโรงแรมในตะวันออกกลาง สหรัฐฯ (กวม) และญี่ปุ่น
 - EBITDA margin ลดลงเหลือ 30% (เทียบกับ 34% ใน 1Q23) จากค่าเช่าและค่าใช้จ่ายผันแปรที่เพิ่มขึ้นของโรงแรม อย่างไรก็ตามกำไรที่ปรับตัวดีขึ้น q-q (เทียบกับ 28% ใน 4Q23) จากรายได้ที่โตดี

ธุรกิจอื่น

- ธุรกิจการศึกษาโต 4% y-y ใน 1Q24 จากตัวเลขนักเรียนที่เพิ่มขึ้นของ Dusit Thani College ในขณะที่ EBITDA margin ของธุรกิจดังกล่าวปรับตัวดีขึ้นเป็น 20% (เทียบกับ 10% ใน 1Q23) จากรายได้ที่สูงขึ้นของ Dusit Thani College
- ธุรกิจอาหารโต 20% y-y โดยได้ปัจจัยหนุนจาก Bonjour Bakery และ Epicure Catering ตามจำนวนนักเรียนที่เพิ่มขึ้นหลังบริษัท ประสบความสำเร็จในการเซ็นสัญญากับ 12 โรงเรียนใหม่ EBITDA margin ของธุรกิจอาหารทรงตัว y-y ที่ 14% เนื่องจากการดำเนินงานที่ดีของ Epicure Catering ชดเชยกับค่าใช้จ่ายในช่วงเริ่มตัวของธุรกิจใหม่ (Savor Eats)

ในภาพรวม

- EBITDA กระโดดเพิ่ม 25% y-y ใน 1Q24 พร้อม EBITDA margin ที่ 24% (เทียบกับ 23% ใน 1Q23) จากการเติบโตที่ดีของธุรกิจโรงแรม

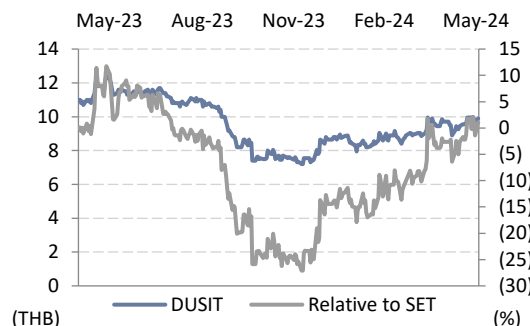
Outlook

- คาดว่าผลการดำเนินงานโดยรวมจะปรับตัวดีขึ้น y-y ใน 2Q24 อย่างไรก็ตามกำไรอาจพลิกเป็นขาดทุนได้จาก Low tourism season ในประเทศไทยและมัลดีฟส์

TARGET PRICE	THB15.00
CLOSE	THB9.90
UP/DOWNSIDE	+51.5%
PRIOR TP	THB15.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+20.4%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	5,377	6,453	19,477	20,244
Net profit	(570)	54	1,897	1,611
EPS (THB)	(0.67)	0.06	2.23	1.90
vs Consensus (%)	-	nm	40.7	-
EBITDA	(129)	591	2,824	3,648
Recurring net profit	(551)	54	1,097	1,611
Core EPS (THB)	(0.65)	0.06	1.29	1.90
Chg. In EPS est. (%)	nm	0.2	0.0	nm
EPS growth (%)	nm	nm	1,948.5	46.8
Core P/E (x)	(15.3)	157.1	7.7	5.2
Dividend yield (%)	-	0.4	9.1	13.4
EV/EBITDA (x)	(166.5)	44.1	10.4	5.0
Price/book (x)	2.4	2.4	1.6	1.4
Net debt/Equity (%)	283.6	256.5	253.7	163.5
ROE (%)	(14.6)	1.5	24.8	27.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	2.1	9.4	(10.0)
Relative to country (%)	3.8	10.9	2.4
Mkt cap (USD m)	229		
3m avg. daily turnover (USD m)	0.1		
Free float (%)	27		
Major shareholder	Chanat family account (50%)		
12m high/low (THB)	12.40/7.15		
Issued shares (m)	850.00		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 14 พฤษภาคม 2024

Exhibit 1: DUSIT - 1Q24 results summary

FY ending Dec	1Q23	2Q23	3Q23	4Q23	1Q24	----- Change -----		2023	2024E	Chg.
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	1,472	1,121	1,181	1,602	1,810	13	23	5,377	6,453	20
COGS (incl depreciation)	(897)	(772)	(843)	(1,060)	(1,105)	4	23	(3,573)	(3,961)	11
Gross Profit	575	349	338	542	705	30	23	1,804	2,492	38
SG&A	(685)	(688)	(723)	(738)	(778)	5	14	(2,834)	(3,007)	6
Operating Profit	(110)	(340)	(385)	(196)	(73)	63	100	(1,030)	(515)	(50)
Management service income	160	120	146	193	174	(10)	9	619	667	8
Interest income	5	7	6	9	7	(27)	46	27	22	(20)
Realised income from deferred rental revenue	7	7	7	7	7	(2)	0	27	27	0
Other income	44	61	50	107	38	(64)	(13)	263	270	3
Interest expenses	(124)	(126)	(133)	(140)	(135)	(4)	9	(524)	(573)	9
Pretax profit	(18)	(270)	(309)	(20)	18	189	(196)	(618)	(102)	(83)
Income Tax	1	12	16	(25)	(20)	(19)	(1,787)	4	61	1,347
Associates	28	33	14	(26)	60	(333)	115	48	51	5
Minority interest	(3)	8	7	3	(4)	(244)	44	14	44	210
Core profit	8	(218)	(273)	(68)	54	179	575	(551)	54	(110)
Extraordinaries, GW & FX	1	32	26	(78)	69			(19)	0	(100)
- Gain on sale of other long term investments	0	0	0	0	0					
- Gain on measurement of other financial assets	1	0	0	2	1					
- FX gain/loss	0	32	26	(97)	67					
- Others	0	0	0	18	0					
Reported net profit	9	(186)	(247)	(146)	122	184	1,315	(570)	54	(109)
Outstanding shares (m)	850	850	850	850	850	0	0	850	850	0
Core EPS (THB)	0.01	(0.26)	(0.32)	(0.08)	0.06	179	575	(0.65)	0.06	(110)
EPS (THB)	0.01	(0.22)	(0.29)	(0.17)	0.14	184	1,315	(0.67)	0.06	(109)
COGS excl. depreciation	(678)	(553)	(612)	(829)	(878)	6	29	(2,672)	(2,854)	7
Depreciation	(219)	(219)	(231)	(231)	(228)	(1)	4	(901)	(1,107)	23
EBITDA	353	108	69	326	441	35	25	856	1,629	90
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	39	31	29	34	39	5	(0)	34	39	5
SG&A/Revenue	47	61	61	46	43	(3)	(4)	53	47	(6)
EBITDA margin	23	9	6	19	24	5	1	15	24	9
Net profit margin	1	(17)	(21)	(9)	7	16	6	(11)	1	11
Operating stats										
Hotel revenue growth y-y (%)	88	31	18	23	24					
Education revenue growth y-y (%)	(6)	(5)	420	(20)	4					
Foods revenue growth y-y (%)	116	67	22	25	20					
Occupancy (%)	75	66	68	73	81					
ADR (THB/night)	4,413	3,311	3,201	4,230	4,828					
RevPar (THB/night)	3,289	2,187	2,174	3,096	3,932					

Sources: DUSIT; FSSIA estimates

Financial Statements

Dusit Thani

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	4,084	5,377	6,453	19,477	20,244
Cost of goods sold	(2,851)	(3,573)	(3,961)	(13,843)	(12,941)
Gross profit	1,233	1,804	2,492	5,635	7,304
Other operating income	-	-	-	-	-
Operating costs	(2,305)	(2,834)	(3,007)	(4,160)	(5,039)
Operating EBITDA	(138)	(129)	591	2,824	3,648
Depreciation	(934)	(901)	(1,107)	(1,349)	(1,383)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	(1,072)	(1,030)	(515)	1,475	2,265
Net financing costs	(481)	(497)	(551)	(668)	(601)
Associates	67	48	51	99	114
Recurring non-operating income	706	958	1,016	1,144	1,208
Non-recurring items	264	(19)	0	800	0
Profit before tax	(583)	(588)	(51)	2,751	2,871
Tax	36	4	61	(357)	(546)
Profit after tax	(547)	(584)	9	2,395	2,326
Minority interests	46	14	44	(497)	(715)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	(501)	(570)	54	1,897	1,611
Non-recurring items & goodwill (net)	(264)	19	0	(800)	0
Recurring net profit	(766)	(551)	54	1,097	1,611
Per share (THB)					
Recurring EPS *	(0.90)	(0.65)	0.06	1.29	1.90
Reported EPS	(0.59)	(0.67)	0.06	2.23	1.90
DPS	0.00	0.00	0.04	0.90	1.33
Diluted shares (used to calculate per share data)	850	850	850	850	850
Growth					
Revenue (%)	86.1	31.7	20.0	201.8	3.9
Operating EBITDA (%)	nm	nm	nm	377.5	29.2
Operating EBIT (%)	nm	nm	nm	nm	53.6
Recurring EPS (%)	nm	nm	nm	1,948.5	46.8
Reported EPS (%)	nm	nm	nm	3,441.9	(15.1)
Operating performance					
Gross margin inc. depreciation (%)	30.2	33.6	38.6	28.9	36.1
Gross margin exc. depreciation (%)	53.1	50.3	55.8	35.9	42.9
Operating EBITDA margin (%)	(3.4)	(2.4)	9.2	14.5	18.0
Operating EBIT margin (%)	(26.3)	(19.2)	(8.0)	7.6	11.2
Net margin (%)	(18.8)	(10.2)	0.8	5.6	8.0
Effective tax rate (%)	3.9	0.7	0.0	19.3	19.8
Dividend payout on recurring profit (%)	-	-	70.0	70.0	70.0
Interest cover (X)	(0.8)	(0.1)	0.9	3.9	5.8
Inventory days	16.5	15.0	234.5	177.3	143.1
Debtor days	43.4	38.1	33.3	11.0	10.6
Creditor days	289.9	265.5	259.7	45.6	66.2
Operating ROIC (%)	(6.1)	(5.6)	(2.4)	4.6	7.9
ROIC (%)	(1.6)	(0.3)	1.9	6.8	9.8
ROE (%)	(20.7)	(14.6)	1.5	24.8	27.9
ROA (%)	(1.4)	(0.3)	1.9	6.3	8.5
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Hotel revenue	2,563	3,682	4,422	13,183	13,606
Others	1,520	1,694	2,030	6,294	6,638

Sources: Dusit Thani; FSSIA estimates

Financial Statements

Dusit Thani

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	(766)	(551)	54	1,097	1,611
Depreciation	934	901	1,107	1,349	1,383
Associates & minorities	-	-	-	-	-
Other non-cash items	1,505	1,526	(44)	1,297	715
Change in working capital	583	66	(3,318)	(5,000)	9,296
Cash flow from operations	2,257	1,943	(2,202)	(1,256)	13,005
Capex - maintenance	(2,094)	(3,088)	(1,946)	(1,040)	(393)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	91	25	(441)	(441)	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(2,003)	(3,064)	(2,387)	(1,481)	(393)
Dividends paid	(24)	(23)	0	(37)	(768)
Equity finance	0	0	0	0	0
Debt finance	(1,127)	819	1,500	3,500	(7,000)
Other financing cash flows	1,830	(108)	1,609	(861)	(2,918)
Cash flow from financing	679	688	3,109	2,602	(10,686)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	933	(433)	(1,480)	(135)	1,925
Free cash flow to firm (FCFF)	745.94	(597.04)	(4,015.73)	(2,066.31)	13,213.80
Free cash flow to equity (FCFE)	956.34	(410.73)	(1,479.82)	(97.61)	2,693.52
Per share (THB)					
FCFF per share	0.88	(0.70)	(4.72)	(2.43)	15.55
FCFE per share	1.13	(0.48)	(1.74)	(0.11)	3.17
Recurring cash flow per share	1.97	2.21	1.31	4.40	4.36
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	23,625	26,221	28,167	29,207	29,600
Less: Accumulated depreciation	(5,604)	(6,013)	(7,120)	(8,468)	(9,851)
Tangible fixed assets (net)	18,021	20,208	21,047	20,738	19,748
Intangible fixed assets (net)	971	999	999	999	999
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	1,761	1,736	2,177	2,618	2,618
Cash & equivalents	2,143	1,710	230	95	2,020
A/C receivable	534	588	588	588	588
Inventories	109	111	3,556	8,580	482
Other current assets	614	662	745	562	1,557
Current assets	3,399	3,071	5,118	9,824	4,647
Other assets	2,077	1,908	1,908	1,908	1,908
Total assets	26,229	27,922	31,249	36,088	29,920
Common equity	4,121	3,440	3,494	5,354	6,196
Minorities etc.	923	873	2,438	2,074	(129)
Total shareholders' equity	5,045	4,313	5,931	7,428	6,067
Long term debt	11,999	12,622	14,122	17,622	10,622
Other long-term liabilities	5,892	7,327	7,327	7,327	7,327
Long-term liabilities	17,891	19,948	21,448	24,948	17,948
A/C payable	1,924	1,964	2,097	1,027	3,166
Short term debt	1,125	1,321	1,321	1,321	1,321
Other current liabilities	245	377	452	1,364	1,418
Current liabilities	3,294	3,661	3,870	3,712	5,905
Total liabilities and shareholders' equity	26,229	27,922	31,249	36,088	29,920
Net working capital	(913)	(979)	2,339	7,338	(1,958)
Invested capital	21,917	23,872	28,470	33,602	23,316
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	4.85	4.05	4.11	6.30	7.29
Tangible book value per share	3.71	2.87	2.94	5.12	6.11
Financial strength					
Net debt/equity (%)	217.7	283.6	256.5	253.7	163.5
Net debt/total assets (%)	41.9	43.8	48.7	52.2	33.2
Current ratio (x)	1.0	0.8	1.3	2.6	0.8
CF interest cover (x)	3.0	0.2	(1.7)	0.9	5.5
Valuation					
Recurring P/E (x) *	(11.0)	(15.3)	157.1	7.7	5.2
Recurring P/E @ target price (x) *	(16.6)	(23.2)	238.0	11.6	7.9
Reported P/E (x)	(16.8)	(14.8)	157.1	4.4	5.2
Dividend yield (%)	-	-	0.4	9.1	13.4
Price/book (x)	2.0	2.4	2.4	1.6	1.4
Price/tangible book (x)	2.7	3.4	3.4	1.9	1.6
EV/EBITDA (x) **	(147.3)	(166.5)	44.1	10.4	5.0
EV/EBITDA @ target price (x) **	(178.8)	(200.1)	51.4	11.9	6.2
EV/invested capital (x)	0.9	0.9	0.9	0.9	0.8
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Dusit Thani; FSSIA estimates

Dusit Thani PCL (DUSIT TB)

FSSIA ESG rating

24.81 /100
Exhibit 2: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★☆	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★☆☆	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★☆☆☆	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★☆☆☆☆	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Source: FSSIA estimates

Exhibit 3: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BEYOND	24.98	--	--	--	5.00	5.00	Certified	--	39.83	--	--	--	--	--	--
CENTEL	62.78	--	Y	Y	5.00	5.00	Certified	Medium	57.54	--	--	71.56	48.00	2.93	54.19
DUSIT	24.81	--	--	--	5.00	4.00	Certified	--	46.50	--	--	--	--	--	--
ERW	39.65	--	--	--	4.00	4.00	Certified	--	54.22	--	--	51.15	21.00	3.90	--
MINT	84.43	Y	Y	Y	5.00	4.00	Certified	Medium	57.57	AA	37.00	91.18	69.00	5.00	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: SETTRADE.com; FSSIA's compilation
Exhibit 4: ESG disclosure from the company's one report

FY ending Dec 31		FY 2022		FY ending Dec 31		FY 2022	
Environmental				Governance			
Climate change policy		Yes		Board size / Independent directors (ID) / Female		12 / 8 / 6	
Climate change opportunities discussed		--		No. of board meetings for the year / % attendance		11 / 95.02%	
GHG scope 2 location-based policy		Yes		Company conducts board evaluations		Yes	
Biodiversity policy		Yes		Number of non-executive directors on board		9	
Energy efficiency policy		Yes		Director share ownership guidelines		No	
Electricity used		Yes		Board age limit		No	
Fuel used - crude oil/diesel		--		Age of the youngest / oldest director		55 / 86	
Waste reduction policy		Yes		Number of executives / female		7 / 3	
Water policy		Yes		Executive share ownership guidelines		No	
Water consumption		504.12		Size of audit committee / ID		3 / 3	
Social				Audit committee meetings		7	
Human rights policy		Yes		Audit committee meeting attendance (%)		100	
Policy against child labor		Yes		Size of compensation committee		3 / 3	
Quality assurance and recall policy		Yes		Number of compensation committee meetings		5	
Consumer data protection policy		Yes		Compensation committee meeting attendance (%)		100	
Equal opportunity policy		Yes		Size of nomination committee / ID		3 / 3	
Gender pay gap breakout		--		Number of nomination committee meetings		5	
Pct women in workforce		52.08		Nomination committee meeting attendance (%)		100	
Business ethics policy		Yes		Board compensation (THB m)		7.01	
Anti-bribery ethics policy		Yes		Auditor fee (THB m)		2.05	
Health and safety policy		Yes		<i>(KPMG PHOONCHAI AUDIT COMPANY LIMITED)</i>			
Lost time incident rate - employees		Yes					
Training policy		Yes					
Fair remuneration policy		Yes					
Number of employees - CSR		--					
Total hours spent by firm - employee training		--					
Social supply chain management		Yes					

Source: FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for THSI inclusion , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. SETTHSI Index is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
CG Score by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). (The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. (Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.																			
ESG Book	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	<table border="1"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table> <p>The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.</p>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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MSCI	<p>MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.</p> <table border="1"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. (Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)																				
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) THSI. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

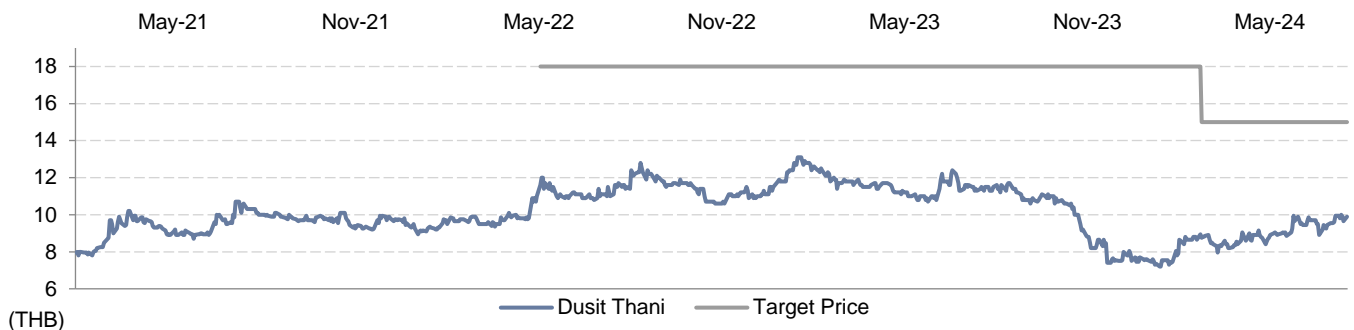
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Dusit Thani (DUSIT TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
17-Jun-2022	BUY	18.00	08-Jan-2024	BUY	15.00	-	-	-

Teerapol Udomvej, CFA started covering this stock from 17-Jun-2022

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Dusit Thani	DUSIT TB	THB 9.90	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 13-May-2024 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.