

17 MAY 2024

EQUITY RESEARCH – ANALYST MEETING

CENTRAL PLAZA HOTEL

THAILAND / TOURISM & LEISURE

CENTEL TB**FINANSIA**

FSS INTERNATIONAL INVESTMENT ADVISORY

FSSIA ESG rating

**BUY**

UNCHANGED

Key takeaways from analyst meeting

TARGET PRICE	THB50.00
CLOSE	THB43.50
UP/DOWNSIDE	+14.9%
TP vs CONSENSUS	+4.3%

Highlights

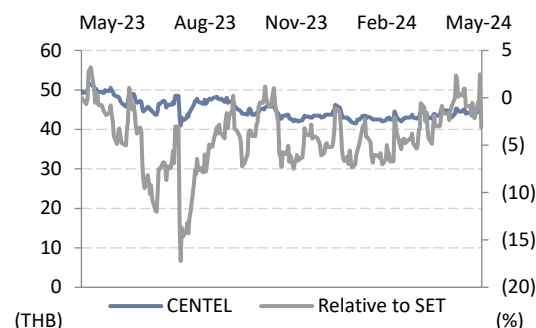
- We have a neutral view from the 1Q24 analyst meeting.
 - Hotel business
 - RevPAR of Thai hotels grew by 4% y-y in April (vs 20% y-y in 1Q24), and management expects RevPAR to be flat y-y in 2Q24, pressured by the partial renovation of Centara Mirage Pattaya (which should have only 25% of inventory in May and 50% in July).
 - RevPAR of Maldives hotels grew by 2% y-y in April (vs 7% y-y in 1Q24), and management expects RevPAR to be flat y-y in 2Q24, pressured by lower Indian tourists, while Chinese tourists recovered lower than expected.
 - The OCC rate of its Osaka hotel improved to 89% with ADR of THB8,200 in April (vs 67% and THB7,000 in 1Q24), and management expects an average OCC rate of 85% in 2Q24. This should be sufficient for the hotel to hit a breakeven at the NPAT level.
 - Overall, organic revenue should be flat y-y (and grow 15-20% y-y, including the Osaka hotel).
 - Interest bearing debt should increase from THB13b in 1Q24 to THB16b in 2Q24 and THB20b by 4Q24, mainly for new Maldives hotels.
 - Food business
 - Food business recorded 3% y-y SSSG in April (4% y-y excluding JVs), driven by Mister Donut, which turned positive after declining for 18 months.
 - We saw a positive margin trend, led by lower raw material prices, partially offsetting higher rental expenses.

Outlook and recommendation

- We expect 2Q24 core profit to grow y-y, driven by the Osaka hotel, which should reach its breakeven (vs THB100-120m loss in 2Q23).
- CENTEL traded at 31x 2025E P/E (we use 2025 as the base year as it should be the first year of normalized earnings post-pandemic), lower than its five-year average of 34x.

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	21,558	24,370	26,669	28,913
Net profit	1,248	1,533	1,917	2,246
EPS (THB)	0.92	1.14	1.42	1.66
vs Consensus (%)	-	(3.5)	(3.4)	(4.2)
EBITDA	4,608	5,263	5,872	6,574
Recurring net profit	1,120	1,533	1,917	2,246
Core EPS (THB)	0.83	1.14	1.42	1.66
EPS growth (%)	181.4	36.9	25.0	17.2
Core P/E (x)	52.4	38.3	30.6	26.1
Dividend yield (%)	-	1.0	1.3	1.5
EV/EBITDA (x)	18.2	16.5	15.2	13.8
Price/book (x)	3.0	2.8	2.6	2.4
Net debt/Equity (%)	122.8	129.7	131.8	129.2
ROE (%)	5.9	7.5	8.8	9.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.8)	3.6	(15.9)
Relative to country (%)	(1.5)	4.2	(6.1)
Mkt cap (USD m)	1,625		
3m avg. daily turnover (USD m)	2.8		
Free float (%)	76		
Major shareholder	Tiang Chirathivat Real Estate (5%)		
12m high/low (THB)	53.75/40.75		
Issued shares (m)	1,350.00		

Sources: Bloomberg consensus; FSSIA estimates

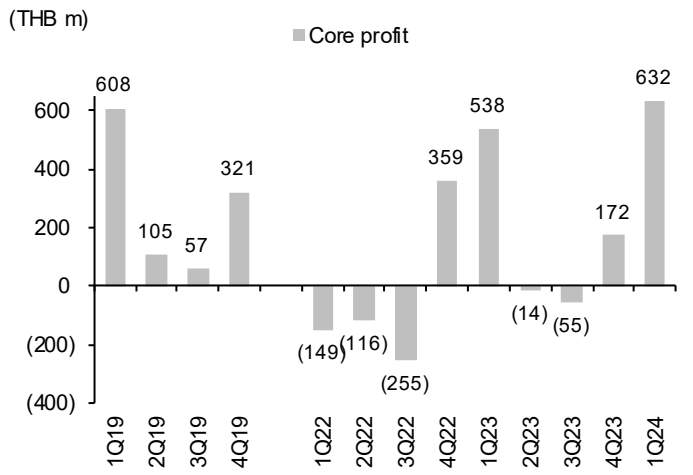
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Exhibit 1: CENTEL – 1Q24 results summary

	1Q23	2Q23	3Q23	4Q23	1Q24	----- Change -----		2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)
Sales	5,530	5,061	5,212	5,755	6,104	6	10	24,370	13
- Hotel operations	2,520	1,895	2,158	2,520	3,003	19	19	10,658	17
- Food and beverage	3,010	3,166	3,054	3,235	3,101	(4)	3	13,712	10
COGS (Incl. depreciation)	(3,049)	(3,045)	(3,121)	(3,397)	(3,335)	(2)	9	(14,017)	11
Gross profit	2,481	2,016	2,091	2,358	2,769	17	12	10,353	16
SG&A	(1,837)	(1,762)	(1,850)	(1,912)	(1,893)	(1)	3	(8,199)	11
Operating profit	644	254	241	446	875	96	36	2,154	36
Net other income	275	111	140	179	218	22	(21)	580	(18)
Interest income	59	79	64	84	68	(20)	15	464	62
Interest expense	(186)	(273)	(280)	(268)	(259)	(3)	40	(1,201)	19
Pretax profit	792	170	164	441	901	104	14	1,996	27
Income Tax	(84)	(81)	(56)	(156)	(117)	(25)	39	(399)	6
Share profit from associates	7	7	7	(20)	7	(136)	3	1	(101)
Share profit from JV	(34)	3	(62)	30	(6)	(120)	(82)		
Minority interest	(52)	22	20	2	(30)	(1,355)	(42)	(64)	688
Core profit	629	121	74	297	755	155	20	1,533	37
Extraordinaries, GW & FX	0	0	0	128				0	(100)
Reported net profit	629	121	74	425	755	78	20	1,533	23
Shares out (end Q, m)	1,350	1,350	1,350	1,350	1,350	0	0	1,350	0
Pre-ex EPS	0.47	0.09	0.05	0.22	0.56	155	20	1.14	37
EPS	0.47	0.09	0.05	0.31	0.56	78	20	1.14	23
COGS Excl. depreciation	(2,328)	(2,276)	(2,345)	(2,739)	(2,581)	(6)	11	(10,908)	14
Depreciation	(721)	(769)	(776)	(757)	(754)	(0)	5	(3,109)	3
EBITDA	1,647	1,140	1,163	1,362	1,855	36	13	5,263	14
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(ppt)
Gross margin	45	40	40	41	45	4	0	42	1
SG&A/Revenue	33	35	36	33	31	(2)	(2)	34	(0)
Hotel EBITDA margin	40	30	26	34	42	8	3	32	(1)
Food EBITDA margin	18	19	18	16	17	1	(1)	19	1
Total EBITDA margin	29	23	22	25	30	5	1	22	0
Net profit margin	11	2	1	7	12	5	1	6	1
Operating stats									
Hotel									
OCC -Maldives (%)	89	56	70	72	92				
OCC -Thailand (%)	76	65	68	70	76				
OCC -Dubai (%)	83	82	77	82	90				
OCC -Japan (%)	0	0	67	77	67				
ARR - Maldives (THB)	16,151	12,361	9,558	14,030	16,640				
ARR - Thailand (THB)	4,461	3,901	3,984	4,509	5,408				
ARR - Dubai (THB)	6,444	6,226	5,493	8,322	7,441				
ARR - Japan (THB)			6,176	7,094	7,045				
RevPAR - Maldives (THB)	14,295	6,896	6,685	10,127	15,237				
RevPAR - Thailand (THB)	3,407	2,545	2,715	3,149	4,092				
RevPAR - Dubai (THB)	5,374	5,094	4,217	6,840	6,686				
RevPAR - Japan (THB)			4,126	5,457	4,740				
Food									
SSSG (y-y %)	8	5	0	2	1				
TSSG (y-y %)	15	10	4	5	3				

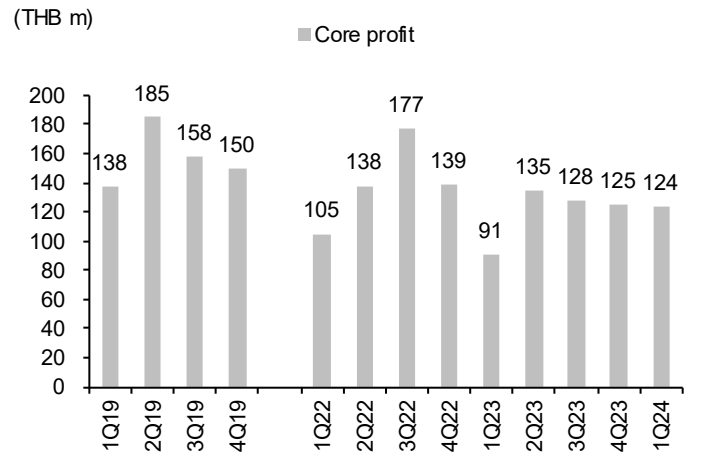
Sources: CENTEL; FSSIA estimates

Exhibit 2: Hotel business core profit



Source: CENTEL

Exhibit 3: Food business core profit



Source: CENTEL

Financial Statements

Central Plaza Hotel

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	17,502	21,558	24,370	26,669	28,913
Cost of goods sold	(10,494)	(12,612)	(14,017)	(15,129)	(16,152)
Gross profit	7,008	8,946	10,353	11,540	12,761
Other operating income	-	-	-	-	-
Operating costs	(6,400)	(7,361)	(8,199)	(8,946)	(9,670)
Operating EBITDA	3,741	4,608	5,263	5,872	6,574
Depreciation	(3,133)	(3,023)	(3,109)	(3,278)	(3,482)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	608	1,585	2,154	2,594	3,092
Net financing costs	(547)	(721)	(738)	(856)	(1,073)
Associates	(44)	(62)	1	59	130
Recurring non-operating income	491	642	580	733	855
Non-recurring items	0	128	0	0	0
Profit before tax	552	1,633	1,996	2,471	2,874
Tax	(138)	(377)	(399)	(482)	(549)
Profit after tax	414	1,256	1,597	1,988	2,325
Minority interests	(16)	(8)	(64)	(72)	(79)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	398	1,248	1,533	1,917	2,246
Non-recurring items & goodwill (net)	0	(128)	0	0	0
Recurring net profit	398	1,120	1,533	1,917	2,246
Per share (THB)					
Recurring EPS *	0.29	0.83	1.14	1.42	1.66
Reported EPS	0.29	0.92	1.14	1.42	1.66
DPS	0.00	0.00	0.45	0.57	0.67
Diluted shares (used to calculate per share data)	1,350	1,350	1,350	1,350	1,350
Growth					
Revenue (%)	56.1	23.2	13.0	9.4	8.4
Operating EBITDA (%)	121.3	23.2	14.2	11.6	11.9
Operating EBIT (%)	nm	160.6	35.9	20.4	19.2
Recurring EPS (%)	nm	181.4	36.9	25.0	17.2
Reported EPS (%)	nm	213.5	22.8	25.0	17.2
Operating performance					
Gross margin inc. depreciation (%)	40.0	41.5	42.5	43.3	44.1
Gross margin exc. depreciation (%)	57.9	55.5	55.2	55.6	56.2
Operating EBITDA margin (%)	21.4	21.4	21.6	22.0	22.7
Operating EBIT margin (%)	3.5	7.4	8.8	9.7	10.7
Net margin (%)	2.3	5.2	6.3	7.2	7.8
Effective tax rate (%)	23.1	24.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	40.0	40.0	40.0
Interest cover (X)	2.0	3.1	3.7	3.9	3.7
Inventory days	43.9	38.2	35.1	35.9	36.2
Debtor days	21.2	23.2	25.2	27.1	28.5
Creditor days	152.0	131.4	123.2	125.9	126.9
Operating ROIC (%)	1.3	3.2	4.0	4.4	4.9
ROIC (%)	2.0	3.8	4.4	4.9	5.5
ROE (%)	2.2	5.9	7.5	8.8	9.7
ROA (%)	1.7	3.3	3.9	4.4	5.0
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Hotel revenue	5,935	9,078	10,644	12,120	13,515
F&B revenue	11,553	12,465	13,712	14,534	15,384
Rental income	14	14	14	14	14

Sources: Central Plaza Hotel; FSSIA estimates

Financial Statements

Central Plaza Hotel

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	398	1,120	1,533	1,917	2,246
Depreciation	3,133	3,023	3,109	3,278	3,482
Associates & minorities	-	-	-	-	-
Other non-cash items	(248)	246	64	72	79
Change in working capital	54	70	(18)	(47)	(101)
Cash flow from operations	3,336	4,458	4,688	5,220	5,707
Capex - maintenance	(1,201)	(9,611)	(8,000)	(6,700)	(6,200)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(644)	26	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(1,845)	(9,585)	(8,000)	(6,700)	(6,200)
Dividends paid	0	0	0	(613)	(767)
Equity finance	0	0	0	0	0
Debt finance	(1,754)	4,625	3,000	700	1,200
Other financing cash flows	45	(116)	(61)	(68)	(75)
Cash flow from financing	(1,709)	4,509	2,939	18	358
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(218)	(618)	(372)	(1,462)	(135)
Free cash flow to firm (FCFF)	2,217.57	(4,119.59)	(2,110.21)	(200.92)	825.83
Free cash flow to equity (FCFE)	(217.80)	(617.73)	(372.20)	(848.26)	631.46

Per share (THB)

FCFF per share	1.64	(3.05)	(1.56)	(0.15)	0.61
FCFE per share	(0.16)	(0.46)	(0.28)	(0.63)	0.47
Recurring cash flow per share	2.43	3.25	3.49	3.90	4.30

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	59,125	65,721	73,721	80,421	86,621
Less: Accumulated depreciation	(24,314)	(24,244)	(27,353)	(30,631)	(34,114)
Tangible fixed assets (net)	34,811	41,477	46,368	49,789	52,507
Intangible fixed assets (net)	360	360	360	360	360
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	4,565	4,539	4,539	4,539	4,539
Cash & equivalents	3,137	2,519	2,147	685	550
A/C receivable	1,227	1,519	1,849	2,115	2,404
Inventories	1,024	982	1,118	1,214	1,298
Other current assets	927	668	755	826	896
Current assets	6,315	5,688	5,868	4,841	5,148
Other assets	2,115	2,138	2,138	2,138	2,138
Total assets	48,166	54,204	59,274	61,668	64,694
Common equity	18,518	19,675	21,208	22,512	23,991
Minorities etc.	373	343	346	350	353
Total shareholders' equity	18,891	20,018	21,555	22,862	24,345
Long term debt	21,671	26,178	29,178	29,878	31,078
Other long-term liabilities	2,952	3,176	3,176	3,176	3,176
Long-term liabilities	24,623	29,354	32,354	33,054	34,254
A/C payable	3,460	3,445	3,919	4,258	4,552
Short term debt	809	928	928	928	928
Other current liabilities	383	459	519	568	615
Current liabilities	4,652	4,832	5,366	5,753	6,095
Total liabilities and shareholders' equity	48,166	54,204	59,274	61,668	64,694
Net working capital	(665)	(735)	(716)	(670)	(569)
Invested capital	41,186	47,781	52,689	56,158	58,976

* Includes convertibles and preferred stock which is being treated as debt

Per share (THB)

Book value per share	13.72	14.57	15.71	16.68	17.77
Tangible book value per share	13.45	14.31	15.44	16.41	17.50

Financial strength

Net debt/equity (%)	102.4	122.8	129.7	131.8	129.2
Net debt/total assets (%)	40.2	45.4	47.2	48.8	48.6
Current ratio (x)	1.4	1.2	1.1	0.8	0.8
CF interest cover (x)	0.6	0.1	0.5	0.0	1.6

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	147.5	52.4	38.3	30.6	26.1
Recurring P/E @ target price (x) *	169.6	60.3	44.0	35.2	30.0
Reported P/E (x)	147.5	47.1	38.3	30.6	26.1
Dividend yield (%)	-	-	1.0	1.3	1.5
Price/book (x)	3.2	3.0	2.8	2.6	2.4
Price/tangible book (x)	3.2	3.0	2.8	2.7	2.5
EV/EBITDA (x) **	21.0	18.2	16.5	15.2	13.8
EV/EBITDA @ target price (x) **	23.3	20.1	18.2	16.7	15.1
EV/invested capital (x)	1.9	1.8	1.7	1.6	1.5

* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income

Sources: Central Plaza Hotel; FSSIA estimates

Central Plaza Hotel PCL (CENTEL TB)

FSSIA ESG rating

62.78 /100
Exhibit 4: 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.

Sources: FSSIA estimates

Exhibit 5: 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](https://www.settrade.com); FSSIA's compilation
Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	2.48	2.93
BESG environmental pillar score	—	—	2.28	2.32
BESG social pillar score	—	—	1.94	2.61
BESG governance pillar score	—	—	3.83	4.69
ESG disclosure score	43.86	52.49	53.62	54.19
Environmental disclosure score	35.52	43.73	43.73	45.45
Social disclosure score	27.39	32.53	35.91	35.91
Governance disclosure score	68.57	81.10	81.10	81.10
Environmental				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	Yes	Yes	Yes	Yes
GHG scope 1	27	23	15	35
GHG scope 2 location-based	41	25	19	51
GHG Scope 3	7	4	3	11
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	157	354	403	207
Renewable energy use	27	178	394	1
Electricity used	—	135	119	113
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes
Hazardous waste	0	0	0	0
Total waste	5	2	2	6
Waste recycled	—	1	1	2
Waste sent to landfills	—	1	1	4
Environmental supply chain management	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—
Social				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No
Consumer data protection policy	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes
Gender pay gap breakout	Yes	Yes	Yes	Yes
Pct women in workforce	61	59	64	63
Pct disabled in workforce	2	3	1	1
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	0	0
Total recordable incident rate - employees	0	1	1	1
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	18,280	8,591	13,087	15,007
Employee turnover pct	—	22	13	31
Total hours spent by firm - employee training	253,372	76,888	186,523	277,319
Social supply chain management	Yes	Yes	Yes	Yes
Governance				
Board size	11	13	13	12
No. of independent directors (ID)	5	5	5	4
No. of women on board	1	3	3	4
No. of non-executive directors on board	10	7	7	10
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	4	5	5	4
Board meeting attendance pct	98	97	100	100
Board duration (years)	—	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	54	55	56	57
Age of the oldest director	80	81	81	80
No. of executives / company managers	1	11	12	7
No. of female executives	0	3	3	2
Executive share ownership guidelines	No	No	No	No
Size of audit committee	3	4	3	3
No. of ID on audit committee	3	4	3	3
Audit committee meetings	8	7	8	8
Audit meeting attendance %	96	100	100	100
Size of compensation committee	4	5	4	4
No. of ID on compensation committee	2	3	2	2
No. of compensation committee meetings	3	2	3	3
Compensation meeting attendance %	100	100	92	100
Size of nomination committee	4	5	4	4
No. of nomination committee meetings	3	2	3	3
Nomination meeting attendance %	100	100	92	100
Sustainability governance				
Verification type	No	No	No	No

Sources: Bloomberg; 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%). <i>(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.)</i>	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. <i>(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.)</i>	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. <i>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.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-top: 10px;"> <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>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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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.	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.																			
MSCI	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. <table border="1" style="margin-top: 10px;"> <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. <i>(Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>																				
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

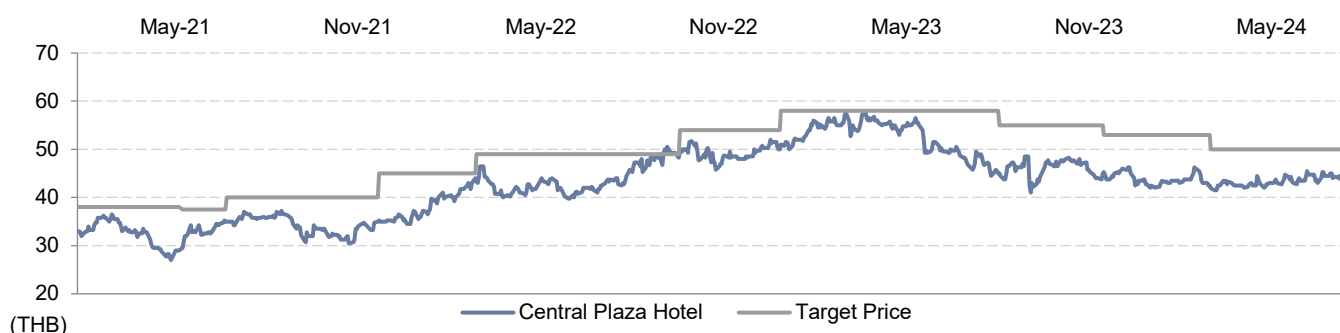
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History of change in investment rating and/or target price

Central Plaza Hotel (CENTEL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
17-May-2021	BUY	38.00	25-Apr-2022	BUY	49.00	17-Oct-2023	BUY	53.00
13-Aug-2021	BUY	37.50	17-Oct-2022	BUY	54.00	17-Jan-2024	BUY	50.00
22-Sep-2021	BUY	40.00	12-Jan-2023	BUY	58.00			
31-Jan-2022	BUY	45.00	19-Jul-2023	BUY	55.00			

Teerapol Udomvej, CFA started covering this stock from 03-Nov-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Central Plaza Hotel	CENTEL TB	THB 43.50	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 and higher competition in the F&B business, 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 Finasia Syrus Securities Public Company Limited.

All share prices are as at market close on 16-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.