

9 JUNE 2021

THAILAND / CONSUMER DISCRETIONARY

CENTRAL RETAIL CORP CRC TB

BUY

UNCHANGED

TARGET PRICE	THB44.00
CLOSE	THB37.50
UP/DOWNSIDE	+17.3%
PRIOR TP	THB40.00
CHANGE IN TP	+10.0%
TP vs CONSENSUS	+13.3%

อิตาลีเป็นผู้นำการฟื้นตัว

ผู้นำในการตอบสนองการเปลี่ยนแปลงของผู้บริโภคในรูปแบบ omni-channel

CRC เข้าร่วมงานที่เร้าจัดร่วมกับ BNP Paribas ในหัวข้อเรื่อง "Changing Thailand's Consumer Behaviors in a Post Covid-19 World: Will Online Kill Offline Retailers?" คณะผู้บริหารของ CRC นำโดยคุณโท จิราธิวัฒน์ (ประธานเจ้าหน้าที่บริหารด้านการเงิน) และคุณรังสิริชต์ พรสุธี หัวหน้าฝ่ายนักลงทุนสัมพันธ์ยืนยันเกี่ยวกับพฤติกรรมผู้บริโภคหลัง Covid ว่ากิจกรรมค้าปลีกออนไลน์จะไม่ฆ่าออฟไลน์ ในทางตรงกันข้ามจุดแข็งของช่องทางหนึ่งจะส่งเสริมจุดอ่อนของอีกช่องทาง ซึ่งจะเป็พฤติกรรมในรูปแบบของ Omni-Channel จากข้อมูลของ CRC ใน 1Q21 ลูกค้ Omni ใช้เงิน 4-5x เมื่อเทียบกับลูกค้ที่ใช้เพียงช่องทางใดช่องทางหนึ่ง นอกจากนี้ยอดขาย Omni-Channel ยังเพิ่มเป็น 13% ใน 1Q21 เทียบกับ 9% ใน 2020 ซึ่งชี้ให้เห็นถึงความสามารถของ CRC ในการจับกระแสดังกล่าวและเป็นผู้ดำเนินการเปลี่ยนแปลงสู่ Omni-Channel มาตั้งแต่ปี 2017

อิตาลีนำการฟื้นตัวตามด้วยไทย แต่เวียดนามยังแย่

จากข้อมูลของผู้บริหาร อิตาลี (4% ของยอดขายรวมใน 1Q21) เป็นประเทศที่ฟื้นตัวได้เร็วที่สุดสำหรับ CRC โดยได้ปัจจัยหนุนจากอัตราการฉีดวัคซีนที่ 40% สาขาทั้งหมดได้เปิดให้บริการมาตั้งแต่กลางเดือน เม.ย. ซึ่งทำให้การเติบโตของยอดขายจากสาขาเดิม (SSSG) กระโดดเป็นกว่า 100% y-y ใน เดือนเม.ย. และ พ.ค. อย่างไรก็ตาม ตัวเลขดังกล่าวยังต่ำกว่าระดับก่อน Covid หลังลดลง 70% y-y ใน 2Q20 SSSG ในไทย (87% ของยอดขายรวม) น่าจะโตได้ 35-45% y-y จากฐานที่ต่ำหลังการปิดสาขา เวียดนาม (10%) มีแนวโน้มที่จะเป็นประเทศที่เผชิญความท้าทายมากที่สุด ใน 2Q21 เนื่องจากรัฐบาลเวียดนามได้บังคับใช้มาตรการปิดเมืองใน 37 จาก 63 จังหวัดเริ่มตั้งแต่ปลายเดือน พ.ค. เป็นระยะเวลา 2 อาทิตย์ ประมาณ 30% ของพื้นที่สำหรับสินค้าที่ไม่ใช่อาหารในสาขาของ CRC ต้องปิดให้บริการ ดังนั้น SSSG น่าจะติดลบเป็นตัวเลขหลักเดียวในระดับต่ำ

โครงการยิ่งใช้ยิ่งได้จะช่วยหนุนยอดขายสินค้าแฟชั่น

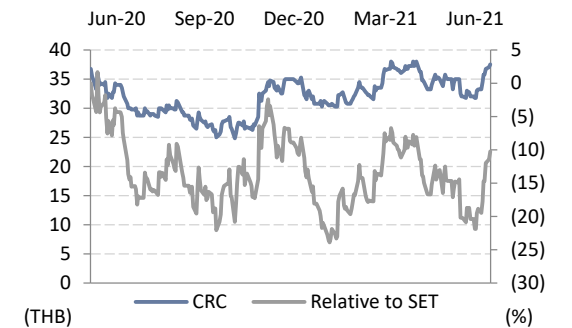
ผู้บริหารคงเป้าอัตราการเติบโตของยอดขายปี 2021 ไว้ที่ 8-12% ซึ่งอาจเป็นความเสี่ยงกลางหลังการแพร่ระบาด Covid รอบใหม่ในไทยและเวียดนาม อัตราการไ้ขึ้นต้นน่าจะเพิ่ม y-y ในปี 2021 อย่างไรก็ดีอัตราการเติบโตอาจต่ำกว่าเป้าเดิมที่ 150bps (เทียบกับประมาณการของเราที่ 80bps) ค่าใช้จ่ายการขายและบริหารควรโตในอัตราที่ต่ำกว่ายอดขาย นอกจากนี้ CRC ยังคาดว่าจะได้ประโยชน์บางส่วนจากโครงการยิ่งใช้ยิ่งได้ ซึ่งอาจจะช่วยเพิ่ม SSSG ของสินค้าแฟชั่นจากการใช้จ่ายต่อวันที่ต่ำกว่าเมื่อเทียบกับมาตรการลดภาษี โครงการดังกล่าวอาจจะผลักดันยอดขายสินค้า Hardline ได้ 10-15% ซึ่งจะทำให้ SSSG ในไทย +5%

คงแนะนำซื้อที่ราคาเป้าหมาย 44 บาท

เราปรับลดประมาณการกำไรปี 2021 เพื่อสะท้อนการแพร่ระบาด Covid-19 รอบที่ 3 ในไทยและการกลับมาเปิดอุตสาหกรรมท่องเที่ยวที่ช้าเกินคาด อย่างไรก็ตามเราปรับเพิ่มราคาเป้าหมายเป็น 44 บาทหลังปรับเป้าการประเมินมูลค่าไปในปี 2022 เราเชื่อว่า CRC เป็นตัวเลือกที่ดีที่สุดสำหรับหุ้นที่จับกระแสการกลับมาเปิดประเทศ

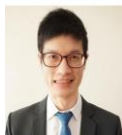
KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	194,009	209,130	228,877	251,108
Net profit	46	3,443	7,618	8,442
EPS (THB)	0.01	0.57	1.26	1.40
vs Consensus (%)	-	(18.2)	12.4	(2.9)
EBITDA	18,531	19,148	25,785	28,469
Core net profit	46	3,443	7,618	8,442
Core EPS (THB)	0.01	0.57	1.26	1.40
Chg. In EPS est. (%)	-	(30.3)	(0.4)	(0.4)
EPS growth (%)	(99.5)	7,341.5	121.3	10.8
Core P/E (x)	4,888.3	65.7	29.7	26.8
Dividend yield (%)	1.1	0.6	1.3	1.5
EV/EBITDA (x)	18.0	17.5	13.2	12.0
Price/book (x)	4.2	4.1	3.8	3.5
Net debt/Equity (%)	187.0	182.7	174.8	166.0
ROE (%)	0.1	6.3	13.2	13.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	7.1	2.0	0.0
Relative to country (%)	5.3	(2.3)	(10.8)
Mkt cap (USD m)	7,248		
3m avg. daily turnover (USD m)	12.9		
Free float (%)	33		
Major shareholder	Chirathivat family (67%)		
12m high/low (THB)	38.50/24.50		
Issued shares (m)	6,031.00		

Sources: Bloomberg consensus; FSSIA estimates



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PREPARED BY FSS INTERNATIONAL INVESTMENT ADVISORY SECURITIES CO LTD (FSSIA). ANALYST CERTIFICATION AND IMPORTANT DISCLOSURES CAN BE FOUND AT THE END OF THIS REPORT

บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 9 มิถุนายน 2021

Investment thesis

CRC is the leading multi-format (physical/online), and multi-category (fashion/food/hardline) retailing platform in Thailand. The company expanded overseas to Italy and became a market leader in Vietnam. CRC's portfolio consists of 2,083 stores, including 82 department stores, 332 specialty stores, 421 brand shops, 218 supermarkets, and 968 convenience stores, with a total net selling space of 3m sqm. CRC's omni-channel services differentiate it from other pure e-commerce players in terms of 1) variety of products; 2) ease of orders/returns; and 3) after sales services.

We see the Vietnam market as a long-term growth driver for CRC. Currently, Big C & Go Mall have a 60% market share in the hypermarket segment, which is poised for potential rapid growth (9% five-year CAGR GDP growth) and caters to a younger demographic.

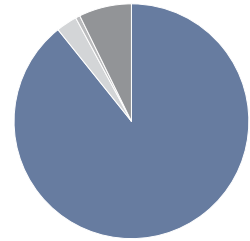
Company profile

Founded in 1947 by the Chirathivat family, today, CRC is the largest department store operator in Thailand under the brands Central and Robinson. CRC has also diversified into the hardline business (e.g. Thai Watsadu brand) and the food business (under Big C and Lanchi Mart in Vietnam and Tops in Thailand).

www.centralretail.com

Principal activities (revenue, 2020)

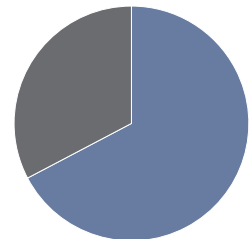
- Sales of goods - 89.2 %
- Rental services - 2.9 %
- Rendering services - 0.6 %
- Other income - 7.2 %



Source: Central Retail Corp

Major shareholders

- Chirathivat family - 67.3 %
- Others - 32.7 %



Source: Central Retail Corp

Catalysts

More global economies reopening, the recovery of Thailand's tourism sector, and rising consumer confidence are key potential catalysts.

Risks to our call

The key downside risks to our DCF-based TP include 1) new waves of Covid-19; and 2) lower-than-expected sales from the high-margin fashion business.

Event calendar

Date	Event
August 2021	2Q21 results announcement

Key assumptions

	2021E	2022E	2023E
	(%)	(%)	(%)
SSSG – fashion	5.0	15.0	7.0
SSSG – hardline	4.0	7.0	5.0
SSSG – food	0.0	2.0	5.0
GPM	24.0	26.2	26.3
SG&A to sales	27.7	27.7	27.7

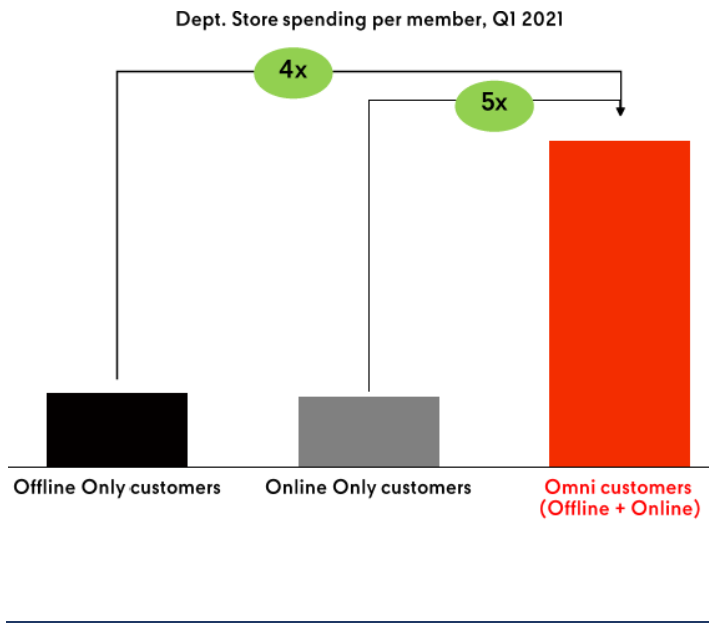
Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in revenue, we estimate 2021 EPS would rise 1%, and vice versa, all else being equal.
- For every 0.1% increase in GPM, we estimate 2021 EPS would rise 2.1%, and vice versa, all else being equal.
- For every 0.1% increase in SG&A to sales, we estimate 2021 EPS would fall 2.3%, and vice versa, all else being equal.

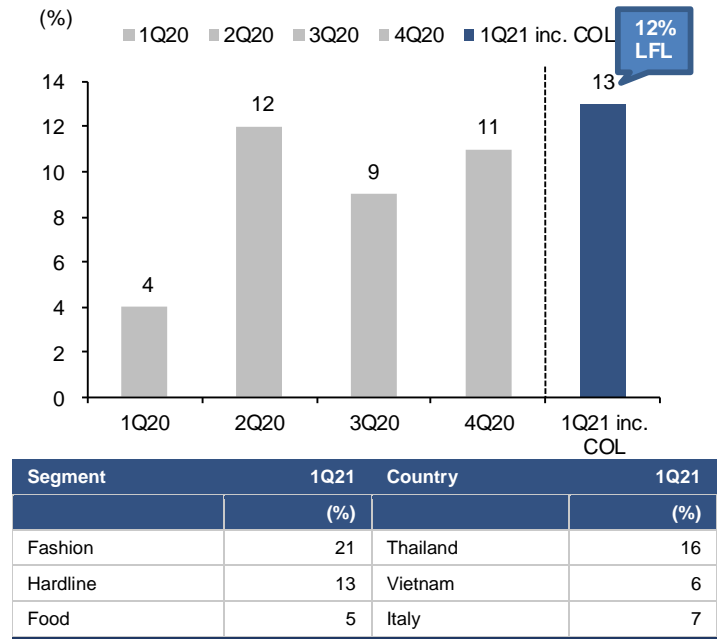
Source: FSSIA estimates

Exhibit 1: Omni-customers spend 4-5x compared to only offline and online customers



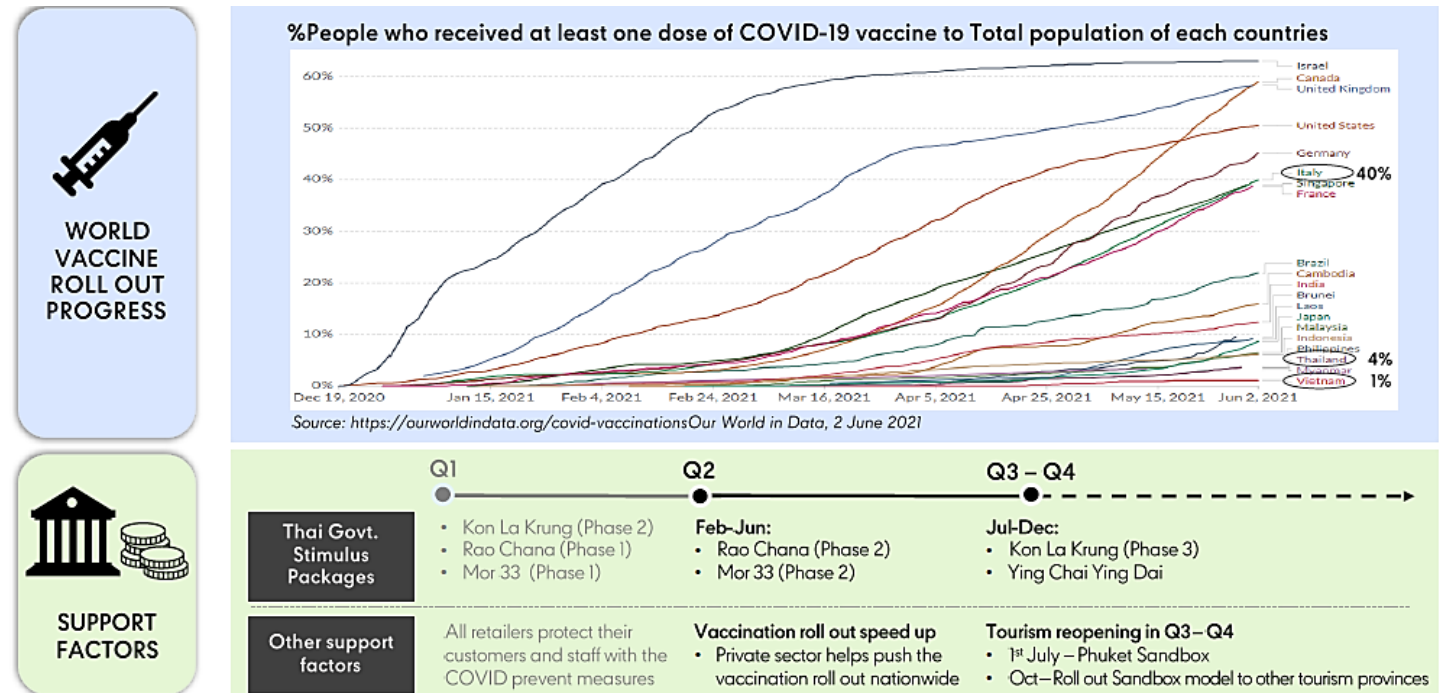
Source: CRC

Exhibit 2: Omni-channel sales contribution in 1Q21



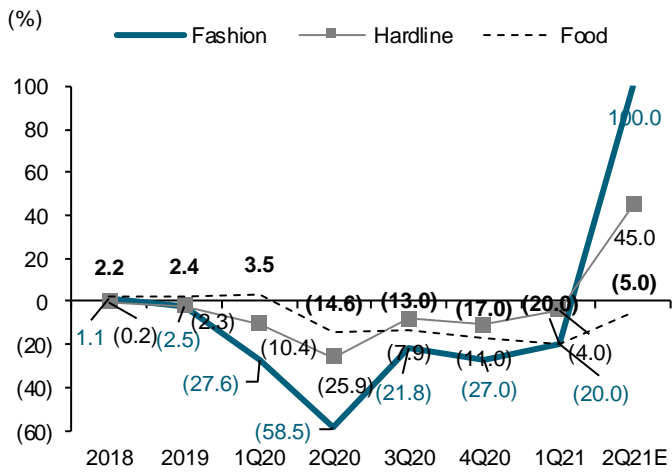
Source: CRC

Exhibit 3: The vaccine rollout is the key driver to support economic recovery



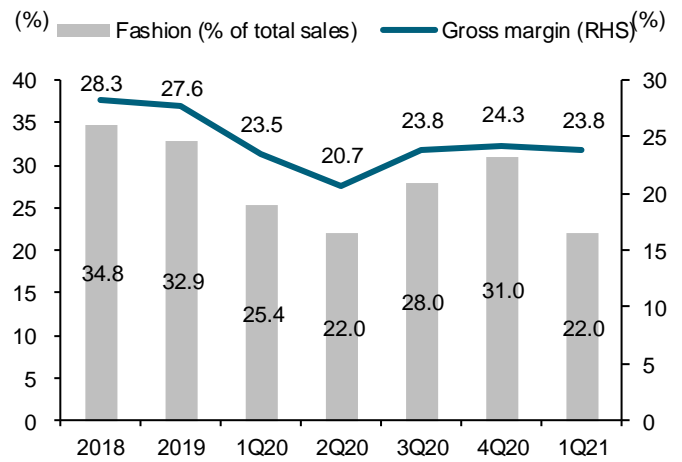
Source: CRC

Exhibit 4: SSSG trend



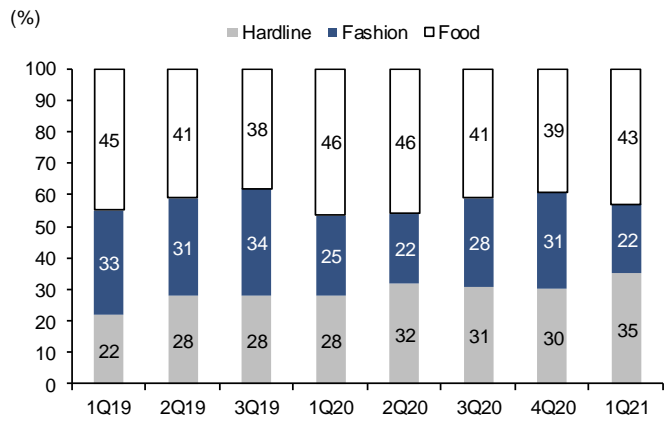
Source: CRC

Exhibit 5: Fashion sales vs GPM



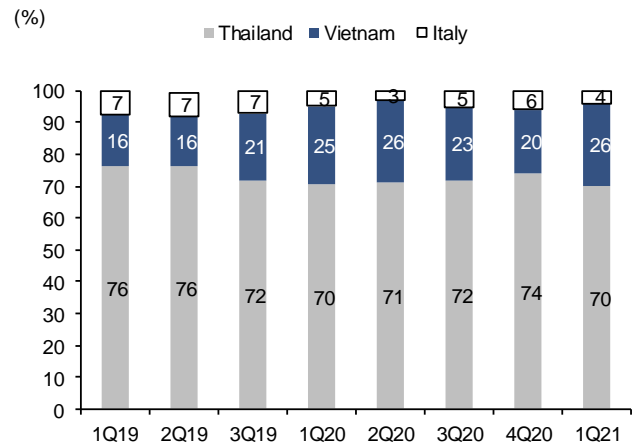
Source: CRC

Exhibit 6: Revenue breakdown by segment



Source: CRC

Exhibit 7: Revenue breakdown by country



Source: CRC

Net profit and target price revisions

We revise down our 2021E earnings to reflect the third wave of Covid-19 in Thailand and the slower-than-expected reopening of the tourism sector. However, we increase our TP to THB44 after rolling forward our valuation to 2022. CRC is currently trading at 29.7x 2022E P/E, still below at its IPO price at THB42 (core EPS 2019 = 1.22, or 34x 2019 P/E).

Exhibit 8: Revised assumptions

	Current			Previous			Change (%)		
	2021E	2022E	2023E	2021E	2022E	2023E	2021E	2022E	2023E
Revenue (THB m)	209,130	228,877	251,108	216,790	237,201	260,253	(3.5)	(3.5)	(3.5)
SSSG fashion (%)	5.0	15.0	7.0	6.0	15.0	7.0	(1.0)	0.0	0.0
SSSG hardline (%)	4.0	7.0	5.0	5.0	7.0	5.0	(1.0)	0.0	0.0
SSSG food (%)	0.0	2.0	5.0	2.0	2.0	5.0	(2.0)	0.0	0.0
Gross margin (%)	24.0	26.2	26.3	24.5	26.0	26.1	(0.5)	0.2	0.2
SG&A to sales (%)	27.7	27.7	27.7	27.4	27.7	27.7	0.3	0.0	0.0
Net profit (THB m)	3,443	7,618	8,442	4,939	7,647	8,474	(30.3)	(0.4)	(0.4)

Note: Change of items in percentage terms are represented in ppt change

Source: FSSIA estimates

Exhibit 9: DCF-derived TP

DCF-derived TP	(%)	(THB b)
Discount rate (WACC)	7.6	
Terminal growth	2.0	
NPV		135
Add: terminal value		244
Sum of PV		379
Add: investment		0
Less: debt		110
Less: minorities		3
Residual ordinary equity		266
No. of shares (m)		6,031
Residual ordinary equity (THB/share)		44.0

Source: FSSIA estimates

Financial Statements

Central Retail Corp

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	219,204	194,009	209,130	228,877	251,108
Cost of goods sold	(134,983)	(118,390)	(132,053)	(139,693)	(153,082)
Gross profit	84,221	75,619	77,077	89,184	98,026
Other operating income	0	0	0	0	0
Operating costs	(62,332)	(57,088)	(57,929)	(63,399)	(69,557)
Operating EBITDA	21,889	18,531	19,148	25,785	28,469
Depreciation	(9,874)	(16,558)	(11,342)	(12,615)	(13,919)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	12,016	1,973	7,806	13,170	14,550
Net financing costs	(837)	(2,648)	(3,299)	(3,435)	(3,774)
Associates	391	132	139	145	153
Recurring non-operating income	394	132	150	157	166
Non-recurring items	3,283	0	0	0	0
Profit before tax	14,855	(543)	4,656	9,892	10,941
Tax	(2,495)	884	(904)	(1,949)	(2,158)
Profit after tax	12,359	341	3,753	7,943	8,784
Minority interests	(1,726)	(295)	(310)	(325)	(342)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	10,633	46	3,443	7,618	8,442
Non-recurring items & goodwill (net)	(3,283)	0	-	-	-
Recurring net profit	7,351	46	3,443	7,618	8,442
Per share (THB)					
Recurring EPS *	1.56	0.01	0.57	1.26	1.40
Reported EPS	2.26	0.01	0.57	1.26	1.40
DPS	7.71	0.40	0.23	0.51	0.56
Diluted shares (used to calculate per share data)	4,700	6,031	6,031	6,031	6,031
Growth					
Revenue (%)	7.8	(11.5)	7.8	9.4	9.7
Operating EBITDA (%)	(2.9)	(15.3)	3.3	34.7	10.4
Operating EBIT (%)	5.0	(83.6)	295.6	68.7	10.5
Recurring EPS (%)	(13.7)	(99.5)	7,341.5	121.3	10.8
Reported EPS (%)	(2.7)	(99.7)	7,341.5	121.3	10.8
Operating performance					
Gross margin inc. depreciation (%)	33.9	30.4	31.4	33.5	33.5
Gross margin of key business (%)	27.0	23.2	24.0	26.2	26.3
Operating EBITDA margin (%)	10.0	9.6	9.2	11.3	11.3
Operating EBIT margin (%)	5.5	1.0	3.7	5.8	5.8
Net margin (%)	3.4	0.0	1.6	3.3	3.4
Effective tax rate (%)	22.3	0.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	493.0	5,214.2	40.0	40.0	40.0
Interest cover (X)	14.8	0.8	2.4	3.9	3.9
Inventory days	94.2	110.6	98.7	100.1	98.6
Debtor days	7.4	8.4	7.7	7.1	7.1
Creditor days	101.2	105.9	94.5	99.2	97.7
Operating ROIC (%)	30.4	5.6	15.2	27.4	32.0
ROIC (%)	8.9	1.5	3.6	5.8	6.1
ROE (%)	18.3	0.1	6.3	13.2	13.5
ROA (%)	5.4	1.4	2.6	4.2	4.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Sales of goods	195,355	173,138	186,224	203,627	223,406
Rental services	6,979	5,598	6,518	7,127	7,819
Rendering services	1,674	1,212	1,490	1,833	2,011
Other income	15,194	14,062	14,898	16,290	17,872

Sources: Central Retail Corp; FSSIA estimates

Financial Statements

Central Retail Corp

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	7,351	46	3,443	7,618	8,442
Depreciation	9,874	16,558	11,342	12,615	13,919
Associates & minorities	(986)	(10,683)	0	0	0
Other non-cash items	1,323	(470)	677	178	483
Change in working capital	10,174	(15,932)	3,959	1,210	1,352
Cash flow from operations	27,735	(10,481)	19,421	21,621	24,197
Capex - maintenance	(12,595)	(16,350)	(12,000)	(12,240)	(12,607)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	5,970	(56,403)	(7,884)	(10,239)	(11,527)
Other investments (net)	0	0	0	0	0
Cash flow from investing	(6,625)	(72,753)	(19,884)	(22,479)	(24,134)
Dividends paid	(36,237)	(2,412)	(1,377)	(3,047)	(3,377)
Equity finance	(4,943)	30,950	(38)	(38)	(38)
Debt finance	18,946	60,762	(2,887)	2,828	2,349
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(22,235)	89,300	(4,302)	(257)	(1,066)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(1,125)	6,065	(4,765)	(1,115)	(1,003)
Free cash flow to firm (FCFF)	22,195.58	(80,284.07)	3,031.05	2,755.32	3,999.48
Free cash flow to equity (FCFE)	40,055.68	(22,472.08)	(3,349.59)	1,970.42	2,411.74

Per share (THB)

FCFF per share	3.68	(13.31)	0.50	0.46	0.66
FCFE per share	6.64	(3.73)	(0.56)	0.33	0.40
Recurring cash flow per share	3.74	0.90	2.56	3.38	3.79

Balance Sheet (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Tangible fixed assets (gross)	102,023	102,023	114,023	126,263	138,870
Less: Accumulated depreciation	(60,161)	(60,369)	(71,711)	(84,326)	(98,246)
Tangible fixed assets (net)	41,862	41,654	42,312	41,937	40,624
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	12,056	16,441	16,441	16,441	16,441
Cash & equivalents	11,676	17,742	12,977	11,862	10,859
A/C receivable	16,122	14,699	14,384	14,786	15,239
Inventories	37,436	34,296	37,140	39,449	43,254
Other current assets	551	441	475	520	571
Current assets	65,785	67,177	64,977	66,617	69,922
Other assets	63,803	113,908	122,786	134,380	147,433
Total assets	183,505	239,180	246,515	259,374	274,420
Common equity	24,810	53,394	55,421	59,954	64,981
Minorities etc.	12,709	2,321	2,631	2,956	3,298
Total shareholders' equity	37,519	55,715	58,052	62,910	68,279
Long term debt	9,592	81,058	83,882	86,932	89,798
Other long-term liabilities	16,881	13,358	14,352	15,707	17,233
Long-term liabilities	26,473	94,416	98,234	102,639	107,031
A/C payable	37,101	31,569	36,808	39,096	42,868
Short term debt	51,563	40,859	35,149	34,927	34,410
Other current liabilities	30,849	16,620	18,272	19,802	21,833
Current liabilities	119,513	89,049	90,229	93,825	99,111
Total liabilities and shareholders' equity	183,505	239,180	246,515	259,374	274,420
Net working capital	(13,842)	1,246	(3,080)	(4,143)	(5,637)
Invested capital	103,879	173,249	178,458	188,614	198,861

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

Per share (THB)

Book value per share	5.28	8.85	9.19	9.94	10.77
Tangible book value per share	5.28	8.85	9.19	9.94	10.77

Financial strength

Net debt/equity (%)	131.9	187.0	182.7	174.8	166.0
Net debt/total assets (%)	27.0	43.6	43.0	42.4	41.3
Current ratio (x)	0.6	0.8	0.7	0.7	0.7
CF interest cover (x)	48.8	(7.5)	0.0	1.6	1.6

Valuation	2019	2020	2021E	2022E	2023E
Recurring P/E (x) *	24.0	4,888.3	65.7	29.7	26.8
Recurring P/E @ target price (x) *	28.1	5,735.6	77.1	34.8	31.4
Reported P/E (x)	16.6	4,888.3	65.7	29.7	26.8
Dividend yield (%)	20.6	1.1	0.6	1.3	1.5
Price/book (x)	7.1	4.2	4.1	3.8	3.5
Price/tangible book (x)	7.1	4.2	4.1	3.8	3.5
EV/EBITDA (x) **	10.9	18.0	17.5	13.2	12.0
EV/EBITDA @ target price (x) **	12.3	20.1	19.5	14.7	13.4
EV/invested capital (x)	2.3	1.9	1.9	1.8	1.7

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

Sources: Central Retail Corp; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PAP	PCSGH	PDJ	PG	PHOL	PLANB
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SEDI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		

VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSIB	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							

GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		

Description

Score Range

Excellent

90-100

Very Good

80-89

Good

70-79

Disclaimer:

The disclosure of the survey results of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information.

The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANAH	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOIL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									

DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Karun Intrachai FSS International Investment Advisory Securities Co., Ltd

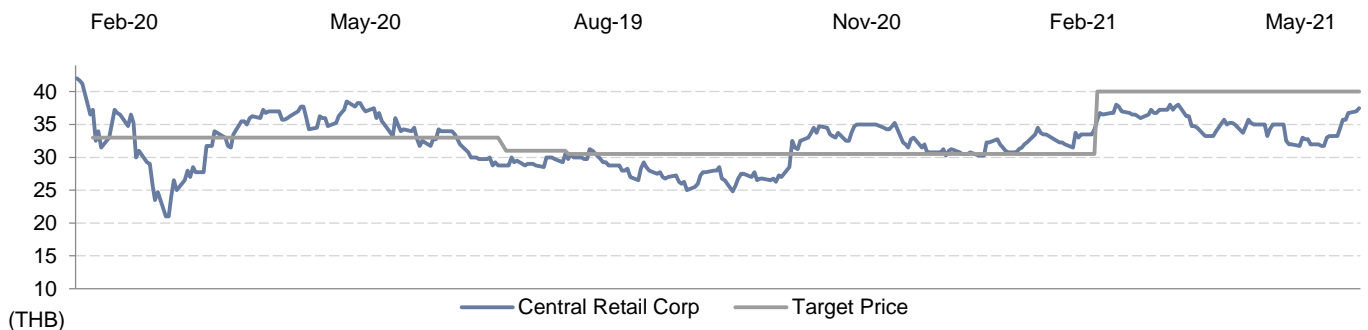
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

Central Retail Corp (CRC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
25-Feb-2020	REDUCE	33.00	24-Jul-2020	HOLD	31.00	16-Nov-2020	HOLD	30.50
02-Apr-2020	REDUCE	33.00	18-Aug-2020	HOLD	30.50	02-Mar-2021	BUY	40.00

Karun Intrachai started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Central Retail Corp	CRC TB	THB 37.50	BUY	The key downside risks to our DCF-based TP include 1) new waves of Covid-19; and 2) lower-than-expected sales from the high-margin fashion business.

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

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finasia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 08-Jun-2021 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.