

29 JUNE 2021

THAILAND / REAL ESTATE

WHA CORPORATION

WHA TB

BUY

TARGET PRICE	THB4.40
CLOSE	THB3.22
UP/DOWNSIDE	+36.6%
TP vs CONSENSUS	+10.7%

A promised land for growth

3 ปัจจัยบวกที่จะผลักดันกำไรให้เติบโต

WHA เป็นหนึ่งในผู้นำในธุรกิจนิคมอุตสาหกรรมและขนส่งของไทยด้วยพอร์ตที่มีการกระจายความเสี่ยงประกอบด้วยธุรกิจไฟฟ้าและสาธารณูปโภคซึ่งสร้างกระแสรายได้คงที่ เราเชื่อว่า WHA จะเป็นหนึ่งในหุ้นที่ได้รับประโยชน์จากการเปิดประเทศ และเกาะรอบการลงทุนใหม่หลัง Covid ในประเทศไทยและเวียดนาม นอกเหนือจากรายได้สม่ำเสมอที่ได้จากธุรกิจไฟฟ้า สาธารณูปโภค (น้ำ) และกลยุทธ์ในการแปลงสินทรัพย์เป็นเงินสดของบริษัท เราคาดว่ากำไรของ WHA จะเกินระดับสูงสุดก่อน Covid ที่ 3.3 พัน ลบ. ภายในปี 2022 โดยได้ปัจจัยผลักดันจาก: 1) การกลับมาเปิดเศรษฐกิจและรอบการลงทุนใหม่ที่จะช่วยเพิ่มยอดขายที่ดินในนิคมอุตสาหกรรมของบริษัท; 2) การเกาะกระแสเงินลงทุนทางตรงจากต่างประเทศ (FDI) ที่เพิ่มขึ้นในเวียดนาม; และ 3) กระแสรายได้สม่ำเสมอที่สูงขึ้นจากธุรกิจไฟฟ้าและสาธารณูปโภค

การกลับมาเปิดเศรษฐกิจและรอบการลงทุนใหม่จะช่วยเพิ่มยอดขายที่ดินในนิคมอุตสาหกรรม

WHA ตั้งเป้าหมายยอดขายที่ดินในนิคมอุตสาหกรรมไว้ที่ 1,030 ไร่ในปี 2021 ประกอบด้วย 725 ไร่ในประเทศไทยและ 305 ไร่ในเวียดนาม ใน 1Q21 ยอดขายที่ดินอยู่ที่ 213 ไร่ (188 ไร่ในประเทศไทยและ 25 ไร่ในเวียดนาม) คิดเป็น 21% ของประมาณการรวมทั้งปีของเรา เราคาดว่าจะยอดขายที่ดินใน 2Q21 จะลดลงเหลือ 50-70 ไร่ในประเทศไทยจากผลกระทบของการแพร่ระบาด Covid ในรอบที่สาม อย่างไรก็ตาม WHA คาดว่ายอดขายที่ดินจะเพิ่มขึ้นใน 2H21 และคงเป้าหมายยอดขายที่ดิน ปี 2021 ของบริษัท ไว้ที่ 1,030 ไร่ เทียบกับสมมติฐานของเราที่ 700 ไร่

เกาะกระแสการเติบโตของเวียดนาม

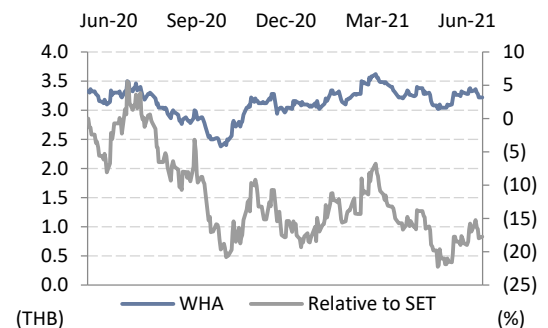
WHA ได้รับเชิญจากรัฐบาลเวียดนามให้พัฒนานิคมอุตสาหกรรมบนพื้นที่รวม 17,500 ไร่ใน Nghe An ใน Phase 1A ซึ่งประกอบด้วยที่ดิน 1,000 ไร่ บริษัท สร้างเสร็จแล้ว 100% และปล่อยเช่าได้ 52% ในขณะที่ Phase 1B ซึ่งประกอบด้วยที่ดิน 2,100 ไร่ ปัจจุบันบริษัท กำลังอยู่ระหว่างการขอใบอนุญาตลงทุนและใบอนุญาตประกอบกิจการ ซึ่งเราคาดว่าจะเสร็จพร้อมเข้าภายในปี 2022 เราคาดว่ายอดขายที่ดินในเวียดนามจะเพิ่มขึ้นตั้งแต่ปี 2022 เป็นต้นไปสู่ระดับ 300-400 ไร่ต่อปีตาม FDI ที่อยู่ในระดับสูงในประเทศดังกล่าว

เริ่มด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 4.4 บาท

เราเริ่มบทวิเคราะห์ WHA ด้วยคำแนะนำซื้อที่ราคาเป้าหมาย 4.4 บาท (SoTP) ประกอบด้วย 1) มูลค่าสินทรัพย์สุทธิ (NAV) ของที่ดินที่พัฒนาแล้วและที่อยู่ระหว่างพัฒนาในประเทศไทยและเวียดนาม; 2) NAV ของพื้นที่ให้เช่าที่มีผู้เช่าแล้วและพร้อมเช่า รวมถึงที่ดินระหว่างพัฒนาสำหรับธุรกิจขนส่ง; 3) มูลค่าปัจจุบัน (NPV) ของธุรกิจให้เช่าและสาธารณูปโภค (7.2% WACC, 3% terminal growth); 4) มูลค่ายุติธรรมของหุ้น 70% ที่บริษัท ถือใน WHAUP; และ 5) มูลค่าตลาดของการลงทุนของบริษัท

KEY STOCK DATA

YE Dec (THB m)	2020	2021E	2022E	2023E
Revenue	6,914	10,377	10,207	11,446
Net profit	2,524	2,763	3,335	3,776
EPS (THB)	0.17	0.18	0.22	0.25
vs Consensus (%)	-	(10.9)	(3.9)	(6.7)
EBITDA	3,645	4,093	4,901	5,535
Core net profit	2,524	2,763	3,335	3,776
Core EPS (THB)	0.17	0.18	0.22	0.25
Chg. In EPS est. (%)	nm	nm	nm	nm
EPS growth (%)	(21.8)	9.5	20.7	13.2
Core P/E (x)	19.1	17.4	14.4	12.7
Dividend yield (%)	4.3	3.4	4.2	4.7
EV/EBITDA (x)	24.4	22.2	18.7	16.7
Price/book (x)	1.7	1.8	1.6	1.5
Net debt/Equity (%)	116.5	123.7	113.6	105.4
ROE (%)	8.7	9.8	11.7	12.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	4.5	(7.5)	0.0
Relative to country (%)	4.7	(7.7)	(15.8)
Mkt cap (USD m)	1,506		
3m avg. daily turnover (USD m)	11.5		
Free float (%)	62		
Major shareholder	Ms Jareeporn Jarukornsakul (22%)		
12m high/low (THB)	3.66/2.36		
Issued shares (m)	14,946.83		

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 29 มิถุนายน 2021

Investment thesis

WHA is the leading industrial estate and logistics players in Thailand a diversified portfolio in the utilities business which generates a stable revenue stream and could be cushion for the downside risk during the economic cycle downturn. We believe WHA will be one of stocks to capture the benefits from the economic reopening scheme, riding the new post-Covid CAPEX cycle in Thailand. Moreover, the stock should be a good candidate to ride the CAPEX cycle in Vietnam – the country with one of the highest economic growth rates in Asia.

We expect WHA's earnings could surpass their pre-Covid peak of THB3.3b by 2022, driven by triple engines: 1) the economic reopening and new CAPEX cycle to boost industrial estate (IE) domestic land sales; 2) riding the high attractive foreign direct investment (FDI) in Vietnam; and 3) recurring income streams from its power and utilities business as well as asset monetisation.

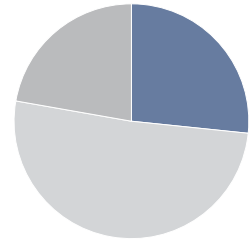
Company profile

WHA is a leading industrial estate and logistics players in Thailand. Its diversified portfolio in the utilities business generates a stable revenue stream that can provide a cushion from the economic cycle downturn.

www.wha.co.th

Principal activities (revenue, 2020)

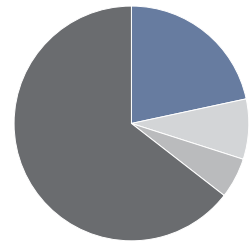
- Rental - 26.6 %
- Land sales - 51.1 %
- Utilities - 22.2 %



Source: WHA Corp

Major shareholders

- Ms Jareeporn Jarukornsakul - 21.6 %
- Ms Chatchamol Anantaprayoon - 8.3 %
- Thai NVDR - 5.6 %
- Others - 64.5 %



Source: WHA Corp

Catalysts

Key potential drivers for WHA are:

- 1) Positive developments from EEC projects;
- 2) Trade disputes between China and the US causing a capital investment relocation to ASEAN, especially Thailand and Vietnam;
- 3) Government stimulus packages to boost private investment.

Risks to our call

Downside risks to our SoTP-derived TP include 1) lower-than-expected IE land sales and transfers in Thailand and Vietnam; and 2) a lower-than-expected utilization rate from the utilities business in Vietnam..

Event calendar

Date	Event
August 2021	2Q21 results announcement

Key assumptions

	2021E	2022E	2023E
Revenue (THB b)	10.4	10.2	11.4
IE land sales (Thailand) (rai)	386	640	760
IE land sales (Vietnam) (rai)	112	280	340
Asset monetisation (THB b)	5.4	3.8	4.2
Rental revenue (THB b)	1.9	2.0	2.2
Gross margin (%)	48.1	56.2	56.1
Equity income (THB b)	1.2	1.2	1.3
Net profit (THB m)	2,763	3,335	3,776

Source: FSSIA estimates

Earnings sensitivity

- For every 100 rai increase in IE land transfers in Thailand, we estimate 2022 net profit to rise 3.1%, and vice versa, all else being equal.
- For every 100 rai increase in IE land sales in Vietnam, we estimate 2022 net profit to rise 1.4%, and vice versa, all else being equal.

Source: FSSIA estimates

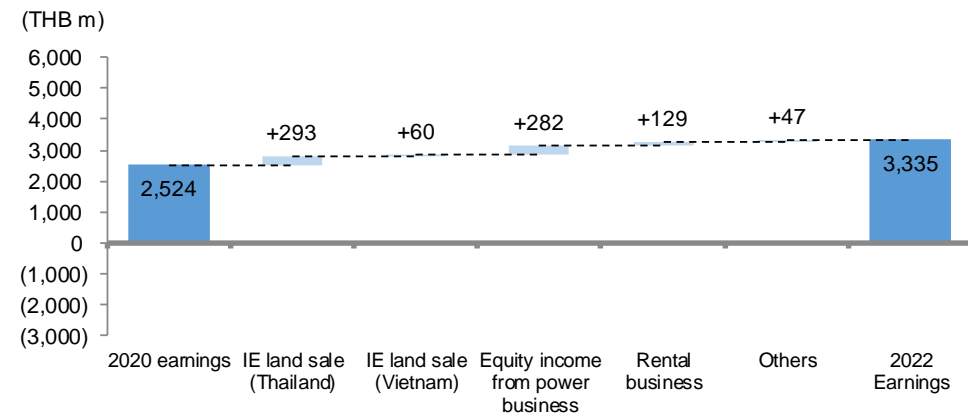
Back to a growth track driven by triple engines

WHA is one of the leading IE and logistics players in Thailand with business diversification in the power and utilities business which generates a stable revenue stream (53% of total sales in 2020) to reduce the earnings cyclical of its core IE business during the economic cycle downturn.

Coupled with a timely asset monetisation strategy via multiple financial instruments, WHA has been able to monetise its asset portfolio with highly recurring cash flow streams to fund its strong capacity growth at a competitive funding cost, as well as generate attractive returns.

As a result, WHA's net profit has been steadily growing in the past five years, and we project that its net profit growth momentum will accelerate in 2021-23, led by a demand recovery for the IEs, stronger equity income from the power and utilities businesses, and rental income.

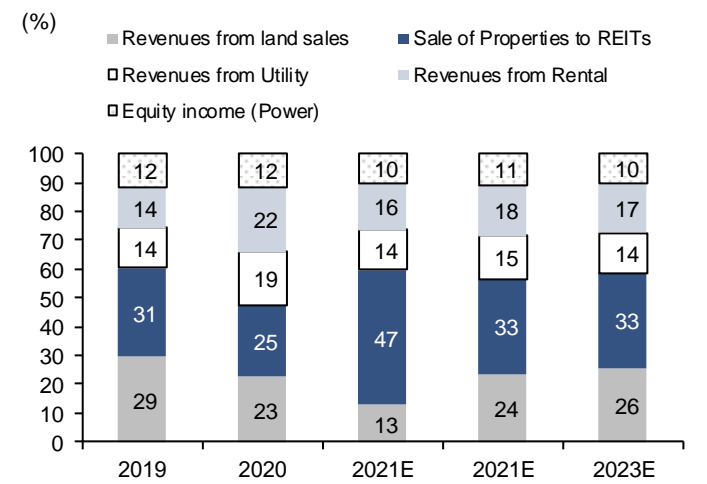
Exhibit 1: Expect earnings to surpass 2019 pre-Covid level by 2022



Sources: WHA; FSSIA estimates

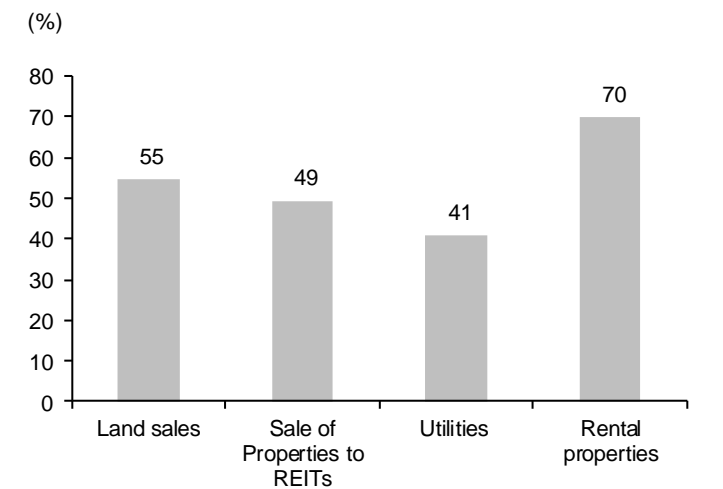
We believe WHA will be one of stocks to greatly capture the benefits from the economic reopening schemes in Thailand and Vietnam, riding their projected new CAPEX growth cycles post-Covid-19 and the demand recoveries for power and utilities. We think the net profit growth will come mainly from the IE segment, followed by the income from its asset monetisation strategy into REITs, and the utilities sector.

Exhibit 2: WHA's revenue structure



Note: We include equity income from the power business into the revenue structure
Sources: WHA; FSSIA estimates

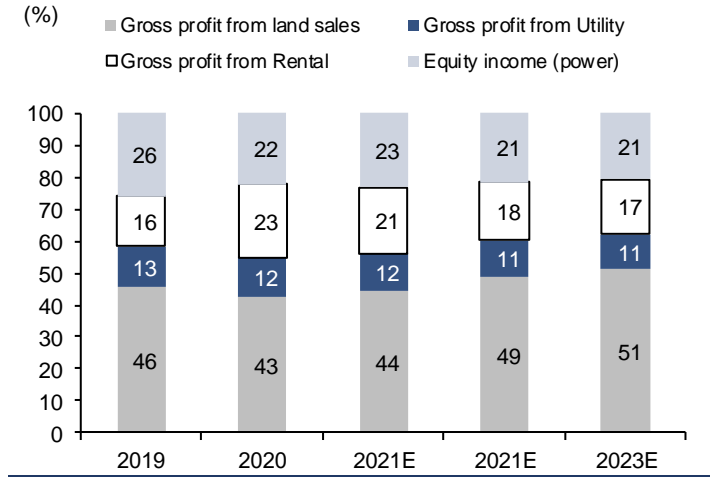
Exhibit 3: GPM of each business



Sources: WHA; FSSIA estimates

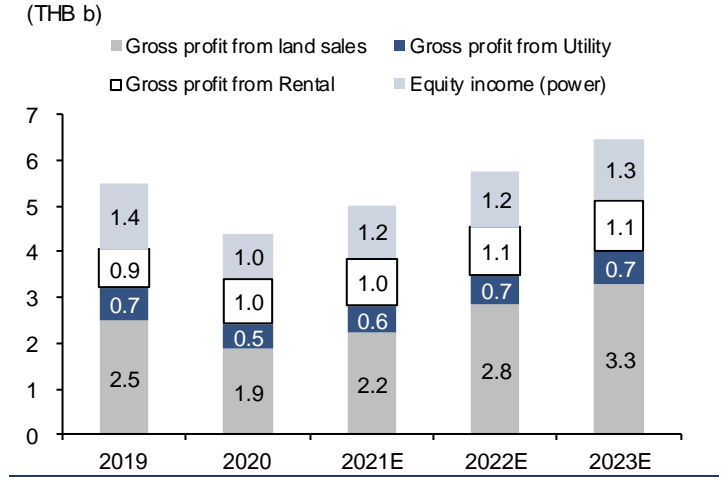
We expect that WHA’s earnings could surpass its pre-Covid peak of THB3.3b by 2022 and project net profit growth of 9.5-20.7% in 2021-23, driven by the triple growth engines of 1) the economic reopening and a new CAPEX cycle to boost IE’s domestic land sales; 2) rising foreign direct investment (FDI) in Vietnam; and 3) stronger recurring income streams from its power and utilities business, as well as asset monetisation.

Exhibit 4: WHA’s gross profit structure



Sources: WHA; FSSIA estimates

Exhibit 5: Gross profit breakdown by business



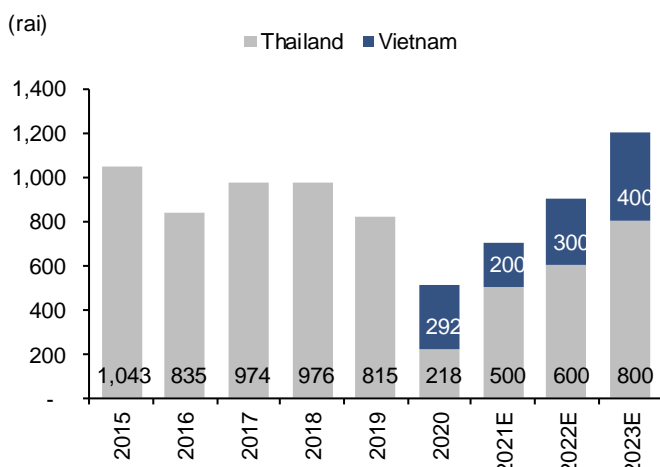
Sources: WHA; FSSIA estimates

Growth engine #1: Reopening and new CAPEX cycle to boost IE land sales

Land sales, presales and transfer outlook. IE land sales, WHA’s core business, plunged by 37% y-y to 510 rai in 2020, down from its 5-year average of 929 rai, due to the travel restrictions caused by the Covid-19 outbreak. However, we think the gradual success of the vaccine rollouts should prompt countries to reopen and ease their travel restrictions globally, leading to a rise in IE land sales that we estimate should bounce back to its average of 900-1,200 rai annually in 2022-23.

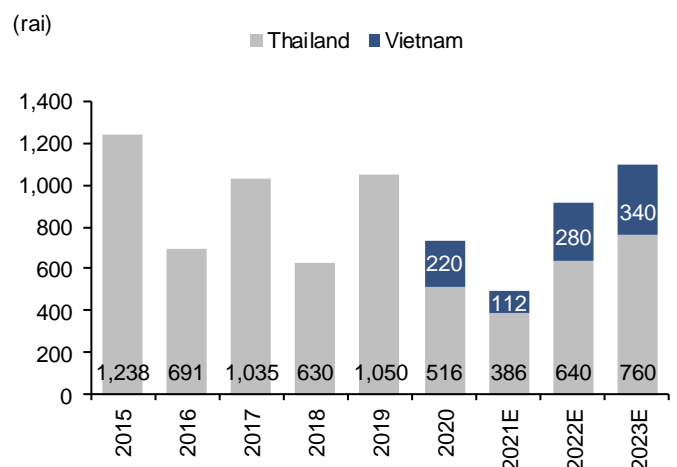
WHA is targeting IE presales of 1,030 rai in 2021, comprising 725 rai in Thailand and 305 rai in Vietnam. Land sales in 1Q21 were at 213 rai (188 rai in Thailand and 25 rai in Vietnam), accounting for 21% of our full-year estimate. We project 2Q21 land sales of 50-70 rai in Thailand following the impact of the third wave of Covid, and we believe WHA’s IE land presales would accelerate in 2H21 to achieve our assumption of 700 rai in 2021, which is lower than WHA’s target of 1,030 rai in 2021.

Exhibit 6: IE land sales



Sources: WHA; FSSIA estimates

Exhibit 7: IE land transfers



Sources: WHA; FSSIA estimates

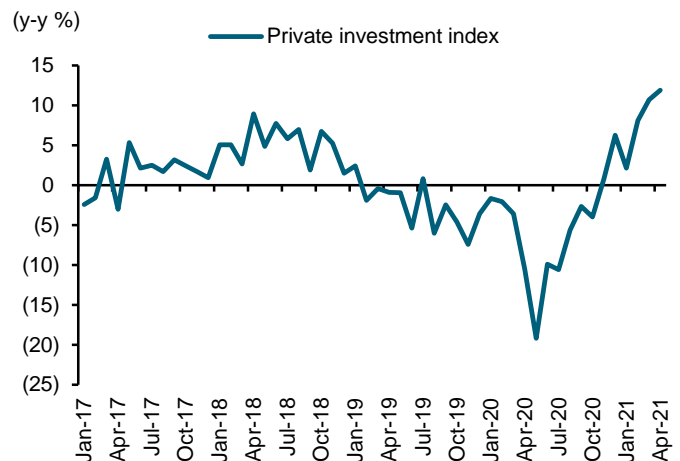
We project land transfers in 2021 to be weak due to the low presales in 2020 following the travel restrictions. WHA has currently secured a c515 rai backlog as of end-1Q21 after the transfer of 8 rai in Thailand and no land transfers in Vietnam, of which 70 rai are from Vietnam and the remaining 445 rai are located in the eastern part of Thailand which has a tax privilege under the Eastern Economic Corridor (EEC). Overall, we estimate land transfers of 490 rai in 2021, in line with the company’s target.

Exhibit 8: Improving Thai imports of capital goods in 1Q21



Source: Bank of Thailand

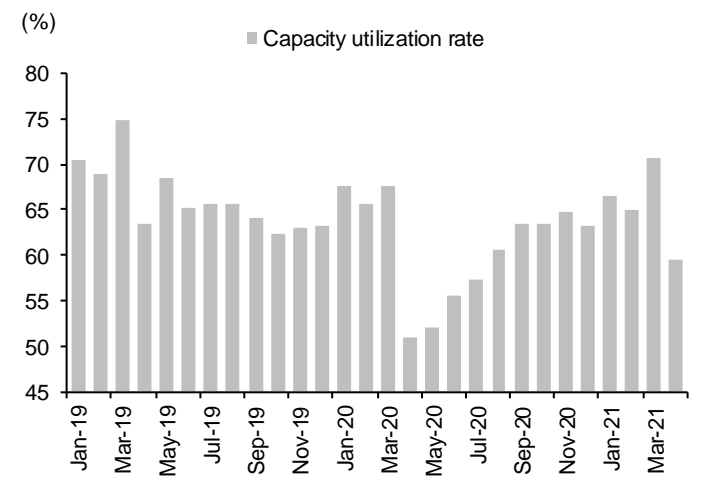
Exhibit 9: Thailand private investment index



Source: Bank of Thailand

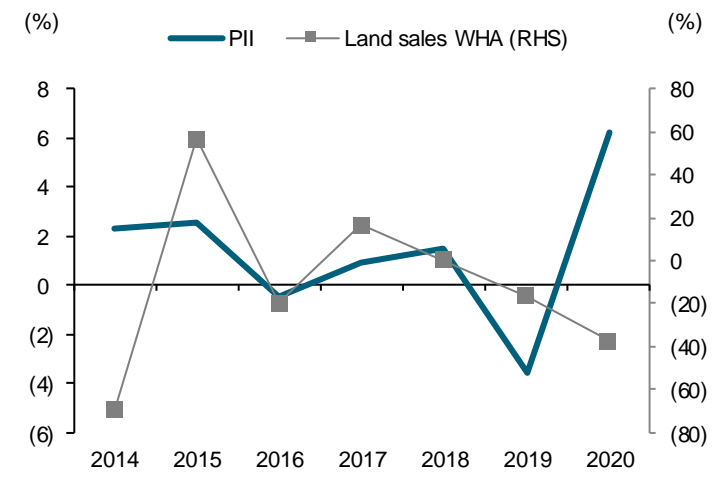
Most of the backlog would likely be transferred in 2H21. The process typically takes six months to wait for a customer’s factory permit, land and road improvements, and infrastructure construction. We think this process would take longer under the current circumstances.

Exhibit 10: Capacity utilization rate



Source: Bank of Thailand

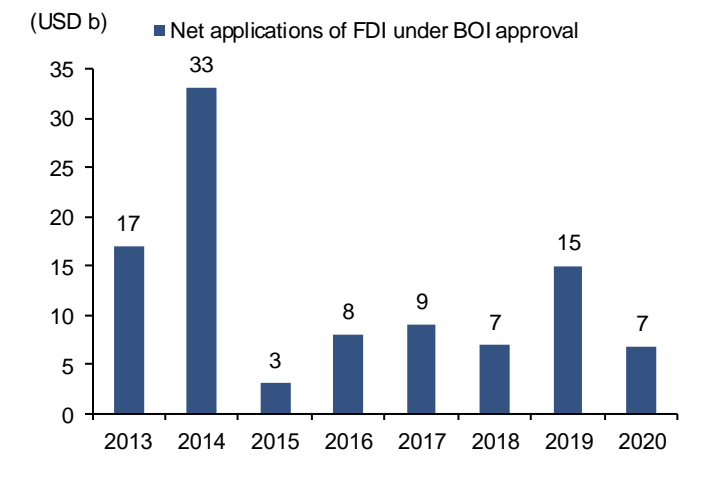
Exhibit 11: Land sales and private investment index



Sources: Bank of Thailand; WHA

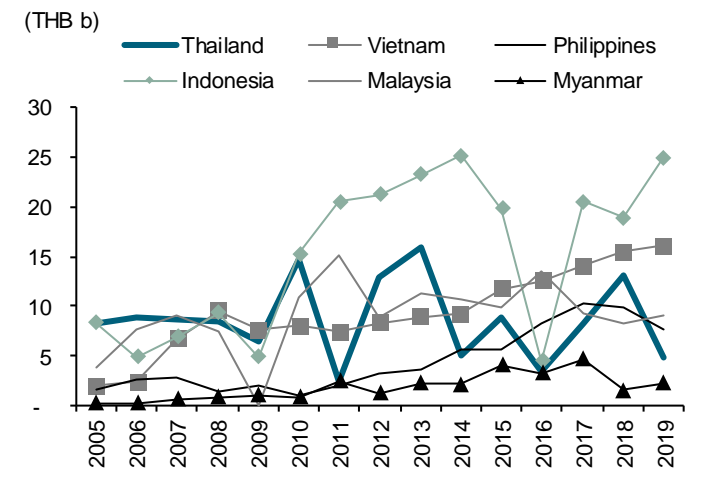
According to the Bank of Thailand (BoT)’s release on the “Economic and Monetary Conditions for February 2021”, issued on 31 March 2021, private investment indicators expanded at a higher rate on the back of higher imports of capital goods. The improvement was in line with business sentiment and the recovery path of exports. Hence, we believe an uptick in private investments would be a short-term catalyst for the IE sector, especially for WHA.

Exhibit 12: Thailand’s FDI under BOI approval has been at a low base for the past five years



Source: Board of Investment

Exhibit 13: FDI among Southeast Asian countries



Source: Bloomberg

Growth engine #2: Riding Vietnam's growth

WHA was invited by the Vietnamese government to develop an industrial estate for a total of 17,500 rai in Nghe An province. WHA Industrial Zone 1 was granted an Investment Registration Certificate for phase 1 covering 498 hectares or 3,100 rai. Phase 1A comprising 1,000 rai is c100% complete and 52% leased, while Phase 1B comprising 2,100 rai is currently under the process to obtain an investment license and permit approval, which we expect to be completed for leasing by 2022.

Moreover, WHA signed a memorandum of understanding to develop two industrial zone projects in Thanh Hoa province with a total area of 1,080 hectares or 6,750 rai. The construction process is expected to start by 2023-24.

Exhibit 14: First IE zone in Vietnam in Nghe An



Source: WHA

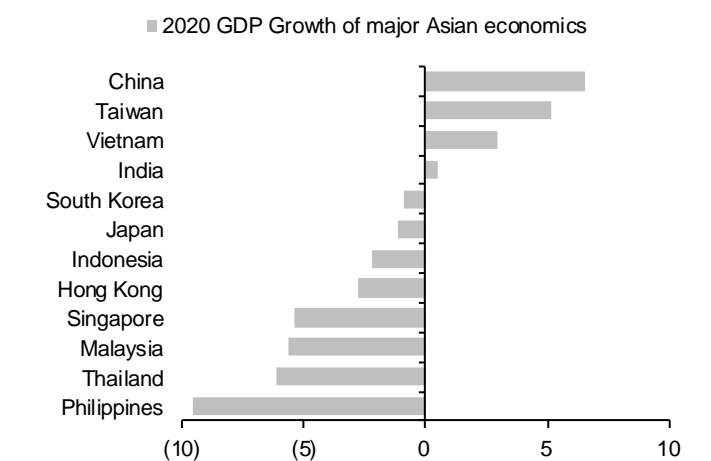
Exhibit 15: Second IE zone in Vietnam in Thanh Hoa



Source: WHA

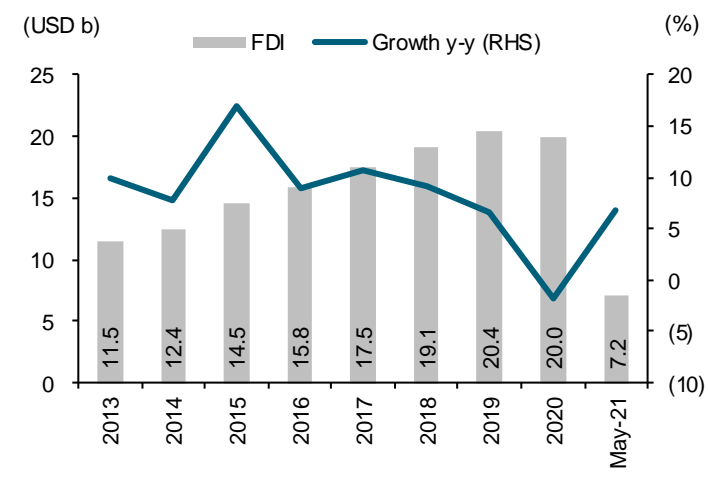
Vietnam has one of the fastest growing economies in Asia, even in the 2020 Covid pandemic year, ranking among the top three performing Asian economies with 2.9% GDP growth in 2020. According to Asian Development Outlook (ADO) 2021, Vietnam's economic growth is expected to grow at 6.7% p.a. in 2021 and 7.0% p.a. in 2022, driven by its rising export-oriented manufacturing, increased investment, and expanding trade. Moreover, FDI in Vietnam rose 6.5% y-y in 1Q21 and is worth USD7.2b in 5M21, driving its economic growth. Currently, investments from companies overseas account for 70% of Vietnam's export value.

Exhibit 16: 2020 GDP growth of major Asian economies



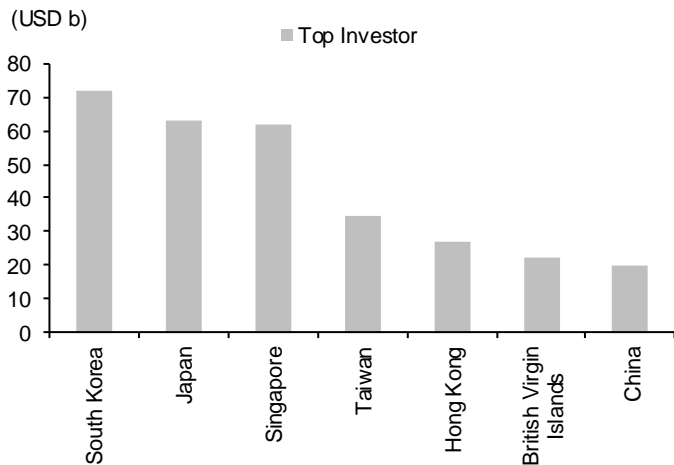
Source: CNBC

Exhibit 17: FDI in Vietnam continues to grow in 2021



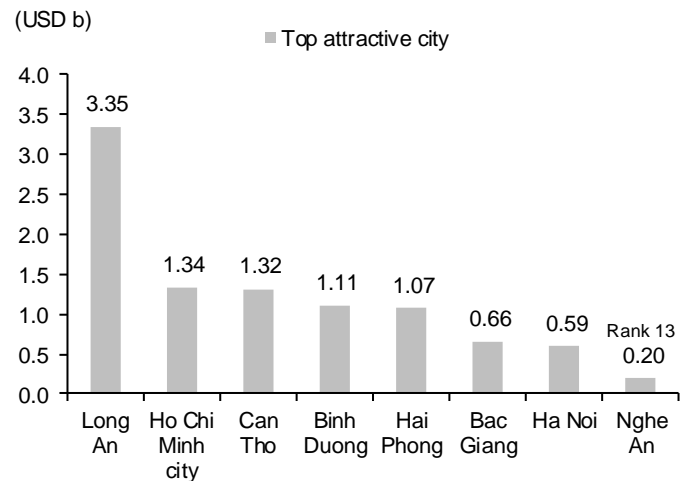
Sources: Foreign Investment Agency, Ministry of Planning and Investment of Vietnam

Exhibit 18: Top foreign investors in Vietnam as of Nov-20



Source: [Vietnam Briefing](#)

Exhibit 19: Top investment locations in Vietnam as of Nov-20



Source: [Vietnam Briefing](#)

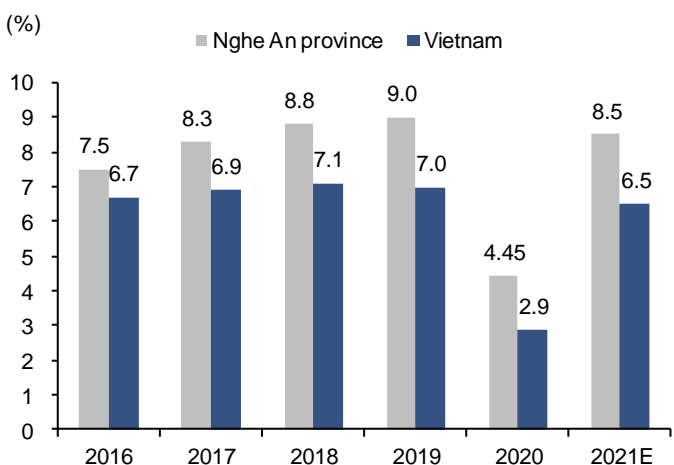
One of the biggest industrial zones in Nghe An

Vietnam’s Nghe An province has been an attractive investment destination for both domestic and foreign investors. In 2020, Nghe An exported to 124 countries with a trade turnover value of USD1.1b, of which processed industrial products accounted for 78% of the total export value. Nghe An set a total export value target to grow at 7.1% y-y to USD1.2b in 2021. Additionally, the Vietnamese General Statistics Office reported the total gross regional domestic product (GRDP) of Nghe An at USD3.6b or 4.5% y-y growth in 2020, and is expected to grow at 8.5% y-y in 2021, outpacing the country’s GDP growth of 6.5%, making Nghe An among 19 out of 58 provinces with a positive growth rate and ranking second in the North Central region.

According to the Vietnam Briefing website, Nghe An’s Dong Nam Economic Zone plays an important role in the country’s GDP growth as it is an important gateway for Central and Upper Laos as well as Northeast Thailand, connecting to Central Vietnam. Hence, the Dong Nam Economic Zone benefits the economic development of not only Vinh City in Nghe An, but also the growth of Hoang Mai town and Cua Lo town.

WHA Industrial Zone (WHA IZ) is located within the Dong Nam Economic Zone, and is set to become the largest well-developed industrial zone in North Central Vietnam, according to management. The special feature about WHA IZ is its green industrial development model with 30% of the total land area dedicated to green spaces, contributing to the country’s sustainable development.

Exhibit 20: GDP growth – Nghe An province vs Vietnam



Sources: [Vietnam Briefing](#); ADB; Nghe An Provincial Statistical Office

Exhibit 21: Nghe An’s minimum wage is relatively low compared to other regions

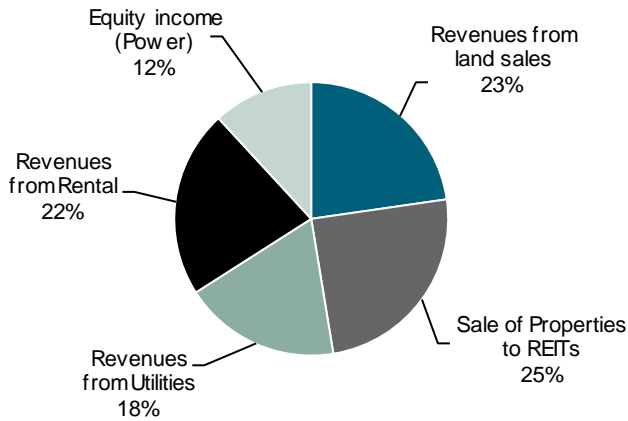
Province	Minimum wage		
	2018 (USD/month)	2019 (USD/month)	2020 (USD/month)
Nghe An	121	127	145
Ho Chi Minh City	175	181	188
Binh Duong	156	161	167
Dong Nai	136	141	167
Hanoi	175	181	188
Hai Phong	175	181	188
Bac Ninh	151	161	167

Sources: [Vietnam Briefing](#); Ministry of Labour, Invalids and Social Affairs

Growth engine #3: Recurring income stream from its power and utilities business as well as asset monetisation

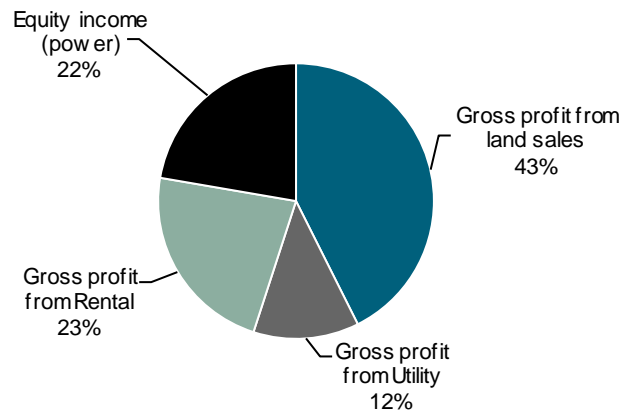
WHA’s revenue can be divided into four groups: 1) revenue from land sales which comprises industrial estate land sales and sales of properties to real estate investment trusts or REITs; 2) rental revenue from its logistics business (built-to-suit warehouses and factories); 3) revenue from its utilities business; and 4) equity income from its power business. The latter three sources of revenue can be considered as recurring income including asset monetisation. Hence, we project that WHA’s earnings will be more sustainable and less volatile, as 53% of total revenue and 57% of total gross profit in 2020 was generated from the rental, power and utilities businesses.

Exhibit 22: WHA’s revenue structure



Sources: WHA; FSSIA estimates

Exhibit 23: WHA’s gross profit structure



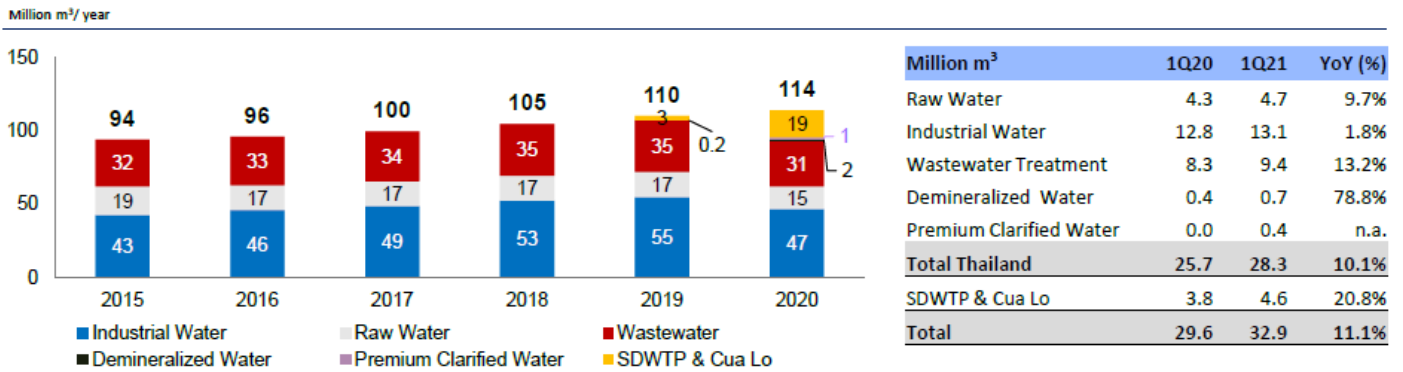
Sources: WHA; FSSIA estimates

Utilities business (18% of total sales, 12% of total gross profit)

WHA provides the raw water, industrial water, and wastewater treatment at its own industrial estate. WHA has a total domestic water production capacity of 355k m3 per day and has a maximum combined 162k m3 per day capacity for managing wastewater. WHA currently has a raw water sales volume of 178 m3 per day (50% utilization rate) and an average volume for wastewater management of 85k m3 per day (52% utilization rate). We expect that revenue could have a low growth rate of 4-6% over 2021-23 following lower IE land sales. Note that utilities revenue could lag two years behind land transfers due to the construction period of factories.

WHA expanded its utilities business to Vietnam in 2019. WHA currently has a maximum tap water production level of 12k m3 per day, and has a total wastewater management capacity of 3,200 m3 per day. The company also invested in Cua Lo Water Supply, which is the producer and distributor of tap water in Nghe An, and Duang River Surface Water Plant (SDWTP), which is one of the leading tap water providers for Hanoi, with an equity stake of 47% and 34%, respectively. The two projects have total water production levels of 13k and 300k m3 per day. WHA sold a total tap water volume of 51k m3 per day in 2020 (50% utilization rate). We expect that its utilization rate would need to increase to 80% to break even. Hence, we estimate that the utilities business in Vietnam will continue to contribute losses of around THB20m-100m in 2021-23.

Exhibit 24: Utilities business details and growth profile



Potential Demand from New Key Projects and Key Customers

On Schedule

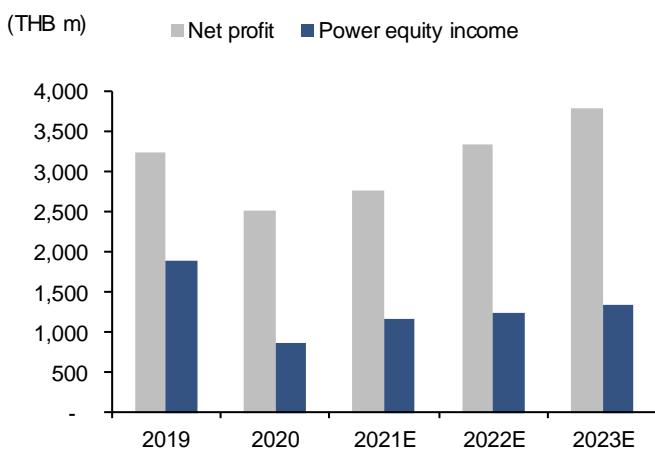
	Water Consumption	2017	2018	2019	2020	2021E	2022E
SPP COD	3,500 – 4,000 m ³ /day	4SPPs	1SPP	1SPP (Jan 19)			
IPP COD	40,000 m ³ / day					Block 1	Block 2
Waste to Energy	1,000 m ³ / day			CCE (Q4'19)			
Petrochemical					+10,000		
Nghe An - Vietnam							+5,000

Source: WHA

Power business (12% of total sales, 22% of total gross profit)

WHA has a total installed equity capacity of 594MW, comprising 547MW from conventional power plants (independent power producers (IPPs) and small power producers (SPPs)), 44MW from solar rooftops, and 3MW from an industrial waste-to-energy power plant. We project that WHA's equity MW capacity could grow to 670MW in 2021 (13% capacity growth in 2021) following the commercial operation dates (COD) of solar rooftops for warehouse customers.

Exhibit 25: Net profit vs power equity income



Sources: WHA; FSSIA estimates

Exhibit 26: 2021 capacity growth targets for power business



Source: WHA

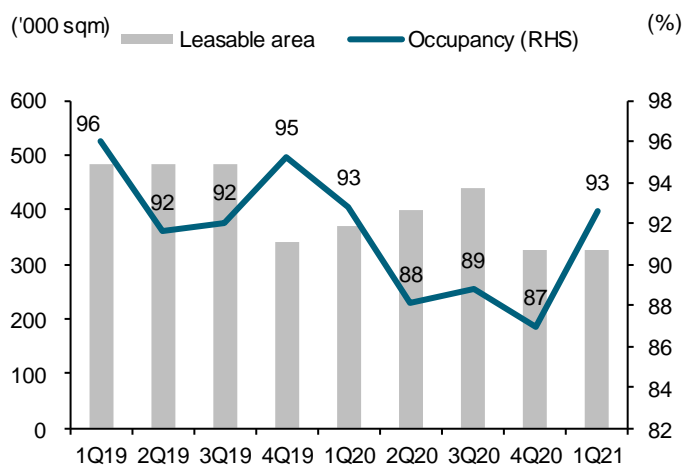
Asset monetisation treated as recurring income

WHA's business model is to divest its properties to REITs for a quick cash flow due to its capital-intensive business nature. Hence, as long as WHA can find new customers for its logistics and industrial business, we believe it will divest its assets to REITs annually, and this could be treated as recurring income, not a one-off item.

In 2021, WHA aims to divest its 100%-owned asset of approximately 180,000 sqm to WHA Premium Growth Freehold & Leasehold REIT (WHART TB, not rated) for a total value of THB5.5b in 4Q21. We estimate a gross profit of c30-35%, less than the asset monetisation to Hemaraj Leasehold Real Estate Investment Trust (HREIT TB, not rated) at a c40% GPM.

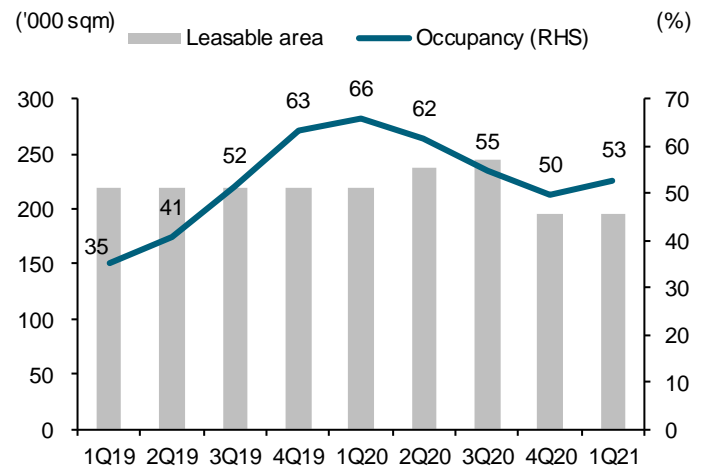
WHA aims to add new tenants for 175,000 sqm with short-term contracts for 50,000 sqm. WHA achieved 43,000 sqm of new rentals and 26,000 sqm of short-term contracts. We remain convinced that the target could be achievable following a solid demand for warehouses due to the e-commerce trend.

Exhibit 27: Logistics warehouse area and occupancy rate



Sources: WHA; FSSIA estimates

Exhibit 28: Industrial warehouse area and occupancy rate



Sources: WHA; FSSIA estimates

Exhibit 29: Asset monetisation details

WHA	2016	2017	2018	2019	2020
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)
Income from sale of assets to property fund/REIT	4,145	2,875	1,127	1,561	981
Share of profits from sale of JV's IP			464	240	320
Area sold to WHAPF/WHART (sqm)	157,215	84,967	156,535	155,237	128,789
Selling price per sqm (THB)	26,365	33,836	36,703	49,446	25,111
Gross margin from sale of investment properties (%)	25.2	44.7	36.0	39.0	25.3
Income from sale of assets to property fund/REIT	6,280	-	1,259	-	1,091
Area sold to HREIT (sqm)	261,314	-	55,131	-	48,127
Selling price per sqm (THB)	24,030	-	22,837	-	27,795
Gross margin from sale of investment properties (%)	38.8	-	44.1	-	56.8

Sources: WHA; FSSIA estimates

1Q21 earnings to be the bottom

We expect WHA's 2Q21 net profit to improve q-q following higher land transfers. We estimate IE land transfers in Thailand at 60 rai (vs 8 rai in 1Q21) and Vietnam at 70 rai in 2Q21 (vs no land transfers in 1Q21). While land sales in 2Q21 could be weak at 50-70 rai vs 213 rai in 1Q21 (188 rai in Thailand and 25 rai in Vietnam) following the impact of the third wave of Covid. The occupancy rate of its logistics properties could be flat q-q at 93% in 2Q21. Equity income from its power business will likely remain weak following the 30-day unplanned maintenance shutdown of Gheco One. Note that in 1Q21 WHA booked a THB125m right of way with no cost, resulting in a high GPM of 46% in 1Q21.

Exhibit 30: 2Q21E earnings preview

Year-end 31 Dec	2Q20	3Q20	4Q20	1Q21	2Q21E	----- Change -----			2021E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	%21E	(THB m)	(y-y %)
Sales & service revenue	1,246	946	3,644	1,045	1,383	32	11	13	10,377	50
Cost of sales & service	688	486	2,120	564	766	36	11	12	6,504	69
Gross profit	558	460	1,523	481	617	28	11	16	3,873	26
SG&A	307	266	423	318	443	39	44	31	1,447	11
EBITDA	399	344	1,257	311	325	4	(19)	11	3,002	27
Interest expense	305	263	289	281	280	(0)	(8)	26	1,066	(4)
Other income	244	557	149	411	300	(27)	23	27	1,091	(16)
Equity income	485	107	762	-50	100	(302)	(79)	9	1,163	(4)
Minorities interest (reverse)	133	80	105	55	0	(100)	(100)	0	533	56
Net profit (loss)	542	429	1,454	135	181	34	(67)	7	2,763	9
Normalised profit (loss)	542	429	1,454	135	181	34	(67)	7	2,763	9
Reported EPS (THB)	0.04	0.03	0.10	0.01	0.01	40	(65)	7	0.18	9
Key Ratios	(%)	(%)	(%)	(%)	(%)				(%)	
Gross margin	44.8	48.6	41.8	46.0	44.6				37.3	
SG&A to sales	24.6	28.1	11.6	30.5	32.0				13.9	
EBITDA margin	32.0	36.4	34.5	29.8	23.5				28.9	
Net margin	43.5	45.3	39.9	12.9	13.1				26.6	

Sources: WHA; FSSIA estimates

Initiate with BUY; TP of THB4.4

We initiate coverage on WHA with a BUY rating and a SoTP-based TP of THB4.4, comprising 1) the net asset value (NAV) of the currently developed land and raw land in Thailand and Vietnam; 2) the NAV of occupied and available for lease areas and raw land for development for the logistics business; 3) the NPV of the rental and utilities businesses (7.2% WACC and 3% terminal growth); 4) a fair value for its 70% stake in Wha Utilities and Power PCL (WHAUP, HOLD, TP THB4.5); and 5) the market value for the equity stakes of its investments. We think WHA is attractive as it is trading at 14.4x 2022E P/E or at almost -1.0SD of its 5-year average of 17.8x, and we expect its net profit growth outlook to drive its share price in the next 12 months.

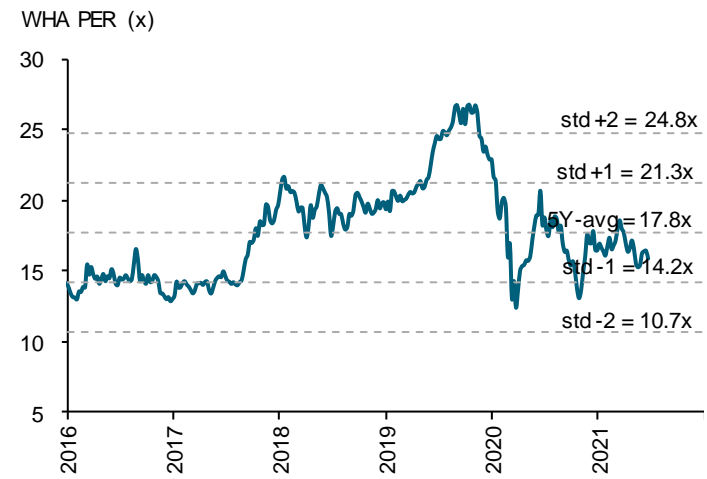
Exhibit 31: SoTP valuation

Net Asset Value (NAV)	Area	Selling price	Total value	
	(rai)	(THB m/unit)	(THB m)	
IE Land value				
Development land (Thailand)	5,800	4.0	20,446	
Raw land (Thailand)*	4,183	2.2	9,202	
Development land (Vietnam)	2,041	2.0	4,040	
Raw land (Vietnam)*	14,400	0.4	5,760	
Rental properties				
	Area	Selling price	Total value	
	(sqm)	(THB m/unit)	(THB m)	
Pre-leased and occupied area	403,966	31,000	12,523	
Available area for lease	116,874	31,000	3,623	
Land for development	572,000	18,000	10,296	
Management fee and others	@ 7.2% WACC and 3% terminal growth		19,366	
Investment				
	Equity stake	No. of shares	Market/TP	Total value
	(%)	(m shares)	(THB)	(THB m)
WHAUP	70	3,825	4.5	12,049
HPF	23	470	4.6	496
WHART	15	2,777	14.0	5,832
WHABT	15	202	8.9	270
HREIT	15	840	8.7	1,096
Total				19,742
NAV				
IE land		39.45		
Rental properties		45.81		
Investment		19.74		
Less: net debt		(39)		
Total value		66		
No. of shares (m share)		14,947		
Value/share (THB)		4.4		

* We valued raw land by applying net of cost assuming 1) THB1.0m/rai land cost in Thailand; 2) no land cost in Vietnam and THB0.3m/rai relocation cost assuming it cannot be reclaimed from the government; 3) THB0.8/rai development cost; and 4) a 50% discount applied to Vietnam raw land.

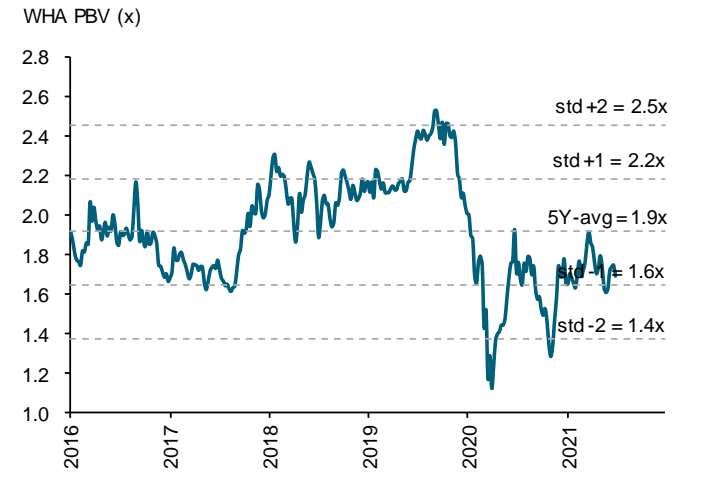
Source: FSSIA estimates

Exhibit 32: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA

Exhibit 33: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA

Exhibit 34: Peers comparison as of 28 June 2021

Company	BBG	Rec	Share	Target	Up	Market	3Y EPS	----- PE ----		---- ROE ---		---- PBV ---		- EV/EBITDA -	
								21E	22E	21E	22E	21E	22E	21E	22E
			Price (LCY)	price (LCY)	side (%)	Cap (USD m)	CAGR (%)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
WHA Corp	WHA TB	BUY	3.22	4.4	37	1,506	14.4	17.4	14.4	9.8	11.7	1.8	1.6	22.2	18.7
Amata Corp	AMATA TB	NA	18.6	n/a	n/a	665	16.2	16.3	12.5	7.7	9.5	1.2	1.1	19.6	14.6
Rojna Industrial Park	ROJNA TB	NA	6.85	n/a	n/a	435	1.3	17.0	15.1	4.3	5.0	1.0	0.9	9.7	9.5
Frasers Property Thailand	FPT TB	NA	12.6	n/a	n/a	913	16.4	16.6	14.1	5.4	6.1	0.9	0.8	22.5	20.4
Thailand avg						3,519	14.2	16.8	14.0	6.8	8.1	1.2	1.1	18.5	15.8

Sources: Bloomberg; FSSIA estimates

Corporate Governance - WHA

Board structure

Number of Independent Directors (ID)	5 of 12 board members in 2020 and 8 of 11 board members in 2021
Percentage of IDs on the board	41.7% in 2020, and 72.7% upon AGM's approval on 26 Apr 2021 and Board's approval on 12 May 2021
ID participation/attendance at board meetings	100%
ID participation in audit/remuneration committees	4/4 in audit committee and 2/3 in remuneration committee
ID terms (years of service, re-election/replacement procedures)	No more than 9 consecutive years and at least one independent director shall be a female

Source: WHA

Additional comments: 1) The Board of Directors is authorized to amend the definition of the qualifications of the independent directors in order to comply with the rules and regulations of the Securities and Exchange Commission, Capital Market Supervisory Board, and/or other related laws; 2) Chairman of the Board of Directors is also Chairman of the Executive Committee and Group Chief Executive Director.

Audit Practices

Auditor	PricewaterhouseCoopers ABAS Ltd.
Length of service	More than 10 years
Reporting incidents	None
Fee track record	THB 18.69m in 2020, THB 15.63m in 2019, and THB15.16m in 2018
Policy on change of audit firm	To review every 3 years

Source: WHA

Additional comments: None

Compensation and remuneration

Directors' remuneration vs earnings/ROE/share performance	In 2020, THB 24.3m vs net profit of THB 2,524m
Changes/stability in senior management	Two new independent directors appointed in 2020; four new independent directors appointed in 2021
Incidents of termination of senior management	None
Track record on insider sales	None

Source: WHA

Additional comments: None

Shareholders' rights

Communication - shareholder participation in AGMs/EGMs	AGM annually / EGM when appropriate
Related party transactions	Audit committee will consider related party transactions or transactions with likely conflicts of interest and ensure that they are conducted in accordance with the law and regulations of the SET and ensure that such transactions are reasonable and in the best interest of the Company
Voting issues - policies, incidents of rejected proposals	None

Source: WHA

Additional comments: AGM held on 26 Apr 2021, at Grand Ballroom, 3rd Floor, Golden Tulip Sovereign Hotel, No. 92, Rama 9 Road, Bang Kapi Sub-district, Huay Kwang District, Bangkok, during intensified Covid-19 outbreak fixed seating capacity of the meeting room at 50 to comply with the Regulation issued under Section 9 of the Emergency Decree on Public Administration in Emergency Situation, B.E. 2548 (No. 20) which prohibits the holding of activity with over 50-persons gathering seats only. Shareholders being unable to attend the meeting in person requested to grant a proxy to the independent directors of the Company.

Financial Statements

WHA Corp

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	10,463	6,914	10,377	10,207	11,446
Cost of goods sold	(5,941)	(3,249)	(5,928)	(5,021)	(5,629)
Gross profit	4,522	3,665	4,449	5,186	5,817
Other operating income	977	1,284	1,091	1,146	1,203
Operating costs	(1,731)	(1,304)	(1,447)	(1,431)	(1,485)
Operating EBITDA	3,768	3,645	4,093	4,901	5,535
Depreciation	(460)	(592)	(576)	(606)	(630)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,308	3,053	3,518	4,295	4,905
Net financing costs	(986)	(1,104)	(1,066)	(1,088)	(1,150)
Associates	1,946	1,209	1,163	1,242	1,326
Recurring non-operating income	1,946	1,209	1,163	1,242	1,326
Non-recurring items	0	0	0	0	0
Profit before tax	4,268	3,158	3,615	4,450	5,081
Tax	(305)	(293)	(319)	(417)	(488)
Profit after tax	3,963	2,865	3,296	4,033	4,593
Minority interests	(733)	(341)	(533)	(698)	(817)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	3,229	2,524	2,763	3,335	3,776
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	3,229	2,524	2,763	3,335	3,776
Per share (THB)					
Recurring EPS *	0.22	0.17	0.18	0.22	0.25
Reported EPS	0.22	0.17	0.18	0.22	0.25
DPS	0.13	0.14	0.11	0.13	0.15
Diluted shares (used to calculate per share data)	14,947	14,947	14,947	14,947	14,947
Growth					
Revenue (%)	24.4	(33.9)	50.1	(1.6)	12.1
Operating EBITDA (%)	12.9	(3.3)	12.3	19.7	12.9
Operating EBIT (%)	16.5	(7.7)	15.2	22.1	14.2
Recurring EPS (%)	6.5	(21.8)	9.5	20.7	13.2
Reported EPS (%)	6.5	(21.8)	9.5	20.7	13.2
Operating performance					
Gross margin inc. depreciation (%)	38.8	44.4	37.3	44.9	45.3
Gross margin of key business (%)	-	-	-	-	-
Operating EBITDA margin (%)	36.0	52.7	39.4	48.0	48.4
Operating EBIT margin (%)	31.6	44.1	33.9	42.1	42.9
Net margin (%)	30.9	36.5	26.6	32.7	33.0
Effective tax rate (%)	3.7	4.6	4.5	4.5	4.5
Dividend payout on recurring profit (%)	61.5	81.1	60.0	60.0	60.0
Interest cover (X)	5.3	3.9	4.4	5.1	5.4
Inventory days	803.4	1,427.6	811.6	996.6	889.6
Debtor days	23.2	36.5	16.6	19.5	21.4
Creditor days	188.6	333.6	162.6	203.6	187.7
Operating ROIC (%)	18.3	15.8	17.5	21.3	24.6
ROIC (%)	6.2	4.8	5.4	6.2	6.7
ROE (%)	11.4	8.7	9.8	11.7	12.3
ROA (%)	6.0	4.6	5.2	6.0	6.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Rental	1,658	1,842	1,897	2,030	2,172
Land sales	7,156	3,535	6,881	6,482	7,477
Utilities	1,648	1,537	1,599	1,695	1,796

Sources: WHA Corp; FSSIA estimates

Financial Statements

WHA Corp

Cash Flow (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Recurring net profit	3,229	2,524	2,763	3,335	3,776
Depreciation	460	592	576	606	630
Associates & minorities	-	-	-	-	-
Other non-cash items	(1,137)	(869)	533	698	817
Change in working capital	(505)	379	1,489	91	(292)
Cash flow from operations	2,047	2,626	5,361	4,730	4,931
Capex - maintenance	-	-	-	-	-
Capex - new investment	(3,367)	(1,802)	(2,332)	(3,148)	(3,463)
Net acquisitions & disposals	(1,035)	273	(177)	(201)	(446)
Other investments (net)	-	-	-	-	-
Cash flow from investing	(4,401)	(1,528)	(2,509)	(3,350)	(3,909)
Dividends paid	(2,868)	(1,733)	(1,216)	(1,334)	(1,510)
Equity finance	1,898	1	(2,875)	0	0
Debt finance	2,965	2,042	(608)	1,305	1,198
Other financing cash flows	0	(293)	(124)	61	62
Cash flow from financing	1,995	17	(4,823)	32	(251)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	(132)	(1)	0	0	0
Movement in cash	(491)	1,114	(1,971)	1,412	771
Free cash flow to firm (FCFF)	(1,367.89)	2,209.90	3,918.24	2,467.32	2,171.93
Free cash flow to equity (FCFE)	478.39	2,846.18	2,120.01	2,745.97	2,280.93
Per share (THB)					
FCFF per share	(0.09)	0.15	0.26	0.17	0.15
FCFE per share	0.03	0.19	0.14	0.18	0.15
Recurring cash flow per share	0.17	0.15	0.26	0.31	0.35
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed assets (gross)	8,096	9,673	9,723	9,773	10,073
Less: Accumulated depreciation	(2,737)	(3,111)	(3,561)	(4,015)	(4,499)
Tangible fixed assets (net)	5,359	6,561	6,162	5,758	5,574
Intangible fixed assets (net)	17,575	17,575	17,575	17,575	17,575
Long-term financial assets	10,323	11,970	9,402	9,382	9,423
Invest. in associates & subsidiaries	531	40	44	48	52
Cash & equivalents	2,681	3,794	1,824	3,236	4,006
A/C receivable	921	461	482	609	731
Inventories	12,789	12,626	13,738	13,681	13,756
Other current assets	441	441	521	573	630
Current assets	16,831	17,323	16,564	18,098	19,123
Other assets	31,646	29,153	31,485	34,633	38,097
Total assets	82,264	82,621	81,231	85,494	89,843
Common equity	29,478	28,805	27,477	29,478	31,744
Minorities etc.	3,623	3,362	3,895	4,593	5,410
Total shareholders' equity	33,101	32,167	31,372	34,071	37,153
Long term debt	25,154	29,533	30,123	31,178	31,988
Other long-term liabilities	6,172	6,214	6,090	6,151	6,212
Long-term liabilities	31,326	35,747	36,213	37,328	38,200
A/C payable	3,362	2,577	2,705	2,895	2,895
Short term debt	14,070	11,721	10,522	10,773	11,161
Other current liabilities	405	410	418	426	435
Current liabilities	17,837	14,707	13,645	14,094	14,490
Total liabilities and shareholders' equity	82,264	82,621	81,231	85,494	89,843
Net working capital	10,383	10,542	11,617	11,541	11,788
Invested capital	75,816	75,840	76,284	78,937	82,508
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	1.97	1.93	1.84	1.97	2.12
Tangible book value per share	0.80	0.75	0.66	0.80	0.95
Financial strength					
Net debt/equity (%)	110.4	116.5	123.7	113.6	105.4
Net debt/total assets (%)	44.4	45.3	47.8	45.3	43.6
Current ratio (x)	0.9	1.2	1.2	1.3	1.3
CF interest cover (x)	4.9	5.2	5.2	6.4	6.0
Valuation					
Recurring P/E (x) *	14.9	19.1	17.4	14.4	12.7
Recurring P/E @ target price (x) *	20.4	26.1	23.8	19.7	17.4
Reported P/E (x)	14.9	19.1	17.4	14.4	12.7
Dividend yield (%)	4.1	4.3	3.4	4.2	4.7
Price/book (x)	1.6	1.7	1.8	1.6	1.5
Price/tangible book (x)	4.0	4.3	4.9	4.0	3.4
EV/EBITDA (x) **	23.4	24.4	22.2	18.7	16.7
EV/EBITDA @ target price (x) **	28.1	29.2	26.5	22.3	19.9
EV/invested capital (x)	1.2	1.2	1.2	1.2	1.1
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: WHA 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	PHOL	PLANB	PLANET
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	SPALI	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	AMANAHA	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

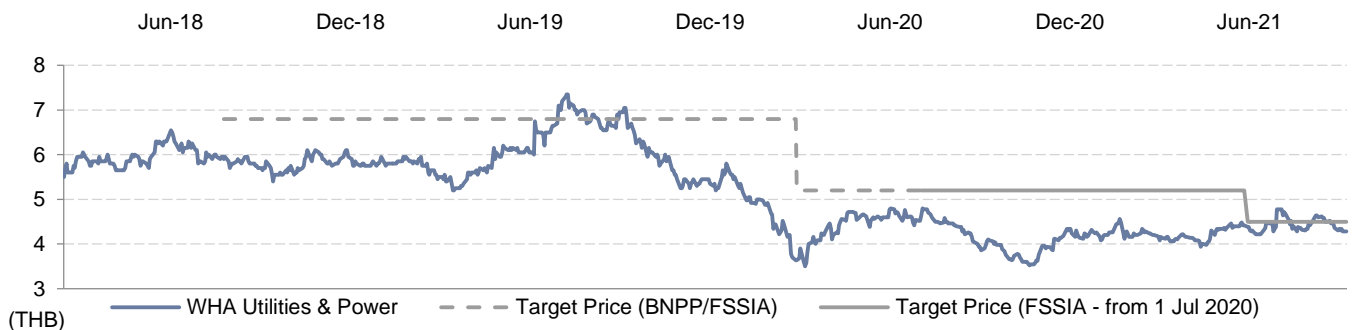
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History of change in investment rating and/or target price

WHA Utilities & Power (WHAUP TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
15-Nov-2018	BUY	6.80	15-May-2020	BUY	5.20	-	-	-
17-Mar-2020	BUY	5.20	02-Apr-2021	HOLD	4.50			

Suwat Sinsadok started covering this stock from 15-Nov-2018

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
WHA Corp	WHA TB	THB 3.22	BUY	Downside risks to our SoTP-derived TP include 1) lower-than-expected IE land sales and transfers in Thailand and Vietnam; and 2) a lower-than-expected utilization rate from the utilities business in Vietnam.
WHA Utilities & Power	WHAUP TB	THB 4.28	HOLD	Downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; and 2) lower crude prices. Upside risks are the higher than expected sales volumes of water and electricity for industrial users.

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

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All share prices are as at market close on 28-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.