

SIAM GLOBAL HOUSE

THAILAND / CONSUMER DISCRETIONARY

GLOBAL TB

BUY

UNCHANGED

Still delivering good performance

- 4Q21 earnings of THB746m, (+13% q-q, +103% y-y), beating the market's expectation.
- 1H22 earnings could be flat y-y, even though the positive SSSG benefit from the rising steel price has faded.
- Maintain BUY with 2022 DCF-based TP of THB27.5.

TARGET PRICE	THB27.50
CLOSE	THB19.90
UP/DOWNSIDE	+38.2%
PRIOR TP	THB27.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.1%

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	34,116	36,803	40,756	44,963
Net profit	3,344	3,439	3,801	4,076
EPS (THB)	0.76	0.78	0.86	0.93
vs Consensus (%)	-	2.8	(0.8)	-
EBITDA	5,507	5,709	6,306	6,803
Core net profit	3,344	3,439	3,801	4,076
Core EPS (THB)	0.76	0.78	0.86	0.93
Chg. In EPS est. (%)	nm	5.4	5.4	nm
EPS growth (%)	70.9	2.8	10.5	7.2
Core P/E (x)	26.2	25.5	23.0	21.5
Dividend yield (%)	1.3	1.6	1.7	1.9
EV/EBITDA (x)	18.6	18.2	16.5	15.2
Price/book (x)	4.5	4.1	3.7	3.3
Net debt/Equity (%)	74.1	72.8	66.0	57.4
ROE (%)	18.3	16.7	16.7	16.1

Good 4Q21 results, beating the market's expectation

GLOBAL booked a net profit (NP) of THB746m in 4Q21 (+13% q-q, +103% y-y), beating BBG's consensus expectation by 8.2% due to the higher-than-expected GPM. Overall, 2021 NP was at THB3.3b (+71% y-y). GLOBAL announced the payment of a stock dividend at 23:1 and a cash dividend of THB0.25/shr, implying a 1.5% dividend yield. The XD date is 25 Feb.

Solid GPM and overseas operations are key drivers

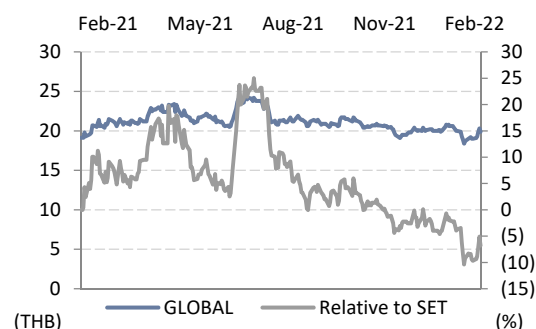
4Q21 revenue rose 22% y-y to THB8.3b, driven by solid SSSG at 15% and one new store which opened in Chiang Rai after four stores opened in 9M21. 4Q21 GPM was solid at 25.5% (vs 23.7% in 3Q21 and 24.7% in 4Q20). This can be attributed to 1) a higher private brand proportion to c23% (vs 21% in 3Q21); and 2) GLOBAL adjusted its product prices to reflect the higher freight cost. Overseas operations were solid at THB33m in 4Q21 (THB17m in 3Q21), driven by solid demand for construction materials in Myanmar.

SSSG has continued to rise to +c10% YTD

SSSG in Jan-22 remained positive at 10%, driven by solid demand for construction materials. GLOBAL's GPM should soften q-q and y-y following a lower steel GPM. Overall, we expect that 1H22 earnings could be flat y-y with growth resuming in 2H22, supported by a new store expansion of six to seven stores. Moreover, its overseas operations could post solid growth in 2022. We expect equity income to grow by 30% y-y to THB105m in 2022, driven by solid demand in Myanmar and Laos and its aggressive expansion in the Indonesia market.

Attractive valuation but lacking near-term catalysts

We maintain our BUY rating with our DCF-based TP of THB27.5. GLOBAL is trading at an attractive valuation of 25.5x 2022E P/E, or almost -1.5SD of its 5-year mean at 34x, and lower than its peers' average of 35x. However, we see no near-term catalysts to drive its share price and expect NP growth to resume in 2H22, which could attract the market to take interest in this stock. Key downside risks are a plunge in the steel price and a contraction in farm income.



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(4.3)	(3.9)	3.0
Relative to country (%)	(6.1)	(7.6)	(8.6)
Mkt cap (USD m)	2,801		
3m avg. daily turnover (USD m)	6.7		
Free float (%)	35		
Major shareholder	SCG Distribution Co., Ltd. (32%)		
12m high/low (THB)	24.70/18.40		
Issued shares (m)	4,401.61		

Sources: Bloomberg consensus; FSSIA estimates



Karun Intrachai
 karun.int@fssia.com
 +66 2611 3555

Investment thesis

GLOBAL is the first mover in the one-stop service home improvement and construction material industry in Thailand. GLOBAL's target market is low- to middle-income households in rural provinces. 80% of GLOBAL's stores are in central, northern, and northeastern Thailand, where purchasing power is highly related to farm income. Moreover, 37% of GLOBAL's customers are contractors. Hence, the disbursement of government budgets, government spending on infrastructure, and rising farm incomes would be key catalysts for GLOBAL.

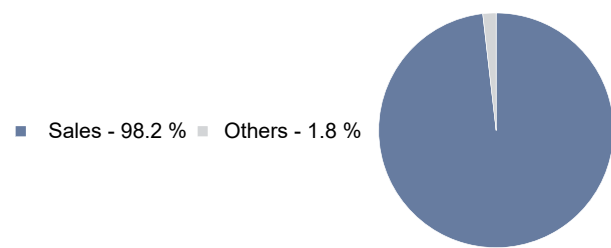
Store expansions and GPM improvements are key growth drivers for GLOBAL, in our view. The company plans to improve its GPM by increasing the proportion of its private brand products sold by at least 1% per year to 25%, from 16% in 2019.

Company profile

Siam Global House is a leading Thai home-improvement product seller focusing on underpenetrated provincial markets. In Nov 2012, Siam Cement (SCC TB) became a 30% shareholder, providing GLOBAL with funding for store additions and expertise on how to improve operations, such as logistics.

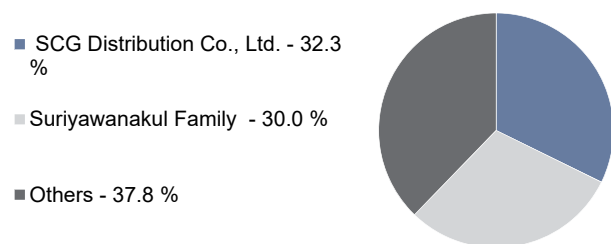
www.globalhouse.co.th

Principal activities (revenue, 2021)



Source: Siam Global House

Major shareholders



Source: Siam Global House

Catalysts

Potential catalysts for GLOBAL include government measures to support agricultural prices, government spending on infrastructure, and the disbursement of government budgets.

Risks to our call

The key downside risks to our DCF-based TP are volatile farm incomes and farm prices which could negatively impact purchasing power, especially in the provinces.

Event calendar

Date	Event
May 2022	1Q22 results announcement

Key assumptions

	2022E (%)	2023E (%)	2024E (%)
SSSG	4.0	3.0	4.0
New store growth	8.0	6.2	5.8
GPM	25.0	25.1	24.6
SG&A to sales	14.5	14.6	14.4

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in SSSG we estimate 2022 EPS would rise 1%, and vice versa, all else being equal.
- For every 0.1% increase in GPM we estimate 2022 EPS would rise 1.1%, and vice versa, all else being equal.
- For every 0.1% increase in SG&A to sales we estimate 2022 EPS would fall 1.1%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: GLOBAL – 4Q21 results summary

Year to Dec 31	4Q20	1Q21	2Q21	3Q21	4Q21	----- Change -----		4Q21	2021
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	%21A	(THB m)
Total revenue	6,848	8,828	9,068	7,898	8,322	5.4	21.5	24	34,116
Retail sales	6,871	8,679	8,888	7,685	8,246	7.3	20.0	25	33,498
Other income	(23)	150	180	213	75	(64.6)	(430.1)	12	618
Cost of retail sales	5,177	6,468	6,587	5,866	6,146	4.8	18.7	25	25,067
Gross profit	1,671	2,360	2,481	2,032	2,176	7.0	30.2	24	9,049
Operating costs	(1,102)	(1,121)	(1,250)	(1,192)	(1,243)	4.3	12.8	26	(4,806)
Operating profit	569	1,238	1,232	840	933	11	64	22	4,243
Operating EBITDA	872	1,543	1,550	1,163	1,251	7	43	23	5,507
Other income/expenses	(68)	(3)	(0)	(0)	2	n/a	(103)	(239)	(1)
Interest expense	(52)	(48)	(46)	(42)	(45)	8	(13)	25	(181)
Profit before tax	450	1,187	1,185	799	890	11	98	22	4,062
Tax	(84)	(226)	(232)	(153)	(173)	14	108	22	(783)
Associates	4	10	20	17	33	92	748	41	81
Minority interests	(3)	(6)	(2)	(4)	(3)	(24)	0	21	(15)
Non-recurring items	0	0	0	0	0	n/a	n/a	n/a	0
Reported net profit	367	966	972	659	746	13	103	22	3,344
Recurring net profit	367	966	972	659	746	13	103	22	3,344
EPS (THB)	0.08	0.22	0.22	0.15	0.17	13	103	22	0.76
Recurring EPS (THB)	0.08	0.22	0.22	0.15	0.17	13	103	22	0.76
Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)		(%)
Retail sales margin	24.7	25.5	25.9	23.7	25.5	1.8	0.8		25.2
Operating margin	8.3	14.0	13.6	10.6	11.2	0.6	2.9		12.4
Recurring net margin	5.3	10.9	10.5	8.2	8.6	0.4	3.3		9.6
SG&A / Sales	16.0	12.9	14.1	15.5	15.1	(0.4)	(1.0)		14.1
Effective tax rate	18.6	19.0	19.5	19.1	19.5	0.4	0.9		19.3
Operating stats									
SSSG (%)	(3.4)	13.7	35.0	12.6	15.0				
Number of stores (no.)	71.0	73.0	74.0	75.0	76.0				
Private brand (%)	21.0	21.0	21.0	21.0	23.0				

Sources: GLOBAL; FSSIA estimates

Exhibit 2: Quarterly SSSG



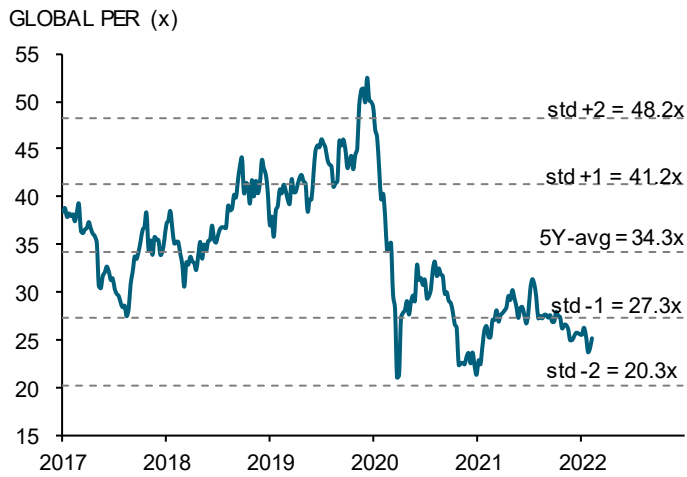
Source: GLOBAL

Exhibit 3: Yearly SSSG



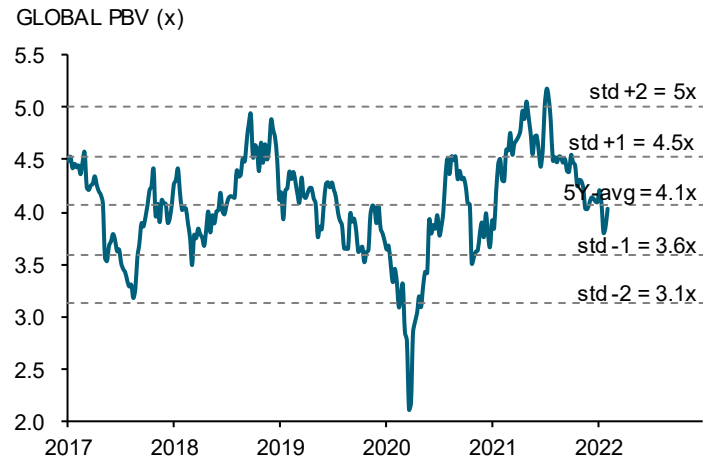
Sources: GLOBAL; FSSIA estimates

Exhibit 4: Rolling one-year forward P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 5: Rolling one-year forward P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

Siam Global House

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	27,354	34,116	36,803	40,756	44,963
Cost of goods sold	(19,237)	(23,803)	(25,758)	(28,500)	(31,686)
Gross profit	8,117	10,313	11,045	12,256	13,277
Other operating income	0	0	0	0	0
Operating costs	(4,233)	(4,806)	(5,336)	(5,950)	(6,475)
Operating EBITDA	3,883	5,507	5,709	6,306	6,803
Depreciation	(1,164)	(1,264)	(1,357)	(1,487)	(1,617)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,720	4,243	4,352	4,819	5,186
Net financing costs	(313)	(182)	(191)	(200)	(210)
Associates	23	81	105	110	116
Recurring non-operating income	23	81	105	110	116
Non-recurring items	0	0	0	0	0
Profit before tax	2,430	4,142	4,267	4,729	5,091
Tax	(455)	(783)	(812)	(910)	(995)
Profit after tax	1,976	3,359	3,455	3,819	4,096
Minority interests	(20)	(15)	(17)	(18)	(20)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	1,956	3,344	3,439	3,801	4,076
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	1,956	3,344	3,439	3,801	4,076
Per share (THB)					
Recurring EPS *	0.44	0.76	0.78	0.86	0.93
Reported EPS	0.44	0.76	0.78	0.86	0.93
DPS	0.23	0.27	0.31	0.35	0.37
Diluted shares (used to calculate per share data)	4,402	4,402	4,402	4,402	4,402
Growth					
Revenue (%)	(4.4)	24.7	7.9	10.7	10.3
Operating EBITDA (%)	1.6	41.8	3.7	10.5	7.9
Operating EBIT (%)	(5.9)	56.0	2.6	10.7	7.6
Recurring EPS (%)	(11.3)	70.9	2.8	10.5	7.2
Reported EPS (%)	(10.8)	70.9	2.8	10.5	7.2
Operating performance					
Gross margin inc. depreciation (%)	25.4	26.5	26.3	26.4	25.9
Gross margin of key business (%)	23.9	25.2	25.0	25.1	24.6
Operating EBITDA margin (%)	14.2	16.1	15.5	15.5	15.1
Operating EBIT margin (%)	9.9	12.4	11.8	11.8	11.5
Net margin (%)	7.2	9.8	9.3	9.3	9.1
Effective tax rate (%)	18.9	19.3	19.5	19.7	20.0
Dividend payout on recurring profit (%)	51.9	35.1	40.0	40.0	40.0
Interest cover (X)	8.8	23.8	23.4	24.6	25.2
Inventory days	283.6	233.6	237.7	232.5	225.1
Debtor days	12.9	7.2	11.3	15.1	15.2
Creditor days	60.6	42.4	37.2	36.3	36.0
Operating ROIC (%)	9.2	14.0	13.2	13.5	13.7
ROIC (%)	8.6	12.9	12.1	12.4	12.6
ROE (%)	11.9	18.3	16.7	16.7	16.1
ROA (%)	6.3	9.4	9.0	9.2	9.3
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Sales	26,803	33,498	36,152	40,036	44,168
Others	551	618	651	721	795

Sources: Siam Global House; FSSIA estimates

Financial Statements

Siam Global House

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	1,956	3,344	3,439	3,801	4,076
Depreciation	1,164	1,264	1,357	1,487	1,617
Associates & minorities	(6)	27	0	0	0
Other non-cash items	20	15	17	18	20
Change in working capital	1,429	(2,272)	(1,972)	(1,461)	(1,029)
Cash flow from operations	4,563	2,379	2,840	3,845	4,684
Capex - maintenance	(2,207)	(1,215)	(2,400)	(2,400)	(2,400)
Capex - new investment	0	0	0	0	0
Net acquisitions & disposals	(1,023)	(850)	(156)	(226)	(242)
Other investments (net)	0	0	0	0	0
Cash flow from investing	(3,230)	(2,066)	(2,556)	(2,626)	(2,642)
Dividends paid	(1,015)	(1,173)	(1,375)	(1,520)	(1,630)
Equity finance	128	409	(88)	158	158
Debt finance	(521)	921	720	205	(505)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	(1,408)	157	(743)	(1,157)	(1,978)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(75)	470	(459)	62	65
Free cash flow to firm (FCFF)	1,578.18	493.54	473.62	1,418.00	2,251.56
Free cash flow to equity (FCFE)	811.97	1,233.74	1,003.97	1,424.05	1,537.15
Per share (THB)					
FCFF per share	0.36	0.11	0.11	0.32	0.51
FCFE per share	0.18	0.28	0.23	0.32	0.35
Recurring cash flow per share	0.71	1.06	1.09	1.21	1.30
Balance Sheet (THB m) Year Ending Dec					
	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	22,696	23,807	26,207	28,607	31,007
Less: Accumulated depreciation	(5,548)	(6,708)	(8,065)	(9,552)	(11,169)
Tangible fixed assets (net)	17,148	17,099	18,142	19,056	19,839
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	838	1,507	1,507	1,507	1,507
Cash & equivalents	1,224	1,694	1,235	1,297	1,362
A/C receivable	672	674	1,603	1,775	1,959
Inventories	14,287	16,186	17,359	18,952	20,135
Other current assets	0	78	84	93	102
Current assets	16,184	18,631	20,281	22,117	23,558
Other assets	1,850	2,037	2,197	2,433	2,684
Total assets	36,020	39,275	42,128	45,113	47,588
Common equity	16,981	19,561	21,536	23,975	26,579
Minorities etc.	233	275	292	310	331
Total shareholders' equity	17,214	19,836	21,828	24,285	26,909
Long term debt	3,384	3,268	3,293	3,214	3,006
Other long-term liabilities	161	160	165	174	184
Long-term liabilities	3,545	3,427	3,458	3,388	3,190
A/C payable	2,988	2,543	2,713	2,960	3,287
Short term debt	12,091	13,128	13,823	14,107	13,809
Other current liabilities	182	340	306	372	392
Current liabilities	15,261	16,011	16,842	17,439	17,489
Total liabilities and shareholders' equity	36,020	39,275	42,128	45,113	47,588
Net working capital	11,789	14,055	16,027	17,488	18,517
Invested capital	31,626	34,698	37,874	40,484	42,547
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	3.86	4.44	4.89	5.45	6.04
Tangible book value per share	3.86	4.44	4.89	5.45	6.04
Financial strength					
Net debt/equity (%)	82.8	74.1	72.8	66.0	57.4
Net debt/total assets (%)	39.6	37.4	37.7	35.5	32.5
Current ratio (x)	1.1	1.2	1.2	1.3	1.3
CF interest cover (x)	3.6	7.8	6.3	8.1	8.3
Valuation					
	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	44.8	26.2	25.5	23.0	21.5
Recurring P/E @ target price (x) *	61.9	36.2	35.2	31.8	29.7
Reported P/E (x)	44.8	26.2	25.5	23.0	21.5
Dividend yield (%)	1.2	1.3	1.6	1.7	1.9
Price/book (x)	5.2	4.5	4.1	3.7	3.3
Price/tangible book (x)	5.2	4.5	4.1	3.7	3.3
EV/EBITDA (x) **	26.3	18.6	18.2	16.5	15.2
EV/EBITDA @ target price (x) **	34.9	24.7	24.0	21.8	20.1
EV/invested capital (x)	3.2	3.0	2.7	2.6	2.4
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Siam Global House; 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	PCSGH	PDJ	PG	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	SCC	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	TTB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TRC	TSC	TSR	TSTE	TSTH
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	TTB	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

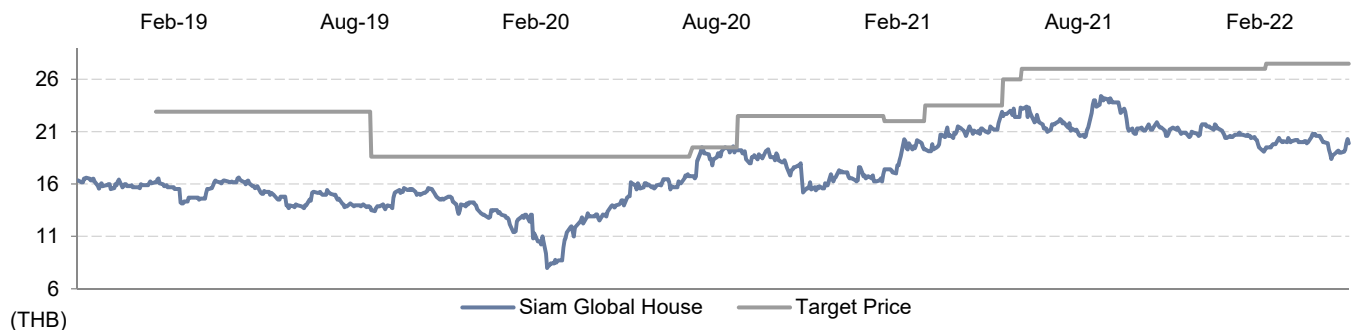
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

Siam Global House (GLOBAL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
23-Apr-2019	BUY	22.91	03-Sep-2020	BUY	22.50	19-Apr-2021	BUY	26.00
25-Oct-2019	BUY	18.61	07-Jan-2021	BUY	22.00	05-May-2021	BUY	27.00
24-Jul-2020	BUY	19.50	11-Feb-2021	BUY	23.50	01-Dec-2021	BUY	27.50

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
Siam Global House	GLOBAL TB	THB 19.90	BUY	The key downside risks to our DCF-based TP are volatile farm incomes and farm prices which could negatively impact purchasing power, especially in the provinces.

Source: FSSIA estimates

Additional Disclosures

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

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 Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 11-Feb-2022 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.