

MINOR INTERNATIONAL

THAILAND / TOURISM & LEISURE

MINT TB

BUY

UNCHANGED

TARGET PRICE	THB43.00
CLOSE	THB33.25
UP/DOWNSIDE	+29.3%
PRIOR TP	THB45.00
CHANGE IN TP	-4.4%
TP vs CONSENSUS	+5.1%

European RevPAR above and beyond

- Expect to turn profitable with THB1.1b core profit in 2Q22, led by European hotels whose RevPAR should exceed pre-Covid level.
- Limited impact from cost inflation due to rising ADR and limited impact from weak THB against USD due to small exposure to USD.
- Maintain BUY; trading at a discount to historical average.

Expect NHH's 2Q22 core profit to recover to 70% of pre-Covid level

We expect NH Hotel (NHH SM)'s 2Q22 revenue to jump by 88% q-q to EUR440m thanks to the high tourism season in Europe. We estimate the OCC rate to improve to 69% (vs 40% in 1Q22) and ADR to improve to EUR126 (vs EUR90 in 1Q22). As a result, NHH's RevPAR should exceed the 2Q19 level by 6%. The EBITDA margin should improve to 33% in 2Q22 (vs 4% in 1Q22). This should lead to a turnaround at a EUR38m core profit in 2Q22 from the EUR80m loss in 1Q22. NHH should contribute a cTHB1.3b profit to MINT in 2Q22 (vs THB1.8b in 2Q19).

Thailand hotel and food business to improve in 2Q22

Thailand operations should recover in 1Q22. Thai hotels' RevPAR should recover to 57% of the pre-Covid level in 2Q22 (vs 31% of pre-Covid in 1Q22), with an OCC rate of c40% in 2Q22 (vs 31% in 1Q22). Meanwhile, we expect Thai restaurants to record 10-12% y-y SSSG in 2Q22 thanks to recovery of dine-in revenue. On a negative note, China restaurants could record more than double-digit negative SSSG y-y. As a result, we estimate MINT's core loss, excluding NHH, to narrow to THB0.3b in 2Q22 from the THB0.8b core loss in 1Q22. Overall, we estimate a core profit of THB1.1b in 2Q22, turning around from a THB3.6b core loss in 1Q22.

Rising ADR of European hotels to offset cost inflation

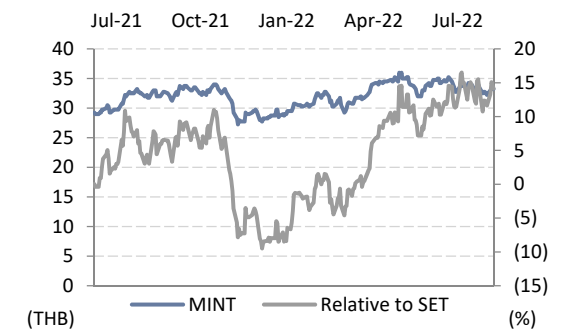
We expect MINT to have a limited impact from cost inflation given that the ADR of its European hotels has increased and exceeded the pre-Covid level by 10-15% in 2Q22. The impact from the weaker THB against the USD should also be marginal as MINT's revenue in USD terms only accounted for 4% of total revenue, and debt in USD terms was only 7% of total debt as of 1Q22. Most of its exposure was in EUR (43% of revenue and 60% of debt) which was relatively flat at THB37/EUR YTD.

Conservative downward revision of core profit

We cut our 2022E core profit by 63% mainly due to the weaker-than-expected 1Q22 results. We also conservatively revise down our 2023-24E core profit by 6-7% to reflect the rising costs on inflation, even if we see the potentially rising ADR as offsetting those costs. We derive a new 2023 DCF-based TP of THB43/shr (from THB45/shr). MINT trades at an attractive valuation of 30x 2023E P/E, lower than its 5-yr average of 33x.

KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	68,251	111,581	131,764	136,771
Net profit	(13,167)	1,063	6,330	7,387
EPS (THB)	(2.53)	0.20	1.13	1.28
vs Consensus (%)	-	(28.8)	8.4	(14.8)
EBITDA	9,588	25,484	32,692	34,588
Core net profit	(9,315)	1,063	6,330	7,387
Core EPS (THB)	(1.79)	0.18	1.10	1.28
Chg. In EPS est. (%)	nm	(63.1)	(7.3)	(5.9)
EPS growth (%)	nm	nm	495.4	16.7
Core P/E (x)	(18.6)	180.0	30.2	25.9
Dividend yield (%)	-	0.2	1.2	1.3
EV/EBITDA (x)	40.1	14.6	11.8	11.1
Price/book (x)	2.5	2.5	2.9	3.0
Net debt/Equity (%)	251.5	231.8	251.1	235.9
ROE (%)	(13.8)	1.6	9.5	11.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.6)	(4.3)	17.7
Relative to country (%)	(1.9)	4.6	17.3
Mkt cap (USD m)			4,741
3m avg. daily turnover (USD m)			14.5
Free float (%)			86
Major shareholder		Minor Holdings (Thai) (16%)	
12m high/low (THB)			36.25/27.00
Issued shares (m)			5,754.62

Sources: Bloomberg consensus; FSSIA estimates


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Investment thesis

We believe MINT’s earnings have already passed the bottom and its operation is now in a recovery mode. We expect core profit to turn around in 2022, led by the European hotel portfolio and its food business.

MINT already solved its liquidity issue after raising capital of THB9.9b and issuing perpetual bonds worth USD300m. This should be sufficient to pass this crisis. In addition, MINT received approval for the extension of its financial covenant testing waiver from its creditors until the end of 2022.

We expect MINT’s core profit to return to the pre-Covid level by 2023, with a potential upside from a better EBITDA margin arising from cost-saving measures which should permanently reduce some expenses.

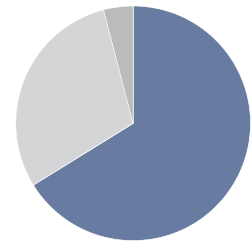
Company profile

MINT is one of the largest hospitality and leisure companies in the Asia Pacific region.

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Principal activities (revenue, 2021)

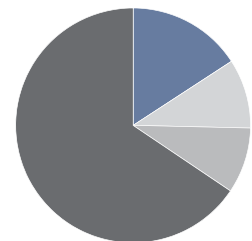
- Hotel & Mixed-use - 66.2 %
- F&B revenue - 29.8 %
- Retail revenue - 4.1 %



Source: Minor International

Major shareholders

- Minor Holdings (Thai) - 15.8 %
- Niti Osathanugrah - 9.5 %
- Thai NVDR - 9.1 %
- Others - 65.6 %



Source: Minor International

Catalysts

Key potential growth drivers include 1) a faster occupancy ramp-up rate following a global tourism recovery; 2) improving consumption and economic growth resulting in strong SSSG; and 3) the easing of travel restriction between countries.

Risks to our call

Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Event calendar

Date	Event
Aug-22	2Q22 results announcement

Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
Owned & leased hotels			
- Number of rooms (no.)	56,921	56,921	56,921
- Occupancy rate (OCC)	55	69	71
- RevPAR growth	100	36	6
Food business			
- Number of outlets (no.)	2,461	2,559	2,661
- Same-Store Sales Growth (SSSG)	5	2	2
- Total System Sales Growth (TSSG)	17	6	6

Source: FSSIA estimates

Earnings sensitivity

- For every 1% increase in OCC, we project a 2023 profit increase of 5%, and vice versa, all else being equal.
- For every 1% increase in SSSG, we project a 2023 profit increase of 1%, and vice versa, all else being equal.

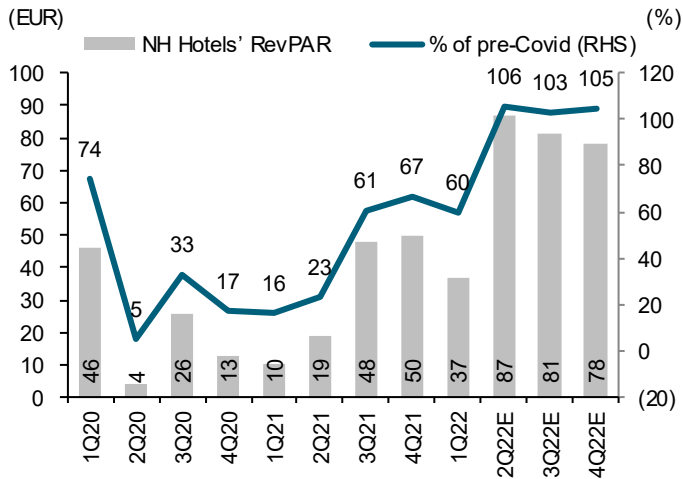
Source: FSSIA estimates

Exhibit 1: 2Q22 results forecast

	2Q21	3Q21	4Q21	1Q22	2Q22E	----- Change -----		1H21	1H22E	Change	2022E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	(THB m)
Sales	13,539	18,556	23,990	19,630	27,365	39	102	25,705	46,995	83	111,581
-Hotel & Mixed-use	8,023	13,241	17,416	12,967	21,288	64	165	14,503	34,255	136	85,036
-Restaurant	4,964	4,775	5,639	6,123	5,490	(10)	11	9,907	11,613	17	23,996
-Retail	552	540	935	541	587	9	6	1,295	1,128	(13)	2,550
COGS (incl. depreciation)	(10,584)	(12,816)	(13,962)	(13,591)	(15,844)	17	50	(20,640)	(29,435)	43	(63,546)
Gross profit	2,955	5,740	10,028	6,040	11,521	91	290	5,066	17,560	247	48,035
SG&A	(7,759)	(7,757)	(8,733)	(9,023)	(9,294)	3	20	(14,698)	(18,317)	25	(42,401)
Operating profit	(4,803)	(2,017)	1,295	(2,983)	2,227	175	146	(9,632)	(756)	92	5,634
Net other income	1,997	1,214	2,416	833	833	0	(58)	2,466	1,665	(32)	2,902
Interest income	170	130	197	151	151	0	(11)	308	302	(2)	607
Interest expense	(2,265)	(2,163)	(1,695)	(2,056)	(2,056)	0	(9)	(4,260)	(4,112)	(3)	(8,196)
Pretax profit	(4,901)	(2,837)	2,213	(4,056)	1,155	128	124	(11,118)	(2,901)	74	948
Income Tax	1,362	438	(666)	145	(115)	(180)	(108)	1,855	30	(98)	(180)
Associates	(119)	(84)	30	55	0	(100)	(100)	(155)	55	(135)	414
Minority interest	264	116	79	274	70	(74)	(74)	813	344	(58)	(118)
Core profit	(3,394)	(2,367)	1,657	(3,582)	1,109	131	133	(8,605)	(2,473)	71	1,063
Extraordinaries, GW & FX	(530)	1,931	(3,214)	(212)				(2,569)	(212)		0
Reported net profit	(3,924)	(436)	(1,557)	(3,794)	1,109	129	128	(11,174)	(2,685)	76	1,063
Shares out (end Q, m)	5,193	5,199	5,214	5,218	5,218	0	0	5,193	5,218	0	5,755
Core EPS	(0.7)	(0.5)	0.3	(0.7)	0.2	131	133	(1.7)	(0.5)	71	0.2
EPS	(0.8)	(0.1)	(0.3)	(0.7)	0.2	129	128	(2.2)	(0.5)	76	0.2
COGS (excl. depreciation)	(5,521)	(7,747)	(8,952)	(8,901)	(11,107)	25	101	(10,777)	(20,008)	86	(43,696)
Depreciation	(5,063)	(5,069)	(5,009)	(4,690)	(4,737)	1	(6)	(9,863)	(9,427)	(4)	(19,850)
EBITDA	2,307	4,312	8,948	2,745	7,948	189	244	2,850	10,693	275	29,408
Key Ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)	(%)
Gross margin	22	31	42	31	42	11	20	20	37	18	43
SG&A/Revenue	57	42	36	46	34	(12)	(23)	57	39	(18)	38
Total EBITDA margin	20	22	33	13	28	15	8	10	22	12	23
Net profit margin	(25)	(2)	(6)	(18)	4	22	29	(39)	(5)	34	1
Operating stat											
Owned & leased RevPAR (y-y %)											
Total	413	107	278	252	n/a						
Thailand	609	(24)	50	147	n/a						
Maldives	nm	nm	nm	nm	n/a						
Europe & The Americas (NHH)	375	85	285	270	n/a						
SSSG (y-y %)											
Total	6	(7)	(2)	4	n/a						
Thailand	(14)	(8)	0	12	n/a						
China	28	(6)	(11)	(15)	n/a						
TSSG (y-y %)											
Total	36	(8)	6	12	n/a						
Thailand	6	(14)	9	20	n/a						
China	76	15	7	(2)	n/a						

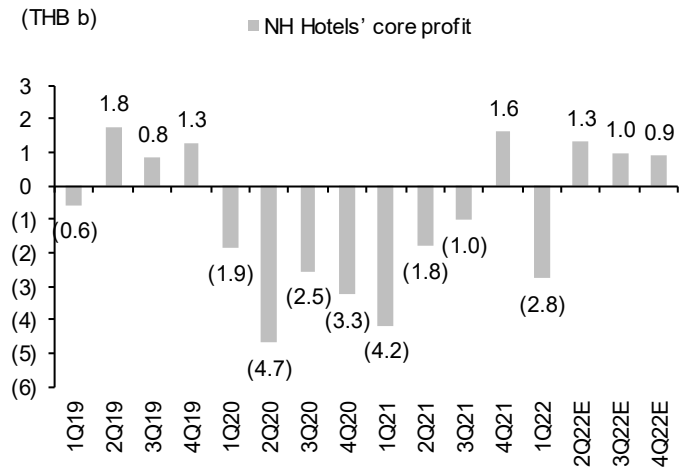
Sources: MINT; FSSIA estimates

Exhibit 2: NHH RevPAR



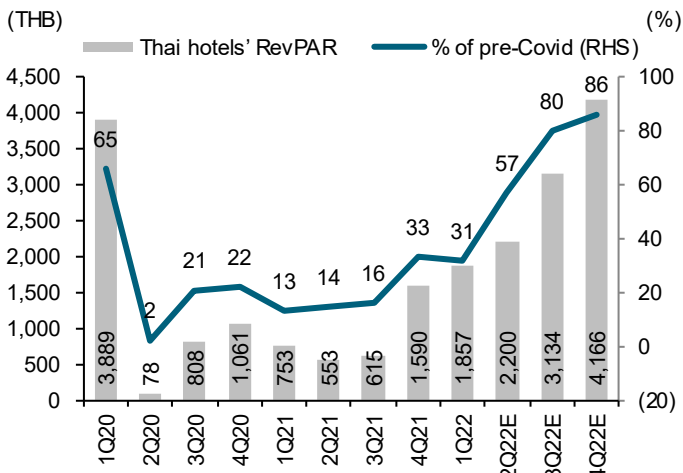
Source: MINT; FSSIA estimates

Exhibit 3: NHH core profit



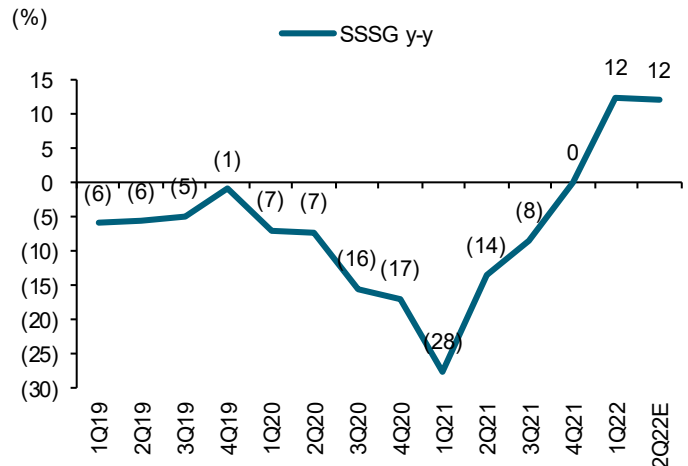
Note: Based on 94% shares that MINT hold NHH
Source: MINT; FSSIA estimates

Exhibit 4: Thai hotels RevPAR



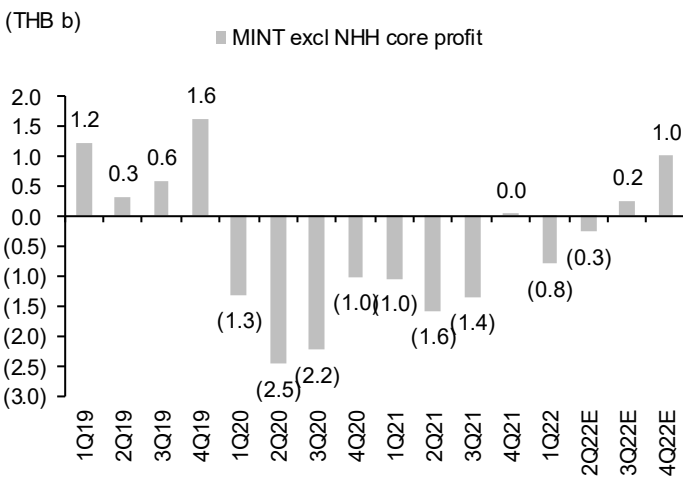
Source: MINT; FSSIA estimates

Exhibit 5: SSSG of Thai food business



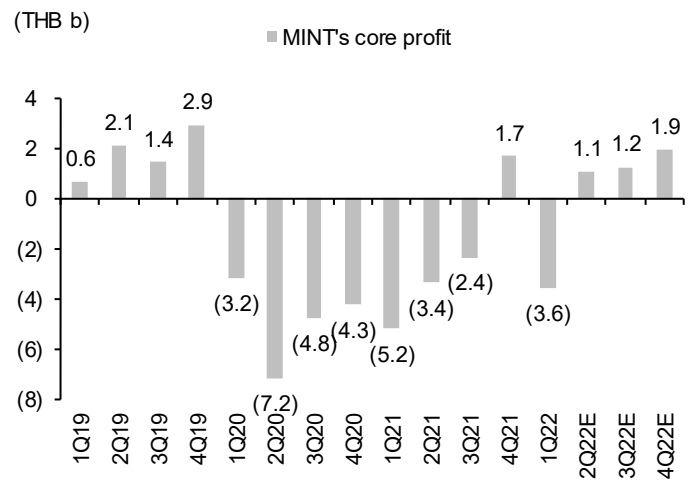
Source: MINT; FSSIA estimates

Exhibit 6: MINT's core profit excluding NHH core profit



Source: MINT; FSSIA estimate

Exhibit 7: MINT's core profit



Source: MINT; FSSIA estimate

Exhibit 8: Key assumption changes

	Current			Previous			Change (%)		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
Hotel - OCC (%)	55	69	71	55	69	71	-	-	-
Hotel - RevPAR (THB)	2,610	3,414	3,622	2,610	3,258	3,491	-	4.8	3.8
Food - SSSG (%)	5	2	2	5	2	2	-	-	-
Food - TSSG (%)	17	6	6	8	6	6	9.0	-	-
Revenue (THB b)	111.6	131.8	136.8	106.6	126.0	132.2	4.7	4.6	3.5
EBITDA margin (%)	22.8	24.8	25.3	27.3	27.7	27.9	(4.4)	(2.9)	(2.6)
Core earnings (THB b)	1.1	6.3	7.4	2.9	6.8	7.8	(63.1)	(7.3)	(5.9)

Note: Change of items in percentage terms is represented in ppt change
 Source: FSSIA estimates

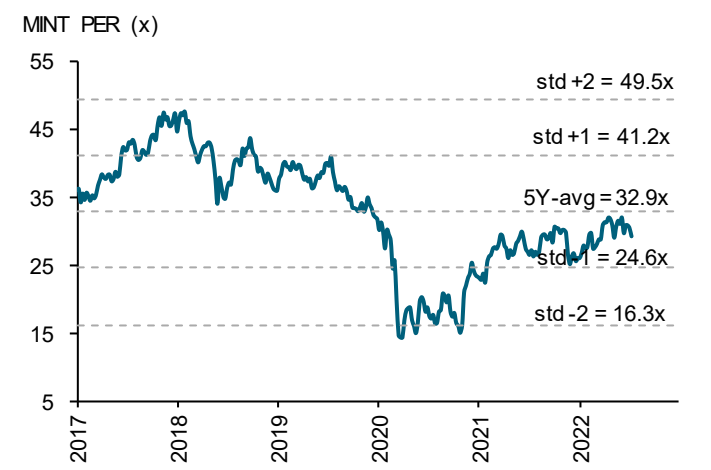
Exhibit 9: DCF valuation

Cost of equity assumptions	(%)	Cost of debt assumptions	(%)
Risk-free rate	3.0	Pre-tax cost of debt	4.0
Market risk premium	8.0	Marginal tax rate	20.0
Stock beta	1.3		
Cost of equity, Ke	13.3	Net cost of debt, Kd	3.2
Weight applied	50.0	Weight applied	50.0
WACC	8.3		

DCF valuation estimate	(THB b)	(THB/share)	Comments
NPV	163.6	28.4	WACC 8.3%, risk-free rate 3%, risk premium 8%
Terminal value	278.9	48.5	Terminal growth 2.5%
Cash & liquid assets	14.8	2.6	At end-2023E
Investments	16.2	2.8	At end-2023E
Debt	(214.1)	(37.2)	At end-2023E
Minorities	(11.9)	(2.1)	At end-2023E
Residual ordinary equity	247.6	43.0	

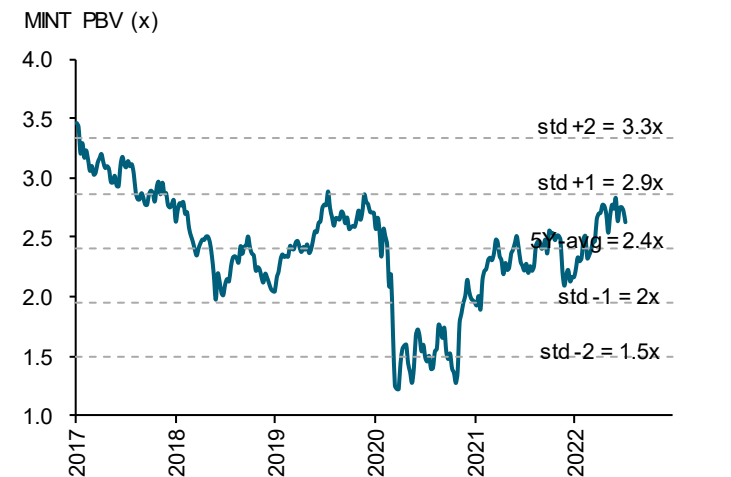
Source: FSSIA estimates

Exhibit 10: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 11: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 12: Peers comparison as of 21 Jul-22

Company	BBG	Rec	Share price			Market Cap (USD m)	PE		ROE		PBV		EV/ EBITDA	
			Current (LCY)	Target (LCY)	Upside (%)		22E (x)	23E (x)	22E (%)	23E (%)	22E (x)	23E (x)	22E (x)	23E (x)
Thailand														
Asset World Corp	AWC TB	BUY	4.94	6.00	21	4,287	541.4	75.8	0.4	2.6	2.0	1.9	68.6	35.2
Minor International	MINT TB	BUY	33.25	43.00	29	4,741	180.0	30.2	1.6	9.5	2.5	2.9	14.6	11.8
Central Plaza Hotel	CENDEL TB	BUY	41.25	49.00	19	1,510	94.2	27.0	3.2	10.5	3.0	2.7	17.7	11.8
Erawan Group	ERW TB	BUY	3.64	4.50	24	447	(25.2)	40.4	(11.5)	7.3	3.1	2.9	46.8	14.7
S Hotels & Resorts	SHR TB	BUY	3.90	5.20	33	380	120.3	27.4	0.7	3.2	0.9	0.9	13.5	9.7
Dusit Thani	DUSIT TB	BUY	11.10	18.00	62	256	(14.0)	86.9	(22.3)	3.9	3.4	3.3	161.1	31.8
Thailand average						11,622	149.4	47.9	(4.7)	6.2	2.5	2.4	53.7	19.2
Regional*														
Btg Hotels Group	600258 CH	n/a	21.92	n/a	n/a	3,670	99.3	26.5	1.4	7.6	2.2	2.0	25.9	14.2
Sh Jinjiang Intl Hotels	900934 CH	n/a	1.98	n/a	n/a	8,729	31.6	8.2	2.8	9.7	0.9	0.8	34.9	19.0
Huangshan Tourism Develop	900942 CH	n/a	0.78	n/a	n/a	997	36.6	13.0	0.9	6.4	0.9	0.8	25.1	9.7
Genting Bhd	GENT MK	n/a	4.60	n/a	n/a	4,022	18.8	11.4	2.7	4.3	0.6	0.5	8.1	6.8
Greentree Hospitality	GHG US	n/a	4.06	n/a	n/a	418	14.2	8.2	9.8	14.9	1.2	1.0	7.5	4.3
Huazhu Group	HTHT US	n/a	40.44	n/a	n/a	13,014	918.1	44.6	0.4	17.1	7.7	6.6	64.1	20.0
Indian Hotels	IH IN	n/a	251.75	n/a	n/a	4,463	n/a	57.7	(4.5)	8.3	6.0	4.7	70.9	29.0
Lemon Tree Hotels	LEMONTRE IN	n/a	66.05	n/a	n/a	655	n/a	74.2	(6.2)	6.2	6.1	6.0	49.3	21.8
Lippo Karawaci	LPKR IJ	n/a	102.00	n/a	n/a	496	n/a	49.7	(0.4)	0.7	0.4	0.4	10.0	8.5
Regional average						36,464	186.4	32.6	0.8	8.4	2.9	2.5	32.9	14.8
Overall average						48,086	167.9	38.7	(1.4)	7.5	2.7	2.5	41.2	16.6

Sources: Bloomberg; FSSIA estimates

Financial Statements

Minor International

Profit and Loss (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Revenue	55,858	68,251	111,581	131,764	136,771
Cost of goods sold	(28,652)	(27,475)	(43,696)	(49,265)	(50,757)
Gross profit	27,206	40,776	67,885	82,499	86,014
Other operating income	-	-	-	-	-
Operating costs	(26,715)	(31,188)	(42,401)	(49,807)	(51,426)
Operating EBITDA	492	9,588	25,484	32,692	34,588
Depreciation	(18,602)	(19,942)	(19,850)	(20,271)	(20,917)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	(18,111)	(10,354)	5,634	12,421	13,671
Net financing costs	(6,876)	(7,484)	(7,588)	(7,508)	(7,444)
Associates	(464)	(209)	414	828	886
Recurring non-operating income	1,701	5,888	3,316	3,817	3,965
Non-recurring items	(2,019)	(3,852)	0	0	0
Profit before tax	(25,305)	(15,802)	1,362	8,730	10,193
Tax	2,601	1,627	(180)	(2,134)	(2,513)
Profit after tax	(22,703)	(14,175)	1,182	6,596	7,680
Minority interests	1,296	1,009	(118)	(267)	(293)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	(21,407)	(13,167)	1,063	6,330	7,387
Non-recurring items & goodwill (net)	2,019	3,852	0	0	0
Recurring net profit	(19,388)	(9,315)	1,063	6,330	7,387
Per share (THB)					
Recurring EPS *	(3.74)	(1.79)	0.18	1.10	1.28
Reported EPS	(4.13)	(2.53)	0.20	1.13	1.28
DPS	0.00	0.00	0.07	0.38	0.44
Diluted shares (used to calculate per share data)	5,182	5,214	5,755	5,755	5,755
Growth					
Revenue (%)	(52.9)	22.2	63.5	18.1	3.8
Operating EBITDA (%)	(97.3)	1,850.7	165.8	28.3	5.8
Operating EBIT (%)	nm	nm	nm	120.5	10.1
Recurring EPS (%)	nm	nm	nm	495.4	16.7
Reported EPS (%)	nm	nm	nm	454.9	13.5
Operating performance					
Gross margin inc. depreciation (%)	15.4	30.5	43.0	47.2	47.6
Gross margin of key business (%)	15.4	30.5	43.0	47.2	47.6
Operating EBITDA margin (%)	0.9	14.0	22.8	24.8	25.3
Operating EBIT margin (%)	(32.4)	(15.2)	5.0	9.4	10.0
Net margin (%)	(34.7)	(13.6)	1.0	4.8	5.4
Effective tax rate (%)	11.4	13.9	19.0	27.0	27.0
Dividend payout on recurring profit (%)	-	-	37.5	35.0	34.0
Interest cover (X)	(2.4)	(0.6)	1.2	2.2	2.4
Inventory days	49.8	47.6	32.1	29.1	26.8
Debtor days	91.0	72.0	47.9	40.5	39.1
Creditor days	225.1	223.9	174.3	152.4	129.8
Operating ROIC (%)	(6.9)	(3.1)	1.6	3.3	3.8
ROIC (%)	(5.5)	(1.2)	2.3	3.9	4.3
ROE (%)	(27.2)	(13.8)	1.6	9.5	11.6
ROA (%)	(4.7)	(1.1)	2.0	3.4	3.9
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Hotel & Mixed-use	32,714	45,160	85,036	103,018	106,399
F&B revenue	19,491	20,321	23,996	25,435	26,962
Retail revenue	3,653	2,770	2,550	3,311	3,410

Sources: Minor International; FSSIA estimates

Financial Statements

Minor International

Cash Flow (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Recurring net profit	(19,388)	(9,315)	1,063	6,330	7,387
Depreciation	18,602	19,942	19,850	20,271	20,917
Associates & minorities	-	-	-	-	-
Other non-cash items	(2,368)	(5,186)	118	267	293
Change in working capital	(4,216)	6,605	3,926	(7,189)	428
Cash flow from operations	(7,369)	12,046	24,957	19,678	29,025
Capex - maintenance	(114,585)	(27,042)	(12,000)	(10,000)	(11,574)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(1,234)	(197)	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(115,818)	(27,238)	(12,000)	(10,000)	(11,574)
Dividends paid	0	0	0	(361)	(2,152)
Equity finance	18,022	(453)	0	(11,551)	(5,033)
Debt finance	118,568	(5,883)	(13,000)	(8,000)	(8,000)
Other financing cash flows	(545)	20,436	0	0	0
Cash flow from financing	136,045	14,101	(13,000)	(19,912)	(15,185)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	12,857	(1,092)	(43)	(10,234)	2,266
Free cash flow to firm (FCFF)	(115,735.09)	(7,074.20)	21,153.19	17,792.48	25,253.05
Free cash flow to equity (FCFE)	(5,164.81)	(638.87)	(42.73)	1,678.22	9,450.80

Per share (THB)	2020	2021	2022E	2023E	2024E
FCFF per share	(20.11)	(1.23)	3.68	3.09	4.39
FCFE per share	(0.90)	(0.11)	(0.01)	0.29	1.64
Recurring cash flow per share	(0.61)	1.04	4.03	4.80	4.97

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	369,508	392,452	404,452	414,452	426,026
Less: Accumulated depreciation	(89,194)	(104,820)	(124,670)	(144,941)	(165,858)
Tangible fixed assets (net)	280,314	287,632	279,781	269,510	260,167
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	16,052	16,249	16,249	16,249	16,249
Cash & equivalents	26,188	25,097	25,054	14,820	17,085
A/C receivable	12,286	14,638	14,638	14,638	14,638
Inventories	3,683	3,490	4,190	3,673	3,784
Other current assets	9,908	5,602	6,437	6,193	6,428
Current assets	52,064	48,827	50,319	39,323	41,936
Other assets	13,896	16,926	16,926	16,926	16,926
Total assets	362,327	369,633	363,275	342,008	335,277
Common equity	66,981	68,023	69,086	63,503	63,705
Minorities etc.	9,343	11,470	11,588	11,855	12,148
Total shareholders' equity	76,324	79,492	80,674	75,358	75,853
Long term debt	230,800	224,576	211,576	203,576	195,576
Other long-term liabilities	33,048	38,610	38,610	38,610	38,610
Long-term liabilities	263,849	263,187	250,177	242,177	234,177
A/C payable	15,310	18,394	23,350	17,778	18,317
Short term debt	140	482	482	482	482
Other current liabilities	6,703	8,079	8,583	6,203	6,439
Current liabilities	22,154	26,954	32,415	24,464	25,238
Total liabilities and shareholders' equity	362,327	369,633	363,275	342,008	335,277
Net working capital	3,863	(2,742)	(6,668)	522	94
Invested capital	314,125	318,064	306,288	303,207	293,436

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

Per share (THB)	2020	2021	2022E	2023E	2024E
Book value per share	12.92	13.05	13.25	11.35	11.07
Tangible book value per share	12.92	13.05	13.25	11.35	11.07


Financial strength	2020	2021	2022E	2023E	2024E
Net debt/equity (%)	268.3	251.5	231.8	251.1	235.9
Net debt/total assets (%)	56.5	54.1	51.5	55.3	53.4
Current ratio (x)	2.4	1.8	1.6	1.6	1.7
CF interest cover (x)	0.2	0.9	1.0	1.2	2.3

Valuation	2020	2021	2022E	2023E	2024E
Recurring P/E (x) *	(8.9)	(18.6)	180.0	30.2	25.9
Recurring P/E @ target price (x) *	(11.5)	(24.1)	232.8	39.1	33.5
Reported P/E (x)	(8.0)	(13.2)	163.1	29.4	25.9
Dividend yield (%)	-	-	0.2	1.2	1.3
Price/book (x)	2.6	2.5	2.5	2.9	3.0
Price/tangible book (x)	2.6	2.5	2.5	2.9	3.0
EV/EBITDA (x) **	786.2	40.1	14.6	11.8	11.1
EV/EBITDA @ target price (x) **	889.0	45.4	16.6	13.5	12.7
EV/invested capital (x)	1.2	1.2	1.2	1.3	1.3

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

Sources: Minor International; FSSIA estimates

Corporate Governance report of Thai listed companies 2021

 EXCELLENT LEVEL – Score range 90-100										
AAV	BCPG	CPALL	GCAP	K	MSC	PLANET	SAMART	SPI	THRE	TVD
ADVANC	BDMS	CPF	GFPT	KBANK	MST	PLAT	SAMTEL	SPRC	THREL	TVI
AF	BEM	CPI	GGC	KCE	MTC	PORT	SAT	SPVI	TIPCO	TVO
AH	BGC	CPN	GLAND	KKP	MVP	PPS	SC	SSSC	TISCO	TWPC
AIRA	BGRIM	CRC	GLOBAL	KSL	NCL	PR9	SCB	SST	TK	U
AKP	BIZ	CSS	GPI	KTB	NEP	PREB	SCC	STA	TKT	UAC
AKR	BKI	DDD	GPSC	KTC	NER	PRG	SCCC	STEC	TMT	UBIS
ALT	BOL	DELTA	GRAMMY	LALIN	NKI	PRM	SCG	STI	TNDT	UV
AMA	BPP	DEMCO	GULF	LANNA	NOBLE	PROUD	SCGP	SUN	TNITY	VGI
AMATA	BRR	DRT	GUNKUL	LH	NSI	DRSH	SCM	SUSCO	TOA	VIH
AMATAV	BTS	DTAC	HANA	LHFG	NVD	PSL	SDC	SUTHA	TOP	WACOAL
ANAN	BTW	DUSIT	HARN	LIT	NWR	PTG	SEAFCO	SVI	TPBI	WAVE
AOT	BWG	EA	HMPRO	LPN	NYT	PTT	SEAOIL	SYMC	TQM	WHA
AP	CENTEL	EASTW	ICC	MACO	OISHI	PTTEP	SE-ED	SYNTEC	TRC	WHAUP
ARIP	CFRESH	ECF	ICHI	MAJOR	OR	PTTGC	SELIC	TACC	TRU	WICE
ARROW	CHEWA	ECL	III	MAKRO	ORI	PYLON	SENA	TASCO	TRUE	WINNER
ASP	CHO	EE	ILINK	MALEE	OSP	Q-CON	SHR	TCAP	TSC	ZEN
AUCT	CIMBT	EGCO	ILM	MBK	OTO	QH	SIRI	TEAMG	TSR	
AWC	CK	EPG	INTUCH	MC	PAP	QTC	SIS	TFMAMA	TSTE	
AYUD	CKP	ETC	IP	MCOT	PCSGH	RATCH	SITHAI	TGH	TSTH	
BAFS	CM	FPI	IRPC	METCO	PDG	RS	SMK	THANA	TTA	
BANPU	CNT	FPT	ITEL	MFEC	PDJ	S	SMPC	THANI	TTB	
BAY	COM7	FSMART	IVL	MINT	PG	S & J	SNC	THCOM	TTCL	
BBL	COMAN	GBX	JSP	MONO	PHOL	SAAM	SONIC	THG	TTW	
BCP	COTTO	GC	JWD	MOONG	PLANB	SABINA	SPALI	THIP	TU	

 VERY GOOD LEVEL – Score range 80-89										
2S	ASIMAR	CHOW	FLOYD	IT	LOXLEY	OCC	RPC	SKY	TCC	TVT
7UP	ASK	CI	FN	ITD	LRH	OGC	RT	SLP	TCMC	TWP
ABICO	ASN	CIG	FNS	J	LST	PATO	RWI	SMIT	TEAM	UEC
ABM	ATP30	CMC	FORTH	JAS	M	PB	S11	SMT	TFG	UMI
ACE	B	COLOR	FSS	JCK	MATCH	PICO	SA	SNP	TFI	UOBKH
ACG	BA	CPL	FTE	JCKH	MBAX	PIMO	SAK	SO	TIGER	UP
ADB	BAM	CPW	FVC	JMART	MEGA	PJW	SALEE	SORKON	TITLE	UPF
AEONTS	BC	CRD	GEL	JMT	META	PL	SAMCO	SPA	TKN	UPOIC
AGE	BCH	CSC	GENCO	KBS	MFC	PM	SANKO	SPC	TKS	UTP
AHC	BEC	CSP	GJS	KCAR	MGT	PMTA	SAPPE	SPCG	TM	VCOM
AIT	BEYOND	CWT	GYT	KEX	MICRO	PPP	SAWAD	SR	TMC	VL
ALL	BFIT	DCC	HEMP	KGI	MILL	PPP	SCI	SRICHA	TMD	VPO
ALLA	BJC	DCON	HPT	KIAT	MITSIB	PRIME	SCN	SSC	TMI	VRANDA
ALUCON	BJCHI	DHOUSE	HTC	KISS	MK	PRIN	SCP	SSF	TMILL	WGE
AMANAH	BLA	DOD	HYDRO	KOOL	MODERN	PRINC	SE	STANLY	TNL	WIK
AMARIN	BR	DOHOME	ICN	KTIS	MTI	PSG	SFLEX	STGT	TNP	WP
APCO	BROOK	DV8	IFS	KUMWEL	NBC	PSTC	SFP	STOWER	TOG	XO
APCS	CBG	EASON	IMH	KUN	NCAP	PT	SFT	STPI	TPA	XPG
APURE	CEN	EFORL	IND	KWC	NCH	QLT	SGF	SUC	TPAC	YUASA
AQUA	CGH	ERW	INET	KWM	NETBAY	RBF	SIAM	SWC	TPCS	
ASAP	CHARAN	ESSO	INSET	L&E	NEX	RCL	SINGER	SYNEX	TPS	
ASEFA	CHAYO	ESTAR	INSURE	LDC	NINE	RICHY	SKE	TAE	TRITN	
ASIA	CHG	ETE	IRC	LEO	NRF	RML	SKN	TAKUNI	TRT	
ASIAN	CHOTI	FE	IRCP	LHK	NTV	ROJNA	SKR	TBSP	TSE	

 GOOD LEVEL – Score range 70-79										
A	BGT	CITY	GIFT	JTS	MDX	PK	SGP	SUPER	TQR	YGG
AI	BH	CMAN	GLOCON	JUBILE	MJD	PLE	SICT	SVOA	TTI	ZIGA
AIE	BIG	CMO	GREEN	KASET	MORE	PPM	SIMAT	TC	TYCN	
AJ	BLAND	CMR	GSC	KCM	MUD	PRAKIT	SISB	TCCC	UKEM	
ALPHAX	BM	CPT	GTB	KK	NC	PRAPAT	SK	THMUI	UMS	
AMC	BROCK	CRANE	HTECH	KKC	NDR	PRECHA	SMART	TNH	UNIQ	
APP	BSBM	CSR	HUMAN	KWI	NFC	PTL	SOLAR	TNR	UPA	
AQ	BSM	D	IHL	KYE	NNCL	RJH	SPACK	TOPP	UREKA	
ARIN	BTNC	EKH	IIG	LEE	NOVA	RP	SPG	TPCH	VIBHA	
AS	BYD	EMC	INGRS	LPH	NPK	RPH	SQ	TPIPL	W	
AU	CAZ	EP	INOX	MATI	NUSA	RSP	SSP	TIPIP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

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

Sources: Thai Institute of Directors Association (IOD); FSSIA's compilation; data as of 26 October 2021

Anti-corruption Progress Indicator

CERTIFIED										
2S	BCH	CPALL	GC	K	MFC	PE	QLT	SNP	THCOM	TU
7UP	BCP	CPF	GCAP	KASET	MFEC	PG	QTC	SORKON	THIP	TVD
ADVANC	BCPG	CPI	GEL	KBANK	MILL	PHOL	RATCH	SPACK	THRE	TVI
AF	BE8	CPN	GFPT	KBS	MINT	PK	RML	SPALI	THREL	TVO
AI	BEYOND	CSC	GGC	KCAR	MONO	PL	RWI	SPC	TIDLOR	TWPC
AIE	BGC	DCC	GJS	KCE	MOONG	PLANB	S & J	SPI	TIPCO	U
AIRA	BGRIM	DELTA	GPI	KGI	MSC	PLANET	SAAM	SPRC	TISCO	UBE
AKP	BJCHI	DEMCO	GPSC	KKP	MST	PLAT	SABINA	SRICHA	TKS	UBIS
ALPHAX	BKI	DIMET	GSTEEL	KSL	MTC	PM	SAPPE	SSF	TKT	UEC
AMA	BLA	DRT	GUNKUL	KTB	MTI	PPP	SAT	SSP	TMD	UKEM
AMANAHA	BPP	DTAC	HANA	KTC	NBC	PPPM	SC	SSSC	TMILL	UOBKH
AMATA	BROOK	DUSIT	HARN	KWC	NEP	PPS	SCB	SST	TMT	UPF
AMATAV	BRR	EA	HEMP	KWI	NINE	PR9	SCC	STA	TNITY	UV
AP	BSBM	EASTW	HENG	L&E	NKI	PREB	SCCC	STOWER	TNL	VGI
APCS	BTS	ECL	HMPRO	LANNA	NMG	PRG	SCG	SUSCO	TNP	VIH
AQUA	BWG	EGCO	HTC	LH	NNCL	PRINC	SCN	SVI	TNR	WACOAL
ARROW	CEN	EP	ICC	LHFG	NOBLE	PRM	SEAOIL	SYMC	TOG	WHA
AS	CENTEL	EPG	ICHI	LHK	NOK	PROS	SE-ED	SYNTEC	TOP	WHAUP
ASIAN	CFRESH	ERW	IFEC	LPN	NSI	PSH	SELIC	TAE	TOPP	WICE
ASK	CGH	ESTAR	IFS	LRH	NWR	PSL	SENA	TAKUNI	TPA	WIJK
ASP	CHEWA	ETE	ILINK	M	OCC	PSTC	SGP	TASCO	TPP	XO
AWC	CHOTI	FE	INET	MAKRO	OGC	PT	SINGER	TBSP	TRU	ZEN
AYUD	CHOW	FNS	INSURE	MALEE	ORI	PTG	SIRI	TCAP	TRUE	
B	CIG	FPI	INTUCH	MATCH	PAP	PTT	SITHAI	TCMC	TSC	
BAFS	CIMBT	FPT	IRC	MBAX	PATO	PTTEP	SKR	TFG	TSTE	
BAM	CM	FSMART	IRPC	MBK	PB	PTTGC	SMIT	TFI	TSTH	
BANPU	CMC	FSS	ITEL	MC	PCSGH	PYLON	SMK	TFMAMA	TTA	
BAY	COM7	FTE	IVL	MCOT	PDG	Q-CON	SMPC	TGH	TTB	
BBL	COTTO	GBX	JKN	META	PDJ	QH	SNC	THANI	TTCL	
DECLARED										
AJ	CHG	DDD	ETC	JR	MAJOR	NUSA	RS	SSS	TQM	YUASA
ALT	CPL	DHOUSE	FLOYD	JTS	NCAP	NYT	SAK	STECH	TSI	ZIGA
APCO	CPR	DOHOME	GULF	KEX	NCL	OR	SCGP	STGT	VARO	
B52	CPW	ECF	III	KUMWEL	NOVA	PIMO	SCM	TKN	VCOM	
BEC	CRC	EKH	INOX	LDC	NRF	PLE	SIS	TMI	VIBHA	

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 26 October 2021) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

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

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

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

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

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Company	Ticker	Price	Rating	Valuation & Risks
Minor International	MINT TB	THB 33.25	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Asset World Corp	AWC TB	THB 4.94	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Central Plaza Hotel	CENTEL TB	THB 41.25	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
The Erawan Group	ERW TB	THB 3.64	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
S Hotels and Resorts	SHR TB	THB 3.90	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Dusit Thani	DUSIT TB	THB 11.10	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Source: FSSIA estimates

Additional Disclosures

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

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 21-Jul-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.