

CENTRAL RETAIL CORP

THAILAND / CONSUMER DISCRETIONARY

CRC TB

BUY

Growth in new stores and formats

- Management presented its key drivers for NP growth in 2022-24: 1) a resilient and diversified portfolio; 2) timely and prudent expansion and renovation of stores and applications; 3) effective cost control.
- Vietnam is now emerging as CRC's core growth market.
- Maintain BUY and our TP of THB45.

| | |
|-----------------|----------|
| TARGET PRICE | THB45.00 |
| CLOSE | THB39.75 |
| UP/DOWNSIDE | +13.2% |
| TP vs CONSENSUS | +1.6% |

Clear vision and a solid growth mission

During its post-2Q22 results analyst meeting, management outlined three key earnings growth drivers in 2022-24. First, CRC's resilient and diversified business portfolio should continue to deliver strong revenue growth from expansions in branches, store formats, and product mix to fit customers' needs in the markets where CRC has a presence (Thailand, Vietnam, and Italy). Second, the timely and prudent expansion and renovations of its stores, and its physical-to-digital platform and applications, should ensure growth in every product and market segment. Third, effective cost control via its SG&A-to-sales ratio to further strengthen CRC's margin expansion and earnings growth.

New stores and new formats launched in 2022

With 25 malls and a high occupancy rate of 94.7% as of 2Q22, we think CRC's core business of Central and Robinson department stores and Robinson Lifestyle (RBSL) properties will be further boosted by expansions in 2022 with three new RBSL malls, three department stores (fashion), 10 new Thai Watsadu stores (hardline), and 40 new food stores (five Tops markets, one Tops Food Hall, and eight Tops Daily outlets). Also, CRC's first members-only "Tops CLUB" will be launched in Bangkok on Rama II Road in Sep-22 with a similar business model to Costco or Sam's Club in the US. In addition, CRC will open four new "GO!" shops in 2H22 in the south of Thailand as it aims to grow its market share in provincial areas.

Vietnam is CRC's key growth driver

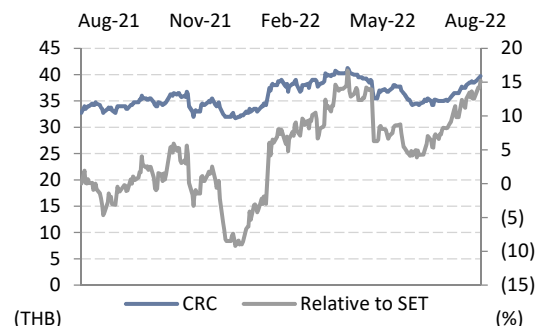
With 6.4% GDP growth in 2Q22, Vietnam is now emerging as CRC's core growth market, with 38 hypermarket stores, 34 supermarkets, 51 electronics stores, and 39 malls with a total leasable area of 209,781sqm as of 2Q22. We project CRC's revenue growth in Vietnam at 1.5-2.0x y-y in 2022-23 (+169% y-y in 1H22).

Steady growth as demand slowly rises

Maintain BUY and our TP of THB45. We see CRC as one of Thailand's most attractive plays in the commerce sector, with high and visibly strong earnings growth in Thailand, Vietnam, and Italy on the global tourism and domestic consumption recoveries, and its endemic growth strategy.

KEY STOCK DATA

| YE Dec (THB m) | 2021 | 2022E | 2023E | 2024E |
|---------------------|---------|---------|---------|---------|
| Revenue | 195,433 | 223,841 | 249,570 | 269,267 |
| Net profit | 59 | 5,568 | 7,616 | 11,030 |
| EPS (THB) | 0.01 | 0.92 | 1.26 | 1.83 |
| vs Consensus (%) | - | (1.4) | (4.4) | 8.2 |
| EBITDA | 19,559 | 22,064 | 27,528 | 34,478 |
| Core net profit | 59 | 5,568 | 7,616 | 11,030 |
| Core EPS (THB) | 0.01 | 0.92 | 1.26 | 1.83 |
| EPS growth (%) | 28.3 | 9,278.7 | 36.8 | 44.8 |
| Core P/E (x) | 4,038.0 | 43.1 | 31.5 | 21.7 |
| Dividend yield (%) | 0.8 | 1.2 | 1.6 | 2.3 |
| EV/EBITDA (x) | 18.4 | 17.2 | 14.4 | 11.7 |
| Price/book (x) | 4.3 | 4.1 | 3.9 | 3.6 |
| Net debt/Equity (%) | 198.4 | 222.4 | 234.5 | 230.6 |
| ROE (%) | 0.1 | 9.7 | 12.7 | 17.2 |



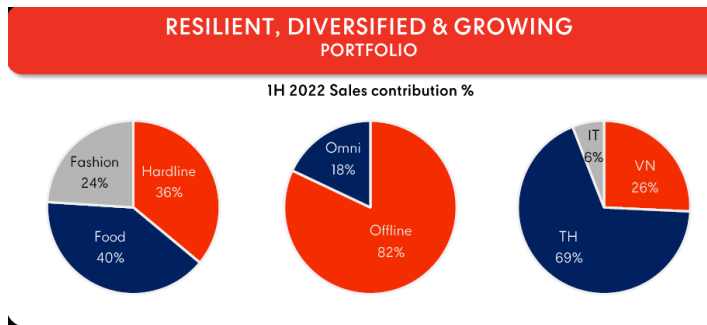
| Share price performance | 1 Month | 3 Month | 12 Month |
|--------------------------------|--------------------------|---------|----------|
| Absolute (%) | 12.8 | 7.4 | 24.2 |
| Relative to country (%) | 6.5 | 6.4 | 17.8 |
| Mkt cap (USD m) | 6,729 | | |
| 3m avg. daily turnover (USD m) | 14.1 | | |
| Free float (%) | 33 | | |
| Major shareholder | Chirathivat family (67%) | | |
| 12m high/low (THB) | 41.75/31.25 | | |
| Issued shares (m) | 6,031.00 | | |

Sources: Bloomberg consensus; FSSIA estimates

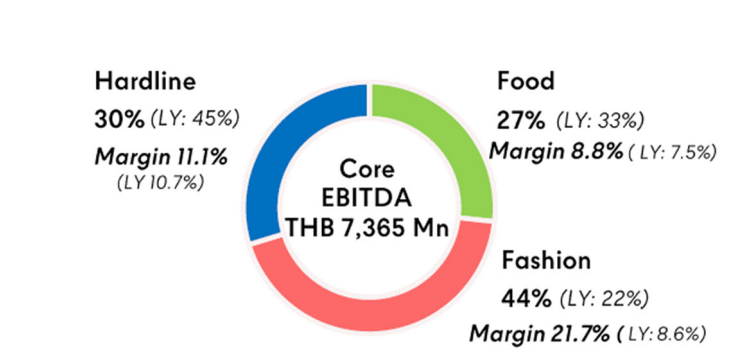


Suwat Sinsadok, CFA, FRM, ERP

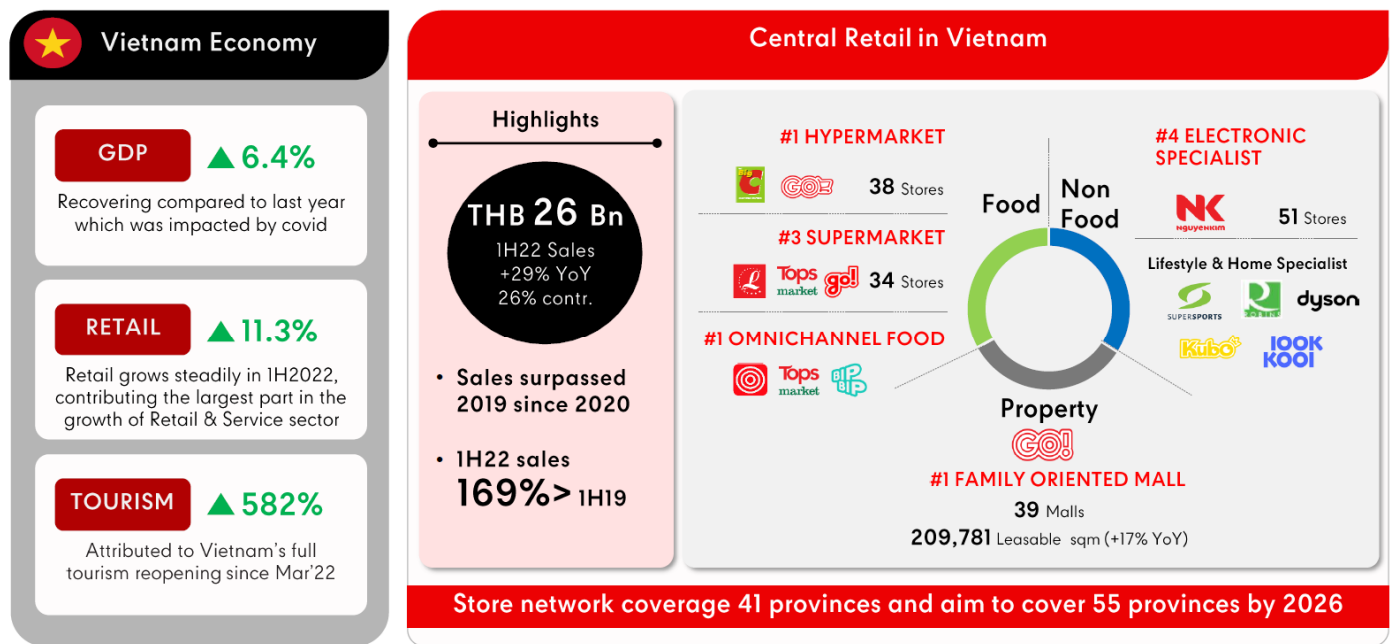
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Exhibit 1: Revenue breakdown by product, channel, and market

Source: CRC

Exhibit 2: Core EBITDA breakdown by product in 2Q22

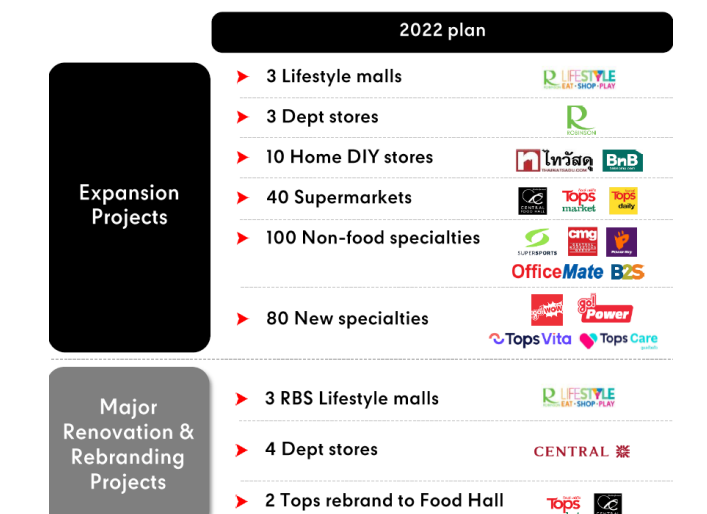
Source: CRC

Exhibit 3: CRC's assets in Vietnam

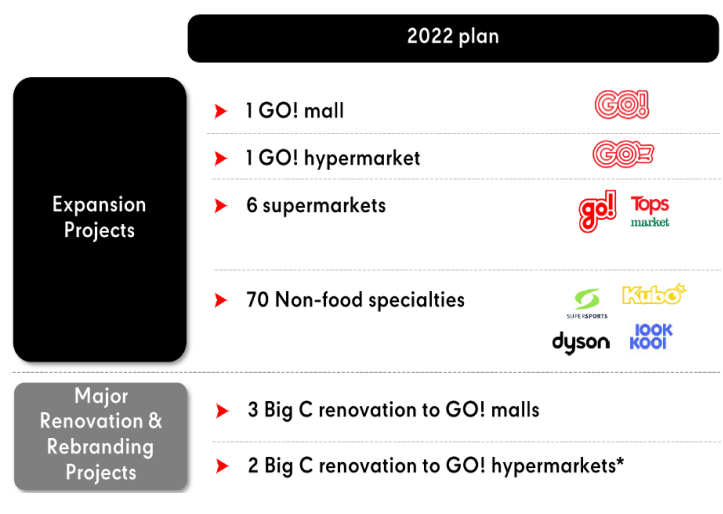
Source: General Statistics Office of Vietnam (Information as of Jun 2022)

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Source: CRC

Exhibit 4: Network expansion and renovations in Thailand

Source: CRC

Exhibit 5: Network expansion and renovations in Vietnam

Source: CRC

Financial Statements

Central Retail Corp

| Profit and Loss (THB m) Year Ending Dec | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|---------------|---------------|---------------|---------------|----------------|
| Revenue | 194,009 | 195,433 | 223,841 | 249,570 | 269,267 |
| Cost of goods sold | (118,390) | (118,806) | (137,982) | (152,162) | (162,087) |
| Gross profit | 75,619 | 76,626 | 85,858 | 97,408 | 107,180 |
| Other operating income | 0 | 0 | 0 | 0 | 0 |
| Operating costs | (57,088) | (57,068) | (63,795) | (69,880) | (72,702) |
| Operating EBITDA | 18,531 | 19,559 | 22,064 | 27,528 | 34,478 |
| Depreciation | (16,558) | (17,041) | (11,716) | (13,754) | (15,853) |
| Goodwill amortisation | 0 | 0 | 0 | 0 | 0 |
| Operating EBIT | 1,973 | 2,518 | 10,348 | 13,774 | 18,625 |
| Net financing costs | (2,648) | (2,892) | (3,648) | (4,582) | (5,275) |
| Associates | 132 | 279 | 293 | 308 | 323 |
| Recurring non-operating income | 132 | 279 | 305 | 321 | 338 |
| Non-recurring items | 0 | 0 | 0 | 0 | 0 |
| Profit before tax | (543) | (95) | 7,004 | 9,513 | 13,688 |
| Tax | 884 | 372 | (1,208) | (1,657) | (2,406) |
| Profit after tax | 341 | 277 | 5,796 | 7,856 | 11,282 |
| Minority interests | (295) | (217) | (228) | (240) | (252) |
| Preferred dividends | 0 | 0 | 0 | 0 | 0 |
| Other items | 0 | 0 | 0 | 0 | 0 |
| Reported net profit | 46 | 59 | 5,568 | 7,616 | 11,030 |
| Non-recurring items & goodwill (net) | 0 | - | - | - | - |
| Recurring net profit | 46 | 59 | 5,568 | 7,616 | 11,030 |
| Per share (THB) | | | | | |
| Recurring EPS * | 0.01 | 0.01 | 0.92 | 1.26 | 1.83 |
| Reported EPS | 0.01 | 0.01 | 0.92 | 1.26 | 1.83 |
| DPS | 0.40 | 0.30 | 0.46 | 0.63 | 0.91 |
| Diluted shares (used to calculate per share data) | 6,031 | 6,031 | 6,031 | 6,031 | 6,031 |
| Growth | | | | | |
| Revenue (%) | (11.5) | 0.7 | 14.5 | 11.5 | 7.9 |
| Operating EBITDA (%) | (15.3) | 5.5 | 12.8 | 24.8 | 25.2 |
| Operating EBIT (%) | (83.6) | 27.6 | 310.9 | 33.1 | 35.2 |
| Recurring EPS (%) | (99.5) | 28.3 | 9,278.7 | 36.8 | 44.8 |
| Reported EPS (%) | (99.7) | 28.3 | 9,278.7 | 36.8 | 44.8 |
| Operating performance | | | | | |
| Gross margin inc. depreciation (%) | 30.4 | 30.5 | 33.1 | 33.5 | 33.9 |
| Gross margin of key business (%) | 23.2 | 23.8 | 26.1 | 26.3 | 26.8 |
| Operating EBITDA margin (%) | 9.6 | 10.0 | 9.9 | 11.0 | 12.8 |
| Operating EBIT margin (%) | 1.0 | 1.3 | 4.6 | 5.5 | 6.9 |
| Net margin (%) | 0.0 | 0.0 | 2.5 | 3.1 | 4.1 |
| Effective tax rate (%) | 0.0 | 0.0 | 18.0 | 18.0 | 18.0 |
| Dividend payout on recurring profit (%) | 5,214.2 | 3,047.5 | 50.0 | 50.0 | 50.0 |
| Interest cover (X) | 0.8 | 1.0 | 2.9 | 3.1 | 3.6 |
| Inventory days | 110.6 | 108.8 | 99.6 | 98.0 | 100.3 |
| Debtor days | 8.4 | 8.8 | 7.7 | 7.0 | 7.2 |
| Creditor days | 105.9 | 105.2 | 99.6 | 97.2 | 99.4 |
| Operating ROIC (%) | 5.6 | 6.1 | 19.9 | 23.8 | 29.9 |
| ROIC (%) | 1.5 | 1.5 | 4.3 | 5.2 | 6.4 |
| ROE (%) | 0.1 | 0.1 | 9.7 | 12.7 | 17.2 |
| ROA (%) | 1.4 | 1.3 | 3.2 | 3.8 | 4.8 |

* Pre exceptional, pre-goodwill and fully diluted

| Revenue by Division (THB m) | 2020 | 2021 | 2022E | 2023E | 2024E |
|-----------------------------|---------|---------|---------|---------|---------|
| Sales of goods | 173,138 | 175,975 | 199,147 | 222,038 | 239,561 |
| Rental services | 5,598 | 4,990 | 6,970 | 7,771 | 8,385 |
| Rendering services | 1,212 | 826 | 1,792 | 1,998 | 2,156 |
| Other income | 14,062 | 13,641 | 15,932 | 17,763 | 19,165 |

Sources: Central Retail Corp; FSSIA estimates

Financial Statements

Central Retail Corp

| Cash Flow (THB m) Year Ending Dec | 2020 | 2021 | 2022E | 2023E | 2024E |
|-----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Recurring net profit | 46 | 59 | 5,568 | 7,616 | 11,030 |
| Depreciation | 16,558 | 17,041 | 11,716 | 13,754 | 15,853 |
| Associates & minorities | (10,683) | 154 | 0 | 0 | 0 |
| Other non-cash items | (470) | 531 | 115 | 378 | 235 |
| Change in working capital | (15,932) | 4,025 | 2,075 | 1,709 | 1,309 |
| Cash flow from operations | (10,481) | 21,810 | 19,475 | 23,457 | 28,427 |
| Capex - maintenance | (16,350) | (18,745) | (19,120) | (19,694) | (20,284) |
| Capex - new investment | 0 | 0 | 0 | 0 | 0 |
| Net acquisitions & disposals | (56,403) | (19,032) | (16,525) | (14,868) | (11,382) |
| Other investments (net) | 0 | 0 | 0 | 0 | 0 |
| Cash flow from investing | (72,753) | (37,777) | (35,645) | (34,562) | (31,666) |
| Dividends paid | (2,412) | (1,809) | (2,784) | (3,808) | (5,515) |
| Equity finance | 30,950 | 4,745 | (603) | (603) | (603) |
| Debt finance | 60,762 | 13,378 | 17,900 | 14,023 | 8,014 |
| Other financing cash flows | 0 | 0 | 0 | 0 | 0 |
| Cash flow from financing | 89,300 | 16,313 | 14,513 | 9,612 | 1,896 |
| Non-recurring cash flows | - | - | - | - | - |
| Other adjustments | 0 | 0 | 0 | 0 | 0 |
| Net other adjustments | 0 | 0 | 0 | 0 | 0 |
| Movement in cash | 6,065 | 346 | (1,658) | (1,492) | (1,343) |
| Free cash flow to firm (FCFF) | (80,284.07) | (12,853.60) | (12,276.11) | (6,298.12) | 2,240.40 |
| Free cash flow to equity (FCFE) | (22,472.08) | (2,589.13) | 1,729.20 | 2,919.10 | 4,775.28 |

Per share (THB)

| | | | | | |
|-------------------------------|---------|--------|--------|--------|------|
| FCFF per share | (13.31) | (2.13) | (2.04) | (1.04) | 0.37 |
| FCFE per share | (3.73) | (0.43) | 0.29 | 0.48 | 0.79 |
| Recurring cash flow per share | 0.90 | 2.95 | 2.88 | 3.61 | 4.50 |

| Balance Sheet (THB m) Year Ending Dec | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|----------------|----------------|----------------|----------------|----------------|
| Tangible fixed assets (gross) | 102,023 | 102,023 | 121,143 | 140,837 | 161,121 |
| Less: Accumulated depreciation | (60,369) | (58,664) | (70,381) | (84,134) | (99,987) |
| Tangible fixed assets (net) | 41,654 | 43,359 | 50,762 | 56,702 | 61,134 |
| Intangible fixed assets (net) | 0 | 0 | 0 | 0 | 0 |
| Long-term financial assets | 0 | 0 | 0 | 0 | 0 |
| Invest. in associates & subsidiaries | 16,441 | 23,461 | 23,461 | 23,461 | 23,461 |
| Cash & equivalents | 17,742 | 18,088 | 16,430 | 14,938 | 13,595 |
| A/C receivable | 14,699 | 14,727 | 14,423 | 14,946 | 15,347 |
| Inventories | 34,296 | 36,516 | 38,773 | 42,973 | 46,087 |
| Other current assets | 441 | 587 | 672 | 750 | 809 |
| Current assets | 67,177 | 69,918 | 70,297 | 73,607 | 75,838 |
| Other assets | 113,908 | 126,491 | 144,877 | 161,530 | 174,279 |
| Total assets | 239,180 | 263,228 | 289,398 | 315,300 | 334,711 |
| Common equity | 53,394 | 56,388 | 58,569 | 61,775 | 66,687 |
| Minorities etc. | 2,321 | 2,693 | 2,921 | 3,161 | 3,413 |
| Total shareholders' equity | 55,715 | 59,081 | 61,491 | 64,935 | 70,099 |
| Long term debt | 81,058 | 78,817 | 52,666 | 40,842 | 33,095 |
| Other long-term liabilities | 13,358 | 13,668 | 15,529 | 17,314 | 18,681 |
| Long-term liabilities | 94,416 | 92,485 | 68,195 | 58,156 | 51,775 |
| A/C payable | 31,569 | 36,905 | 38,426 | 42,589 | 45,675 |
| Short term debt | 40,859 | 56,478 | 100,529 | 126,377 | 142,138 |
| Other current liabilities | 16,620 | 18,279 | 20,757 | 23,243 | 25,023 |
| Current liabilities | 89,049 | 111,662 | 159,713 | 192,209 | 212,837 |
| Total liabilities and shareholders' equity | 239,180 | 263,228 | 289,398 | 315,300 | 334,711 |
| Net working capital | 1,246 | (3,354) | (5,316) | (7,163) | (8,456) |
| Invested capital | 173,249 | 189,956 | 213,785 | 234,530 | 250,417 |

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

Per share (THB)

| | | | | | |
|-------------------------------|------|------|------|-------|-------|
| Book value per share | 8.85 | 9.35 | 9.71 | 10.24 | 11.06 |
| Tangible book value per share | 8.85 | 9.35 | 9.71 | 10.24 | 11.06 |

Financial strength

| | | | | | |
|---------------------------|-------|-------|-------|-------|-------|
| Net debt/equity (%) | 187.0 | 198.4 | 222.4 | 234.5 | 230.6 |
| Net debt/total assets (%) | 43.6 | 44.5 | 47.3 | 48.3 | 48.3 |
| Current ratio (x) | 0.8 | 0.6 | 0.4 | 0.4 | 0.4 |
| CF interest cover (x) | (7.5) | 0.1 | 1.5 | 1.6 | 1.9 |

| Valuation | 2020 | 2021 | 2022E | 2023E | 2024E |
|---|----------------|----------------|-------------|-------------|-------------|
| Recurring P/E (x) * | 5,181.6 | 4,038.0 | 43.1 | 31.5 | 21.7 |
| Recurring P/E @ target price (x) * | 5,866.0 | 4,571.3 | 48.7 | 35.6 | 24.6 |
| Reported P/E (x) | 5,181.6 | 4,038.0 | 43.1 | 31.5 | 21.7 |
| Dividend yield (%) | 1.0 | 0.8 | 1.2 | 1.6 | 2.3 |
| Price/book (x) | 4.5 | 4.3 | 4.1 | 3.9 | 3.6 |
| Price/tangible book (x) | 4.5 | 4.3 | 4.1 | 3.9 | 3.6 |
| EV/EBITDA (x) ** | 18.7 | 18.4 | 17.2 | 14.4 | 11.7 |
| EV/EBITDA @ target price (x) ** | 20.4 | 20.0 | 18.6 | 15.5 | 12.7 |
| EV/invested capital (x) | 2.0 | 1.9 | 1.8 | 1.7 | 1.6 |

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

Sources: Central Retail Corp; FSSIA estimates

Corporate Governance report of Thai listed companies 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 | PSH | SCM | SUSCO | TOA | VIH |
| AMATAV | BTS | DTAC | HANA | LHFG | NVD | PSL | SDC | SUTHA | TOP | WACOAL |
| ANAN | BTW | DUSIT | HARN | LIT | NWR | PTG | SEAFECO | SVI | TPBI | WAVE |
| AOT | BWG | EA | HMPRO | LPN | NYT | PTT | SEOIL | SYMC | TQM | WHA |
| AP | CENEL | 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 | PPPM | SCI | SRICHA | TMD | VPO |
| ALLA | BJC | DCON | HPT | KIAT | MTSIB | 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 | WIJK |
| 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 | CHAX | 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 | TIPIPP | 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 | SEAOL | 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

Suwat Sinsadok, CFA, FRM, ERP FSS International Investment Advisory Securities Co., Ltd

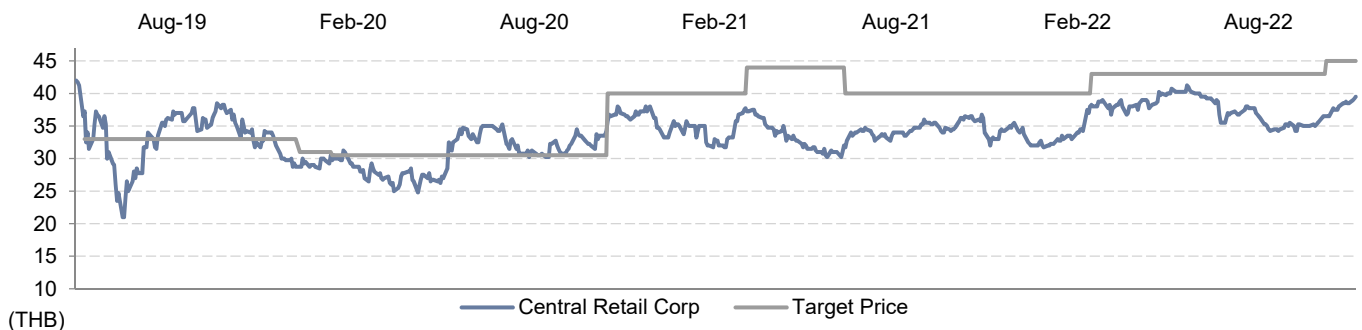
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History of change in investment rating and/or target price

Central Retail Corp (CRC TB)



| Date | Rating | Target price | Date | Rating | Target price | Date | Rating | Target price |
|-------------|--------|--------------|-------------|--------|--------------|-------------|--------|--------------|
| 25-Feb-2020 | REDUCE | 33.00 | 02-Mar-2021 | BUY | 40.00 | 09-Feb-2022 | BUY | 43.00 |
| 24-Jul-2020 | HOLD | 31.00 | 09-Jun-2021 | BUY | 44.00 | 26-Jul-2022 | BUY | 45.00 |
| 18-Aug-2020 | HOLD | 30.50 | 18-Aug-2021 | BUY | 40.00 | | | |

Suwat Sinsadok, CFA, FRM, ERP started covering this stock from 24-Jul-2020

Price and TP are in local currency

Source: FSSIA estimates

| Company | Ticker | Price | Rating | Valuation & Risks |
|---------------------|--------|-----------|--------|--|
| Central Retail Corp | CRC TB | THB 39.75 | BUY | The key downside risks to our DCF-based TP include 1) new waves of Covid-19; and 2) lower-than-expected sales from the high-margin fashion business. |

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at 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 18-Aug-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.