FINANSIA
FSS INTERNATIONAL INVESTMENT ADVISORY

Thailand Tourism

Smoother road to recovery in 2H22

- Expect Thailand's tourist arrivals to hit 34m in 2023, with a swing factor from Chinese tourists; RevPAR of Thai hotels should reach pre-Covid level by the end of this year.
- Expect to start seeing the impact of the rising utilities cost for European hotels in 2023; rising ADR above the pre-Covid level by 20-30% could offset the impact.
- Maintain Overweight; top pick is AOT and wildcard picks are BA and DUSIT.

Expect Chinese tourist numbers to recover to 60% of pre-Covid level in 2023

We estimate Thailand's tourist arrivals to reach 10m by the end of this year and recover to 34m in 2023, with numbers reaching 60% of the pre-Covid level for Chinese tourists; 85% for European; 110% for Indian; and 120% for Middle Eastern tourists in 2023. If a recession occurs next year, we think it would have a smaller impact on the global tourism recovery given that global tourist arrivals dropped by only 4% in 2009 during the Great Recession.

Thai hotels in the upscale segment should continue to enjoy high ADR

The recovery pace of Thai hotels under our coverage is faster – their RevPAR recovered to 48-84% of the pre-Covid level in 2Q22 (vs industry average of 33%) – as most of the hotels are in the upscale segment and capture high-spending tourists. Momentum should continue in 2H22 with RevPAR almost reaching pre-Covid by 4Q22, driven by ADR.

MINT and SHR: the impact of utilities cost may not be as bad as market fears

Another concern for the sector is hotel operations in Europe from the rising natural gas prices, which affect the power prices of hotel operators. Utilities costs accounted for about 5-6% of total expenses for NH Hotels (MINT's European hotel portfolio) and SHR (which has a revenue contribution from its UK portfolio of around 25-30%). NH Hotels and SHR have locked in contracted power prices until 4Q22. Thus, we expect to see the impact in 2023. We have run a sensitivity analysis and conclude that if natural gas increases from USD195/MMBtu currently to USD250-300, there would be a significant impact to MINT and SHR. However, if ADR increases above pre-Covid by 20-30%, it would offset that impact.

Expect earnings to grow q-q in 3Q22 and 4Q22

We expect strong earnings momentum for all tourism stocks (hotels, airports and airlines) over 3Q-4Q22. CENTEL, ERW and AWC's share prices have outperformed (+28-50% YTD 2022) on the expectation of strong performance for Thai hotels in 2H22. However, we see stress valuations from these stocks. We prefer AOT, which trades at an attractive 31x 2024E P/E, lower than its 5-yr average of 41x, with share price catalysts including the Chinese border reopening and the end of assistance measures for operators. Our wildcard picks are BA and DUSIT. BA trades at a cheap 15x 2024E P/E. Pent-up demand for Samui should support and provide an upside to its airline and airport business. We think DUSIT also offers a series of potential earnings improvements: a turnaround in 2023, an earnings spike in 2024 on DCP's opening, then peaking in 2025 from DCP's residential sales. Lastly, we suggest investors keep an eye on MINT and SHR as the impact of rising utilities costs could be offset by higher ADR. Share prices should rebound if political tensions ease.

Teerapol Udomvej, CFA
teerapol.udo@fssia.com
+66 2611 3535

Strong recovery trend for tourist arrivals

We expect to see a strong tourist arrival recovery in 2H22. So far, tourist arrivals have exceeded 1 million per month since July, which accounted for about 34% of the pre-Covid level. The markets that have set a strong recovery pace are India and the Middle East, which recovered to 65-67% of the pre-Covid level in July. European tourists recovered to about half of the pre-Covid level and should accelerate in 4Q22, which is Thailand's high tourism season. We expect that China will not reopen its borders to tourists until next year.

Overall, we expect tourist arrivals to accelerate in 4Q22 and reach almost 50% of the pre-Covid level in Dec-22. That would bring total tourist arrivals to 10.2m in 2022

In terms of spending per head, the number was THB42k per head as of Jan-Aug 2022, lower than the pre-Covid level of THB49k. We believe this was due to the absence of Chinese tourists who had an average spending per head of THB49k in 2019. In addition, the largest proportion of tourist arrivals as of YTD 2022 have been from Malaysia, who had an average spending per head of THB26k in 2019.

Exhibit 1: Tourist arrivals, monthly
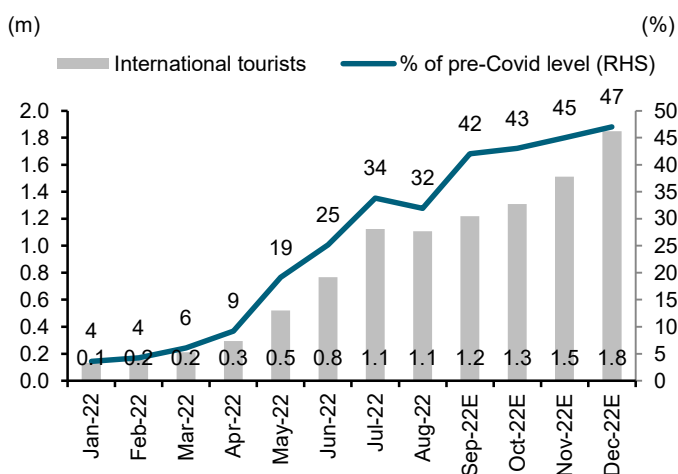
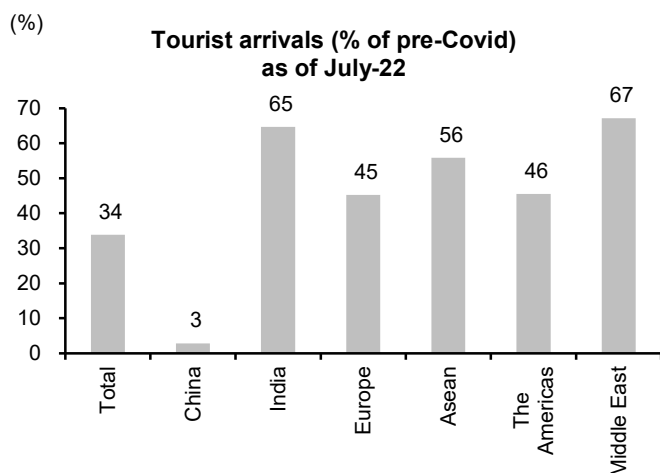
Sources: Economics, Tourism and Sports Division; Ministry of Tourism and Sports (MOTS); FSSIA estimates

Exhibit 2: Tourist arrival breakdown (Jan-Aug 2022)
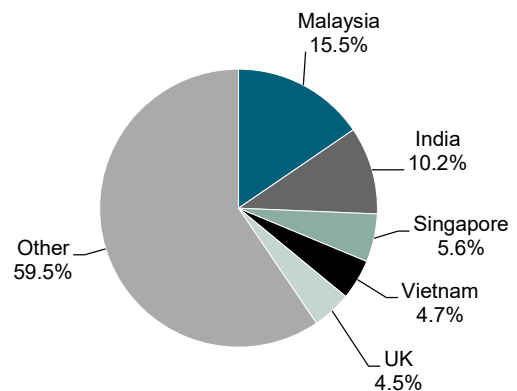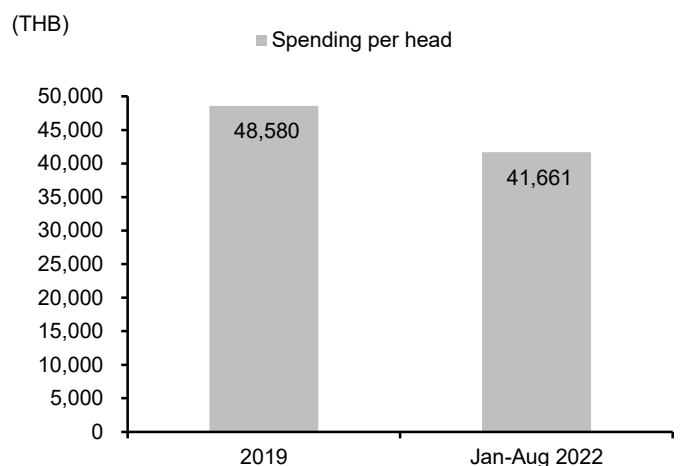

Sources: Economics, Tourism and Sports Division

Exhibit 3: Key market segment recovery rates

Source: MOTS

Exhibit 4: Spending per head compared to pre-Covid level

Sources: Economics, Tourism and Sports Division; MOTS

Expect tourist arrivals to reach 34m in 2023

We estimate tourist arrivals to jump from 10m in 2022 to 34m in 2023. Our key assumptions are:

1) Chinese tourists to recover to 60% of the pre-Covid level. We expect China to reopen its borders around the next Chinese New Year in Jan-23.

2) Indian tourists to exceed the pre-Covid level by 10%. The Indian market grew by 16% over 2014-19, and we expect the strong demand to continue in 2023.

3) Middle Eastern tourists to exceed the pre-Covid level by 20%. The key driver is tourists from Saudi Arabia after Thailand restored full diplomatic relations with the country since Jan-22.

4) European tourists to recover to 85% of the pre-Covid level. Despite the political tensions in European countries and rising inflation, we believe Thailand will still be a top destination for European tourists as it offers lower budget travel.

Exhibit 5: Tourist arrival forecast

Source: FSSIA estimates

Exhibit 6: Key assumptions for tourist arrivals in 2023
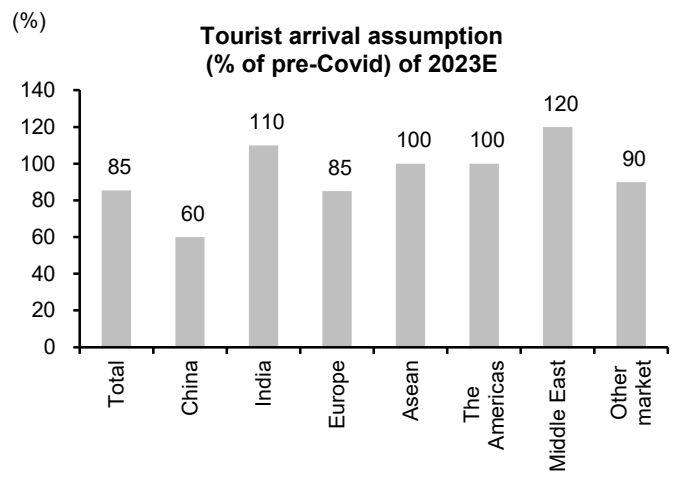
Source: FSSIA estimates

What is the impact if there is a recession?

We looked back to see the impact of the recession on tourist arrivals during the Great Recession from 2007-09. Global tourist arrivals dropped by 4% in 2009, while Thailand tourist arrivals dropped by 3% in 2009. As a result, we conclude that a recession may have a smaller effect compared to the impact of the Covid pandemic on tourism.

Exhibit 7: Thailand tourist arrivals
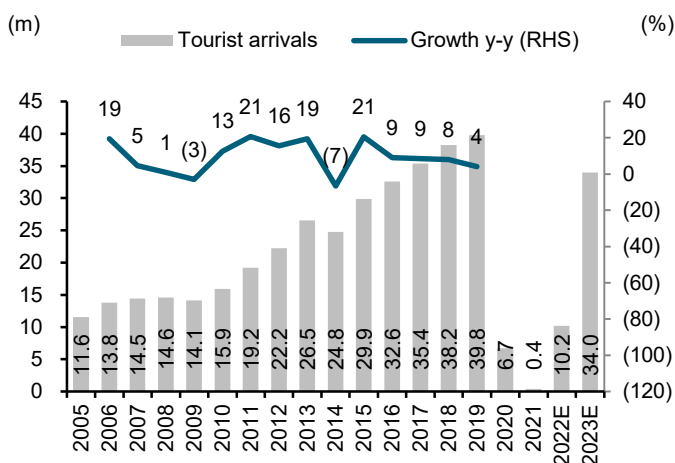
Sources: MOTS; FSSIA estimates

Exhibit 8: Global international tourist arrivals
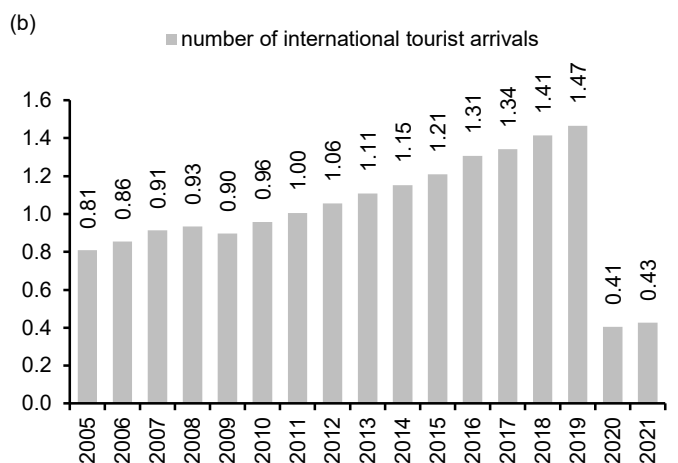
Source: UN World Tourism Organization

Sensitivity analysis on 2023E tourist arrivals

We believe there are two key factors that may have an impact on our base case forecast of Thailand's tourist arrivals. The first is when China will reopen its borders. The second is the recession, especially in European countries following the conflict between Russia and Ukraine. Accordingly, we have run a sensitivity analysis and estimate that Thailand's tourist arrivals may decrease to 24m in 2023 from our base case of 34m in the case that Chinese and European tourist arrivals are lower than expected.

Exhibit 9: Sensitivity analysis on Thailand's 2023E tourist arrivals based on the recovery of Chinese and European tourists

Case	Chinese	European	2023E tourist arrivals	Diff
	(% of pre-Covid)	(% of pre-Covid)	(m)	(%)
Base case	60	85	34.0	
Case 1	40	85	31.8	(6.5)
Case 2	20	85	29.6	(12.9)
Case 3	0	85	27.4	(19.4)
Case 4	60	70	33.0	(2.9)
Case 5	60	50	31.7	(6.8)
Case 6	60	30	30.3	(10.9)
Case 7	40	70	30.8	(9.4)
Case 8	20	50	27.3	(19.7)
Case 9	0	30	23.7	(30.3)

Source: FSSIA estimates

A promising sign for China's reopening

The Civil Aviation Administration of China (CACC) has granted permission for Thai airlines to resume two flights per week for China-Thailand routes in Jun-22. Although the flights will be restricted to business travellers and students, it is a good sign. In addition, CACC has proposed to increase the number of flights between China and Thailand to 15 flights by this Sep.

Thai hotels' RevPAR reaching the pre-Covid level in 4Q22?

According to the Bank of Thailand, the RevPAR of the Thai hotel industry recovered to 33% of the pre-Covid level in 2Q22. The stocks under our coverage recorded a better recovery pace compared to the industry with a Thai hotel RevPAR of 48-84% of the pre-Covid level in 2Q22, as most of the hotels of the companies under our coverage are in the upscale and luxury segments which command a higher ADR, in our view.
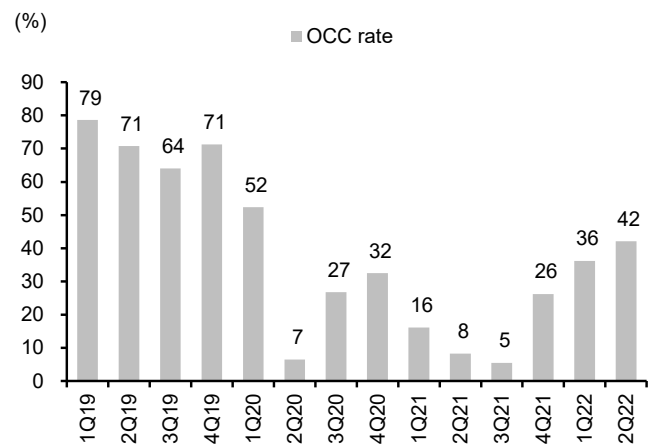
We expect the recovery momentum to continue to 4Q22, and the RevPAR of Thai hotels should reach 80-100% of the pre-Covid level. The key driver would be ADR, which almost reached the pre-Covid level in 2Q22, thanks to strong pent-up demand.

Exhibit 10: Industry – Thai hotels RevPAR
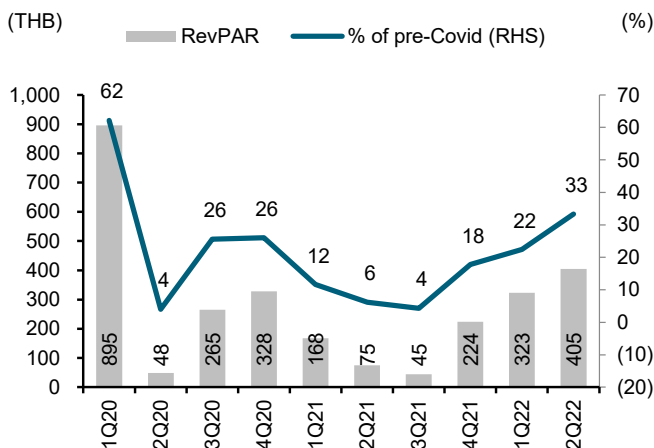
Source: Bank of Thailand

Exhibit 11: Industry – Thai hotels OCC rate

Source: Bank of Thailand

Exhibit 12: Thai hotels RevPAR for stocks under coverage

RevPAR (Unit: THB)	1Q19	2Q19	3Q19	4Q19	3Q21	4Q21	1Q22	2Q22	3Q22E	4Q22E
MINT	5,951	3,891	3,937	4,859	615	1,590	1,857	2,213	3,134	4,166
AWC	4,635	3,560	3,814	3,943	382	1,136	1,290	1,843	2,920	3,678
CENTEL	3,750	2,357	2,276	2,727	207	871	874	1,519	1,995	2,552
ERW (excl Hop Inn)	2,434	1,720	1,824	2,064	119	497	556	1,164	1,495	1,802
SHR	8,285	4,417	5,185	5,117	346	1,298	2,152	2,132	2,834	4,061
DUSIT	2,900	1,722	1,640	2,273	478	1,096	1,257	1,448	1,562	2,186
% of Pre-Covid										
MINT					16	33	31	57	80	86
AWC					10	29	28	52	77	93
CENTEL					9	32	23	64	88	94
ERW					7	24	23	68	82	87
SHR					7	25	26	48	55	79
DUSIT					29	48	43	84	95	96

Note: 1) Thai hotel portfolio only; 2) ERW's data excludes Hop Inn
Source: FSSIA's compilation and estimates

Exhibit 13: System-wide RevPAR for stocks under coverage

RevPAR (Unit: THB)	1Q19	2Q19	3Q19	4Q19	3Q21	4Q21	1Q22	2Q22	3Q22E	4Q22E
MINT	2,444	3,053	2,773	2,631	1,778	1,910	1,460	3,207	3,066	2,910
AWC	4,635	3,560	3,814	3,943	382	1,136	1,290	1,843	2,920	3,678
CENTEL	4,615	2,952	2,858	3,389	560	1,475	1,650	1,942	2,274	3,208
ERW	2,434	1,720	1,824	2,064	119	497	556	1,164	1,495	1,802
SHR	2,645	2,702	2,873	2,844	2,178	2,485	2,417	2,891	3,473	3,768
DUSIT	3,688	2,287	1,791	2,783	1,007	1,798	1,833	1,751	1,920	2,535
% of Pre-Covid										
MINT					64	73	60	105	111	111
AWC					10	29	28	52	77	93
CENTEL					20	44	36	66	80	95
ERW					7	24	23	68	82	87
SHR					76	87	91	107	121	132
DUSIT					56	65	50	77	107	91

Note: 1) CENTEL's data excludes Dubai hotel; 2) ERW's data excludes Hop Inn
Source: FSSIA's compilation and estimates

Risk from higher cost of hotel portfolio in Europe

The major concern for hotel operations in Europe is the rising natural gas prices which are affecting the power prices of hotel operators following the conflict between Russia and Ukraine. The utilities costs accounted for about 5-6% of total expenses for NH Hotels (MINT's European hotel portfolio) and SHR (which has a revenue contribution from its UK portfolio of around 25-30%). NH Hotels and SHR have locked in (and partially hedged) contracted power prices until 4Q22. Thus, we expect to see the impact in 2023.

Based on the Dutch TTF Gas price, which is a leading European benchmark price, the gas price has increased from an average of USD17-18/MMBtu in 2019 to USD30 in 2021, USD98 in 1H22 and cUSD195/MMBtu currently.

Exhibit 14: NH Hotels cost breakdown as of 2019

Other 25.4%
Staff costs 38.7%
Depreciation 7.7%
Utilities expense 4.7%
Lease payment 23.5%
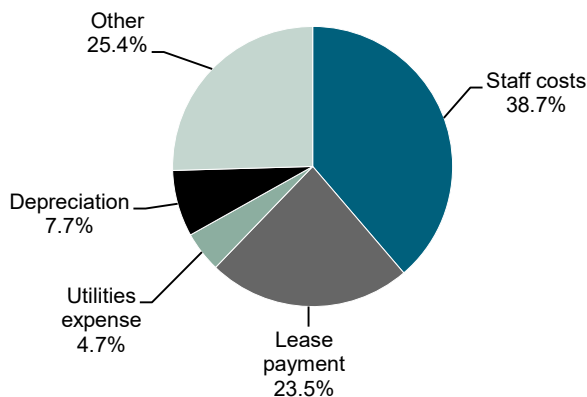
Sources: MINT; FSSIA estimate

Exhibit 15: SHR's cost breakdown as of 2021

Utilities expense 6.5%
Services fees 4.2%
Others 3.2%
Cost of services 15.8%
Repair and maintenance 3.7%
Depreciation 25.0%
Raw material and consumables used 2.9%
Staff costs 38.8%
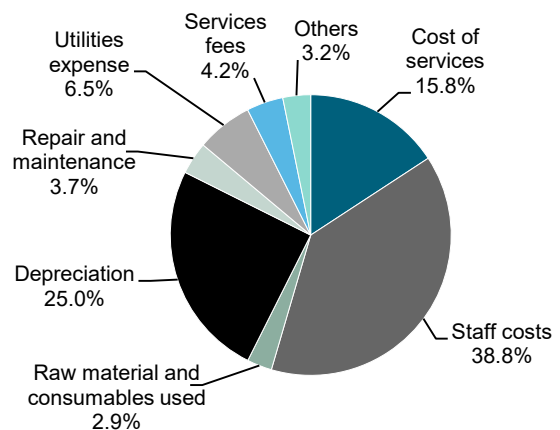
Source: SHR

Exhibit 16: Dutch TTF Gas price Oct '22 (TGV22)

Source: Barchart

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Sensitivity analysis of rising utilities cost in Europe

We have run a sensitivity analysis to estimate the impact of a higher utilities cost for MINT and SHR:

MINT

Our sensitivity is based on scenarios in which the gas price increases to USD150, 200, 250, or 300/MMBtu. It would significantly impact 2023E earnings and turn the company's estimated core profit of THB6.3b in our base case to a core loss of THB0.4b-10.5b. However, a higher ADR would offset that impact. We estimate that if NH Hotels' ADR were to increase by 20-30%, it would offset the impact. In 2Q22, ADR was at EUR128, above the pre-Covid level by 16%. If the demand remains strong in 2023, we conclude that the impact of the rising utilities cost would be manageable.

Exhibit 17:   MINT – sensitivity on rising utilities cost of NH Hotels portfolio

MINT	Gas prices (USD/MMBtu)	ADR (EUR)	MINT's 2023 Core profit (THB m)	Note
Base case	50	106	6,330	
Case 1	150	106	(431)	ADR +3% (vs pre-Covid)
Case 2	150	113	3,899	ADR +10% (vs pre-Covid)
Case 3	150	123	10,374	ADR +20% (vs pre-Covid)
Case 4	150	133	16,850	ADR +30% (vs pre-Covid)
Case 5	200	106	(3,780)	ADR +3% (vs pre-Covid)
Case 6	200	113	550	ADR +10% (vs pre-Covid)
Case 7	200	123	7,025	ADR +20% (vs pre-Covid)
Case 8	200	133	13,501	ADR +30% (vs pre-Covid)
Case 9	250	106	(7,129)	ADR +3% (vs pre-Covid)
Case 10	250	113	(2,799)	ADR +10% (vs pre-Covid)
Case 11	250	123	3,676	ADR +20% (vs pre-Covid)
Case 12	250	133	10,152	ADR +30% (vs pre-Covid)
Case 13	300	106	(10,478)	ADR +3% (vs pre-Covid)
Case 14	300	113	(6,148)	ADR +10% (vs pre-Covid)
Case 15	300	123	327	ADR +20% (vs pre-Covid)
Case 16	300	133	6,803	ADR +30% (vs pre-Covid)

Sources: FSSIA estimate

SHR

Our sensitivity is based on scenarios in which the gas price increases to USD150, 200, 250, or 300/MMBtu. It would significantly reduce the 2023E core profit from THB512m to a THB27m-269m profit or a loss of THB94m in the worst-case scenario. However, a higher ADR would offset that impact. We estimate that if UK hotels' ADR were to increase by 25-30%, it would offset the impact. In 2Q22, ADR was at THB3,475, which is above the pre-Covid level by 23%. If the demand remains strong in 2023, we conclude that the impact of the rising utilities cost would be manageable.

Exhibit 18:   SHR – sensitivity on rising utilities cost of UK portfolio

SHR	Gas prices (USD/MMBtu)	ADR UK portfolio (THB)	SHR's 2023 Core profit (THB m)	Note
Base case	50	3,310	512	
Case 1	150	3,310	269	ADR +16% (vs pre-Covid)
Case 2	150	3,412	396	ADR +20% (vs pre-Covid)
Case 3	150	3,554	573	ADR +25% (vs pre-Covid)
Case 4	150	3,696	750	ADR +30% (vs pre-Covid)
Case 5	200	3,310	148	ADR +16% (vs pre-Covid)
Case 6	200	3,412	274	ADR +20% (vs pre-Covid)
Case 7	200	3,554	452	ADR +25% (vs pre-Covid)
Case 8	200	3,696	629	ADR +30% (vs pre-Covid)
Case 9	250	3,310	27	ADR +16% (vs pre-Covid)
Case 10	250	3,412	153	ADR +20% (vs pre-Covid)
Case 11	250	3,554	330	ADR +25% (vs pre-Covid)
Case 12	250	3,696	508	ADR +30% (vs pre-Covid)
Case 13	300	3,310	(94)	ADR +16% (vs pre-Covid)
Case 14	300	3,412	32	ADR +20% (vs pre-Covid)
Case 15	300	3,554	209	ADR +25% (vs pre-Covid)
Case 16	300	3,696	386	ADR +30% (vs pre-Covid)

Sources: FSSIA estimate

Higher ADR trend has the potential to extend into next year

According to OTA Insight, ADR has increased significantly in major European cities. In Jun-22, Rome was up 51.4%, Berlin 50.2%, Dublin 44.5%, London 44.3%, Barcelona 29%, Amsterdam 12.1% and Paris 19.8%, compared to the 2019 level.

This same trend has also been seen for top tourist destinations across Europe. In Jun-22, Palma De Mallorca was up 40%, Ibiza 30%, Aix en Provence 21%, Albufeira 20%, Montpellier 14% and Rhodes 13%.

Exhibit 19: ADR of major European cities in 6M22 vs 6M19

Source: OTA Insight

Exhibit 20: ADR of major European summer destinations in 6M22 vs 6M19
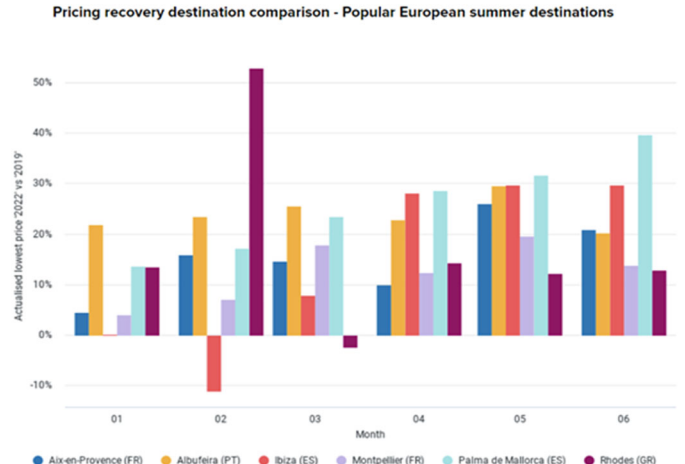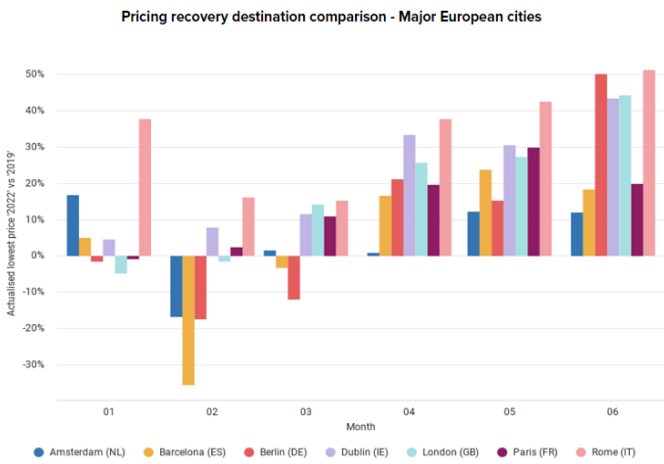
Source: OTA Insight

OTA Insight also points out that the higher ADR trend should continue into 2023. The advertised ADR of hotels in London in 1H23 is currently higher than both 2019 and 2022. A similar trend is also taking place in Edinburgh's hotels.

Exhibit 21: ADR of London hotels

Source: OTA Insight

Exhibit 22: ADR of Edinburgh hotels
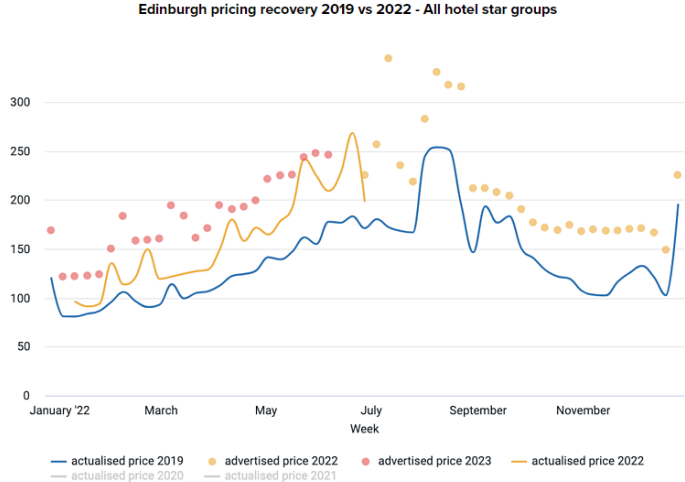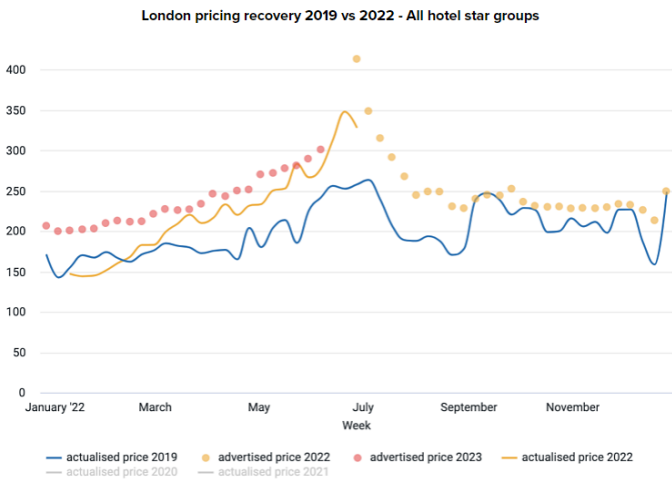
Source: OTA Insight

Airline sector: higher ticket fares to offset rising fuel cost

The airline business was pressured by rising jet fuel prices to USD142/bbl in 2Q22. The situation should improve as jet fuel prices have reduced to USD132/bbl in QTD 3Q22. We also expect airlines to partially pass through the rising fuel costs by raising ticket fares in 2H22 onward when demand starts to recover. Note that the ticket fares of AAV and BA recovered to 93-95% of the pre-Covid level and have a high potential to exceed the pre-Covid level in 2H22.

On another positive note, airlines can collect a fuel surcharge of c15-30% of the ticket fares for international flights. The recovery of international flights in 2H22 would also imply that the impact of rising fuel costs has softened. In addition, The Airlines Association of Thailand has asked the Civil Aviation Authority of Thailand (CAAT) to consider allowing airlines to collect a fuel surcharge for domestic flights. We estimate airlines to collect c20% of the average domestic ticket fare, if approved.

Exhibit 23: AAV's ticket fares
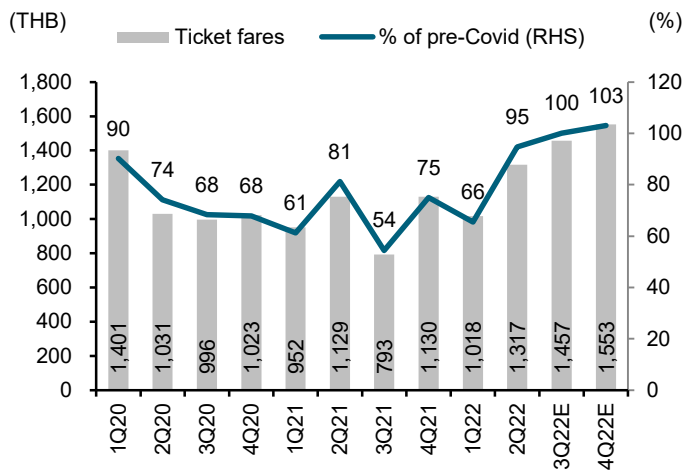
Source: AAV

Exhibit 24: BA's ticket fares
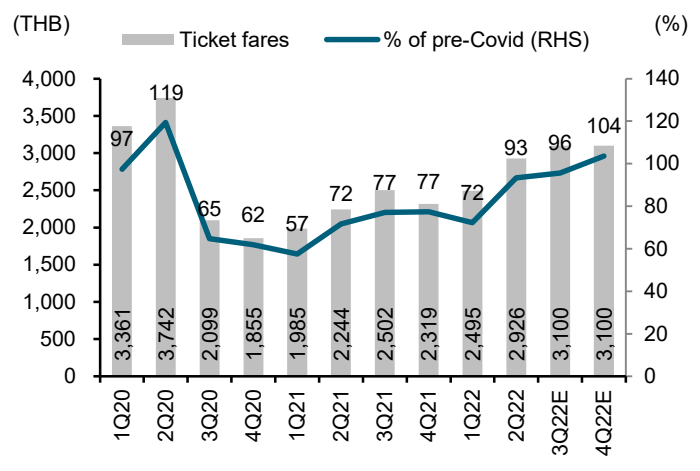
Source: BA

Strong earnings momentum in 2H22

We expect the hotel sector's core profit to improve q-q in 3Q22 and 4Q22, led by Thai hotel operations – RevPAR should recover to almost the pre-Covid level and ADR has the potential to exceed the pre-Covid level. The food and retail businesses of MINT, CENTEL and DUSIT should also recover in 2H22 thanks to pent-up demand. As a result, we estimate the aggregate core profit of the hotel sector to improve from THB0.5b in 2Q22 to THB1.4b in 3Q22 and THB2.2b in 4Q22.

For AOT, we expect its core loss to reduce from THB2.4b in 3QFY22 (Apr-Jun) to THB1.0b in 4QFY22 (Jul-Sep), and potentially turn around in 1QFY23 (Oct-Dec) when we project the international patient volume to recover to c50% of the pre-Covid level.

We also expect the airline sector's aggregate core loss to reduce from THB3.0b in 2Q22 to THB2.2b in 3Q22 and to THB1.2b in 4Q22, driven by a passenger volume recovery.

Exhibit 25: Hotel sector – 3Q22 & 4Q22 core profit forecast

Core profit	3Q21	4Q21	1Q22	2Q22	3Q22E	----- Change ----		4Q22E	----- Change ----		2H22 key drivers
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	(q-q %)	
AWC	(698)	(304)	(288)	(189)	35	105	119	289	195	718	Thai luxury hotels and recovery of retail business
MINT	(2,367)	1,657	(3,582)	1,210	1,398	159	16	1,427	(14)	2	Thai hotels and Thai restaurants
CENTEL	(803)	152	(44)	22	136	117	517	319	109	134	Thai hotels and Thai restaurants
ERW	(623)	(366)	(315)	(152)	(46)	93	70	47	113	203	Non-Hop Inn hotels
SHR	(291)	31	(199)	(111)	62	121	156	212	578	243	Thai and Maldives hotels
DUSIT	(430)	(282)	(263)	(292)	(150)	65	49	(60)	79	60	Thai hotels and recovery of food business
Total	**(5,211)**	**888**	**(4,691)**	**489**	**1,436**	**128**	**(194)**	**2,234**	**(152)**	**(56)**	

Sources: Company data; FSSIA estimate

Exhibit 26: Aviation sector – 3Q22 & 4Q22 core profit forecast

Core profit	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22E	----- Change ----		1QFY23E	----- Change ----		2H22 key drivers
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	(q-q %)	
AOT	(4,201)	(3,370)	(3,353)	(2,392)	(1,037)	75	57	692	121	167	Recovery of international passengers

Core profit	3Q21	4Q21	1Q22	2Q22	3Q22E	----- Change ----		4Q22E	----- Change ----		2H22 key driver
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)	(THB m)	(y-y %)	(q-q %)	
AAV	(1,036)	(1,296)	(2,473)	(2,352)	(1,845)	(78)	22	(980)	24	47	Higher ticket fares, recovery of domestic and Indian tourists
BA	(1,346)	(949)	(1,057)	(628)	(320)	76	49	(250)	74	22	Higher ticket fares, recovery of Samui route
Total Airline	**(2,382)**	**(2,244)**	**(3,530)**	**(2,979)**	**(2,165)**	**9**	**27**	**(1,230)**	**45**	**43**	
Total Aviation	**(6,583)**	**(5,615)**	**(6,883)**	**(5,371)**	**(3,202)**	**51**	**40**	**(538)**	**90**	**83**	

Sources: Company data; FSSIA estimates

Exhibit 27: Core profit forecast summary

Stocks	-------------------------------- Core net profit --------------------------------						---------------------------- Growth ----------------------------				
	2019	2020	2021	2022E	2023E	2024E	2020	2021	2022E	2023E	2024E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)	(%)	(%)
Asset World Corp	977	(1,881)	(2,248)	(295)	2,086	3,553	(293)	(19)	87	808	70
Central Plaza Hotel	1,722	(1,550)	(1,778)	591	2,065	2,354	(190)	(15)	133	249	14
The Erawan Group	464	(1,623)	(2,040)	(653)	408	530	(450)	(26)	68	162	30
S Hotels and Resorts	(98)	(1,908)	(1,229)	117	512	709	(1,840)	36	109	339	39
Minor International	7,060	(19,388)	(9,315)	1,063	6,330	7,387	(375)	52	111	495	17
Dusit Thani	(938)	(1,691)	(1,622)	(672)	109	365	(80)	4	59	116	236
Asia aviation	(667)	(4,997)	(4,853)	(6,611)	1,235	1,571	(649)	3	(36)	119	27
Bangkok Aviation	(1,778)	(4,316)	(3,899)	(2,414)	869	1,480	(143)	10	38	136	70
Airports of Thailand	24,417	3,236	(15,319)	(10,051)	16,704	33,247	(87)	(573)	34	266	99
Total	**33,177**	**(32,100)**	**(40,282)**	**(18,926)**	**30,318**	**51,196**					

Source: FSSIA estimates

Exhibit 28: Share price performance

Stocks	2020	2021	2022 YTD	Since 2019
	----------------------- Price performance -----------------------			
AWC TB	(22.1)	1.8	28.2	1.7
CENTEL TB	(5.2)	31.9	50.4	88.0
ERW TB	(39.5)	29.9	30.0	2.1
SHR TB	(22.2)	22.0	26.7	20.3
MINT TB	(27.4)	11.7	5.2	(14.7)
DUSIT TB	(20.1)	30.3	21.8	26.8
AAV TB	5.2	13.4	10.2	31.5
BA TB	(7.9)	52.3	12.8	58.3
AOT TB	(16.2)	(2.0)	20.1	(1.3)
Average	**(17.3)**	**21.2**	**22.8**	**23.6**

Source: Bloomberg

Exhibit 29: Market cap comparison with pre-Covid level

No.	Stock	Avg market cap in 2019	Current market cap	-------- Differ --------	
		(THB m)	(THB m)	(THB m)	(%)
1	AWC	187,280	190,405	(3,125)	2
2	CENTEL	48,245	63,450	(15,205)	32
3	ERW	16,052	17,673	(1,621)	10
4	SHR	13,691	13,656	35	(0)
5	MINT	174,829	159,568	15,260	(9)
6	DUSIT	8,612	10,455	(1,843)	21
7	AOT	1,018,866	1,046,428	(27,561)	3
8	AAV	17,265	32,860	(15,595)	90
9	BA	21,124	23,100	(1,976)	9

Source: Bloomberg

Exhibit 30: Hotels – peers' comparison as of 13 Sep-22

Company	BBG	Rec	Current (LCY)	Target (LCY)	Upside (%)	Market cap (USD m)	PE 22E (x)	PE 23E (x)	ROE 22E (%)	ROE 23E (%)	PBV 22E (x)	PBV 23E (x)	EV/ EBITDA 22E (x)	EV/ EBITDA 23E (x)
			----------- Share price -----------				------- PE -------		----- ROE -----		---- PBV ----		EV/ EBITDA	
Thailand														
Asset World Corp	AWC TB	BUY	5.95	6.50	9	5,252	(646.1)	91.3	(0.4)	2.5	2.3	2.2	95.3	42.9
Minor International	MINT TB	BUY	30.25	43.00	42	4,402	163.7	27.5	1.6	9.5	2.3	2.7	14.0	11.3
Central Plaza Hotel	CENTEL TB	BUY	47.00	49.00	4	1,750	107.3	30.7	3.2	10.5	3.4	3.1	19.4	13.1
Erawan Group	ERW TB	BUY	3.90	4.50	15	488	(27.1)	43.3	(11.5)	7.3	3.3	3.1	48.7	15.3
S Hotels & Resorts	SHR TB	BUY	3.80	5.20	37	377	117.2	26.7	0.7	3.2	0.9	0.8	13.3	9.5
Dusit Thani	DUSIT TB	BUY	12.30	18.00	46	288	(15.6)	96.3	(22.3)	3.9	3.8	3.7	166.9	32.8
Thailand average						**12,557**	**(50.1)**	**52.6**	**(4.8)**	**6.2**	**2.7**	**2.6**	**59.6**	**20.8**
Regional														
Btg Hotels Group	600258 CH	n/a	21.37	n/a	n/a	3,441	2,137.0	24.8	(0.2)	7.9	2.2	2.0	27.2	13.2
Sh Jinjiang Intl Hotels	900934 CH	n/a	2.00	n/a	n/a	8,020	47.4	8.4	2.2	9.6	0.9	0.8	35.4	18.0
Huangshan Tourism Develop	900942 CH	n/a	0.76	n/a	n/a	964	n/a	15.0	(0.5)	5.9	0.9	0.9	34.6	10.6
Genting Bhd	GENT MK	n/a	4.55	n/a	n/a	3,839	22.6	11.9	2.5	4.6	0.5	0.5	8.1	6.7
Greentree Hospitality	GHG US	n/a	3.78	n/a	n/a	390	16.6	8.2	8.7	15.2	1.4	1.2	8.1	4.1
Huazhu Group	HTHT US	n/a	35.54	n/a	n/a	11,437	n/a	40.0	(0.3)	17.8	7.4	6.5	59.3	17.5
Indian Hotels	IH IN	n/a	317.45	n/a	n/a	5,664	n/a	59.0	(4.5)	10.3	7.6	5.8	88.5	30.8
Lemon Tree Hotels	LEMONTRE IN	n/a	82.05	n/a	n/a	817	n/a	97.7	(6.2)	8.1	7.6	7.3	57.3	23.8
Lippo Karawaci	LPKR IJ	n/a	124.00	n/a	n/a	580	237.4	23.1	0.2	1.8	0.5	0.5	9.4	8.2
Regional average						**35,150**	**492.2**	**32.0**	**0.2**	**9.0**	**3.2**	**2.8**	**36.4**	**14.8**
Overall average						**47,707**	**196.4**	**40.3**	**(1.8)**	**7.9**	**3.0**	**2.7**	**45.7**	**17.2**

Sources: Bloomberg; FSSIA estimates

Exhibit 31: Airports – peers' comparison as of 13 Sep-22

Company	BBG	Rec	Current (THB)	Target (THB)	Market cap (USD m)	3Y EPS CAGR (%)	22E (x)	23E (x)	24E (x)	22E (%)	23E (%)	22E (x)	23E (x)	22E (x)	23E (x)	24E (x)
			--- Share price ---		Market cap	3Y EPS	-------------- PE --------------			----- ROE ----		---- PBV ----		------- EV/ EBITDA -------		
Thailand																
Airports of Thailand*+	AOT TB	BUY	73.25	85.00	28,866	(229.6)	(104.1)	62.6	30.0	(9.4)	15.1	10.2	8.8	nm	31.3	18.9
Malaysia																
Malaysia Airports	MAHB MK	NR	6.08	NR	2,201	(186.5)	n/a	26	17	(2.6)	5.5	1.5	1.4	12.6	7.5	6.5
China																
Beijing Capital Intl -A	694 HK	NR	4.84	NR	2,829	9.3	n/a	n/a	21	(11.0)	(0.8)	1.1	1.1	n/a	13.9	5.8
Hainan Meilan Intl	357 HK	NR	18.88	NR	1,143	3.7	193.4	13.8	8.6	2.5	11.5	1.7	1.6	19.1	9.0	6.7
Shanghai Intl Airport-A	600009 CH	NR	59.44	NR	20,014	(223.6)	n/a	72.1	32.8	(6.6)	5.3	4.2	4.1	n/a	30.9	21.9
Guangzhou Baiyun Intl	600004 CH	NR	14.05	NR	4,753	(241.4)	n/a	60.6	26.0	(2.8)	3.0	1.9	1.8	34.1	12.9	9.8
Shenzhen Airport -A	000089 CH	NR	6.91	NR	2,043	(368.3)	n/a	154.2	32.7	(5.2)	0.7	1.3	1.3	115.3	21.0	15.1
Xiamen Int Airport -A	600897 CH	NR	14.98	NR	641	66	18.2	10.6	10.7	4.3	9.8	1.1	1.1	6.2	4.1	4.5
Australia																
Auckland Intl Airport**	AIA AU	NR	6.88	NR	6,736	n/a	102.8	44.1	(0.4)	1.3	1.4	1.4	86.7	34.5	21.7	
Japan																
Japan Airport Termi***	9706 JP	NR	6,230	NR	4,036	(152.0)	n/a	(4.0)	128.7	3.8	(4.0)	3.8	3.8	n/a	52.0	18.9
Average					**80,111**	**(201.3)**	**35.8**	**55.4**	**35.1**	**(2.7)**	**4.7**	**2.8**	**2.6**	**45.7**	**21.7**	**13.0**

*Fiscal year ends 30 September; ** Fiscal year ends 30 June; *** Fiscal year ends 31 March
Sources: Bloomberg consensus; +FSSIA estimates

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Exhibit 32: Airlines – peers' comparison as of 13 Sep-22

Company	BBG	Rec	--- Share price ---		Up side	Market cap	----------- PE -----------			---- PBV ----		--- EV/ EBITDA --	
			Current	Target			22E	23E	24E	22E	23E	22E	23E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(x)	(x)	(x)	(x)	(x)
Thailand													
Bangkok Airways	BA TB	BUY	11	15	36.4	637	(9.6)	26.6	15.0	2.2	2.0	(231.2)	23.2
Asia Aviation	AAV TB	BUY	2.8	3.4	21.4	906	(5.4)	29.1	28.9	2.0	2.0	81.3	8.3
Thailand average						**1,544**	**(7.5)**	**27.9**	**22.0**	**2.1**	**2.0**	**(75.0)**	**15.8**
Regional													
Spring Airlines Co Ltd-A	601021 CH	n/a	50.70	n/a	n/a	6,677	n/a	31.5	20.1	3.7	3.2	139.6	15.7
Interglobe Aviation	INDIGO IN	n/a	1,930.25	n/a	n/a	9,345	n/a	184.6	18.6	n/a	n/a	48.2	11.9
Cebu Air Inc	CEB PM	n/a	43.15	n/a	n/a	461	n/a	n/a	n/a	n/a	n/a	41.4	6.2
Singapore Airlines	SIA SP	n/a	5.42	n/a	n/a	11,392	n/a	16.2	14.8	1.5	1.2	13.3	4.8
Japan Airlines	9201 JP	n/a	2,638.00	n/a	n/a	8,011	n/a	39.5	14.3	1.4	1.4	n/a	n/a
Ana Holdings	9202 JP	n/a	2,758.00	n/a	n/a	9,236	n/a	38.3	15.6	1.5	1.5	140.7	9.1
Cathay Pacific Airways	293 HK	n/a	8.52	n/a	n/a	6,979	n/a	21.4	13.0	0.9	0.9	4.9	3.7
Spicejet (India)	SJET IN	n/a	45.05	n/a	n/a	341	n/a	n/a	19.2	n/a	n/a	160.8	49.5
Tigerair Taiwan	6757 TT	n/a	38.20	n/a	n/a	502	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Vietjet Aviation	VJC VN	n/a	117,400	n/a	n/a	2,657	n/a	n/a	n/a	n/a	n/a	56.3	16.1
Regional average						**55,600**	**n/a**	**55.3**	**16.5**	**1.8**	**1.6**	**75.7**	**14.6**
Global													
Eva Airways	2618 TT	n/a	33.85	n/a	n/a	5,651	16.4	11.9	44.3	1.9	1.7	5.4	5.1
Air New Zealand	AIR NZ	n/a	0.68	n/a	n/a	1,344	n/a	55.4	9.0	1.1	1.3	173.7	5.0
Air Arabia	AIRARABIA UH	n/a	2.10	n/a	n/a	2,668	9.5	9.3	9.1	1.8	1.7	5.5	5.4
Easyjet (UK)	EZJ LN	n/a	353.70	n/a	n/a	3,084	n/a	10.7	6.8	1.1	1.0	5.2	3.1
Gol Linhas Aereas Intel. (Brazil)	GOLL4 BS	n/a	10.34	n/a	n/a	834	n/a	n/a	5.1	n/a	n/a	2.4	1.5
JetBlue Airways (US, Latin AM)	JBLU	n/a	7.98	n/a	n/a	2,584	n/a	11.3	4.9	0.7	0.7	6.9	2.6
Norwegian Air Shuttle (Norway)	NWARF US	n/a	0.80	n/a	n/a	700	n/a	7.6	5.3	2.2	1.9	6.2	2.4
Southwest Airlines (US)	LUV US	n/a	37.49	n/a	n/a	22,245	17.3	11.0	8.9	2.0	1.7	4.7	3.7
Global average						**39,110**	**14.4**	**16.7**	**11.7**	**1.5**	**1.4**	**26.2**	**3.6**
Overall average						**96,254**	**5.6**	**33.6**	**14.9**	**1.7**	**1.6**	**37.0**	**9.8**

Sources: Bloomberg; FSSIA estimates

FINANSIA

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	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	PPPM	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	WIIK
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	TPIPP	WIN	
B52	CCP	F&D	JAK	M-CHAI	PAF	SABUY	STARK	TPLAS	WORK	
BEAUTY	CGD	FMT	JR	MCS	PF	SF	STC	TPOLY	WPH	

Disclaimer:

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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
AMANAH	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	WIIK
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 th e 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

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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
Bangkok Airways	BA TB	THB 11.00	BUY	Downside risks to our SoTP-based TP include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.
Asia Aviation	AAV TB	THB 2.80	BUY	Downside risks to our P/BV multiple target price include 1) extraordinary events such as political turmoil and natural disasters; 2) higher-than-expected fuel expenses following an increase in oil prices; and 3) the slower-than-expected recovery of international tourist numbers.
Airports of Thailand	AOT TB	THB 73.25	BUY	Downside risks to our DCF-based target price include 1) a slowdown in the recovery of international passengers; 2) delays in the Suvarnabhumi Airport expansions (satellite terminal and northern expansion); and 3) the termination of the duty-free concession contracts from King Power.
Asset World Corp	AWC TB	THB 5.95	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.
Minor International	MINT TB	THB 30.25	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.
Central Plaza Hotel	CENTEL TB	THB 47.00	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 3.90	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.
S Hotels and Resorts	SHR TB	THB 3.80	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 12.30	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 13-Sep-2022 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.