

MINOR INTERNATIONAL  
THAILAND / FOOD & BEVERAGE

## MINT TB

BUY

UNCHANGED

## กลับสู่ช่วงการเติบโต

- แม้ว่าจะไม่ใช่ฤดูกาลขายในยุโรป เราคาดว่ากำไรปกติ 4Q22 ที่ 2.1 พัน ลบ. เพิ่มขึ้น 6% q-q จากโรงแรมในไทย
- คาดว่ากำไรปกติจะฟื้นตัวเป็น 5.5 พัน ลบ. ในปี 2023 (78% ของระดับก่อนโควิด) พร้อม Upside ที่อาจได้จากอัตราค่าไฟฟ้าที่เพิ่มขึ้นในธุรกิจโรงแรม
- คงแนะนำซื้อที่ราคาเป้าหมาย 40 บาท (DCF)

TARGET PRICE	THB40.00
CLOSE	THB34.00
UP/DOWNSIDE	+17.6%
PRIOR TP	THB40.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.5%

## KEY STOCK DATA

YE Dec (THB m)	2021	2022E	2023E	2024E
Revenue	68,251	119,802	140,959	147,106
Net profit	(13,167)	4,511	5,494	7,047
EPS (THB)	(2.53)	0.87	0.98	1.22
vs Consensus (%)	-	145.1	7.9	(7.5)
EBITDA	9,588	28,629	33,946	36,812
Core net profit	(9,315)	1,774	5,494	7,047
Core EPS (THB)	(1.79)	0.31	0.95	1.22
Chg. In EPS est. (%)	nm	66.8	0.0	0.0
EPS growth (%)	nm	nm	209.7	28.3
Core P/E (x)	(19.0)	110.3	35.6	27.8
Dividend yield (%)	-	0.3	1.0	1.2
EV/EBITDA (x)	40.5	13.0	11.5	10.5
Price/book (x)	2.6	2.4	2.9	3.0
Net debt/Equity (%)	251.5	217.2	240.6	227.1
ROE (%)	(13.8)	2.5	7.9	10.7

## RevPar น่าจะอ่อนตัว q-q ในยุโรปแต่อยู่ในระดับสูงในไทยและมัลดีฟส์

ใน 4Q22 MINT มีปัจจัยหนุนสำคัญประกอบด้วย RevPAR ของโรงแรมของบริษัทฯ ในไทยซึ่งน่าจะแตะระดับก่อนโควิด (เทียบกับ 75% ใน 3Q22) และในมัลดีฟส์ซึ่งน่าจะทรงตัวอยู่ที่ 30% สูงกว่าระดับก่อนโควิด RevPAR ของโรงแรมในยุโรปน่าจะลดลง 8% q-q เนื่องจากอยู่นอกฤดูกาลขาย แต่น่าจะยังสูงกว่าระดับก่อนโควิดอยู่ 11% เราคาดว่า EBITDA margin ของธุรกิจโรงแรมน่าจะลดลงเล็กน้อยมาอยู่ที่ 31% (เทียบกับ 32% ใน 3Q22) ในธุรกิจอาหารเราคาดว่าผลประกอบการจะทรงตัว q-q ในแง่ของรายได้และ EBITDA margin ในภาพรวมเราคาดว่ากำไรปกติจะแตะระดับ 2.1 พัน ลบ. (+6% q-q, +29% y-y) พร้อม Upside ที่อาจได้จาก EBITDA ที่สูงเกินคาดในธุรกิจโรงแรมจากค่าห้องรายวันเฉลี่ย (ADR) ของโรงแรมในไทยที่อยู่ในระดับสูง

## Upside จากราคาค่าไฟฟ้าและก๊าซในยุโรปที่กำลังปรับตัวลดลง

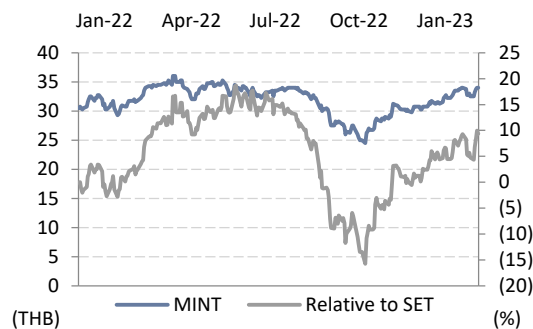
MINT ได้ตรึงราคาค่าไฟฟ้าและก๊าซโดยได้ทำสัญญาป้องกันความเสี่ยงสำหรับ 60% ของการบริโภคไฟฟ้าและก๊าซของโรงแรมในยุโรปในปี 2023 ไว้ในสัญญาล่วงหน้า อย่างไรก็ตามราคา Dutch TTF ได้ปรับตัวลดลงมาอยู่ที่ EUR55/MWh ในปัจจุบันจากจุดสูงสุดที่ EUR300/MWh ในช่วงเดือน ส.ค. 22 และค่าเฉลี่ยในปี 2022 ที่ EUR133 บริษัทฯ อาจต้องรับรู้ผลขาดทุนจากสัญญาป้องกันความเสี่ยงบางฉบับเนื่องจากราคาปรับตัวลดลงอย่างรุนแรง แต่สัญญาส่วนมากจะยังกำไรอยู่ MINT เคยคาดว่าจะก่อหนี้ว่าต้นทุนสาธารณูปโภคน่าจะคิดเป็นประมาณ 6% ของรายได้ในปี 2023 ถ้า ADR ปี 2023 ยังทรงตัวในระดับสูงที่ 20% สูงกว่าระดับก่อนโควิด ต้นทุนดังกล่าวน่าจะลดลงเหลือ 5.0%-5.5% ของรายได้ซึ่งหมายถึงกำไรที่เพิ่มเติมอีกประมาณ 0.3-0.6 พัน ลบ. ในปี 2023 หากเหตุการณ์ไม่ดีขึ้น Upside ดังกล่าวไว้ในประมาณการของเรา

## พอร์ตสำคัญทั้งหมดจะโตในปี 2023

เราคาดว่ากำไรจะโตมากกว่าเท่าตัวเป็น 5.5 พัน ลบ. ในปี 2023 (78% ของระดับก่อนโควิด) โดยคาดว่ารายได้จะโต 18% เป็น 141 พัน ลบ. สูงกว่าระดับก่อนโควิด 19% ปัจจัยหนุนสำคัญน่าจะอยู่ที่ RevPAR ที่คาดว่าจะปรับขึ้น 30% y-y สำหรับโรงแรมในไทยและ 15%-20% สำหรับโรงแรมในยุโรปพร้อมกับอัตราการเติบโตของยอดขายสาขาเดิม (SSSG) ในธุรกิจอาหารที่คาดว่าจะโต 7%-8% เราเห็น Upside ที่อาจได้จาก EBITDA margin ในธุรกิจโรงแรมซึ่งเราคาดว่าจะทรงตัวที่ 28%

## ปรับเพิ่มประมาณการปี 2022; ระดับการประเมินมูลค่าน่าสนใจ

เราปรับเพิ่มประมาณการกำไรปี 2022 ขึ้น 67% เพื่อสะท้อนประมาณการ 4Q22 และคงประมาณการปี 2023-24 ซึ่งคิดเป็นราคาเป้าหมายที่ 40 บาท (DCF) ปัจจุบัน MINT มีการซื้อขายที่ 36x/28x ของค่า 2023E/2024E P/E (เทียบกับค่าเฉลี่ย 5 ปีย้อนหลังที่ 35x)



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	5.4	18.3	12.4
Relative to country (%)	4.6	13.0	9.6
Mkt cap (USD m)	5,462		
3m avg. daily turnover (USD m)	24.4		
Free float (%)	61		
Major shareholder	Minor Holdings (Thai) (16%)		
12m high/low (THB)	36.25/24.10		
Issued shares (m)	5,754.62		

Sources: Bloomberg consensus; FSSIA estimates



Teerapol Udomvej, CFA

teerapol.udo@fssia.com

+66 2611 3535

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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 30 มกราคม 2023

## Investment thesis

MINT's earnings are now in a recovery mode. We expect core profit to continue to grow in 2023, led by Thai and European hotels and the food business.

NH Hotels should continue to deliver strong performance. We expect a recovery in business travel and pent-up demand from long-haul travellers to be the key growth drivers in 2023, which should offset rising utilities costs and potential interest rate hikes.

We expect MINT's core profit to return to the pre-Covid level by 2024, with a potential upside from a better EBITDA margin arising from cost-saving measures which should permanently reduce some expenses.

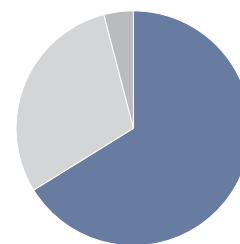
## Company profile

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

[www.minor.com](http://www.minor.com)

## Principal activities (revenue, 2021)

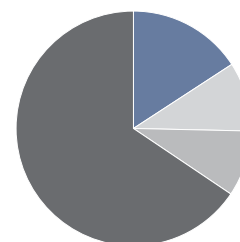
- Hotel & Mixed-use - 66.2 %
- F&B revenue - 29.8 %
- Retail revenue - 4.1 %



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 rate ramp-up following the global tourism recovery; 2) improving consumption and economic growth resulting in strong SSSG; and 3) the return of Chinese tourists which should drive demand for Thai and Maldives hotels.

## 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
Feb-23	4Q22 results announcement

## Key assumptions

	2022E	2023E	2024E
	(%)	(%)	(%)
<b>Owned &amp; leased hotels</b>			
- Number of rooms (no.)	56,921	56,921	56,921
- Occupancy rate (OCC)	59	69	71
- RevPAR growth	119	26	4
<b>Food business</b>			
- Number of outlets (no.)	2,508	2,584	2,687
- Same-Store Sales Growth (SSSG)	10	7	2
- Total System Sales Growth (TSSG)	27	10	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



## 4Q22 results preview

We expect NH Hotel (NHH SM)'s revenue to drop by 6% q-q to EUR557m, but still exceed the pre-Covid level by 6%. RevPAR should drop by 8% q-q, but still be 11% above pre-Covid with an estimated OCC rate of 65% (vs 70% in 3Q22) and an ADR of EUR128 (vs EUR130 in 3Q22). NHH's EBITDA margin should slightly decline to 30% (vs 32% in 3Q22). Thus, we forecast NHH's 4Q22 core profit at EUR31m (vs EUR47m in 3Q22), implying a cTHB1.1b profit contribution to MINT in 4Q22 (vs THB1.6b in 3Q22 and THB1.3b in 4Q19).

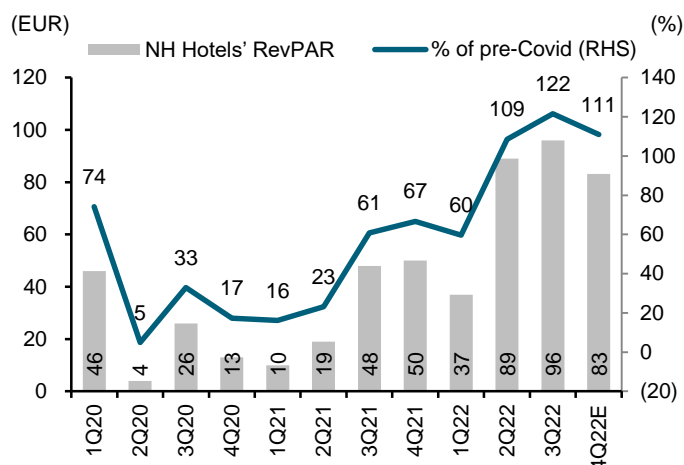
Non-NHH operations should post a strong recovery led by Thai hotels. The RevPAR of Thai hotels should jump by 66% and reach the pre-Covid level in 4Q22 (vs 75% of pre-Covid in 3Q22), with an estimated OCC rate of 64% (vs 52% in 3Q22) and an ADR of THB7,600 (vs THB5,643 in 3Q22 and THB6,613 in 4Q19). Maldives hotel RevPAR should remain strong at 30% above pre-Covid in 4Q22.

Overall hotel business revenue should grow by 6% q-q and the EBITDA margin should slightly decline to 31% from 32% in 3Q22 due to the low season for European hotels.

In addition, we project food business revenue to be relatively flat q-q. Thai restaurants should record strong SSSG of 15% y-y (vs 11% y-y in 3Q22), while SSSG at its restaurants in China should drop by 20% y-y due to lockdowns in some cities. The EBITDA margin should be flat q-q at 21%.

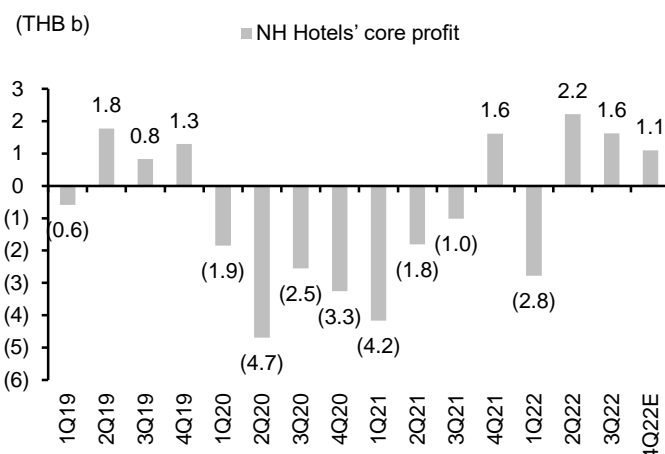
As a result, we estimate non-NHH core profit to improve from THB0.4b in 3Q22 to THB1.0b in 4Q22. Overall, we forecast MINT's core profit at THB2.1b in 4Q22, a slight improvement from THB2.0b in 3Q22.

**Exhibit 1: NHH's RevPAR**



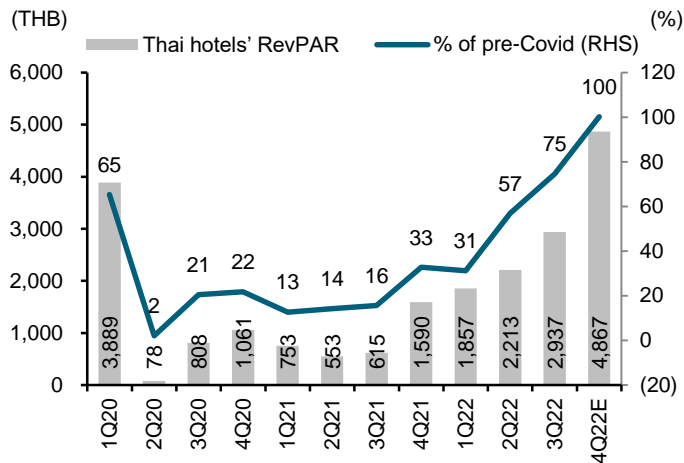
Source: NHH; MINT; FSSIA estimates

**Exhibit 2: NHH's core profit contribution to MINT**



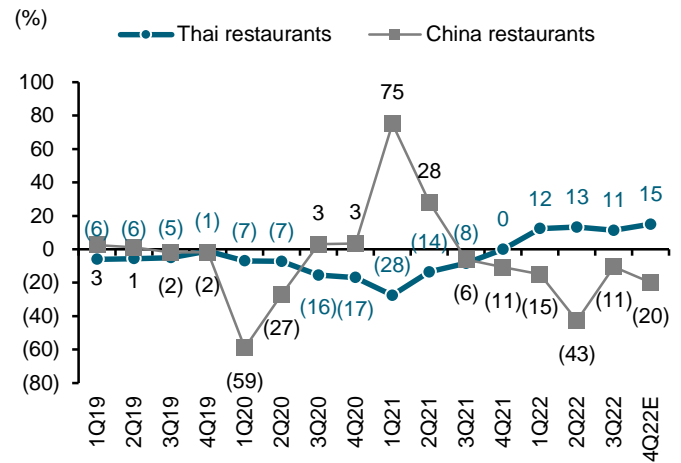
Note: Based on the 94% stake that MINT holds in NHH  
Source: NHH; MINT; FSSIA estimates

Exhibit 3: RevPAR at Thai hotels



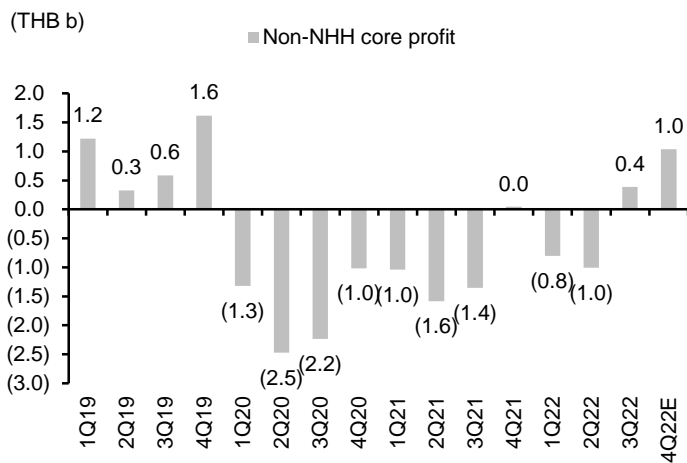
Source: MINT; FSSIA estimates

Exhibit 4: Food business SSSG in Thailand and China



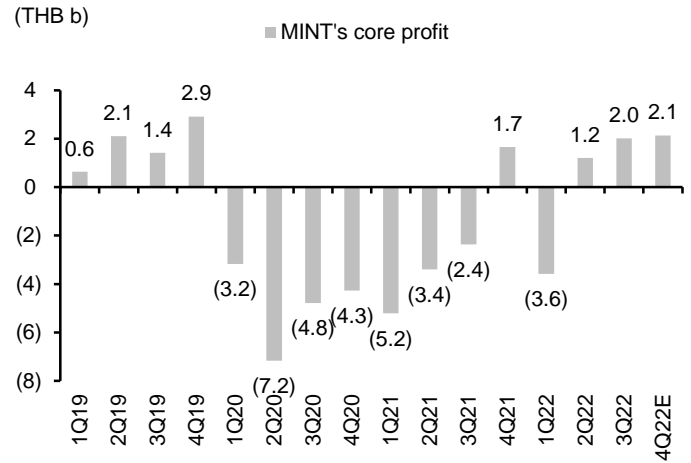
Source: MINT; FSSIA estimates

Exhibit 5: Non-NHH core profit



Source: MINT; FSSIA estimates

Exhibit 6: MINT's core profit



Source: MINT; FSSIA estimates

## Exhibit 7: 4Q22 results preview

	4Q21	1Q22	2Q22	3Q22	4Q22E	----- Change -----		2022E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)
<b>Sales</b>	<b>23,990</b>	<b>19,630</b>	<b>31,423</b>	<b>33,567</b>	<b>35,121</b>	<b>5</b>	<b>46</b>	<b>119,802</b>	<b>76</b>
-Hotel & Mixed-use	17,416	12,967	24,770	25,893	27,447	6	58	91,206	102
-Restaurant	5,639	6,123	6,066	7,035	6,971	(1)	24	26,047	28
-Retail	935	541	587	639	704	10	(25)	2,550	(8)
<b>COGS (incl. depreciation)</b>	<b>(13,962)</b>	<b>(13,591)</b>	<b>(17,064)</b>	<b>(18,240)</b>	<b>(19,483)</b>	<b>7</b>	<b>40</b>	<b>(65,499)</b>	<b>38</b>
<b>Gross Profit</b>	<b>10,028</b>	<b>6,040</b>	<b>14,359</b>	<b>15,327</b>	<b>15,639</b>	<b>2</b>	<b>56</b>	<b>54,303</b>	<b>161</b>
SG&A	(8,733)	(9,023)	(10,797)	(11,293)	(11,857)	5	36	(45,525)	46
<b>Operating Profit</b>	<b>1,295</b>	<b>(2,983)</b>	<b>3,562</b>	<b>4,035</b>	<b>3,781</b>	<b>(6)</b>	<b>192</b>	<b>8,779</b>	<b>185</b>
Net other income	2,416	833	720	986	1,005	2	(58)	2,902	(52)
Interest income	197	151	174	238	238	0	21	607	(4)
Interest expense	(1,695)	(2,056)	(2,157)	(2,289)	(2,335)	2	38	(8,852)	9
<b>Pretax profit</b>	<b>2,213</b>	<b>(4,056)</b>	<b>2,300</b>	<b>2,969</b>	<b>2,690</b>	<b>(9)</b>	<b>22</b>	<b>3,437</b>	<b>129</b>
Income Tax	(666)	145	(812)	(963)	(853)	(11)	28	(2,165)	(233)
Associates	30	55	(137)	171	468	173	1,437	579	(378)
Minority interest	79	274	(140)	(168)	(170)	1	(315)	(77)	(108)
<b>Core profit</b>	<b>1,657</b>	<b>(3,582)</b>	<b>1,210</b>	<b>2,010</b>	<b>2,135</b>	<b>6</b>	<b>29</b>	<b>1,774</b>	<b>119</b>
Extraordinaries, GW & FX	(3,214)	(212)	351	2,598		(100)	(100)	2,737	
<b>Reported net profit</b>	<b>(1,557)</b>	<b>(3,794)</b>	<b>1,561</b>	<b>4,608</b>	<b>2,135</b>	<b>(54)</b>	<b>(237)</b>	<b>4,511</b>	<b>134</b>
Shares out (end Q, m)	5,214	5,218	5,257	5,258	5,258	0	1	5,755	10
<b>Core EPS</b>	<b>0.3</b>	<b>(0.7)</b>	<b>0.2</b>	<b>0.4</b>	<b>0.4</b>	<b>6</b>	<b>28</b>	<b>0.3</b>	<b>117</b>
<b>EPS</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>0.3</b>	<b>0.9</b>	<b>0.4</b>	<b>(54)</b>	<b>(236)</b>	<b>0.8</b>	<b>131</b>
COGS (excl. depreciation)	(8,952)	(8,901)	(12,176)	(13,358)	(14,503)	9	62	(45,648)	66
Depreciation	(5,009)	(4,690)	(4,888)	(4,882)	(4,980)	2	(1)	(19,850)	(0)
EBITDA	8,948	2,745	9,208	10,312	10,473	2	17	32,718	103
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	42	31	46	46	45	(1)	3	45	15
SG&A/Revenue	36	46	34	34	34	0	(3)	38	(8)
Hotel EBITDA margin	36	11	31	32	31	(2)	(6)		
Food EBITDA margin	23	18	17	21	21	(0)	(2)		
Retail EBITDA margin	13	21	20	22	22	0	9		
Total EBITDA margin	33	13	28	30	29	(1)	(4)	24	10
Net profit margin	(6)	(18)	5	13	6	(7)	12	4	21
<b>Operating stat</b>									
<b>Owned &amp; leased RevPAR (y-y %)</b>									
<b>Total</b>	<b>278</b>	<b>252</b>	<b>334</b>	<b>n/a</b>	<b>0</b>				
Thailand	50	147	300	n/a	0				
Maldives	nm	nm	nm	n/a	nm				
Europe & The Americas (NHH)	285	270	368	n/a	0				
<b>SSSG (y-y %)</b>									
<b>Total</b>	<b>(2)</b>	<b>4</b>	<b>8</b>	<b>17</b>	<b>14</b>				
Thailand	0	12	13	11	15				
China	(11)	(15)	(43)	(11)	(20)				
<b>TSSG (y-y %)</b>									
<b>Total</b>	<b>6</b>	<b>12</b>	<b>13</b>	<b>41</b>	<b>18</b>				
Thailand	9	20	26	51	20				
China	7	(2)	(52)	0	(20)				

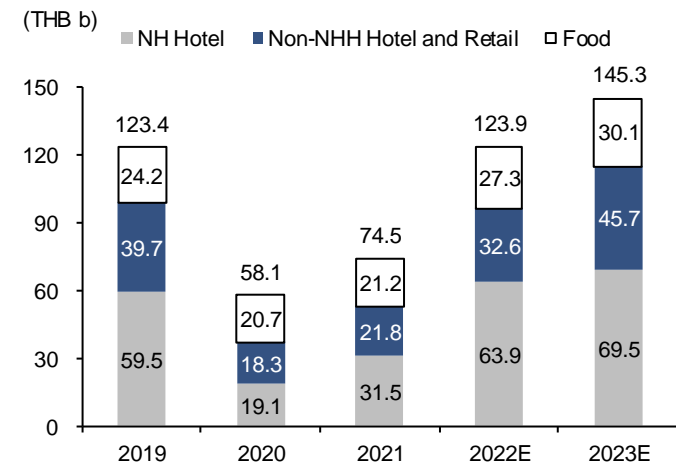
Sources: MINT; FSSIA estimates

**Exhibit 8: Changes in key assumptions**

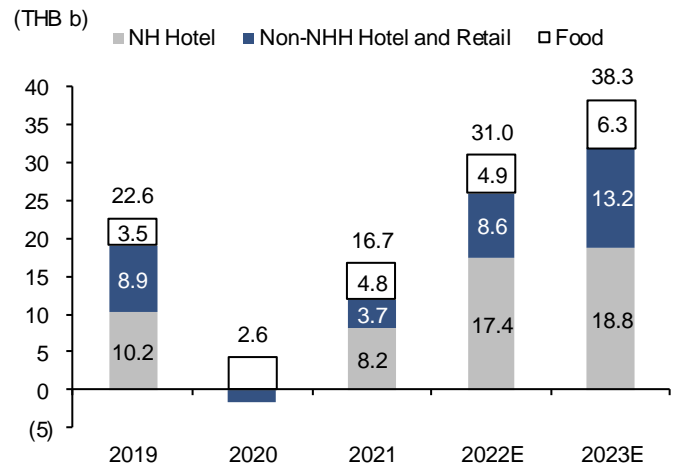
	Current			Previous			Change (%)		
	2022E	2023E	2024E	2022E	2023E	2024E	2022E	2023E	2024E
Hotel - OCC (%)	59	69	71	59	68	71	-	1.0	-
Hotel - RevPAR (THB)	2,816	3,415	3,570	2,816	3,342	3,530	-	2.2	1.1
Food - SSSG (%)	10	7	2	9	2	2	1.0	5.0	-
Food - TSSG (%)	27	10	6	21	6	6	6.0	4.0	0.0
Revenue (THB b)	119.8	141.0	147.1	118.6	136.1	143.4	1.0	3.6	2.6
EBITDA margin (%)	23.9	24.1	25.0	22.5	23.8	24.5	1.4	0.3	0.5
Core earnings (THB b)	1.8	5.5	7.0	1.1	5.5	7.0	66.8	0.0	0.0

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

Source: FSSIA estimates

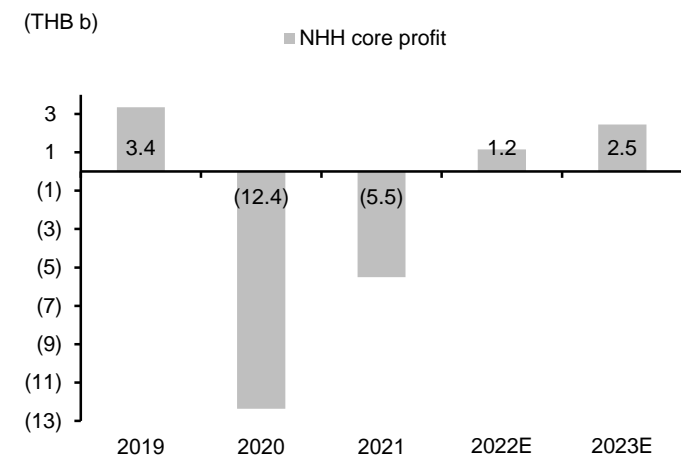
**Exhibit 9: Revenue forecast breakdown**

Sources: NHH; MINT; FSSIA estimates

**Exhibit 10: EBITDA forecast breakdown**

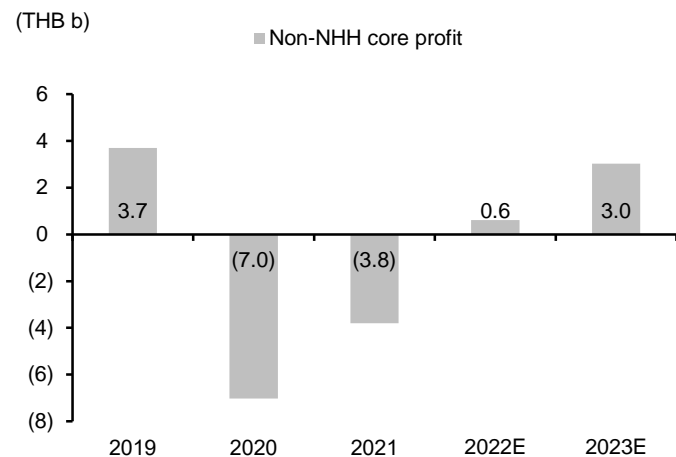
Note: EBITDA in 2019 excludes TFRS-16 accounting standard

Sources: NHH; MINT; FSSIA estimates

**Exhibit 11: NHH's annual core profit contribution to MINT**

Note: Based on the 94% stake that MINT holds in NHH

Source: NHH; MINT; FSSIA estimates

**Exhibit 12: Annual non-NHH core profit**

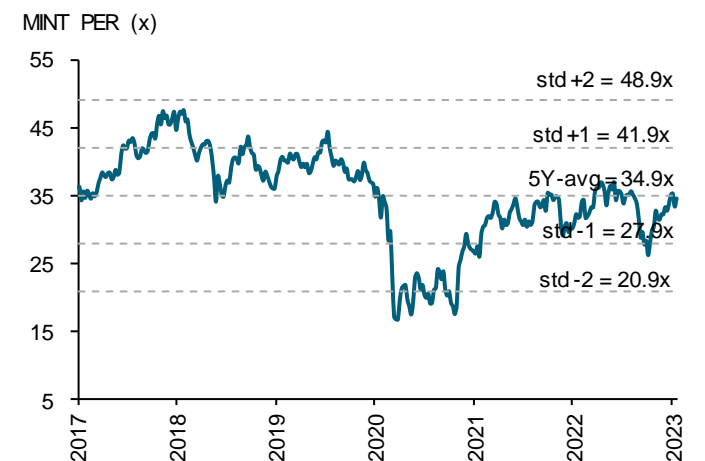
Sources: MINT; FSSIA estimates

## Exhibit 13: 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		172.0	29.9	WACC 8.3%, risk-free rate 3%, risk premium 8%	
Terminal value		250.6	43.6	Terminal growth 2.5%	
Cash & liquid assets		17.1	3.0	At end-2023E	
Investments		16.2	2.8	At end-2023E	
Debt		(214.1)	(37.2)	At end-2023E	
Minorities		(11.8)	(2.1)	At end-2023E	
<b>Residual ordinary equity</b>		<b>230.1</b>	<b>40.0</b>		

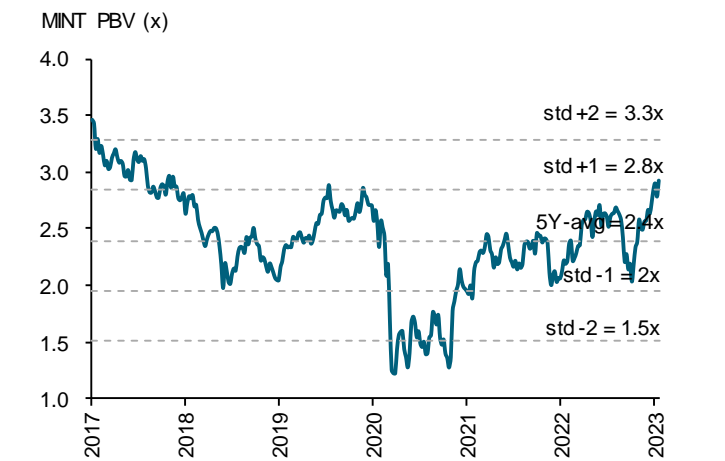
Source: FSSIA estimates

## Exhibit 14: Historical P/E band



Sources: Bloomberg; FSSIA estimates

## Exhibit 15: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

## Exhibit 16: Peer comparisons as of 27 Jan-23

Company	BBG	Rec	Share price			Market	PE			ROE		PBV		EV/EBITDA	
			Current	Target	Upside	Cap	22E	23E	24E	22E	23E	22E	23E	22E	23E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
<b>Thailand</b>															
Asset World Corp	AWC TB	BUY	6.10	6.80	11	5,945	(886.7)	92.6	53.0	(0.3)	2.5	2.4	2.2	99.3	45.5
Minor International	MINT TB	BUY	34.00	40.00	18	5,462	110.3	35.6	27.8	2.5	7.9	2.4	2.9	13.0	11.5
Central Plaza Hotel	CEN TEL TB	BUY	52.00	58.00	12	2,138	311.9	32.8	26.8	1.2	11.1	3.8	3.4	23.9	14.5
Erawan Group	ERW TB	BUY	4.86	5.00	3	671	(64.1)	46.7	41.3	(5.9)	8.0	3.9	3.6	39.3	17.0
S Hotels & Resorts	SHR TB	BUY	4.38	5.30	21	479	(1,035.3)	34.3	23.3	(0.1)	2.8	1.0	1.0	15.6	10.3
Dusit Thani	DUSIT TB	BUY	13.10	18.00	37	339	(16.6)	102.5	30.5	(22.3)	3.9	4.0	3.9	170.8	33.5
<b>Thailand average</b>						<b>15,034</b>	<b>(263.4)</b>	<b>57.4</b>	<b>33.8</b>	<b>(4.1)</b>	<b>6.0</b>	<b>2.9</b>	<b>2.8</b>	<b>60.3</b>	<b>22.0</b>
<b>Regional</b>															
Btg Hotels Group	600258 CH	n/a	24.30	n/a	n/a	3,913	n/a	32.7	22.3	(2.8)	7.1	2.4	2.3	24.0	12.0
Sh Jinjiang Intl Hotels	900934 CH	n/a	2.09	n/a	n/a	8,309	97.5	9.1	6.4	1.0	8.7	0.9	0.9	45.8	17.8
Huangshan Tourism Dev.	900942 CH	n/a	0.84	n/a	n/a	1,109	n/a	17.5	12.9	(1.1)	5.8	1.0	0.9	46.3	11.5
Genting Bhd	GENT MK	n/a	5.10	n/a	n/a	4,511	43.6	14.8	11.9	1.7	4.4	0.6	0.6	8.4	6.9
Greentree Hospitality	GHG US	n/a	4.47	n/a	n/a	461	n/a	12.7	8.1	7.3	15.3	2.0	1.6	n/a	6.5
Huazhu Group	HTHT US	n/a	50.23	n/a	n/a	15,992	n/a	54.0	40.0	(11.3)	19.9	13.3	11.0	129.9	24.5
Indian Hotels	IH IN	n/a	286.45	n/a	n/a	5,085	n/a	51.7	37.8	(4.5)	10.7	7.0	5.4	81.5	26.9
Lemon Tree Hotels	LEMONTRE IN	n/a	72.85	n/a	n/a	718	n/a	59.7	38.3	(6.2)	10.8	6.8	6.5	53.4	21.0
Lippo Karawaci	LPKR IJ	n/a	82.00	n/a	n/a	383	n/a	n/a	27.5	(3.0)	(0.8)	0.3	0.3	9.3	8.2
<b>Regional average</b>						<b>40,482</b>	<b>70.6</b>	<b>31.5</b>	<b>22.8</b>	<b>(1.8)</b>	<b>8.6</b>	<b>3.8</b>	<b>3.3</b>	<b>49.8</b>	<b>15.0</b>
<b>Overall average</b>						<b>55,517</b>	<b>(179.9)</b>	<b>42.6</b>	<b>27.2</b>	<b>(2.7)</b>	<b>7.6</b>	<b>3.5</b>	<b>3.1</b>	<b>54.3</b>	<b>17.8</b>

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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	119,802	140,959	147,106
Cost of goods sold	(28,652)	(27,475)	(45,648)	(54,154)	(55,423)
<b>Gross profit</b>	<b>27,206</b>	<b>40,776</b>	<b>74,153</b>	<b>86,806</b>	<b>91,682</b>
Other operating income	-	-	-	-	-
Operating costs	(26,715)	(31,188)	(45,525)	(52,860)	(54,870)
<b>Operating EBITDA</b>	<b>492</b>	<b>9,588</b>	<b>28,629</b>	<b>33,946</b>	<b>36,812</b>
Depreciation	(18,602)	(19,942)	(19,850)	(20,830)	(21,597)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>(18,111)</b>	<b>(10,354)</b>	<b>8,779</b>	<b>13,116</b>	<b>15,215</b>
Net financing costs	(6,876)	(7,484)	(8,244)	(9,273)	(9,188)
Associates	(464)	(209)	579	662	710
Recurring non-operating income	1,701	5,888	3,481	3,651	3,789
Non-recurring items	(2,019)	(3,852)	2,737	0	0
<b>Profit before tax</b>	<b>(25,305)</b>	<b>(15,802)</b>	<b>6,753</b>	<b>7,494</b>	<b>9,815</b>
Tax	2,601	1,627	(2,165)	(1,718)	(2,459)
<b>Profit after tax</b>	<b>(22,703)</b>	<b>(14,175)</b>	<b>4,588</b>	<b>5,776</b>	<b>7,357</b>
Minority interests	1,296	1,009	(77)	(281)	(310)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(21,407)</b>	<b>(13,167)</b>	<b>4,511</b>	<b>5,494</b>	<b>7,047</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>2,019</b>	<b>3,852</b>	<b>(2,737)</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(19,388)</b>	<b>(9,315)</b>	<b>1,774</b>	<b>5,494</b>	<b>7,047</b>
<b>Per share (THB)</b>					
Recurring EPS *	(3.74)	(1.79)	0.31	0.95	1.22
Reported EPS	(4.13)	(2.53)	0.87	0.98	1.22
DPS	0.00	0.00	0.12	0.33	0.42
Diluted shares (used to calculate per share data)	5,182	5,214	5,755	5,755	5,755
<b>Growth</b>					
Revenue (%)	(52.9)	22.2	75.5	17.7	4.4
Operating EBITDA (%)	(97.3)	1,850.7	198.6	18.6	8.4
Operating EBIT (%)	nm	nm	nm	49.4	16.0
Recurring EPS (%)	nm	nm	nm	209.7	28.3
Reported EPS (%)	nm	nm	nm	13.5	24.7
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	15.4	30.5	45.3	46.8	47.6
Gross margin of key business (%)	15.4	30.5	45.3	46.8	47.6
Operating EBITDA margin (%)	0.9	14.0	23.9	24.1	25.0
Operating EBIT margin (%)	(32.4)	(15.2)	7.3	9.3	10.3
Net margin (%)	(34.7)	(13.6)	1.5	3.9	4.8
Effective tax rate (%)	11.4	13.9	63.0	25.2	27.0
Dividend payout on recurring profit (%)	-	-	37.5	35.0	34.0
Interest cover (X)	(2.4)	(0.6)	1.5	1.8	2.1
Inventory days	49.8	47.6	31.5	28.4	26.9
Debtor days	91.0	72.0	44.6	37.9	36.3
Creditor days	225.1	223.9	171.1	148.1	130.2
Operating ROIC (%)	(6.9)	(3.1)	1.2	3.6	4.2
ROIC (%)	(5.5)	(1.2)	1.5	4.1	4.6
ROE (%)	(27.2)	(13.8)	2.5	7.9	10.7
ROA (%)	(4.7)	(1.1)	1.3	3.6	4.1

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2020	2021	2022E	2023E	2024E
Hotel & Mixed-use	32,714	45,160	91,206	109,250	113,587
F&B revenue	19,491	20,321	26,047	28,651	30,370
Retail revenue	3,653	2,770	2,550	3,057	3,149

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)	1,774	5,494	7,047
Depreciation	18,602	19,942	19,850	20,830	21,597
Associates & minorities	-	-	-	-	-
Other non-cash items	(2,368)	(5,186)	2,814	281	310
Change in working capital	(4,216)	6,605	4,940	(6,803)	364
<b>Cash flow from operations</b>	<b>(7,369)</b>	<b>12,046</b>	<b>29,378</b>	<b>19,803</b>	<b>29,318</b>
Capex - maintenance	(114,585)	(27,042)	(12,000)	(12,000)	(13,000)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(1,234)	(197)	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(115,818)</b>	<b>(27,238)</b>	<b>(12,000)</b>	<b>(12,000)</b>	<b>(13,000)</b>
Dividends paid	0	0	0	(603)	(1,868)
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
<b>Cash flow from financing</b>	<b>136,045</b>	<b>14,101</b>	<b>(13,000)</b>	<b>(20,154)</b>	<b>(14,901)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>12,857</b>	<b>(1,092)</b>	<b>4,378</b>	<b>(12,351)</b>	<b>1,417</b>
Free cash flow to firm (FCFF)	(115,735.09)	(7,074.20)	26,229.24	17,789.34	25,920.46
Free cash flow to equity (FCFE)	(5,164.81)	(638.87)	4,377.64	(197.44)	8,317.68

#### Per share (THB)

FCFF per share	(20.11)	(1.23)	4.56	3.09	4.50
FCFE per share	(0.90)	(0.11)	0.76	(0.03)	1.45
Recurring cash flow per share	(0.61)	1.04	4.69	4.76	5.03

Balance Sheet (THB m) Year Ending Dec	2020	2021	2022E	2023E	2024E
Tangible fixed assets (gross)	369,508	392,452	404,452	416,452	429,452
Less: Accumulated depreciation	(89,194)	(104,820)	(124,670)	(145,500)	(167,097)
<b>Tangible fixed assets (net)</b>	<b>280,314</b>	<b>287,632</b>	<b>279,781</b>	<b>270,952</b>	<b>262,355</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	16,052	16,249	16,249	16,249	16,249
Cash & equivalents	26,188	25,097	29,474	17,123	18,540
A/C receivable	12,286	14,638	14,638	14,638	14,638
Inventories	3,683	3,490	4,377	4,037	4,132
Other current assets	9,908	5,602	6,912	6,625	6,914
<b>Current assets</b>	<b>52,064</b>	<b>48,827</b>	<b>55,401</b>	<b>42,423</b>	<b>44,223</b>
Other assets	13,896	16,926	16,926	16,926	16,926
<b>Total assets</b>	<b>362,327</b>	<b>369,633</b>	<b>368,357</b>	<b>346,549</b>	<b>339,753</b>
Common equity	66,981	68,023	72,533	65,874	66,020
Minorities etc.	9,343	11,470	11,547	11,828	12,138
<b>Total shareholders' equity</b>	<b>76,324</b>	<b>79,492</b>	<b>84,080</b>	<b>77,702</b>	<b>78,158</b>
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
<b>Long-term liabilities</b>	<b>263,849</b>	<b>263,187</b>	<b>250,187</b>	<b>242,187</b>	<b>234,187</b>
A/C payable	15,310	18,394	24,393	19,543	20,001
Short term debt	140	482	482	482	482
Other current liabilities	6,703	8,079	9,216	6,636	6,926
<b>Current liabilities</b>	<b>22,154</b>	<b>26,954</b>	<b>34,090</b>	<b>26,661</b>	<b>27,408</b>
<b>Total liabilities and shareholders' equity</b>	<b>362,327</b>	<b>369,633</b>	<b>368,357</b>	<b>346,549</b>	<b>339,753</b>
Net working capital	3,863	(2,742)	(7,682)	(879)	(1,243)
Invested capital	314,125	318,064	305,274	303,247	294,287

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

#### Per share (THB)

Book value per share	12.92	13.05	13.91	11.77	11.47
Tangible book value per share	12.92	13.05	13.91	11.77	11.47

#### Financial strength

Net debt/equity (%)	268.3	251.5	217.2	240.6	227.1
Net debt/total assets (%)	56.5	54.1	49.6	53.9	52.2
Current ratio (x)	2.4	1.8	1.6	1.6	1.6
CF interest cover (x)	0.2	0.9	1.5	1.0	1.9

Valuation	2020	2021	2022E	2023E	2024E
<b>Recurring P/E (x) *</b>	<b>(9.1)</b>	<b>(19.0)</b>	<b>110.3</b>	<b>35.6</b>	<b>27.8</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(10.7)</b>	<b>(22.4)</b>	<b>129.8</b>	<b>41.9</b>	<b>32.7</b>
Reported P/E (x)	(8.2)	(13.5)	39.3	34.6	27.8
Dividend yield (%)	-	-	0.3	1.0	1.2
Price/book (x)	2.6	2.6	2.4	2.9	3.0
Price/tangible book (x)	2.6	2.6	2.4	2.9	3.0
EV/EBITDA (x) **	794.1	40.5	13.0	11.5	10.5
EV/EBITDA @ target price (x) **	857.3	43.8	14.1	12.4	11.4
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	BDM5	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	SEAOL	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	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	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	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	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 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 34.00	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.
Asset World Corp	AWC TB	THB 6.10	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.
Central Plaza Hotel	CENTEL TB	THB 52.00	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 4.86	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 4.38	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 13.10	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

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All share prices are as at market close on 27-Jan-2023 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.