

MINOR INTERNATIONAL  
THAILAND / FOOD & BEVERAGE

## MINT TB

FSSIA ESG rating

BUY  
UNCHANGED

## Key takeaways from analyst meeting

TARGET PRICE	THB43.00
CLOSE	THB27.50
UP/DOWNSIDE	+56.4%
TP vs CONSENSUS	+6.9%

## Highlights

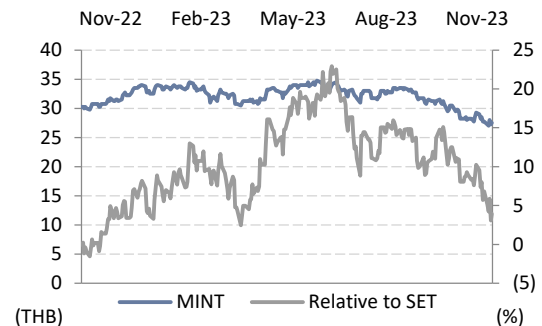
- เราได้รับข้อมูลเป็นบวกเล็กน้อยจากที่ประชุมนักวิเคราะห์หลังผลประกอบการ 3Q23 ของ MINT
- อัตราการเข้าพัก (OCC rate) ของโรงแรมในยุโรปยังอยู่ในเกณฑ์ดีที่ 74% ในเดือน ต.ค. (เทียบกับ 71% ใน 3Q23) พร้อมอัตราค่าห้องรายวันเฉลี่ย (ADR) ที่สูงกว่าระดับก่อนโควิด 30-40% อย่างไรก็ตามตัวเลขดังกล่าวน่าจะชะลอตัวในเดือน พ.ย. - ธ.ค. ในภาพรวมผู้บริหารคาด OCC rate เฉลี่ยที่กว่า 70% ใน 4Q23 (เทียบกับ 71% ใน 4Q19)
- OCC rate ของโรงแรมในไทยอยู่ที่ประมาณ 60% ในเดือน ต.ค. พร้อมตัวเลขการจองในอนาคตที่กว่า 50% ของจำนวนห้องรวมในเดือน ธ.ค. ในภาพรวมผู้บริหารคาด OCC rate เฉลี่ยที่ 70-80% ใน 4Q23 (เทียบกับ 73% ใน 4Q19)
- สำหรับโรงแรมในยุโรป MINT ได้ทำสัญญาป้องกันความเสี่ยงสำหรับราคาค่าไฟฟ้าและก๊าซธรรมชาติไว้ที่ 30-35% และ 70% ของการบริโภคตามลำดับและวางแผนเพิ่มสถานะดังกล่าวเป็นกว่า 80%
- ในด้านลบโรงแรมในมัลดีฟส์ยังคงอ่อนแอโดยมี OCC rate อยู่ที่ 50-64% ในเดือน ต.ค. - ธ.ค.
- แม้ว่ายอดขายจากสาขาเดิม (SSS) จะลดลง 1% y-y กำไรปกติของธุรกิจอาหารกลับกระโดดเพิ่ม 46% y-y เป็น 584 ลบ. และสูงกว่าระดับก่อนโควิด 182% ใน 3Q23 จาก EBITDA margin ที่ปรับตัวดีขึ้นจากการควบคุมต้นทุนที่ดีขึ้นและต้นทุนค่าวัตถุดิบที่ลดลงโดยเฉพาะอย่างยิ่งราคาปลาซึ่งเป็นวัตถุดิบสำคัญสำหรับโรงแรม Riverside ในจีน
- ผู้บริหารคาดว่าธุรกิจอาหารจะรายงานอัตรากำไรสุทธิ (NPM) ปรับตัวเพิ่มจาก 7.6% ใน 3Q23 และ 6.4% ใน 9M23 เป็น 8-9% ในอีก 3 ปีข้างหน้า
- SSS ของร้านอาหารในไทยยังลดลงที่ 1.6% ในเดือน ต.ค. (เทียบกับ -1.0% ใน 3Q23) พร้อมอัตราการเติบโตของยอดขายจากสาขารวม (TSSG) ที่ 1-2%
- MINT มีเงินสดในมืออยู่ที่ 20 พัน ลบ. ณ สิ้นไตรมาส 3Q23 และคาดว่าจะใช้เงินสด 6-7 พัน ลบ. เพื่อชำระหนี้ล่วงหน้า (113 พัน ลบ.) ใน 4Q23 นอกจากนี้ผู้บริหารยังคาดว่าจะมีส่วนลดหนี้ที่มีต่อส่วนผู้ถือหุ้นจะลดลงไปต่ำกว่า 1.0x ในปี 2024 จาก 1.05x ณ สิ้นไตรมาส 3Q23 เพื่อลด Cost of debt ซึ่งเพิ่มขึ้นจาก 3.7% ในปี 2022 ให้เหลือ 4.9-5.0% ในปี 2023 และ 5.0-5.2% ในปี 2024E

## Recommendation

- MINT มีการซื้อขายในระดับการประเมินมูลค่าที่ต่ำที่ 24x/22x 2023E/2024E P/E (เทียบกับค่าเฉลี่ย 5 ปีย้อนหลังที่ 30x ค่าเฉลี่ยของกลุ่มฯ ที่ 26x 2024E P/E) เราเห็นว่าราคาหุ้นที่ลดลงในช่วงที่ตลาดผันผวนเป็นโอกาสในการซื้อหุ้นเพื่อจับแนวโน้มที่ดีในปี 2024

## KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	119,364	142,783	150,610	157,665
Net profit	4,286	6,479	7,357	8,186
EPS (THB)	0.82	1.16	1.28	1.42
vs Consensus (%)	-	12.1	(1.6)	(7.9)
EBITDA	28,886	35,710	37,789	40,226
Recurring net profit	2,017	6,479	7,357	8,186
Core EPS (THB)	0.35	1.13	1.28	1.42
EPS growth (%)	nm	221.2	13.6	11.3
Core P/E (x)	78.4	24.4	21.5	19.3
Dividend yield (%)	-	1.4	1.6	1.8
EV/EBITDA (x)	11.8	9.5	9.6	8.7
Price/book (x)	2.0	1.8	2.3	2.1
Net debt/Equity (%)	222.9	175.0	235.2	202.9
ROE (%)	2.9	8.2	9.5	11.5



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(7.6)	(16.7)	(9.8)
Relative to country (%)	(6.4)	(10.0)	2.8
Mkt cap (USD m)	4,388		
3m avg. daily turnover (USD m)	12.6		
Free float (%)	63		
Major shareholder	Minor Holdings (Thai) (16%)		
12m high/low (THB)	35.00/26.50		
Issued shares (m)	5,754.62		

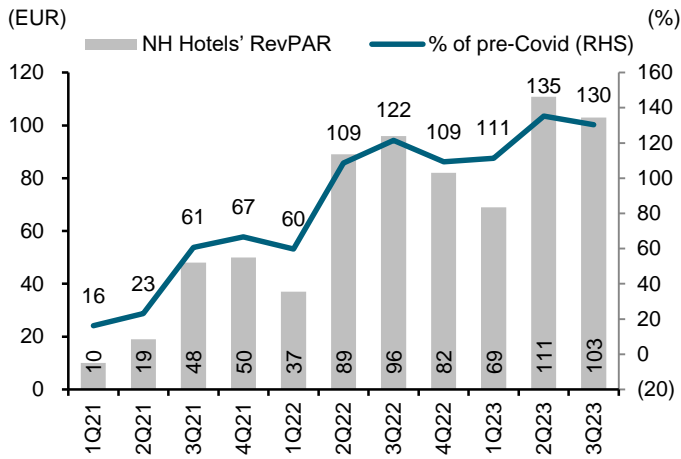
Sources: Bloomberg consensus; FSSIA estimates



Teerapol Udomvej, CFA

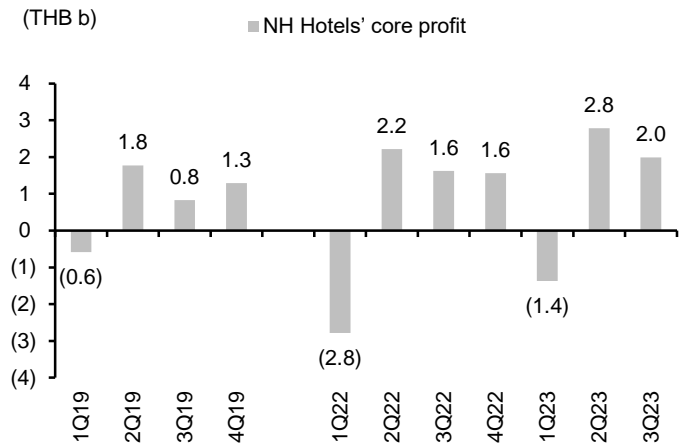
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**Exhibit 1: NHH's RevPAR**



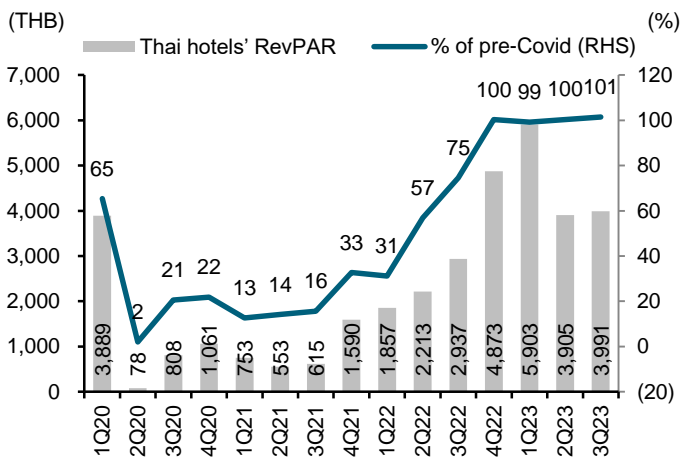
Source: NHH; MINT

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



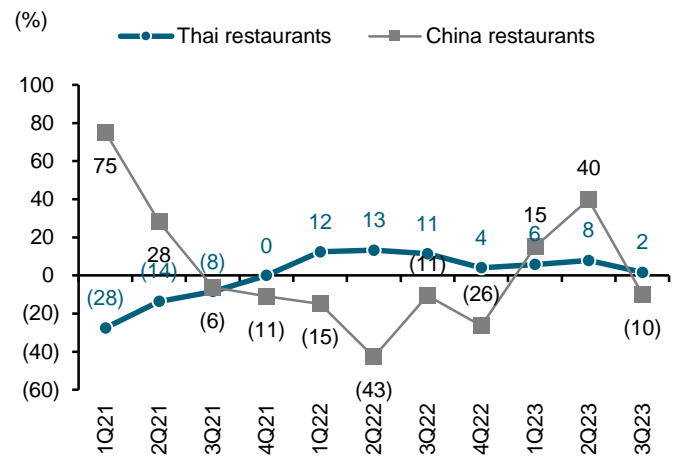
Note: Based on the 94% stake that MINT holds in NHH and 96% stake from 3Q23 onwards  
Source: NHH; MINT; FSSIA estimates

**Exhibit 3: RevPAR at Thai hotels**



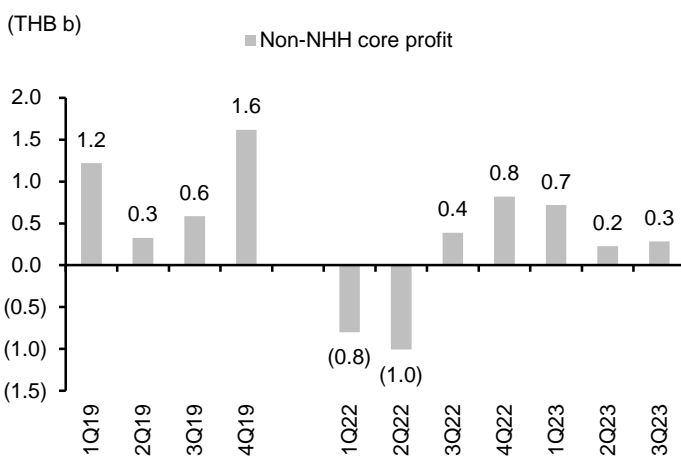
Source: MINT

**Exhibit 4: Food business SSSG in Thailand and China**



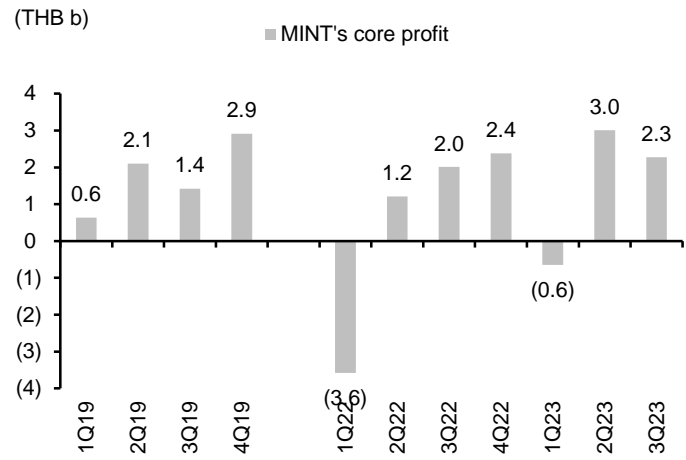
Source: MINT

**Exhibit 5: Non-NHH core profit**



Source: MINT; FSSIA estimates

**Exhibit 6: MINT's core profit**



Source: MINT; FSSIA estimates

## Financial Statements

Minor International

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	68,251	119,364	142,783	150,610	157,665
Cost of goods sold	(47,417)	(67,753)	(77,809)	(82,166)	(85,816)
<b>Gross profit</b>	<b>20,834</b>	<b>51,610</b>	<b>64,974</b>	<b>68,444</b>	<b>71,849</b>
Other operating income	-	-	-	-	-
Operating costs	(31,188)	(41,999)	(49,525)	(51,938)	(54,056)
<b>Operating EBITDA</b>	<b>9,588</b>	<b>28,886</b>	<b>35,710</b>	<b>37,789</b>	<b>40,226</b>
Depreciation	(19,942)	(19,275)	(20,260)	(21,283)	(22,432)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>(10,354)</b>	<b>9,612</b>	<b>15,449</b>	<b>16,506</b>	<b>17,793</b>
Net financing costs	(7,484)	(8,138)	(9,567)	(9,455)	(9,535)
Associates	(209)	136	579	666	700
Recurring non-operating income	5,888	3,133	3,669	3,849	3,978
Non-recurring items	(3,852)	2,269	0	0	0
<b>Profit before tax</b>	<b>(15,802)</b>	<b>6,877</b>	<b>9,551</b>	<b>10,900</b>	<b>12,237</b>
Tax	1,627	(2,354)	(2,422)	(2,763)	(3,115)
<b>Profit after tax</b>	<b>(14,175)</b>	<b>4,523</b>	<b>7,129</b>	<b>8,137</b>	<b>9,122</b>
Minority interests	1,009	(236)	(650)	(780)	(936)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(13,167)</b>	<b>4,286</b>	<b>6,479</b>	<b>7,357</b>	<b>8,186</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>3,852</b>	<b>(2,269)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(9,315)</b>	<b>2,017</b>	<b>6,479</b>	<b>7,357</b>	<b>8,186</b>
<b>Per share (THB)</b>					
Recurring EPS *	(1.79)	0.35	1.13	1.28	1.42
Reported EPS	(2.53)	0.82	1.16	1.28	1.42
DPS	0.00	0.00	0.39	0.43	0.48
Diluted shares (used to calculate per share data)	5,214	5,755	5,755	5,755	5,755
<b>Growth</b>					
Revenue (%)	22.2	74.9	19.6	5.5	4.7
Operating EBITDA (%)	1,850.7	201.3	23.6	5.8	6.4
Operating EBIT (%)	nm	nm	60.7	6.8	7.8
Recurring EPS (%)	nm	nm	221.2	13.6	11.3
Reported EPS (%)	nm	nm	41.8	10.4	11.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	30.5	43.2	45.5	45.4	45.6
Gross margin exc. depreciation (%)	59.7	59.4	59.7	59.6	59.8
Operating EBITDA margin (%)	14.0	24.2	25.0	25.1	25.5
Operating EBIT margin (%)	(15.2)	8.1	10.8	11.0	11.3
Net margin (%)	(13.6)	1.7	4.5	4.9	5.2
Effective tax rate (%)	13.9	52.6	27.0	27.0	27.0
Dividend payout on recurring profit (%)	-	-	35.0	34.0	34.0
Interest cover (X)	(0.6)	1.6	2.0	2.2	2.3
Inventory days	47.6	27.9	26.0	26.5	26.7
Debtor days	72.0	48.5	47.2	50.1	49.6
Creditor days	223.9	151.3	135.0	128.1	129.1
Operating ROIC (%)	(3.1)	1.6	4.1	4.4	4.8
ROIC (%)	(1.2)	1.9	4.6	4.8	5.2
ROE (%)	(13.8)	2.9	8.2	9.5	11.5
ROA (%)	(1.1)	1.7	3.9	4.2	4.7
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Hotel & Mixed-use	45,160	90,644	110,549	116,821	122,247
F&B revenue	20,321	26,213	29,336	30,802	32,343
Retail revenue	2,770	2,507	2,899	2,986	3,076

Sources: Minor International; FSSIA estimates

## Financial Statements

Minor International

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	(9,315)	2,017	6,479	7,357	8,186
Depreciation	19,942	19,275	20,260	21,283	22,432
Associates & minorities	-	-	-	-	-
Other non-cash items	(5,186)	(1,997)	650	780	936
Change in working capital	6,605	2,644	(8,805)	(551)	717
<b>Cash flow from operations</b>	<b>12,046</b>	<b>21,939</b>	<b>18,584</b>	<b>28,869</b>	<b>32,271</b>
Capex - maintenance	(27,042)	(5,900)	(17,000)	(20,000)	(17,000)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(197)	(1)	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(27,238)</b>	<b>(5,902)</b>	<b>(17,000)</b>	<b>(20,000)</b>	<b>(17,000)</b>
Dividends paid	0	0	0	(2,203)	(2,501)
Equity finance	(453)	(514)	9,276	(23,932)	0
Debt finance	(5,883)	(17,932)	(5,000)	(3,000)	(10,000)
Other financing cash flows	20,436	278	0	0	0
<b>Cash flow from financing</b>	<b>14,101</b>	<b>(18,168)</b>	<b>4,276</b>	<b>(29,135)</b>	<b>(12,501)</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>(1,092)</b>	<b>(2,130)</b>	<b>5,860</b>	<b>(20,266)</b>	<b>2,769</b>
Free cash flow to firm (FCFF)	(7,074.20)	25,040.43	11,610.44	18,900.53	24,976.94
Free cash flow to equity (FCFE)	(638.87)	(1,616.77)	(3,416.23)	5,869.24	5,270.65
<b>Per share (THB)</b>					
FCFF per share	(1.23)	4.35	2.02	3.28	4.34
FCFE per share	(0.11)	(0.28)	(0.59)	1.02	0.92
Recurring cash flow per share	1.04	3.68	4.90	5.11	5.48
<b>Balance Sheet (THB m) Year Ending Dec</b>					
Tangible fixed assets (gross)	392,452	381,640	398,640	418,640	435,640
Less: Accumulated depreciation	(104,820)	(107,248)	(127,508)	(148,791)	(171,224)
<b>Tangible fixed assets (net)</b>	<b>287,632</b>	<b>274,392</b>	<b>271,132</b>	<b>269,848</b>	<b>264,416</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	16,249	16,250	16,250	16,250	16,250
Cash & equivalents	25,097	22,966	28,826	8,560	11,330
A/C receivable	14,638	17,052	19,908	21,414	21,414
Inventories	3,490	3,909	4,290	4,539	4,725
Other current assets	5,602	6,369	6,711	7,079	7,410
<b>Current assets</b>	<b>48,827</b>	<b>50,296</b>	<b>59,735</b>	<b>41,592</b>	<b>44,879</b>
Other assets	16,926	17,272	17,272	17,272	17,272
<b>Total assets</b>	<b>369,633</b>	<b>358,210</b>	<b>364,388</b>	<b>344,962</b>	<b>342,817</b>
Common equity	68,023	71,059	86,814	68,036	73,720
Minorities etc.	11,470	11,550	12,200	12,980	13,916
<b>Total shareholders' equity</b>	<b>79,492</b>	<b>82,609</b>	<b>99,014</b>	<b>81,016</b>	<b>87,636</b>
Long term debt	224,576	207,126	202,126	199,126	189,126
Other long-term liabilities	38,610	35,759	35,759	35,759	35,759
<b>Long-term liabilities</b>	<b>263,187</b>	<b>242,885</b>	<b>237,885</b>	<b>234,885</b>	<b>224,885</b>
A/C payable	18,394	21,807	20,768	21,971	22,873
Short term debt	482	0	0	0	0
Other current liabilities	8,079	10,910	6,722	7,091	7,423
<b>Current liabilities</b>	<b>26,954</b>	<b>32,716</b>	<b>27,490</b>	<b>29,061</b>	<b>30,296</b>
<b>Total liabilities and shareholders' equity</b>	<b>369,633</b>	<b>358,210</b>	<b>364,388</b>	<b>344,962</b>	<b>342,817</b>
Net working capital	(2,742)	(5,386)	3,419	3,970	3,253
Invested capital	318,064	302,527	308,073	307,340	301,191
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	13.05	13.54	15.52	11.82	12.81
Tangible book value per share	13.05	13.54	15.52	11.82	12.81
<b>Financial strength</b>					
Net debt/equity (%)	251.5	222.9	175.0	235.2	202.9
Net debt/total assets (%)	54.1	51.4	47.6	55.2	51.9
Current ratio (x)	1.8	1.5	2.2	1.4	1.5
CF interest cover (x)	0.9	0.8	0.6	1.6	1.6
<b>Valuation</b>					
<b>Recurring P/E (x) *</b>	<b>(15.4)</b>	<b>78.4</b>	<b>24.4</b>	<b>21.5</b>	<b>19.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(24.1)</b>	<b>122.7</b>	<b>38.2</b>	<b>33.6</b>	<b>30.2</b>
Reported P/E (x)	(10.9)	33.7	23.7	21.5	19.3
Dividend yield (%)	-	-	1.4	1.6	1.8
Price/book (x)	2.1	2.0	1.8	2.3	2.1
Price/tangible book (x)	2.1	2.0	1.8	2.3	2.1
EV/EBITDA (x) **	37.0	11.8	9.5	9.6	8.7
EV/EBITDA @ target price (x) **	45.4	14.6	11.9	11.9	10.9
EV/invested capital (x)	1.1	1.1	1.1	1.2	1.2
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Minor International; FSSIA estimates

# Minor International PCL (MINT TB)

**FSSIA ESG rating**

★ ★ ★ ★ ★

Exhibit 7: FSSIA ESG score implication

**84.43 /100**

Rating	Score	Implication
★ ★ ★ ★ ★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★ ★ ★ ★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★ ★ ★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★ ★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 8: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
BEYOND	24.98	--	--	--	5.00	5.00	Certified	--	39.83	--	--	--	--	--	--
CENTEL	62.78	--	Y	Y	5.00	5.00	Certified	Medium	57.54	--	--	71.56	48.00	2.93	54.19
DUSIT	24.81	--	--	--	5.00	4.00	Certified	--	46.50	--	--	--	--	--	--
ERW	39.65	--	--	--	4.00	4.00	Certified	--	54.22	--	--	51.15	21.00	3.90	--
MINT	84.43	Y	Y	Y	5.00	4.00	Certified	Medium	57.57	AA	37.00	91.18	69.00	5.00	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 9: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>5.47</b>	<b>5.72</b>	<b>5.75</b>	<b>5.65</b>	<b>5.68</b>	<b>4.89</b>	<b>5.01</b>	<b>5.00</b>
BESG environmental pillar score	6.63	6.70	6.73	6.81	7.12	6.89	7.03	—
BESG social pillar score	6.36	6.38	6.38	6.38	6.14	3.70	3.78	—
BESG governance pillar score	3.35	3.95	4.01	3.62	3.61	3.73	3.87	—
<b>ESG disclosure score</b>	<b>52.30</b>	<b>52.19</b>	<b>55.26</b>	<b>58.45</b>	<b>60.14</b>	<b>60.79</b>	<b>65.48</b>	<b>—</b>
Environmental disclosure score	49.56	52.40	54.12	59.56	59.56	68.11	68.11	—
Social disclosure score	26.12	22.94	30.44	34.61	37.18	30.56	38.36	—
Governance disclosure score	81.10	81.10	81.10	81.10	83.59	83.59	89.86	—
<b>Environmental</b>								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG scope 1	—	47	70	86	74	108	145	244
GHG scope 2 location-based	—	161	159	228	260	199	205	257
GHG Scope 3	—	—	—	27	29	26	490	811
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	450	460	480	661	666	937	1,142	1,446
Renewable energy use	—	—	—	—	—	107	135	—
Electricity used	257	274	303	479	543	366	456	585
Fuel used - natural gas	—	—	—	—	—	587,813	722,758	861,737

Sources: Bloomberg; FSSIA's compilation

## Exhibit 10: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	0	0	0	0	0	0	0	0
Total waste	1	1	4	2	1	1	5	6
Waste recycled	0	0	0	0	0	0	1	3
Waste sent to landfills	0	0	0	0	0	0	3	—
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	1,218	2,423	7,122
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	No	No	Yes	Yes	Yes	Yes	Yes	No
Quality assurance and recall policy	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	50	48	50	49	52	51	52	51
Pct disabled in workforce	—	—	—	—	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	—	1	—
Total recordable incident rate - employees	—	—	—	—	—	—	1	—
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	56,301	64,115	66,016	67,691	79,700	66,451	64,389	75,297
Employee turnover pct	—	—	—	—	46	58	51	—
Total hours spent by firm - employee training	4,053,670	6,796,190	6,931,680	6,972,170	9,165,500	1,727,730	1,738,500	2,560,100
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Governance</b>								
<b>Board size</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>10</b>
<b>No. of independent directors (ID)</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
No. of women on board	1	2	2	2	2	2	2	2
No. of non-executive directors on board	4	5	6	7	7	8	8	7
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	6	8	8	10	8	9	5	6
Board meeting attendance pct	87	87	91	96	98	98	95	93
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	44	45	46	45	46	47	48	48
Age of the oldest director	70	71	72	73	74	74	75	73
<b>No. of executives / company managers</b>	<b>8</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>10</b>	<b>9</b>
No. of female executives	1	1	2	2	2	2	3	4
Executive share ownership guidelines	No	No	No	No	No	No	No	No
<b>Size of audit committee</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
No. of ID on audit committee	2	3	4	3	3	3	3	3
Audit committee meetings	4	4	4	4	4	4	4	4
Audit meeting attendance %	83	92	93	92	100	100	100	100
<b>Size of compensation committee</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>4</b>
No. of ID on compensation committee	1	2	3	3	3	3	3	3
No. of compensation committee meetings	2	2	2	2	2	3	2	2
Compensation meeting attendance %	63	100	89	100	100	87	90	90
<b>Size of nomination committee</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>
No. of nomination committee meetings	3	3	3	4	3	2	2	3
Nomination meeting attendance %	78	100	91	100	100	88	88	83
<b>Sustainability governance</b>								
Verification type	No	No	No	No	No	No	Yes	Yes

Sources: Bloomberg; FSSIA's compilation

### Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
Sustainability Investment List (THSI) by The Stock Exchange of Thailand (SET)	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <b>THSI inclusion</b> , verified data must be scored at a minimum of 50% for each indicator, unless the company is a part of DJSI during the assessment year. The scoring will be fairly weighted against the nature of the relevant industry and materiality. <b>SETTHSI Index</b> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																			
<b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
<b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
<b>Thai CAC</b> By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
<b>Morningstar Sustainalytics</b>	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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0-10	10-20	20-30	30-40	40+																	
<b>ESG Book</b>	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	The total ESG score is calculated as a weighted sum of the features scores using materiality-based weights. The score is scaled between 0 and 100 with higher scores indicating better performance.																			
<b>MSCI</b>	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers.																				
	<table border="1" style="width: 100%;"> <tr> <td style="width: 15%;"><b>AAA</b></td> <td style="width: 15%;">8.571-10.000</td> <td rowspan="3" style="width: 15%;"><b>Leader:</b></td> <td rowspan="3" style="width: 55%;">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td><b>AA</b></td> <td>7.143-8.570</td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td rowspan="3"><b>Average:</b></td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td><b>BB</b></td> <td>2.857-4.285</td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> </tr> <tr> <td><b>CCC</b></td> <td>0.000-1.428</td> <td><b>Laggard:</b></td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
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<b>Moody's ESG solutions</b>	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																				
<b>Refinitiv ESG rating</b>	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																				
<b>S&amp;P Global</b>	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																				
<b>Bloomberg</b>	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																			
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																			

Rating regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "CG Score"; 2) "AGM Level"; 3) "Thai CAC"; and 4) THSI. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

**GENERAL DISCLAIMER**

**ANALYST(S) CERTIFICATION**

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

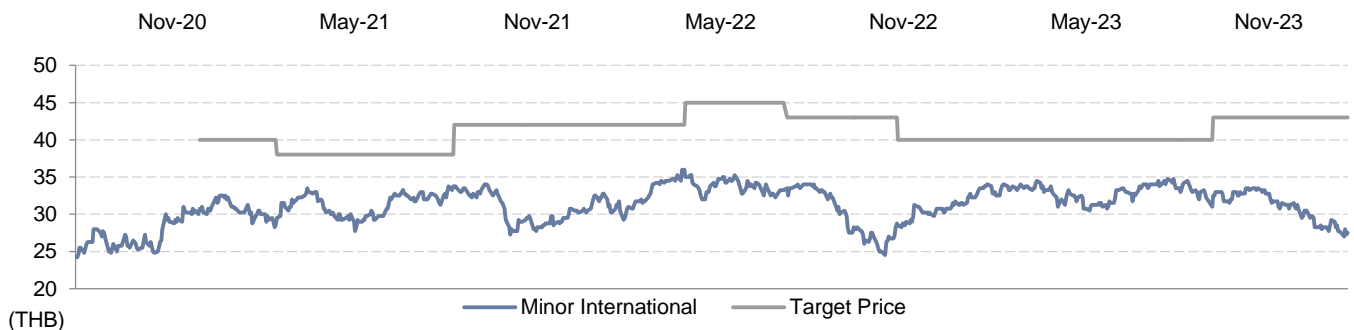
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**History of change in investment rating and/or target price**

**Minor International (MINT TB)**



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-Mar-2021	BUY	40.00	28-Apr-2022	BUY	45.00	24-Jul-2023	BUY	43.00
13-May-2021	BUY	38.00	22-Jul-2022	BUY	43.00			
12-Oct-2021	BUY	42.00	27-Oct-2022	BUY	40.00			

Teerapol Udomvej, CFA started covering this stock from 03-Nov-2020

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Minor International	MINT TB	THB 27.50	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.

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.

All share prices are as at market close on 17-Nov-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.