

# S HOTELS AND RESORTS

THAILAND / TOURISM &amp; LEISURE

# SHR TB

# BUY

  
 UNCHANGED

## Key takeaways from analyst meeting

TARGET PRICE	THB4.40
CLOSE	THB2.76
UP/DOWNSIDE	+59.4%
TP vs CONSENSUS	+22.3%

### Highlights

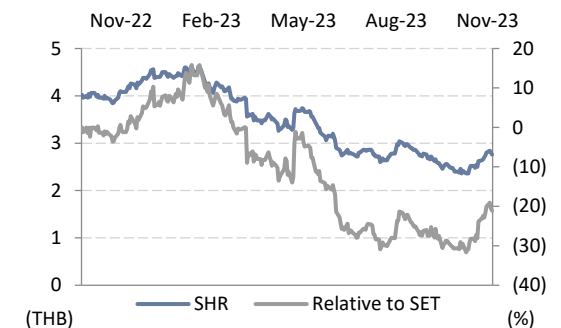
- We have a slightly positive view from SHR's 3Q23 analyst meeting.
- SHR recently appointed Mr. Michael Marshall as the new CEO. Mr. Marshall worked with MINT on its management team for more than ten years.
- Management maintains their revenue target of THB10b in 2023. This implies THB2.8b in revenue in 4Q23 (THB2.4b in 3Q23). They also expect RevPAR to grow q-q for two consecutive quarters in 4Q23 and 1Q24, driven by the high season in Thailand, Maldives and Mauritius.
- On a negative note, RevPAR of UK, Maldives, Thai and Fiji hotels declined in Oct compared to 3Q23. However, it should accelerate in Nov and Dec.
- Management targets revenue growth of 10-15% y-y in 2024, driven by 1) a full-year's operation of its Mauritius hotel (completely reopening in Dec-23); 2) the recovery of Maldives hotels; and 3) an ADR uplift by 20-25% for Outrigger Fiji, which will complete renovations in Nov-23. However, RevPAR of Thai hotels should be flat y-y due to the impact of SAii Laguna Phuket's second phase renovation. They also expect the EBITDA margin to improve by 1-2% in 2024.
- SHR has delayed the second phase renovation of SAii Phi Phi Island Village to Apr-Nov 2025 to mitigate the financial impact and to capture the strong recovery of Thailand's tourism industry.
- SO/Maldives has opened in Nov. SHR expects the OCC rate to ramp up to 55% in 1Q24 with ADR of USD700-1000. This should be sufficient to break even at the EBITDA level, but it should break even at the net profit level in 2025-26.
- SHR successfully issued bonds worth THB1.3b, and plans to use the proceeds for a renovation program (THB1.0b) and working capital (THB0.3b).
- SHR is considering 1-2 M&A projects, scheduled to finalize in 2024.

### Recommendation

- We expect earnings to turn profitable in 4Q23 and continue to grow further in 1Q24. Two consecutive quarterly earnings improvements should turn the market's attention to SHR.
- SHR trades at cheap valuations of 0.6x 2024E P/BV and 25x 2024E P/E (vs peers' average of 1.9x and 28x).

### KEY STOCK DATA

YE Dec (THB m)	2022	2023E	2024E	2025E
Revenue	8,693	9,837	10,644	11,151
Net profit	14	49	403	542
EPS (THB)	0.00	0.01	0.11	0.15
vs Consensus (%)	-	(9.1)	31.0	(10.2)
EBITDA	1,859	2,189	2,560	2,793
Recurring net profit	(39)	49	403	542
Core EPS (THB)	(0.01)	0.01	0.11	0.15
EPS growth (%)	nm	nm	728.5	34.7
Core P/E (x)	(254.9)	204.0	24.6	18.3
Dividend yield (%)	-	0.2	1.6	2.2
EV/EBITDA (x)	13.0	9.3	7.5	6.5
Price/book (x)	0.6	0.6	0.6	0.6
Net debt/Equity (%)	88.6	65.6	57.4	49.5
ROE (%)	(0.2)	0.3	2.5	3.3



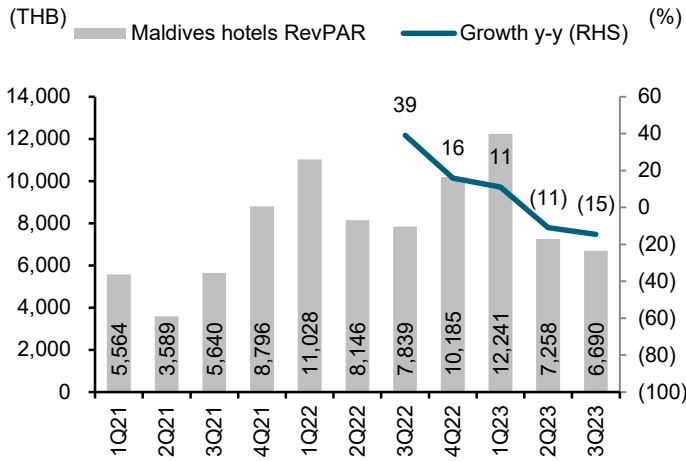
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	15.0	2.2	(29.6)
Relative to country (%)	13.8	11.7	(19.6)
Mkt cap (USD m)	282		
3m avg. daily turnover (USD m)	0.4		
Free float (%)	38		
Major shareholder	S Hotels and Resorts Inter (49%)		
12m high/low (THB)	4.70/2.30		
Issued shares (m)	3,593.64		

Sources: Bloomberg consensus; FSSIA estimates


**Teerapol Udomvej, CFA**

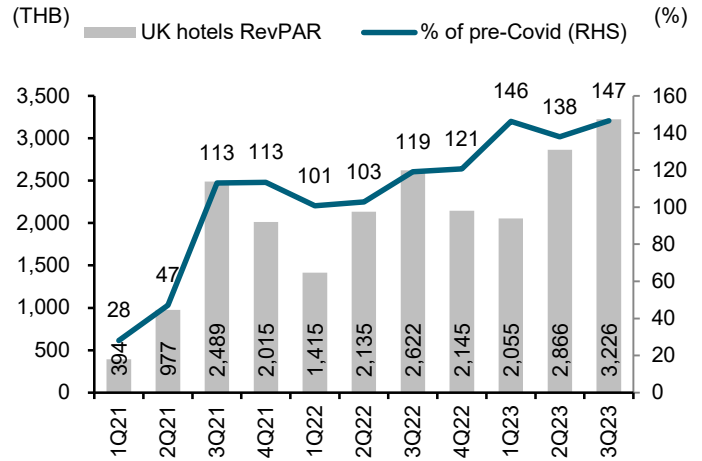
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**Exhibit 1: SHR's Crossroads (Maldives) hotels RevPAR**



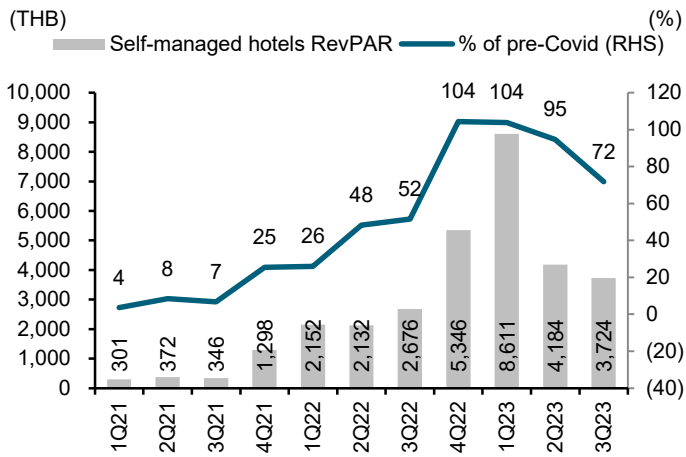
Sources: SHR; FSSIA estimates

**Exhibit 2: SHR's UK hotels RevPAR**



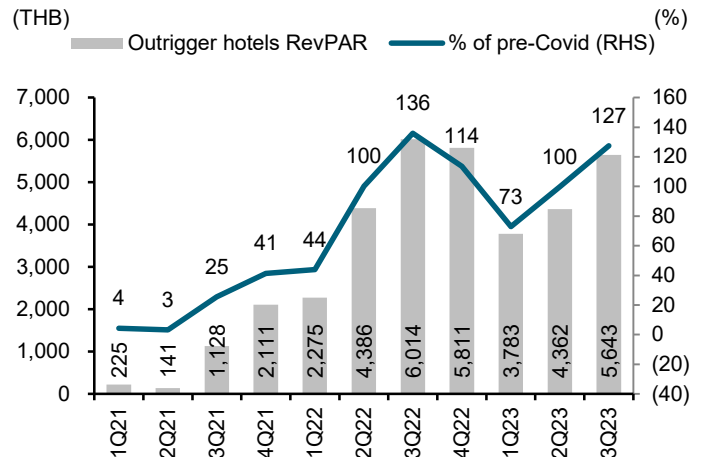
Sources: SHR; FSSIA estimates

**Exhibit 3: SHR's self-managed (Thailand) hotels RevPAR**



Note: Saii Laguna Phuket, Saii Koh Samui Bophut and Konotta Maldives have been transferred from Outrigger to self-managed since 1Q21  
Sources: SHR; FSSIA estimates

**Exhibit 4: Outrigger (Mauritius, Fiji) hotels RevPAR**



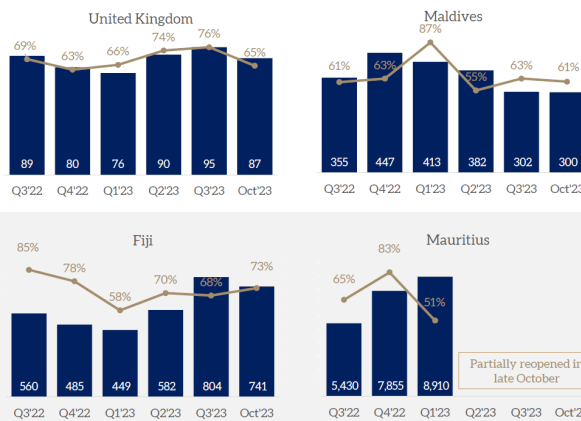
Note: Saii Laguna Phuket, Saii Koh Samui Bophut and Konotta Maldives have been transferred from Outrigger to self-managed since 1Q21  
Sources: SHR; FSSIA estimates

**Exhibit 5: Operating stats in Oct-23**

QoQ PERFORMANCE

KEY PERFORMANCE DRIVERS

**UK Portfolio** - Occupancy and ADR remain strong, due to strong domestic demand, along with an ongoing asset enhancement strategy to enhance operating performance.  
**CROSSROADS** - Occupancy and ADR are expected to recover during the upcoming peak tourism season.  
**Mauritius** - Fully reopened in Early December.  
**Fiji** - Continuing in positive momentum driven by the completion of major renovation by November.  
**Thailand** - Newly renovated rooms to be available to tourists during the peak of the high season.



Remark: The occupancy rates for for Saii Laguna Phuket and Saii Phi Phi Island Village were approximately 90% in October 2023 excluded the rooms being renovated.

Source: SHR

## Financial Statements

### S Hotels and Resorts

Profit and Loss (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Revenue	4,512	8,693	9,837	10,644	11,151
Cost of goods sold	(3,596)	(5,807)	(6,420)	(6,762)	(7,064)
<b>Gross profit</b>	<b>916</b>	<b>2,885</b>	<b>3,416</b>	<b>3,882</b>	<b>4,087</b>
Other operating income	-	-	-	-	-
Operating costs	(1,742)	(2,142)	(2,356)	(2,474)	(2,553)
<b>Operating EBITDA</b>	<b>363</b>	<b>1,859</b>	<b>2,189</b>	<b>2,560</b>	<b>2,793</b>
Depreciation	(1,189)	(1,116)	(1,129)	(1,153)	(1,258)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>(826)</b>	<b>743</b>	<b>1,060</b>	<b>1,408</b>	<b>1,534</b>
Net financing costs	(693)	(842)	(1,115)	(1,037)	(1,010)
Associates	(3)	(21)	(50)	(22)	4
Recurring non-operating income	158	73	63	108	137
Non-recurring items	(5)	53	0	0	0
<b>Profit before tax</b>	<b>(1,366)</b>	<b>27</b>	<b>9</b>	<b>478</b>	<b>661</b>
Tax	131	(13)	40	(75)	(118)
<b>Profit after tax</b>	<b>(1,234)</b>	<b>14</b>	<b>49</b>	<b>403</b>	<b>542</b>
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(1,234)</b>	<b>14</b>	<b>49</b>	<b>403</b>	<b>542</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>5</b>	<b>(53)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(1,229)</b>	<b>(39)</b>	<b>49</b>	<b>403</b>	<b>542</b>
<b>Per share (THB)</b>					
Recurring EPS *	(0.34)	(0.01)	0.01	0.11	0.15
Reported EPS	(0.34)	0.00	0.01	0.11	0.15
DPS	0.00	0.00	0.01	0.04	0.06
Diluted shares (used to calculate per share data)	3,594	3,594	3,594	3,594	3,594
<b>Growth</b>					
Revenue (%)	188.7	92.6	13.2	8.2	4.8
Operating EBITDA (%)	nm	411.7	17.7	17.0	9.1
Operating EBIT (%)	nm	nm	42.7	32.8	9.0
Recurring EPS (%)	nm	nm	nm	728.5	34.7
Reported EPS (%)	nm	nm	238.0	728.5	34.7
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	20.3	33.2	34.7	36.5	36.7
Gross margin exc. depreciation (%)	46.7	46.0	46.2	47.3	47.9
Operating EBITDA margin (%)	8.1	21.4	22.2	24.1	25.0
Operating EBIT margin (%)	(18.3)	8.5	10.8	13.2	13.8
Net margin (%)	(27.2)	(0.4)	0.5	3.8	4.9
Effective tax rate (%)	9.7	(289.8)	12.0	15.0	18.0
Dividend payout on recurring profit (%)	-	-	40.0	40.0	40.0
Interest cover (X)	(1.0)	1.0	1.0	1.5	1.7
Inventory days	28.3	16.6	16.8	17.3	17.5
Debtor days	17.8	18.7	18.6	17.2	16.4
Creditor days	168.5	130.1	231.4	335.0	339.0
Operating ROIC (%)	(2.9)	9.7	3.4	4.8	5.2
ROIC (%)	(2.1)	9.7	3.3	4.6	5.1
ROE (%)	(7.8)	(0.2)	0.3	2.5	3.3
ROA (%)	(1.9)	8.8	2.7	3.1	3.3
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Self-managed	234	1,098	1,786	1,711	1,839
Outrigger	205	1,486	1,453	1,655	1,705
Crossroads Ph1 (Maldives hotels)	1,627	2,445	2,556	2,605	2,761
UK	2,446	3,664	4,042	4,672	4,846

Sources: S Hotels and Resorts; FSSIA estimates

## Financial Statements

### S Hotels and Resorts

Cash Flow (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Recurring net profit	(1,229)	(39)	49	403	542
Depreciation	1,189	1,116	1,129	1,153	1,258
Associates & minorities	-	-	-	-	-
Other non-cash items	(190)	109	(8)	(8)	(8)
Change in working capital	(750)	1,052	3,142	202	124
<b>Cash flow from operations</b>	<b>(981)</b>	<b>2,238</b>	<b>4,311</b>	<b>1,749</b>	<b>1,917</b>
Capex - maintenance	(11,050)	(116)	(582)	(631)	(661)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	1,555	(277)	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(9,495)</b>	<b>(393)</b>	<b>(582)</b>	<b>(631)</b>	<b>(661)</b>
Dividends paid	0	0	0	(19)	(161)
Equity finance	13	0	(44)	0	0
Debt finance	8,476	(1,418)	1,200	(900)	0
Other financing cash flows	1,408	139	0	0	0
<b>Cash flow from financing</b>	<b>9,897</b>	<b>(1,280)</b>	<b>1,156</b>	<b>(919)</b>	<b>(161)</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>(579)</b>	<b>566</b>	<b>4,885</b>	<b>199</b>	<b>1,095</b>
Free cash flow to firm (FCFF)	(9,783.45)	2,686.85	4,843.47	2,156.18	2,266.00
Free cash flow to equity (FCFE)	(591.92)	565.63	4,928.75	218.82	1,255.65

#### Per share (THB)

FCFF per share	(2.72)	0.75	1.35	0.60	0.63
FCFE per share	(0.16)	0.16	1.37	0.06	0.35
Recurring cash flow per share	(0.06)	0.33	0.33	0.43	0.50

Balance Sheet (THB m) Year Ending Dec	2021	2022	2023E	2024E	2025E
Tangible fixed assets (gross)	36,405	36,291	36,881	37,520	38,189
Less: Accumulated depreciation	(6,444)	(7,323)	(8,451)	(9,604)	(10,862)
<b>Tangible fixed assets (net)</b>	<b>29,961</b>	<b>28,968</b>	<b>28,430</b>	<b>27,915</b>	<b>27,326</b>
<b>Intangible fixed assets (net)</b>	<b>1,641</b>	<b>1,630</b>	<b>1,630</b>	<b>1,630</b>	<b>1,630</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	427	704	704	704	704
Cash & equivalents	1,914	2,479	7,364	7,564	8,658
A/C receivable	387	501	501	501	501
Inventories	198	229	258	273	283
Other current assets	2,224	1,324	1,498	1,621	1,698
<b>Current assets</b>	<b>4,723</b>	<b>4,533</b>	<b>9,621</b>	<b>9,959</b>	<b>11,141</b>
Other assets	463	615	615	615	615
<b>Total assets</b>	<b>37,214</b>	<b>36,450</b>	<b>41,000</b>	<b>40,823</b>	<b>41,415</b>
Common equity	15,882	16,019	16,024	16,407	16,789
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>15,882</b>	<b>16,019</b>	<b>16,024</b>	<b>16,407</b>	<b>16,789</b>
Long term debt	18,092	16,674	17,874	16,974	16,974
Other long-term liabilities	1,392	1,612	1,612	1,612	1,612
<b>Long-term liabilities</b>	<b>19,485</b>	<b>18,286</b>	<b>19,486</b>	<b>18,586</b>	<b>18,586</b>
A/C payable	1,635	1,711	4,999	5,299	5,484
Short term debt	0	0	0	0	0
Other current liabilities	213	433	490	531	556
<b>Current liabilities</b>	<b>1,848</b>	<b>2,144</b>	<b>5,489</b>	<b>5,829</b>	<b>6,040</b>
<b>Total liabilities and shareholders' equity</b>	<b>37,214</b>	<b>36,450</b>	<b>41,000</b>	<b>40,823</b>	<b>41,415</b>
Net working capital	961	(90)	(3,232)	(3,434)	(3,558)
Invested capital	33,453	31,826	28,146	27,430	26,717

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

#### Per share (THB)

Book value per share	4.42	4.46	4.46	4.57	4.67
Tangible book value per share	3.96	4.00	4.01	4.11	4.22

#### Financial strength

Net debt/equity (%)	101.9	88.6	65.6	57.4	49.5
Net debt/total assets (%)	43.5	38.9	25.6	23.1	20.1
Current ratio (x)	2.6	2.1	1.8	1.7	1.8
CF interest cover (x)	0.1	1.7	5.4	1.2	2.2

Valuation	2021	2022	2023E	2024E	2025E
<b>Recurring P/E (x) *</b>	<b>(8.1)</b>	<b>(254.9)</b>	<b>204.0</b>	<b>24.6</b>	<b>18.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(12.9)</b>	<b>(406.3)</b>	<b>325.2</b>	<b>39.3</b>	<b>29.2</b>
Reported P/E (x)	(8.0)	689.6	204.0	24.6	18.3
Dividend yield (%)	-	-	0.2	1.6	2.2
Price/book (x)	0.6	0.6	0.6	0.6	0.6
Price/tangible book (x)	0.7	0.7	0.7	0.7	0.7
EV/EBITDA (x) **	71.8	13.0	9.3	7.5	6.5
EV/EBITDA @ target price (x) **	88.1	16.1	12.0	9.9	8.6
EV/invested capital (x)	0.8	0.8	0.7	0.7	0.7

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

Sources: S Hotels and Resorts; FSSIA estimates

## 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+																	
NEGL	Low	Medium	High	Severe																									
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="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td><b>Leader:</b></td> <td>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> <td></td> <td></td> </tr> <tr> <td><b>A</b></td> <td>5.714-7.142</td> <td></td> <td></td> </tr> <tr> <td><b>BBB</b></td> <td>4.286-5.713</td> <td><b>Average:</b></td> <td>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> <td></td> <td></td> </tr> <tr> <td><b>B</b></td> <td>1.429-2.856</td> <td></td> <td></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> </tbody> </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

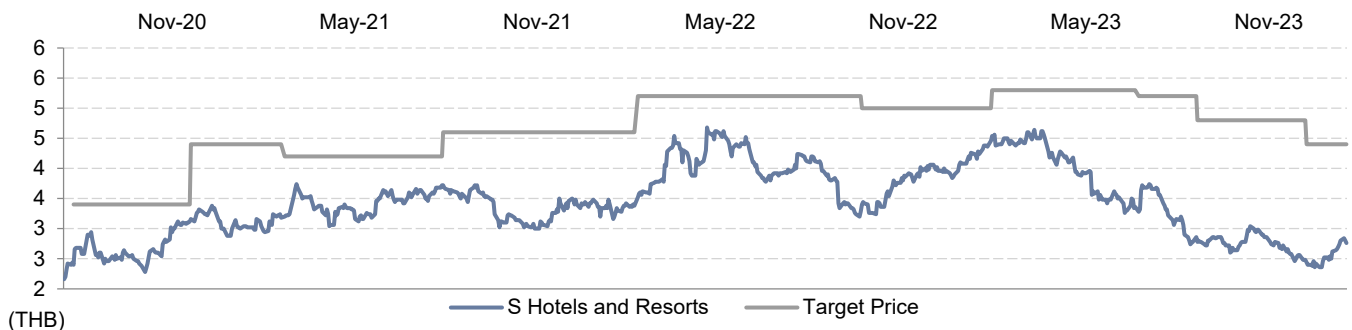
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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

#### S Hotels and Resorts (SHR TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
01-Dec-2020	BUY	3.40	25-Mar-2022	BUY	5.20	17-Jul-2023	BUY	4.80
11-Mar-2021	BUY	4.40	04-Oct-2022	BUY	5.00	18-Oct-2023	BUY	4.40
28-May-2021	BUY	4.20	23-Jan-2023	BUY	5.30			
12-Oct-2021	BUY	4.60	26-May-2023	BUY	5.20			

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
S Hotels and Resorts	SHR TB	THB 2.76	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.

All share prices are as at market close on 22-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.