

SCGJWD LOGISTICS

 THAILAND / TRANSPORT & LOGISTICS

SJWD TB

BUY

UNCHANGED

TARGET PRICE	THB21.50
CLOSE	THB15.10
UP/DOWNSIDE	+42.4%
PRIOR TP	THB21.50
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+9.0%

4Q23 results at first glance

Solid earnings amid low season

Highlights

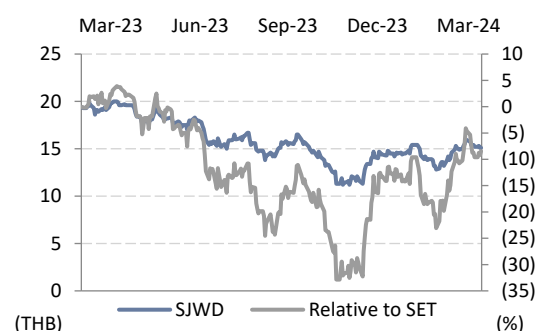
- SJWD reported a solid performance in 4Q23 with a core profit of THB268m, +7% q-q, the highest profit of the year, despite a slight drop of 2% q-q in revenue.
- JWD consolidated SCGL in February 2023 and completed the entire business transfer on 1 October 2023, which incurred extra costs of THB145m in 2023. However, it also resulted in positive financial impacts, including an extended depreciation period, thus improving the gross margin.
- The 2% q-q decline in revenue came mainly from a weakness in transportation and distribution (47% of total revenue), while automotive, food cold storage and warehouse management continued to post solid growth amid a low season.
- Revenue momentum of automotive yard service remained strong, with a rise of 15% q-q and 108% y-y, reaching an all-time high at THB340m in 4Q23. It is one of the few units to report a high gross margin of 37-38%, helping the overall gross margin.
- For the year ended 2023, SJWD recorded a revenue growth of 302% y-y to THB23.7b due to the SCGL merger in February 2023. The net profit came in at THB761m, including merger-related costs. Excluding extra items, the core profit grew impressively by 73% y-y to THB923m.
- SJWD announced a dividend of THB0.25 per share for its 2023 operation period, implying a generous payout ratio of 56% of net profit and a dividend yield of 1.6%.

Outlook

- We maintain our 2024-25 profit growth projection of 28% and 10%, respectively. The profit surge in 2024 should come from an absence of merger expenses, cross-selling and upselling, regional expansion, and cost efficiency.
- We reiterate our BUY call and TP of THB21.50 (DCF, WACC 8.4%, LTG 3%), premised on an implied 2024E P/E of 32.8x. SJWD is currently trading on highly undemanding valuations of 23x 2024E P/E, below its five-year historical average P/E of 28x, and only 13x 2024E EV/EBITDA.

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	23,732	24,485	25,971	27,568
Net profit	761	1,182	1,299	1,401
EPS (THB)	0.42	0.65	0.72	0.77
vs Consensus (%)	-	47.7	7.0	0.7
EBITDA	2,492	2,921	3,037	3,152
Recurring net profit	778	1,182	1,299	1,401
Core EPS (THB)	0.43	0.65	0.72	0.77
Chg. In EPS est. (%)	nm	0.0	-	nm
EPS growth (%)	(18.1)	51.9	9.9	7.9
Core P/E (x)	35.1	23.1	21.0	19.5
Dividend yield (%)	1.2	1.7	1.9	2.0
EV/EBITDA (x)	15.6	13.0	12.1	11.2
Price/book (x)	1.2	1.2	1.2	1.1
Net debt/Equity (%)	49.7	44.1	37.8	30.4
ROE (%)	6.2	5.3	5.6	5.8



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	9.4	4.9	(20.5)
Relative to country (%)	8.9	5.6	(5.9)
Mkt cap (USD m)	762		
3m avg. daily turnover (USD m)	1.4		
Free float (%)	46		
Major shareholder	SCG Group (43%)		
12m high/low (THB)	20.10/10.80		
Issued shares (m)	1,811.02		

Sources: Bloomberg consensus; FSSIA estimates


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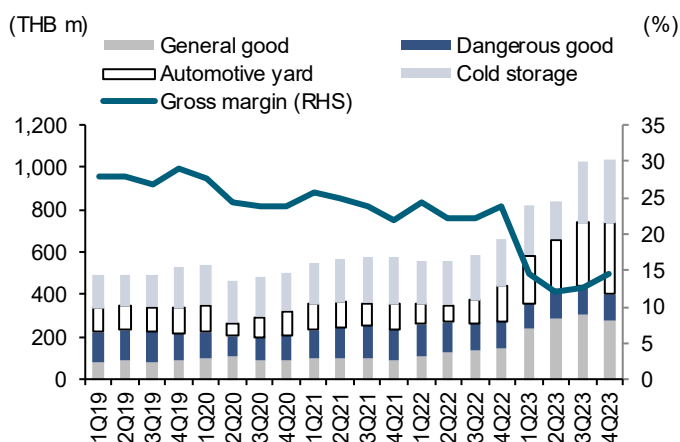
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Exhibit 1: SJWD - 4Q23 results summary

Year to Dec 31	4Q22	1Q23	2Q23	3Q23	4Q23	----- Change -----		2022	2023	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	1,580	4,885	6,131	6,417	6,300	(1.8)	298.7	5,902	23,732	302.1
Cost of sales	(1,204)	(4,178)	(5,395)	(5,610)	(5,376)	(4.2)	346.6	(4,538)	(20,559)	353.0
Gross profit	376	707	736	806	924	14.7	145.6	1,364	3,173	132.6
Operating costs	(230)	(479)	(526)	(563)	(581)	3.3	152.4	(894)	(2,149)	140.5
Operating profit	146	228	210	243	343	41.0	135.0	470	1,024	117.6
Operating EBITDA	339	569	575	646	742	14.9	119.0	1,354	2,492	84.0
Other income	21	31	55	57	87	51.3	315.1	86	230	167.3
Interest expense	(74)	(99)	(117)	(120)	(134)	11.4	81.4	(291)	(471)	62.0
Profit before tax	93	160	147	180	295	64.1	217.9	266	783	194.7
Associates	66	85	42	42	43	2.4	(34.6)	332	212	(36.3)
Reported net profit	113	231	129	140	261	86.7	131.3	504	761	51.0
Core profit	148	231	125	251	268	7.0	80.6	535	924	72.6
Reported EPS (THB)	0.11	0.16	0.08	0.08	0.14	86.7	30.3	0.28	0.42	51.0
Recurring EPS (THB)	0.15	0.13	0.07	0.14	0.15	7.0	1.7	0.30	0.51	72.6
Key Ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	23.8	14.5	12.0	12.6	14.7	2.1	(9.1)	23.1	13.4	(9.7)
Operating margin	10.6	5.3	4.3	4.7	6.8	2.1	(3.7)	9.4	5.3	(4.1)
EBITDA margin	21.4	11.6	9.4	10.1	11.8	1.7	(9.7)	22.9	10.5	(12.4)
Recurring net margin	9.4	4.7	2.0	3.9	4.3	0.4	(5.1)	9.1	3.9	(5.2)
SG&A / Sales	14.6	9.8	8.6	8.8	9.2	0.5	(5.3)	15.1	9.1	(6.1)
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Warehouse & yard management	665	818	844	1,025	1,033	0.8	55.4	2,382	3,720	56.2
Transportation & distribution	324	2,478	3,221	3,102	2,955	(4.7)	812.4	1,276	11,756	821.4
Other logistics	168	503	633	726	663	(8.7)	294.4	653	2,505	283.7
Overseas	67	496	747	765	751	(1.8)	1,027.0	247	2,758	1,018.0
Other business	357	590	707	799	898	12.4	151.8	1,346	2,994	122.5
Gross margin by business	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Warehouse & yard management	34.7	36.8	27.2	34.7	34.6	(0.1)	(0.1)	34.6	33.1	(1.5)
Transportation & distribution	20.3	8.8	8.2	6.5	17.6	11.1	(2.7)	17.6	7.5	(10.1)
Other logistics	26.1	22.5	24.8	21.8	23.3	1.5	(2.8)	23.3	21.5	(1.8)
Overseas	16.7	6.3	7.1	10.5	24.2	13.7	7.5	24.2	8.2	(16.0)
Other business	4.7	5.5	6.4	6.3	4.9	(1.4)	0.2	4.9	5.6	0.7

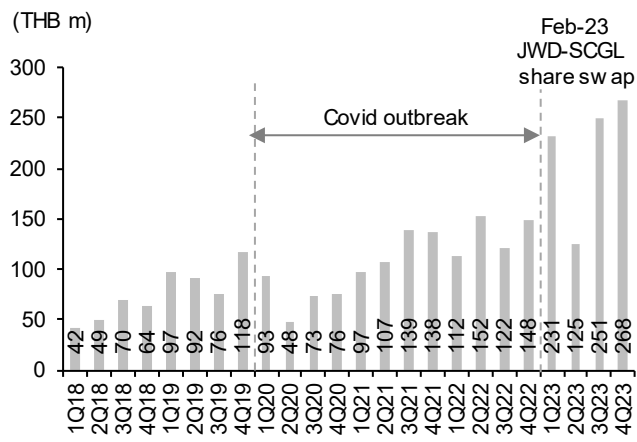
Sources: SJWD, FSSIA's compilation

Exhibit 2: Revenue structure and gross margin



Sources: SJWD, FSSIA's compilation

Exhibit 3: Core profit



Sources: SJWD, FSSIA's compilation

Financial Statements

SCGJWD Logistics

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	5,902	23,732	24,485	25,971	27,568
Cost of goods sold	(4,538)	(20,559)	(21,130)	(22,379)	(23,713)
Gross profit	1,364	3,173	3,355	3,592	3,855
Other operating income	86	230	189	182	187
Operating costs	(894)	(2,149)	(1,885)	(2,026)	(2,205)
Operating EBITDA	1,354	2,492	2,921	3,037	3,152
Depreciation	(798)	(1,239)	(1,263)	(1,289)	(1,314)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	556	1,254	1,658	1,748	1,837
Net financing costs	(291)	(471)	(424)	(416)	(387)
Associates	332	212	224	228	235
Recurring non-operating income	332	212	224	228	235
Non-recurring items	(31)	(17)	0	0	0
Profit before tax	567	977	1,458	1,561	1,685
Tax	(49)	(150)	(247)	(266)	(290)
Profit after tax	518	827	1,211	1,294	1,395
Minority interests	(14)	(66)	(29)	5	6
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	504	761	1,182	1,299	1,401
Non-recurring items & goodwill (net)	31	17	0	0	0
Recurring net profit	535	778	1,182	1,299	1,401
Per share (THB)					
Recurring EPS *	0.52	0.43	0.65	0.72	0.77
Reported EPS	0.49	0.42	0.65	0.72	0.77
DPS	0.78	0.18	0.26	0.29	0.31
Diluted shares (used to calculate per share data)	1,020	1,811	1,811	1,811	1,811
Growth					
Revenue (%)	15.7	302.1	3.2	6.1	6.1
Operating EBITDA (%)	14.1	84.0	17.2	3.9	3.8
Operating EBIT (%)	15.7	125.3	32.2	5.4	5.1
Recurring EPS (%)	17.8	(18.1)	51.9	9.9	7.9
Reported EPS (%)	(11.8)	(15.0)	55.3	9.9	7.9
Operating performance					
Gross margin inc. depreciation (%)	23.1	13.4	13.7	13.8	14.0
Gross margin exc. depreciation (%)	36.6	18.6	18.9	18.8	18.8
Operating EBITDA margin (%)	22.9	10.5	11.9	11.7	11.4
Operating EBIT margin (%)	9.4	5.3	6.8	6.7	6.7
Net margin (%)	9.1	3.3	4.8	5.0	5.1
Effective tax rate (%)	8.6	15.4	16.9	17.1	17.2
Dividend payout on recurring profit (%)	148.7	41.3	40.0	40.0	40.0
Interest cover (X)	3.1	3.1	4.4	4.8	5.4
Inventory days	14.2	3.2	3.1	3.1	3.1
Debtor days	67.7	38.7	56.1	52.0	50.5
Creditor days	125.2	45.3	55.0	49.5	46.3
Operating ROIC (%)	9.7	13.8	13.4	14.0	14.6
ROIC (%)	7.0	5.3	4.4	4.7	5.0
ROE (%)	15.6	6.2	5.3	5.6	5.8
ROA (%)	6.1	4.7	4.0	4.2	4.4
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Warehouse & yard management	2,519	3,720	3,821	3,937	4,159
Transportation & Distribution	1,276	11,756	13,148	14,061	14,905
Other logistics business	653	2,505	2,508	2,660	2,841
Overseas	247	2,758	2,660	2,846	3,074

Sources: SCGJWD Logistics; FSSIA estimates

Financial Statements

SCGJWD Logistics

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	535	778	1,182	1,299	1,401
Depreciation	798	1,239	1,263	1,289	1,314
Associates & minorities	(332)	(212)	(224)	(228)	(235)
Other non-cash items	(14)	0	0	43	(3)
Change in working capital	76	(626)	(725)	(1,021)	(506)
Cash flow from operations	1,064	1,179	1,497	1,381	1,971
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,041)	(173)	(124)	(207)	(209)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	(186)	(1,735)	42	497	321
Cash flow from investing	(1,227)	(1,908)	(82)	290	111
Dividends paid	(262)	(321)	(473)	(520)	(561)
Equity finance	105	396	0	0	0
Debt finance	(42)	1,208	(905)	(846)	(1,097)
Other financing cash flows	(197)	0	0	0	0
Cash flow from financing	(397)	1,282	(1,378)	(1,366)	(1,657)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	163	26	5	0	5
Net other adjustments	163	26	5	0	5
Movement in cash	(397)	579	42	305	430
Free cash flow to firm (FCFF)	127.18	(257.82)	1,838.71	2,086.80	2,469.30
Free cash flow to equity (FCFE)	(239.55)	505.27	514.43	824.72	990.47

Per share (THB)

FCFF per share	0.07	(0.14)	1.02	1.15	1.36
FCFE per share	(0.13)	0.28	0.28	0.46	0.55
Recurring cash flow per share	0.97	1.00	1.23	1.33	1.37

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	7,235	11,251	11,312	11,389	11,463
Less: Accumulated depreciation	(2,307)	(2,422)	(2,544)	(2,671)	(2,804)
Tangible fixed assets (net)	4,928	8,828	8,768	8,718	8,658
Intangible fixed assets (net)	1,795	18,309	18,045	17,387	16,938
Long-term financial assets	0	370	367	356	352
Invest. in associates & subsidiaries	2,830	3,680	3,864	3,903	3,903
Cash & equivalents	1,133	1,713	1,754	2,059	2,489
A/C receivable	1,138	3,901	3,622	3,771	3,852
Inventories	165	169	174	184	195
Other current assets	99	356	343	364	386
Current assets	2,534	6,139	5,893	6,378	6,922
Other assets	953	1,913	1,912	1,935	1,686
Total assets	13,041	39,239	38,849	38,677	38,459
Common equity	3,117	22,159	22,868	23,648	24,489
Minorities etc.	317	333	343	353	364
Total shareholders' equity	3,434	22,492	23,211	24,001	24,852
Long term debt	4,886	8,440	7,646	6,946	6,015
Other long-term liabilities	326	593	588	597	579
Long-term liabilities	5,213	9,033	8,234	7,544	6,594
A/C payable	1,697	3,098	2,895	2,820	2,859
Short term debt	2,593	4,447	4,335	4,189	4,024
Other current liabilities	104	169	174	123	130
Current liabilities	4,394	7,714	7,404	7,132	7,012
Total liabilities and shareholders' equity	13,041	39,239	38,849	38,677	38,459
Net working capital	(400)	1,159	1,071	1,376	1,444
Invested capital	10,107	34,260	34,026	33,675	32,981

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

Per share (THB)

Book value per share	3.06	12.24	12.63	13.06	13.52
Tangible book value per share	1.30	2.13	2.66	3.46	4.17

Financial strength

Net debt/equity (%)	184.8	49.7	44.1	37.8	30.4
Net debt/total assets (%)	48.7	28.5	26.3	23.5	19.6
Current ratio (x)	0.6	0.8	0.8	0.9	1.0
CF interest cover (x)	3.8	2.4	2.5	3.5	4.1

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	28.8	35.1	23.1	21.0	19.5
Recurring P/E @ target price (x) *	41.0	50.0	32.9	30.0	27.8
Reported P/E (x)	30.5	35.9	23.1	21.0	19.5
Dividend yield (%)	5.2	1.2	1.7	1.9	2.0
Price/book (x)	4.9	1.2	1.2	1.2	1.1
Price/tangible book (x)	11.6	7.1	5.7	4.4	3.6
EV/EBITDA (x) **	16.3	15.6	13.0	12.1	11.2
EV/EBITDA @ target price (x) **	21.1	20.2	16.9	15.9	14.9
EV/invested capital (x)	2.2	1.1	1.1	1.1	1.1

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

Sources: SCGJWD Logistics; FSSIA estimates

SCGJWD Logistics PCL (SJWD TB)

FSSIA ESG rating

★ ★ ★

Exhibit 4: FSSIA ESG score implication

42.41 /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 5: ESG – peer comparison

	FSSIA ESG score	Domestic ratings							Global ratings					Bloomberg	
		DJSI	SET	THSI	THSI	CG score	IGM level	Thai CAC	Morningstar ESG risk	SG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG 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
NYT	43.79	--	--	Y	5.00	5.00	--	--	53.86	--	--	57.61	--	6.57	45.96
PSL	55.45	--	Y	Y	5.00	5.00	Certified	Medium	59.76	BB	--	--	51.00	--	--
RCL	27.51	--	--	--	4.00	4.00	--	High	41.46	--	--	20.37	13.00	.94	30.36
SJWD	42.41	--	Y	Y	5.00	5.00	--	--	56.00	--	--	42.01	--	3.44	41.46
TTA	65.35	--	Y	Y	5.00	5.00	Certified	Medium	56.56	AA	--	50.79	25.00	3.31	56.20

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 6: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	3.52	3.44
BESG environmental pillar score	—	—	1.04	1.04
BESG social pillar score	—	—	6.18	5.76
BESG governance pillar score	—	—	5.52	5.64
ESG disclosure score	33.18	33.81	41.46	41.46
Environmental disclosure score	1.33	1.66	8.64	8.64
Social disclosure score	16.93	18.50	34.52	34.52
Governance disclosure score	81.10	81.10	81.10	81.10
Environmental				
Emissions reduction initiatives	No	No	Yes	Yes
Climate change policy	No	No	No	No
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	Yes	Yes	Yes
GHG scope 1	—	—	9	10
GHG scope 2 location-based	—	—	9	8
GHG Scope 3	—	—	—	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	No	No	Yes	Yes
Total energy consumption	—	—	—	—
Renewable energy use	—	—	—	—
Electricity used	—	—	—	—
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 7: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—
Total waste	—	—	—	—
Waste recycled	—	—	—	—
Waste sent to landfills	—	—	—	—
Environmental supply chain management	No	No	No	No
Water policy	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—
Social				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	—	30	25	25
Pct disabled in workforce	—	—	—	—
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	0	0
Total recordable incident rate - employees	—	—	—	—
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	Yes	Yes	Yes	Yes
Number of employees – CSR	1,701	1,778	2,215	2,250
Employee turnover pct	—	—	—	—
Total hours spent by firm - employee training	—	—	30,877	34,133
Social supply chain management	No	No	No	No
Governance				
Board size	9	9	9	12
No. of independent directors (ID)	3	3	3	5
No. of women on board	2	2	2	3
No. of non-executive directors on board	4	4	4	8
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	8	10	8	8
Board meeting attendance pct	99	100	100	99
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	44	45	46	43
Age of the oldest director	67	68	69	70
No. of executives / company managers	7	7	6	6
No. of female executives	1	1	1	1
Executive share ownership guidelines	No	No	No	No
Size of audit committee	3	3	3	3
No. of ID on audit committee	3	3	3	3
Audit committee meetings	4	5	5	4
Audit meeting attendance %	100	100	100	100
Size of compensation committee	3	3	3	3
No. of ID on compensation committee	2	2	2	3
No. of compensation committee meetings	2	2	2	3
Compensation meeting attendance %	100	100	100	89
Size of nomination committee	3	3	3	3
No. of nomination committee meetings	2	2	2	3
Nomination meeting attendance %	100	100	100	89
Sustainability governance				
Verification type	No	No	No	No

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 THSI inclusion , 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. SETTHSI Index 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.										
CG Score 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%).										
AGM level 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&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.										
Thai CAC 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.										
Morningstar Sustainalytics	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. 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 & peer reviews.	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+								
ESG Book	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.										
MSCI	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="0" style="margin-left: 20px;"> <tr> <td style="vertical-align: top;"> AAA 8.571-10.000 AA 7.143-8.570 A 5.714-7.142 BBB 4.286-5.713 BB 2.857-4.285 B 1.429-2.856 CCC 0.000-1.428 </td> <td style="vertical-align: top; padding-left: 10px;"> Leader: leading its industry in managing the most significant ESG risks and opportunities Average: a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers Laggard: lagging its industry based on its high exposure and failure to manage significant ESG risks </td> </tr> </table>	AAA 8.571-10.000 AA 7.143-8.570 A 5.714-7.142 BBB 4.286-5.713 BB 2.857-4.285 B 1.429-2.856 CCC 0.000-1.428	Leader: leading its industry in managing the most significant ESG risks and opportunities Average: a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers Laggard: lagging its industry based on its high exposure and failure to manage significant ESG risks									
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Moody's ESG solutions	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.											
Refinitiv ESG rating	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; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.)</i>											
S&P Global	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.											
Bloomberg	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

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

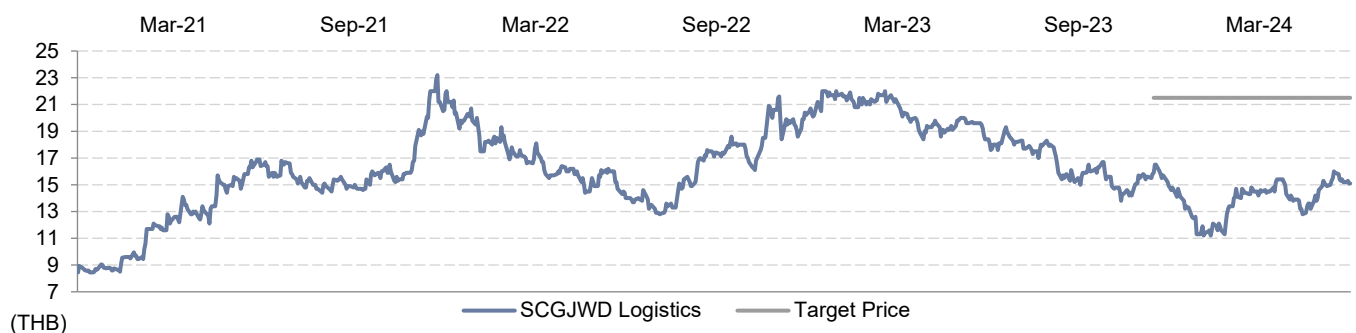
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

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This report may not be reproduced, distributed or published by any person in any manner for any purpose without permission of FSSIA. Investment in securities has risks. Investors are advised to consider carefully before making investment decisions.

History of change in investment rating and/or target price

SCGJWD Logistics (SJWD TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Sep-2023	BUY	21.50	-	-	-	-	-	-

Jitra Amornthum started covering this stock from 12-Sep-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
SCGJWD Logistics	SJWD TB	THB 15.10	BUY	Downside risks to our DCF-based TP include 1) slower-than-expected regional economic growth; 2) high volatility in energy costs; 3) delayed synergies; and 4) higher cost of funds.

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 29-Feb-2024 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.