

G-ABLE GABLE TB  
THAILAND / ICT

BUY

UNCHANGED

## แนวโน้มกำไร 1Q24 ชะลอตามฤดูกาล

TARGET PRICE	THB6.80
CLOSE	THB5.20
UP/DOWNSIDE	+30.8%
PRIOR TP	THB6.80
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+10.6%

- คาดกำไร 22 ล้านบาทใน 1Q24 (-78.3% q-q, -10.7% y-y) คิดเป็น 7% ของประมาณการทั้งปีของเรา
- ความร่วมมือกับ Workday จะช่วยเพิ่มอัตรากำไรได้ในอนาคต
- คงราคาเป้าหมาย 6.80 บาท แนะนำซื้อ จาก 2024E P/E ที่ถูกเพียง 11.5x

## คาดการณ์รายได้ชะลอในไตรมาสแรกตามฤดูกาล

หลังจาก GABLE เร่งส่งมอบงานไปใน 4Q23 ตามฤดูกาล เราคาดการณ์รายได้ 1Q24 จะลดลง 21.1% q-q เป็น 1.3 พันล้านบาท หลักๆ มาจากรายได้ที่ชะลอของธุรกิจ Enterprise solution and services (digital transformation) อย่างไรก็ตาม รายได้รวมคาดว่าจะเติบโต 13.9% y-y จากการถึงรอบของการทำ Tech refreshment อัตรากำไรขั้นต้นคาดว่าจะชะลอเช่นกันเป็น 19.3% จากส่วนผสมของรายได้ที่แตกต่างไป นอกจากนี้ คาดว่าค่าใช้จ่ายขายและบริหารจะเพิ่มสูงขึ้นหลังจากที่บริษัทได้รับ Backlog เพิ่มขึ้นในช่วงปลาย 1Q24

## คาดการณ์กำไร 1Q24 ลดลงทั้ง q-q และ y-y

เราจึงคาดว่า GABLE จะมีกำไร 22 ล้านบาทใน 1Q24 (-78.3% q-q, -10.7% y-y) ทั้งนี้ฤดูกาลกำไรปกติของ คือ 1Q เป็นช่วงที่กำไรต่ำที่สุดและ 4Q มักเป็นกำไรสูงสุดของปี ในช่วง 3 ปีที่ผ่านมา (ปี 2021-23) กำไรใน 1Q คิดเป็นสัดส่วนเพียง 8-10% ของประมาณการทั้งปี ขณะที่กำไร 1Q24 ที่เราคาด คิดเป็น 7% ของคาดการณ์ทั้งปี

## คงประมาณการกำไรเติบโต 14% CAGR ในปี 2024-26

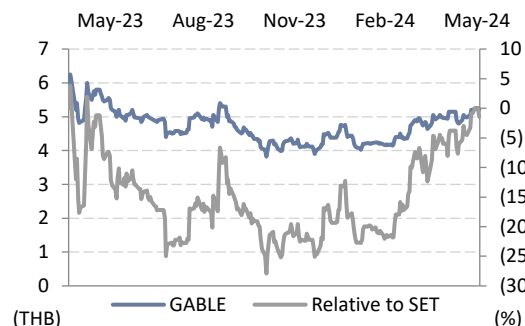
ถึงแม้ว่ากำไร 1Q24 จะชะลอ แต่ข่าวดีคือบริษัทสามารถชนะงานขนาดใหญ่มูลค่าประมาณ 1 พันล้านบาทในช่วงปลายไตรมาส ผลักดันให้ Backlog สูงเป็นประวัติการณ์ถึงประมาณ 5.5 พันล้านบาท ซึ่งส่วนใหญ่จะรับรู้ในปี 2024 ซึ่งจะช่วงจำกัด downside ของประมาณการของเราในปีนี้ เราจึงคงประมาณการกำไร +26%/+16%/+11% ในปี 2024-26 หรือคิดเป็น +14% CAGR หลังจากในปี 2023 มีกำไรนำผิดหวัง ลดลง -6% y-y เพราะการลงทุนภาคเอกชนที่ล่าช้า

## คงคำแนะนำซื้อและราคาเป้าหมาย 6.80 บาท

การประกาศความร่วมมือกับ Workday (WDAY US) ผู้นำเทคโนโลยีระดับโลกด้าน Finance and human resources management ตั้งแต่ช่วงเดือน เม.ย. 2024 จะทำให้ GABLE เป็นรายเดียวในไทยที่ให้บริการ HR solutions อย่างเต็มรูปแบบในไทย และมีส่วนช่วยองค์กรต่างๆ ในการทำ digital transformation ทั้งนี้ Workday มีผู้ใช้บริการกว่า 65 ล้านคนทั่วโลกในอุตสาหกรรมต่างๆ ความร่วมมือนี้ยังจะช่วยให้ อัตรากำไรขั้นต้นของ GABLE ดีขึ้นเพราะบริการดังกล่าวมีอัตรากำไรสูงกว่าธุรกิจหลักของบริษัท เรายังคงแนะนำซื้อ คงราคาเป้าหมาย 6.80 บาท ถึง 2024E P/E 15x ปัจจุบันหุ้น GABLE เทรดที่ 2024E P/E ต่ำเพียง 11.5x ถูกที่สุดในกลุ่มธุรกิจเดียวกัน

## KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	5,338	5,811	6,263	6,598
Net profit	252	317	367	409
EPS (THB)	0.36	0.45	0.52	0.58
vs Consensus (%)	-	5.9	2.0	7.4
EBITDA	381	442	502	554
Recurring net profit	252	317	367	409
Core EPS (THB)	0.36	0.45	0.52	0.58
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(29.2)	25.8	15.9	11.4
Core P/E (x)	14.5	11.5	9.9	8.9
Dividend yield (%)	5.6	4.4	5.1	5.7
EV/EBITDA (x)	6.4	6.4	5.9	5.5
Price/book (x)	1.7	1.7	1.7	1.7
Net debt/Equity (%)	(54.6)	(38.5)	(33.3)	(28.6)
ROE (%)	15.2	14.7	17.3	19.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	4.8	22.6	n/a
Relative to country (%)	4.8	24.5	n/a
Mkt cap (USD m)	99		
3m avg. daily turnover (USD m)	0.3		
Free float (%)	64		
Major shareholder	Liuchareon Family (22%)		
12m high/low (THB)	7.60/3.82		
Issued shares (m)	700.02		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 8 พฤษภาคม 2024

## Investment thesis

We expect GABLE to post a core profit of THB22m in 1Q24 (-78.3% q-q, -10.7% y-y), mainly from the enterprise solution and services (digital transformation) segment amid the low season. However, the good news is that the company won a large contract worth cTHB1b, bringing its total backlog to a record high of cTHB5.5b. Most of it will be recognized as revenue in 2024, limiting the downside to our projection this year.

The partnership with Workday (WDAY US), a leader in enterprise cloud applications for finance and human resource management in April 2024, will help GABLE to expand its margin, as the service has a higher gross margin than GABLE's main revenue source. We maintain our BUY rating and TP of THB6.80, based on a 2024E P/E of 15x. GABLE's share price is trading at only 11.5x 2024E P/E, the cheapest among peers.

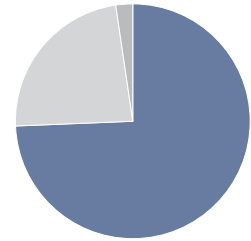
## Company profile

GABLE is a leading "tech enabler" company that has provided integrated technology and digital solutions for organizations for more than 33 years. The business of the company is divided into three categories: 1) enterprise solutions and services; 2) value-added distribution; and 3) software platforms.

[www.g-able.com](http://www.g-able.com)

## Principal activities (revenue, 2023)

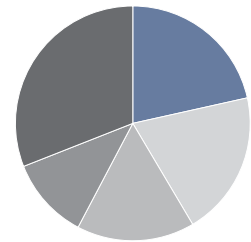
- Enterprise solution and services - 74.4 %
- Value-added distribution solution - 23.3 %
- Software Platform - 2.3 %



Source: G-Able

## Major shareholders

- Liuchareon Family - 21.5 %
- Uahwatanasakul Family - 20.0 %
- Chansue Family - 16.2 %
- Phantumvanit Family - 11.3 %
- Others - 31.0 %



Source: G-Able

## Catalysts

Key potential catalysts include 1) stronger project-winning bids; 2) stronger demand from enterprises for digital transformation; and 3) mergers and acquisitions.

## Risks to our call

The key downside risks to our TP are 1) failure to secure new projects from customers; 2) a lack of human resources; and 3) more intense competition.

## Event calendar

Date	Event
14 May 2024	1Q24 earnings announcement

## Key assumptions

	2024E (THB m)	2025E (THB m)	2026E (THB m)
Enterprise solution and services	4,169	4,502	4,709
Value-added distribution solution	1,451	1,512	1,565
Software Platform	192	249	324
Gross margin (%)	21.3	22.0	22.5
EBITDA margin (%)	7.6	8.0	8.4
Net margin (%)	5.5	5.9	6.2

Source: FSSIA estimates

## Earnings sensitivity

- For every 0.5% change in gross margin, we project GABLE's 2024 net profit to change by 6%, all else being equal.
- For every 1% change in SG&A expense, we project GABLE's 2024 net profit to change by 1%, all else being equal.

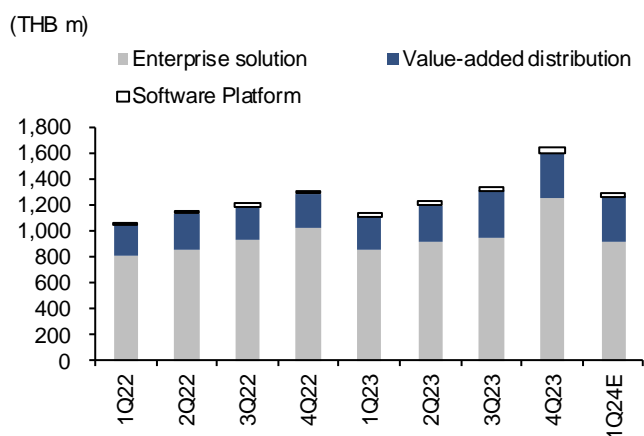
Source: FSSIA estimates

## Exhibit 1: GABLE – 1Q24 earnings preview

Year to Dec 31	1Q23	2Q23	3Q23	4Q23	1Q24E	-----Change-----		2024E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)	2024E
Sales revenue	1,135	1,223	1,342	1,638	1,293	(21.1)	13.9	5,811	8.9	22.2
Cost of sales	(915)	(968)	(1,067)	(1,289)	(1,043)	(19.1)	14.0	(4,571)	7.8	22.8
Gross profit	220	255	275	349	250	(28.5)	13.3	1,240	12.8	20.1
SG&A expenses	(185)	(185)	(193)	(225)	(224)	(0.5)	21.1	(863)	9.6	25.9
Operating profit	405	441	468	574	473	(17.5)	16.8	377	21.0	125.5
Operating EBITDA	55	96	103	147	46	(68.5)	(15.7)	442	15.9	10.4
Other income	3	9	4	5	3	(48.9)	0.8	26	29.6	9.9
Interest expense	(6)	(5)	(2)	(1)	(1)	(7.9)	(77.4)	(5)	(66.0)	26.1
Profit before tax	33	74	83	128	27	(78.6)	(16.0)	398	25.5	6.9
Tax	(8)	(13)	(16)	(26)	(5)	(79.3)	(30.9)	(80)	23.9	6.9
<b>Reported net profit</b>	<b>25</b>	<b>60</b>	<b>66</b>	<b>101</b>	<b>22</b>	<b>(78.3)</b>	<b>(10.7)</b>	<b>317</b>	<b>25.8</b>	<b>6.9</b>
<b>Core profit</b>	<b>25</b>	<b>60</b>	<b>66</b>	<b>101</b>	<b>22</b>	<b>(78.3)</b>	<b>(10.7)</b>	<b>317</b>	<b>25.8</b>	<b>6.9</b>
Reported EPS (THB)	0.05	0.09	0.09	0.14	0.03	(78.3)	(33.0)	0.45	25.8	6.9
Recurring EPS (THB)	0.05	0.09	0.09	0.14	0.03	(78.3)	(33.0)	0.45	25.8	6.9
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(ppt)</b>	
Gross margin	19.4	20.9	20.5	21.3	19.3	(2.0)	(0.1)	21.3	0.7	
Operating margin	35.7	36.0	34.9	35.0	36.6	1.6	0.9	6.5	0.6	
EBITDA margin	4.8	7.8	7.7	9.0	3.6	(5.4)	(1.3)	7.6	0.5	
Recurring net margin	2.2	4.9	4.9	6.2	1.7	(4.5)	(0.5)	5.5	0.7	
SG&A / Sales	16.3	15.1	14.4	13.7	17.3	3.6	1.0	14.9	0.1	
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(y-y %)</b>	
Enterprise solution	852	912	949	1,256	910	(27.6)	6.8	4,169	5.0	
Value-added services	256	282	360	347	351	1.2	37.0	1,451	16.6	
Software platform	27	30	32	35	32	(8.7)	18.0	192	54.3	

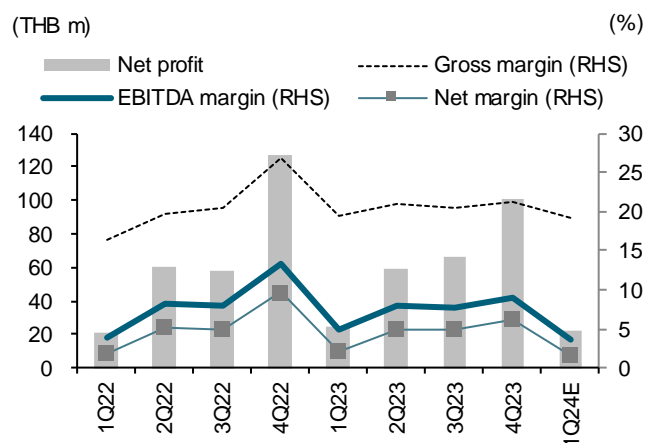
Sources: GABLE, FSSIA estimates

## Exhibit 2: Revenue structure



Sources: GABLE, FSSIA estimates

## Exhibit 3: Margins and net profit



Sources: GABLE, FSSIA estimates

## Financial Statements

G-Able

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	4,731	5,338	5,811	6,263	6,598
Cost of goods sold	(3,728)	(4,239)	(4,571)	(4,885)	(5,117)
<b>Gross profit</b>	<b>1,003</b>	<b>1,099</b>	<b>1,240</b>	<b>1,378</b>	<b>1,481</b>
Other operating income	-	-	-	-	-
Operating costs	(703)	(788)	(863)	(940)	(991)
<b>Operating EBITDA</b>	<b>366</b>	<b>381</b>	<b>442</b>	<b>502</b>	<b>554</b>
Depreciation	(66)	(70)	(65)	(64)	(63)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>300</b>	<b>312</b>	<b>377</b>	<b>438</b>	<b>491</b>
Net financing costs	(8)	(15)	(5)	(4)	(4)
Associates	0	0	0	0	0
Recurring non-operating income	41	20	26	28	30
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>334</b>	<b>317</b>	<b>398</b>	<b>462</b>	<b>516</b>
Tax	(66)	(64)	(80)	(92)	(103)
<b>Profit after tax</b>	<b>268</b>	<b>253</b>	<b>319</b>	<b>370</b>	<b>413</b>
Minority interests	(2)	(1)	(2)	(3)	(4)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>267</b>	<b>252</b>	<b>317</b>	<b>367</b>	<b>409</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>267</b>	<b>252</b>	<b>317</b>	<b>367</b>	<b>409</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.51	0.36	0.45	0.52	0.58
Reported EPS	0.51	0.36	0.45	0.52	0.58
DPS	1.92	0.29	0.23	0.26	0.29
Diluted shares (used to calculate per share data)	525	700	700	700	700
<b>Growth</b>					
Revenue (%)	(4.2)	12.8	8.9	7.8	5.3
Operating EBITDA (%)	11.7	4.1	15.9	13.6	10.3
Operating EBIT (%)	16.7	3.8	21.0	16.1	12.0
Recurring EPS (%)	8.7	(29.2)	25.8	15.9	11.4
Reported EPS (%)	8.7	(29.2)	25.8	15.9	11.4
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	21.2	20.6	21.3	22.0	22.5
Gross margin exc. depreciation (%)	22.6	21.9	22.5	23.0	23.4
Operating EBITDA margin (%)	7.7	7.1	7.6	8.0	8.4
Operating EBIT margin (%)	6.3	5.8	6.5	7.0	7.4
Net margin (%)	5.6	4.7	5.5	5.9	6.2
Effective tax rate (%)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)
Dividend payout on recurring profit (%)	378.3	80.3	50.3	50.4	50.5
Interest cover (X)	43.5	22.6	81.0	116.1	126.6
Inventory days	4.4	3.9	4.2	5.9	8.4
Debtor days	64.8	79.5	75.0	63.6	64.3
Creditor days	44.9	67.1	65.0	41.6	42.0
Operating ROIC (%)	27.5	24.6	29.7	28.6	29.5
ROIC (%)	23.6	19.7	23.6	23.7	24.7
ROE (%)	18.8	15.2	14.7	17.3	19.3
ROA (%)	6.8	5.5	6.1	7.4	8.1
* Pre-exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Enterprise solution and services	3,607	3,969	4,169	4,502	4,709
Value-added distribution solution	1,052	1,245	1,451	1,512	1,565
Software Platform	73	124	192	249	324

Sources: G-Able; FSSIA estimates

## Financial Statements

### G-Able

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	267	252	317	367	409
Depreciation	66	70	65	64	63
Associates & minorities	-	-	-	-	-
Other non-cash items	2	(57)	(213)	(197)	(196)
Change in working capital	(570)	405	(282)	(80)	(83)
<b>Cash flow from operations</b>	<b>(235)</b>	<b>670</b>	<b>(113)</b>	<b>153</b>	<b>193</b>
Capex - maintenance	(66)	(67)	(76)	(68)	(68)
Capex - new investment	(17)	(17)	(19)	(17)	(17)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	7	0	0	0	0
<b>Cash flow from investing</b>	<b>(76)</b>	<b>(84)</b>	<b>(95)</b>	<b>(85)</b>	<b>(85)</b>
Dividends paid	(1,009)	(299)	(159)	(185)	(206)
Equity finance	150	1,086	0	0	0
Debt finance	678	728	0	0	0
Other financing cash flows	(19)	(1,383)	2	2	3
<b>Cash flow from financing</b>	<b>(200)</b>	<b>131</b>	<b>(157)</b>	<b>(182)</b>	<b>(204)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>(42)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(511)</b>	<b>718</b>	<b>(406)</b>	<b>(114)</b>	<b>(96)</b>
Free cash flow to firm (FCFF)	(303.20)	601.00	(202.56)	72.37	112.27
Free cash flow to equity (FCFE)	347.56	(69.35)	(247.13)	70.84	110.72

#### Per share (THB)

FCFF per share	(0.43)	0.86	(0.29)	0.10	0.16
FCFE per share	0.50	(0.10)	(0.35)	0.10	0.16
Recurring cash flow per share	0.64	0.38	0.24	0.33	0.39

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	343	393	443	483	523
Less: Accumulated depreciation	(260)	(281)	(302)	(324)	(346)
<b>Tangible fixed assets (net)</b>	<b>83</b>	<b>112</b>	<b>141</b>	<b>158</b>	<b>177</b>
<b>Intangible fixed assets (net)</b>	<b>173</b>	<b>190</b>	<b>177</b>	<b>180</b>	<b>183</b>
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	0	0	0	0	0
Cash & equivalents	620	1,338	931	817	721
A/C receivable	988	1,337	1,051	1,133	1,193
Inventories	48	42	62	93	140
Other current assets	1,980	2,416	2,465	2,514	2,564
<b>Current assets</b>	<b>3,636</b>	<b>5,133</b>	<b>4,509</b>	<b>4,557</b>	<b>4,618</b>
Other assets	145	163	168	173	178
<b>Total assets</b>	<b>4,037</b>	<b>5,598</b>	<b>4,994</b>	<b>5,068</b>	<b>5,157</b>
Common equity	1,133	2,179	2,136	2,119	2,121
Minorities etc.	7	7	9	12	15
<b>Total shareholders' equity</b>	<b>1,140</b>	<b>2,186</b>	<b>2,145</b>	<b>2,130</b>	<b>2,137</b>
Long term debt	101	80	83	85	88
Other long-term liabilities	167	189	198	208	219
<b>Long-term liabilities</b>	<b>268</b>	<b>269</b>	<b>281</b>	<b>294</b>	<b>307</b>
A/C payable	459	1,074	531	567	596
Short term debt	698	64	22	22	22
Other current liabilities	1,472	1,975	2,015	2,055	2,096
<b>Current liabilities</b>	<b>2,629</b>	<b>3,114</b>	<b>2,567</b>	<b>2,644</b>	<b>2,713</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,037</b>	<b>5,569</b>	<b>4,994</b>	<b>5,068</b>	<b>5,157</b>
Net working capital	1,085	746	1,032	1,118	1,206
Invested capital	1,486	1,211	1,518	1,629	1,744

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

#### Per share (THB)

Book value per share	2.16	3.11	3.05	3.03	3.03
Tangible book value per share	1.83	2.84	2.80	2.77	2.77

#### Financial strength

Net debt/equity (%)	15.7	(54.6)	(38.5)	(33.3)	(28.6)
Net debt/total assets (%)	4.4	(21.3)	(16.5)	(14.0)	(11.9)
Current ratio (x)	1.4	1.6	1.8	1.7	1.7
CF interest cover (x)	47.4	(2.6)	(44.8)	22.9	32.1

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>10.2</b>	<b>14.5</b>	<b>11.5</b>	<b>9.9</b>	<b>8.9</b>
<b>Recurring P/E @ target price (x) *</b>	<b>13.4</b>	<b>18.9</b>	<b>15.0</b>	<b>13.0</b>	<b>11.6</b>
Reported P/E (x)	10.2	14.5	11.5	9.9	8.9
Dividend yield (%)	36.9	5.6	4.4	5.1	5.7
Price/book (x)	2.4	1.7	1.7	1.7	1.7
Price/tangible book (x)	2.8	1.8	1.9	1.9	1.9
EV/EBITDA (x) **	8.0	6.4	6.4	5.9	5.5
EV/EBITDA @ target price (x) **	10.3	9.4	8.9	8.1	7.5
EV/invested capital (x)	2.0	2.0	1.9	1.8	1.7

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

Sources: G-Able; FSSIA estimates

## Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) 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 ( <a href="#">THSI</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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.																				
<a href="#">Morningstar Sustainability</a>	The Sustainability's 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.																				
<a href="#">ESG Book</a>	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.	<table border="1"> <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> <p>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.</p>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
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<a href="#">MSCI</a>	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"> <tbody> <tr> <td><b>AAA</b></td> <td>8.571-10.000</td> <td rowspan="3"><b>Leader:</b></td> <td rowspan="3">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> </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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<a href="#">Moody's ESG solutions</a>	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.																					
<a href="#">Refinitiv ESG rating</a>	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>																					
<a href="#">S&amp;P Global</a>	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

#### Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

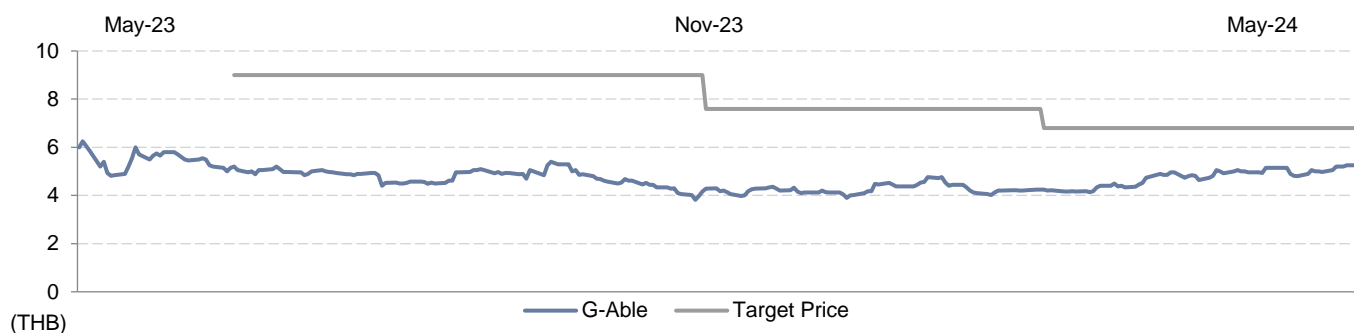
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#### History of change in investment rating and/or target price

##### G-Able (GABLE TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
21-Jun-2023	BUY	9.00	02-Nov-2023	BUY	7.60	06-Feb-2024	BUY	6.80

Jitra Amornthum started covering this stock from 21-Jun-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
G-Able	GABLE TB	THB 5.20	BUY	The key downside risks to our TP are 1) failure to secure new projects from customers; 2) a lack of human resources; and 3) more intense competition.

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 07-May-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.