

## BOUND AND BEYOND

## BEYOND TB

THAILAND / TOURISM &amp; LEISURE

BUY

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## 1Q24 results at first glance

BEYOND รายงานกำไรปกติ 1Q24 ทำสถิติสูงสุดใหม่ที่ 68 ลบ. สูงกว่าที่เราคาดไว้ที่ 39 ลบ. อย่างมีนัยสำคัญจากค่าห้องรายวันเฉลี่ย (ADR) ที่สูงกว่าคาดถึง 23,000 บาท (เทียบกับประมาณการของเราที่ 22,000 บาท) และ EBITDA margin ที่ 28% (เทียบกับสมมติฐานของเราที่ 25%)

## Highlights

- BEYOND รายงานกำไรปกติ 1Q24 สูงถึง 68 ลบ. สูงกว่าที่เราคาดไว้ที่ 39 ลบ. อย่างมีนัยสำคัญจากค่าห้องรายวันเฉลี่ย (ADR) ที่สูงกว่าคาดถึง 23,000 บาท (เทียบกับประมาณการของเราที่ 22,000 บาท) และ EBITDA margin ที่ 28% (เทียบกับสมมติฐานของเราที่ 25%)
- รายได้โต 17% y-y โดยได้ปัจจัยหนุนจากรายได้ค่าห้องซึ่งกระโดดเพิ่ม 52% y-y RevPAR โต 27% y-y พร้อมอัตราการเข้าพัก (OCC rate) ที่ 60% (เทียบกับ 53% ใน 1Q23) และ ADR ที่เพิ่ม 13% เป็น 23,000 บาท
- นอกจากนี้รายได้จากรูทริคอาหารและเครื่องดื่มยังปรับขึ้น 4% y-y
- ต้นทุนขายเพิ่ม 9% y-y ในขณะที่ค่าใช้จ่ายการขายและบริหารสูงขึ้น 15% y-y ซึ่งทำให้ EBITDA margin ปรับตัวดีขึ้นอย่างมีนัยสำคัญเป็น 28% (เทียบกับ 24% ใน 1Q23)
- กำไรปกติ 1Q24 คิดเป็น 51% ของประมาณการกำไรปกติปี 2024 ของเราที่ 134 ลบ. ไปแล้ว

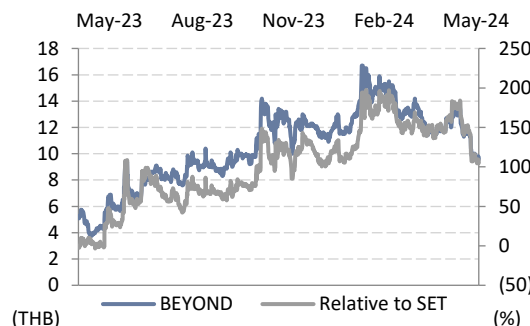
## Outlook and recommendation

- เราคาดว่า RevPAR จะโตต่อเนื่องอีก 10-20% y-y ใน 2Q24 อย่างไรก็ตาม BEYOND น่าจะบันทึกผลขาดทุนใน 2Q24 จาก Low tourism season โดยตัวเลขผลขาดทุนน่าจะลดลงอย่างมีนัยสำคัญเมื่อเทียบกับที่เคยขาดทุน 113 ลบ. ใน 2Q23.
- เกี่ยวกับความคืบหน้าของแผนในการขนส่งจากแคดเมียมจากสมุทรสาครไปที่โรงงานของบริษัท ในดาก BEYOND (ในฐานะผู้ขาย) และ J&B (ในฐานะผู้ซื้อ) ได้เริ่มกระบวนการดังกล่าวแล้วโดยน่าจะแล้วเสร็จได้ภายในเดือน มิ.ย. แม้ว่า BEYOND น่าจะบันทึกค่าใช้จ่ายเกี่ยวข้องกับแผนการกำจัดกากใน 2Q24 เราเชื่อว่าตัวเลขจะไม่กระทบกำไรอย่างมีนัยสำคัญ
- ราคาหุ้นของ BEYOND ปรับตัวลดลง 28% จากปัญหาจากแคดเมียมซึ่งเราเห็นว่าได้สะท้อนข่าวร้ายทั้งหมดไว้ในราคาแล้ว นอกจากนี้หุ้นยังมีการซื้อขายในระดับการประเมินมูลค่าที่ต่ำเพียง 0.4x 2024 P/BV และ 8.6x EV/EBITDA

TARGET PRICE	THB22.00
CLOSE	THB9.55
UP/DOWNSIDE	+130.4%
TP vs CONSENSUS	+0.0%

## KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	2,978	3,395	3,642	3,836
Net profit	158	134	239	286
EPS (THB)	0.55	0.43	0.77	0.92
vs Consensus (%)	-	-	-	-
EBITDA	546	842	943	984
Recurring net profit	(169)	134	239	286
Core EPS (THB)	(0.58)	0.43	0.77	0.92
EPS growth (%)	nm	nm	79.0	19.8
Core P/E (x)	(16.4)	22.2	12.4	10.3
Dividend yield (%)	-	2.3	4.0	4.8
EV/EBITDA (x)	13.9	8.6	7.3	6.7
Price/book (x)	0.4	0.4	0.4	0.4
Net debt/Equity (%)	76.4	64.8	58.0	52.6
ROE (%)	(2.7)	2.1	3.6	4.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(8.2)	(27.7)	(37.2)
Relative to country (%)	(6.0)	(26.6)	(28.2)
Mkt cap (USD m)	75		
3m avg. daily turnover (USD m)	0.1		
Free float (%)	50		
Major shareholder	Country Group Holding PCL (39%)		
12m high/low (THB)	15.70/9.45		
Issued shares (m)	309.82		

Sources: Bloomberg consensus; FSSIA estimates



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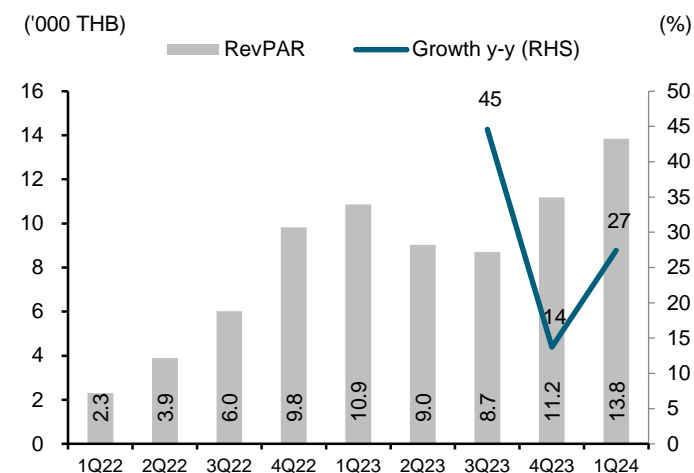
บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 10 พฤษภาคม 2024

## Exhibit 1: BEYOND - 1Q24 results summary

FY ending Dec	1Q23	2Q23	3Q23	4Q23	1Q24	----- Change -----		2023	2024E	Chg.
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	815	614	673	875	952	9	17	2,978	3,395	14
COGS (incl depreciation)	(488)	(438)	(465)	(549)	(532)	(3)	9	(1,940)	(2,033)	5
<b>Gross Profit</b>	<b>327</b>	<b>176</b>	<b>208</b>	<b>326</b>	<b>421</b>	<b>29</b>	<b>29</b>	<b>1,037</b>	<b>1,363</b>	<b>31</b>
SG&A	(205)	(199)	(183)	(211)	(236)	12	15	(798)	(830)	4
<b>Operating Profit</b>	<b>122</b>	<b>(23)</b>	<b>25</b>	<b>115</b>	<b>185</b>	<b>61</b>	<b>51</b>	<b>240</b>	<b>533</b>	<b>(123)</b>
Dividend income	0	0	0	0	0			0	0	
Interest income	1	2	2	3	0	(87)	(68)	8	10	
Other income	2	0	9	0	4			11	17	50
Interest expenses	(102)	(107)	(109)	(108)	(105)	(3)	3	(426)	(393)	(8)
<b>Pretax profit</b>	<b>23</b>	<b>(127)</b>	<b>(73)</b>	<b>10</b>	<b>84</b>	<b>749</b>	<b>267</b>	<b>(167)</b>	<b>167</b>	<b>200</b>
Income Tax	(6)	14	5	(15)	(17)	11	181	(2)	(33)	1,640
Associates	(0)	0	(0)	0	0			(1)	0	(100)
Minority interest	0	0	0	0	0			0	0	n/a
<b>Core profit</b>	<b>17</b>	<b>(113)</b>	<b>(68)</b>	<b>(5)</b>	<b>68</b>	<b>1,378</b>	<b>298</b>	<b>(169)</b>	<b>134</b>	<b>179</b>
Extraordinaries, GW & FX	0	317	7	3	0			328	0	
<b>Reported net profit</b>	<b>17</b>	<b>205</b>	<b>(61)</b>	<b>(3)</b>	<b>68</b>	<b>2,647</b>	<b>296</b>	<b>158</b>	<b>134</b>	<b>16</b>
Outstanding shares (m)	289	289	289	289	289	0	0	290	310	7
<b>Core EPS (THB)</b>	<b>0.06</b>	<b>(0.39)</b>	<b>(0.24)</b>	<b>(0.02)</b>	<b>0.23</b>	<b>1,378</b>	<b>298</b>	<b>(0.58)</b>	<b>0.43</b>	<b>174</b>
<b>EPS (THB)</b>	<b>0.06</b>	<b>0.71</b>	<b>(0.21)</b>	<b>(0.01)</b>	<b>0.23</b>	<b>2,647</b>	<b>296</b>	<b>0.55</b>	<b>0.43</b>	<b>21</b>
COGS excl. depreciation	(412)	(362)	(388)	(472)	(453)	(4)	10	(1,634)	(1,724)	5
Depreciation	(76)	(76)	(77)	(77)	(78)	2	3	(306)	(308)	1
EBITDA	198	54	102	192	263	37	33	546	842	(54)
<b>Key ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>
Gross margin	40	29	31	37	44	7	4	35	40	5
SG&A/Revenue	25	32	27	24	25	1	(0)	27	24	(2)
EBITDA margin	24	9	15	22	28	6	3	18	25	6
Net profit margin	2	33	(9)	(0)	7	7	5	5	4	(1)
<b>Operating stats</b>										
Occupancy (%)	53	50	52	51	60					
ADR (THB/night)	20,495	18,042	16,741	21,916	23,068					
RevPar (THB/night)	10,862	9,021	8,705	11,177	13,841					

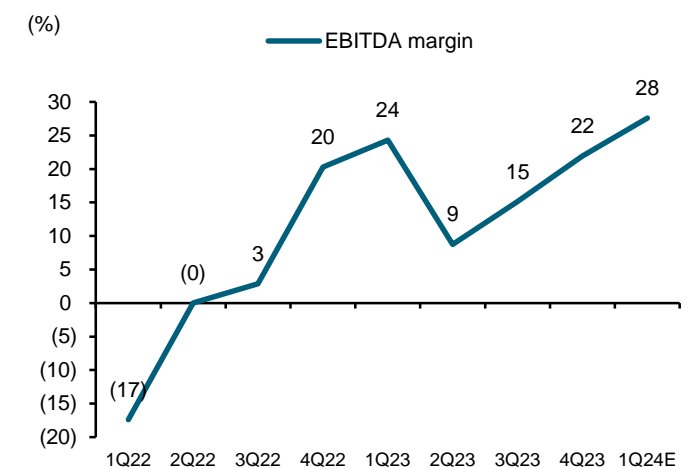
Sources: BEYOND; FSSIA estimates

## Exhibit 2: RevPAR



Sources: BEYOND; FSSIA estimates

## Exhibit 3: EBITDA margin



Sources: BEYOND; FSSIA estimates

## Financial Statements

### Bound and Beyond

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	2,148	2,978	3,395	3,642	3,836
Cost of goods sold	(1,607)	(1,940)	(2,033)	(2,137)	(2,252)
<b>Gross profit</b>	<b>541</b>	<b>1,037</b>	<b>1,363</b>	<b>1,505</b>	<b>1,585</b>
Other operating income	-	-	-	-	-
Operating costs	(716)	(798)	(830)	(871)	(915)
<b>Operating EBITDA</b>	<b>128</b>	<b>546</b>	<b>842</b>	<b>943</b>	<b>984</b>
Depreciation	(303)	(306)	(308)	(309)	(314)
Goodwill amortisation	-	-	-	-	-
<b>Operating EBIT</b>	<b>(174)</b>	<b>240</b>	<b>533</b>	<b>634</b>	<b>670</b>
Net financing costs	(399)	(418)	(383)	(343)	(320)
Associates	0	(1)	0	0	0
Recurring non-operating income	38	11	17	8	8
Non-recurring items	99	328	0	0	0
<b>Profit before tax</b>	<b>(437)</b>	<b>160</b>	<b>167</b>	<b>299</b>	<b>358</b>
Tax	95	(2)	(33)	(60)	(72)
<b>Profit after tax</b>	<b>(342)</b>	<b>158</b>	<b>134</b>	<b>239</b>	<b>286</b>
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>(342)</b>	<b>158</b>	<b>134</b>	<b>239</b>	<b>286</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(99)</b>	<b>(328)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>(441)</b>	<b>(169)</b>	<b>134</b>	<b>239</b>	<b>286</b>
<b>Per share (THB)</b>					
Recurring EPS *	(1.53)	(0.58)	0.43	0.77	0.92
Reported EPS	(1.18)	0.55	0.43	0.77	0.92
DPS	0.00	0.00	0.22	0.39	0.46
Diluted shares (used to calculate per share data)	289	290	310	310	310
<b>Growth</b>					
Revenue (%)	869.1	38.6	14.0	7.3	5.3
Operating EBITDA (%)	nm	326.0	54.3	12.0	4.4
Operating EBIT (%)	nm	nm	122.6	18.8	5.7
Recurring EPS (%)	nm	nm	nm	79.0	19.8
Reported EPS (%)	nm	nm	(20.9)	79.0	19.8
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	25.2	34.8	40.1	41.3	41.3
Gross margin exc. depreciation (%)	39.3	45.1	49.2	49.8	49.5
Operating EBITDA margin (%)	6.0	18.3	24.8	25.9	25.7
Operating EBIT margin (%)	(8.1)	8.0	15.7	17.4	17.5
Net margin (%)	(20.5)	(5.7)	3.9	6.6	7.5
Effective tax rate (%)	17.7	-1.1	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	50.0	50.0	50.0
Interest cover (X)	(0.3)	0.6	1.4	1.9	2.1
Inventory days	11.4	11.0	11.6	11.6	11.6
Debtor days	12.2	12.7	10.7	9.9	9.4
Creditor days	78.6	96.0	106.3	106.1	106.1
Operating ROIC (%)	(1.3)	2.2	3.9	4.8	5.1
ROIC (%)	(1.0)	2.2	3.9	4.6	4.9
ROE (%)	(7.0)	(2.7)	2.1	3.6	4.2
ROA (%)	(0.8)	1.9	3.3	3.9	4.2
* Pre exceptional, pre-goodwill and fully diluted					
<b>Revenue by Division (THB m)</b>					
Hotel revenue	2,135	2,978	3,395	3,642	3,836
Revenue from sales and services	13	0	0	0	0

Sources: Bound and Beyond; FSSIA estimates

## Financial Statements

### Bound and Beyond

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	(441)	(169)	134	239	286
Depreciation	303	306	308	309	314
Associates & minorities	-	-	-	-	-
Other non-cash items	119	275	0	0	0
Change in working capital	(1,037)	150	30	31	32
<b>Cash flow from operations</b>	<b>(1,056)</b>	<b>562</b>	<b>472</b>	<b>579</b>	<b>633</b>
Capex - maintenance	(634)	(154)	(154)	(162)	(230)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	967	183	0	0	0
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>333</b>	<b>29</b>	<b>(154)</b>	<b>(162)</b>	<b>(230)</b>
Dividends paid	0	0	0	(67)	(120)
Equity finance	0	12	198	0	0
Debt finance	778	(11)	(777)	(468)	(150)
Other financing cash flows	(161)	34	0	0	0
<b>Cash flow from financing</b>	<b>617</b>	<b>36</b>	<b>(579)</b>	<b>(535)</b>	<b>(270)</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>(105)</b>	<b>627</b>	<b>(262)</b>	<b>(117)</b>	<b>133</b>
Free cash flow to firm (FCFF)	(318.31)	1,016.67	710.64	768.51	729.92
Free cash flow to equity (FCFE)	(105.32)	614.72	(459.14)	(50.22)	252.50

#### Per share (THB)

FCFF per share	(1.03)	3.28	2.29	2.48	2.36
FCFE per share	(0.34)	1.98	(1.48)	(0.16)	0.81
Recurring cash flow per share	(0.06)	1.42	1.43	1.77	1.94

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	12,656	12,448	12,602	12,764	12,994
Less: Accumulated depreciation	(961)	(1,139)	(1,448)	(1,757)	(2,071)
<b>Tangible fixed assets (net)</b>	<b>11,695</b>	<b>11,309</b>	<b>11,155</b>	<b>11,007</b>	<b>10,923</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	264	315	315	315	315
Cash & equivalents	761	1,388	1,126	1,009	1,142
A/C receivable	108	99	99	99	99
Inventories	45	53	56	60	63
Other current assets	373	293	334	358	377
<b>Current assets</b>	<b>1,287</b>	<b>1,833</b>	<b>1,615</b>	<b>1,526</b>	<b>1,682</b>
Other assets	100	158	158	158	158
<b>Total assets</b>	<b>13,346</b>	<b>13,615</b>	<b>13,243</b>	<b>13,006</b>	<b>13,078</b>
Common equity	6,103	6,300	6,632	6,804	6,971
Minorities etc.	0	0	0	0	0
<b>Total shareholders' equity</b>	<b>6,103</b>	<b>6,300</b>	<b>6,632</b>	<b>6,804</b>	<b>6,971</b>
Long term debt	5,227	5,215	4,538	4,120	3,970
Other long-term liabilities	277	289	289	289	289
<b>Long-term liabilities</b>	<b>5,504</b>	<b>5,504</b>	<b>4,827</b>	<b>4,409</b>	<b>4,259</b>
A/C payable	371	489	516	547	579
Short term debt	986	988	888	838	838
Other current liabilities	382	334	381	409	431
<b>Current liabilities</b>	<b>1,739</b>	<b>1,811</b>	<b>1,784</b>	<b>1,793</b>	<b>1,848</b>
<b>Total liabilities and shareholders' equity</b>	<b>13,346</b>	<b>13,615</b>	<b>13,243</b>	<b>13,006</b>	<b>13,078</b>
Net working capital	(227)	(378)	(407)	(438)	(470)
Invested capital	11,832	11,405	11,221	11,042	10,926

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

#### Per share (THB)

Book value per share	21.13	21.72	21.40	21.96	22.50
Tangible book value per share	21.13	21.72	21.40	21.96	22.50

#### Financial strength

Net debt/equity (%)	89.3	76.4	64.8	58.0	52.6
Net debt/total assets (%)	40.9	35.4	32.5	30.4	28.0
Current ratio (x)	0.7	1.0	0.9	0.9	0.9
CF interest cover (x)	0.7	2.5	(0.2)	0.9	1.8

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>(6.3)</b>	<b>(16.4)</b>	<b>22.2</b>	<b>12.4</b>	<b>10.3</b>
<b>Recurring P/E @ target price (x) *</b>	<b>(14.4)</b>	<b>(37.7)</b>	<b>51.0</b>	<b>28.5</b>	<b>23.8</b>
Reported P/E (x)	(8.1)	17.5	22.2	12.4	10.3
Dividend yield (%)	-	-	2.3	4.0	4.8
Price/book (x)	0.5	0.4	0.4	0.4	0.4
Price/tangible book (x)	0.5	0.4	0.4	0.4	0.4
EV/EBITDA (x) **	64.1	13.9	8.6	7.3	6.7
EV/EBITDA @ target price (x) **	92.2	20.5	13.2	11.4	10.6
EV/invested capital (x)	0.7	0.7	0.6	0.6	0.6

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

Sources: Bound and Beyond; FSSIA estimates

# BOUND AND BEYOND PCL (BEYOND TB)

**FSSIA ESG rating**

**25.31 /100**
**Exhibit 4: FSSIA ESG score implication**

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	<b>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.</b>
★	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.

Source: FSSIA estimates

**Exhibit 5: 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	25.31	--	--	--	5.00	5.00	Certified	--	42.49	--	--	--	--	--	--
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	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation
**Exhibit 6: ESG disclosure from the company's one report**

FY ending Dec 31	FY 2022	FY ending Dec 31	FY 2022
<b>Environmental</b>		<b>Governance</b>	
Climate change policy	Yes	<b>Board size / Independent directors (ID) / Female</b>	<b>9 / 4 / 1</b>
Climate change opportunities discussed	--	No. of board meetings for the year / % attendance	8 / 97.22%
GHG scope 2 location-based policy	Yes	Company conducts board evaluations	Yes
Biodiversity policy	Yes	Number of non-executive directors on board	8
Energy efficiency policy	Yes	Director share ownership guidelines	No
Electricity used	Yes	Board age limit	No
Fuel used - crude oil/diesel	--	Age of the youngest / oldest director	36 / 80
Waste reduction policy	Yes	Number of executives / female	7 / 3
Water policy	Yes	Executive share ownership guidelines	No
Water consumption	Yes	<b>Size of audit committee / ID</b>	<b>3 / 3</b>
<b>Social</b>		Audit committee meetings	5
Human rights policy	Yes	Audit committee meeting attendance (%)	100
Policy against child labor	Yes	<b>Size of compensation committee</b>	<b>3 / 0</b>
Quality assurance and recall policy	--	Number of compensation committee meetings	2
Consumer data protection policy	Yes	Compensation committee meeting attendance (%)	100
Equal opportunity policy	Yes	<b>Size of nomination committee / ID</b>	<b>3 / 0</b>
Gender pay gap breakout	--	Number of nomination committee meetings	2
Pct women in workforce	48%	Nomination committee meeting attendance (%)	100
Business ethics policy	Yes	Board compensation (THB m)	7.01
Anti-bribery ethics policy	Yes	Auditor fee (THB m)	2.35
Health and safety policy	Yes	(EY Company Limited)	
Lost time incident rate - employees	--		
Training policy	Yes		
Fair remuneration policy	Yes		
Number of employees - CSR	977		
Total hours spent by firm - employee training	--		
Social supply chain management	--		

Source: FSSIA's compilation

## 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+										
NEGL	Low	Medium	High	Severe																		
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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

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

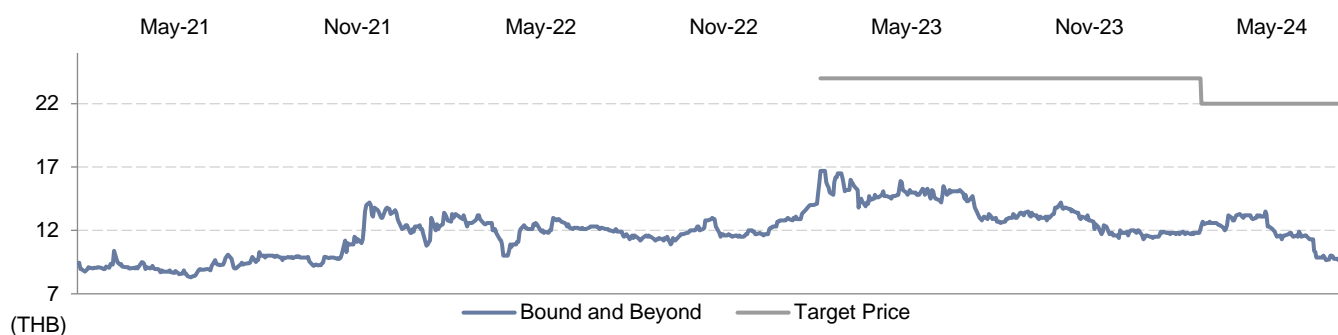
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

#### Bound and Beyond (BEYOND TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
08-Feb-2023	BUY	24.00	02-Jan-2024	BUY	22.00	-	-	-

Teerapol Udomvej, CFA started covering this stock from 08-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Bound and Beyond	BEYOND TB	THB 9.55	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 09-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.