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THAILAND / TRANSPORT & LOGISTICS

SJWD TB

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1Q24 results at first glance

แม้ว่ากำไรปกติ 1Q24 จะต่ำกว่าคาด แต่เชื่อเป็นจุดต่ำสุดของปี

Highlights

- หากไม่รวมกำไรจาก FX และ Derivatives ซึ่งมีจำนวนเพียงเล็กน้อย SJWD จะมีกำไรปกติ 160 ล้านบาทใน 1Q24 (-40% q-q, -31% y-y) ต่ำกว่าที่เราคาด 33% และต่ำกว่า Bloomberg consensus คาด 14%
- กำไรที่ต่ำกว่าคาดมาจากส่วนแบ่งกำไรจากบริษัทร่วมที่ต่ำผิดคาด โดยในไตรมาสนี้รับรู้กำไรเพียง 41 ล้านบาท เทียบกับที่เราคาด 77 ล้านบาท สาเหตุหลักมาจากการรับรู้ผลขาดทุนของบริษัทร่วมในเวียดนามคือ Transimex (TMS VN – SJWD ถือ 23.47%) จำนวน 5 ล้านบาท ซึ่งเป็นผลมาจากผู้สอบบัญชีของบริษัทร่วมดังกล่าวไม่ให้นักหักกำไรจากการขายสินทรัพย์ของบริษัทร่วมในกลุ่มของ TMS ที่เกิดขึ้นในปี 2023 เป็นส่วนหนึ่งของรายได้และมีการปรับปรุงรายการดังกล่าวใน 1Q24 รายการดังกล่าวเป็นรายการทางบัญชีที่เกิดขึ้นครั้งเดียว
- หากไม่รวมรายการพิเศษ ผลการดำเนินงานหลักปกติของ TMS ใน 1Q24 มีกำไรปกติประมาณ 18 ล้านบาทซึ่งใกล้เคียงกับเป้าหมายของ SJWD ที่ตั้งเป้าไว้
- ล้าหลังผลการดำเนินงานหลักของ SJWD ใน 1Q24 ถือว่าเป็นไปตามคาด EBITDA ลดลง 37.3% q-q หลักๆ จากธุรกิจ Automotive yard และห้องเย็น ธุรกิจห้องเย็นที่ลดลงในไตรมาสนี้เพราะอยู่ในช่วง low season
- รายได้จากธุรกิจ Automotive -19.1% q-q จากจุดสูงสุดใน 4Q23 ตามภาวะอุตสาหกรรมยานยนต์ที่ยอดขายในประเทศหดตัว -9.9% q-q และ -15.3% y-y ใน 1Q24 ผู้ซื้อชะลอการซื้อรถเพราะรอโปรโมชั่นในงาน Motor Show ที่จัดในช่วงปลายเดือน มี.ค. จึงส่งผลกระทบต่อเนื่องมายัง SJWD รายได้ยังโต 22.5% y-y
- ธุรกิจขนส่งสินค้า (มาจาก SCGL เดิม) มีพัฒนาการดีขึ้นเร็วกว่าคาด รายได้ +7.3% q-q และ +27.9% y-y อัตรากำไรขั้นต้นดีขึ้น 200 bps เป็น 8.5% จากการฟื้นตัวของความต้องการซีเมนต์และวัสดุก่อสร้างในประเทศ

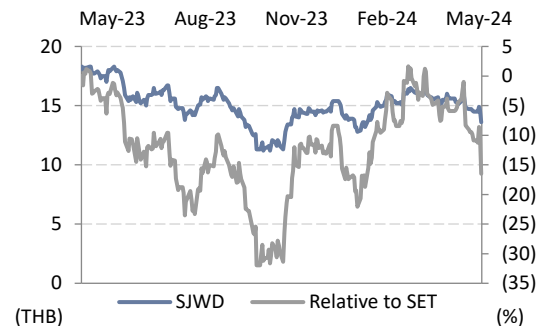
Outlook

- เราเชื่อว่ากำไรใน 1Q24 จะเป็นจุดต่ำสุดของปีนี้ แม้ว่าโดยปกติ 2Q จะเป็น low season เพราะวันทำงานน้อย แต่ปีนี้ 2Q24 อาจไม่ใช่จุดต่ำสุด
- ส่วนแบ่งกำไรของบริษัทร่วมจะดีขึ้น ความต้องการของธุรกิจห้องเย็นหลังตรุษจีนสูงมาก รวมถึงมีความต้องการของยาแช่เย็นจากลูกค้า ส่วนแบ่งกำไรของ ANI และ SWIFT จะรับรู้เต็มไตรมาสตั้งแต่ 2Q24 เป็นต้นไป และ 3Q24 คาดว่าจะมีกำไรจากการขายสินทรัพย์เข้ากอง REIT
- ถึงแม้ว่ากำไรปกติ 1Q24 คิดเป็นเพียง 14% ของประมาณการทั้งปี เรายังคงประมาณการคงคำแนะนำซื้อ และคงราคาเป้าหมาย 23 บาท

TARGET PRICE	THB23.00
CLOSE	THB13.60
UP/DOWNSIDE	+69.1%
TP vs CONSENSUS	+22.3%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	23,732	26,583	29,132	31,553
Net profit	761	1,179	1,373	1,529
EPS (THB)	0.42	0.65	0.76	0.84
vs Consensus (%)	-	(1.1)	(1.3)	(2.3)
EBITDA	2,847	3,220	3,465	3,685
Recurring net profit	778	1,179	1,373	1,529
Core EPS (THB)	0.43	0.65	0.76	0.84
EPS growth (%)	(18.1)	51.4	16.5	11.4
Core P/E (x)	31.6	20.9	17.9	16.1
Dividend yield (%)	1.8	1.9	2.2	2.5
EV/EBITDA (x)	12.6	11.2	10.2	9.5
Price/book (x)	1.1	1.1	1.1	1.0
Net debt/Equity (%)	43.7	43.8	40.7	37.3
ROE (%)	6.1	5.2	6.0	6.6



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(13.9)	(8.7)	(28.0)
Relative to country (%)	(11.6)	(7.6)	(17.7)
Mkt cap (USD m)	671		
3m avg. daily turnover (USD m)	1.5		
Free float (%)	46		
Major shareholder	SCG Group (43%)		
12m high/low (THB)	19.30/10.80		
Issued shares (m)	1,811.02		

Sources: Bloomberg consensus; FSSIA estimates



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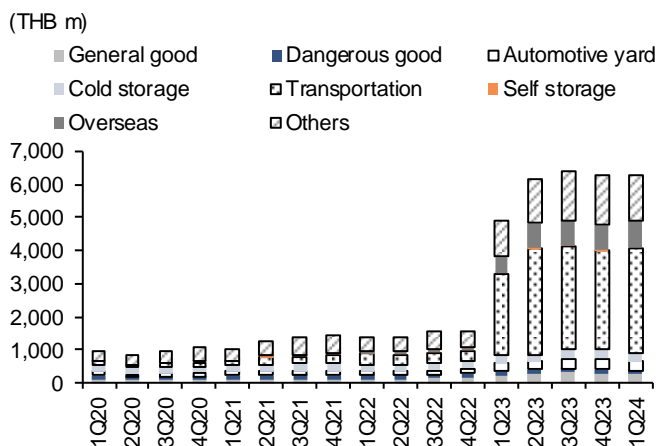
บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 13 พฤษภาคม 2024

Exhibit 1: SJWD - 1Q24 results summary

Year to Dec 31	1Q23	2Q23	3Q23	4Q23	1Q24	----- Change -----		2024E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)	2024E
Sales	4,885	6,131	6,417	6,300	6,252	(0.8)	28.0	26,583	12.0	23.5
Cost of sales	(4,178)	(5,395)	(5,610)	(5,376)	(5,453)	1.4	30.5	(23,051)	12.1	23.7
Gross profit	707	736	806	924	799	(13.6)	13.0	3,532	11.3	22.6
Operating costs	(479)	(526)	(563)	(581)	(509)	(12.4)	6.3	(2,172)	1.0	23.4
Operating profit	228	210	243	343	290	(15.6)	27.1	1,361	32.9	21.3
Operating EBITDA	569	575	646	1,057	726	(31.4)	27.6	3,220	13.1	22.5
Other income	31	55	57	87	32	(62.6)	3.5	234	1.7	13.8
Interest expense	(99)	(117)	(120)	(134)	(146)	9.0	47.3	(518)	9.9	28.2
Profit before tax	160	147	180	295	176	(40.5)	9.9	1,077	37.5	16.3
Associates	85	42	42	43	41	(4.8)	(51.9)	428	102.4	9.6
Reported net profit	231	129	140	261	164	(37.1)	(29.0)	1,179	54.8	13.9
Core profit	231	125	251	268	160	(40.2)	(30.6)	1,179	27.6	13.6
Reported EPS (THB)	0.16	0.08	0.08	0.14	0.09	(37.1)	(44.2)	0.65	54.8	13.9
Recurring EPS (THB)	0.13	0.07	0.14	0.15	0.09	(40.2)	(30.6)	0.65	27.6	13.6
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(ppt)	
Gross margin	14.5	12.0	12.6	14.7	12.8	(1.9)	(1.7)	13.3	(0.1)	
Operating margin	5.3	4.3	4.7	6.8	5.2	(1.7)	(0.2)	6.0	0.7	
EBITDA margin	11.6	9.4	10.1	16.8	11.6	(5.2)	(0.0)	12.1	0.1	
Recurring net margin	4.7	2.0	3.9	4.3	2.6	(1.7)	(2.2)	4.4	0.5	
SG&A / Sales	9.8	8.6	7.3	9.2	8.1	(1.1)	(1.7)	8.2	(0.9)	
Revenue breakdown	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(y-y %)	
Warehouse & yard management	818	844	1,025	1,033	925	(10.5)	13.1	4,284	15.2	
Transportation & distribution	2,478	3,221	3,102	2,955	3,170	7.3	27.9	13,485	14.7	
Other logistics	503	633	726	663	558	(15.9)	10.9	2,493	(0.4)	
Overseas	496	747	765	751	807	7.5	62.8	3,117	13.0	
Other business	590	707	799	898	793	(11.8)	34.3	3,204	7.0	
Gross margin by business	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)		
Warehouse & yard management	36.8	27.2	34.7	34.6	31.5	(3.1)	(5.3)	33.1		
Transportation & distribution	8.8	8.2	6.6	6.5	8.5	2.0	(0.3)	7.5		
Other logistics	22.5	24.8	20.3	21.8	18.8	(3.0)	(3.7)	21.5		
Overseas	6.3	7.1	8.4	10.5	13.1	2.7	6.8	8.2		
Other business	5.5	6.4	4.2	6.3	1.9	(4.4)	(3.6)	5.6		

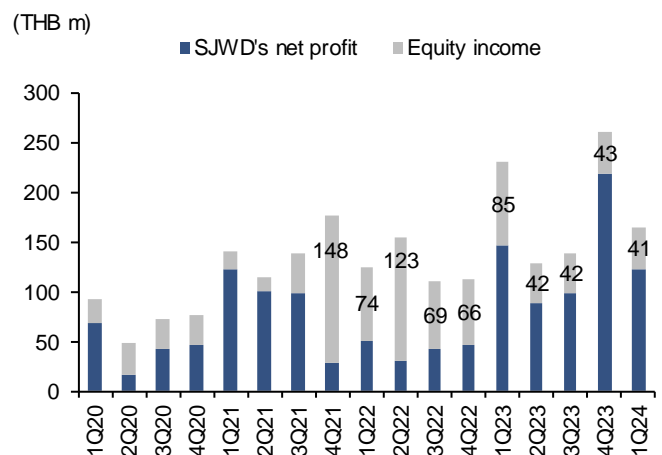
Sources: SJWD, FSSIA estimates

Exhibit 2: Revenue structure



Sources: SJWD, FSSIA's compilation

Exhibit 3: Equity income and SJWD's net 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	26,583	29,132	31,553
Cost of goods sold	(4,538)	(20,559)	(23,051)	(25,192)	(27,220)
Gross profit	1,364	3,173	3,532	3,940	4,333
Other operating income	86	230	234	216	222
Operating costs	(894)	(2,149)	(2,172)	(2,348)	(2,562)
Operating EBITDA	1,354	2,847	3,220	3,465	3,685
Depreciation	(798)	(1,593)	(1,625)	(1,658)	(1,691)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	556	1,254	1,595	1,807	1,994
Net financing costs	(291)	(471)	(518)	(523)	(528)
Associates	332	212	428	460	476
Recurring non-operating income	332	212	428	460	476
Non-recurring items	(31)	(17)	0	0	0
Profit before tax	567	977	1,505	1,744	1,941
Tax	(49)	(150)	(215)	(257)	(293)
Profit after tax	518	827	1,290	1,487	1,648
Minority interests	(14)	(66)	(111)	(114)	(119)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	504	761	1,179	1,373	1,529
Non-recurring items & goodwill (net)	31	17	0	0	0
Recurring net profit	535	778	1,179	1,373	1,529
Per share (THB)					
Recurring EPS *	0.52	0.43	0.65	0.76	0.84
Reported EPS	0.49	0.42	0.65	0.76	0.84
DPS	0.78	0.25	0.26	0.30	0.34
Diluted shares (used to calculate per share data)	1,020	1,811	1,811	1,811	1,811
Growth					
Revenue (%)	15.7	302.1	12.0	9.6	8.3
Operating EBITDA (%)	14.1	110.2	13.1	7.6	6.3
Operating EBIT (%)	15.7	125.3	27.2	13.3	10.3
Recurring EPS (%)	17.8	(18.1)	51.4	16.5	11.4
Reported EPS (%)	(11.8)	(15.0)	54.8	16.5	11.4
Operating performance					
Gross margin inc. depreciation (%)	23.1	13.4	13.3	13.5	13.7
Gross margin exc. depreciation (%)	36.6	20.1	19.4	19.2	19.1
Operating EBITDA margin (%)	22.9	12.0	12.1	11.9	11.7
Operating EBIT margin (%)	9.4	5.3	6.0	6.2	6.3
Net margin (%)	9.1	3.3	4.4	4.7	4.8
Effective tax rate (%)	8.6	15.4	14.3	14.7	15.1
Dividend payout on recurring profit (%)	148.7	58.2	40.0	40.0	40.0
Interest cover (X)	3.1	3.1	3.9	4.3	4.7
Inventory days	14.2	2.9	2.8	3.1	3.1
Debtor days	67.7	37.7	53.3	52.1	50.9
Creditor days	125.2	46.0	53.2	49.1	46.2
Operating ROIC (%)	9.7	14.6	14.0	15.5	16.4
ROIC (%)	7.0	5.3	4.7	5.3	5.8
ROE (%)	15.6	6.1	5.2	6.0	6.6
ROA (%)	6.1	4.7	4.4	4.9	5.3
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Warehouse & yard management	2,519	3,720	4,284	4,759	5,185
Transportation & Distribution	1,276	11,756	13,485	14,801	16,100
Other logistics business	653	2,505	2,493	2,652	2,830
Overseas	247	2,758	3,117	3,459	3,736

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	1,179	1,373	1,529
Depreciation	798	1,593	1,625	1,658	1,691
Associates & minorities	(332)	(212)	(428)	(460)	(476)
Other non-cash items	(14)	358	0	43	(3)
Change in working capital	76	243	(947)	(482)	(569)
Cash flow from operations	1,064	2,762	1,428	2,132	2,172
Capex - maintenance	-	-	-	-	-
Capex - new investment	(1,041)	(855)	(100)	(50)	(72)
Net acquisitions & disposals	-	-	260	-	-
Other investments (net)	(186)	(485)	(1,296)	(983)	(832)
Cash flow from investing	(1,227)	(1,339)	(1,136)	(1,033)	(905)
Dividends paid	(262)	(802)	(471)	(549)	(612)
Equity finance	105	(56)	0	0	0
Debt finance	(42)	887	(44)	(334)	(941)
Other financing cash flows	(197)	(894)	0	0	0
Cash flow from financing	(397)	(865)	(515)	(883)	(1,553)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	163	23	5	0	5
Net other adjustments	163	23	5	0	5
Movement in cash	(397)	581	(218)	216	(280)
Free cash flow to firm (FCFF)	127.18	1,893.50	809.62	1,621.85	1,796.03
Free cash flow to equity (FCFE)	(239.55)	1,438.86	253.31	764.88	331.91

Per share (THB)	2022	2023	2024E	2025E	2026E
FCFF per share	0.07	1.05	0.45	0.90	0.99
FCFE per share	(0.13)	0.79	0.14	0.42	0.18
Recurring cash flow per share	0.97	1.39	1.31	1.44	1.51

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	7,235	11,511	11,270	11,618	11,939
Less: Accumulated depreciation	(2,307)	(3,328)	(3,495)	(3,670)	(3,853)
Tangible fixed assets (net)	4,928	8,183	7,776	7,949	8,086
Intangible fixed assets (net)	1,795	19,103	18,837	18,177	17,725
Long-term financial assets	0	1,127	1,116	1,082	1,071
Invest. in associates & subsidiaries	2,830	3,702	3,887	3,926	3,926
Cash & equivalents	1,133	1,714	1,495	1,711	1,431
A/C receivable	1,138	3,764	4,006	4,310	4,495
Inventories	165	134	189	207	224
Other current assets	99	373	425	466	505
Current assets	2,534	5,984	6,116	6,694	6,655
Other assets	953	1,099	1,283	1,369	1,444
Total assets	13,041	39,198	39,015	39,197	38,907
Common equity	3,117	22,330	22,637	23,061	23,478
Minorities etc.	317	975	1,005	1,035	1,066
Total shareholders' equity	3,434	23,305	23,642	24,096	24,544
Long term debt	4,886	10,360	10,311	9,487	8,512
Other long-term liabilities	326	732	797	830	858
Long-term liabilities	5,213	11,092	11,109	10,317	9,370
A/C payable	1,697	3,083	3,158	3,175	3,281
Short term debt	2,593	1,544	1,550	2,041	2,074
Other current liabilities	104	174	189	138	149
Current liabilities	4,394	4,801	4,897	5,354	5,505
Total liabilities and shareholders' equity	13,041	39,198	39,647	39,766	39,419
Net working capital	(400)	1,014	1,273	1,670	1,793
Invested capital	10,107	34,228	34,173	34,173	34,046

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

Per share (THB)	2022	2023	2024E	2025E	2026E
Book value per share	3.06	12.33	12.50	12.73	12.96
Tangible book value per share	1.30	1.78	2.10	2.70	3.18

Financial strength	2022	2023	2024E	2025E	2026E
Net debt/equity (%)	184.8	43.7	43.8	40.7	37.3
Net debt/total assets (%)	48.7	26.0	26.6	25.0	23.5
Current ratio (x)	0.6	1.2	1.2	1.3	1.2
CF interest cover (x)	3.8	5.9	1.7	2.6	1.8

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	25.9	31.6	20.9	17.9	16.1
Recurring P/E @ target price (x) *	43.8	53.5	35.3	30.3	27.2
Reported P/E (x)	27.5	32.4	20.9	17.9	16.1
Dividend yield (%)	5.7	1.8	1.9	2.2	2.5
Price/book (x)	4.4	1.1	1.1	1.1	1.0
Price/tangible book (x)	10.5	7.6	6.5	5.0	4.3
EV/EBITDA (x) **	15.2	12.6	11.2	10.2	9.5
EV/EBITDA @ target price (x) **	22.2	18.6	16.5	15.2	14.1
EV/invested capital (x)	2.0	1.0	1.1	1.0	1.0

* 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

★ ★ ★

42.41 /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	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	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
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 Sustainability	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 & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+									
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0-10	10-20	20-30	30-40	40+																	
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="1" style="margin-left: auto; margin-right: auto;"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</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>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	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

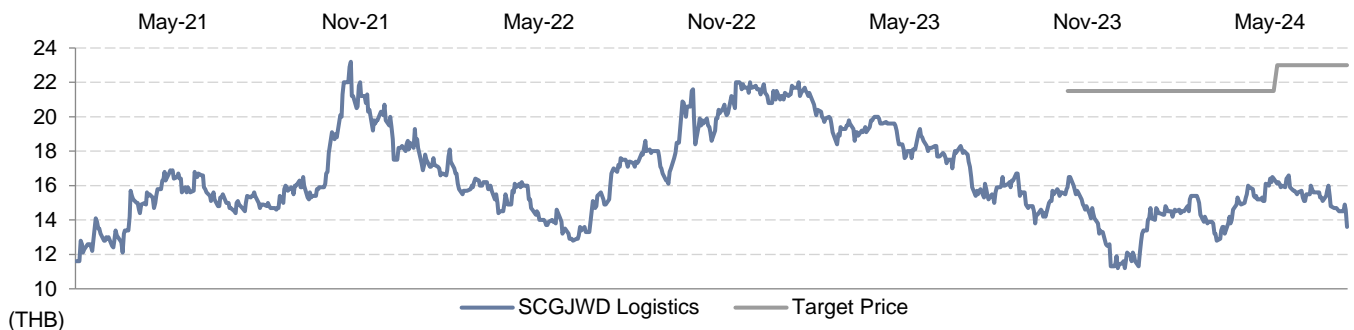
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History of change in investment rating and/or target price

SCGJWD Logistics (SJWD TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Sep-2023	BUY	21.50	08-Mar-2024	BUY	23.00	-	-	-

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 13.60	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 10-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.