

PRIMA MARINE PRM TB

THAILAND / TRANSPORT & LOGISTIC

BUY

UNCHANGED

Key takeaways from analyst meeting

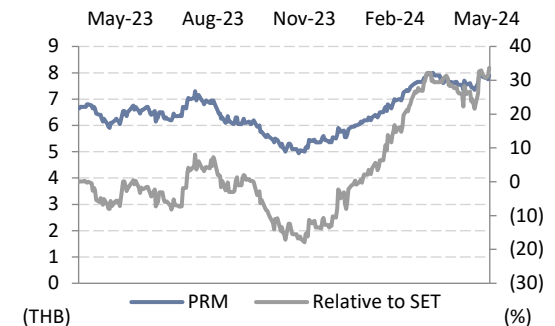
TARGET PRICE	THB10.00
CLOSE	THB7.90
UP/DOWNSIDE	+26.6%
TP vs CONSENSUS	+12.7%

Highlights

- โทนาการประชุมเป็นบวก อุปทานเรือ Tanker ปัจจุบันขาดแคลนซึ่งเป็นผลบวกต่อค่าระวางเรือ FSU ของ PRM ในช่วงการแพร่ระบาดของโควิด ทั่วโลกมีการสั่งต่อเรือคอนเทนเนอร์และเรือเทกองเป็นจำนวนมาก โดยเฉพาะเรือคอนเทนเนอร์ทำให้อุปทานเรือคอนเทนเนอร์ทยอยหลังไหลเข้ามาในตลาดต่อเนื่อง
- ปี 2024 เป็นปีที่จะมีอุปทานเรือคอนเทนเนอร์เพิ่มขึ้นมากที่สุดราว 20% ในขณะที่การสั่งต่อเรือ Tanker ใหม่ (Order book) อยู่ในระดับต่ำมาก 0.6% ของกองเรือโลก ต่ำกว่าระดับที่ควรจะเป็นคือ 10% ความขาดแคลนทำให้เรือถูกใช้งานนานขึ้นจากอายุ 20 ปีเป็น 25 ปี และค่าระวางเรือ Tanker สูงขึ้น แต่ถึงแม้ค่าระวางจะสูง โอกาสเกิดผู้ประกอบการรายใหม่ก็ยากเพราะต้องใช้เงินลงทุนสูง สถานการณ์ปัจจุบันจึงเป็นบวกต่อธุรกิจเรือ FSU (27% ของรายได้รวม) ของ PRM
- อุปสงค์ของเรือ FSU ในปัจจุบันสูงขึ้นเพราะสงครามในตะวันออกกลาง และวิกฤตในทะเลแดงทำให้เรือ Bunker ไม่สามารถแวะเติมน้ำมันในแถบตะวันออกกลาง แต่ต้องเติมน้ำมันที่สิงคโปร์ให้มากที่สุด สิงคโปร์เป็นหนึ่งใน Strategic location ที่ PRM ให้บริการอยู่แล้ว นอกเหนือจากน่านน้ำในมาเลเซีย ในทั้งสองทำเลนี้มีผู้บริการรายใหญ่น้อยราย PRM เป็นหนึ่งในผู้ประกอบการรายใหญ่ที่มีเรือ FSU 5 ลำ
- ธุรกิจเรือ FSU ที่เคยสร้างรายได้โดดเด่นในช่วงโควิด และปรับลงในปี 2023 ปีนี้ธุรกิจ FSU กลับมาสดใสมากขึ้น บริษัทเตรียมซื้อเรือ FSU เพิ่มอีก 1 ลำ คาดเริ่มให้บริการใน 3Q24 เราคาดรายได้ FSU ปี 2024 +13% y-y ขยับขึ้นมามีสัดส่วน 28% ของรายได้รวม
- ธุรกิจเรือขนส่งน้ำมันและปิโตรเคมีเหลว (42% ของรายได้รวม) เรือขนส่งน้ำมันดิบ (21% ของรายได้รวม) และเรือ Offshore support (10% ของรายได้) รายได้ส่วนใหญ่เป็นสัญญาระยะยาว
- แนวโน้มกำไรในช่วงที่เหลือของปีจะดีขึ้นเพราะ 1) เรือขนาดใหญ่ซ่อมบำรุงไปแล้ว 10 ลำใน 1Q24 เหลืออีก 15 ลำที่ครบกำหนดซ่อมบำรุงแต่เป็นเรือขนาดเล็ก 2) บริษัทเตรียมซื้อเรือเพิ่ม เป็นเรือ FSU 1 ลำ คาด COD 3Q24 ซื้อเรือ Aframax 1 ลำเริ่ม COD 4Q24 และเตรียมสั่งต่อเรือใหม่ 6 ลำ คาด COD ปลายปี 2025
- กำไรปกติที่ราคา +9% ในปี 2024 อาจมี upside ปัจจุบันหุ้นยังเทรดที่ P/E เพียง 9.8 เท่า เรายังคงแนะนำซื้อ ราคาเป้าหมาย 10 บาท ปัจจุบันบริษัทซื้อหุ้นคืนไปแล้ว 97% ของทั้งโครงการ

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	8,087	8,910	9,334	9,661
Net profit	2,125	2,012	2,190	2,302
EPS (THB)	0.85	0.80	0.88	0.92
vs Consensus (%)	-	(2.8)	(2.4)	(3.4)
EBITDA	3,555	3,896	4,109	4,227
Recurring net profit	1,844	2,012	2,190	2,302
Core EPS (THB)	0.74	0.80	0.88	0.92
EPS growth (%)	(16.8)	9.1	8.9	5.1
Core P/E (x)	10.7	9.8	9.0	8.6
Dividend yield (%)	4.6	4.6	5.0	5.2
EV/EBITDA (x)	6.7	6.5	6.2	5.8
Price/book (x)	1.7	1.6	1.5	1.4
Net debt/Equity (%)	30.3	40.8	36.9	28.3
ROE (%)	16.7	16.7	16.9	16.6



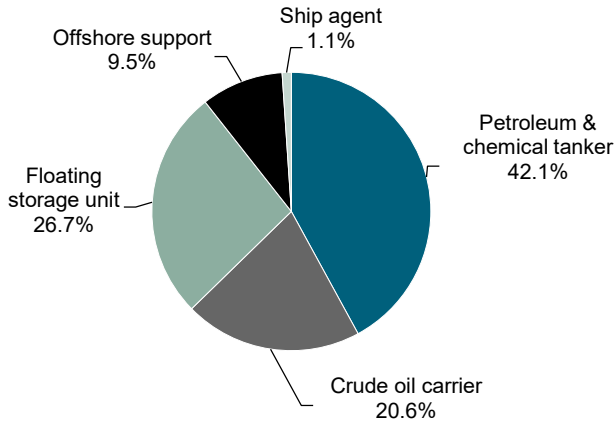
Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.3	20.6	19.7
Relative to country (%)	4.5	22.3	35.9
Mkt cap (USD m)	501		
3m avg. daily turnover (USD m)	2.7		
Free float (%)	46		
Major shareholder	Nathalin Co. Ltd. (54%)		
12m high/low (THB)	8.05/4.92		
Issued shares (m)	2,500.00		

Sources: Bloomberg consensus; FSSIA estimates


Jitra Amorntum

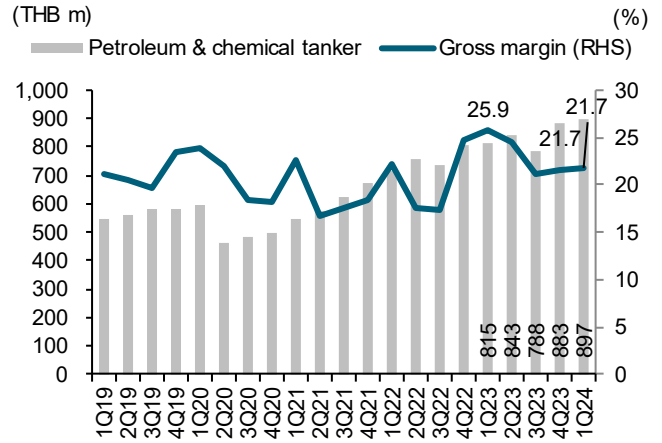
 Fundamental Investment Analyst on Securities; License no. 014530
 jitra.a@fssia.com, +66 2646 9966

Exhibit 1: Revenue structure in 1Q24



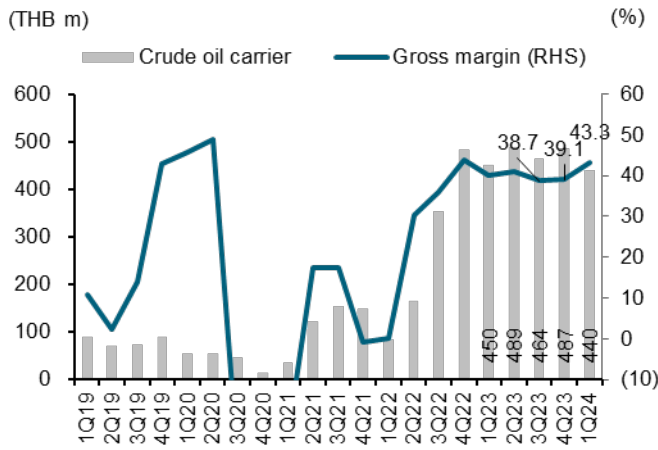
Sources: PRM, FSSIA's compilation

Exhibit 2: Revenue from petroleum & chemical tanker



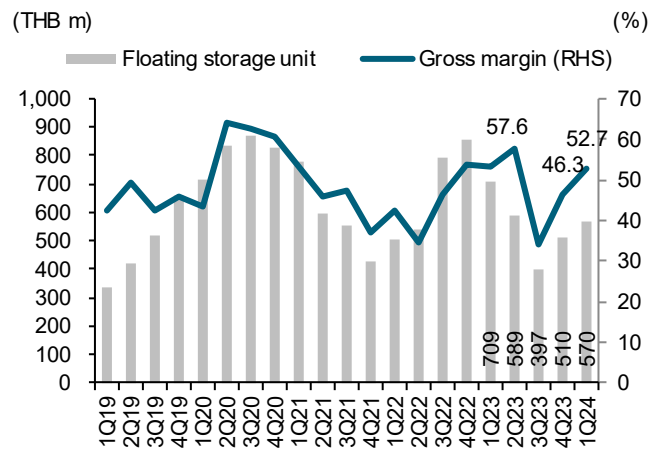
Sources: PRM, FSSIA's compilation

Exhibit 3: Revenue from crude oil carrier and gross margin



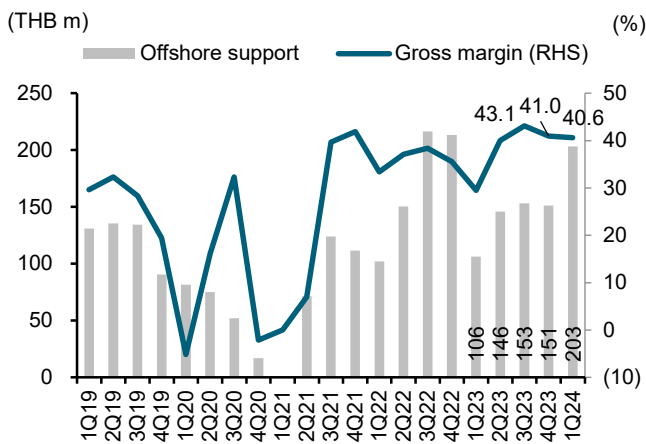
Sources: PRM, FSSIA's compilation

Exhibit 4: Revenue from FSU and gross margin



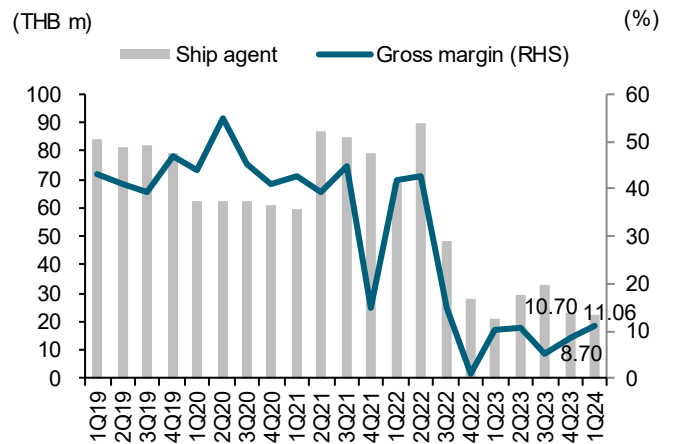
Sources: PRM, FSSIA's compilation

Exhibit 5: Revenue from offshore unit and gross margin



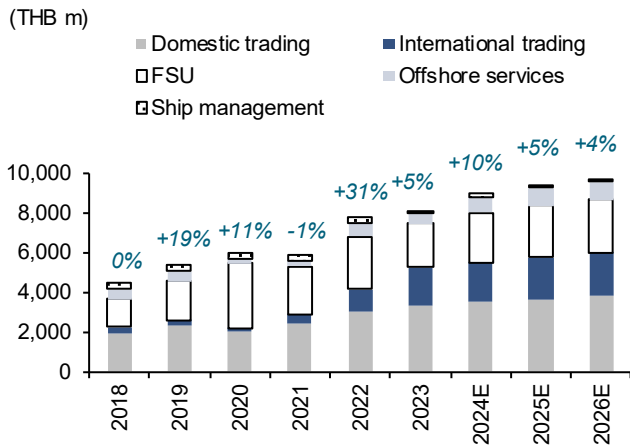
Sources: PRM, FSSIA's compilation

Exhibit 6: Revenue from ship agent and gross margin



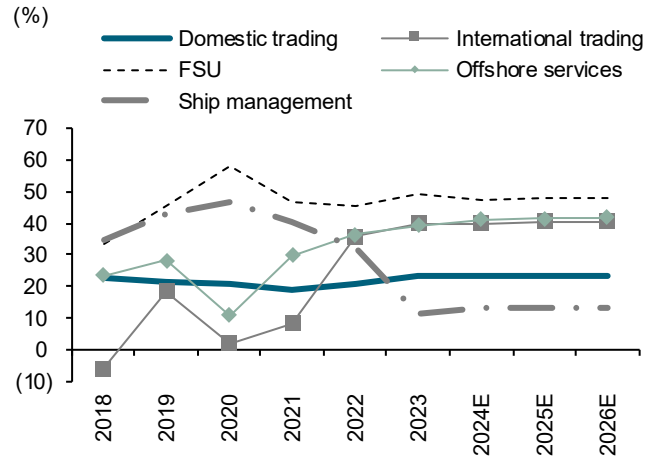
Sources: PRM, FSSIA's compilation

Exhibit 7: Revenue structure, yearly



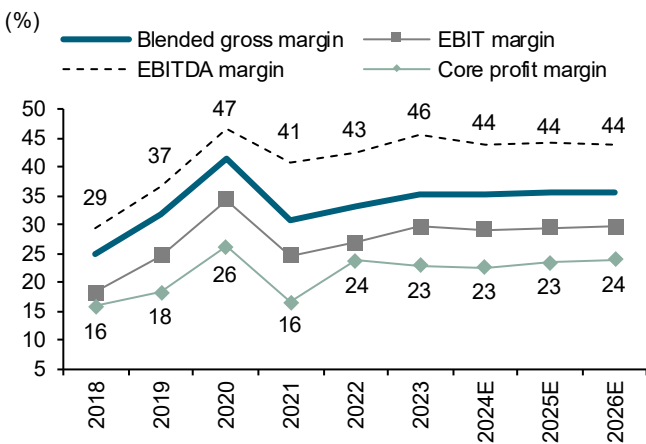
Sources: PRM, FSSIA estimates

Exhibit 8: Gross margin by business unit, yearly



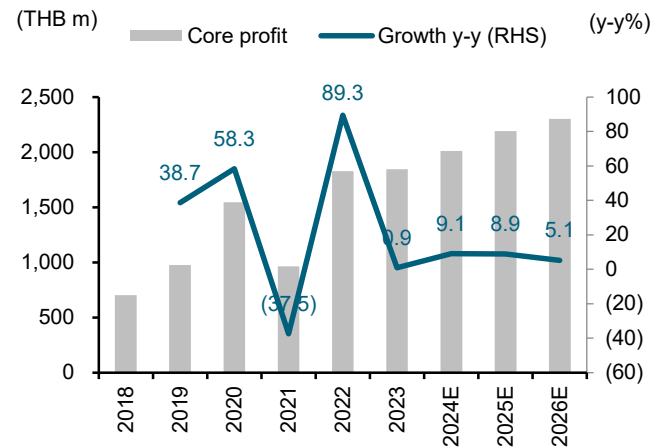
Sources: PRM, FSSIA estimates

Exhibit 9: Margins



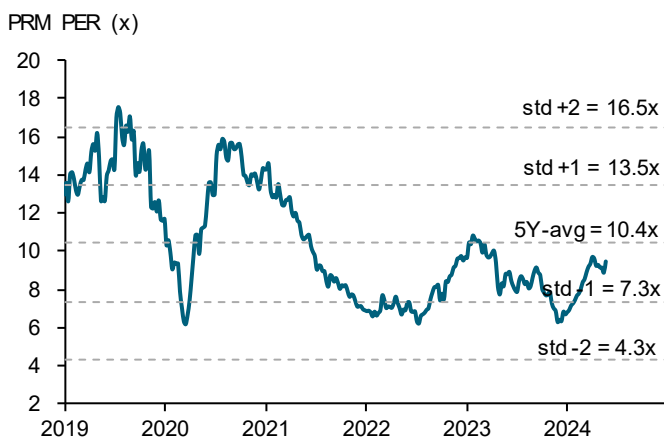
Sources: PRM, FSSIA estimates

Exhibit 10: Core profit and growth



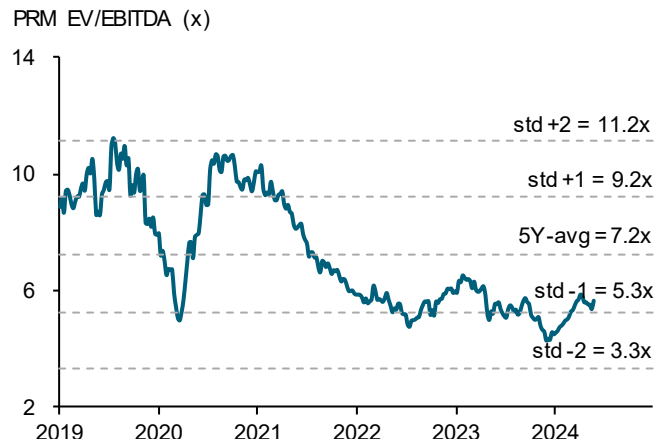
Sources: PRM, FSSIA estimates

Exhibit 11: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 12: One-year rolling forward EV/EBITDA band



Sources: Bloomberg, FSSIA estimates

Financial Statements

Prima Marine

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	7,715	8,087	8,910	9,334	9,661
Cost of goods sold	(5,154)	(5,251)	(5,769)	(6,017)	(6,216)
Gross profit	2,562	2,836	3,142	3,316	3,445
Other operating income	70	140	71	75	77
Operating costs	(563)	(586)	(620)	(646)	(671)
Operating EBITDA	3,284	3,555	3,896	4,109	4,227
Depreciation	(1,216)	(1,165)	(1,303)	(1,363)	(1,377)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	2,068	2,390	2,593	2,745	2,851
Net financing costs	189	(305)	(302)	(275)	(261)
Associates	216	26	31	33	34
Recurring non-operating income	216	26	31	33	34
Non-recurring items	0	344	0	0	0
Profit before tax	2,473	2,455	2,323	2,503	2,623
Tax	(146)	(241)	(221)	(225)	(236)
Profit after tax	2,327	2,214	2,102	2,277	2,387
Minority interests	(112)	(89)	(90)	(88)	(85)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	2,215	2,125	2,012	2,190	2,302
Non-recurring items & goodwill (net)	0	(282)	0	0	0
Recurring net profit	2,215	1,844	2,012	2,190	2,302
Per share (THB)					
Recurring EPS *	0.89	0.74	0.80	0.88	0.92
Reported EPS	0.89	0.85	0.80	0.88	0.92
DPS	0.34	0.36	0.36	0.39	0.41
Diluted shares (used to calculate per share data)	2,500	2,500	2,500	2,500	2,500
Growth					
Revenue (%)	31.2	4.8	10.2	4.8	3.5
Operating EBITDA (%)	37.0	8.2	9.6	5.5	2.9
Operating EBIT (%)	43.2	15.6	8.5	5.9	3.9
Recurring EPS (%)	57.9	(16.8)	9.1	8.9	5.1
Reported EPS (%)	57.9	(4.0)	(5.4)	8.9	5.1
Operating performance					
Gross margin inc. depreciation (%)	33.2	35.1	35.3	35.5	35.7
Gross margin exc. depreciation (%)	49.0	49.5	49.9	50.1	49.9
Operating EBITDA margin (%)	42.6	44.0	43.7	44.0	43.8
Operating EBIT margin (%)	26.8	29.6	29.1	29.4	29.5
Net margin (%)	28.7	22.8	22.6	23.5	23.8
Effective tax rate (%)	5.9	7.3	9.5	9.0	9.0
Dividend payout on recurring profit (%)	38.4	48.8	45.0	45.0	45.0
Interest cover (X)	(12.1)	7.9	8.7	10.1	11.0
Inventory days	15.9	17.6	19.0	20.0	20.1
Debtor days	34.9	38.4	42.6	47.8	54.2
Creditor days	83.6	89.9	96.9	96.8	88.5
Operating ROIC (%)	20.2	22.7	21.2	19.9	20.4
ROIC (%)	14.2	13.8	13.9	13.5	13.7
ROE (%)	23.1	16.7	16.7	16.9	16.6
ROA (%)	11.3	10.7	11.2	11.5	11.7
* Pre exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Domestic trading	3,020	3,322	3,465	3,612	3,757
International trading	1,084	1,889	2,007	2,132	2,212
Floating storage unit	2,694	2,205	2,492	2,592	2,645
Offshore support	682	557	829	870	909

Sources: Prima Marine; FSSIA estimates

Financial Statements

Prima Marine

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	2,215	1,844	2,012	2,190	2,302
Depreciation	1,216	1,165	1,303	1,363	1,377
Associates & minorities	(216)	(26)	(31)	(33)	(34)
Other non-cash items	182	72	287	288	290
Change in working capital	(148)	(15)	251	(111)	(55)
Cash flow from operations	3,249	3,039	3,821	3,697	3,880
Capex - maintenance	-	0	0	0	0
Capex - new investment	(1,154)	(531)	(3,883)	(1,711)	(1,432)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	1,727	-	-	-	-
Cash flow from investing	572	(531)	(3,883)	(1,711)	(1,432)
Dividends paid	(719)	(945)	(1,105)	(1,305)	(1,436)
Equity finance	0	0	0	0	0
Debt finance	(1,945)	(1,238)	(70)	(442)	(223)
Other financing cash flows	(302)	(314)	19	16	16
Cash flow from financing	(2,966)	(2,498)	(1,155)	(1,731)	(1,643)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	189	0	0	0
Net other adjustments	(59)	189	(472)	(530)	(84)
Movement in cash	796	198	(1,689)	(274)	720
Free cash flow to firm (FCFF)	4,124.15	2,828.10	240.20	2,261.76	2,709.46
Free cash flow to equity (FCFE)	1,515.25	1,143.59	(583.73)	1,030.96	2,156.38

Per share (THB)	2022	2023	2024E	2025E	2026E
FCFF per share	1.65	1.13	0.10	0.90	1.08
FCFE per share	0.61	0.46	(0.23)	0.41	0.86
Recurring cash flow per share	1.36	1.22	1.43	1.52	1.57

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	13,868	13,869	15,325	16,427	17,100
Less: Accumulated depreciation	(4,427)	(4,043)	(3,078)	(3,942)	(5,118)
Tangible fixed assets (net)	9,441	9,826	12,247	12,485	11,981
Intangible fixed assets (net)	6,190	5,614	5,738	5,864	5,993
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	335	179	199	219	239
Cash & equivalents	3,408	3,606	1,917	1,643	2,363
A/C receivable	733	967	1,114	1,333	1,533
Inventories	178	216	249	261	271
Other current assets	111	113	137	143	158
Current assets	4,429	4,902	3,418	3,381	4,325
Other assets	181	196	206	219	222
Total assets	20,575	20,716	21,808	22,168	22,760
Common equity	10,411	11,621	12,527	13,412	14,278
Minorities etc.	401	418	430	443	456
Total shareholders' equity	10,812	12,039	12,957	13,855	14,734
Long term debt	6,960	5,619	5,631	5,257	5,099
Other long-term liabilities	157	165	161	166	169
Long-term liabilities	7,117	5,785	5,792	5,422	5,268
A/C payable	914	1,099	1,273	1,197	1,150
Short term debt	1,565	1,638	1,569	1,500	1,433
Other current liabilities	167	155	217	194	174
Current liabilities	2,646	2,893	3,058	2,891	2,757
Total liabilities and shareholders' equity	20,575	20,716	21,808	22,168	22,760
Net working capital	(60)	41	11	347	638
Invested capital	16,086	15,856	18,401	19,134	19,073

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

Per share (THB)	2022	2023	2024E	2025E	2026E
Book value per share	4.16	4.65	5.01	5.36	5.71
Tangible book value per share	1.69	2.40	2.72	3.02	3.31
Financial strength					
Net debt/equity (%)	47.3	30.3	40.8	36.9	28.3
Net debt/total assets (%)	24.9	17.6	24.2	23.1	18.3
Current ratio (x)	1.7	1.7	1.1	1.2	1.6
CF interest cover (x)	(13.1)	6.5	11.9	11.0	14.7

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	8.9	10.7	9.8	9.0	8.6
Recurring P/E @ target price (x) *	11.3	13.6	12.4	11.4	10.9
Reported P/E (x)	8.9	9.3	9.8	9.0	8.6
Dividend yield (%)	4.3	4.6	4.6	5.0	5.2
Price/book (x)	1.9	1.7	1.6	1.5	1.4
Price/tangible book (x)	4.7	3.3	2.9	2.6	2.4
EV/EBITDA (x) **	7.7	6.7	6.5	6.2	5.8
EV/EBITDA @ target price (x) **	9.3	8.2	7.9	7.4	7.0
EV/invested capital (x)	1.6	1.5	1.4	1.3	1.3

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

Sources: Prima Marine; FSSIA estimates

Prima Marine PCL (PRM TB)

FSSIA ESG rating

★ ★ ★

41.10 /100

Exhibit 13: 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 14: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings						Bloomberg	
	ESG score	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
PRM	41.10	--	--	--	5.00	5.00	Certified	Medium	48.87	--	--	28.02	--	3.49	40.59
PSL	55.45	--	Y	Y	5.00	5.00	Certified	Medium	59.76	BB	--	--	51.00	--	--
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 15: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	2.88	3.49
BESG environmental pillar score	—	—	1.12	2.08
BESG social pillar score	—	—	4.31	4.80
BESG governance pillar score	—	—	4.40	4.35
ESG disclosure score	33.61	39.57	40.36	40.59
Environmental disclosure score	3.26	8.70	8.70	13.56
Social disclosure score	16.29	22.49	24.85	20.68
Governance disclosure score	81.10	87.36	87.36	87.36
Environmental				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	No	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	Yes	Yes	Yes	Yes
GHG scope 1	—	—	—	162
GHG scope 2 location-based	—	—	—	—
GHG Scope 3	—	—	—	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	—	—	—	1
Renewable energy use	—	—	—	—
Electricity used	—	0	0	0
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 16: 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	—	2	1	2
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	—	—	—	—
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	0
Total recordable incident rate - employees	—	—	—	—
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	757	676	721	1,344
Employee turnover pct	—	—	—	—
Total hours spent by firm - employee training	39,970	24,295	36,915	54,513
Social supply chain management	No	No	No	No
Governance				
Board size	8	8	8	8
No. of independent directors (ID)	3	3	3	3
No. of women on board	1	1	1	1
No. of non-executive directors on board	7	7	7	7
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	14	15	12	16
Board meeting attendance pct	98	99	100	100
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	38	39	40	41
Age of the oldest director	69	70	71	72
No. of executives / company managers	5	5	6	6
No. of female executives	2	2	2	2
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	9	6	6	7
Audit meeting attendance %	100	100	100	100
Size of compensation committee	4	4	4	4
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	4	6	4	6
Compensation meeting attendance %	100	100	100	100
Size of nomination committee	4	4	4	4
No. of nomination committee meetings	4	6	4	6
Nomination meeting attendance %	100	100	100	100
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 (50-59), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																			
AGM level By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																			
Thai CAC By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																			
Morningstar Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <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

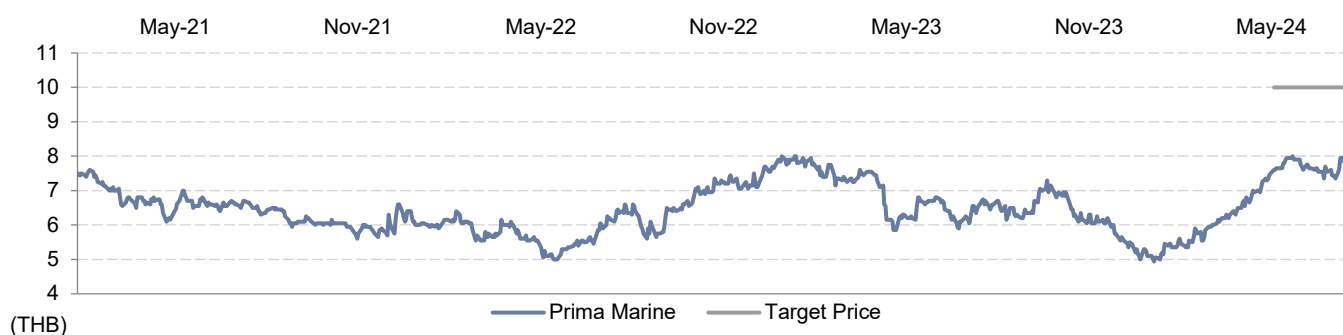
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History of change in investment rating and/or target price

Prima Marine (PRM TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
22-Mar-2024	BUY	10.00	-	-	-	-	-	-

Jitra Amornthum started covering this stock from 22-Mar-2024

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Prima Marine	PRM TB	THB 7.90	BUY	Downside risks ต่อราคาเป้าหมายของเรา 1) บริษัทไม่สามารถจัดหาเรือได้ตามความต้องการของลูกค้า 2) การขาดแคลนคนประจำเรือ 3) ราคาน้ำมันดิบโลกปรับลงรุนแรง ทำให้ลูกค้าไม่ต้องการเรือเพื่อเก็บน้ำมันและกระทบต้นทุนของเรือ FSU 4) การไม่ต่อสัญญาของลูกค้า 5) ภัยทางธรรมชาติ

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 30-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.