

# Thailand Hotels

## RevPAR ดีและมีแนวโน้มปรับขึ้นต่อเนื่องใน 3Q24

- RevPAR มีทิศทางเป็นบวกในเดือน ก.ค. และ ส.ค. คาดโรงแรมในไทยจะโตในอัตราสองหลัก y-y ในขณะที่โรงแรมที่กำลังปรับปรุงน่าจะโต 4-6% y-y โรงแรมในมัลดีฟส์น่าจะฟื้นตัวดี พร้อม RevPAR ที่โตดีของโรงแรมในยุโรป
- คงให้น้ำหนักมากกว่าตลาดจากกำไรที่คาดว่าจะดีพอใช้ใน 3Q24 พร้อมแนวโน้มที่ดีใน High season ที่กำลังจะมาถึง

### โรงแรมในไทย: คาด RevPAR จะโตต่อเนื่องใน 3Q24

เราได้ update ข้อมูลเพิ่มเติมเกี่ยวกับทิศทางของ RevPAR ของโรงแรมในไทยในช่วงเดือน ก.ค. และ ส.ค. และเห็นพัฒนาการเชิงบวกในเรื่องดังกล่าวโดยเราคาดว่าโรงแรมในไทยของ MINT AWC และ BEYOND จะรายงาน RevPAR โตมากกว่า 10% y-y อย่างไรก็ดีโรงแรมบางแห่งน่าจะโตต่ำกว่าที่ประมาณ 4-6% y-y โดยจะประกอบด้วย CENTEL (จากการปรับปรุงครั้งใหญ่ของ Centara Mirage Pattaya), SHR (จากการปรับปรุงของ SAii Laguna Phuket), ERW (จากการเหตุวางยาพิษที่ Grand Hyatt) และ DUSIT (จากการปรับปรุงของ Dusit Thani Phuket) ในภาพรวมเรามองว่า RevPAR จะยังคงขยายตัวดีใน 3Q24 แต่อาจไม่ได้รับความสนใจจากตลาดมากนักเมื่อเทียบกับตัวเลขการเติบโตที่ 10-15% y-y ในช่วง 1H24 เราคาดว่า RevPAR จะเร่งตัวขึ้นใน 4Q24 ในช่วง High season

### โรงแรมในต่างประเทศ: RevPAR กำลังฟื้นตัวในมัลดีฟส์ ในขณะที่ยุโรปยังอยู่ในเกณฑ์ดี

RevPAR ของโรงแรมในมัลดีฟส์ (CENTEL SHR และ DUSIT) ฟื้นตัวอย่างมีนัยสำคัญโดยโตขึ้น 10-20% y-y จากตัวเลขนักท่องเที่ยวที่เพิ่มขึ้นจากเพียง 2% y-y ใน 2Q24 เป็น 15% y-y ในเดือน ก.ค. และ ส.ค. นอกจากนี้ RevPAR ของโรงแรมในยุโรปยังปรับตัวดีอย่างสม่ำเสมอที่ 13-15% สำหรับ MINT และ 5-6% y-y สำหรับ SHR (ต่ำกว่า MINT จากการสิ้นสุดของสัญญาเช่าโรงแรมบางแห่ง) สำหรับโรงแรมในญี่ปุ่น (CENTEL และ ERW) RevPAR น่าจะลดลง 9-12% q-q จาก Low season (ไม่มีตัวเลข y-y เนื่องจากโรงแรมเพิ่งเปิดไม่นานมานี้)

### แนวโน้มกำไร 3Q24: คาดว่าหุ้นทั้งหมดจะโต y-y

เราเชื่อว่าหุ้นโรงแรมที่เราศึกษาทั้งหมดน่าจะรายงานกำไรปกติสูงขึ้น y-y จาก RevPAR ที่ดีขึ้น y-y ในส่วนของ q-q เราแบ่งหุ้นออกเป็น 3 กลุ่ม: 1) ERW และ SHR น่าจะรายงานกำไรโต q-q; 2) AWC และ BEYOND น่าจะรายงานกำไรปกติทรงตัว และ 3) กลุ่มสุดท้ายน่าจะรายงานกำไรลดลง q-q ประกอบด้วย MINT (จากปัจจัยด้านฤดูกาล), CENTEL (จากค่าใช้จ่ายการดำเนินงานของโรงแรมใหม่ในมัลดีฟส์), และ DUSIT (จากค่าใช้จ่ายก่อนดำเนินงานของโครงการ Dusit Central Park (DCP))

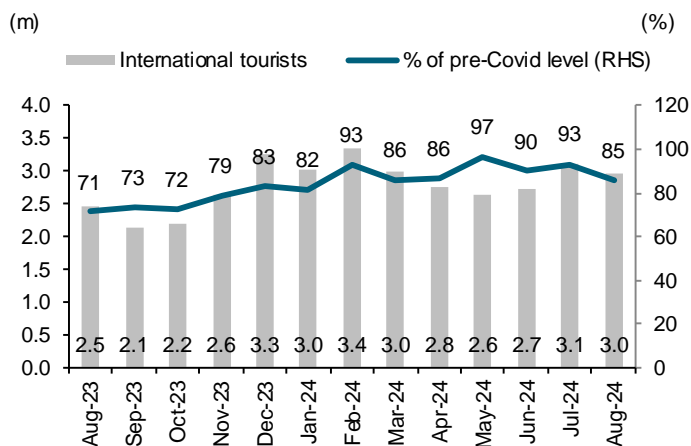
### MINT และ AWC เป็นหุ้นเด่นในขณะนี้ Wildcard pick คือ SHR และ DUSIT

เราให้น้ำหนักกลุ่มโรงแรมมากกว่าตลาด ในขณะที่กำไร 3Q24 อาจไม่ใช่ปัจจัยบวกสำคัญ เราแนะนำให้นักลงทุนเริ่มสะสมหุ้นที่คาดว่าจะมีการเติบโตสูงในช่วง 4Q24-1Q25 จาก High season ของอุตสาหกรรมท่องเที่ยว (ของไทยและมัลดีฟส์) หุ้นเด่นของเราประกอบด้วย 1) MINT (จาก RevPAR ที่โตดี Valuation ที่อยู่ในระดับต่ำและแผนลดหนี้ในช่วง 2H24 และ 2) AWC (จากการเติบโตของกำไรของธุรกิจโรงแรมและขนาดสินทรัพย์ที่เพิ่มขึ้นเมื่อเทียบกับก่อนโควิด) และเรามี Wildcard pick ประกอบด้วย 1) SHR จากกำไรที่คาดว่าจะผ่านจุดต่ำสุดไปแล้วพร้อมศักยภาพในการเติบโต q-q และ y-y ใน 3 ไตรมาสข้างหน้าติดต่อกันหลังพอร์ตโรงแรมแต่ละแห่งเริ่มมีการดำเนินงานในระดับปกติและ 2) DUSIT จากโครงการ DCP ซึ่งมีกำหนดเปิดให้บริการในวันที่ 27 ก.ย.

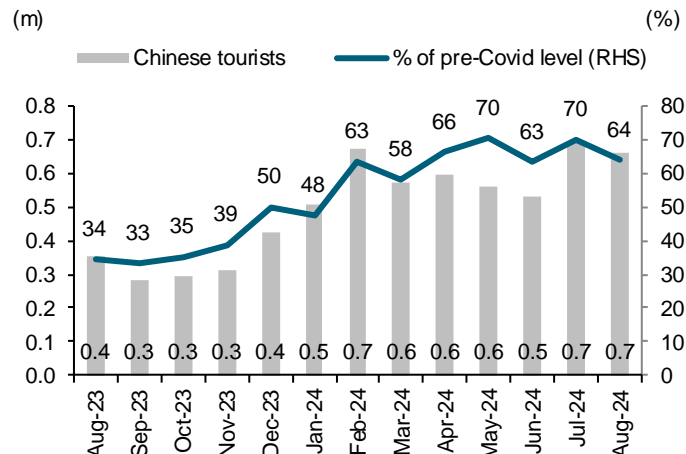


**Teerapol Udomvej, CFA**

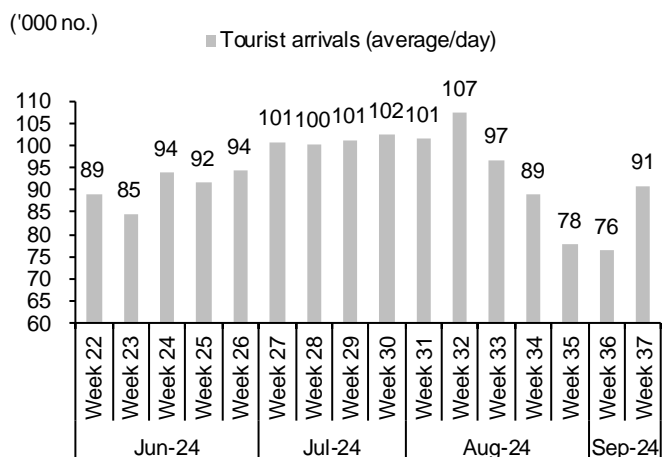
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**Exhibit 1: Thailand's total tourist arrivals by month**

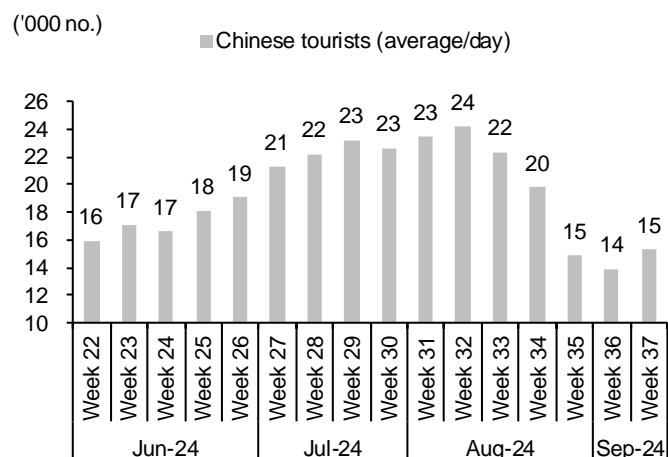
Source: MOTS

**Exhibit 2: Thailand's Chinese tourist arrivals by month**

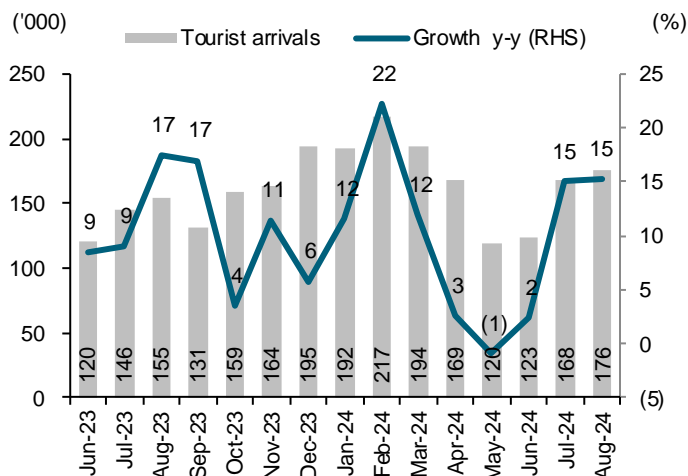
Source: MOTS

**Exhibit 3: Thailand's tourist arrivals**

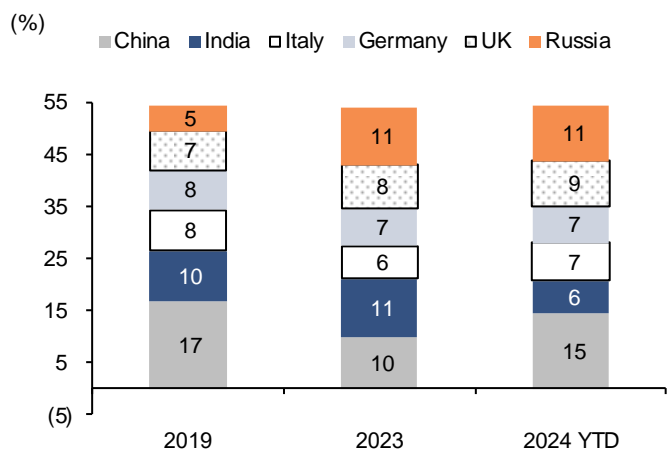
Source: Economics Tourism and Sports Division

**Exhibit 4: Thailand's Chinese tourist arrivals**

Source: Economics Tourism and Sports Division

**Exhibit 5: Maldives' total tourist arrivals by month**

Source: Ministry of Tourism, Maldives

**Exhibit 6: Maldives' total tourist arrivals breakdown**

Source: Ministry of Tourism, Maldives

## Exhibit 7: Thai hotels – RevPAR for stocks under coverage

RevPAR (Unit: THB)	2Q23	3Q23	4Q23	1Q24	2Q24	Jul-Aug 24E	Change	Change (%)
	(THB)	(THB)	(THB)	(THB)	(THB)	(THB)	(y-y%)	(vs 2Q24)
MINT	3,905	3,991	5,547	7,278	4,450	4,869	16	9
AWC	3,356	3,367	3,767	4,711	3,589	4,030	10	12
CENTEL	2,545	2,715	3,149	4,092	2,760	3,150	5	14
ERW (excl Hop Inn)	2,361	2,491	2,689	2,882	2,515	2,670	5	6
SHR	4,184	3,724	5,104	9,914	3,963	4,540	6	15
DUSIT	2,077	2,001	2,896	3,830	2,265	2,350	5	4
BEYOND	9,021	8,705	11,177	13,841	10,833	10,502	12	(3)
<b>Growth y-y</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			
MINT	76	36	14	23	14			
AWC	82	29	4	13	7			
CENTEL	68	44	18	20	8			
ERW (excl Hop Inn)	103	46	9	11	7			
SHR	96	39	(5)	15	(5)			
DUSIT	43	21	18	21	9			
BEYOND	132	45	14	27	20			

Note: 1) Thai hotel portfolio only; 2) ERW's data excludes Hop Inn

Source: FSSIA's compilation and estimates

## Exhibit 8: Overseas hotels – RevPAR for stocks under coverage

RevPAR (Unit: THB)	2Q23	3Q23	4Q23	1Q24	2Q24	Jul-Aug 24E	Change	Change (%)
	(THB)	(THB)	(THB)	(THB)	(THB)	(THB)	(y-y%)	(vs 2Q24)
<b>Europe</b>								
MINT (NH Hotel) (Unit: EUR)	111	103	95	78	120	117	14	(2)
SHR (UK)	2,866	3,226	2,312	2,032	3,064	3,500	6	14
<b>Maldives</b>								
MINT (Maldives) (Unit: USD)	391	302	493	787	381	N/A	N/A	N/A
CENTEL (Maldives)	6,896	6,685	10,127	15,237	6,887	7,300	12	6
SHR (Maldives)	7,258	6,690	10,167	14,378	8,102	8,430	14	4
DUSIT (Maldives)	6,889	7,405	13,841	17,787	9,017	9,200	18	2
<b>Japan</b>								
CENTEL (Osaka)		4,126	5,457	4,740	6,284	5,740	40	(9)
ERW (Japan)				1,404	2,322	2,040	N/A	(12)
<b>Other</b>								
SHR (Outrigger)	4,362	5,643	6,273	4,657	7,148	8,570	63	20
CENTEL(Dubai)	5,094	4,217	6,840	6,686	5,932	4,900	3	(17)
<b>Growth y-y</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>			
<b>Europe</b>								
MINT (NH Hotel)	25	7	16	13	8			
SHR (UK)	34	23	8	(1)	7			
<b>Maldives</b>								
MINT (Maldives)	(23)	(25)	(24)	(10)	(3)			
CENTEL (Maldives)	(23)	2	(5)	7	(0)			
SHR (Maldives)	(11)	(15)	(0)	17	12			
DUSIT (Maldives)	(24)	(7)	4	17	31			
<b>Japan</b>								
CENTEL (Osaka)		N/A	N/A	N/A	N/A			
ERW (Japan)				N/A	N/A			
<b>Other</b>								
SHR (Outrigger)	(1)	(6)	8	23	64			
CENTEL(Dubai)	28	20	13	24	16			

Note: CENTEL Maldives RevPAR excludes F&B revenue since 1Q21

Source: FSSIA's compilation and estimates

## Exhibit 9: 3Q24E core profit outlook

Core profit	2Q23	3Q23	4Q23	1Q24	2Q24	----- 3Q24E outlook -----	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(y-y %)	(q-q %)
AWC	81	126	481	680	204	+	0
MINT	3,005	2,273	2,501	(352)	3,230	+	-
CENTEL	121	74	297	755	313	+	-
ERW	112	145	205	286	126	+/-0	+
SHR	(119)	(10)	65	129	(81)	+	+
DUSIT	(218)	(273)	(68)	54	(131)	+	-
BEYOND	(113)	(68)	(5)	68	(38)	+	0
<b>Total</b>	<b>2,982</b>	<b>2,335</b>	<b>3,481</b>	<b>1,551</b>	<b>3,658</b>		

Sources: Company data; FSSIA estimates

## Exhibit 10: Core profit forecast summary

Stocks	----- Core net profit -----						----- Growth -----			
	2019	2022	2023	2024E	2025E	2026E	2023	2024E	2025E	2026E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)	(%)
<b>Hotel</b>	<b>9,185</b>	<b>844</b>	<b>9,465</b>	<b>13,155</b>	<b>16,117</b>	<b>19,334</b>	<b>1,021</b>	<b>39</b>	<b>23</b>	<b>20</b>
Asset World Corp	977	(49)	1,134	2,190	2,616	3,222	2,397	93	19	23
Central Plaza Hotel	1,722	398	1,120	1,533	1,917	2,246	181	37	25	17
The Erawan Group	464	(278)	719	846	922	996	359	18	9	8
S Hotels and Resorts	(98)	(39)	80	271	457	566	305	240	68	24
Minor International	7,060	2,019	7,132	8,294	9,262	10,293	253	16	12	11
Dusit Thani	(938)	(766)	(551)	(54)	748	1,755	28	90	1,477	135
Bound and Beyond	n/a	(441)	(169)	75	196	257	62	144	161	31

Sources: Company data; FSSIA estimates

## Exhibit 11: Hotel – peer comparisons as of 16 Sep 2024

Company	BBG	Rec	----- Share price -----			Market	----- PE -----			----- ROE -----		----- PBV -----		EV/ EBITDA	
			Current	Target	Upside	cap	24E	25E	26E	24E	25E	24E	25E	24E	25E
			(LCY)	(LCY)	(%)	(USD m)	(x)	(x)	(x)	(%)	(%)	(x)	(x)	(x)	(x)
<b>Thailand</b>															
Asset World Corp	AWC TB	BUY	3.74	5.50	47	3,604	54.6	45.8	37.2	2.4	2.8	1.3	1.2	31.7	28.7
Minor International	MINT TB	BUY	28.50	44.00	54	4,865	19.8	17.7	15.9	10.7	11.3	2.1	1.9	7.7	7.0
Central Plaza Hotel	CENTEL TB	BUY	38.75	50.00	29	1,575	34.1	27.3	23.3	7.5	8.8	2.5	2.3	15.3	14.1
Erawan Group	ERW TB	BUY	4.04	6.50	61	594	23.4	21.4	19.8	11.6	10.8	2.4	2.2	13.7	12.4
S Hotels & Resorts	SHR TB	BUY	2.30	3.80	65	249	30.5	18.1	14.6	1.7	2.8	0.5	0.5	8.7	7.9
Dusit Thani	DUSIT TB	BUY	12.10	15.00	24	310	(189.3)	13.8	5.9	(1.6)	18.7	3.0	2.2	87.4	14.5
Bound and Beyond	BEYOND TB	BUY	9.05	18.00	99	79	35.0	13.4	10.2	1.2	3.1	0.4	0.4	9.2	7.5
<b>Thailand average</b>						<b>11,276</b>	<b>1.2</b>	<b>22.5</b>	<b>18.1</b>	<b>4.8</b>	<b>8.3</b>	<b>1.7</b>	<b>1.5</b>	<b>24.8</b>	<b>13.2</b>
<b>Regional</b>															
Btg Hotels Group	600258 CH	n/a	11.23	n/a	n/a	1,768	16.0	14.1	12.8	7.2	7.5	1.1	1.1	8.0	8.6
Sh Jinjiang Intl Hotels	900934 CH	n/a	1.38	n/a	n/a	3,122	9.3	7.2	6.9	6.5	8.2	0.6	0.6	10.2	9.3
Huangshan Tourism Dev.	900942 CH	n/a	0.70	n/a	n/a	898	9.6	9.4	8.3	8.5	8.2	0.8	0.8	8.8	6.9
Genting Bhd	GENT MK	n/a	4.21	n/a	n/a	3,731	15.5	9.4	8.1	3.9	5.0	0.5	0.5	6.1	5.7
Huazhu Group	HTHT US	n/a	28.74	n/a	n/a	9,162	16.3	16.0	13.7	34.4	30.1	4.9	4.7	9.5	9.1
Indian Hotels	IH IN	n/a	690.95	n/a	n/a	11,742	106.6	75.9	60.7	12.6	14.8	12.5	10.8	55.8	45.0
Lemon Tree Hotels	LEMONTRE IN	n/a	132.56	n/a	n/a	1,236	89.9	75.3	48.0	12.3	14.6	11.3	10.5	30.7	25.4
Lippo Karawaci	LPKR IJ	n/a	87.00	n/a	n/a	411	n/a	12.7	4.7	n/a	3.2	n/a	0.4	n/a	6.3
<b>Regional average</b>						<b>32,070</b>	<b>37.6</b>	<b>27.5</b>	<b>20.4</b>	<b>12.2</b>	<b>11.5</b>	<b>4.5</b>	<b>3.7</b>	<b>18.4</b>	<b>14.5</b>
<b>Global</b>															
Nh Hotel Group	NHH SM	n/a	4.14	n/a	n/a	1,977	16.6	12.3	11.0	12.9	14.7	1.8	1.6	7.1	6.4
Melia Hotels International	MEL SM	n/a	6.49	n/a	n/a	1,597	14.1	11.2	10.4	21.4	20.5	2.8	2.3	8.5	7.7
Intercontinental Hotels G.	IHG LN	n/a	7,850	n/a	n/a	16,670	27.8	24.2	21.2	(34.6)	(32.0)	n/a	n/a	17.9	16.4
Whitbread	WTB LN	n/a	3,063	n/a	n/a	7,329	21.8	14.2	14.6	6.8	10.6	1.5	1.5	11.8	9.5
Accor	ACRFF US	n/a	42.25	n/a	n/a	10,293	21.0	17.1	15.2	11.3	12.0	1.8	2.0	12.5	11.1
Choice Hotels	CHH US	n/a	125.30	n/a	n/a	5,916	20.8	19.4	18.6	242.2	873.0	66.8	n/a	14.2	13.1
Hilton Worldwide Holdings	HLT US	n/a	218.10	n/a	n/a	53,746	35.7	31.1	26.9	(95.3)	(56.7)	n/a	n/a	20.8	18.6
Hyatt Hotels Corp	H US	n/a	144.85	n/a	n/a	14,620	65.3	33.7	35.1	6.1	13.9	4.2	3.7	16.2	14.6
Marriott International	MAR US	n/a	232.46	n/a	n/a	65,443	27.1	24.8	21.8	(914.9)	(196.0)	n/a	n/a	17.0	15.7
<b>Global average</b>						<b>177,590</b>	<b>27.8</b>	<b>20.9</b>	<b>19.4</b>	<b>(82.7)</b>	<b>73.3</b>	<b>13.2</b>	<b>2.2</b>	<b>14.0</b>	<b>12.6</b>
<b>Overall average</b>						<b>220,936</b>	<b>22.7</b>	<b>23.6</b>	<b>19.4</b>	<b>(27.2)</b>	<b>33.7</b>	<b>6.1</b>	<b>2.6</b>	<b>18.7</b>	<b>13.4</b>

Sources: Bloomberg; FSSIA estimates

## 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 <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.																				
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&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.																				
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 &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. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
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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><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="2">Average:</td><td rowspan="2">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><td rowspan="2">Laggard:</td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td>CCC</td><td>0.000-1.428</td></tr></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	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	CCC	0.000-1.428
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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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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

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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Company	Ticker	Price	Rating	Valuation & Risks
Asset World Corp	AWC TB	THB 3.74	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.
Minor International	MINT TB	THB 28.50	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 and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Central Plaza Hotel	CENTEL TB	THB 38.75	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 and more intense competition in the F&B business, which may result in price competition; and 3) a slower-than-expected recovery of international tourist numbers.
The Erawan Group	ERW TB	THB 4.04	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.
S Hotels and Resorts	SHR TB	THB 2.30	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.
Dusit Thani	DUSIT TB	THB 12.10	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.
Bound and Beyond	BEYOND TB	THB 9.05	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 16-Sep-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.