

SC ASSET CORPORATION

THAILAND / PROPERTY DEVELOPMENT

SC TB

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UNCHANGED

รุกขยายธุรกิจใหม่ หนุนรายได้ประจำ

- ประกาศแผน 5 ปี ขยายพอร์ตธุรกิจ Recurring คลังสินค้า โรงแรม ออฟฟิศ ด้วยงบ 2 หมื่นล้านบาท ตั้งเป้า EBITDA ปี 2029 จาก Engine 2 มากกว่า 25% ของกลุ่ม SC
- Presales 3QTD คาด 5.6 พันลบ. และ 3Q24 ที่ 6 พันลบ. (+6% q-q, -29% y-y)
- ปรับไปใช้ราคาเหมาะสมปี 2025 ที่ 3.20 บาท คงแนะนำถือ คาดจบ 3Q24 ไม่สดใส

TARGET PRICE	THB3.20
CLOSE	THB3.10
UP/DOWNSIDE	+3.2%
PRIOR TP	THB3.00
CHANGE IN TP	+6.7%
TP vs CONSENSUS	+3.3%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	24,487	21,212	22,353	24,015
Net profit	2,482	2,019	2,216	2,410
EPS (THB)	0.58	0.47	0.52	0.56
vs Consensus (%)	-	(1.7)	(3.9)	(3.4)
EBITDA	3,650	2,893	3,245	3,580
Recurring net profit	2,502	1,919	2,216	2,410
Core EPS (THB)	0.59	0.45	0.52	0.56
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	(4.8)	(23.4)	15.5	8.8
Core P/E (x)	5.3	6.9	6.0	5.5
Dividend yield (%)	7.7	6.1	6.7	7.3
EV/EBITDA (x)	12.3	15.1	13.3	11.7
Price/book (x)	0.6	0.5	0.5	0.5
Net debt/Equity (%)	135.7	124.4	116.1	104.3
ROE (%)	11.1	8.1	8.8	9.1

แผนลงทุนธุรกิจ Recurring ด้วยงบ 2 หมื่นล้านบาทใน 5 ปีข้างหน้า

SC เดินหน้ากระจายพอร์ตไปธุรกิจใหม่ (Engine 2) ผ่านบริษัทย่อย SCX โดยแถลงแผนธุรกิจบนงบลงทุน 2 หมื่นล้านบาทในช่วง 5 ปี (ปี 2025-2029) แบ่งเป็น 3 ธุรกิจหลัก 1) คลังสินค้า เปิดดำเนินการแล้วที่นครสวรรค์ 1.6 หมื่นตร.ม. ซึ่งมีการเช่าเต็มพื้นที่จาก Flash Express และอยู่ระหว่างก่อสร้างอีก 3 แห่ง ทำให้ปี 2025 มีพื้นที่รวม 2 แสนตร.ม. ซึ่งมียอดจองล่วงหน้าแล้ว 50-60% และปี 2029 ตั้งเป้าเพิ่มเป็น 7 แสนตร.ม. ทำเลบางนา, EEC และวังน้อย 2) โรงแรม เริ่มเปิด YANH Ratchawat (79 ห้อง) ใน 1Q23 และปี 2025 จะเพิ่มเป็น 3 แห่ง รวม 545 ห้อง จากการเปิด Kromo สุขุมวิท 29 และ The Standard, Pattaya na Jomtien ก่อนปี 2029 ตั้งเป้าจำนวนห้องพักรวม 2,000 ห้องในทำเลกรุงเทพฯ พัทยา, สมุย และภูเก็ต 3) ออฟฟิศ มีพื้นที่เช่ารวม 1.2 แสนตร.ม. อัตราเช่าเฉลี่ย 90% เน้นรักษาลูกค้าและตั้งงบปรับปรุง 1.4 พันล้านบาท

ตั้งเป้าสัดส่วน EBITDA จาก Engine 2 มากกว่า 25% ในปี 2029

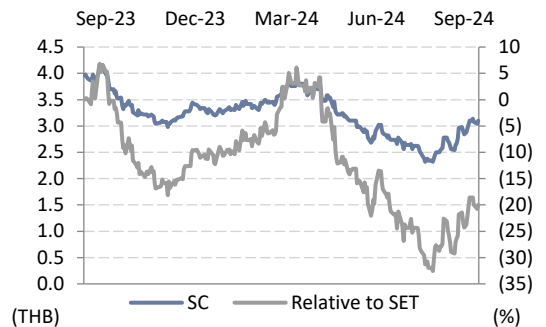
บริษัทตั้งเป้าธุรกิจ Engine 2 ซึ่งเป็น Recurring Income สร้างรายได้ 2 พันล้านบาทในปี 2025 (จากปี 2023 1.1 พันล้านบาท) และปี 2029 ที่ 4 พันล้านบาท ส่วน EBITDA 1 พันล้านบาทในปี 2025 และปี 2029 ที่ 2 พันล้านบาท หรือสัดส่วนมากกว่า 25% ของกลุ่ม SC (จาก 16% ในปี 2023) ด้วยมูลค่าสินทรัพย์รวม 1.9 หมื่นล้านบาทในปี 2025 และ 4 หมื่นล้านบาทในปี 2029 เรามองว่าอาจส่งผลให้ฐานะการเงินสูงและมีค่าใช้จ่าย (D/E ลีน 2Q24 ที่ 1.9x) แต่ Strategic Partner ช่วยลดภาระทางการเงินและเสริมศักยภาพแข่งขัน คาดผลบวกยังไม่เห็นในช่วงแรก แต่รายได้จะชัดเจนในปี 2026 และมั่นคงระยะยาว รวมถึงมีโอกาสขยายสินทรัพย์เข้า REIT หรือ Spin-Off ในอนาคต

ยอด Presales 3Q24 คาดทยอยฟื้น q-q จากปรับกลยุทธ์ขายและเปิดตัวบ้านหรู

เรามองเป็นกลางต่อยอด Presales 3QTD คาด 5.6 พันล้านบาท และจบ 3Q24 ที่ 6 พันล้านบาท (+6% q-q, -29% y-y) หลังปรับกลยุทธ์ขายด้วยจัด Event เข้าถึงลูกค้ามากขึ้น บวกกับแผนเปิดแนวราบใหม่ 3 แห่ง มูลค่า 5.1 พันล้านบาท ซึ่ง 3QTD เปิดตัวแล้ว 2 แห่ง ไฮไลท์คือ CONNOISSEUR Patthanakarn (1.8 พันล้านบาท, 20 ยูนิต) มียอดขาย 10 ยูนิต ดีกว่าเป้าบริษัทที่ 5-6 ยูนิต ส่วนอีกแห่งมี Take up rate 10%

ปรับไปใช้ราคาเหมาะสมปี 2025 ที่ 3.20 บาท คงคำแนะนำถือ

เราปรับไปใช้ราคาเหมาะสมปี 2025 ที่ 3.20 บาท (อิง PER เดิม 6.2x หรือค่าเฉลี่ยอดีต) หุ้นมี Upside จำกัด ยังแนะนำถือ ระยะสั้นขาด Catalyst จากแนวโน้ม 3Q24 ไม่สดใส คาดกำไรสุทธิลดลง q-q, y-y ส่วนกำไรปกติทรงตัว q-q แต่หดตัว y-y โดยต้องรอการฟื้นตัวใน 4Q24 ที่เริ่มโอนคอนโดใหม่ 2 แห่งและอาจมีกำไรพิเศษจาก JV ใหม่



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	11.5	2.6	(24.8)
Relative to country (%)	3.3	(7.6)	(21.6)
Mkt cap (USD m)	404		
3m avg. daily turnover (USD m)	1.2		
Free float (%)	39		
Major shareholder	Shinawatra Family (64%)		
12m high/low (THB)	4.16/2.30		
Issued shares (m)	4,222.62		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SC เผยเป้าหมายธุรกิจปี 2024-2028 1. สร้างรายได้รวม 5 ปี มากกว่า 1.5 แสนล้านบาท หนุนจากทั้งธุรกิจอสังหาฯและ Recurring income 2. การลงทุนอย่างเหมาะสม รักษา D/E น้อยกว่า 1.5x 3. พอร์ตมีส่วนผสมกำไรจากธุรกิจที่หลากหลาย โดยมีกำไรจากธุรกิจ Recurring income มากกว่า 25% ผ่าน 17 โครงการ จาก 4 ธุรกิจ แบ่งเป็น 1) ออฟฟิศให้เช่า พื้นที่เช่ารวม 1.2 แสนตร.ม. จาก 6 อาคาร 2) โรงแรมรวม 545 keys จาก 3 โครงการ 3) คลังสินค้า พื้นที่เช่ารวม 1.6 แสนตร.ม.จาก 4 โครงการ 4) อสังหาฯเพื่อเช่าในสหรัฐ มีห้องพักรวม 78 ห้องใน 4 ทำเลในเมืองบอสตัน

Company profile

SC ดำเนินธุรกิจพัฒนาอสังหาริมทรัพย์อย่างครบวงจร แบ่งเป็น 1) ธุรกิจพัฒนาอสังหาฯเพื่อขาย (Engine 1) ซึ่งเป็นธุรกิจหลัก ประกอบด้วยบ้านเดี่ยว ทาวน์เฮ้าส์ และคอนโด ซึ่งครอบคลุมตลาดในทุก Segment 2) ธุรกิจพัฒนาอสังหาฯเพื่อให้เช่าและบริการ (Engine 2) ซึ่งลงทุนธุรกิจที่สร้างรายได้ประจำสม่ำเสมอ ประกอบด้วยธุรกิจอาคารสำนักงานให้เช่า, ธุรกิจโรงแรม และธุรกิจคลังสินค้า 3) ธุรกิจให้บริการที่ปรึกษาและจัดการด้านการบริหาร เทคโนโลยีวิศวกรรม และระบบงานสนับสนุน ตลอดจนการให้บริการหลังการขายเกี่ยวกับที่อยู่อาศัย

www.scasset.com

Principal activities (revenue, 2023)

■ Project sales - 95.4 %

■ Rental and services - 4.0 %

■ Consulting and management - 0.6 %

Source: SC Asset Corporation

Major shareholders

■ Shinawatra Family - 64.3 %

■ Others - 35.7 %

Source: SC Asset Corporation

Catalysts

ปัจจัยสนับสนุนการเติบโตคือ ความสำเร็จของการเปิดตัวโครงการใหม่, การขยายการลงทุนไปในธุรกิจใหม่ อาทิ คลังสินค้า และโรงแรม รวมถึงโอกาสในการเซ็นสัญญา JV พัฒนาโครงการคอนโดใหม่

Risks to our call

ความเสี่ยง 1) อัตราการขายต่ำกว่าคาด 2) เศรษฐกิจและกำลังซื้อชะลอตัว 3) อัตราการปฏิเสธสินเชื่อจากธนาคารและยอดยกเลิกจากลูกค้าสูงขึ้น 4) การก่อสร้างล่าช้าและการขาดแคลนแรงงาน และ 5) การแข่งขันรุนแรง

Event calendar

Date	Event
November 2024	3Q24 results announcement

Key assumptions

	2024E	2025E	2026E
Project sales (THB m)	19,928	20,766	22,362
Rental and services income (THB m)	1,284	1,396	1,458
Property GPM (%)	29.8	30.2	30.2
GPM (%)	31.8	32.1	32.1
SG&A to sales (%)	19.3	18.6	18.3

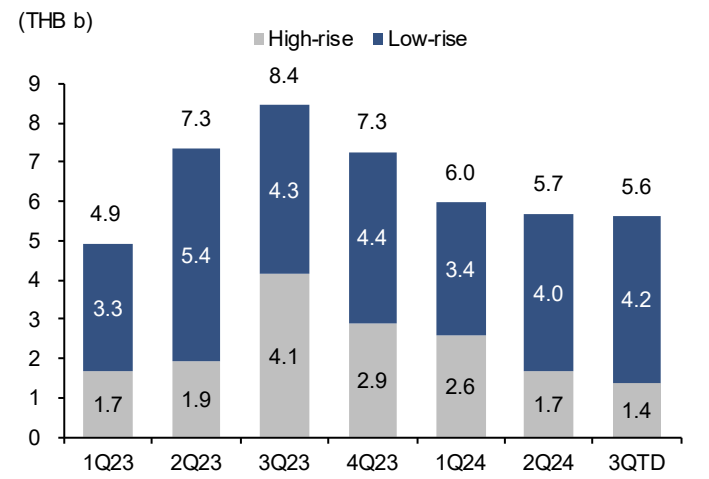
Source: FSSIA estimates

- ### Earnings sensitivity

 - For every 5% increase in transfers, we estimate 2024 net profit to rise by 4%, and vice versa, all else being equal.
 - For every 0.5% increase in property GPM, we estimate 2024 net profit to rise by 4%, and vice versa, all else being equal.
 - For every 0.5% increase in SG&A to revenue, we estimate 2024 net profit to fall by 4%, and vice versa, all else being equal

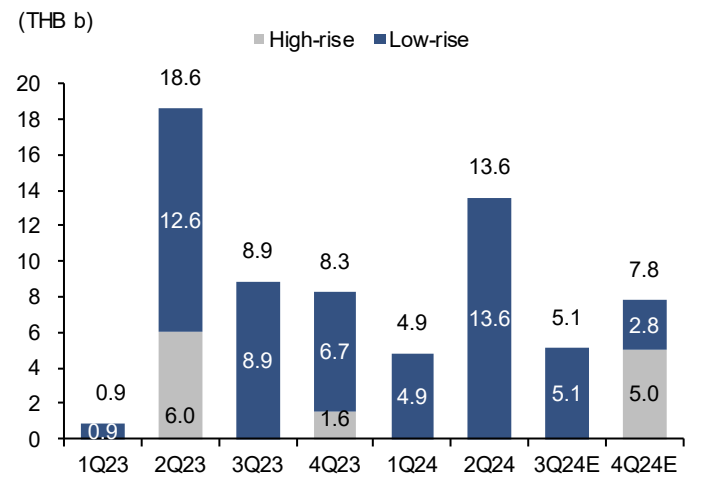
Source: FSSIA estimates

Exhibit 1: Quarterly presales



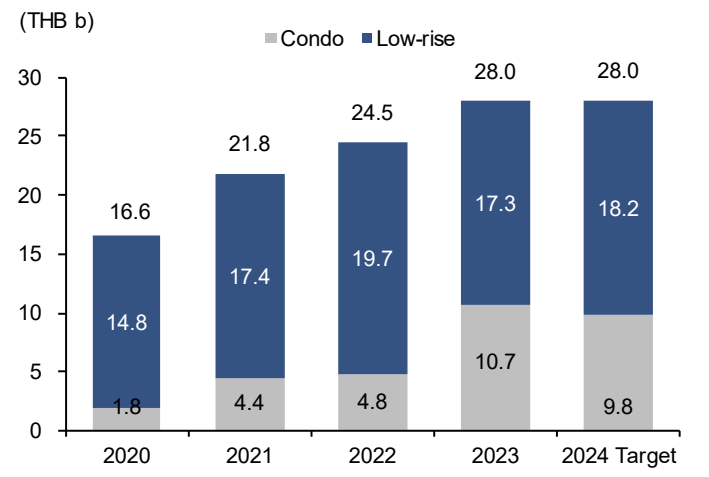
Sources: SC; FSSIA's compilation

Exhibit 2: Quarterly new launches



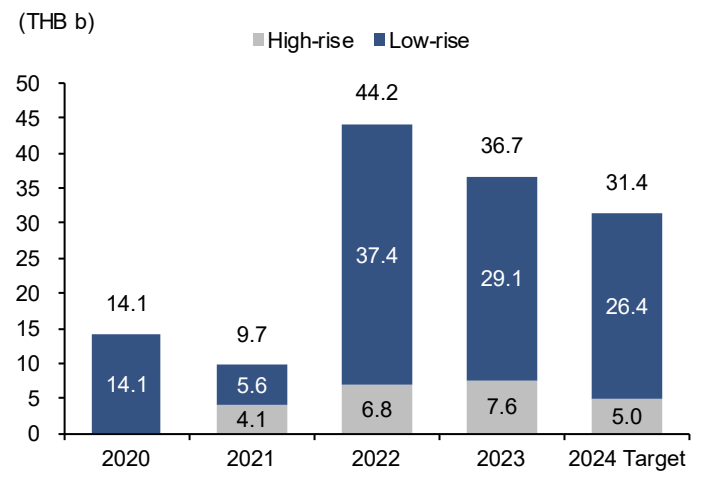
Sources: SC; FSSIA's compilation

Exhibit 3: Yearly presales



Sources: SC; FSSIA's compilation

Exhibit 4: Yearly new launches



Sources: SC; FSSIA's compilation

Exhibit 5: New launch plan in 2024

Period	No.	Product	Project	Total Unit	Total Value (MB)
1Q24	1	SDH	Grand Bangkok Boulevard Bangna KM.15	73	3,000
	2	SDH	Bangkok Boulevard Signature Bangkokhae	61	1,860
2Q24	3	SDH	VENUE ID Pinklao - Kanchana	85	920
	4	SDH	Grand Bangkok Boulevard Petchkasem - Kanchana	62	2,550
	5	SDH	Bangkok Boulevard Signature Ramintra - Phraya Suren	101	2,840
	6	SDH	Grand Bangkok Boulevard Pinklao - Borom	41	1,800
	7	SDH	Bangkok Boulevard Signature Chaengwattana - Ratchaphruek	60	1,860
	8	SDH	VENUE Portrait Westgate	167	1,350
	9	SDH	PAVE Kanchana - Ratchaphruek	319	2,270
3Q24	10	SDH	Grand Bangkok Boulevard Na Utthayan	47	2,100
	11	SDH	Connoisseur Patthakarn 32	20	1,760
	12	SDH	Grand Bangkok Boulevard Borommaratchachonnani	21	1,260
4Q24	13	SDH	Bangkok Boulevard Bangna KM.12	68	900
	14	SDH	Bangkok Boulevard Rama 2	51	1,000
	14	SDH	Bangkok Boulevard Signature Rama 2	30	900
	16	CONDO	Reference Ekkamai	396	3,000
	17	CONDO	Reference Kaset	387	2,000
TOTAL				1,989	31,370

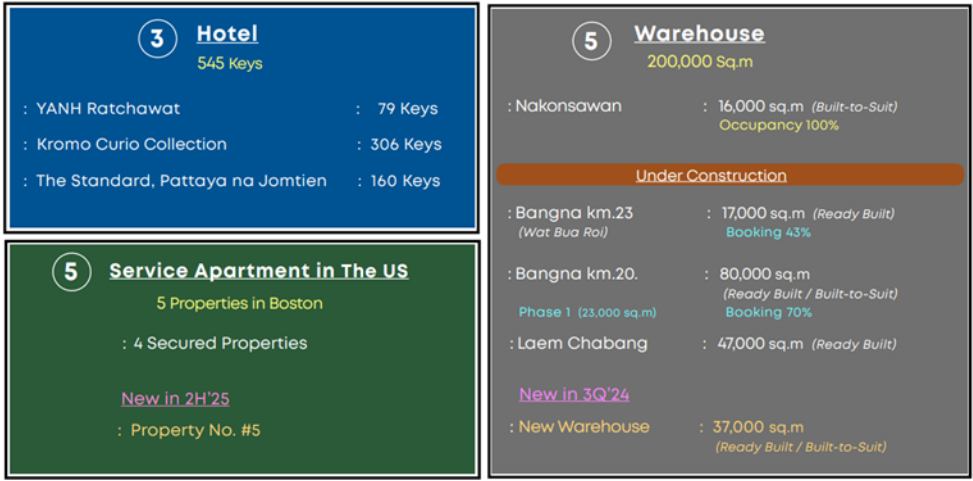
Source: SC

Exhibit 6: SCX business plan in 2025-2029



Source: SC

Exhibit 7: Engine 2 plan in 2024-2025



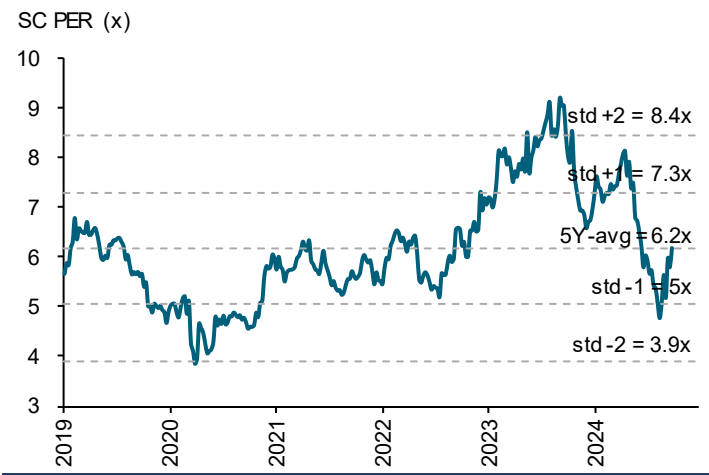
Source: SC

Exhibit 8: Connoisseur Phatthanakan project



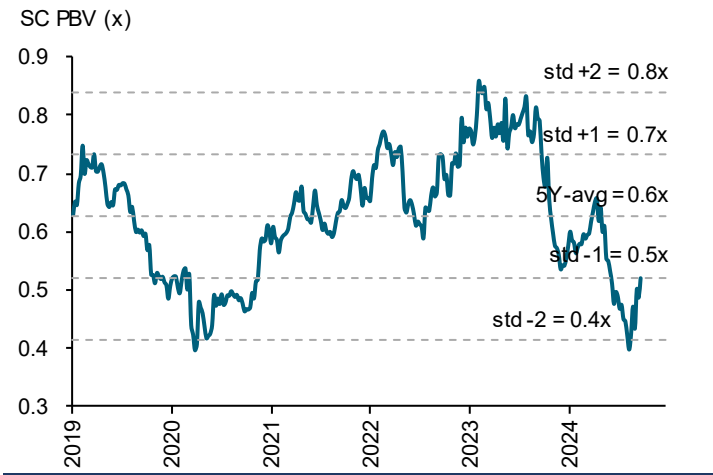
Source: SC

Exhibit 9: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 10: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Financial Statements

SC Asset Corporation

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	21,583	24,487	21,212	22,353	24,015
Cost of goods sold	(14,414)	(16,601)	(14,476)	(15,164)	(16,306)
Gross profit	7,169	7,887	6,736	7,189	7,709
Other operating income	102	99	100	100	100
Operating costs	(3,910)	(4,456)	(4,136)	(4,247)	(4,443)
Operating EBITDA	3,453	3,650	2,893	3,245	3,580
Depreciation	(92)	(120)	(193)	(203)	(213)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,361	3,529	2,700	3,042	3,367
Net financing costs	(134)	(383)	(379)	(379)	(364)
Associates	55	54	89	105	22
Recurring non-operating income	55	54	89	105	22
Non-recurring items	(41)	(20)	100	0	0
Profit before tax	3,241	3,181	2,510	2,768	3,025
Tax	(678)	(656)	(464)	(533)	(601)
Profit after tax	2,563	2,525	2,046	2,236	2,424
Minority interests	(7)	(43)	(27)	(20)	(14)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	2,556	2,482	2,019	2,216	2,410
Non-recurring items & goodwill (net)	41	20	(100)	0	0
Recurring net profit	2,597	2,502	1,919	2,216	2,410
Per share (THB)					
Recurring EPS *	0.62	0.59	0.45	0.52	0.56
Reported EPS	0.61	0.58	0.47	0.52	0.56
DPS	0.25	0.24	0.19	0.21	0.23
Diluted shares (used to calculate per share data)	4,223	4,273	4,277	4,277	4,277
Growth					
Revenue (%)	10.8	13.5	(13.4)	5.4	7.4
Operating EBITDA (%)	21.3	5.7	(20.7)	12.2	10.3
Operating EBIT (%)	24.6	5.0	(23.5)	12.7	10.7
Recurring EPS (%)	27.3	(4.8)	(23.4)	15.5	8.8
Reported EPS (%)	23.0	(4.0)	(18.8)	9.8	8.8
Operating performance					
Gross margin inc. depreciation (%)	33.2	32.2	31.8	32.2	32.1
Gross margin exc. depreciation (%)	33.6	32.7	32.7	33.1	33.0
Operating EBITDA margin (%)	16.0	14.9	13.6	14.5	14.9
Operating EBIT margin (%)	15.6	14.4	12.7	13.6	14.0
Net margin (%)	12.0	10.2	9.0	9.9	10.0
Effective tax rate (%)	20.9	20.6	18.5	19.2	19.9
Dividend payout on recurring profit (%)	40.6	41.0	42.1	40.0	40.0
Interest cover (X)	25.6	9.4	7.4	8.3	9.3
Inventory days	963.1	982.6	1,194.9	1,170.0	1,106.3
Debtor days	2.2	2.2	3.2	3.4	3.4
Creditor days	32.6	36.1	39.8	42.5	42.1
Operating ROIC (%)	7.6	6.7	4.8	5.3	(1.5)
ROIC (%)	6.1	5.4	3.9	4.4	(1.2)
ROE (%)	12.4	11.1	8.1	8.8	9.1
ROA (%)	5.1	4.7	3.5	3.9	3.6

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Project sales	20,654	23,370	19,928	20,934	22,533
Rental and services	880	977	1,124	1,259	1,322
Consulting and management	49	140	160	160	160

Sources: SC Asset Corporation; FSSIA estimates

Financial Statements

SC Asset Corporation

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	2,597	2,502	1,919	2,216	2,410
Depreciation	92	120	193	203	213
Associates & minorities	-	-	-	-	-
Other non-cash items	-	-	-	-	-
Change in working capital	(7,877)	(4,805)	(95)	(726)	229
Cash flow from operations	(5,187)	(2,182)	2,017	1,693	2,852
Capex - maintenance	-	-	-	-	-
Capex - new investment	(2,121)	(2,027)	-	(352)	(378)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	-	(140)	-	-
Cash flow from investing	(2,121)	(2,027)	(140)	(352)	(378)
Dividends paid	(1,201)	(1,087)	(767)	(886)	(964)
Equity finance	260	127	30	20	14
Debt finance	4,077	5,067	(1,221)	(300)	(1,200)
Other financing cash flows	-	-	-	-	-
Cash flow from financing	3,135	4,107	(1,958)	(1,167)	(2,150)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(4,173)	(102)	(81)	175	324
Free cash flow to firm (FCFF)	(7,174.97)	(3,827.36)	2,255.71	1,719.91	2,836.95
Free cash flow to equity (FCFE)	(3,231.46)	857.09	655.65	1,041.16	1,273.35

Per share (THB)

FCFF per share	(1.70)	(0.91)	0.53	0.41	0.67
FCFE per share	(0.77)	0.20	0.16	0.25	0.30
Recurring cash flow per share	0.64	0.61	0.49	0.57	0.61

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	2,192	2,302	2,417	2,538	2,664
Less: Accumulated depreciation	(568)	(453)	(483)	(508)	(533)
Tangible fixed assets (net)	1,624	1,849	1,933	2,030	2,132
Intangible fixed assets (net)	122	127	69	70	71
Long-term financial assets	370	231	403	425	456
Invest. in associates & subsidiaries	8,538	10,353	10,103	10,132	10,163
Cash & equivalents	2,140	2,038	1,956	2,131	2,455
A/C receivable	119	171	204	215	231
Inventories	42,488	46,246	47,265	48,646	48,908
Other current assets	1,096	1,957	1,273	894	961
Current assets	45,843	50,411	50,698	51,886	52,554
Other assets	904	916	1,010	1,010	1,010
Total assets	57,401	63,888	64,216	65,553	66,386
Common equity	21,733	23,228	24,382	25,712	27,158
Minorities etc.	(23)	24	52	71	86
Total shareholders' equity	21,709	23,252	24,434	25,783	27,243
Long term debt	12,453	15,584	15,272	15,272	15,272
Other long-term liabilities	1,567	1,885	2,121	2,124	2,281
Long-term liabilities	14,020	17,468	17,393	17,396	17,554
A/C payable	1,837	1,419	1,697	1,788	1,921
Short term debt	16,059	17,995	17,086	16,786	15,586
Other current liabilities	3,776	3,753	3,606	3,800	4,083
Current liabilities	21,672	23,167	22,389	22,374	21,590
Total liabilities and shareholders' equity	57,401	63,888	64,216	65,553	66,386
Net working capital	38,090	43,202	43,438	44,166	44,096
Invested capital	49,648	56,678	56,956	57,834	57,928

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

Per share (THB)

Book value per share	5.15	5.44	5.70	6.01	6.35
Tangible book value per share	5.12	5.41	5.68	6.00	6.33

Financial strength

Net debt/equity (%)	121.5	135.7	124.4	116.1	104.3
Net debt/total assets (%)	45.9	49.4	47.3	45.7	42.8
Current ratio (x)	2.1	2.2	2.3	2.3	2.4
CF interest cover (x)	(7.3)	8.5	2.7	4.7	5.5

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	5.0	5.3	6.9	6.0	5.5
Recurring P/E @ target price (x) *	5.2	5.5	7.1	6.2	5.7
Reported P/E (x)	5.1	5.3	6.6	6.0	5.5
Dividend yield (%)	8.1	7.7	6.1	6.7	7.3
Price/book (x)	0.6	0.6	0.5	0.5	0.5
Price/tangible book (x)	0.6	0.6	0.5	0.5	0.5
EV/EBITDA (x) **	11.4	12.3	15.1	13.3	11.7
EV/EBITDA @ target price (x) **	11.5	12.4	15.3	13.5	11.8
EV/invested capital (x)	0.8	0.8	0.8	0.7	0.7

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

Sources: SC Asset Corporation; FSSIA estimates

SC Asset Corp PCL (SC TB)

FSSIA ESG rating


60.14 /100

Exhibit 11: 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 12: 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
AP	53.36	--	Y	Y	5.00	5.00	Certified	Low	43.30	--	--	16.91	24.00	1.89	34.26
ASW	27.00	--	Y	Y	5.00	4.00	Declared	--	--	--	--	--	--	--	--
BRI	16.00	--	--	--	4.00	4.00	Declared	--	--	--	--	--	--	--	--
NOBLE	30.88	--	Y	Y	5.00	5.00	Certified	--	--	--	--	--	7.00	--	--
ORI	53.22	--	Y	Y	5.00	5.00	Certified	Medium	41.33	--	--	48.60	--	3.82	52.01
SC	60.14	--	Y	Y	5.00	4.00	Certified	Low	45.20	--	--	70.85	25.00	2.34	42.60
SIRI	66.14	--	Y	Y	5.00	5.00	Certified	Low	43.82	A	--	57.85	23.00	3.00	61.14
SPALI	59.80	--	Y	Y	5.00	5.00	Certified	Low	52.93	BB	--	36.30	24.00	2.19	42.36

Sources: [SETTRADE.com](https://www.settrade.com); FSSIA's compilation

Exhibit 13: ESG score by Bloomberg

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	—	—	—	2.66	2.34
BESG environmental pillar score	—	—	—	—	—	1.70	1.14
BESG social pillar score	—	—	—	—	—	3.67	2.51
BESG governance pillar score	—	—	—	—	—	3.80	4.29
ESG disclosure score	—	—	—	32.63	33.83	44.32	42.60
Environmental disclosure score	—	—	—	1.75	1.75	18.79	15.95
Social disclosure score	—	—	—	14.87	18.47	32.95	30.62
Governance disclosure score	—	—	—	81.10	81.10	81.10	81.10
Environmental							
Emissions reduction initiatives	No	No	No	No	No	Yes	Yes
Climate change policy	No	No	No	No	No	No	No
Climate change opportunities discussed	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	Yes	Yes
GHG scope 1	—	—	—	—	—	0	—
GHG scope 2 location-based	—	—	—	—	—	12	—
GHG Scope 3	—	—	—	—	—	—	—
Carbon per unit of production	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	No
Energy efficiency policy	No	No	No	Yes	Yes	Yes	Yes
Total energy consumption	—	—	—	—	—	—	—
Renewable energy use	—	—	—	—	—	—	—
Electricity used	—	—	—	—	—	—	—
Fuel used - natural gas	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 14: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No
Waste reduction policy	No	No	No	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—
Total waste	—	—	—	—	—	—	—
Waste recycled	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	No	No	No
Water policy	No	No	No	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—
Social							
Human rights policy	No	No	No	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No
Consumer data protection policy	No	No	No	No	Yes	Yes	Yes
Equal opportunity policy	No	No	No	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No
Pct women in workforce	—	—	—	—	—	47	—
Pct disabled in workforce	—	—	—	—	—	1	1
Business ethics policy	No	No	No	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	No	No	No	Yes	Yes	Yes	Yes
Health and safety policy	No	No	No	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	0	0
Total recordable incident rate - employees	—	—	—	—	—	—	—
Training policy	No	No	No	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	Yes	Yes	Yes	Yes
Number of employees – CSR	—	—	—	877	923	1,033	1,212
Employee turnover pct	—	—	—	—	—	11	11
Total hours spent by firm - employee training	—	—	—	18,038	13,819	17,698	19,113
Social supply chain management	No	No	No	No	No	No	No
Governance							
Board size	—	—	—	9	9	9	10
No. of independent directors (ID)	—	—	—	6	6	6	7
No. of women on board	—	—	—	1	1	1	1
No. of non-executive directors on board	—	—	—	7	7	7	8
Company conducts board evaluations	No	No	No	Yes	Yes	Yes	Yes
No. of board meetings for the year	—	—	—	7	8	7	9
Board meeting attendance pct	—	—	—	92	99	100	100
Board duration (years)	—	—	—	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No
Age of the youngest director	—	—	—	40	41	42	43
Age of the oldest director	—	—	—	75	76	77	76
No. of executives / company managers	—	—	—	12	20	21	23
No. of female executives	—	—	—	4	6	7	8
Executive share ownership guidelines	No	No	No	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	10	9	10
Audit meeting attendance %	—	—	—	100	100	100	100
Size of compensation committee	—	—	—	3	3	3	3
No. of ID on compensation committee	—	—	—	3	3	3	3
No. of compensation committee meetings	—	—	—	2	2	2	2
Compensation meeting attendance %	—	—	—	100	100	100	100
Size of nomination committee	—	—	—	3	3	3	3
No. of nomination committee meetings	—	—	—	2	2	2	2
Nomination meeting attendance %	—	—	—	100	100	100	100
Sustainability governance							
Verification type	No	No	No	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><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+										
NEGL	Low	Medium	High	Severe																		
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><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></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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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																			
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

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

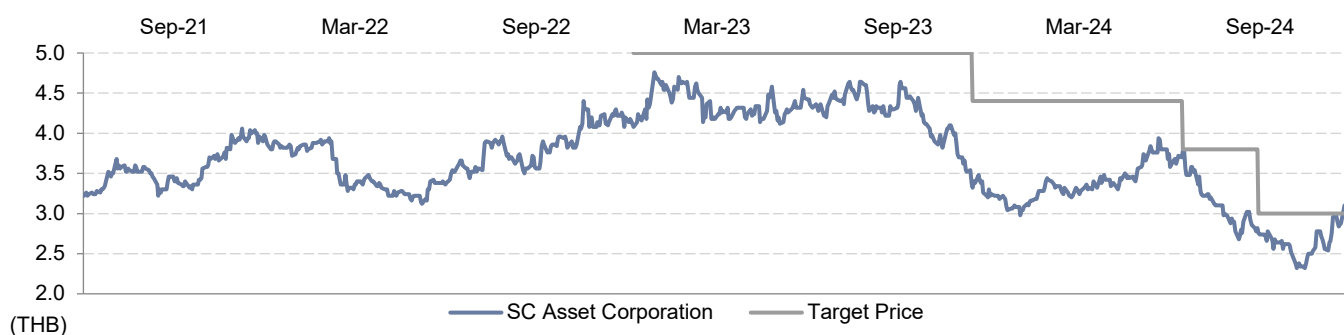
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History of change in investment rating and/or target price

SC Asset Corporation (SC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Jan-2023	BUY	5.00	29-Apr-2024	HOLD	3.80	-	-	-
31-Oct-2023	BUY	4.40	03-Jul-2024	HOLD	3.00			

Thanyatorn Songwutti started covering this stock from 12-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
SC Asset Corporation	SC TB	THB 3.10	HOLD	Downside and upside risks to our P/E-based TP include 1) a weaker or stronger-than-expected take-up rate, 2) lower or higher-than-expected new launches, 3) slower or faster-than-expected economy and purchasing power recovery, 4) higher or lower-than-expected rejection and cancellation rates, and 5) higher or lower-than-expected competition.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited.

All share prices are as at market close on 24-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.