

# WHA CORPORATION

THAILAND / PROPERTY DEVELOPMENT

## WHA TB

# BUY

UNCHANGED

TARGET PRICE	THB6.40
CLOSE	THB5.80
UP/DOWNSIDE	+10.3%
PRIOR TP	THB6.40
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+2.1%

## คาดการณ์ 3Q24 อยู่ในระดับสูง

- มีโอกาสสูงที่ยอดขายที่ดินปี 2024 จะทะลุเป้า 2,500 ไร่
- กำไร 3Q24 ลดลง q-q แต่เพิ่มขึ้น y-y ตามยอดโอนที่ดิน 2024 แต่ภาพทั้งปี 2024 จะเป็นอีกปีที่กำไรสูงเป็นประวัติการณ์
- คงคำแนะนำซื้อ ราคาเป้าหมาย 6.40 บาท

### มีโอกาสสูงที่ยอดขายที่ดินปี 2024 จะทะลุเป้า 2,500 ไร่

แนวโน้มความต้องการที่ดินจากภาคอุตสาหกรรมที่แข็งแกร่ง ทำให้เราคาด WHA จะสามารถขายที่ดินได้ราว 740 ไร่ใน 3Q24 (+79% q-q, -25% y-y) ส่วนใหญ่เป็นการขายที่ดินในไทย 400 ไร่ให้ Google เพื่อสร้าง Data center แห่งแรกในไทย ส่งผลให้ยอดขายที่ดิน 9M24 และ 1,782 ไร่ คิดเป็น 71% ของเป้าหมายปีที่บริษัทตั้งไว้ 2,500 ไร่ ซึ่งเราเชื่อว่ามีโอกาสสูงเกินเป้า (เป็น all time high ต่อเนื่องเป็นปีที่ 3) เพราะบริษัทยังอยู่ระหว่างการเจรจากับกลุ่ม Data center กับทั้งรายเดิมและรายใหม่ รวมถึงลูกค้ากลุ่มอุตสาหกรรมอื่น เช่น อิเล็กทรอนิกส์และสินค้าอุปโภคบริโภคก็ยังมีความต้องการสูง

### กำไร 3Q24 ลดลง q-q แต่เพิ่มขึ้น y-y ตามยอดโอนที่ดิน

เราคาดว่า WHA มีกำไรปกติ 951 ล้านบาทใน 3Q24 (-26.2% q-q, +52.8% y-y) โดยหลักเป็นไปตามยอดโอนที่ดินที่คาดว่าจะมีการโอน 370 ไร่ เทียบกับ 620 ไร่ใน 2Q24 และ 289 ไร่ใน 3Q23 ซึ่งการโอนส่วนใหญ่ในไตรมาสเป็นการโอนที่ดินในพื้นที่ของ WHAIER (บริษัทร่วมทุนระหว่าง WHA 60% และ IRPC 40%) ซึ่งทำให้ส่วนแบ่งกำไรจาก WHAIER ในไตรมาสนี้เพิ่มสูงขึ้น ขณะที่รายได้จากธุรกิจที่ดินของ WHA เอง คาดว่าจะทำได้ 811 ล้านบาท (-27.3% q-q, -20.3% y-y) รายได้จากธุรกิจสาธารณูปโภค (น้ำ - WHAUP) คาดดีขึ้นตามปริมาณการใช้น้ำของลูกค้าเดิมและลูกค้าใหม่ สำหรับธุรกิจโรงไฟฟ้า เราคาดว่าส่วนแบ่งกำไรจาก WHAUP จะลดลงจากต้นทุนถ่านหินในสต็อกที่สูง

### ปี 2024 จะเป็นอีกปีที่กำไรสูงเป็นประวัติการณ์

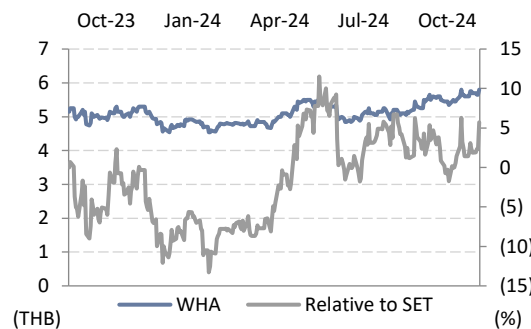
เราคาดว่ากำไรปกติงวด 9M24 อยู่ที่ 3.6 พันล้านบาท +79.2% y-y และคิดเป็น 75% ของประมาณการทั้งปี ขณะที่แนวโน้ม 4Q24 สดใส ยอดโอนที่ดินมักจะกระจุกตัวในช่วงปลายปี และยังมีกำไรจากการขายสินทรัพย์เข้ากองทรัสต์ WHAIR เราคงประมาณการกำไรปี 2024 ทำสถิติสูงสุดเป็นประวัติการณ์ที่ 4.8 พันล้านบาท +9.4% y-y ทั้งนี้ เราคาดว่ากำไรปี 2024-26 โตเฉลี่ย 8.7% CAGR

### คงคำแนะนำซื้อ ราคาเป้าหมาย 6.40 บาท

ราคาหุ้นปัจจุบันเทรดที่ P/E ปี 2025 ที่ 16.3x เท่ากับค่าเฉลี่ย 5 ปีที่ผ่านมา ขณะที่แนวโน้มการเติบโตของกลุ่ม WHA สดใส เราจึงคงแนะนำซื้อ คงราคาเป้าหมายปี 2025 ที่ 6.40 บาท ถึง 2025E P/E ที่ 18x (+0.5SD ของค่าเฉลี่ย 5 ปี)

## KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	14,875	14,466	15,951	17,510
Net profit	4,426	4,842	5,333	5,720
EPS (THB)	0.30	0.32	0.36	0.38
vs Consensus (%)	-	(4.5)	(6.0)	(1.3)
EBITDA	6,157	7,594	8,022	8,390
Recurring net profit	4,426	4,842	5,333	5,720
Core EPS (THB)	0.30	0.32	0.36	0.38
Chg. In EPS est. (%)	-	-	-	-
EPS growth (%)	9.4	9.4	10.1	7.3
Core P/E (x)	19.6	17.9	16.3	15.2
Dividend yield (%)	3.2	3.4	3.7	4.0
EV/EBITDA (x)	20.3	16.9	15.6	14.6
Price/book (x)	2.6	2.5	2.4	2.2
Net debt/Equity (%)	92.5	98.5	85.4	75.5
ROE (%)	13.5	14.3	15.0	15.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	6.4	14.9	7.4
Relative to country (%)	5.5	2.3	2.9
Mkt cap (USD m)	2,575		
3m avg. daily turnover (USD m)	9.4		
Free float (%)	68		
Major shareholder	Miss Jareeporn Jarukornsakul (23%)		
12m high/low (THB)	5.90/4.50		
Issued shares (m)	14,946.83		

Sources: Bloomberg consensus; FSSIA estimates



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## Investment thesis

We expect WHA to register a core profit of THB951m in 3Q24 (-26.2% q-q, +52.8% y-y), primarily based on expected land transfers of 370 rai, compared to 620 rai in 2Q24 and 289 rai in 3Q23. We expect the core profit to be THB3.6b for 9M24 (+79.2% y-y), accounting for 75% of our full-year estimate. The outlook for 4Q24 is promising, as land transfers typically see a boost at the end of the year, along with profits from factory and warehouse sales into the WHAIR. We maintain our 2024 core profit estimate at a record high of THB4.8b (+9.4% y-y).

We maintain our BUY rating with a TP of THB6.40, based on 2025E P/E of 18x (+0.5SD of its five-year historical average).

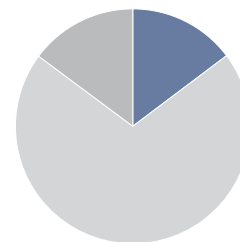
## Company profile

WHA is a leading provider of one-stop services, covering all kinds of customer demands relating to logistics services, classifying into four business hubs, i.e., Logistics, Industrial Development, Utilities & Power, and Digital Business. The Company sets a clear policy to sell its assets into Real-Estate Investment Trust (WHART, WHAIR, and WHABT) as an additional source of funds.

[www.wha.co.th](http://www.wha.co.th)

## Principal activities (revenue, 2023)

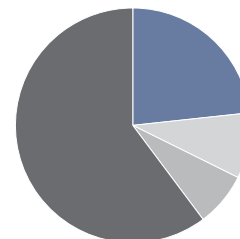
- Lease and service - 14.7 %
- Sales of real estate - 70.5 %
- Sales of goods - 14.8 %



Source: WHA Corporation

## Major shareholders

- Miss Jareeporn Jarukornsakul - 23.3 %
- Miss Chatchamol Anantaprayoon - 9.0 %
- Thai NVDR - 7.5 %
- Others - 60.2 %



Source: WHA Corporation

## Catalysts

Key potential catalysts include 1) government investment promotion policies that exceed expectations; 2) economic growth that exceeds expectations; and 3) higher private and public sector investment growth.

## Risks to our call

Downside risks to our TP include 1) local political uncertainties; 2) a delay in budget approval; 3) inability to sell assets into its trusts as planned; and 4) intense competition from abroad.

## Event calendar

Date	Event
8 November 2024	3Q24 earnings announcement
18 November 2024	Opportunity day

## Key assumptions

	2024E (THB m)	2025E (THB m)	2026E (THB m)
Land transferred (rai)	8,261	8,748	9,361
Revenue from land sold	9,731	10,858	12,044
Gross margin (%)	50.0	48.4	48.4
Revenue from logistics	2,432	2,602	2,771
Gross margin (%)	57.5	56.0	54.0
Revenue from goods sold	2,304	2,491	2,694
Gross margin (%)	40.0	40.0	40.0

Source: FSSIA estimates

## Earnings sensitivity

- For every 5% change in land price, we project WHA's 2025 core profit to change by 4%, all else being equal.
- For every 0.5% change in average cost of fund, we project WHA's 2025 core profit to change by 1.5%, all else being equal.

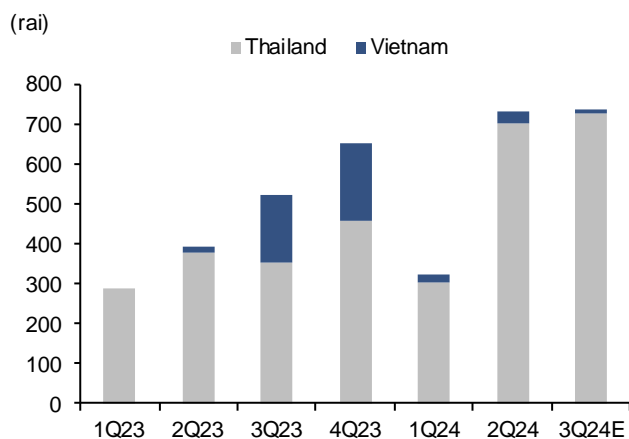
Source: FSSIA estimates

## Exhibit 1: WHA - 3Q24 earnings preview

Year to Dec 31	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24E	----- Change -----		9M23	9M24E	Change	% of
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	24E
Sales	2,671	2,116	8,031	3,280	2,322	2,011	(13.4)	(4.9)	6,844	7,613	11.2	52.6
Cost of sales	(1,391)	(1,109)	(4,397)	(1,471)	(1,095)	(947)	(13.5)	(14.6)	(3,570)	(3,513)	(1.6)	52.2
Gross profit	1,281	1,006	3,633	1,808	1,228	1,064	(13.3)	5.7	3,274	4,100	25.2	53.0
Operating costs	(437)	(443)	(816)	(443)	(449)	(453)	0.8	2.3	(1,289)	(1,345)	4.3	65.2
Operating profit	1,717	1,449	4,449	2,251	1,677	1,517	(9.5)	4.7	4,563	5,445	19.3	55.6
Operating EBITDA	1,418	1,016	2,561	2,041	1,414	1,246	(11.8)	22.7	3,300	4,700	42.4	61.9
Other income	401	271	(146)	478	410	411	0.2	51.5	790	1,299	64.4	119.7
Interest expense	(317)	(310)	(317)	(342)	(302)	(308)	2.1	(0.5)	(917)	(952)	3.7	72.0
Profit before tax	1,104	884	3,050	1,674	1,497	1,159	(22.6)	31.2	2,658	4,331	62.9	70.6
Tax	(79)	(85)	(436)	(142)	(87)	(93)	7.2	9.6	(223)	(321)	44.3	30.5
Associates	175	358	696	173	610	445	(27.1)	24.2	800	1,228	53.5	176.0
Minority interests	158	176	200	168	122	115	(6.0)	(34.8)	424	405	(4.5)	172.1
<b>Reported net profit</b>	<b>866</b>	<b>623</b>	<b>2,414</b>	<b>1,365</b>	<b>1,289</b>	<b>951</b>	<b>(26.2)</b>	<b>52.8</b>	<b>2,012</b>	<b>3,605</b>	<b>79.2</b>	<b>74.5</b>
<b>Core profit</b>	<b>866</b>	<b>623</b>	<b>2,414</b>	<b>1,365</b>	<b>1,289</b>	<b>951</b>	<b>(26.2)</b>	<b>52.8</b>	<b>2,012</b>	<b>3,605</b>	<b>79.2</b>	<b>74.5</b>
Reported EPS (THB)	0.75	0.54	2.10	1.19	1.12	0.83	(26.2)	52.8	1.75	3.13	79.2	967.7
Core EPS (THB)	0.75	0.54	2.10	1.19	1.12	0.83	(26.2)	52.8	1.75	3.13	79.2	967.7
<b>Key Ratios</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	
Gross margin	47.9	47.6	45.2	55.1	52.9	52.9	0.0	5.4	47.8	53.9	6.0	
Operating margin	46.6	39.5	33.3	56.2	51.2	50.8	(0.4)	11.4	66.7	71.5	4.8	
EBITDA margin	53.1	48.0	31.9	62.2	60.9	62.0	1.1	13.9	48.2	61.7	13.5	
Core profit margin	32.4	29.4	30.1	41.6	55.5	47.3	(8.2)	17.9	29.4	47.4	18.0	
SG&A / Sales	16.3	20.9	10.2	13.5	19.3	22.5	3.2	1.6	18.8	17.7	(1.2)	
<b>Revenue breakdown</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q %)</b>	<b>(y-y %)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(y-y %)</b>	
Revenue from lease and services	574	540	570	578	629	625	(0.6)	15.7	1,621	1,831	13.0	
Revenue from sales of real estate	1,502	1,018	6,906	2,133	1,115	811	(27.3)	(20.3)	3,573	4,059	13.6	
Revenue from sales of goods	595	557	554	569	578	575	(0.6)	3.2	1,650	1,722	4.3	
<b>Gross margin by business unit</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	
Lease and services	50.4	48.4	44.7	55.5	45.2	48.0	2.8	(0.4)	49.7	49.4	(0.6)	
Sales of real estate	49.0	51.9	45.6	58.8	64.4	65.0	0.6	13.1	50.4	61.6	22.2	
Sales of goods	42.8	38.8	41.7	40.8	39.0	41.2	2.2	2.4	40.4	40.3	(0.1)	

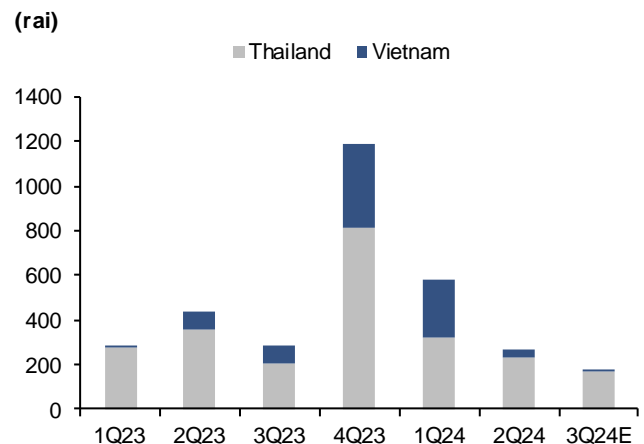
Sources: WHA, FSSIA estimates

## Exhibit 2: Land sales



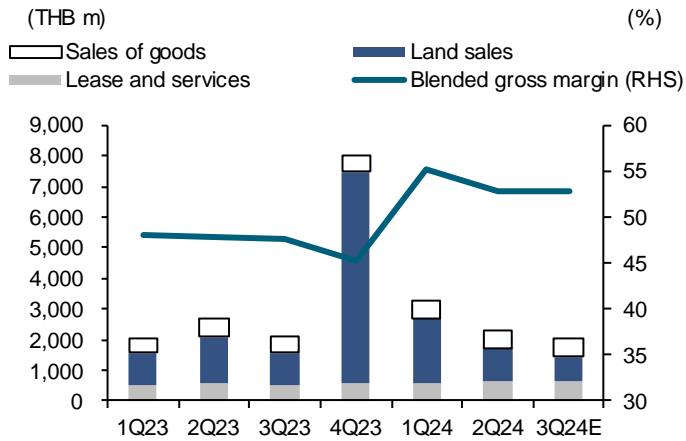
Sources: WHA, FSSIA estimates

## Exhibit 3: Land transfers



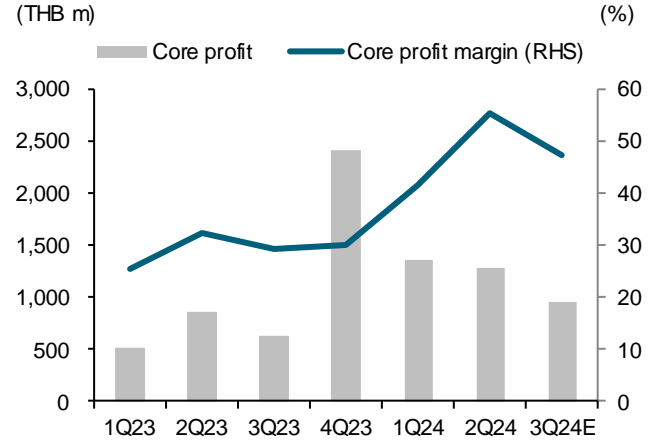
Sources: WHA, FSSIA estimates

Exhibit 4: Revenue and gross margin



Sources: WHA, FSSIA estimates

Exhibit 5: Core profit and core profit margin



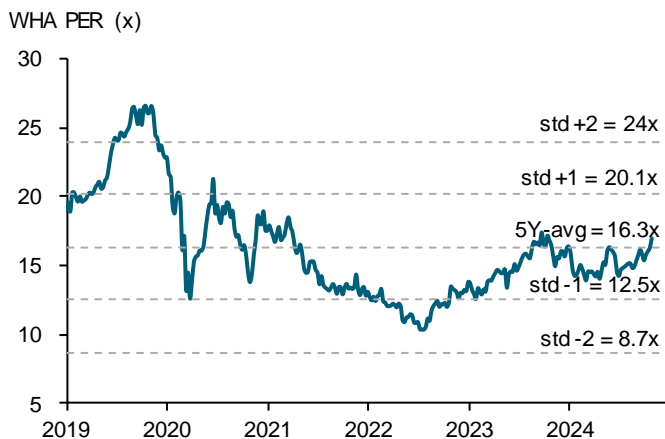
Sources: WHA, FSSIA estimates

Exhibit 6: Peers comparison as of 24 October 2024

Company	BBG	Rec	----- Share price -----			Market Cap (USD m)	---- PE ----		--- ROE ---		--- PBV ---		-- EV/EBITDA --	
			Current (LCY)	Target (LCY)	Upside (%)		24E (x)	25E (x)	24E (%)	25E (%)	24E (x)	25E (x)	24E (x)	25E (x)
Thailand														
WHA Corporation*	WHA TB	BUY	5.80	6.40	10	2,575	17.9	16.3	14.3	15.0	2.5	2.4	16.9	15.6
Amata Corporation	AMATA TB	n/a	27.00	n/a	n/a	988	14.0	12.0	10.3	11.3	1.4	1.3	13.6	11.4
Thailand average						3,563	16.0	14.1	12.3	13.2	2.0	1.9	15.2	13.5
Regional														
Sai Gon VRG Investment	SIP VN	n/a	71,500	n/a	n/a	587	16.0	15.1	26.1	24.0	n/a	n/a	11.4	10.2
Regional average						587	16.0	15.1	26.1	24.0	n/a	n/a	11.4	10.2
Global														
Catena AB	CATE SS	n/a	519.00	n/a	n/a	2,963	23.1	20.8	6.0	7.9	1.4	1.3	26.2	22.3
CTP NV	CTPNV NA	n/a	16.10	n/a	n/a	8,246	19.6	17.3	5.4	5.4	1.0	0.9	25.3	21.4
Fortress Real Estate Investment	FFB SJ	n/a	2,061.00	n/a	n/a	1,363	14.5	13.9	3.4	5.8	n/a	n/a	12.5	n/a
Montea NV	MONT BB	n/a	70.00	n/a	n/a	1,741	14.9	14.1	7.2	8.4	0.9	0.8	21.5	18.1
Global average						14,313	18.0	16.5	5.5	6.9	1.1	1.0	21.4	20.6
Overall average						4,150	17.2	15.6	10.4	11.1	1.5	1.3	18.2	16.5

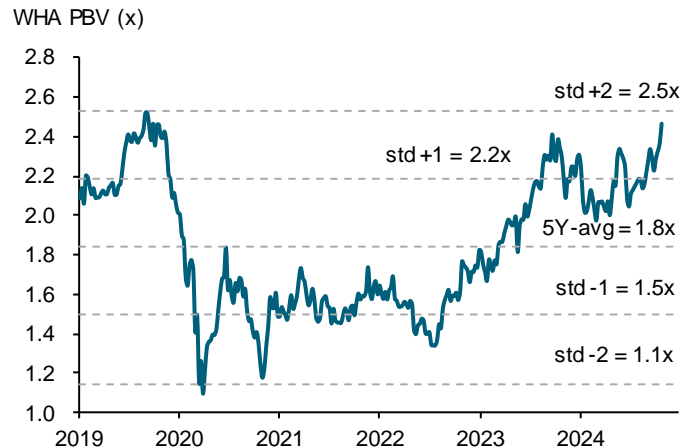
Sources: Bloomberg consensus, \*FSSIA estimates

Exhibit 7: One-year rolling forward P/E band



Sources: Bloomberg, FSSIA estimates

Exhibit 8: One-year rolling forward P/BV band



Sources: Bloomberg, FSSIA estimates

## Financial Statements

### WHA Corporation

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	13,729	14,875	14,466	15,951	17,510
Cost of goods sold	(7,592)	(7,967)	(6,734)	(7,614)	(8,586)
<b>Gross profit</b>	<b>6,137</b>	<b>6,908</b>	<b>7,733</b>	<b>8,337</b>	<b>8,924</b>
Other operating income	1,253	644	1,085	1,037	998
Operating costs	(1,982)	(2,105)	(2,063)	(2,185)	(2,425)
<b>Operating EBITDA</b>	<b>6,019</b>	<b>6,157</b>	<b>7,594</b>	<b>8,022</b>	<b>8,390</b>
Depreciation	(611)	(709)	(840)	(834)	(894)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>5,408</b>	<b>5,447</b>	<b>6,755</b>	<b>7,189</b>	<b>7,497</b>
Net financing costs	(1,126)	(1,235)	(1,322)	(1,338)	(1,362)
Associates	585	1,496	698	760	907
Recurring non-operating income	585	1,496	698	760	907
Non-recurring items	0	0	0	0	0
<b>Profit before tax</b>	<b>4,867</b>	<b>5,708</b>	<b>6,130</b>	<b>6,611</b>	<b>7,042</b>
Tax	(546)	(659)	(1,054)	(1,042)	(1,087)
<b>Profit after tax</b>	<b>4,321</b>	<b>5,050</b>	<b>5,077</b>	<b>5,568</b>	<b>5,955</b>
Minority interests	(276)	(624)	(235)	(235)	(235)
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>4,046</b>	<b>4,426</b>	<b>4,842</b>	<b>5,333</b>	<b>5,720</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>4,046</b>	<b>4,426</b>	<b>4,842</b>	<b>5,333</b>	<b>5,720</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.27	0.30	0.32	0.36	0.38
Reported EPS	0.27	0.30	0.32	0.36	0.38
DPS	0.17	0.18	0.19	0.21	0.23
Diluted shares (used to calculate per share data)	14,947	14,947	14,947	14,947	14,947
<b>Growth</b>					
Revenue (%)	31.8	8.3	(2.7)	10.3	9.8
Operating EBITDA (%)	20.6	2.3	23.4	5.6	4.6
Operating EBIT (%)	23.7	0.7	24.0	6.4	4.3
Recurring EPS (%)	56.2	9.4	9.4	10.1	7.3
Reported EPS (%)	56.2	9.4	9.4	10.1	7.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	44.7	46.4	53.5	52.3	51.0
Gross margin exc. depreciation (%)	49.1	51.2	59.3	57.5	56.1
Operating EBITDA margin (%)	43.8	41.4	52.5	50.3	47.9
Operating EBIT margin (%)	39.4	36.6	46.7	45.1	42.8
Net margin (%)	29.5	29.8	33.5	33.4	32.7
Effective tax rate (%)	11.2	11.5	17.2	15.8	15.4
Dividend payout on recurring profit (%)	61.8	62.1	60.0	60.0	60.0
Interest cover (X)	5.3	5.6	5.6	5.9	6.2
Inventory days	609.7	553.2	820.1	848.1	812.3
Debtor days	13.2	15.3	19.2	19.5	18.6
Creditor days	139.2	160.4	238.3	232.8	214.9
Operating ROIC (%)	28.1	28.6	28.1	26.5	26.5
ROIC (%)	7.0	7.9	7.5	7.8	8.3
ROE (%)	12.9	13.5	14.3	15.0	15.2
ROA (%)	6.3	7.0	6.5	7.0	7.6

\* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Lease and service	2,031	2,191	2,432	2,602	2,771
Sales of real estate	9,733	10,479	9,731	10,858	12,044
Sales of goods	1,965	2,204	2,304	2,491	2,694

Sources: WHA Corporation; FSSIA estimates

## Financial Statements

### WHA Corporation

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	4,046	4,426	4,842	5,333	5,720
Depreciation	611	709	840	834	894
Associates & minorities	(585)	(1,496)	(698)	(760)	(907)
Other non-cash items	(410)	1,472	1,751	1,802	1,994
Change in working capital	761	(112)	(3,627)	(5,172)	(5,752)
<b>Cash flow from operations</b>	<b>4,423</b>	<b>4,999</b>	<b>3,108</b>	<b>2,037</b>	<b>1,948</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(3,766)	(6,437)	(3,228)	(1,791)	(1,739)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	3,727	2,670	19	(3,133)	1,503
<b>Cash flow from investing</b>	<b>(39)</b>	<b>(3,767)</b>	<b>(3,208)</b>	<b>(4,924)</b>	<b>(235)</b>
Dividends paid	(2,098)	(2,499)	(2,905)	(3,200)	(3,432)
Equity finance	0	0	0	0	0
Debt finance	1,756	(215)	2,513	447	151
Other financing cash flows	(476)	800	2,195	530	1,089
<b>Cash flow from financing</b>	<b>(818)</b>	<b>(1,914)</b>	<b>1,803</b>	<b>(2,222)</b>	<b>(2,192)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	30	100	0	0	0
<b>Net other adjustments</b>	<b>30</b>	<b>100</b>	<b>(22)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>3,595</b>	<b>(583)</b>	<b>1,681</b>	<b>(5,109)</b>	<b>(479)</b>
Free cash flow to firm (FCFF)	5,510.11	2,466.07	1,221.64	(1,548.68)	3,074.42
Free cash flow to equity (FCFE)	5,693.86	1,916.46	4,585.82	(1,908.93)	2,953.29

#### Per share (THB)

FCFF per share	0.37	0.16	0.08	(0.10)	0.21
FCFE per share	0.38	0.13	0.31	(0.13)	0.20
Recurring cash flow per share	0.24	0.34	0.45	0.48	0.52

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	9,869	10,893	12,893	13,893	14,893
Less: Accumulated depreciation	(2,040)	(2,041)	(2,881)	(3,714)	(4,608)
<b>Tangible fixed assets (net)</b>	<b>7,829</b>	<b>8,852</b>	<b>10,012</b>	<b>10,179</b>	<b>10,285</b>
<b>Intangible fixed assets (net)</b>	<b>21,694</b>	<b>21,694</b>	<b>22,572</b>	<b>20,727</b>	<b>19,066</b>
Long-term financial assets	7,255	7,072	6,063	6,113	6,165
Invest. in associates & subsidiaries	16,428	19,631	20,416	20,824	21,241
Cash & equivalents	7,169	6,586	8,267	3,158	2,679
A/C receivable	559	686	832	874	911
Inventories	10,690	11,310	15,175	16,333	17,904
Other current assets	712	712	1,291	839	770
<b>Current assets</b>	<b>19,130</b>	<b>19,295</b>	<b>25,565</b>	<b>21,205</b>	<b>22,265</b>
Other assets	13,966	13,683	14,265	14,580	15,013
<b>Total assets</b>	<b>86,302</b>	<b>90,225</b>	<b>98,893</b>	<b>93,628</b>	<b>94,035</b>
Common equity	32,050	33,487	34,369	36,502	38,790
Minorities etc.	3,562	3,835	3,873	3,912	3,951
<b>Total shareholders' equity</b>	<b>35,612</b>	<b>37,322</b>	<b>38,242</b>	<b>40,414</b>	<b>42,741</b>
Long term debt	27,078	30,407	35,959	27,610	25,192
Other long-term liabilities	7,214	7,400	10,076	10,400	11,322
<b>Long-term liabilities</b>	<b>34,292</b>	<b>37,807</b>	<b>46,035</b>	<b>38,010</b>	<b>36,514</b>
A/C payable	2,743	3,637	4,059	4,589	4,469
Short term debt	13,113	10,713	9,975	10,073	9,744
Other current liabilities	542	747	582	542	565
<b>Current liabilities</b>	<b>16,398</b>	<b>15,096</b>	<b>14,616</b>	<b>15,204</b>	<b>14,779</b>
<b>Total liabilities and shareholders' equity</b>	<b>86,302</b>	<b>90,225</b>	<b>98,893</b>	<b>93,628</b>	<b>94,035</b>
Net working capital	8,676	8,325	12,657	12,916	14,551
Invested capital	75,848	79,255	85,985	85,339	86,321

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

#### Per share (THB)

Book value per share	2.14	2.24	2.30	2.44	2.60
Tangible book value per share	0.69	0.79	0.79	1.06	1.32

#### Financial strength

Net debt/equity (%)	92.7	92.5	98.5	85.4	75.5
Net debt/total assets (%)	38.3	38.3	38.1	36.9	34.3
Current ratio (x)	1.2	1.3	1.7	1.4	1.5
CF interest cover (x)	9.4	7.8	6.9	0.9	4.4

Valuation	2022	2023	2024E	2025E	2026E
<b>Recurring P/E (x) *</b>	<b>21.4</b>	<b>19.6</b>	<b>17.9</b>	<b>16.3</b>	<b>15.2</b>
<b>Recurring P/E @ target price (x) *</b>	<b>23.6</b>	<b>21.6</b>	<b>19.8</b>	<b>17.9</b>	<b>16.7</b>
Reported P/E (x)	21.4	19.6	17.9	16.3	15.2
Dividend yield (%)	2.9	3.2	3.4	3.7	4.0
Price/book (x)	2.7	2.6	2.5	2.4	2.2
Price/tangible book (x)	8.4	7.4	7.3	5.5	4.4
EV/EBITDA (x) **	20.5	20.3	16.9	15.6	14.6
EV/EBITDA @ target price (x) **	22.0	21.8	18.1	16.7	15.7
EV/invested capital (x)	1.6	1.6	1.5	1.5	1.4

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

Sources: WHA Corporation; FSSIA estimates

# WHA Corporation PCL (WHA TB)

## FSSIA ESG rating


**69.86 /100**

### Exhibit 7: 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.
★★★★★	<b>&gt;59-79</b>	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>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 8: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings					Bloomberg		
		DJSI	SET THSI	THSI	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
AMATA	67.15	--	Y	Y	5.00	5.00	Certified	Low	55.76	BBB	--	68.94	35.00	2.95	63.20
FPT	40.59	--	--	Y	5.00	4.00	Certified	--	45.88	--	--	65.83	21.00	--	--
SPI	28.05	--	--	Y	5.00	5.00	Certified	--	--	--	--	--	--	2.03	42.73
WHA	69.86	--	Y	Y	5.00	5.00	Certified	Low	58.26	BBB	--	72.01	75.00	2.80	56.32

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

### Exhibit 9: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2.57</b>	<b>2.80</b>
BESG environmental pillar score	—	—	—	—	—	—	1.36	1.87
BESG social pillar score	—	—	—	—	—	—	3.67	3.25
BESG governance pillar score	—	—	—	—	—	—	4.15	4.06
<b>ESG disclosure score</b>	<b>26.05</b>	<b>39.52</b>	<b>40.90</b>	<b>40.90</b>	<b>51.70</b>	<b>56.10</b>	<b>64.03</b>	<b>56.32</b>
Environmental disclosure score	1.27	18.48	18.48	18.48	50.11	55.54	58.68	40.11
Social disclosure score	13.72	25.12	29.26	29.26	30.05	37.85	39.66	35.10
Governance disclosure score	63.03	74.83	74.83	74.83	74.83	74.83	93.62	93.62
<b>Environmental</b>								
Emissions reduction initiatives	No	No	No	No	Yes	Yes	Yes	Yes
Climate change policy	No	No	No	No	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	Yes	Yes	Yes
GHG scope 1	—	0	1	1	1	2	1	1
GHG scope 2 location-based	—	14	15	19	19	16	18	16
GHG Scope 3	—	—	—	—	—	—	116	—
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	24	25	33	33	37	37	38
Renewable energy use	—	—	—	—	1	1	1	2
Electricity used	—	—	—	—	—	—	37	38
Fuel used - natural gas	—	—	—	—	—	—	—	0

Sources: Bloomberg; FSSIA's compilation



**Exhibit 10: ESG score by Bloomberg (cont.)**

FY ending Dec 31	FY 2015	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	No
Waste reduction policy	No	No	No	No	Yes	Yes	Yes	Yes
Hazardous waste	—	0	0	0	0	0	0	0
Total waste	—	4	3	5	5	9	8	8
Waste recycled	—	—	—	—	—	2	5	—
Waste sent to landfills	—	0	0	0	0	5	3	1
Environmental supply chain management	No	No	No	No	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—	—
<b>Social</b>								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	—	34	35	35	35	36	36	76
Pct disabled in workforce	—	—	0	0	0	0	0	—
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	0	0	0	1	0	0	0
Total recordable incident rate - employees	—	—	—	—	—	—	0	1
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	Yes
Number of employees – CSR	86	467	512	552	571	613	615	133
Employee turnover pct	—	—	6	7	8	6	13	0
Total hours spent by firm - employee training	—	11,350	6,310	10,379	15,654	5,860	7,196	1,169
Social supply chain management	No	No	No	No	Yes	Yes	Yes	Yes
<b>Governance</b>								
Board size	11	13	13	12	11	12	11	11
No. of independent directors (ID)	4	4	4	4	4	5	8	7
No. of women on board	2	2	2	2	2	2	2	5
No. of non-executive directors on board	8	4	4	4	4	5	8	8
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	8	10	7	8	8	10	10	8
Board meeting attendance pct	95	93	95	92	95	100	99	100
Board duration (years)	—	—	—	—	—	—	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	40	41	42	43	44	45	49	51
Age of the oldest director	64	62	63	64	65	70	71	72
No. of executives / company managers	6	9	9	8	7	8	7	7
No. of female executives	1	1	1	1	1	1	1	1
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	2	3	4	4	4	4	4
No. of ID on audit committee	3	2	3	4	3	4	4	4
Audit committee meetings	6	5	4	10	7	5	9	8
Audit meeting attendance %	89	88	100	92	94	100	100	100
Size of compensation committee	3	2	3	3	3	3	4	4
No. of ID on compensation committee	2	1	2	3	3	2	3	2
No. of compensation committee meetings	—	2	2	2	3	4	6	5
Compensation meeting attendance %	—	100	100	100	100	100	100	100
Size of nomination committee	3	2	3	3	3	3	4	4
No. of nomination committee meetings	—	2	2	2	3	4	6	5
Nomination meeting attendance %	—	100	100	100	100	100	100	100
<b>Sustainability governance</b>								
Verification type	No	No	No	No	No	No	Yes	Yes

Sources: Bloomberg; FSSIA's compilation



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
Sustainability Investment List ( <a href="#">THSI</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	THSI quantifies responsibility in Environmental and Social issues by managing business with transparency in Governance, updated annually. Candidates must pass the preemptive criteria, with two crucial conditions: 1) no irregular trading of the board members and executives; and 2) free float of >150 shareholders, and combined holding must be >15% of paid-up capital. Some key disqualifying criteria include: 1) CG score of below 70%; 2) independent directors and free float violation; 3) executives' wrongdoing related to CG, social & environmental impacts; 4) equity in negative territory; and 5) earnings in red for > 3 years in the last 5 years.	To be eligible for <a href="#">THSI inclusion</a> , 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. <a href="#">SETTHSI Index</a> is extended from the THSI companies whose 1) market capitalization > THB5b (~USD150b); 2) free float >20%; and 3) liquidity >0.5% of paid-up capital for at least 9 out of 12 months. The SETTHSI Index is a market capitalisation-weighted index, cap 5% quarterly weight at maximum, and no cap for number of stocks.																				
<b>CG Score</b> by Thai Institute of Directors Association (Thai IOD)	An indicator of CG strength in sustainable development, measured annually by the Thai IOD, with support from the Stock Exchange of Thailand (SET). The results are from the perspective of a third party, not an evaluation of operations.	Scores are rated in six categories: 5 for Excellent (90-100), 4 for Very Good (80-89), 3 for Good (70-79), 2 for Fair (60-69), 1 for Pass (60-69), and not rated for scores below 50. Weightings include: 1) the rights; 2) and equitable treatment of shareholders (weight 25% combined); 3) the role of stakeholders (25%); 4) disclosure & transparency (15%); and 5) board responsibilities (35%).																				
<b>AGM level</b> By Thai Investors Association (TIA) with support from the SEC	It quantifies the extent to which shareholders' rights and equitable treatment are incorporated into business operations and information is transparent and sufficiently disclosed. All form important elements of two out of five the CG components to be evaluated annually. The assessment criteria cover AGM procedures before the meeting (45%), at the meeting date (45%), and after the meeting (10%). <i>(The first assesses 1) advance circulation of sufficient information for voting; and 2) facilitating how voting rights can be exercised. The second assesses 1) the ease of attending meetings; 2) transparency and verifiability; and 3) openness for Q&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
<a href="#">Thai CAC</a> By Thai Private Sector Collective Action Against Corruption (CAC)	The core elements of the Checklist include corruption risk assessment, establishment of key controls, and the monitoring and developing of policies. The Certification is good for three years. <i>(Companies deciding to become a CAC certified member start by submitting a Declaration of Intent to kick off an 18-month deadline to submit the CAC Checklist for Certification, including risk assessment, in place of policy and control, training of managers and employees, establishment of whistleblowing channels, and communication of policies to all stakeholders.)</i>	The document will be reviewed by a committee of nine professionals. A passed Checklist will move for granting certification by the CAC Council approvals whose members are twelve highly respected individuals in professionalism and ethical achievements.																				
<a href="#">Morningstar Sustainabilitys</a>	The Sustainabilitys' 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+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
<a href="#">ESG Book</a>	The ESG score identifies sustainable companies that are better positioned to outperform over the long term. The methodology considers the principle of financial materiality including information that significantly helps explain future risk-adjusted performance. Materiality is applied by over-weighting features with higher materiality and rebalancing these weights on a rolling quarterly basis.	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.																				
<a href="#">MSCI</a>	MSCI ESG ratings aim to measure a company's management of financially relevant ESG risks and opportunities. It uses a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. <table><tr><td><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="2"><b>Average:</b></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><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td><td rowspan="2"><b>Laggard:</b></td><td rowspan="2">lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td></tr></table>		<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks	<b>CCC</b>	0.000-1.428
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<a href="#">Moody's ESG solutions</a>	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
<a href="#">Refinitiv ESG rating</a>	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. <i>(Score ratings are 0 to 25 = poor; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;75 to 100 = excellent.)</i>																					
<a href="#">S&amp;P Global</a>	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
<b>Bloomberg</b>	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

[Rating](#) regarding the sustainable development of Thai listed companies, both on the SET and MAI, are publicly available on the website of the Securities and Exchange Commission of Thailand (SEC). Currently, ratings available are 1) "**CG Score**"; 2) "**AGM Level**"; 3) "**Thai CAC**"; and 4) **THSI**. The ratings are updated on an annual basis. FSSIA does not confirm nor certify the accuracy of such ratings.

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

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History of change in investment rating and/or target price

WHA Corporation (WHA TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
03-Nov-2021	BUY	4.40	06-Sep-2024	BUY	6.40	-	-	-

Jitra Amornthum started covering this stock from 29-Jun-2021

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
WHA Corporation	WHA TB	THB 5.80	BUY	Downside risks to our TP include 1) the local political uncertainties; 2) the delay in budget approval; 3) the inability to sell assets into its trusts as planned; and 4) intense competition from abroad.

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-Oct-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.