

THORESEN THAI AGENCIES

THAILAND / TRANSPORT & LOGISTIC

TTA TB

HOLD

UNCHANGED

TARGET PRICE	THB6.40
CLOSE	THB5.85
UP/DOWNSIDE	+9.4%
PRIOR TP	THB6.40
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	-7.9%

อุปสงค์ที่อ่อนแอกดดันค่าระวางเรือ

- ดัชนี Supramax เฉลี่ยอยู่ที่ 1,167 จุดใน 4QTD ปรับลง 11.6% และ 9.7% จากค่าเฉลี่ยใน 3Q24 และ 4Q23 ตามลำดับ
- อุปสงค์ที่อ่อนแอโดยเฉพาะจากจีนกดดันค่าระวางเรือ
- คงคำแนะนำเพียงถือ และคงราคาเป้าหมายที่ 6.40 บาท

ดัชนี BSI ปรับลงต่อเนื่องอีก 11.6% ใน 4QTD

ดัชนีค่าระวางเรือเทกองปรับลงในเรือทุกขนาดนับตั้งแต่ต้น 4Q24 โดยเรือขนาดใหญ่หรือ Capesize ปรับลงแรงสุด ตามมาด้วย Supramax ซึ่งเป็นขนาดเดียวกับเรือส่วนใหญ่ของ TTA โดยดัชนี Supramax เฉลี่ยอยู่ที่ 1,167 จุดใน 4QTD ปรับลง 11.6% และ 9.7% จากค่าเฉลี่ยใน 3Q24 และ 4Q23 ตามลำดับ จากอุปทานที่โตเร็วกว่าอุปสงค์

อุปสงค์ที่อ่อนแอกดดันค่าระวางเรือ

นอกจาก 4Q จะเป็น low season แล้ว ความต้องการใช้เรือเทกองยังคงอ่อนแอทั้งที่จีนประกาศมาตรการกระตุ้นเศรษฐกิจชุดใหญ่ไปเมื่อเดือน ก.ย. ที่ผ่านมา วิกฤตภาคอสังหาริมทรัพย์ของจีนที่ยังดำเนินอยู่ ประกอบกับกิจกรรมภาคการผลิตที่ยังซบเซาส่งผลกระทบต่ออุปสงค์ของเหล็กในประเทศจีน ทั้งนี้ Clarksons Research ได้ปรับลดประมาณการการเติบโตของ Demand ของเรือเทกองในปี 2025 ลงจากเดิมที่คาด +2.4% เป็น +1.3% และคาดโตเพียง +1.0% ในปี 2026 ขณะที่ Supply เติบโตเร็วกว่าโดยคาดโต 2.9% และ 2.7% ในปี 2025-26 ตามลำดับ สำหรับปี 2024 Clarksons คาดอุปสงค์เพิ่มขึ้น 5.2% และคาดอุปทานเพิ่มขึ้น 3.1% แต่ความต้องการที่เติบโตในปี 2024 ส่วนใหญ่อยู่ใน 1H24 ที่จีนเพิ่มการสต็อกสินค้าเหล็กและถ่านหินจำนวนมาก

ปรับลดประมาณการปี 2024 แต่คงประมาณการปี 2025-26

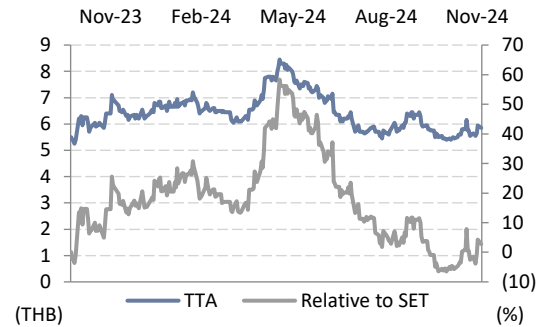
แนวโน้มกำไรปกติ 4Q24 จะต่ำกว่า 3Q24 ตามค่าระวางเรือ นอกจากนี้ เราคาดธุรกิจ Offshore น่าจะมีการส่งมอบงานราว USD126 ล้าน ไกล่เคียง 3Q24 แต่เนื่องจากงานส่วนใหญ่เป็นงาน Decommissioning และ Installation ซึ่งมีอัตรากำไรขั้นต้นค่อนข้างต่ำ เราจึงปรับลดประมาณการกำไรปี 2024 ของ TTA ลง 13.3% โดยคาดกำไร 4Q2 เบื้องต้นที่ 320-330 ล้านบาท ลดลง 4-6% q-q สำหรับประมาณการกำไรปี 2025-26 ไม่แตกต่างจากเดิมมากนัก แม้ว่าจะปรับเพิ่มรายได้ของ Offshore ขึ้นแต่ค่าใช้จ่ายในการขายและบริหารก็สูงตามมา ทั้งนี้ เรายังคงคาดกำไรปกติปี 2025 ลดลง 9.8% y-y

คงคำแนะนำถือ คงราคาเป้าหมาย 6.40 บาท

เราคงราคาเป้าหมายปี 2025 ที่ 6.40 บาท อิง 2025E P/E ที่ 8.8x (-0.3SD ของค่าเฉลี่ย 3 ปี) เนื่องจากความเสี่ยงยังมีอยู่ โดยเฉพาะประเด็น Geopolitical risk จึงยังแนะนำเพียงถือ

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	23,975	32,941	29,475	27,954
Net profit	1,217	88	1,350	1,327
EPS (THB)	0.67	0.05	0.74	0.73
vs Consensus (%)	-	(95.7)	(36.5)	-
EBITDA	3,584	4,918	4,467	4,650
Recurring net profit	744	1,496	1,350	1,327
Core EPS (THB)	0.41	0.82	0.74	0.73
Chg. In EPS est. (%)	-	(13.3)	0.0	(0.2)
EPS growth (%)	(77.3)	101.2	(9.8)	(1.6)
Core P/E (x)	14.3	7.1	7.9	8.0
Dividend yield (%)	1.4	0.9	1.5	1.5
EV/EBITDA (x)	4.7	4.0	4.2	4.1
Price/book (x)	0.4	0.4	0.4	0.4
Net debt/Equity (%)	9.7	19.0	14.3	14.9
ROE (%)	3.0	5.8	4.9	4.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	8.3	2.6	11.4
Relative to country (%)	9.8	(3.7)	7.9
Mkt cap (USD m)	308		
3m avg. daily turnover (USD m)	1.5		
Free float (%)	69		
Major shareholder	Mahagitsiri Family (24%)		
12m high/low (THB)	8.50/5.15		
Issued shares (m)	1,822.46		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

We expect the profit outlook for 4Q24 to be lower than in 3Q24, in line with the decline in freight rates. We revise down our 2024 profit forecast for TTA by 13.3%, with an estimated 4Q24 core profit of THB320m-330m, reflecting a 4-6% q-q decrease. Our profit forecast for 2025-26 remains largely unchanged, even though we revise up the projected revenue from the offshore business. However, SG&A expenses should be on the rise. For 2025, we forecast a profit decline of 9.8% y-y.

We maintain our TP at THB6.40, based on a 2025E P/E of 8.8x, -0.3SD of its three-year average. Due to ongoing risks, particularly geopolitical risks, we maintain our HOLD rating.

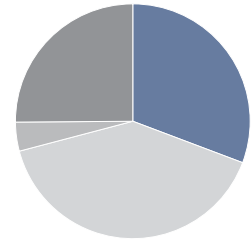
Company profile

Thoresen Thai Agencies (TTA) is a strategic investment holding company with an investment policy of achieving growth through a balanced portfolio that is diversified both locally and internationally. Its current business portfolio includes shipping, offshore service, agrochemical, food & beverage, and investment group segments. As of December 2023, Thoresen Shipping owned 22 Supramax and 2 Ultramax vessels, making a total of 24 vessels.

www.thoresen.com

Principal activities (revenue, 2023)

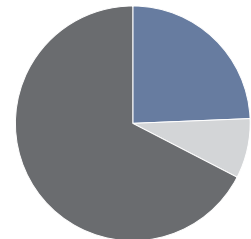
- Shipping revenue - 30.7 %
- Offshore service - 40.2 %
- Service & comission - 4.0 %
- Sales - 25.1 %



Source: Thoresen Thai Agencies

Major shareholders

- Mahagitsiri Family - 24.4 %
- Credit Suisse AG, Singapore Branch - 8.2 %
- Others - 67.4 %



Source: Thoresen Thai Agencies

Catalysts

Key catalysts include 1) fewer ships being built, which could reduce global fleet capacity; 2) China's stimulus package to boost the economy; and 3) higher CAPEX by the global energy sector, which creates opportunities for TTA's offshore service segment.

Risks to our call

Downside risks to our P/E-based TP include 1) a fall in freight rates (TCE); 2) exchange rate volatility; 3) slow economic growth in China; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.

Event calendar

Date	Event
February 2025	4Q24 earnings announcement
May 2025	1Q25 earnings announcement

Key assumptions

	2023A	2024E	2025E	2026E
TTA's TCE rate (USD/day)	13,612	14,205	13,921	14,199
TCE rate growth	-45.6%	4.4%	-2.0%	2.0%
Vessel OPEX (USD/day)	4,258	4,015	4,095	4,157
Gross margin by business				
Shipping business	33.6%	34.0%	32.0%	32.0%
Offshore business	19.0%	8.0%	8.0%	8.0%
Agrochemical business	12.5%	14.9%	15.0%	15.0%
Food & Beverage	38.8%	40.5%	41.0%	41.3%

Source: FSSIA estimates

Earnings sensitivity

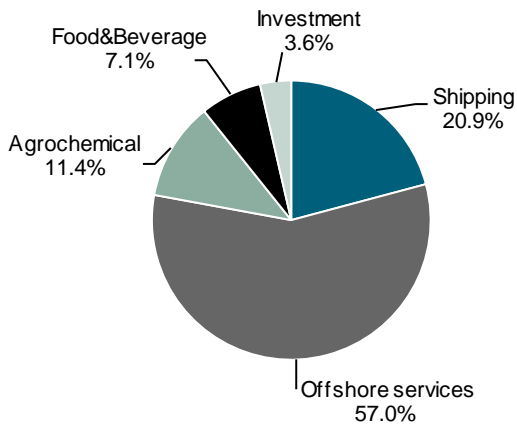
- For every 1% change in its TCE rate, we project TTA's 2025 net profit to change by 0.8%, all else being equal.
- For every 1% change in shipping gross margin, we project TTA's 2025 net profit to change by 3.8%, all else being equal.

Source: FSSIA estimates

Performance largely dependent on freight rates

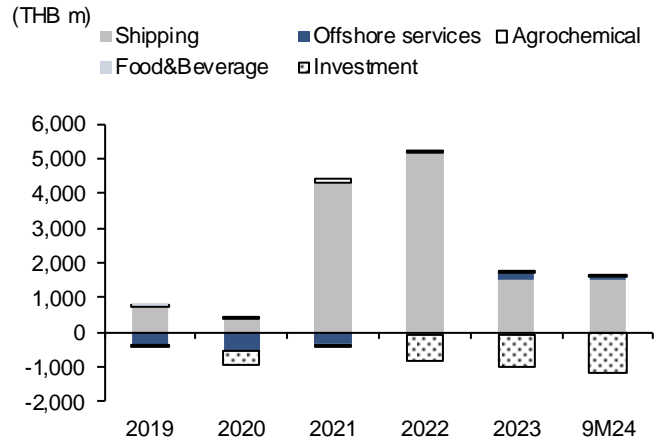
Since 3Q23, the offshore business has significantly won large projects, leading to a rise in the proportion of revenue from the offshore segment to more than half of total revenue. The business has also started generating profits after several years of losses. However, more than 40% of its backlog are decommissioning and installation projects, which have relatively low gross margins. As a result, most of the core profit still comes from the shipping business. Therefore, TTA's performance is largely dependent on freight rates.

Exhibit 1: Revenue breakdown in 9M24



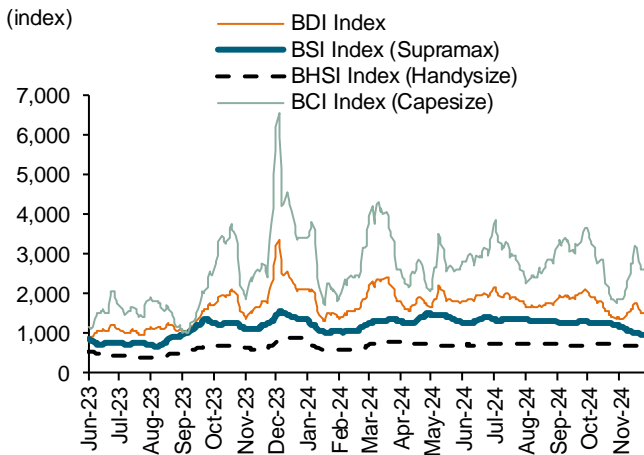
Sources: TTA, FSSIA's compilation

Exhibit 2: Core profit contribution by business



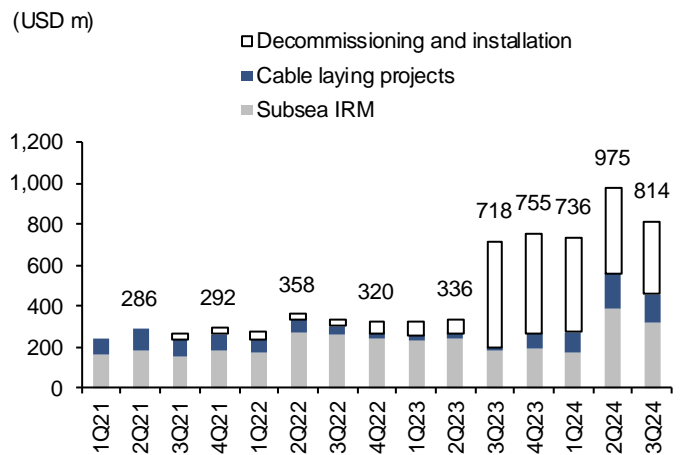
Sources: TTA, FSSIA's compilation

Exhibit 3: Ocean freight rate indices



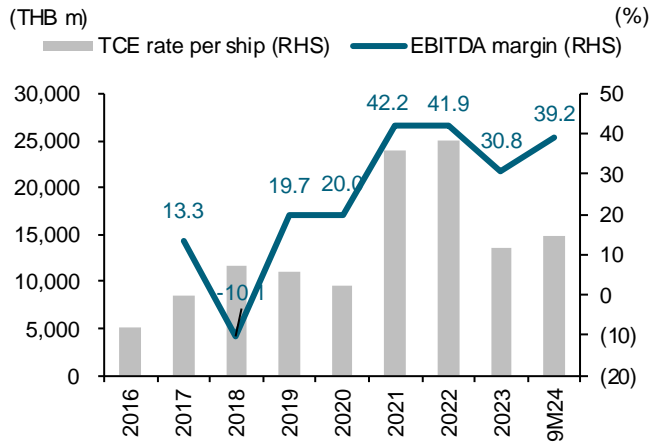
Sources: Bloomberg, FSSIA's compilation

Exhibit 4: Offshore service: backlog breakdown by services



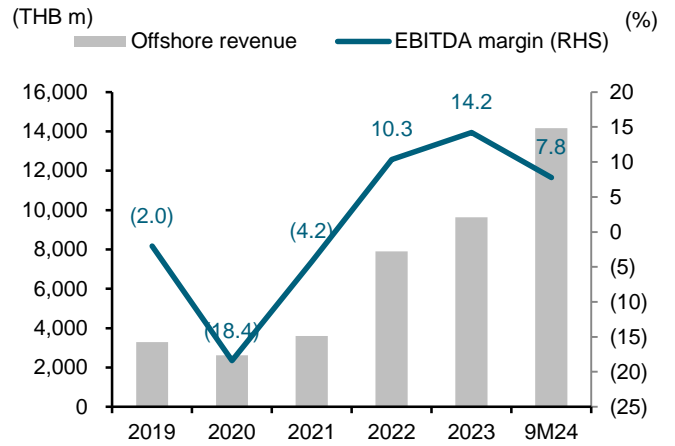
Sources: TTA, FSSIA's compilation

Exhibit 5: Shipping business: rates and EBITDA margin



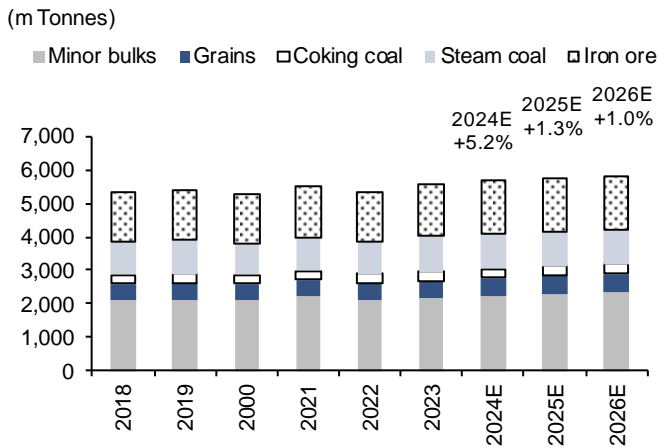
Sources: TTA, FSSIA's compilation

Exhibit 6: Offshore business: revenue and EBITDA margin



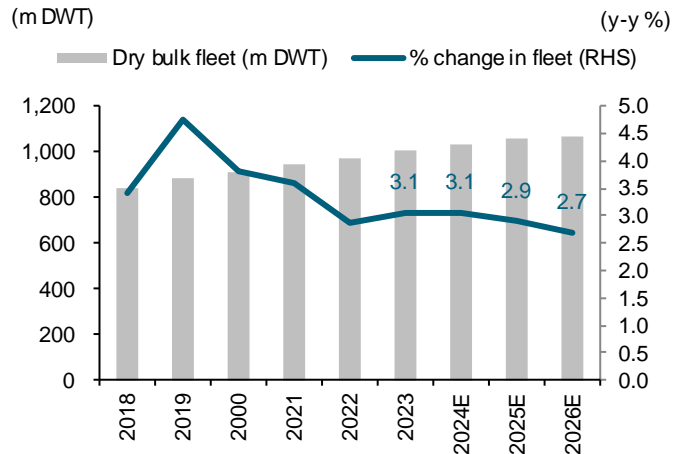
Sources: TTA, FSSIA's compilation

Exhibit 7: Demand for dry bulk



Sources: Clarksons Research, October 2024, TTA, FSSIA's compilation

Exhibit 8: Supply growth for all dry bulk vessel segments



Sources: Clarksons Research, October 2024, TTA, FSSIA's compilation

Trim our 2024 profit forecast and maintain 2025-26 projection

We expect the profit outlook for 4Q24 to be lower than in 3Q24, in line with the decline in freight rates. In addition, we anticipate the offshore business to deliver around USD126m in revenue, similar to 3Q24, but with a relatively low gross margin.

We revise down our 2024 profit forecast for TTA by 13.3%, with an estimated 4Q24 core profit of THB320m-330m, reflecting a 4-6% q-q decrease. Our profit forecast for 2025-26 remains largely unchanged, even though we revise up the projected revenue from the offshore business. However, SG&A expenses should be on the rise. For 2025, we forecast a profit decline of 9.8% y-y.

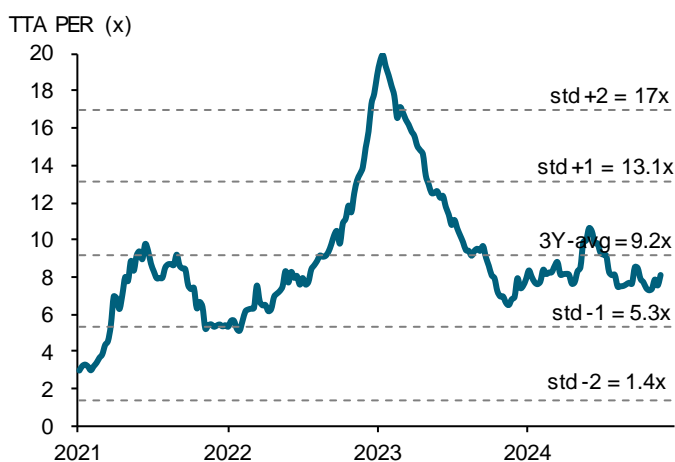
We maintain our TP at THB6.40, based on a 2025E P/E of 8.8x, -0.3SD of its three-year average. Due to ongoing risks, particularly geopolitical risks, we maintain our HOLD rating.

Exhibit 9: Key changes in assumptions

	Current			Previous			Change		
	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (THB m)	2025E (THB m)	2026E (THB m)	2024E (%)	2025E (%)	2026E (%)
TCE rate (USD/day)	14,205	13,921	14,199	14,555	14,264	14,549	(2.4)	(2.4)	(2.4)
Shipping	6,757	6,707	7,086	7,263	7,118	7,260	(7.0)	(5.8)	(2.4)
Offshore services	18,781	15,049	12,763	18,781	13,563	11,525	0.0	11.0	10.7
Agrochemical	3,839	3,916	3,994	3,839	3,916	3,994	0.0	0.0	0.0
Food & Beverage	2,416	2,609	2,870	2,302	2,486	2,635	5.0	5.0	8.9
Other investments	1,147	1,193	1,241	1,170	1,216	1,265	(1.9)	(1.9)	(1.9)
Total revenue	32,941	29,475	27,954	33,355	28,300	26,680	(1.2)	4.2	4.8
Cost of goods sold	(27,828)	(24,748)	(23,221)	(28,022)	(23,713)	(22,169)	(0.7)	4.4	4.7
Gross profit	5,113	4,727	4,734	5,333	4,586	4,511	(4.1)	3.1	4.9
SG&A	(3,162)	(3,124)	(3,187)	(3,102)	(2,915)	(2,935)	1.9	7.2	8.6
Interest expense	747	731	697	758	754	697	(1.5)	(3.1)	0.0
EBITDA	4,918	4,467	4,650	5,121	4,511	4,675	(4.0)	(1.0)	(0.5)
Core profit	1,496	1,350	1,327	1,725	1,350	1,330	(13.3)	0.0	(0.2)
Key ratios	(%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(ppt)
Gross margin	15.5	16.0	16.9	16.0	16.2	16.9	(0.5)	(0.2)	0.0
SG&A to sales	9.6	10.6	11.40	9.3	10.3	11.0	0.3	0.3	0.4
EBITDA margin	14.9	15.2	16.6	15.4	15.9	17.5	(0.4)	(0.8)	(0.9)
Core profit margin	4.5	4.6	4.7	5.2	4.8	5.0	(0.6)	(0.2)	(0.2)

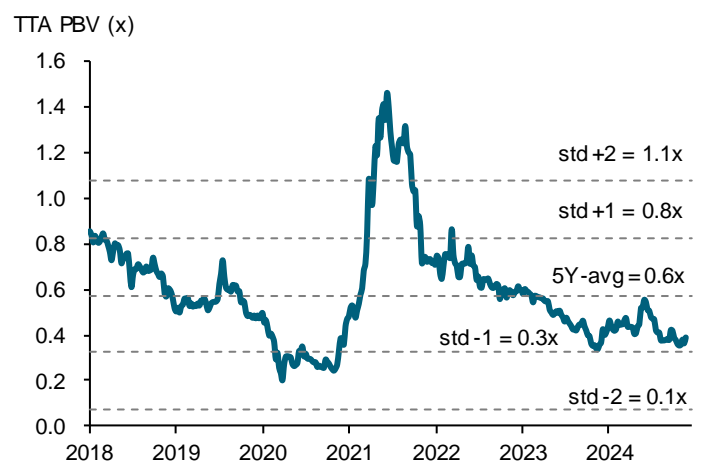
Sources: TTA, FSSIA estimates

Exhibit 10: One-year rolling forward P/E band



Sources: TTA, FSSIA estimates

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



Sources: TTA, FSSIA estimates

Exhibit 12: Peers comparison as of 25 November 2024

Company	BBG	Share price Current (LCY)	EPS growth		PE		PBV		EV/ EBITDA	
			24E (%)	25E (%)	24E (x)	25E (x)	24E (x)	25E (x)	24E (x)	25E (x)
Thailand										
Thoresen Thai Agencies*	TTA TB	5.85	101	(10)	7.1	7.9	0.4	0.4	4.0	4.2
Precious Shipping*	PSL TB	7.65	111	(2)	8.6	8.7	0.7	0.7	5.0	5.1
Thailand average			106.0	(6.0)	7.8	8.3	0.5	0.5	4.5	4.7
Regional										
Cosco shipping Holding	601919 CH	13.99	92	(50)	4.7	9.6	1.0	0.9	1.9	3.4
Evergreen marine	2603 TT	228.00	395	(48)	3.8	7.3	0.9	0.8	2.1	3.7
Mitsui OSK Lines	9104 JP	5,430.00	43	(42)	5.3	9.2	0.7	0.7	12.0	11.0
Kawasaki Kisen Kaisha	9107 JP	2,131.50	116	(55)	6.0	13.5	0.8	0.8	9.7	10.1
Orient Oversea International	316 HK	104.30	79	(26)	3.5	4.7	0.7	0.6	1.0	1.4
Wan Hai Lines	2615 TT	90.70	(850)	(49)	6.2	12.2	1.0	0.9	3.8	6.5
Nanjing Tanker	601975 CH	3.10	33	2	7.2	7.1	1.4	1.2	3.9	3.8
Regional average			(13.2)	(38.4)	5.3	9.1	0.9	0.9	4.9	5.7
Global										
Hapag-Lloyd	HLAG GR	152.90	(33)	(74)	13.3	50.9	1.4	1.5	6.0	9.4
Maersk	MAERSKB DC	11,640.00	59	(84)	5.1	32.4	0.5	0.5	1.8	3.0
Star Bulk Carriers	SBLK US	18.65	80	12	6.8	6.0	0.8	0.8	5.7	5.1
Navios Maritime Partners	NMM US	49.32	2	31	3.7	2.8	0.5	0.4	4.2	3.6
D/S Norden	DNORD DC	216.00	(69)	34	7.0	5.2	0.8	0.7	3.0	2.6
Genco Shipping & Trading	GNK US	17.04	271	5	9.8	9.3	0.8	0.8	4.9	4.9
Diana Shipping	DSX US	1.90	(28)	260	7.6	2.1	n/a	n/a	5.7	3.9
Globus Maritime	GLBS US	1.48	(81)	(180)	29.6	n/a	0.2	0.2	0.7	0.4
Global average			25.2	0.5	10.3	15.5	0.7	0.7	4.0	4.1
Overall average			18.9	(16.4)	8.0	11.8	0.8	0.7	4.4	4.8

Sources: Bloomberg, * FSSIA estimates

Financial Statements

Thoresen Thai Agencies

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	29,320	23,975	32,941	29,475	27,954
Cost of goods sold	(21,887)	(19,663)	(27,828)	(24,748)	(23,221)
Gross profit	7,433	4,313	5,113	4,727	4,734
Other operating income	268	296	471	407	391
Operating costs	(4,076)	(3,211)	(3,162)	(3,124)	(3,187)
Operating EBITDA	5,475	3,584	4,918	4,467	4,650
Depreciation	(1,850)	(2,187)	(2,496)	(2,458)	(2,711)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,625	1,397	2,422	2,009	1,938
Net financing costs	(511)	(700)	(747)	(731)	(697)
Associates	168	179	107	113	122
Recurring non-operating income	168	179	107	113	122
Non-recurring items	1,190	473	(1,408)	0	0
Profit before tax	4,473	1,349	374	1,391	1,363
Tax	(22)	(19)	(167)	(102)	(99)
Profit after tax	4,451	1,330	206	1,289	1,263
Minority interests	8	(113)	(118)	61	64
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	4,459	1,217	88	1,350	1,327
Non-recurring items & goodwill (net)	(1,190)	(473)	1,408	0	0
Recurring net profit	3,269	744	1,496	1,350	1,327
Per share (THB)					
Recurring EPS *	1.79	0.41	0.82	0.74	0.73
Reported EPS	2.45	0.67	0.05	0.74	0.73
DPS	0.22	0.08	0.05	0.09	0.09
Diluted shares (used to calculate per share data)	1,822	1,822	1,822	1,822	1,822
Growth					
Revenue (%)	32.5	(18.2)	37.4	(10.5)	(5.2)
Operating EBITDA (%)	3.1	(34.5)	37.2	(9.2)	4.1
Operating EBIT (%)	(4.1)	(61.5)	73.3	(17.0)	(3.5)
Recurring EPS (%)	(6.4)	(77.3)	101.2	(9.8)	(1.6)
Reported EPS (%)	21.7	(72.7)	(92.8)	1,433.7	(1.6)
Operating performance					
Gross margin inc. depreciation (%)	25.4	18.0	15.5	16.0	16.9
Gross margin exc. depreciation (%)	31.7	27.1	23.1	24.4	26.6
Operating EBITDA margin (%)	18.7	14.9	14.9	15.2	16.6
Operating EBIT margin (%)	12.4	5.8	7.4	6.8	6.9
Net margin (%)	11.1	3.1	4.5	4.6	4.7
Effective tax rate (%)	0.5	1.4	44.8	7.4	7.3
Dividend payout on recurring profit (%)	12.3	19.6	6.4	12.0	12.0
Interest cover (X)	7.4	2.3	3.4	2.9	3.0
Inventory days	29.5	32.7	21.7	27.0	28.5
Debtor days	53.7	76.3	76.8	96.3	95.5
Creditor days	34.3	46.2	37.6	45.9	46.8
Operating ROIC (%)	18.7	6.9	9.8	7.5	7.0
ROIC (%)	13.4	5.1	6.7	5.4	5.1
ROE (%)	14.3	3.0	5.8	4.9	4.7
ROA (%)	9.4	3.7	5.0	4.0	3.9
* Pre-exceptional, pre-goodwill and fully diluted					
Revenue by Division (THB m)					
Shipping revenue	14,017	7,370	6,757	6,707	7,086
Offshore service	7,906	9,629	18,781	15,049	12,763
Service & commission	986	957	1,036	1,081	1,135
Sales	6,412	6,020	6,366	6,638	6,971

Sources: Thoresen Thai Agencies; FSSIA estimates

Financial Statements

Thoresen Thai Agencies

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	3,269	744	1,496	1,350	1,327
Depreciation	1,850	2,187	2,496	2,458	2,711
Associates & minorities	(8)	113	118	(61)	(64)
Other non-cash items	3,093	3	1,871	(205)	97
Change in working capital	(744)	(480)	(3,156)	1,103	257
Cash flow from operations	7,460	2,567	2,826	4,644	4,329
Capex - maintenance	-	-	-	-	-
Capex - new investment	(3,413)	(3,027)	(4,158)	(3,500)	(4,500)
Net acquisitions & disposals	(581)	183	(100)	0	0
Other investments (net)	793	(315)	(1,439)	197	(135)
Cash flow from investing	(3,201)	(3,160)	(5,697)	(3,303)	(4,635)
Dividends paid	(417)	(410)	(95)	(162)	(159)
Equity finance	0	0	0	0	0
Debt finance	(2,589)	(314)	3,265	(588)	(846)
Other financing cash flows	(475)	(650)	1	2	3
Cash flow from financing	(3,481)	(1,375)	3,171	(748)	(1,003)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	605	0	0	0
Net other adjustments	(621)	605	0	0	0
Movement in cash	157	(1,363)	300	593	(1,308)
Free cash flow to firm (FCFF)	4,769.80	107.44	(2,124.08)	2,071.55	391.21
Free cash flow to equity (FCFE)	573.61	(952.05)	394.60	754.73	(1,149.20)

Per share (THB)

FCFF per share	2.62	0.06	(1.17)	1.14	0.21
FCFE per share	0.31	(0.52)	0.22	0.41	(0.63)
Recurring cash flow per share	4.50	1.67	3.28	1.94	2.23

Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	40,518	43,174	47,332	50,832	55,332
Less: Accumulated depreciation	(25,167)	(27,354)	(29,850)	(32,308)	(35,019)
Tangible fixed assets (net)	15,351	15,820	17,481	18,524	20,312
Intangible fixed assets (net)	4,309	5,566	6,431	5,760	5,420
Long-term financial assets	1,630	1,177	1,277	1,277	1,277
Invest. in associates & subsidiaries	2,888	2,627	2,627	2,627	2,627
Cash & equivalents	8,430	7,068	7,368	7,960	6,652
A/C receivable	4,288	5,733	8,122	7,429	7,199
Inventories	1,805	1,327	1,690	1,607	1,591
Other current assets	1,870	1,931	2,551	2,482	2,451
Current assets	16,393	16,059	19,731	19,478	17,894
Other assets	1,022	1,724	1,710	1,697	1,684
Total assets	41,593	42,973	49,258	49,363	49,215
Common equity	24,534	25,007	26,751	27,790	28,810
Minorities etc.	3,192	3,282	3,348	3,415	3,483
Total shareholders' equity	27,726	28,290	30,099	31,205	32,294
Long term debt	5,090	7,439	9,992	9,245	8,568
Other long-term liabilities	324	355	494	442	419
Long-term liabilities	5,413	7,794	10,486	9,687	8,987
A/C payable	2,311	2,409	3,202	2,983	2,799
Short term debt	4,523	2,365	3,108	3,182	2,908
Other current liabilities	1,618	2,114	2,363	2,305	2,227
Current liabilities	8,453	6,889	8,673	8,471	7,934
Total liabilities and shareholders' equity	41,593	42,973	49,258	49,363	49,215
Net working capital	4,033	4,467	6,798	6,229	6,216
Invested capital	29,233	31,381	36,325	36,114	37,537

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

Per share (THB)

Book value per share	13.46	13.72	14.68	15.25	15.81
Tangible book value per share	11.10	10.67	11.15	12.09	12.83

Financial strength

Net debt/equity (%)	4.3	9.7	19.0	14.3	14.9
Net debt/total assets (%)	2.8	6.4	11.6	9.0	9.8
Current ratio (x)	1.9	2.3	2.3	2.3	2.3
CF interest cover (x)	8.8	4.0	7.1	6.8	5.8

Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	3.3	14.3	7.1	7.9	8.0
Recurring P/E @ target price (x) *	3.6	15.7	7.8	8.6	8.8
Reported P/E (x)	2.4	8.8	121.2	7.9	8.0
Dividend yield (%)	3.8	1.4	0.9	1.5	1.5
Price/book (x)	0.4	0.4	0.4	0.4	0.4
Price/tangible book (x)	0.5	0.5	0.5	0.5	0.5
EV/EBITDA (x) **	2.7	4.7	4.0	4.2	4.1
EV/EBITDA @ target price (x) **	2.9	4.9	4.2	4.4	4.3
EV/invested capital (x)	0.5	0.5	0.5	0.5	0.5

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

Sources: Thoresen Thai Agencies; FSSIA estimates

Thoresen Thai Agencies (TTA TB)

FSSIA ESG rating



65.35 /100

Exhibit 13: FSSIA ESG score implication

Rating	Score	Implication
★★★★★	>79-100	Leading its industry peers in managing the most significant ESG risks which not only better cost efficiency but also lead to higher profitability.
★★★★★	>59-79	A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

Exhibit 14: ESG – peer comparison

	FSSIA ESG score	Domestic ratings						Global ratings						Bloomberg	
		DJSI	SET ESG	SET ESG rating	CG score	AGM level	Thai CAC	Morningstar ESG risk	ESG Book	MSCI	Moody's	Refinitiv	S&P Global	ESG score	Disclosure score
SET100	69.20	5.34	4.40	4.40	4.76	4.65	3.84	Medium	51.76	BBB	20.87	58.72	63.91	3.72	28.17
Coverage	67.12	5.11	4.15	4.17	4.83	4.71	3.53	Medium	52.04	BB	16.97	56.85	62.09	3.40	31.94
NYT	43.79	--	--	Y	5.00	5.00	--	--	53.86	--	--	57.61	--	6.57	45.96
PSL	55.45	--	Y	Y	5.00	5.00	Certified	Medium	59.76	BB	--	--	51.00	--	--
RCL	27.51	--	--	--	4.00	4.00	--	High	41.46	--	--	20.37	13.00	.94	30.36
SJWD	42.41	--	Y	Y	5.00	5.00	--	--	56.00	--	--	42.01	--	3.44	41.46
TTA	65.35	--	Y	Y	5.00	5.00	Certified	Medium	56.56	AA	--	50.79	25.00	3.31	56.20

Sources: SETTRADE.com; FSSIA's compilation

Exhibit 15: ESG score by Bloomberg

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	—	—	4.82	3.31
BESG environmental pillar score	—	—	4.86	2.13
BESG social pillar score	—	—	7.33	6.02
BESG governance pillar score	—	—	3.34	3.29
ESG disclosure score	40.92	46.13	53.95	56.20
Environmental disclosure score	16.79	26.31	34.25	37.24
Social disclosure score	24.73	30.86	46.40	50.18
Governance disclosure score	81.10	81.10	81.10	81.10
Environmental				
Emissions reduction initiatives	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No
Risks of climate change discussed	No	Yes	Yes	Yes
GHG scope 1	—	—	24	35
GHG scope 2 location-based	—	—	1	0
GHG Scope 3	—	—	0	—
Carbon per unit of production	—	—	—	—
Biodiversity policy	No	No	No	No
Energy efficiency policy	Yes	Yes	Yes	Yes
Total energy consumption	—	—	1	1
Renewable energy use	—	—	—	—
Electricity used	—	1	1	1
Fuel used - natural gas	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 16: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No
Waste reduction policy	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—
Total waste	—	—	0	0
Waste recycled	—	—	—	—
Waste sent to landfills	—	—	—	—
Environmental supply chain management	Yes	Yes	Yes	Yes
Water policy	Yes	Yes	Yes	Yes
Water consumption	—	—	—	224
Social				
Human rights policy	Yes	Yes	Yes	Yes
Policy against child labor	No	No	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	No	No
Equal opportunity policy	No	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No
Pct women in workforce	35	64	64	67
Pct disabled in workforce	0	0	0	0
Business ethics policy	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	0	0
Total recordable incident rate - employees	—	—	0	0
Training policy	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No
Number of employees – CSR	104	81	76	85
Employee turnover pct	54	30	24	5
Total hours spent by firm - employee training	501	296	310	629
Social supply chain management	Yes	Yes	Yes	Yes
Governance				
Board size	11	11	10	11
No. of independent directors (ID)	5	5	5	5
No. of women on board	1	1	1	1
No. of non-executive directors on board	6	7	8	8
Company conducts board evaluations	Yes	Yes	Yes	Yes
No. of board meetings for the year	8	10	8	8
Board meeting attendance pct	94	90	94	97
Board duration (years)	3	3	3	3
Director share ownership guidelines	No	No	No	No
Age of the youngest director	39	40	41	42
Age of the oldest director	79	80	81	82
No. of executives / company managers	7	7	7	7
No. of female executives	0	1	1	1
Executive share ownership guidelines	No	No	No	No
Size of audit committee	3	3	3	3
No. of ID on audit committee	3	3	3	3
Audit committee meetings	7	7	6	7
Audit meeting attendance %	100	95	100	100
Size of compensation committee	3	3	3	3
No. of ID on compensation committee	2	2	2	2
No. of compensation committee meetings	2	2	3	2
Compensation meeting attendance %	83	67	67	100
Size of nomination committee	3	3	3	3
No. of nomination committee meetings	2	2	3	2
Nomination meeting attendance %	83	67	67	100
Sustainability governance				
Verification type	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																				
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																				
SET ESG Ratings List (SETESG) by The Stock Exchange of Thailand (SET)	SET ESG 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 SETESG 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. SETESG Index is extended from the SET ESG Ratings 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 Sustainalytics	The Sustainalytics' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored.																				
		<table border="1"> <thead> <tr> <th>NEGL</th> <th>Low</th> <th>Medium</th> <th>High</th> <th>Severe</th> </tr> </thead> <tbody> <tr> <td>0-10</td> <td>10-20</td> <td>20-30</td> <td>30-40</td> <td>40+</td> </tr> </tbody> </table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
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 border="1"> <tbody> <tr> <td>AAA</td> <td>8.571-10.000</td> <td rowspan="3">Leader:</td> <td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td> </tr> <tr> <td>AA</td> <td>7.143-8.570</td> </tr> <tr> <td>A</td> <td>5.714-7.142</td> </tr> <tr> <td>BBB</td> <td>4.286-5.713</td> <td rowspan="3">Average:</td> <td rowspan="3">a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers</td> </tr> <tr> <td>BB</td> <td>2.857-4.285</td> </tr> <tr> <td>B</td> <td>1.429-2.856</td> </tr> <tr> <td>CCC</td> <td>0.000-1.428</td> <td>Laggard:</td> <td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td> </tr> </tbody> </table>	AAA	8.571-10.000	Leader:	leading its industry in managing the most significant ESG risks and opportunities	AA	7.143-8.570	A	5.714-7.142	BBB	4.286-5.713	Average:	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	BB	2.857-4.285	B	1.429-2.856	CCC	0.000-1.428	Laggard:	lagging its industry based on its high exposure and failure to manage significant ESG risks	
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Moody's ESG solutions	Moody's assesses the degree to which companies take into account ESG objectives in the definition and implementation of their strategy policies. It believes that a company integrating ESG factors into its business model and relatively outperforming its peers is better positioned to mitigate risks and create sustainable value for shareholders over the medium to long term.																					
Refinitiv ESG rating	Designed to transparently and objectively measure a company's relative ESG performance, commitment and effectiveness across 10 main themes, based on publicly available and auditable data. The score ranges from 0 to 100 on relative ESG performance and insufficient degree of transparency in reporting material ESG data publicly. (<i>Score ratings are 0 to 25 = poor; >25 to 50 = satisfactory; >50 to 75 = good; and >75 to 100 = excellent.</i>)																					
S&P Global	The S&P Global ESG Score is a relative score measuring a company's performance on and management of ESG risks, opportunities, and impacts compared to its peers within the same industry classification. The score ranges from 0 to 100.																					
Bloomberg	ESG Score	Bloomberg score evaluating the company's aggregated Environmental, Social and Governance (ESG) performance. The score is based on Bloomberg's view of ESG financial materiality. The score is a weighted generalized mean (power mean) of Pillar Scores, where the weights are determined by the pillar priority ranking. Values range from 0 to 10; 10 is the best.																				
Bloomberg	ESG Disclosure Score	Disclosure of a company's ESG used for Bloomberg ESG score. The score ranges from 0 for none to 100 for disclosure of every data point, measuring the amount of ESG data reported publicly, and not the performance on any data point.																				

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

Source: FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

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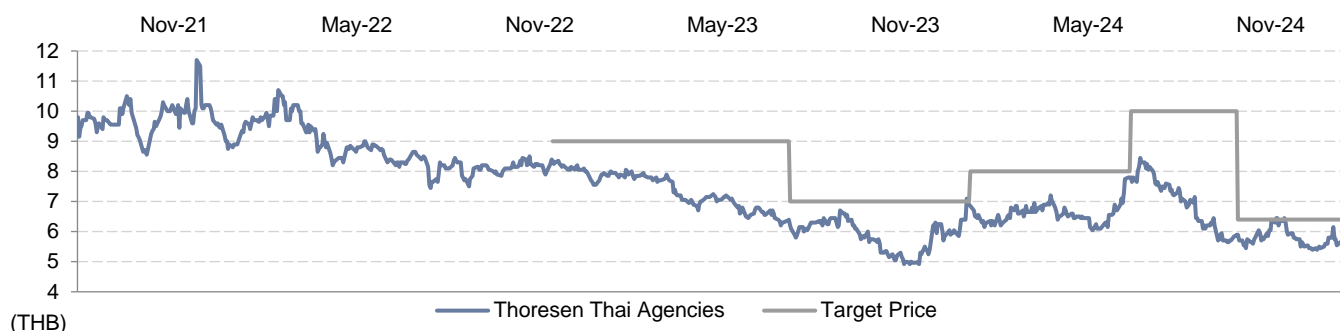
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History of change in investment rating and/or target price

Thoresen Thai Agencies (TTA TB)



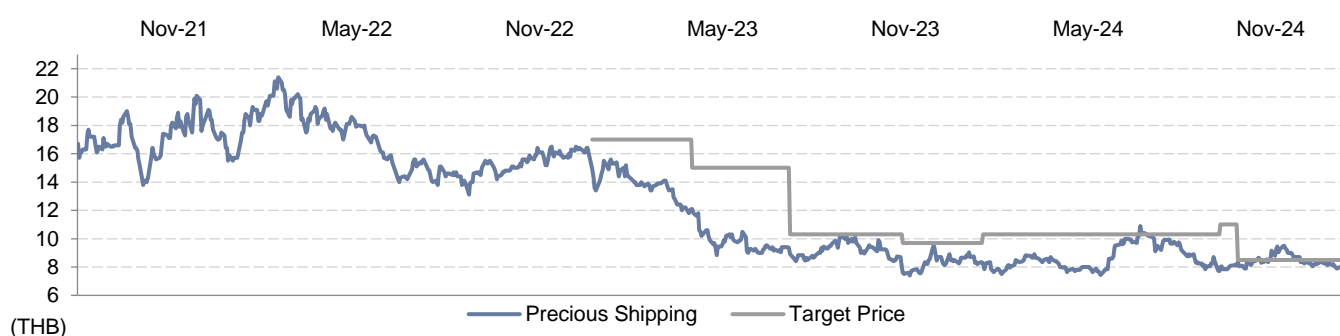
Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
10-Jan-2023	HOLD	9.00	02-Aug-2023	HOLD	7.00	21-May-2024	BUY	10.00
10-May-2023	BUY	9.00	04-Jan-2024	BUY	8.00	21-Aug-2024	HOLD	6.40

Jitra Amornthum started covering this stock from 10-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Precious Shipping (PSL TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
13-Feb-2023	HOLD	17.00	07-Nov-2023	HOLD	9.70	21-Aug-2024	HOLD	8.50
10-May-2023	BUY	15.00	15-Jan-2024	BUY	10.30			
02-Aug-2023	HOLD	10.30	06-Aug-2024	BUY	11.00			

Jitra Amornthum started covering this stock from 13-Feb-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Thoresen Thai Agencies	TTA TB	THB 5.85	HOLD	Downside risks to our P/E-based TP include 1) a fall in freight rates (TCE); 2) exchange rate volatility; 3) slow economic growth in China; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.
Precious Shipping	PSL TB	THB 7.65	HOLD	Downside risks to our P/E-based TP include 1) a fall in freight rates (time charter equivalent (TCE)); 2) exchange rate volatility; 3) China's slow economic growth; and 4) regulatory risks, including new EEXI and CII requirements, effective 1 Jan-23. Upside risks to our P/E-based TP include 1) higher freight rates (TCE); 2) better-than-expected economic growth in China; and 3) a prolonged Red Sea crisis and shipping disruptions.

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 25-Nov-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.