

BOUND AND BEYOND

BEYOND TB

THAILAND / TOURISM & LEISURE

BUY

UNCHANGED

TARGET PRICE	THB18.00
CLOSE	THB8.60
UP/DOWNSIDE	+109.3%
PRIOR TP	THB18.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+0.0%

The dust has settled: record highs ahead

- Expect revenue and core profit to potentially hit a record high in 4Q24, driven by strong RevPAR growth of around 30% y-y.
- Successful turnaround in 2024E, and expect core profit to jump by 161% to THB196m in 2025, driven by the reputation of its hotels.
- Maintain BUY with a 2024 DCF-derived TP of THB18/shr.

Capella Bangkok revenue likely to jump by 40-50% y-y in Nov

According to the Facebook group: Thailand Hotel Service Charge, hotel service charges for the staff of Capella Bangkok jumped 50% y-y during the Nov-24 period (21 Oct – 20 Nov). This would imply strong revenue growth of around 50% y-y in the Nov-24 period. Hotel service charges at Four Seasons Bangkok also increased by 5% y-y in Nov-24. We believe the strong revenue in 4Q24 is thanks to several awards that the hotels received over the past year, including [The World's 50 Best Hotels 2024](#) (1st for Capella Bangkok and 14th for Four Seasons Bangkok).

Expect earnings to turn around to THB70-80m in 4Q24

We estimate RevPAR to grow by 28-30% y-y in 4Q24, driven mainly by an OCC rate of 59-60% (vs 51% in 4Q23), with ADR increasing by 8-10% y-y. Meanwhile, F&B revenue should slightly increase by 1-3% y-y due to high competition. Overall, we expect 4Q24 revenue to grow by 15% y-y to hit a new high at THB1.0b, with the EBITDA margin jumping to 26%. This should lead to a core profit record high of THB70-80m in 4Q24. We estimate smaller cadmium-related expenses of only THB5-10m in 4Q24.

Margin expansion in 2025, driven by high operating leverage

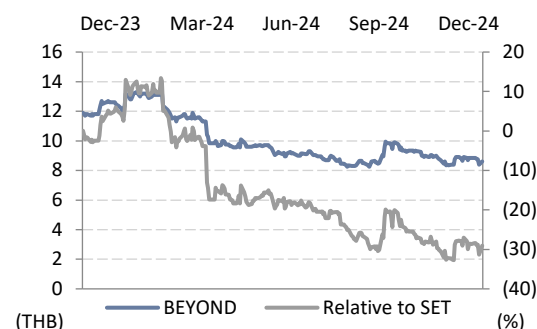
We expect the RevPAR momentum to continue in 2025 and grow by 8% y-y (OCC rate of 61% in 2025E vs 59% in 2024E and ADR increasing by 4% y-y). We believe the fixed costs of the hotels should be stable. As a result, we expect EBITDA flow-through of 50-60% in 2025, resulting in the expansion of the EBITDA margin to 25% (vs 23% in 2024E). Therefore, 2025 core profit should surge by 161% to THB196m.

Share price has been overly punished

BEYOND trades at unjustified valuations of 13x 2025E P/E and 0.4x 2025E P/BV. Its market cap has declined by over THB780m since the beginning of the cadmium waste issue, for which we believe it has been excessively penalized, compared to cTHB50m in total cadmium-related expenses. The market seems to be ignoring BEYOND's turnaround from a THB169m loss in 2023 to a 2024E core profit of THB75m. We maintain our DCF-TP of THB18/shr by rolling forward the valuation base to 2025 and conservatively lifting the discount factor for the appraisal value of land for sale in Tak to 50% from 20% following the cadmium waste issue.

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	2,978	3,395	3,642	3,836
Net profit	158	25	196	257
EPS (THB)	0.55	0.09	0.68	0.89
vs Consensus (%)	-	-	-	-
EBITDA	546	782	915	974
Recurring net profit	(169)	75	196	257
Core EPS (THB)	(0.58)	0.26	0.68	0.89
Chg. In EPS est. (%)	nm	-	-	-
EPS growth (%)	nm	nm	161.3	31.1
Core P/E (x)	(14.7)	33.3	12.7	9.7
Dividend yield (%)	-	1.5	3.9	5.1
EV/EBITDA (x)	13.4	9.1	7.4	6.7
Price/book (x)	0.4	0.4	0.4	0.4
Net debt/Equity (%)	76.4	72.8	65.9	60.2
ROE (%)	(2.7)	1.2	3.1	3.9



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	3.0	(5.0)	(26.5)
Relative to country (%)	4.7	(3.9)	(28.0)
Mkt cap (USD m)	73		
3m avg. daily turnover (USD m)	0.0		
Free float (%)	50		
Major shareholder	Country Group Holding PCL (39%)		
12m high/low (THB)	13.70/8.05		
Issued shares (m)	290.07		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

BEYOND transformed its business focus from energy to hospitality during the Covid pandemic and is now in a strong position to benefit from Thailand’s tourism recovery.

We expect Thailand’s tourist arrival numbers to grow to 40m in 2025, especially in the high-spending segment, which should directly benefit BEYOND’s luxury hotels. According to CBRE, luxury hotels accounted for 17% of the total hotel supply in Bangkok, and riverfront hotels only made up 7% as of 2022.

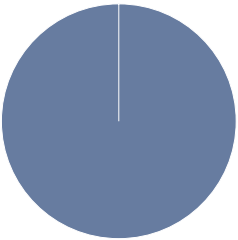
We expect BEYOND’s earnings to turn around in 2024 and deliver strong growth over 2025-26 as its EBITDA margin improves from its high operating leverage structure. In addition, its interest expenses should gradually decline thanks to its strong cash flow and low levels of maintenance CAPEX.

Company profile

BEYOND owns and operates two ultra-luxury hotels, Four Seasons Hotel Bangkok and Capella Bangkok, with 400 rooms total, situated along the Chao Phraya River.

www.boundandbeyond.co.th

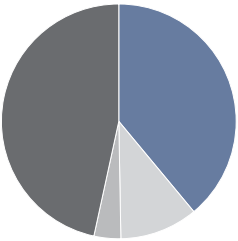
Principal activities (revenue, 2023)



■ Hotel revenue - 100.0 %

Source: Bound and Beyond

Major shareholders



■ Country Group Holding PCL - 39.0 %
■ Kingdom of Thailand Ministry of Finance - 10.8 %
■ Supachai Weeraborwornpong - 3.7 %
■ Others - 46.6 %

Source: Bound and Beyond

Catalysts

Key potential growth drivers include 1) a faster OCC ramp-up rate following the global tourism recovery; 2) strong demand from high-spending tourists, which should drive ADR; and 3) new project announcements.

Risks to our call

Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Event calendar

Date	Event
Feb 2025	4Q24 results announcement

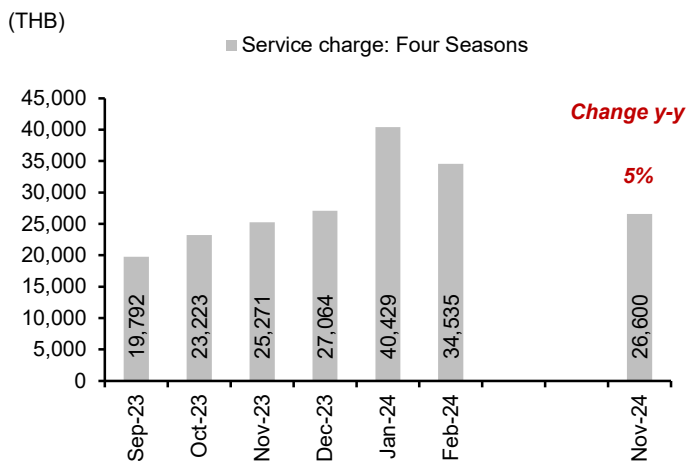
Key assumptions

	2024E	2025E	2026E
OCC rate (%)	59	61	63
ADR (THB)	19,958	20,757	21,172
RevPAR growth (%)	20	8	5
EBITDA margin (%)	23	25	25

Source: FSSIA estimates

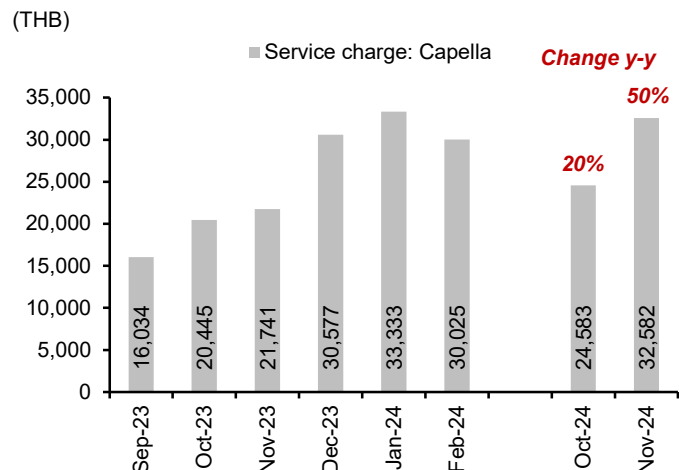
- Earnings sensitivity**
- For every 1% increase in OCC rate, we project a 2025 profit increase of 7%, and vice versa, all else being equal.
 - For every 1% increase in EBITDA margin, we project a 2025 profit increase of 11%, and vice versa, all else being equal.

Source: FSSIA estimates

Exhibit 1: Service charges: Four Seasons Hotel Bangkok

Note: Each period starts from the 21st (previous month) and ends on the 20th (for example Aug-23 stats are from 21 July to 20 Aug)

Source: Facebook page – Hotel Service Charge Update

Exhibit 2: Service charges: Capella Bangkok

Note: Each period starts from the 21st (previous month) and ends on the 20th

Source: Facebook page – Hotel Service Charge Update

Exhibit 3: The World's 50 Best Hotels 2024

<div> <div> <div>THE WORLD'S</div> <div>50</div> <div>BEST HOTELS</div> <div>2024</div> </div> <div>The List</div> </div>		
1	Capella Bangkok BANGKOK	THE WORLD'S BEST HOTEL THE BEST HOTEL IN ASIA
2	Passalacqua LAKE COMO	THE BEST HOTEL IN EUROPE CARLO ALBERTO BEST BOUTIQUE HOTEL AWARD
3	Rosewood Hong Kong HONG KONG	
4	Cheval Blanc PARIS	
5	The Upper House HONG KONG	
6	Raffles Singapore SINGAPORE	
7	Aman Tokyo TOKYO	
8	Soneva Fushi MALDIVES	LOST EXPLORER BEST BEACH HOTEL AWARD
9	Atlantis The Royal DUBAI	HIGHEST CLIMBER AWARD
10	Nihi Sumba SUMBA ISLAND	
11	Claridge's LONDON	
12	Mandarin Oriental Bangkok BANGKOK	
13	Raffles London at The OWO LONDON	NEW ENTRY LAVAZZA HIGHEST NEW ENTRY AWARD
14	Four Seasons Bangkok at Chao Phraya River BANGKOK	
15	Hôtel de Crillon PARIS	
16	Chablé Yucatán CHICHOLÁ	THE BEST HOTEL IN NORTH AMERICA
17	Hotel du Cap-Eden-Roc ANTIBES	
18	Maroma RIVIERA MAYA	NEW ENTRY FLOR DE CAÑA ECO HOTEL AWARD
19	Four Seasons Firenze FLORENCE	
20	Borgo Santandrea AMALFI	NEW ENTRY
21	Desa Potato Head BALI	
22	Bulgari Tokyo TOKYO	NEW ENTRY NIKKI BEST NEW HOTEL AWARD
23	The Lana DUBAI	NEW ENTRY
24	Rosewood São Paulo SÃO PAULO	THE BEST HOTEL IN SOUTH AMERICA
25	The Calile BRISBANE	THE BEST HOTEL IN OCEANIA
26	The Siam BANGKOK	
27	Park Hyatt Kyoto KYOTO	
28	Mount Nelson CAPE TOWN	NEW ENTRY THE BEST HOTEL IN AFRICA
29	One&Only Mandarin RIVIERA NAYARIT	
30	The Carlyle NEW YORK	NEW ENTRY
31	La Mamounia MARRAKECH	
32	Four Seasons Madrid MADRID	
33	Capella Singapore SINGAPORE	
34	Four Seasons at The Surf Club SURFSIDE	NEW ENTRY
35	Hotel Bel-Air LOS ANGELES	NEW ENTRY
36	Eden Rock ST. BARTHS	
37	Aman New York NEW YORK	
38	Royal Mansour MARRAKECH	NO.3 GIN ART OF HOSPITALITY AWARD
39	Amangalla GALLE	
40	Le Bristol PARIS	
41	Gleneagles AUCHTERARDER	
42	Castello di Reschio LISCIANO NICCONE	NEW ENTRY
43	Sujan Jawai RAJASTHAN	NEW ENTRY
44	Singita - Kruger National Park KRUGER NATIONAL PARK	
45	Six Senses Zighy Bay ZAGHI	NEW ENTRY
46	The Connaught LONDON	
47	The Brando TETIAROA	NEW ENTRY
48	Hotel Esencia TULUM	
49	The Tasman HOBART	NEW ENTRY
50	Kokomo Private Island YAKUVE LEVU ISLAND	NEW ENTRY

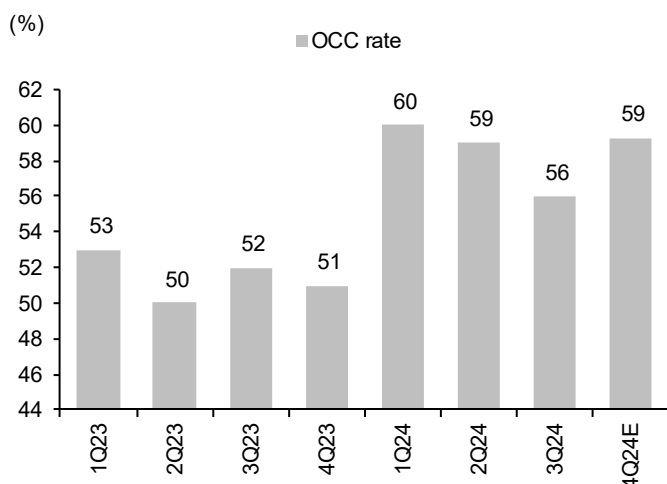
Source: theworlds50best.com

Exhibit 4: BEYOND – 4Q24 results preview

FY ending Dec	4Q23	1Q23	2Q23	3Q24	4Q24E	----- Change -----		2023	2024E	Change
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)
Sales	875	952	762	708	1,004	42	15	2,978	3,395	14
COGS (incl depreciation)	(549)	(532)	(491)	(476)	(597)	25	9	(1,940)	(2,033)	5
Gross Profit	326	421	271	232	406	75	25	1,037	1,363	31
SG&A	(211)	(236)	(214)	(194)	(224)	15	6	(798)	(889)	12
Operating Profit	115	185	57	38	183	378	59	240	473	98
Dividend income	0	0	0	0	0			0	0	
Interest income	3	0	1	1	1	0	(50)	8	10	
Other income	0	4	2	5	5			11	17	50
Interest expenses	(108)	(105)	(96)	(98)	(97)	(1)	(10)	(426)	(406)	(5)
Pretax profit	10	84	(36)	(54)	92	(270)	823	(167)	94	156
Income Tax	(15)	(17)	(2)	2	(18)			(2)	(19)	
Associates	0	0	0	0	0			(1)	0	
Minority interest	0	0	0	0	0			0	0	
Core profit	(5)	68	(38)	(52)	73	240	1,489	(169)	75	144
Extraordinaries, GW & FX	3	0	(34)	(15)	0			328	(50)	
Reported net profit	(3)	68	(72)	(67)	73	209	2,868	158	25	84
Outstanding shares (m)	289	289	289	289	289	0	0	290	290	0
Core EPS (THB)	(0.02)	0.23	(0.13)	(0.18)	0.25	240	1,489	(0.58)	0.26	144
EPS (THB)	(0.01)	0.23	(0.25)	(0.23)	0.25	209	2,868	0.55	0.09	84
COGS excl. depreciation	(472)	(453)	(412)	(397)	(518)	31	10	(1,634)	(1,724)	5
Depreciation	(77)	(78)	(79)	(79)	(79)	0	3	(306)	(308)	1
EBITDA	192	263	136	117	262	123	37	546	782	43
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	37	44	36	33	41	8	3	35	40	5
SG&A/Revenue	24	25	28	27	22	(5)	(2)	27	26	(1)
EBITDA margin	22	28	18	17	26	10	4	18	23	5
Net profit margin	(0)	7	(9)	(9)	7	17	8	5	1	(5)
Operating stats										
Occupancy (%)	51	60	59	56	59			52	59	
ADR (THB/night)	21,916	23,068	18,361	17,317	24,108			19,008	19,958	
RevPar (THB/night)	11,177	13,841	10,833	9,698	14,296			9,789	11,775	

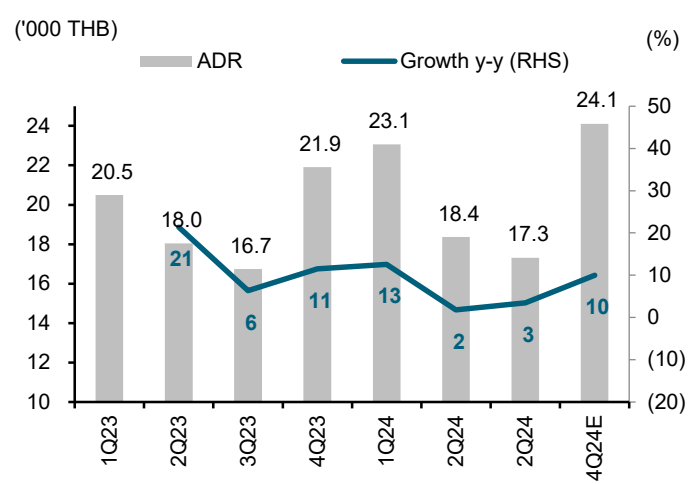
Sources: BEYOND; FSSIA estimates

Exhibit 5: OCC rate



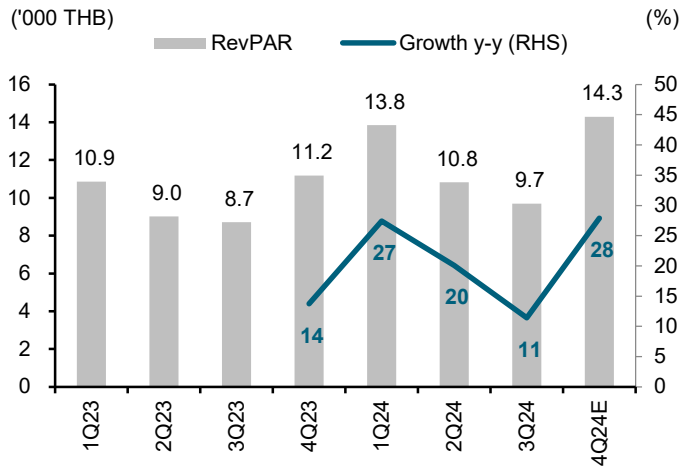
Source: BEYOND; FSSIA estimate

Exhibit 6: ADR



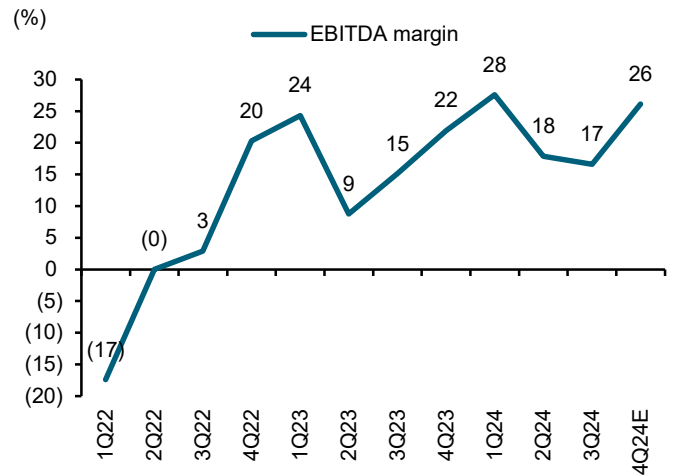
Source: BEYOND; FSSIA estimate

Exhibit 7: RevPAR



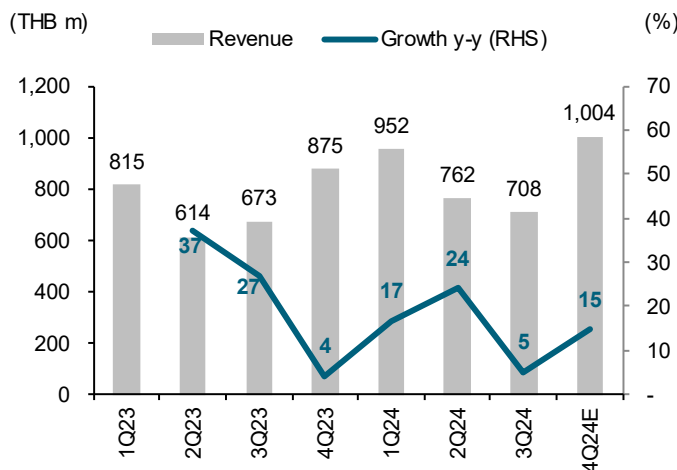
Source: BEYOND; FSSIA estimate

Exhibit 8: EBITDA margin



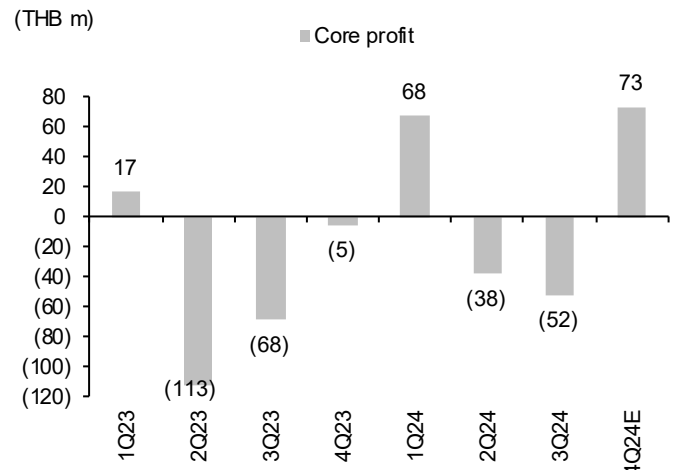
Source: BEYOND; FSSIA estimate

Exhibit 9: Revenue



Source: BEYOND; FSSIA estimate

Exhibit 10: Core profit



Source: BEYOND; FSSIA estimate

Exhibit 11: DCF-derived TP

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		4.0
Market risk premium		8.0	Marginal tax rate		20.0
Stock beta		1.5			
Cost of equity, Ke		15.2	Net cost of debt, Kd		2.8
Weight applied		55.0	Weight applied		4.5
WACC		9.6			

DCF valuation estimate	(THB b)	(THB/share)	Comments
NPV	4.1	14.1	WACC 9.6%, Risk-free rate 3%, Risk premium 8%
Terminal value	4.6	15.9	Terminal growth 3%
Cash & liquid assets	1.1	3.7	At end-2025E
Investments	0.3	1.1	At end-2025E
Land for sales	0.5	1.7	Based on appraisal value of THB1.0b with 50% discount
Debt	(5.4)	(18.5)	At end-2025E
Minorities	0.0	0.0	At end-2025E
Residual ordinary equity	5.2	18.0	

Source: FSSIA estimates

Exhibit 12: Net asset value (NAV)

Cost approach	(THB b)	Note
Total replacement cost	8.6	Based on IFA dated 2 Sep 2021
Add : Leasehold rights of land	2.3	Based on IFA dated 2 Sep 2021 / estimated from remaining leasehold right to 2069
Add : Land (Tak)	1.0	Based on appraisal value
Add : Cash and cash equivalents	0.9	As of 3Q24
Less: Interest bearing debt	(5.5)	As of 3Q24
Less: Minorities	0.0	As of 3Q24
Net value	7.3	
No of shares (m)	290.1	
FV per share	25.0	

Source: FSSIA estimates

Exhibit 13: Peer comparisons as of 16 Dec 2024

Company	BBG	Rec	Share price			Market cap	PE			ROE		PBV		EV/ EBITDA	
			Current	Target	Upside		24E	25E	26E	24E	25E	24E	25E	24E	25E
			(LCY)	(LCY)	(%)		(USD m)	(x)	(x)	(x)	(%)	(%)	(x)	(x)	(x)
Thailand															
Asset World Corp	AWC TB	BUY	3.58	5.20	45	3,363	66.6	51.3	40.9	1.9	2.4	1.3	1.2	35.2	30.8
Minor International	MINT TB	BUY	27.25	45.00	65	4,535	18.9	16.9	15.2	10.7	11.3	2.0	1.8	7.6	6.9
Central Plaza Hotel	CENTEL TB	BUY	35.00	48.00	37	1,387	30.8	27.2	22.5	7.5	8.0	2.2	2.1	15.0	14.1
Erawan Group	ERW TB	BUY	3.92	6.00	53	562	24.0	22.1	20.3	10.3	9.1	2.1	2.0	13.3	12.2
S Hotels & Resorts	SHR TB	BUY	2.46	3.80	54	259	59.0	24.1	17.1	0.9	2.2	0.5	0.5	9.2	8.3
Dusit Thani	DUSIT TB	BUY	10.80	15.00	39	269	(48.9)	34.7	5.4	(5.7)	8.1	3.0	2.7	58.5	28.1
Bound and Beyond	BEYOND TB	BUY	8.60	18.00	109	73	33.3	12.7	9.7	1.2	3.1	0.4	0.4	9.1	7.4
Thailand average						10,448	26.2	27.0	18.7	3.8	6.3	1.6	1.5	21.1	15.4
Regional															
Btg Hotels Group	600258 CH	n/a	15.30	n/a	n/a	2,309	19.9	17.8	15.6	7.3	7.7	1.4	1.3	9.5	9.2
Sh Jinjiang Intl Hotels	900934 CH	n/a	1.55	n/a	n/a	3,611	9.6	9.2	7.8	7.0	7.3	0.7	0.7	10.4	10.1
Huangshan Tourism Dev.	900942 CH	n/a	0.78	n/a	n/a	1,013	11.9	10.5	9.6	7.4	8.0	0.9	0.8	8.5	8.1
Genting Bhd	GENT MK	n/a	3.60	n/a	n/a	3,079	8.6	7.6	6.8	4.7	5.1	0.4	0.4	5.4	5.1
Huazhu Group	HTHT US	n/a	32.70	n/a	n/a	10,424	19.3	16.5	14.4	28.6	29.0	6.4	5.5	11.1	9.9
Indian Hotels	IH IN	n/a	867.65	n/a	n/a	14,546	95.3	74.2	59.6	14.8	15.9	13.5	11.2	55.5	44.5
Lemon Tree Hotels	LEMONTRE IN	n/a	149.73	n/a	n/a	1,397	86.3	62.4	42.2	14.6	17.3	12.1	8.6	27.3	22.9
Lippo Karawaci	LPKR IJ	n/a	99.00	n/a	n/a	438	0.7	9.0	8.2	3.2	8.1	0.2	0.2	3.0	n/a
Regional average						36,816	31.4	25.9	20.5	11.0	12.3	4.4	3.6	16.3	15.7
Global															
Nh Hotel Group	NHH SM	n/a	6.24	n/a	n/a	2,858	17.2	15.7	14.8	14.9	10.5	2.5	2.1	7.7	7.3
Melia Hotels International	MEL SM	n/a	7.47	n/a	n/a	1,731	12.4	11.6	10.8	22.4	19.3	2.6	2.2	8.1	7.9
Intercontinental Hotels G.	IHG LN	n/a	9,968	n/a	n/a	20,098	29.2	25.3	22.3	(32.4)	(32.9)	n/a	n/a	19.2	17.6
Whitbread	WTB LN	n/a	2,942	n/a	n/a	6,575	13.5	14.4	13.2	10.6	10.7	1.4	1.5	9.3	9.4
Accor	ACRFF US	n/a	48.09	n/a	n/a	11,718	20.5	18.2	16.1	12.3	13.9	2.4	2.3	12.8	11.8
Choice Hotels	CHH US	n/a	145.13	n/a	n/a	6,808	21.5	20.6	19.3	334.8	(117.7)	n/a	51.3	14.4	14.3
Hilton Worldwide Holdings	HLT US	n/a	253.00	n/a	n/a	61,676	35.9	31.7	27.4	(54.5)	(41.5)	n/a	n/a	21.0	19.4
Hyatt Hotels Corp	H US	n/a	160.04	n/a	n/a	15,107	41.0	41.6	32.7	10.3	12.1	4.4	4.5	15.3	14.4
Marriott International	MAR US	n/a	290.40	n/a	n/a	80,700	31.4	27.3	24.2	(163.8)	(115.3)	n/a	n/a	19.0	17.5
Global average						207,271	24.7	22.9	20.1	17.2	(26.8)	2.7	10.7	14.1	13.3
Overall average						254,535	27.4	25.1	19.8	11.2	(4.1)	3.0	4.9	16.9	14.7

Sources: Bloomberg; FSSIA estimates

Financial Statements

Bound and Beyond

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	2,148	2,978	3,395	3,642	3,836
Cost of goods sold	(1,607)	(1,940)	(2,033)	(2,120)	(2,233)
Gross profit	541	1,037	1,363	1,522	1,603
Other operating income	-	-	-	-	-
Operating costs	(716)	(798)	(889)	(916)	(943)
Operating EBITDA	128	546	782	915	974
Depreciation	(303)	(306)	(308)	(309)	(314)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	(174)	240	473	606	659
Net financing costs	(399)	(418)	(396)	(369)	(346)
Associates	0	(1)	0	0	0
Recurring non-operating income	38	11	17	8	8
Non-recurring items	99	328	(50)	0	0
Profit before tax	(437)	160	44	245	321
Tax	95	(2)	(19)	(49)	(64)
Profit after tax	(342)	158	25	196	257
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	(342)	158	25	196	257
Non-recurring items & goodwill (net)	(99)	(328)	50	0	0
Recurring net profit	(441)	(169)	75	196	257
Per share (THB)					
Recurring EPS *	(1.53)	(0.58)	0.26	0.68	0.89
Reported EPS	(1.18)	0.55	0.09	0.68	0.89
DPS	0.00	0.00	0.13	0.34	0.44
Diluted shares (used to calculate per share data)	289	290	290	290	290
Growth					
Revenue (%)	869.1	38.6	14.0	7.3	5.3
Operating EBITDA (%)	nm	326.0	43.3	17.1	6.4
Operating EBIT (%)	nm	nm	97.6	28.0	8.8
Recurring EPS (%)	nm	nm	nm	161.3	31.1
Reported EPS (%)	nm	nm	(84.2)	684.3	31.1
Operating performance					
Gross margin inc. depreciation (%)	25.2	34.8	40.1	41.8	41.8
Gross margin exc. depreciation (%)	39.3	45.1	49.2	50.3	50.0
Operating EBITDA margin (%)	6.0	18.3	23.0	25.1	25.4
Operating EBIT margin (%)	(8.1)	8.0	13.9	16.6	17.2
Net margin (%)	(20.5)	(5.7)	2.2	5.4	6.7
Effective tax rate (%)	17.7	(1.1)	20.0	20.0	20.0
Dividend payout on recurring profit (%)	-	-	50.0	50.0	50.0
Interest cover (X)	(0.3)	0.6	1.2	1.7	1.9
Inventory days	11.4	11.0	11.6	11.6	11.6
Debtor days	12.2	12.7	10.7	9.9	9.4
Creditor days	78.6	96.0	106.3	106.5	106.1
Operating ROIC (%)	(1.3)	2.2	3.5	4.5	5.0
ROIC (%)	(1.0)	2.2	3.5	4.4	4.9
ROE (%)	(7.0)	(2.7)	1.2	3.1	3.9
ROA (%)	(0.8)	1.9	2.9	3.7	4.1

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Hotel revenue	2,135	2,978	3,395	3,642	3,836
Revenue from sales and services	13	0	0	0	0

Sources: Bound and Beyond; FSSIA estimates

Financial Statements

Bound and Beyond

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	(441)	(169)	75	196	257
Depreciation	303	306	308	309	314
Associates & minorities	-	-	-	-	-
Other non-cash items	119	275	(50)	0	0
Change in working capital	(1,037)	150	30	26	32
Cash flow from operations	(1,056)	562	363	532	603
Capex - maintenance	(634)	(154)	(154)	(162)	(230)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	967	183	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	333	29	(154)	(162)	(230)
Dividends paid	0	0	0	(37)	(98)
Equity finance	0	12	0	0	0
Debt finance	778	(11)	(380)	(468)	(150)
Other financing cash flows	(161)	34	0	0	0
Cash flow from financing	617	36	(380)	(505)	(248)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(105)	627	(170)	(135)	125
Free cash flow to firm (FCFF)	(318.31)	1,016.67	615.47	747.57	726.83
Free cash flow to equity (FCFE)	(105.32)	614.72	(170.41)	(98.01)	222.77
Per share (THB)					
FCFF per share	(1.10)	3.50	2.12	2.58	2.51
FCFE per share	(0.36)	2.12	(0.59)	(0.34)	0.77
Recurring cash flow per share	(0.06)	1.42	1.15	1.74	1.97
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	12,656	12,448	12,602	12,764	12,994
Less: Accumulated depreciation	(961)	(1,139)	(1,448)	(1,757)	(2,071)
Tangible fixed assets (net)	11,695	11,309	11,155	11,007	10,923
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	264	315	315	315	315
Cash & equivalents	761	1,388	1,217	1,082	1,207
A/C receivable	108	99	99	99	99
Inventories	45	53	56	59	63
Other current assets	373	293	334	358	377
Current assets	1,287	1,833	1,707	1,598	1,746
Other assets	100	158	158	158	158
Total assets	13,346	13,615	13,334	13,078	13,142
Common equity	6,103	6,300	6,325	6,484	6,643
Minorities etc.	0	0	0	0	0
Total shareholders' equity	6,103	6,300	6,325	6,484	6,643
Long term debt	5,227	5,215	4,938	4,520	4,370
Other long-term liabilities	277	289	289	289	289
Long-term liabilities	5,504	5,504	5,227	4,809	4,659
A/C payable	371	489	516	541	574
Short term debt	986	988	885	835	835
Other current liabilities	382	334	381	409	431
Current liabilities	1,739	1,811	1,782	1,785	1,839
Total liabilities and shareholders' equity	13,346	13,615	13,334	13,078	13,142
Net working capital	(227)	(378)	(407)	(434)	(465)
Invested capital	11,832	11,405	11,221	11,046	10,931
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	21.13	21.72	21.81	22.35	22.90
Tangible book value per share	21.13	21.72	21.81	22.35	22.90
Financial strength					
Net debt/equity (%)	89.3	76.4	72.8	65.9	60.2
Net debt/total assets (%)	40.9	35.4	34.5	32.7	30.4
Current ratio (x)	0.7	1.0	1.0	0.9	0.9
CF interest cover (x)	0.7	2.5	0.6	0.7	1.6
Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	(5.6)	(14.7)	33.3	12.7	9.7
Recurring P/E @ target price (x) *	(11.8)	(30.8)	69.6	26.7	20.3
Reported P/E (x)	(7.3)	15.8	99.9	12.7	9.7
Dividend yield (%)	-	-	1.5	3.9	5.1
Price/book (x)	0.4	0.4	0.4	0.4	0.4
Price/tangible book (x)	0.4	0.4	0.4	0.4	0.4
EV/EBITDA (x) **	62.0	13.4	9.1	7.4	6.7
EV/EBITDA @ target price (x) **	83.2	18.4	12.6	10.4	9.5
EV/invested capital (x)	0.7	0.6	0.6	0.6	0.6
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: Bound and Beyond; FSSIA estimates

BOUND AND BEYOND PCL (BEYOND TB)

FSSIA ESG rating


25.31 /100

Exhibit 14: 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.

Source: FSSIA estimates

Exhibit 15: 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
BEYOND	25.31	--	--	--	5.00	5.00	Certified	--	42.49	--	--	--	--	--	--
CENTEL	62.78	--	Y	Y	5.00	5.00	Certified	Medium	57.54	--	--	71.56	48.00	2.93	54.19
DUSIT	24.81	--	--	--	5.00	4.00	Certified	--	46.50	--	--	--	--	--	--
ERW	39.65	--	--	--	4.00	4.00	Certified	--	54.22	--	--	51.15	21.00	3.90	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

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

Exhibit 16: ESG disclosure from the company's one report

FY ending Dec 31		FY 2022	FY ending Dec 31		FY 2022
Environmental			Governance		
Climate change policy			Board size / Independent directors (ID) / Female		
Climate change opportunities discussed			No. of board meetings for the year / % attendance		
GHG scope 2 location-based policy			Company conducts board evaluations		
Biodiversity policy			Number of non-executive directors on board		
Energy efficiency policy			Director share ownership guidelines		
Electricity used			Board age limit		
Fuel used - crude oil/diesel			Age of the youngest / oldest director		
Waste reduction policy			Number of executives / female		
Water policy			Executive share ownership guidelines		
Water consumption			Size of audit committee / ID		
Social			Audit committee meetings		
Human rights policy			Audit committee meeting attendance (%)		
Policy against child labor			Size of compensation committee		
Quality assurance and recall policy			Number of compensation committee meetings		
Consumer data protection policy			Compensation committee meeting attendance (%)		
Equal opportunity policy			Size of nomination committee / ID		
Gender pay gap breakout			Number of nomination committee meetings		
Pct women in workforce			Nomination committee meeting attendance (%)		
Business ethics policy			Board compensation (THB m)		
Anti-bribery ethics policy			Auditor fee (THB m)		
Health and safety policy			(EY Company Limited)		
Lost time incident rate - employees					
Training policy					
Fair remuneration policy					
Number of employees - CSR					
Total hours spent by firm - employee training					
Social supply chain management					

Source: 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><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

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Teerapol Udomvej, CFA FSS International Investment Advisory Securities Co., Ltd

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Company	Ticker	Price	Rating	Valuation & Risks
Bound and Beyond	BEYOND TB	THB 8.60	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Asset World Corp	AWC TB	THB 3.58	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Minor International	MINT TB	THB 27.25	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and higher competition in the F&B business, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Central Plaza Hotel	CENTEL TB	THB 35.00	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and more intense competition in the F&B business, which may result in price competition; and 3) a slower-than-expected recovery of international tourist numbers.
The Erawan Group	ERW TB	THB 3.92	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
S Hotels and Resorts	SHR TB	THB 2.46	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Dusit Thani	DUSIT TB	THB 10.80	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.

Source: FSSIA estimates

Additional Disclosures

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

All share prices are as at market close on 16-Dec-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.