

S HOTELS AND RESORTS

SHR TB

THAILAND / TOURISM & LEISURE

BUY

UNCHANGED

A 4Q24 comeback and 2025 shining bright

- คาดกำไรปกติจะกระโดดเพิ่ม 121% y-y เป็น 143 ลบ. ใน 4Q24 โดยมีปัจจัยหนุนจาก RevPAR ที่อยู่ในเกณฑ์ดีและค่าใช้จ่ายดอกเบี้ยที่ลดลง
- กำไรมีแนวโน้มโตในปี 2025 โดยมีปัจจัยหนุนจาก RevPAR ที่คาดว่าจะโต 5-10% และผลขาดทุนที่ลดลงจาก SO/Maldives
- คงคำแนะนำซื้อที่ราคาเป้าหมาย 3.8 บาท (DCF)

TARGET PRICE	THB3.80
CLOSE	THB2.02
UP/DOWNSIDE	+88.1%
PRIOR TP	THB3.80
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+17.5%

KEY STOCK DATA

YE Dec (THB m)	2023	2024E	2025E	2026E
Revenue	9,701	10,348	10,846	11,128
Net profit	87	170	379	518
EPS (THB)	0.02	0.05	0.11	0.14
vs Consensus (%)	-	2.0	11.1	6.1
EBITDA	2,226	2,675	2,840	2,894
Recurring net profit	80	170	379	518
Core EPS (THB)	0.02	0.05	0.11	0.14
Chg. In EPS est. (%)	-	13.7	3.1	0.0
EPS growth (%)	nm	113.5	122.2	36.7
Core P/E (x)	91.0	42.6	19.2	14.0
Dividend yield (%)	-	0.9	2.1	2.9
EV/EBITDA (x)	10.4	8.3	7.5	7.0
Price/book (x)	0.5	0.4	0.4	0.4
Net debt/Equity (%)	98.2	92.2	84.8	77.1
ROE (%)	0.5	1.1	2.3	3.1

คาด RevPAR รวมจะโต 12% y-y ใน 4Q24

เราคาดว่า RevPAR ของโรงแรมในมัลดีฟส์ (ไม่รวม SO/Maldives) จะโต 6-7% y-y ใน 4Q24 ก่อนช่วงใกล้เคียงกับตัวเลขนักท่องเที่ยวชาวต่างชาติ (+7% y-y) โดยมีปัจจัยหนุนจากอัตราการเข้าพัก (OCC rate) ที่สูงขึ้น RevPAR ของโรงแรมในไทยน่าจะโต 18-20% y-y หลังจากการปรับปรุง SAI Laguna Phuket แล้วเสร็จ RevPAR ของโรงแรม Outrigger น่าจะโตขึ้น 13-15% y-y จากการเติบโตของ Outrigger Fiji และโรงแรมใน Mauritius ที่กลับมาเปิดอีกครั้ง RevPAR ของโรงแรมในสหราชอาณาจักรน่าจะปรับขึ้นเล็กน้อยที่ 1% y-y จาก OCC rate ที่สูงขึ้น

EBITDA margin ที่ปรับตัวดีขึ้นและผลขาดทุนที่ลดลงของ SO/Maldives

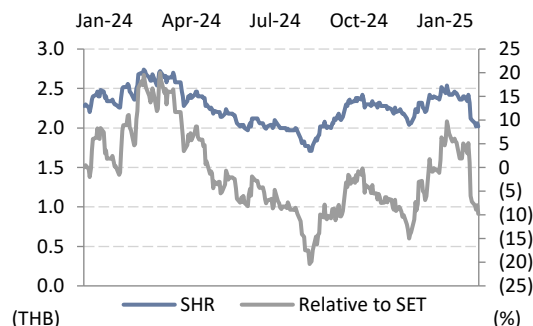
เราคาดว่ารายได้ใน 4Q24 จะโต 5% y-y EBITDA margin น่าจะปรับตัวขึ้นเป็น 27% (เทียบกับ 24% ใน 4Q23) จากการควบคุมต้นทุนที่ดีขึ้นและการดำเนินงานที่อยู่ในเกณฑ์ดีของโรงแรมในไทย SHR น่าจะบันทึกส่วนแบ่งผลขาดทุนที่ลดลงจาก SO/Maldives มาอยู่ที่ 30-35 ลบ. (เทียบกับที่เคยขาดทุน 66 ลบ. ใน 4Q23) จาก RevPAR ที่สูงขึ้น 65-70% q-q ค่าใช้จ่ายดอกเบี้ยน่าจะลดลง 10% q-q จากอัตราดอกเบี้ยที่ลดลง ในขณะที่ค่าเสื่อมค่าจะลดลง 10% q-q จากการตัดค่าเสื่อมครุภัณฑ์ของสินทรัพย์บางรายการของโรงแรมในมัลดีฟส์ ในภาพรวมกำไรปกติน่าจะกระโดดเพิ่ม 121% y-y เป็น 143 ลบ. ทั้งนี้ SHR น่าจะบันทึกรายการพิเศษประกอบด้วยค่าตัดจำหน่ายสินทรัพย์ (25-30 ลบ.) และการยกเลิกสัญญา HMA ของโรงแรมในสหราชอาณาจักร (40 ลบ.) อย่างไรก็ตามปัจจัยดังกล่าวจะชดเชยกับกำไรจากมูลค่าสุทธิของ Interest rate derivatives (27-30 ลบ.), กำไรจากอัตราแลกเปลี่ยนที่ยังไม่ได้รับรู้ (15 ลบ.) และรายการปรับค่าใช้จ่ายดอกเบี้ย (10-15 ลบ.) ซึ่งทำให้ได้กำไรสุทธิอยู่ที่ 130-135 ลบ.

คาดกำไรจะโตถึง 122% y-y เป็น 379 ลบ. ในปี 2025

เราคาดว่ากำไรปกติในปี 2025 จะกระโดดเพิ่ม 122% เป็น 379 ลบ. จากการเติบโตภายใน (RevPAR +5-10% y-y) ส่วนแบ่งผลขาดทุนที่ลดลง 60-70 ลบ. ของ SO/Maldives ค่าใช้จ่ายดอกเบี้ยที่ลดลง 100-120 ลบ. และค่าเสื่อมที่ลดลง 50-60 ลบ.

คาดกำไรปกติจะพุ่งทำสถิติสูงสุดใหม่ใน 4Q24-1Q25

เราปรับเพิ่มประมาณการกำไรปกติปี 2024-25 ของเราขึ้น 3-14% เพื่อสะท้อนแนวโน้มที่ดีกว่าคาดใน 4Q24 และปี 2025 เราคงราคาเป้าหมายปี 2025 ของเราที่ 3.8 บาท (DCF) ทั้งนี้ SHR มีการซื้อขายโดยมี Discount จำนวนมากพร้อม Valuations ที่เพียง 0.4x 2025E P/BV และ 7.5x 2025E EV/EBITDA (เทียบกับค่าเฉลี่ยของกลุ่มฯ ที่ 1.4x และ 14.5x) นอกจากนี้กำไรปกติที่อาจทำสถิติสูงสุดใหม่ในช่วง 4Q24 และ 1Q25 ยังอาจเป็นปัจจัยบวกให้แก่วัฒน



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(17.9)	(12.9)	(12.9)
Relative to country (%)	(13.8)	(4.4)	(9.8)
Mkt cap (USD m)	210		
3m avg. daily turnover (USD m)	0.4		
Free float (%)	33		
Major shareholder	S Hotels and Resorts Inter (49%)		
12m high/low (THB)	2.78/1.70		
Issued shares (m)	3,593.64		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากต้นฉบับภาษาอังกฤษ ที่ออกรายงานเมื่อวันที่ 17 มกราคม 2025

Investment thesis

SHR raised THB7.5b from its THB5.20/shr IPO in Nov-19. However, the share price is still below its IPO price due mainly to a loss from its new Maldives hotel (SO/ Maldives) and the renovation of its major hotel (SAii Laguna Phuket).

We expect SHR's core profit to jump in 2025, driven by a recovery of its Maldives hotels since the Maldives government targets tourist arrivals of 2.5m in 2025 (vs 1.7m in 2019 and 1.9m in 2023). In addition, the reopening of Outrigger Mauritius and the completed renovation of SAii Laguna Phuket should improve SHR's profit margin.

SHR's share price is attractive as it trades at a lower P/BV than its peers. Also, it has a potential upside from M&A deals, given its strong balance sheet with only 0.7x IBD/E as of 2Q24.

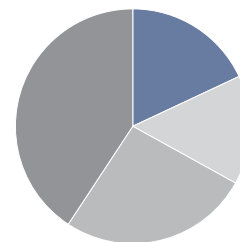
Company profile

SHR is the holding company of all resorts and hotels under the Singha Estate (S TB, not rated) group.

www.shotelsresorts.com

Principal activities (revenue, 2023)

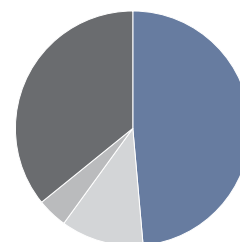
- Self-managed - 18.0 %
- Outrigger - 15.0 %
- Crossroads Ph1 (Maldives hotels) - 26.2 %
- UK - 40.7 %



Source: S Hotels and Resorts

Major shareholders

- S Hotels and Resorts Inter - 48.6 %
- S Hotels and Resorts (SG) - 11.4 %
- SINGHA PROPERTY MANAGEMENT - 4.2 %
- Others - 35.8 %



Source: S Hotels and Resorts

Catalysts

Key potential growth drivers include 1) a faster OCC ramp-up rate following a global tourism recovery; 2) an uplift and renovation program to increase the ADR; and 3) M&A deals.

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) a slower-than-expected recovery of international tourist numbers.

Event calendar

Date	Event
Feb 2025	4Q24 results announcement

Key assumptions

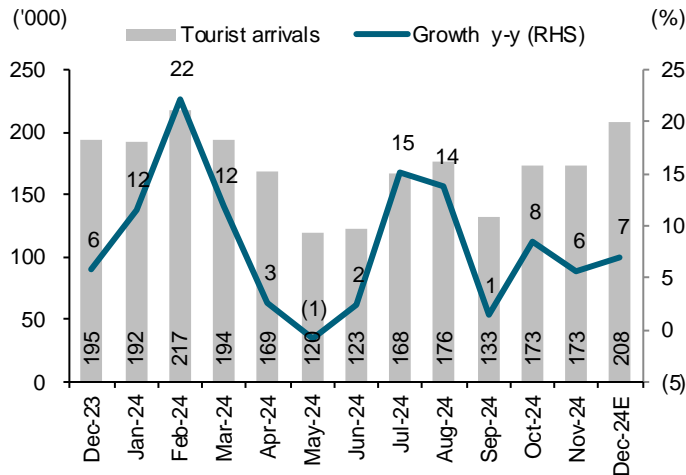
	2024E (%)	2025E (%)	2026E (%)
Self-Managed - Number of rooms (no.)	604	604	604
Self-Managed - Occupancy rate (OCC)	67.0	70.0	70.5
Self-Managed - RevPAR growth	6.7	10.7	2.7
Project Crossroads - Number of rooms (no.)	376	376	376
Project Crossroads - Occupancy rate (OCC)	72.0	74.0	75.0
Project Crossroads - RevPAR growth	13.6	6.9	3.4
UK - Number of rooms (no.)	2,527	2,442	2,442
UK - Occupancy rate (OCC)	67.0	67.5	68.0
UK - RevPAR growth	1.2	4.8	2.8

Source: FSSIA estimates

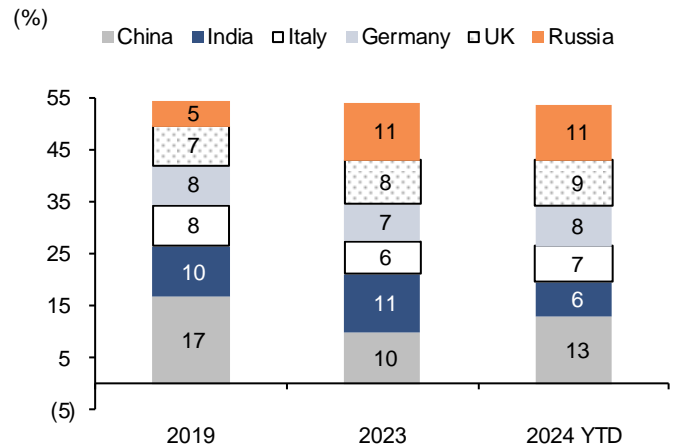
Earnings sensitivity

- For every 1% increase in OCC rate, we project a 2025 profit increase of 20%, and vice versa, all else being equal.
- For every 1% increase in EBITDA margin, we project a 2025 profit increase of 26%, and vice versa, all else being equal.

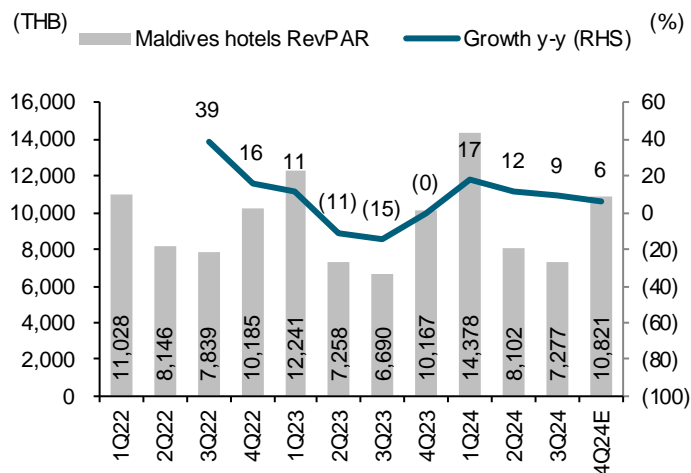
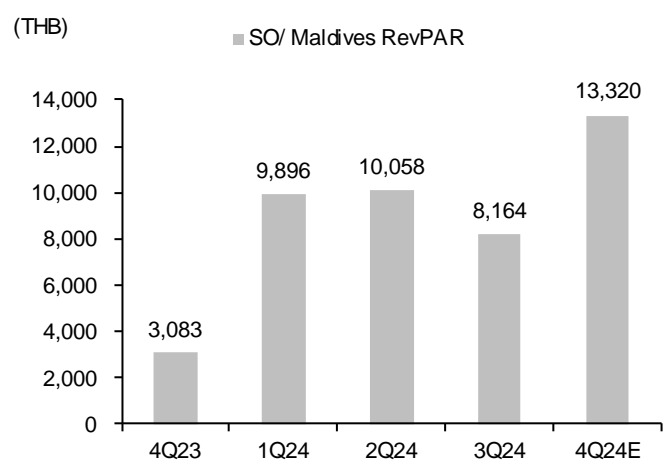
Source: FSSIA estimates

Exhibit 1: Maldives industry – monthly tourist arrivals

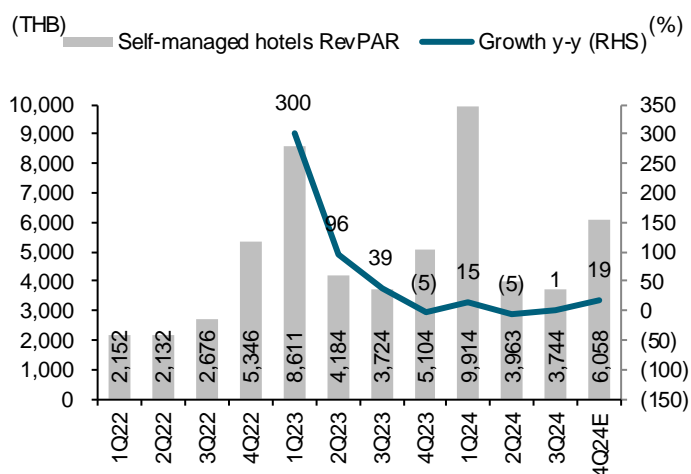
Sources: Ministry of Tourism, Republic of Maldives

Exhibit 2: Maldives industry – tourist arrival breakdown

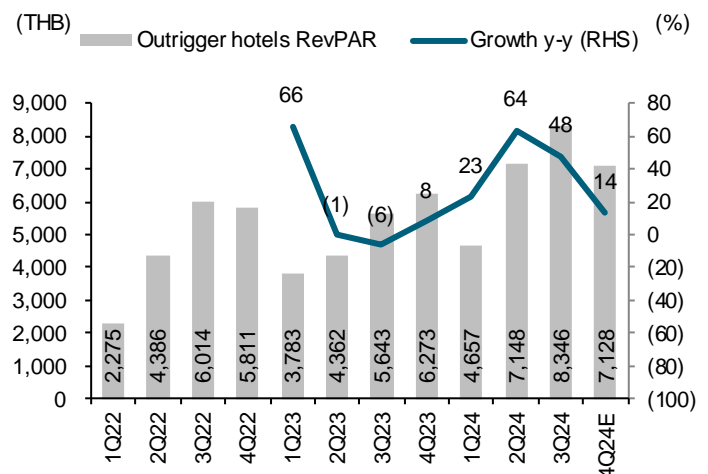
Sources: Ministry of Tourism, Republic of Maldives

Exhibit 3: SHR's Crossroads (Maldives) hotels RevPARNote: Excludes SO/ Maldives
Sources: SHR; FSSIA estimates**Exhibit 4: SHR's SO/ Maldives RevPAR**

Sources: SHR; FSSIA estimates

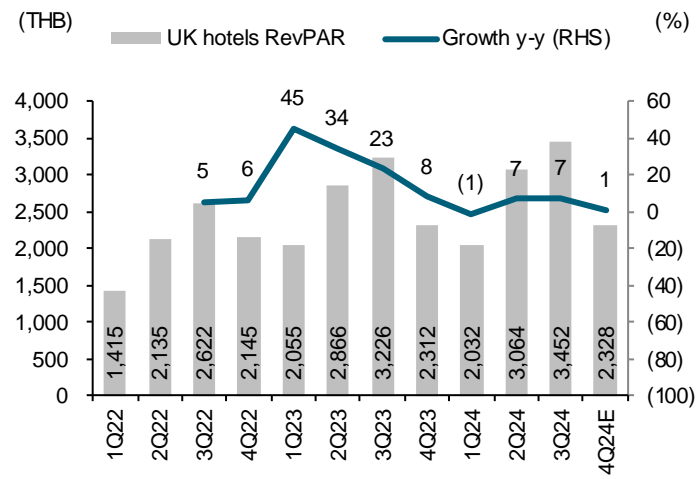
Exhibit 5: SHR's self-managed (Thailand) hotels RevPAR

Sources: SHR; FSSIA estimates

Exhibit 6: Outrigger (Mauritius, Fiji) hotels RevPAR

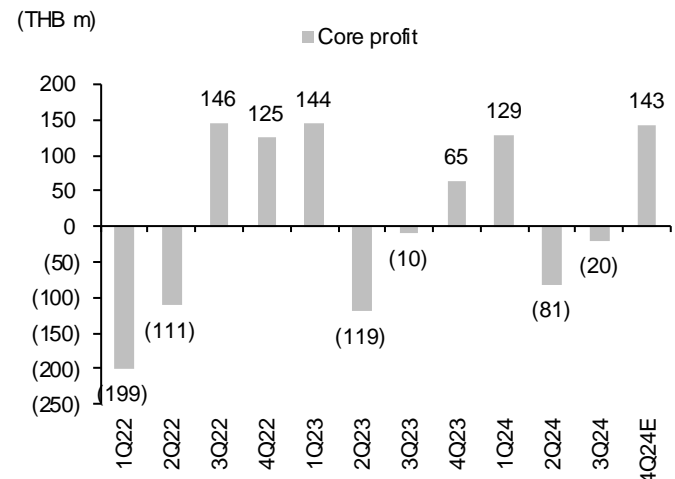
Sources: SHR; FSSIA estimates

Exhibit 7: SHR's UK hotels RevPAR



Sources: SHR; FSSIA estimates

Exhibit 8: Core profit



Sources: SHR; FSSIA estimates

Exhibit 9: SHR – 4Q24 results preview

	4Q23	1Q24	2Q24	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	2,479	2,743	2,469	2,534	2,594	2	5	9,701	10,348	7
- Self-Managed Hotels	423	739	342	314	501	59	18			
- Outrigger Hotels	419	353	534	620	531	(14)	27			
- Project Crossroads Hotels	693	911	570	515	743	44	7			
- UK	943	739	1,023	1,085	819	(25)	(13)			
COGS (Incl. depreciation)	(1,462)	(1,633)	(1,657)	(1,565)	(1,582)	1	8	(6,213)	(6,449)	4
Gross profit	1,017	1,109	812	969	1,012	4	(1)	3,488	3,899	12
SG&A	(675)	(687)	(597)	(632)	(600)	(5)	(11)	(2,419)	(2,516)	4
Operating profit	343	422	214	336	412	22	20	1,068	1,383	29
Other income	36	59	70	12	37	205	2	205	177	(14)
- Interest income from JV	(1)	(0)	2	(12)		(100)	(100)			
- Other income	37	59	69	24	37	50	(2)	205	177	(14)
Interest expense	(299)	(298)	(294)	(285)	(250)	(12)	(16)	(1,124)	(1,123)	(0)
Pretax profit	79	183	(10)	64	198	211	150	150	437	191
Income Tax	51	9	(6)	(23)	(20)	(13)	(139)	18	(51)	(383)
Associates	(66)	(63)	(66)	(60)	(35)	42	47	(88)	(215)	144
Minority interest	0	0	0	0				0	0	
Core profit	65	129	(81)	(20)	143	823	121	80	170	114
Extraordinaries, GW & FX	(1)	(17)	10	(34)	(12)			7	0	
Net unrealized (loss)/gain on FX	(11)	(17)	(5)	(5)				(4)	0	
Non-recurring items	10	(0)	15	(29)	(12)			11		
Reported net profit	64	112	(72)	(53)	132	347	107	87	170	97
Shares out (end Q, m)	3,594	3,594	3,594	3,594	3,594	0	0	3,594	3,594	0
Core EPS	0.02	0.04	(0.02)	(0.01)	0.04	823	121	0.02	0.05	114
EPS	0.02	0.03	(0.02)	(0.01)	0.04	347	107	0.02	0.05	97
COGS (Excl. depreciation)	(1,179)	(1,298)	(1,323)	(1,240)	(1,292)	4	10	(5,056)	(5,157)	2
Depreciation	(283)	(335)	(335)	(325)	(290)	(11)	3	(1,158)	(1,292)	12
EBITDA	596	753	554	613	703	15	18	2,343	2,637	13
Key ratios	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)	(%)	(%)	(ppt)
Gross margin	41	40	33	38	39	(1)	(2)	36	38	2
SG&A/Revenue	27	25	24	25	23	2	(4)	25	24	(1)
EBITDA margin	24.0	27.5	22.4	24.2	27	(3)	3	24	25	1
Net profit margin	3	4	(3)	(2)	5	(7)	3	1	2	1
Operating stats										
Self-Managed Hotels										
OCC (%)	56.6	88.5	56.5	50.9						
ADR (THB)	9,012	11,200	7,017	7,351						
RevPAR (THB)	5,104	9,914	3,963	3,744						
Outrigger Hotels										
OCC (%)	61.6	54.2	72.4	80.9						
ADR (THB)	10,176	8,590	9,877	10,313						
RevPAR (THB)	6,273	4,657	7,148	8,346						
Project Crossroads Hotels										
OCC (%)	68.0	88.9	60.7	67.2						
ADR (THB)	14,947	16,175	13,338	10,836						
RevPAR (THB)	10,167	14,378	8,102	7,277						
UK Hotels										
OCC (%)	62.2	59.1	70.4	74.9						
ADR (THB)	3,716	3,439	4,352	4,609						
RevPAR (THB)	2,312	2,032	3,064	3,452						

Sources: SHR; FSSIA estimates

Exhibit 10: Forecast revisions

	Current			Previous			Change		
	2024E (THB)	2025E (THB)	2026E (THB)	2024E (THB)	2025E (THB)	2026E (THB)	2024E (%)	2025E (%)	2026E (%)
Self-managed - OCC rate (%)	67.0	70.0	70.5	67.0	70.0	70.5	-	-	-
Self-managed - RevPAR	5,750	6,368	6,541	5,750	6,368	6,541	-	-	-
Outrigger - OCC rate (%)	69.0	69.5	70.0	69.0	69.5	70.0	-	-	-
Outrigger - RevPAR	6,696	7,014	7,206	6,696	7,014	7,206	-	-	-
Project Crossroads - OCC rate (%)	72.0	74.0	75.0	72.0	74.0	75.0	-	-	-
Project Crossroads - RevPAR	10,081	10,775	11,139	10,081	10,775	11,139	-	-	-
UK -OCC rate (%)	67	68	68	67	68	68	-	-	-
UK -RevPAR	2,648	2,774	2,851	2,698	2,827	2,905	(1.9)	(1.9)	(1.9)
So/ Maldives - OCC rate (%)	50	65	70	50	65	70	-	-	-
So/ Maldives - RevPAR	10,800	15,015	17,464	10,800	15,015	17,464	-	-	-
Revenue (THB b)	10.3	10.8	11.1	10.4	10.9	11.2	(0.9)	(0.9)	(0.9)
EBITDA margin (%)	25.8	26.2	26.0	24.9	25.4	25.3	1.0	0.8	0.8
Share income of SO/ Maldives (THB m)	(224)	(153)	(46)	(224)	(145)	(27)	-	(7.9)	(18.9)
Core earnings (THB m)	170	379	518	150	367	518	13.7	3.1	0.0

Note: Change in % terms is represented in ppt change

Source: FSSIA estimates

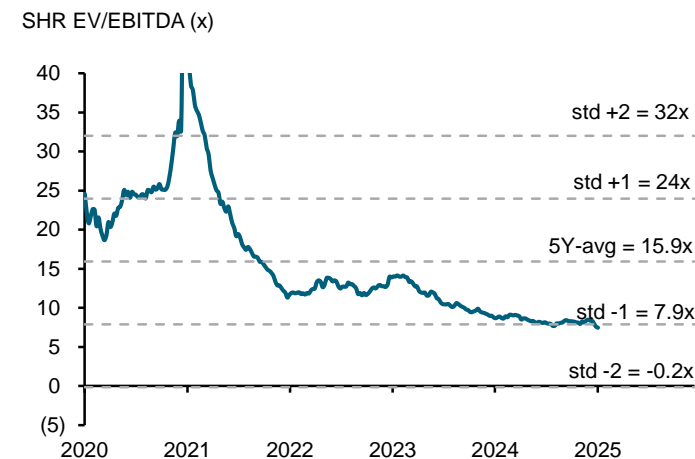
Exhibit 11: DCF valuation

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		1.3			
Cost of equity, Ke		13.2	Net cost of debt, Kd		3.2
Weight applied		60.0	Weight applied		40.0
WACC		9.2			

DCF valuation estimate	(THB b)	(THB/share)	Comments
NPV	13.3	3.7	WACC 9.2%, risk-free rate 3%, risk premium 8%
Terminal value	13.6	3.8	Terminal growth 2.5%
Cash & liquid assets	3.6	1.0	At end-2025E
Investments	0.8	0.2	At end-2025E
Debt	(17.6)	(4.9)	At end-2025E
Minorities	0.0	0.0	At end-2025E
Residual ordinary equity	13.6	3.8	

Source: FSSIA estimates

Exhibit 12: Historical EV/EBITDA band



Sources: Bloomberg; FSSIA estimates

Exhibit 13: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

Exhibit 14: Peer comparisons as of 16 Jan 2025

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)	(x)
Thailand															
Asset World Corp	AWC TB	BUY	3.18	5.20	64	2,941	59.2	45.5	36.3	1.9	2.4	1.1	1.1	33.0	28.9
Minor International	MINT TB	BUY	23.90	45.00	88	3,916	16.6	14.8	13.4	10.7	11.3	1.7	1.6	7.2	6.5
Central Plaza Hotel	CENTEL TB	BUY	30.50	48.00	57	1,190	26.9	23.7	19.6	7.5	8.0	1.9	1.8	13.8	13.0
Erawan Group	ERW TB	BUY	3.20	6.00	88	452	19.6	18.0	16.6	10.3	9.1	1.7	1.6	11.9	10.9
S Hotels & Resorts	SHR TB	BUY	2.02	3.80	88	210	42.6	19.2	14.0	1.1	2.3	0.4	0.4	8.3	7.5
Dusit Thani	DUSIT TB	BUY	10.20	15.00	47	251	(46.2)	32.8	5.1	(5.7)	8.1	2.8	2.6	57.4	27.7
Bound and Beyond	BEYOND TB	BUY	7.85	18.00	129	66	30.4	11.6	8.9	1.2	3.1	0.4	0.4	8.8	7.2
Thailand average						9,025	21.3	23.7	16.3	3.8	6.3	1.4	1.4	20.0	14.5
Regional															
BTG Hotels Group	600258 CH	n/a	13.54	n/a	n/a	2,063	17.8	16.1	14.0	7.2	7.7	1.3	1.2	8.9	8.6
SH Jinjiang Intl Hotels	900934 CH	n/a	1.49	n/a	n/a	3,462	9.4	8.8	7.4	7.1	7.4	0.7	0.6	10.1	9.9
Huangshan Tourism Dev.	900942 CH	n/a	0.76	n/a	n/a	941	11.7	10.2	9.4	7.4	8.0	0.9	0.8	7.9	7.4
Genting Bhd	GENT MK	n/a	3.61	n/a	n/a	3,085	8.8	7.7	7.0	4.7	5.1	0.4	0.4	5.4	5.2
Huazhu Group	HTHT US	n/a	30.82	n/a	n/a	9,825	18.2	15.6	13.6	28.6	29.0	5.1	4.3	10.6	9.4
Indian Hotels	IH IN	n/a	811.45	n/a	n/a	13,355	89.3	67.9	55.4	14.8	16.0	12.7	10.5	51.9	41.5
Lemon Tree Hotels	LEMONTRE IN	n/a	140.31	n/a	n/a	1,279	80.5	57.6	39.2	14.6	16.9	11.3	8.1	25.8	21.6
Lippo Karawaci	LPKR IJ	n/a	96.00	n/a	n/a	416	0.7	8.7	8.0	3.2	8.1	0.2	0.2	2.9	n/a
Regional average						34,425	29.5	24.1	19.3	11.0	12.3	4.1	3.3	15.4	14.8
Global															
NH Hotel Group	NHH SM	n/a	6.28	n/a	n/a	2,818	17.3	15.8	14.8	14.9	10.5	2.6	2.1	7.7	7.3
Melia Hotels International	MEL SM	n/a	6.78	n/a	n/a	1,547	11.3	10.6	9.8	20.6	18.0	2.4	2.0	7.8	7.6
Intercontinental Hotels G.	IHG LN	n/a	10,230	n/a	n/a	19,846	28.8	24.8	22.0	(32.6)	(32.9)	n/a	n/a	18.9	17.4
Whitbread	WTB LN	n/a	2,901	n/a	n/a	6,253	13.3	14.2	13.2	10.6	10.7	1.4	1.5	9.3	9.3
Accor	ACRFF US	n/a	47.97	n/a	n/a	11,688	20.8	18.5	16.4	12.3	13.8	2.4	2.4	13.0	12.0
Choice Hotels	CHH US	n/a	142.55	n/a	n/a	6,687	20.9	20.3	19.3	(640.0)	(60.5)	n/a	49.4	14.2	14.1
Hilton Worldwide Holdings	HLT US	n/a	246.65	n/a	n/a	60,128	35.0	30.9	26.6	(57.4)	(41.8)	n/a	n/a	20.5	19.0
Hyatt Hotels Corp	H US	n/a	154.97	n/a	n/a	14,629	40.0	41.0	32.4	10.3	12.1	4.3	4.4	14.9	14.0
Marriott International	MAR US	n/a	276.00	n/a	n/a	76,699	29.8	26.0	23.1	(168.4)	(127.0)	n/a	n/a	18.2	16.8
Global average						200,293	24.1	22.5	19.7	(92.2)	(21.9)	2.6	10.3	13.8	13.1
Overall average						243,744	25.1	23.4	18.6	(29.8)	(2.3)	2.8	4.6	16.2	14.0

Sources: Bloomberg; FSSIA estimates

Financial Statements

S Hotels and Resorts

Profit and Loss (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Revenue	8,693	9,701	10,348	10,846	11,128
Cost of goods sold	(5,807)	(6,213)	(6,449)	(6,656)	(6,836)
Gross profit	2,885	3,488	3,899	4,190	4,292
Other operating income	-	-	-	-	-
Operating costs	(2,142)	(2,419)	(2,516)	(2,617)	(2,705)
Operating EBITDA	1,859	2,226	2,675	2,840	2,894
Depreciation	(1,116)	(1,158)	(1,292)	(1,267)	(1,307)
Goodwill amortisation	-	-	-	-	-
Operating EBIT	743	1,068	1,383	1,573	1,587
Net financing costs	(842)	(1,124)	(1,123)	(1,067)	(1,036)
Associates	(21)	(88)	(215)	(153)	(46)
Recurring non-operating income	73	117	(38)	(3)	107
Non-recurring items	53	7	0	0	0
Profit before tax	27	69	221	503	659
Tax	(13)	18	(51)	(125)	(141)
Profit after tax	14	87	170	379	518
Minority interests	0	0	0	0	0
Preferred dividends	-	-	-	-	-
Other items	-	-	-	-	-
Reported net profit	14	87	170	379	518
Non-recurring items & goodwill (net)	(53)	(7)	0	0	0
Recurring net profit	(39)	80	170	379	518
Per share (THB)					
Recurring EPS *	(0.01)	0.02	0.05	0.11	0.14
Reported EPS	0.00	0.02	0.05	0.11	0.14
DPS	0.00	0.00	0.02	0.04	0.06
Diluted shares (used to calculate per share data)	3,594	3,594	3,594	3,594	3,594
Growth					
Revenue (%)	92.6	11.6	6.7	4.8	2.6
Operating EBITDA (%)	411.7	19.7	20.2	6.2	1.9
Operating EBIT (%)	nm	43.8	29.5	13.8	0.9
Recurring EPS (%)	nm	nm	113.5	122.2	36.7
Reported EPS (%)	nm	502.2	96.7	122.2	36.7
Operating performance					
Gross margin inc. depreciation (%)	33.2	36.0	37.7	38.6	38.6
Gross margin exc. depreciation (%)	46.0	47.9	50.2	50.3	50.3
Operating EBITDA margin (%)	21.4	22.9	25.8	26.2	26.0
Operating EBIT margin (%)	8.5	11.0	13.4	14.5	14.3
Net margin (%)	(0.4)	0.8	1.6	3.5	4.7
Effective tax rate (%)	(289.8)	(12.1)	11.7	19.0	20.0
Dividend payout on recurring profit (%)	-	-	40.0	40.0	40.0
Interest cover (X)	1.0	1.1	1.2	1.5	1.6
Inventory days	16.6	16.6	16.5	16.3	16.5
Debtor days	18.7	19.5	19.5	19.8	20.5
Creditor days	130.1	121.9	119.2	117.8	118.8
Operating ROIC (%)	9.7	4.0	4.1	4.3	4.4
ROIC (%)	9.7	4.1	3.6	3.9	4.2
ROE (%)	(0.2)	0.5	1.1	2.3	3.1
ROA (%)	8.8	3.6	3.1	3.3	3.6

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2022	2023	2024E	2025E	2026E
Self-managed	1,098	1,749	1,914	2,120	2,170
Outrigger	1,486	1,457	1,976	2,133	2,185
Crossroads Ph1 (Maldives hotels)	2,445	2,545	2,795	2,884	2,973
UK	3,664	3,951	3,664	3,709	3,799

Sources: S Hotels and Resorts; FSSIA estimates

Financial Statements

S Hotels and Resorts

Cash Flow (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Recurring net profit	(39)	80	170	379	518
Depreciation	1,116	1,158	1,292	1,267	1,307
Associates & minorities	-	-	-	-	-
Other non-cash items	109	409	(8)	(8)	(8)
Change in working capital	1,052	370	(36)	6	(11)
Cash flow from operations	2,238	2,017	1,418	1,644	1,806
Capex - maintenance	(116)	(3,077)	(613)	(643)	(660)
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	(277)	(60)	0	0	0
Other investments (net)	-	-	-	-	-
Cash flow from investing	(393)	(3,137)	(613)	(643)	(660)
Dividends paid	0	0	0	(68)	(151)
Equity finance	0	(461)	0	0	0
Debt finance	(1,418)	1,337	(400)	0	(1,000)
Other financing cash flows	139	(19)	0	0	0
Cash flow from financing	(1,280)	857	(400)	(68)	(1,151)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	566	(263)	405	933	(6)
Free cash flow to firm (FCFF)	2,686.85	3.35	1,928.50	2,067.61	2,181.67
Free cash flow to equity (FCFE)	565.63	198.21	405.20	1,001.03	145.59
Per share (THB)					
FCFF per share	0.75	0.00	0.54	0.58	0.61
FCFE per share	0.16	0.06	0.11	0.28	0.04
Recurring cash flow per share	0.33	0.46	0.40	0.46	0.51
Balance Sheet (THB m) Year Ending Dec	2022	2023	2024E	2025E	2026E
Tangible fixed assets (gross)	36,291	41,369	41,990	42,641	43,309
Less: Accumulated depreciation	(7,323)	(10,474)	(11,766)	(13,033)	(14,340)
Tangible fixed assets (net)	28,968	30,895	30,224	29,608	28,969
Intangible fixed assets (net)	1,630	1,628	1,628	1,628	1,628
Long-term financial assets	-	-	-	-	-
Invest. in associates & subsidiaries	704	764	764	764	764
Cash & equivalents	2,479	2,216	2,622	3,554	3,549
A/C receivable	501	535	570	607	645
Inventories	229	231	236	246	253
Other current assets	1,324	790	843	883	906
Current assets	4,533	3,772	4,270	5,291	5,352
Other assets	615	664	664	664	664
Total assets	36,450	37,723	37,550	37,955	37,377
Common equity	16,019	16,091	16,261	16,572	16,938
Minorities etc.	0	0	0	0	0
Total shareholders' equity	16,019	16,091	16,261	16,572	16,938
Long term debt	16,674	18,012	17,612	17,612	16,612
Other long-term liabilities	1,612	1,604	1,604	1,604	1,604
Long-term liabilities	18,286	19,616	19,216	19,216	18,216
A/C payable	1,711	1,667	1,700	1,777	1,823
Short term debt	0	0	0	0	0
Other current liabilities	433	349	372	390	400
Current liabilities	2,144	2,016	2,073	2,167	2,223
Total liabilities and shareholders' equity	36,450	37,723	37,550	37,955	37,377
Net working capital	(90)	(461)	(424)	(431)	(419)
Invested capital	31,826	33,490	32,856	32,233	31,605
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	4.46	4.48	4.53	4.61	4.71
Tangible book value per share	4.00	4.02	4.07	4.16	4.26
Financial strength					
Net debt/equity (%)	88.6	98.2	92.2	84.8	77.1
Net debt/total assets (%)	38.9	41.9	39.9	37.0	34.9
Current ratio (x)	2.1	1.9	2.1	2.4	2.4
CF interest cover (x)	1.7	1.2	1.4	1.9	1.1
Valuation	2022	2023	2024E	2025E	2026E
Recurring P/E (x) *	(186.5)	91.0	42.6	19.2	14.0
Recurring P/E @ target price (x) *	(350.9)	171.1	80.1	36.1	26.4
Reported P/E (x)	504.7	83.8	42.6	19.2	14.0
Dividend yield (%)	-	-	0.9	2.1	2.9
Price/book (x)	0.5	0.5	0.4	0.4	0.4
Price/tangible book (x)	0.5	0.5	0.5	0.5	0.5
EV/EBITDA (x) **	11.5	10.4	8.3	7.5	7.0
EV/EBITDA @ target price (x) **	15.0	13.2	10.7	9.8	9.2
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.6
* Pre-exceptional, pre-goodwill and fully diluted ** EBITDA includes associate income and recurring non-operating income					

Sources: S Hotels and Resorts; FSSIA estimates

S HOTELS AND RESORTS PCL (SHR TB)

FSSIA ESG rating



25.0 /100

Exhibit 15: 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 16: 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	24.98	--	--	--	5.00	5.00	Certified	--	39.83	--	--	--	--	--	--
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	--
MINT	84.43	Y	Y	Y	5.00	4.00	Certified	Medium	57.57	AA	37.00	91.18	69.00	5.00	--
SHR	25.00	--	Y	Y	5.00	5.00	--	--	--	--	--	--	--	--	--

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

Exhibit 17: 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	Yes		Board size / Independent directors (ID) / Female		9 / 5 / 1
Climate change opportunities discussed	--		No. of board meetings for the year / % attendance		8 / 97.22
GHG scope 2 location-based policy	Yes		Company conducts board evaluations		Yes
Biodiversity policy	Yes		Number of non-executive directors on board		7
Energy efficiency policy	Yes		Director share ownership guidelines		No
Electricity used	Yes		Board age limit		No
Fuel used - crude oil/diesel	--		Age of the youngest / oldest director		53 / 69
Waste reduction policy	Yes		Number of executives / female		6 / 3
Water policy	Yes		Executive share ownership guidelines		No
Water consumption	Yes		Size of audit committee / ID		3 / 3
Social			Audit committee meetings		4
Human rights policy	Yes		Audit committee meeting attendance (%)		100
Policy against child labor	Yes		Size of compensation committee / ID		3 / 3
Quality assurance and recall policy	Yes		Number of compensation committee meetings		4
Consumer data protection policy	Yes		Compensation committee meeting attendance (%)		100
Equal opportunity policy	Yes		Size of nomination committee / ID		3 / 3
Gender pay gap breakout	--		Number of nomination committee meetings		4
Pct women in workforce	33.8		Nomination committee meeting attendance (%)		100
Business ethics policy	Yes		Board compensation (THB m)		10.33
Anti-bribery ethics policy	Yes		Executive compensation (THB m)		53.96
Health and safety policy	Yes		Auditor fee (THB m)		2.2
Lost time incident rate - employees	--		(PricewaterhouseCoopers ABAS Limited)		
Training policy	Yes		Total employee (no.)		2663
Fair remuneration policy	Yes		Employee compensation (THB m)		1379.4
Number of employees - CSR	Yes		Sustainability governance		
Total hours spent by firm - employee training	1700		Verification type		--
Social supply chain management	Yes		Board duration (years)		3

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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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

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

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Company	Ticker	Price	Rating	Valuation & Risks
S Hotels and Resorts	SHR TB	THB 2.02	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 3.18	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 23.90	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 30.50	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply and 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 3.20	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 10.20	BUY	Downside risks to our DCF-based target price include 1) extraordinary events such as political turmoil and natural disasters; 2) a higher hotel room supply, which may result in price competition; and 3) the slower-than-expected recovery of international tourist numbers.
Bound and Beyond	BEYOND TB	THB 7.85	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-Jan-2025 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.