

SUPALAI SPALI TB

THAILAND / PROPERTY DEVELOPMENT

REDUCE

FROM HOLD

TARGET PRICE	THB14.20
CLOSE	THB16.40
UP/DOWNSIDE	-13.4%
PRIOR TP	THB18.00
CHANGE IN TP	-21.1%
TP vs CONSENSUS	-26.3%

1Q25 profit likely weaker than thought

- Expect a 1Q25 net profit of THB470m (-76% q-q, -23% y-y) due mainly to lower transfers and higher SG&A.
- Management is concerned about the short-term impact of the earthquake and the imposed US tariffs on the economy.
- Cut 2025-27E net profit by 9-22% and lower TP to THB14.2.

1Q25 profit should weaken q-q and y-y

We project 1Q25 net profit to drop (-76% q-q, -23% y-y) to THB470m; the lowest in 18 quarters and lower than our previous expectation of y-y growth. The anticipated losses are due mainly to weaker transfers worth THB3.5b (-60% q-q, -21% y-y), pressured by low-rises at THB2.4b (-63% q-q, -32% y-y) following sluggish presales, fewer new launches, and aggressive transfers in 4Q24 before the property stimulus measures ended. We estimate a property GPM of 37.8%, flat q-q, but up from 36.3% in 1Q24 from more condo transfers. SG&A should increase y-y due to more new launches. However, profit sharing from JVs in Australia should jump to THB125m (vs THB0.3m in 1Q24), as SPALI began realizing from 12 new investments in 4Q24.

Rising concerns over several headwinds

Following the earthquake, management believes the impact will affect high-rise condos in the short term, as presales have declined and some buyers are considering cancellations. However, it might take 3-4 months to recover by more than 50-60%. Moreover, there is greater concern about the impact of Trump's tariffs on the economy and purchasing power. The market is also expected to continue facing intense competition, which would put pressure on margins due to price promotions, especially for condos.

Lower our projection to reflect more cautious view on transfers

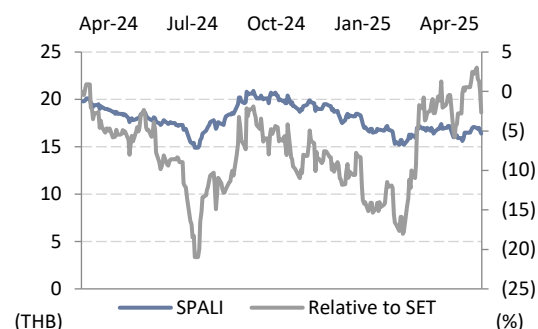
Due to a slower-than-expected property market recovery, we have revised down our profit estimates for 2025-27 by 22%/10%/9%, respectively. As a result, we anticipate SPALI's net profit to drop by 30% y-y to THB4.3b in 2025, reflecting a more cautious view with a transfer assumption of THB23.8b (-23% y-y), which is 21% lower than the company's guidance of THB30b. SPALI has a lower backlog of THB8.2b to realize in 2025, securing 35% of our transfer estimate, as it has only one completed condo (THB1.2b, 76% sold). Hence, it is relying on low-rise presales and condo inventories, where the market remains sluggish.

Cut TP to THB14.2; solid balance sheet but fully valued

1Q25 profit should be the trough of this year. We expect 2Q25 earnings to drop y-y but gradually recover q-q from a newly built condo late in the quarter. We will continue to monitor the recovery prospects in 2H25, supported by more new launches and government stimulus. After our earnings revision, we cut our TP to THB14.2 from THB18, based on a P/E of 6.4x (its five-year average). Although SPALI has a solid balance sheet, its current trading price is already above our TP. It also lacks short-term catalysts due to its dull 1Q25E earnings and slower 2025 performance outlook. Hence, we downgrade our rating to REDUCE from Hold.

KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	31,194	24,170	27,350	28,221
Net profit	6,190	4,303	5,083	5,225
EPS (THB)	3.17	2.20	2.60	2.68
vs Consensus (%)	-	(27.2)	(16.3)	(16.1)
EBITDA	7,665	5,052	5,984	6,146
Recurring net profit	6,190	4,303	5,083	5,225
Core EPS (THB)	3.17	2.20	2.60	2.68
Chg. In EPS est. (%)	-	(22.0)	(9.8)	(8.9)
EPS growth (%)	3.3	(30.5)	18.1	2.8
Core P/E (x)	5.2	7.4	6.3	6.1
Dividend yield (%)	8.8	6.1	7.0	7.0
EV/EBITDA (x)	8.1	12.2	10.0	9.6
Price/book (x)	0.6	0.6	0.5	0.5
Net debt/Equity (%)	53.6	50.2	44.6	40.5
ROE (%)	11.9	7.9	8.9	8.7



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(3.5)	(2.4)	(15.9)
Relative to country (%)	(1.4)	14.0	(1.0)
Mkt cap (USD m)	955		
3m avg. daily turnover (USD m)	3.4		
Free float (%)	60		
Major shareholder	Tangmatitham Family (30%)		
12m high/low (THB)	21.10/14.80		
Issued shares (m)	1,953.05		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SPALI is a leading property developer with well-recognized brands in Thailand. It has strength from a flexible and well-diversified portfolio, including detached houses, townhouses, townhomes, and condos. SPALI's growth strategy focused on project locations in Bangkok and its vicinity and 28 other provinces in 2023. It plans to include more provinces every year. Besides Thailand, SPALI also invests in projects in Australia. It has a strong balance sheet with a higher gross margin than its peers.

Company profile

Established on June 26, 1989, and listed on the SET on November 17, 1993, SPALI is a residential and commercial property developer. In 2014, it expanded investment to Australia through a joint venture with an Australian property developer. In 2023, revenue from low-rises, condos, and projects in Australia accounted for 54%, 46%, and 2% of the total revenue, respectively.

www.supalai.com

Principal activities (revenue, 2024)

■ Real estate - 98.8 %

■ Rentals & Services - 1.2 %

Source: Supalai

Major shareholders

■ Tangmatitham Family - 30.0 %

■ Thai NVDR - 9.9 %

■ Others - 60.2 %

Source: Supalai

Catalysts

Potential catalysts to our TP include 1) the success of its aggressive new launches; 2) the progress of its inventory sales; 3) higher-than-expected profit sharing from the investment in Australian projects; and 4) benefits from the property stimulus measures.

Risks to our call

Upside risks to our P/E-based TP include 1) a stronger-than-expected take-up rate; 2) more new launches than expected; 3) faster-than-expected economic and purchasing power recovery; 4) lower-than-expected rejection and cancellation rates; 5) lower-than-expected competition; and 6) stronger operating performance from the Australian projects than expected.

Event calendar

Date	Event
13 May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Project sales (THB m)	23,774	26,934	27,784
Rental and services income (THB m)	397	416	437
Property GPM (%)	36.3	36.4	36.2
GPM (%)	36.3	36.4	36.2
SG&A to sales (%)	16.5	15.5	15.4

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in transfers, we estimate 2025 net profit to rise by 6%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2025 net profit to rise by 2%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to sales, we estimate 2025 net profit to fall by 2%, and vice versa, all else being equal.

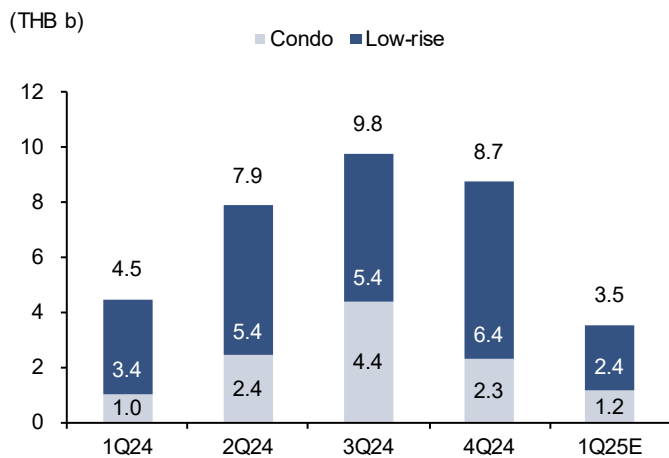
Source: FSSIA estimates

Exhibit 1: SPALI – 1Q25 results preview

	1Q24	2Q24	3Q24	4Q24	1Q25E	Change	
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Total revenue	4,580	7,942	9,836	8,837	3,630	(59)	(21)
Cost of sales	2,919	5,071	5,943	5,498	2,258	(59)	(23)
Gross profit	1,661	2,870	3,892	3,339	1,372	(59)	(17)
SG&A	781	1,008	1,319	1,193	820	(31)	5
Operating profit	2,442	3,878	5,212	4,533	2,191	(52)	(10)
Other income	94	191	149	356	105	(71)	11
Interest expense	145	158	201	205	200	(2)	38
Profit before tax	829	1,895	2,522	2,297	457	(80)	(45)
Tax	199	510	558	399	102	(74)	(49)
Associates	0.3	237	39	117	125	7	47,793
Reported net profit	614	1,599	1,989	1,988	470	(76)	(23)
Normalised profit	614	1,599	1,989	1,988	470	(76)	(23)
Key ratios (%)	(%)	(%)	(%)	(%)	(%)	(ppt)	(ppt)
Property gross margin	36.0	36.1	39.7	38.0	37.7	(0.3)	1.7
Gross margin	36.3	36.1	39.6	37.8	37.8	(0.0)	1.5
Operating margin	53.3	48.8	53.0	51.3	60.4	9.1	7.0
Net profit margin	13.4	20.1	20.2	22.5	12.9	(9.6)	(0.5)
Normalised profit margin	13.4	20.1	20.2	22.5	12.9	(9.6)	(0.5)
Operating statistics	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)
Property transfers	4,472	7,858	9,753	8,733	3,520	(60)	(21)
-- Low-rise	3,444	5,422	5,364	6,417	2,358	(63)	(32)
-- High-rise	1,029	2,436	4,389	2,316	1,162	(50)	13
Presales	6,927	6,434	6,703	6,679	6,669	(0)	(4)
-- Low-rise	5,195	4,157	4,692	2,803	4,735	69	(9)
-- High-rise	1,732	2,277	2,011	3,876	1,934	(50)	12

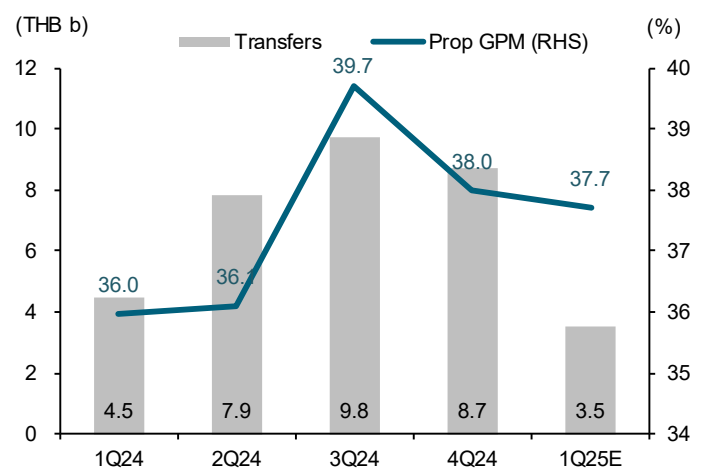
Sources: SPALI; FSSIA estimates

Exhibit 2: Quarterly transfers breakdown



Sources: SPALI; FSSIA estimates

Exhibit 3: Quarterly transfers and prop GPM

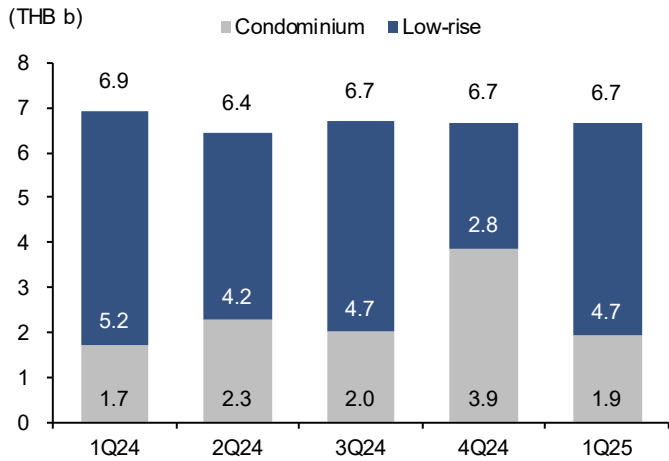


Sources: SPALI; FSSIA estimates

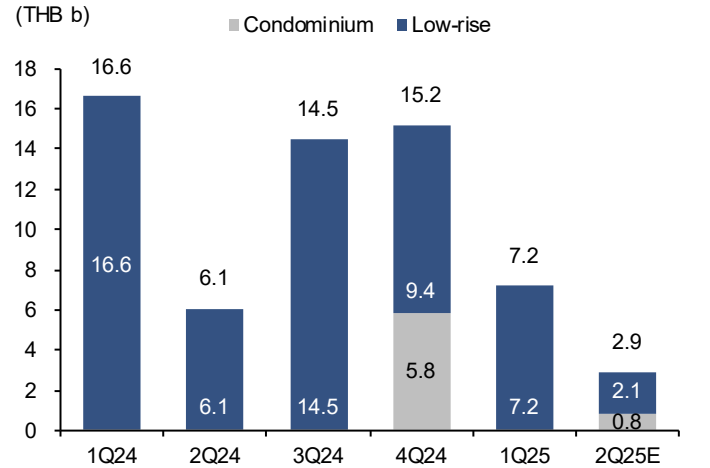
Exhibit 4: Key assumptions for SPALI

	Actual	Current			Previous			Change		
	2024	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(THB m)	(%)	(%)	(%)
Revenue	31,194	24,170	27,350	28,221	29,750	30,502	30,913	(19)	(10)	(9)
- Transfers	30,817	23,774	26,934	27,784	29,354	30,085	30,475	(19)	(10)	(9)
Service	378	397	416	437	397	416	437	0	0	0
Property gross margin (%)	37.7	36.3	36.4	36.2	36.3	36.1	36.1	(0.0)	0.3	0.1
Gross margin (%)	37.7	36.3	36.4	36.2	36.4	36.1	36.1	(0.1)	0.3	0.1
SG&A to revenue (%)	13.8	16.5	15.5	15.4	14.7	14.6	14.6	1.8	0.9	0.8
Interest expense	709	777	717	709	738	708	694	5	1	2
Equity income	394	807	823	840	750	750	788	8	10	7
Core profit	6,190	4,303	5,083	5,225	5,524	5,638	5,741	(22)	(10)	(9)
Net profit	6,190	4,303	5,083	5,225	5,524	5,638	5,741	(22)	(10)	(9)

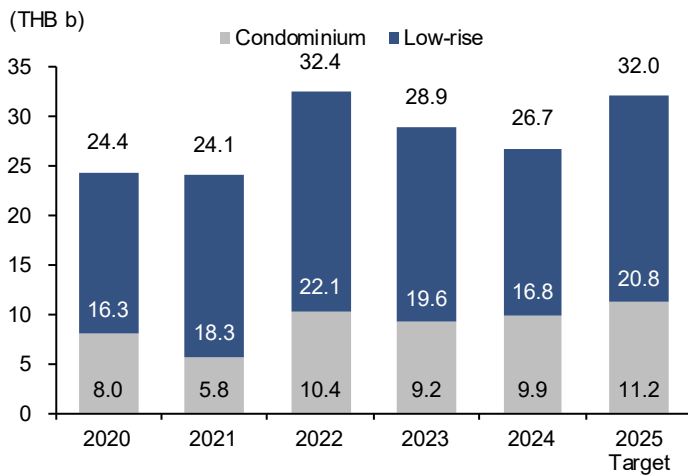
Source: FSSIA estimates

Exhibit 5: Quarterly presales

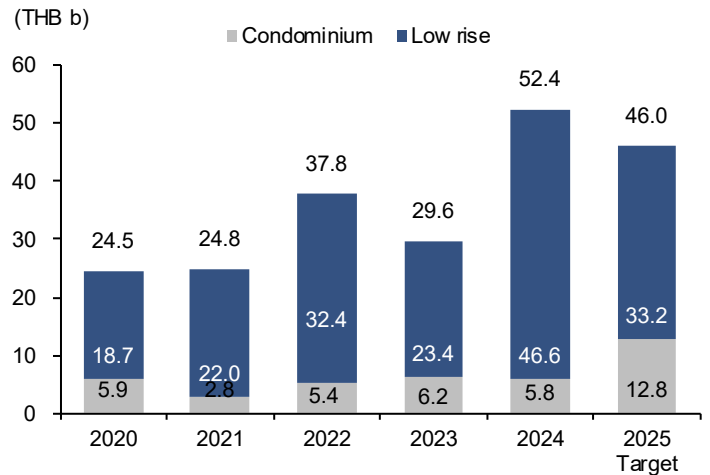
Sources: SPALI; FSSIA's compilation

Exhibit 6: Quarterly new launches

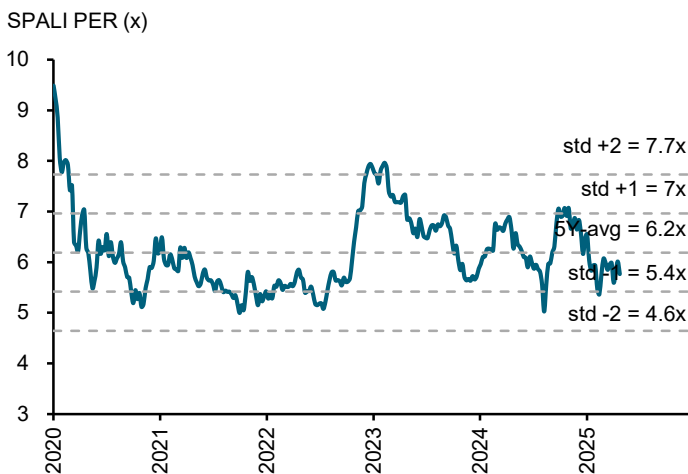
Sources: SPALI; FSSIA's compilation

Exhibit 7: Yearly presales

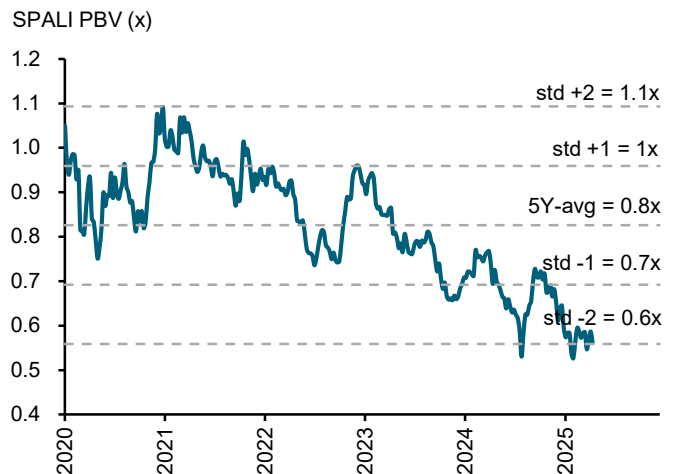
Sources: SPALI; FSSIA's compilation

Exhibit 8: Yearly new launches

Sources: SPALI; FSSIA's compilation

Exhibit 9: Historical P/E band

Sources: Bloomberg; FSSIA estimates

Exhibit 10: Historical P/BV band

Sources: Bloomberg; FSSIA estimates

Financial Statements

Supalai

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	31,177	31,194	24,170	27,350	28,221
Cost of goods sold	(20,071)	(19,431)	(15,402)	(17,401)	(18,010)
Gross profit	11,106	11,763	8,769	9,950	10,211
Other operating income	0	0	0	0	0
Operating costs	(3,857)	(4,302)	(3,983)	(4,238)	(4,344)
Operating EBITDA	7,386	7,665	5,052	5,984	6,146
Depreciation	(138)	(203)	(266)	(272)	(278)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	7,249	7,462	4,786	5,712	5,867
Net financing costs	(467)	(709)	(777)	(717)	(709)
Associates	247	394	807	823	840
Recurring non-operating income	888	1,184	1,357	1,373	1,390
Non-recurring items	0	0	0	0	0
Profit before tax	7,670	7,937	5,365	6,369	6,548
Tax	(1,586)	(1,665)	(980)	(1,192)	(1,227)
Profit after tax	6,083	6,272	4,385	5,176	5,321
Minority interests	(94)	(82)	(82)	(93)	(96)
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
Reported net profit	5,989	6,190	4,303	5,083	5,225
Non-recurring items & goodwill (net)	0	0	0	0	0
Recurring net profit	5,989	6,190	4,303	5,083	5,225
Per share (THB)					
Recurring EPS *	3.07	3.17	2.20	2.60	2.68
Reported EPS	3.07	3.17	2.20	2.60	2.68
DPS	1.45	1.45	1.00	1.15	1.15
Diluted shares (used to calculate per share data)	1,953	1,953	1,953	1,953	1,953
Growth					
Revenue (%)	(9.6)	0.1	(22.5)	13.2	3.2
Operating EBITDA (%)	(22.4)	3.8	(34.1)	18.4	2.7
Operating EBIT (%)	(22.8)	2.9	(35.9)	19.4	2.7
Recurring EPS (%)	(26.7)	3.3	(30.5)	18.1	2.8
Reported EPS (%)	(26.7)	3.3	(30.5)	18.1	2.8
Operating performance					
Gross margin inc. depreciation (%)	35.6	37.7	36.3	36.4	36.2
Gross margin exc. depreciation (%)	36.1	38.4	37.4	37.4	37.2
Operating EBITDA margin (%)	23.7	24.6	20.9	21.9	21.8
Operating EBIT margin (%)	23.3	23.9	19.8	20.9	20.8
Net margin (%)	19.2	19.8	17.8	18.6	18.5
Effective tax rate (%)	21.4	22.1	21.5	21.5	21.5
Dividend payout on recurring profit (%)	47.3	45.8	45.5	44.0	43.0
Interest cover (X)	17.4	12.2	7.9	9.9	10.2
Inventory days	1,252.5	1,383.5	1,852.5	1,687.4	1,652.1
Debtor days	0.6	1.0	1.2	0.7	0.7
Creditor days	56.1	65.3	79.8	66.4	69.2
Operating ROIC (%)	8.8	8.2	5.0	5.7	5.8
ROIC (%)	8.8	8.5	5.7	6.4	6.5
ROE (%)	12.4	11.9	7.9	8.9	8.7
ROA (%)	7.8	7.5	5.2	5.9	5.9

* Pre-exceptional, pre-goodwill and fully diluted

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Real estate	30,836	30,817	23,774	26,934	27,784
Rentals & Services	340	378	397	416	437

Sources: Supalai; FSSIA estimates

Financial Statements

Supalai

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	5,989	6,190	4,303	5,083	5,225
Depreciation	138	203	266	272	278
Associates & minorities	-	-	-	-	-
Other non-cash items	-	-	-	-	-
Change in working capital	(5,562)	(2,896)	(4,851)	(301)	(1,699)
Cash flow from operations	565	3,497	(282)	5,055	3,804
Capex - maintenance	-	-	-	-	-
Capex - new investment	-	-	-	-	-
Net acquisitions & disposals	2,190	-	2,801	(1,095)	(416)
Other investments (net)	-	(6,673)	-	-	-
Cash flow from investing	2,190	(6,673)	2,801	(1,095)	(416)
Dividends paid	(2,476)	(1,598)	(1,958)	(2,237)	(2,247)
Equity finance	488	(1,836)	82	93	96
Debt finance	2,628	7,022	(1,792)	(1,242)	(334)
Other financing cash flows	0	0	0	0	0
Cash flow from financing	641	3,589	(3,668)	(3,386)	(2,485)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	3,396	412	(1,149)	574	903
Free cash flow to firm (FCFF)	3,222.83	(2,467.80)	3,296.37	4,676.35	4,096.51
Free cash flow to equity (FCFE)	5,383.69	3,846.13	726.76	2,717.84	3,053.78

Per share (THB)

FCFF per share	1.65	(1.26)	1.69	2.39	2.10
FCFE per share	2.76	1.97	0.37	1.39	1.56
Recurring cash flow per share	3.14	3.27	2.34	2.74	2.82

Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	3,015	6,079	6,207	6,348	6,503
Less: Accumulated depreciation	(1,555)	(1,727)	(1,993)	(2,266)	(2,544)
Tangible fixed assets (net)	1,459	4,352	4,213	4,082	3,959
Intangible fixed assets (net)	0	0	0	0	0
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	6,602	10,180	7,251	8,205	8,466
Cash & equivalents	4,711	5,123	3,974	4,548	5,451
A/C receivable	60	111	48	55	56
Inventories	71,125	74,641	78,998	79,369	81,145
Other current assets	1,838	1,376	1,499	1,696	1,750
Current assets	77,734	81,252	84,519	85,668	88,402
Other assets	330	448	242	274	282
Total assets	86,126	96,231	96,226	98,229	101,109
Common equity	50,475	53,176	55,521	58,368	61,346
Minorities etc.	990	1,045	1,127	1,220	1,316
Total shareholders' equity	51,465	54,220	56,648	59,587	62,661
Long term debt	6,684	7,931	7,153	6,819	6,668
Other long-term liabilities	819	712	770	696	720
Long-term liabilities	7,504	8,643	7,923	7,515	7,389
A/C payable	3,192	3,693	2,926	3,306	3,422
Short term debt	20,480	26,256	25,242	24,334	24,150
Other current liabilities	3,486	3,419	3,487	3,487	3,487
Current liabilities	27,157	33,368	31,655	31,127	31,059
Total liabilities and shareholders' equity	86,126	96,231	96,226	98,229	101,109
Net working capital	66,346	69,017	74,132	74,327	76,042
Invested capital	74,737	83,996	85,838	86,888	88,749

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

Per share (THB)

Book value per share	25.84	27.23	28.43	29.89	31.41
Tangible book value per share	25.84	27.23	28.43	29.89	31.41

Financial strength

Net debt/equity (%)	43.6	53.6	50.2	44.6	40.5
Net debt/total assets (%)	26.1	30.2	29.5	27.1	25.1
Current ratio (x)	2.9	2.4	2.7	2.8	2.8
CF interest cover (x)	12.5	6.4	1.9	4.8	5.3

Valuation	2023	2024	2025E	2026E	2027E
Recurring P/E (x) *	5.3	5.2	7.4	6.3	6.1
Recurring P/E @ target price (x) *	4.6	4.5	6.4	5.5	5.3
Reported P/E (x)	5.3	5.2	7.4	6.3	6.1
Dividend yield (%)	8.8	8.8	6.1	7.0	7.0
Price/book (x)	0.6	0.6	0.6	0.5	0.5
Price/tangible book (x)	0.6	0.6	0.6	0.5	0.5
EV/EBITDA (x) **	7.5	8.1	12.2	10.0	9.6
EV/EBITDA @ target price (x) **	6.9	7.5	11.3	9.3	8.9
EV/invested capital (x)	0.7	0.7	0.7	0.7	0.7

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

Sources: Supalai; FSSIA estimates

Supalai PCL (SPALI TB)

FSSIA ESG rating


59.80 /100

Exhibit 11: FSSIA ESG score implication

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

Sources: FSSIA estimates

Exhibit 12: ESG – peer comparison

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

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

Exhibit 13: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
ESG financial materiality scores - ESG score	1.80	2.22	2.06	2.11	2.06	2.05	1.98	2.19
BESG environmental pillar score	0.00	0.67	0.67	0.67	0.67	0.67	0.71	1.14
BESG social pillar score	5.95	5.91	3.67	3.67	3.67	3.67	3.67	3.67
BESG governance pillar score	4.06	3.78	3.93	4.12	3.95	3.92	3.60	3.37
ESG disclosure score	40.17	41.80	41.62	41.62	41.62	41.73	42.11	42.36
Environmental disclosure score	14.80	16.49	16.49	16.49	16.49	16.82	17.97	17.97
Social disclosure score	21.95	25.15	24.61	24.61	24.61	24.61	24.61	25.36
Governance disclosure score	83.59	83.59	83.59	83.59	83.59	83.59	83.59	83.59
Environmental								
Emissions reduction initiatives	No	No	No	No	No	No	Yes	Yes
Climate change policy	No	No	No	No	No	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	No	Yes	Yes
GHG scope 1	—	—	—	—	—	—	—	—
GHG scope 2 location-based	—	—	—	—	—	—	—	—
GHG Scope 3	—	—	—	—	—	—	—	—
Carbon per unit of production	—	—	—	—	—	—	—	—
Biodiversity policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	—	—	—	—	—	—	—	—
Renewable energy use	—	—	—	—	—	—	—	—
Electricity used	—	—	—	—	—	—	—	—
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation

Exhibit 14: ESG score by Bloomberg (cont.)

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Fuel used - crude oil/diesel	No	No	No	No	No	No	No	No
Waste reduction policy	No	No	No	No	No	No	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—	—
Total waste	—	—	—	—	—	—	—	—
Waste recycled	—	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—	—
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—	—
Social								
Human rights policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Policy against child labor	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Quality assurance and recall policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Consumer data protection policy	No	No	Yes	Yes	Yes	Yes	Yes	Yes
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No	No
Pct women in workforce	49	47	47	48	48	48	49	49
Pct disabled in workforce	0	0	0	0	0	0	0	0
Business ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Health and safety policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	—	—	—
Total recordable incident rate - employees	1	1	1	1	0	0	0	—
Training policy	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	924	1,061	1,383	1,495	1,558	1,617	1,645	1,725
Employee turnover pct	—	12	12	11	10	7	10	11
Total hours spent by firm - employee training	25,253	28,997	36,318	39,677	39,168	35,234	12,091	80,454
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Governance								
Board size	11	11	11	10	10	10	10	10
No. of independent directors (ID)	5	5	5	4	4	4	4	4
No. of women on board	1	1	1	1	1	1	1	1
No. of non-executive directors on board	7	7	7	6	6	6	6	6
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	12	12	12	13	12	13	12	12
Board meeting attendance pct	96	98	99	99	99	99	100	99
Board duration (years)	3	3	3	3	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No	No
Age of the youngest director	37	38	39	40	41	42	43	44
Age of the oldest director	73	74	77	78	79	80	81	82
No. of executives / company managers	9	10	12	10	14	14	13	13
No. of female executives	3	3	4	4	5	5	5	5
Executive share ownership guidelines	No	No	No	No	No	No	No	No
Size of audit committee	3	3	3	3	3	3	3	3
No. of ID on audit committee	3	3	3	3	3	3	3	3
Audit committee meetings	12	12	12	12	12	12	12	12
Audit meeting attendance %	92	100	100	100	94	100	97	97
Size of compensation committee	3	3	3	3	3	3	3	3
No. of ID on compensation committee	2	2	2	2	2	2	2	2
No. of compensation committee meetings	2	2	2	2	1	1	2	2
Compensation meeting attendance %	100	100	100	100	100	100	100	100
Size of nomination committee	3	3	3	3	3	3	3	3
No. of nomination committee meetings	2	2	2	2	1	1	2	2
Nomination meeting attendance %	100	100	100	100	100	100	100	100
Sustainability governance								
Verification type	No	No	No	No	No	No	No	No

Sources: Bloomberg; FSSIA's compilation

Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices (DJSI) By S&P Global	The DJSI World applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores resulting from the annual S&P Global Corporate Sustainability Assessment (CSA). Only the top-ranked companies within each industry are selected for inclusion.	Be a member and invited to the annual S&P Global Corporate Sustainability Assessment (CSA) for DJSI. Companies with an S&P Global ESG Score of less than 45% of the S&P Global ESG Score of the highest scoring company are disqualified. The constituents of the DJSI indices are selected from the Eligible Universe.																			
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 Sustainabilitys	The Sustainabilitys' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality & 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

ANALYST(S) CERTIFICATION

Thanyatorn Songwutti FSS International Investment Advisory Securities Co., Ltd

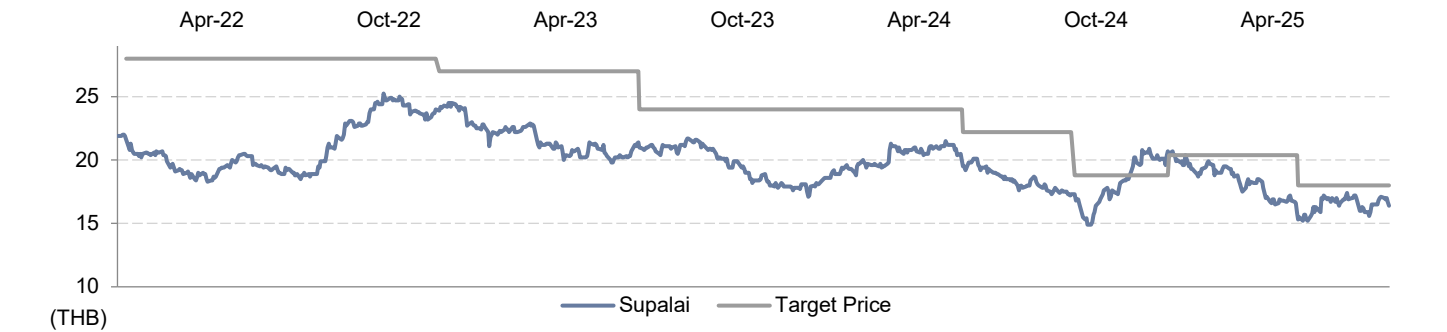
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Supalai (SPALI TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
05-May-2022	BUY	28.00	23-Apr-2024	HOLD	22.20	17-Oct-2024	HOLD	20.40
27-Jan-2023	BUY	27.00	26-Jul-2024	HOLD	18.80	05-Feb-2025	HOLD	18.00
20-Jul-2023	BUY	24.00	14-Aug-2024	BUY	18.80			

Thanyatorn Songwutti started covering this stock from 27-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Supalai	SPALI TB	THB 16.40	REDUCE	Upside risks to our P/E-based TP include 1) a stronger-than-expected take-up rate; 2) more new launches than expected; 3) faster-than-expected economic and purchasing power recovery; 4) lower-than-expected rejection and cancellation rates; 5) lower-than-expected competition; and 6) stronger operating performance from the Australian projects than expected.

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-Apr-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.