

## SC ASSET CORPORATION

THAILAND / PROPERTY DEVELOPMENT

## SC TB

HOLD

UNCHANGED

## Weak start with dull 1Q25E profit

- Expect 1Q25 core profit to tumble (-52% q-q, -37% y-y), pressured by lower transfers, but GPM should recover to its normal level.
- Cut our 2025E profit by 16% to reflect more conservative transfers.
- Maintain HOLD recommendation with a lower TP of THB2.4.

TARGET PRICE	THB2.40
CLOSE	THB2.32
UP/DOWNSIDE	+3.4%
PRIOR TP	THB2.80
CHANGE IN TP	-14.3%
TP vs CONSENSUS	-12.6%

## Expect 1Q25 profit to soften due to poor transfers

We anticipate a 1Q25 net profit of THB115m (-76% q-q, -37% y-y). Excluding extra gains in 4Q24, core profit would decrease 52% q-q and 37% y-y, the lowest in 8 years, pressured by lower transfers of THB2.3b (-57% q-q, -37% y-y), with a 90:10 split between low-rises and condos. Low-rise transfers should drop 37% q-q and 28% y-y to THB2.4b due to sluggish presales, fewer new launches, and slow backlog realization. Meanwhile, condo transfers might plummet to THB233m (-68% q-q, -77% y-y) due to no newly built condos.

## Enhancement of strategies to drive GPM recovery

Following the enhancement of its strategies aimed at higher profitability, including 1) reducing promotional campaigns, 2) improving cost control and optimizing processes, and 3) increasing the transfer mix from new low-rise projects with higher margins. Therefore, the 1Q25 property gross margin should recover to 31%, up from 22.2% in 4Q24 and 29% in 1Q24, the highest in 5 quarters, above its guidance of 28.5%. However, SG&A to sales might increase to 26.3% (vs 19% in 4Q24 and 23.6% in 1Q24) due to a greater drop in revenue.

## Cut 2025E profit due to weaker-than-expected transfers

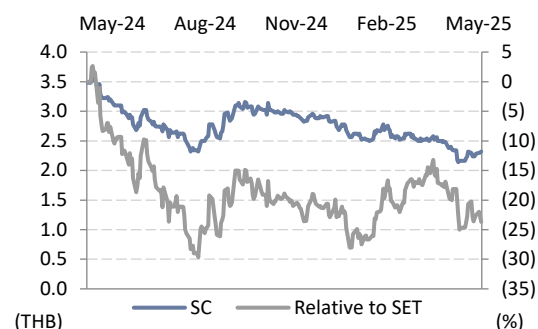
The property market outlook remains challenging due to the impact of the earthquake and the imposed U.S. tariffs on the economy. We have slashed our 2025 core profit forecast by 16% to THB1.4b (+11% y-y), based on a more conservative transfers assumption of THB16.9b (-11% y-y), 27% lower than SC's guidance. Currently, the backlog is enough to secure 47% of our 2025 transfer estimate. Meanwhile, we estimate a property GPM of 30% in 2025, up from the low base in 2024 of 26.5% but down from 31-32% in 2022-23 due to high competition. We expect 2Q25 profit to drop y-y but gradually recover q-q, supported by a higher number of new low-rise launches totaling six projects with a combined value of THB8b (vs one project worth THB2.4b in 1Q25).

## Maintain HOLD with a lower TP of THB2.4

We have cut our TP to THB2.4 (from THB2.8), based on a 7x P/E target, its five-year average. We maintain our HOLD rating as SC lacks catalysts due to weak 1Q25 earnings. Also, we have yet to see a sharp recovery, as heightened competition and sluggish demand in the high-end low-rise market continue to pressure presales and transfers.

## KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	20,302	18,355	21,103	21,180
Net profit	1,706	1,425	1,886	1,948
EPS (THB)	0.40	0.33	0.44	0.46
vs Consensus (%)	-	(18.9)	(8.7)	(11.5)
EBITDA	1,970	2,251	2,909	2,895
Recurring net profit	1,283	1,425	1,886	1,948
Core EPS (THB)	0.30	0.33	0.44	0.46
Chg. In EPS est. (%)	-	(16.0)	0.6	1.7
EPS growth (%)	(48.8)	11.1	32.3	3.3
Core P/E (x)	7.7	7.0	5.3	5.1
Dividend yield (%)	6.9	5.7	7.6	7.9
EV/EBITDA (x)	21.6	19.2	14.5	14.3
Price/book (x)	0.4	0.4	0.4	0.4
Net debt/Equity (%)	135.4	133.0	123.2	114.9
ROE (%)	5.4	5.8	7.4	7.3



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(2.5)	(13.4)	(38.6)
Relative to country (%)	(5.7)	(5.0)	(29.9)
Mkt cap (USD m)	297		
3m avg. daily turnover (USD m)	0.2		
Free float (%)	39		
Major shareholder	Shinawatra Family (64%)		
12m high/low (THB)	3.78/2.10		
Issued shares (m)	4,222.62		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

SC disclosed its 2024-28 business targets. They include 1) five-year revenue of over THB150b, supported by property and recurring income, 2) reasonable investment with a D/E of less than 1.5x, and 3) a diversified profit portfolio with a recurring income mix of over 25% from 17 projects in four businesses, including offices for rent (total rental space of 120,000 sqm from six buildings), hotels (545 keys from three projects), warehouses (total storage area of 160,000 sqm from four projects), and property for rent in the U.S. (78 units in four Boston locations).

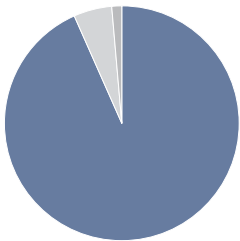
Company profile

SC is an integrated property developer. It has three units, including 1) core Engine 1 property development for sale with detached houses, townhouses, and condos covering all market segments, 2) Engine 2 property development for rent and related services, investing in recurring income businesses, such as office buildings, hotels, and warehouses, and 3) services, such as consultancy, management, industrial engineering, support systems, and after-sale.

[www.scasset.com](http://www.scasset.com)

Principal activities (revenue, 2024)

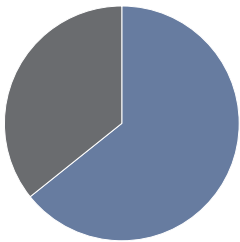
- Project sales - 93.4 %
- Rental and services - 5.3 %
- Consulting and management - 1.4 %



Source: SC Asset Corporation

Major shareholders

- Shinawatra Family - 64.3 %
- Others - 35.7 %



Source: SC Asset Corporation

Catalysts

Crucial potential growth drivers include 1) successful new launches; 2) investment in new businesses, such as warehouses and hotels; and 3) potential JVs to develop new condos.

Risks to our call

Downside and upside risks to our P/E-based TP include 1) a weaker or stronger-than-expected take-up rate, 2) lower or higher-than-expected new launches, 3) slower or faster-than-expected economy and purchasing power recovery, 4) higher or lower-than-expected rejection and cancellation rates, and 5) higher or lower-than-expected competition.

Event calendar

Date	Event
14 May 2025	1Q25 results announcement

Key assumptions

	2025E	2026E	2027E
Project sales (THB m)	16,887	19,594	19,629
Rental and services income (THB m)	1,468	1,509	1,551
Property GPM (%)	30.0	30.5	30.5
GPM (%)	32.5	32.7	32.7
SG&A to sales (%)	19.7	19.9	20.1

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in transfers, we estimate 2025 net profit to rise by 10%, and vice versa, all else being equal.
- For every 0.5% increase in property GPM, we estimate 2025 net profit to rise by 5%, and vice versa, all else being equal.
- For every 0.5% increase in SG&A to revenue, we estimate 2025 net profit to fall by 5%, and vice versa, all else being equal.

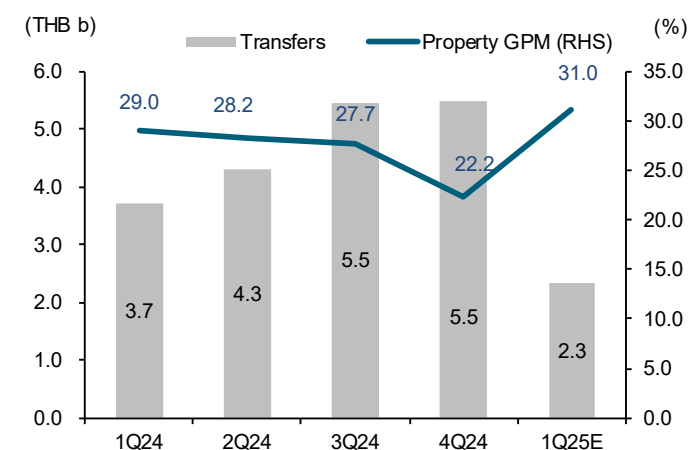
Source: FSSIA estimates

## Exhibit 1: SC – 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	4,010	4,640	5,804	5,849	2,724	(53.4)	(32.1)
Cost of sales	2,747	3,220	4,081	4,407	1,761	(60.0)	(35.9)
Gross profit	1,263	1,420	1,722	1,442	963	(33.2)	(23.8)
SG&A	948	992	1,053	1,109	716	(35.4)	(24.5)
Operating profit	315	428	669	333	247	(25.9)	(21.7)
Interest expense	97	90	102	91	90	(0.9)	(6.9)
Tax	68	82	76	105	37	(64.3)	(45.4)
Associates	26	77	(9)	77	(30)	(138.9)	(215.4)
Reported net profit	183	531	506	486	115	(76.4)	(37.3)
Normalised profit	183	355	506	240	115	(52.3)	(37.3)
<b>Key ratios (%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(%)</b>	<b>(ppt)</b>	<b>(ppt)</b>
Property gross margin	29.0	28.2	27.7	22.2	31.0	8.8	2.0
Gross margin	31.5	30.6	29.7	24.7	35.4	10.7	3.9
SG&A to sales	23.6	21.4	18.2	19.0	26.3	7.3	2.6
Operating margin	7.9	9.2	11.5	5.7	9.1	3.4	1.2
Net profit margin	4.6	11.5	8.7	8.3	4.2	(4.1)	(0.3)
Normalised profit margin	4.6	7.6	8.7	4.1	4.2	0.1	(0.3)
<b>Operating statistics</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(THB m)</b>	<b>(q-q%)</b>	<b>(y-y%)</b>
<b>Property transfers</b>	<b>3,704</b>	<b>4,313</b>	<b>5,461</b>	<b>5,477</b>	<b>2,334</b>	<b>(57.4)</b>	<b>(37.0)</b>
-- Low-rise	2,711	4,112	4,777	4,753	2,100	(55.8)	(22.5)
-- High-rise	993	201	683	724	233	(67.8)	(76.5)
<b>Presales</b>	<b>5,960</b>	<b>5,679</b>	<b>6,486</b>	<b>6,875</b>	<b>3,909</b>	<b>(43.1)</b>	<b>(34.4)</b>
-- Low-rise	3,353	4,040	5,233	3,874	2,425	(37.4)	(27.7)
-- High-rise	2,607	1,639	1,253	3,001	1,484	(50.5)	(43.1)

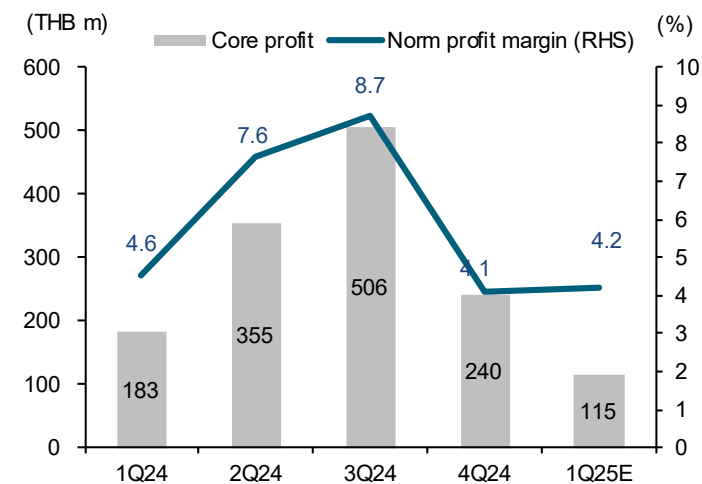
Sources: FSSIA estimates

## Exhibit 2: Quarterly transfers and property GPM



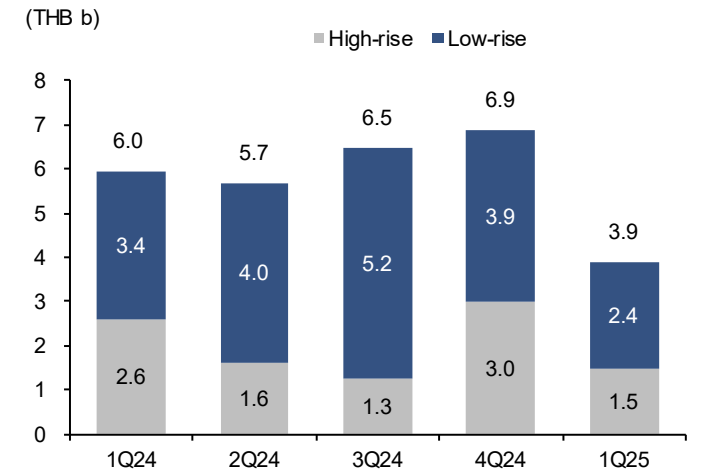
Sources: FSSIA estimates

## Exhibit 3: Quarterly core profit and norm profit margin



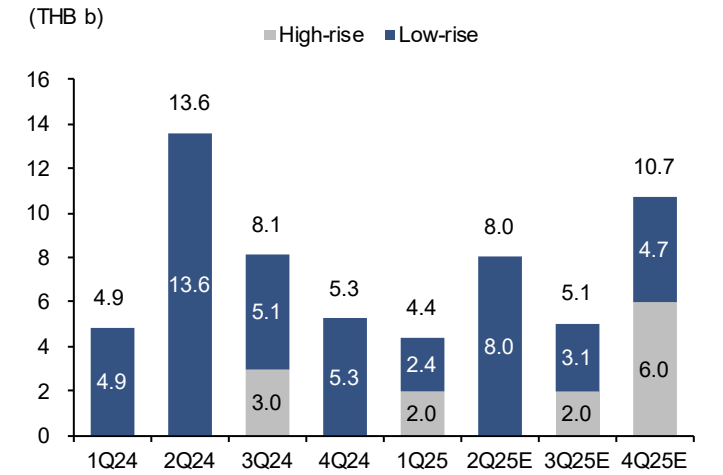
Sources: FSSIA estimates

Exhibit 4: Quarterly presales



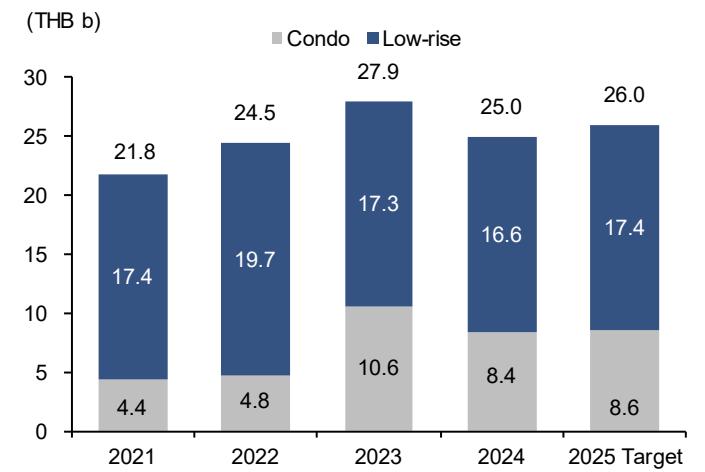
Sources: SC; FSSIA's compilation

Exhibit 5: Quarterly new launches



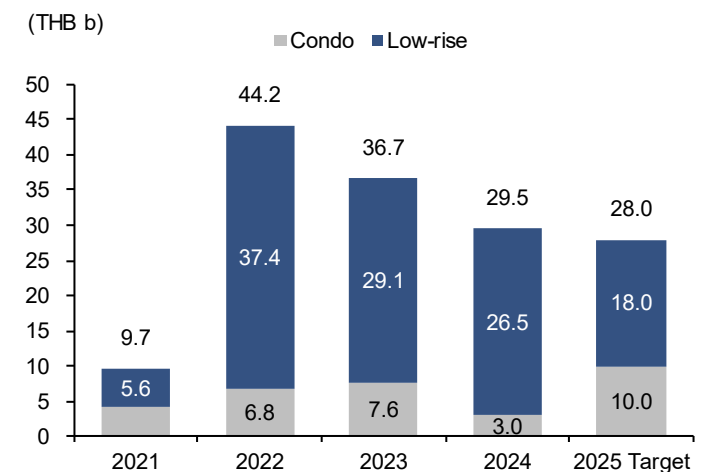
Sources: SC; FSSIA's compilation

Exhibit 6: Quarterly presales



Sources: SC; FSSIA's compilation

Exhibit 7: Yearly new launches



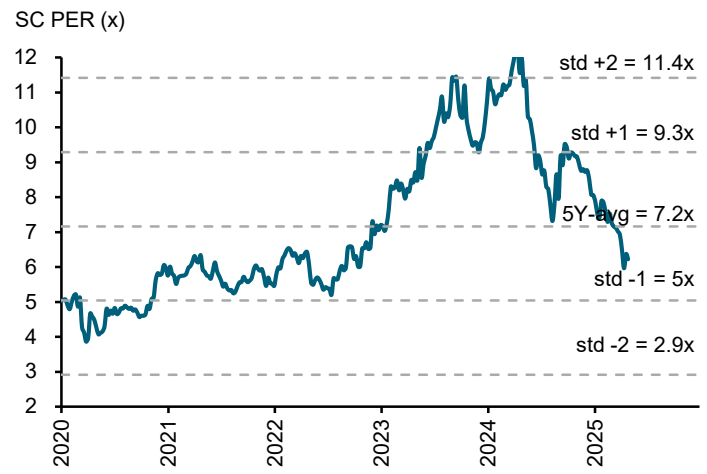
Sources: SC; FSSIA's compilation

Exhibit 8: Key assumptions for SC

	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)	(%)	(%)	(%)
Total revenue (THB m)	20,302	18,355	21,103	21,180	21,508	23,483	22,949	(15)	(10)	(8)
Transfers (THB m)	18,955	16,887	19,594	19,629	20,127	22,055	21,472	(16)	(11)	(9)
Gross margin (%)	28.8	32.5	32.7	32.7	29.8	29.7	30.3	2.7	3.0	2.4
Property gross margin (%)	26.5	30.0	30.5	30.5	27.7	27.7	28.2	2.3	2.8	2.3
SG&A expense	4,102	3,927	4,210	4,267	4,128	4,403	4,414	(5)	(4)	(3)
SG&A to revenue (%)	20.2	19.7	19.9	20.1	19.7	18.8	19.2	0.0	1.2	0.9
Interest expense (THB m)	379	412	407	401	384	373	367	7	9	9
Associates (THB m)	172	94	48	123	170	70	127	(45)	(31)	(3)
Core profit (THB m)	1,283	1,425	1,886	1,948	1,697	1,875	1,915	(16)	1	2
Net profit (THB m)	1,706	1,425	1,886	1,948	1,697	1,875	1,915	(16)	1	2

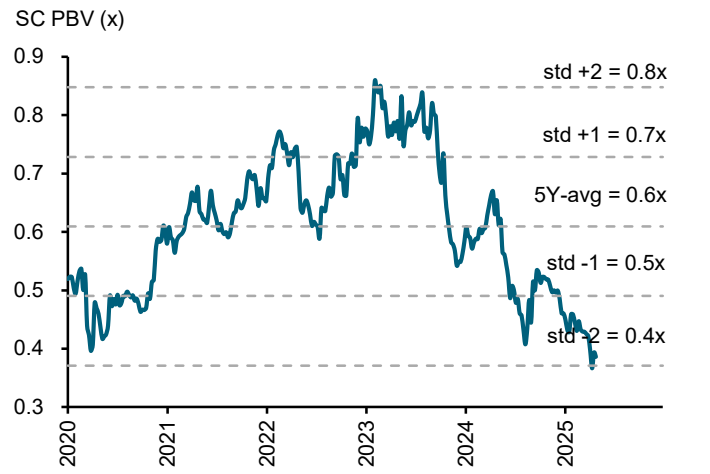
Source: FSSIA estimates

Exhibit 9: Historical P/E band



Sources: Bloomberg; FSSIA estimates

Exhibit 10: Historical P/BV band



Sources: Bloomberg; FSSIA estimates

## Financial Statements

### SC Asset Corporation

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	24,487	20,302	18,355	21,103	21,180
Cost of goods sold	(16,601)	(14,455)	(12,393)	(14,206)	(14,247)
<b>Gross profit</b>	<b>7,887</b>	<b>5,847</b>	<b>5,962</b>	<b>6,897</b>	<b>6,934</b>
Other operating income	99	99	100	100	100
Operating costs	(4,456)	(4,102)	(3,927)	(4,210)	(4,267)
<b>Operating EBITDA</b>	<b>3,650</b>	<b>1,970</b>	<b>2,251</b>	<b>2,909</b>	<b>2,895</b>
Depreciation	(120)	(127)	(116)	(122)	(128)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>3,529</b>	<b>1,844</b>	<b>2,135</b>	<b>2,787</b>	<b>2,767</b>
Net financing costs	(383)	(379)	(412)	(407)	(401)
Associates	54	172	94	48	123
Recurring non-operating income	54	172	94	48	123
Non-recurring items	(20)	422	0	0	0
<b>Profit before tax</b>	<b>3,181</b>	<b>2,059</b>	<b>1,816</b>	<b>2,429</b>	<b>2,489</b>
Tax	(656)	(331)	(362)	(524)	(521)
<b>Profit after tax</b>	<b>2,525</b>	<b>1,728</b>	<b>1,454</b>	<b>1,905</b>	<b>1,969</b>
Minority interests	(43)	(22)	(29)	(18)	(21)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
<b>Reported net profit</b>	<b>2,482</b>	<b>1,706</b>	<b>1,425</b>	<b>1,886</b>	<b>1,948</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>20</b>	<b>(422)</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>2,502</b>	<b>1,283</b>	<b>1,425</b>	<b>1,886</b>	<b>1,948</b>
<b>Per share (THB)</b>					
Recurring EPS *	0.59	0.30	0.33	0.44	0.46
Reported EPS	0.58	0.40	0.33	0.44	0.46
DPS	0.24	0.16	0.13	0.18	0.18
Diluted shares (used to calculate per share data)	4,273	4,277	4,277	4,277	4,277
<b>Growth</b>					
Revenue (%)	13.5	(17.1)	(9.6)	15.0	0.4
Operating EBITDA (%)	5.7	(46.0)	14.2	29.2	(0.5)
Operating EBIT (%)	5.0	(47.8)	15.8	30.6	(0.7)
Recurring EPS (%)	(4.8)	(48.8)	11.1	32.3	3.3
Reported EPS (%)	(4.0)	(31.4)	(16.4)	32.3	3.3
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	32.2	28.8	32.5	32.7	32.7
Gross margin exc. depreciation (%)	32.7	29.4	33.1	33.3	33.3
Operating EBITDA margin (%)	14.9	9.7	12.3	13.8	13.7
Operating EBIT margin (%)	14.4	9.1	11.6	13.2	13.1
Net margin (%)	10.2	6.3	7.8	8.9	9.2
Effective tax rate (%)	20.6	16.1	19.9	21.6	20.9
Dividend payout on recurring profit (%)	41.0	53.3	40.0	40.0	40.0
Interest cover (X)	9.4	5.3	5.4	7.0	7.2
Inventory days	982.6	1,209.2	1,457.5	1,284.3	1,290.7
Debtor days	2.2	5.9	6.7	3.4	3.6
Creditor days	36.1	61.4	77.9	51.1	54.7
Operating ROIC (%)	6.7	3.3	3.7	4.8	(1.2)
ROIC (%)	5.4	2.8	3.0	3.8	(1.0)
ROE (%)	11.1	5.4	5.8	7.4	7.3
ROA (%)	4.7	2.5	2.7	3.3	2.8

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

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Project sales	23,370	18,955	16,887	19,594	19,629
Rental and services	977	1,069	1,175	1,211	1,247
Consulting and management	140	279	293	298	304

Sources: SC Asset Corporation; FSSIA estimates

## Financial Statements

### SC Asset Corporation

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	2,502	1,283	1,425	1,886	1,948
Depreciation	120	127	116	122	128
Associates & minorities	-	-	-	-	-
Other non-cash items	-	-	-	-	-
Change in working capital	(4,805)	(751)	(1,297)	34	(315)
<b>Cash flow from operations</b>	<b>(2,182)</b>	<b>659</b>	<b>245</b>	<b>2,042</b>	<b>1,761</b>
Capex - maintenance	-	-	-	-	-
Capex - new investment	(2,027)	-	(310)	(260)	(219)
Net acquisitions & disposals	-	-	-	-	-
Other investments (net)	-	(1,294)	-	-	-
<b>Cash flow from investing</b>	<b>(2,027)</b>	<b>(1,294)</b>	<b>(310)</b>	<b>(260)</b>	<b>(219)</b>
Dividends paid	(1,087)	(476)	(570)	(755)	(779)
Equity finance	127	35	29	18	21
Debt finance	5,067	361	423	(500)	(500)
Other financing cash flows	-	-	-	-	-
<b>Cash flow from financing</b>	<b>4,107</b>	<b>(79)</b>	<b>(118)</b>	<b>(1,236)</b>	<b>(1,258)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
<b>Net other adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(102)</b>	<b>(714)</b>	<b>(183)</b>	<b>546</b>	<b>284</b>
Free cash flow to firm (FCFF)	(3,827.36)	(256.01)	347.15	2,188.40	1,942.28
Free cash flow to equity (FCFE)	857.09	(273.81)	357.93	1,281.86	1,041.65
<b>Per share (THB)</b>					
FCFF per share	(0.91)	(0.06)	0.08	0.52	0.46
FCFE per share	0.20	(0.06)	0.08	0.30	0.25
Recurring cash flow per share	0.61	0.33	0.36	0.47	0.49
Balance Sheet (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	2,302	1,381	1,450	1,523	1,599
Less: Accumulated depreciation	(453)	(270)	(290)	(305)	(320)
<b>Tangible fixed assets (net)</b>	<b>1,849</b>	<b>1,111</b>	<b>1,160</b>	<b>1,218</b>	<b>1,279</b>
<b>Intangible fixed assets (net)</b>	<b>127</b>	<b>142</b>	<b>142</b>	<b>142</b>	<b>142</b>
Long-term financial assets	231	231	349	401	402
Invest. in associates & subsidiaries	10,353	12,244	12,272	12,300	12,329
Cash & equivalents	2,038	1,323	1,140	1,686	1,969
A/C receivable	171	490	184	211	212
Inventories	46,246	48,687	49,366	49,748	50,106
Other current assets	1,957	2,439	1,836	1,899	1,906
<b>Current assets</b>	<b>50,411</b>	<b>52,939</b>	<b>52,525</b>	<b>53,544</b>	<b>54,194</b>
Other assets	916	590	512	512	512
<b>Total assets</b>	<b>63,888</b>	<b>67,258</b>	<b>66,960</b>	<b>68,118</b>	<b>68,858</b>
Common equity	23,228	24,048	24,903	26,035	27,204
Minorities etc.	24	47	76	94	115
<b>Total shareholders' equity</b>	<b>23,252</b>	<b>24,095</b>	<b>24,979</b>	<b>26,129</b>	<b>27,319</b>
Long term debt	15,584	18,800	18,572	18,240	17,909
Other long-term liabilities	1,885	1,946	1,836	2,005	2,012
<b>Long-term liabilities</b>	<b>17,468</b>	<b>20,746</b>	<b>20,407</b>	<b>20,245</b>	<b>19,921</b>
A/C payable	1,419	3,403	1,836	2,110	2,118
Short term debt	17,995	15,140	15,792	15,623	15,455
Other current liabilities	3,753	3,874	3,946	4,010	4,045
<b>Current liabilities</b>	<b>23,167</b>	<b>22,417</b>	<b>21,574</b>	<b>21,743</b>	<b>21,618</b>
<b>Total liabilities and shareholders' equity</b>	<b>63,888</b>	<b>67,258</b>	<b>66,960</b>	<b>68,118</b>	<b>68,858</b>
Net working capital	43,202	44,340	45,604	45,739	46,061
Invested capital	56,678	58,658	60,038	60,312	60,725
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	5.44	5.62	5.82	6.09	6.36
Tangible book value per share	5.41	5.59	5.79	6.05	6.33
<b>Financial strength</b>					
Net debt/equity (%)	135.7	135.4	133.0	123.2	114.9
Net debt/total assets (%)	49.4	48.5	49.6	47.2	45.6
Current ratio (x)	2.2	2.4	2.4	2.5	2.5
CF interest cover (x)	8.5	0.3	2.6	4.8	4.1
Valuation	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>4.0</b>	<b>7.7</b>	<b>7.0</b>	<b>5.3</b>	<b>5.1</b>
<b>Recurring P/E @ target price (x) *</b>	<b>4.1</b>	<b>8.0</b>	<b>7.2</b>	<b>5.4</b>	<b>5.3</b>
Reported P/E (x)	4.0	5.8	7.0	5.3	5.1
Dividend yield (%)	10.3	6.9	5.7	7.6	7.9
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) **	11.4	21.6	19.2	14.5	14.3
EV/EBITDA @ target price (x) **	11.5	21.8	19.4	14.6	14.4
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: SC Asset Corporation; FSSIA estimates

# SC Asset Corp PCL (SC TB)

## FSSIA ESG rating


**60.14 /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	<b>A mixed track record of managing the most significant ESG risks and opportunities relative to industry peers.</b>
★★★	>39-59	Relevant ESG materiality matrix has been constructively addressed, well-managed and incorporated into day-to-day operations, in which targets and achievements are evaluated annually.
★★	>19-39	Relevant ESG materiality matrix has been identified with key management in charge for progress to be followed up on and to provide intensive disclosure. Most targets are conventional and achievable.
★	1-19	The company has adopted the United Nations Sustainable Development Goals (UN SDGs), established sustainability management guidelines and fully complies with regulations or ESG suggested guidance from related organizations such as the SET and SEC.

Sources: FSSIA estimates

### Exhibit 12: ESG – peer comparison

	FSSIA	Domestic ratings						Global ratings					Bloomberg		
	ESG score	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 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	—	—	—	—	—	<b>2.66</b>	<b>2.34</b>
BESG environmental pillar score	—	—	—	—	—	1.70	1.14
BESG social pillar score	—	—	—	—	—	3.67	2.51
BESG governance pillar score	—	—	—	—	—	3.80	4.29
<b>ESG disclosure score</b>	—	—	—	<b>32.63</b>	<b>33.83</b>	<b>44.32</b>	<b>42.60</b>
Environmental disclosure score	—	—	—	1.75	1.75	18.79	15.95
Social disclosure score	—	—	—	14.87	18.47	32.95	30.62
Governance disclosure score	—	—	—	81.10	81.10	81.10	81.10
<b>Environmental</b>							
Emissions reduction initiatives	No	No	No	No	No	Yes	Yes
Climate change policy	No	No	No	No	No	No	No
Climate change opportunities discussed	No	No	No	No	No	No	No
Risks of climate change discussed	No	No	No	No	No	Yes	Yes
GHG scope 1	—	—	—	—	—	0	—
GHG scope 2 location-based	—	—	—	—	—	12	—
GHG Scope 3	—	—	—	—	—	—	—
Carbon per unit of production	—	—	—	—	—	—	—
Biodiversity policy	No	No	No	No	No	No	No
Energy efficiency policy	No	No	No	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 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
Waste reduction policy	No	No	No	Yes	Yes	Yes	Yes
Hazardous waste	—	—	—	—	—	—	—
Total waste	—	—	—	—	—	—	—
Waste recycled	—	—	—	—	—	—	—
Waste sent to landfills	—	—	—	—	—	—	—
Environmental supply chain management	No	No	No	No	No	No	No
Water policy	No	No	No	Yes	Yes	Yes	Yes
Water consumption	—	—	—	—	—	—	—
<b>Social</b>							
Human rights policy	No	No	No	Yes	Yes	Yes	Yes
Policy against child labor	No	No	No	Yes	Yes	Yes	Yes
Quality assurance and recall policy	No	No	No	No	No	No	No
Consumer data protection policy	No	No	No	No	Yes	Yes	Yes
Equal opportunity policy	No	No	No	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	No	No	No	No	No
Pct women in workforce	—	—	—	—	—	47	—
Pct disabled in workforce	—	—	—	—	—	1	1
Business ethics policy	No	No	No	Yes	Yes	Yes	Yes
Anti-bribery ethics policy	No	No	No	Yes	Yes	Yes	Yes
Health and safety policy	No	No	No	Yes	Yes	Yes	Yes
Lost time incident rate - employees	—	—	—	—	—	0	0
Total recordable incident rate - employees	—	—	—	—	—	—	—
Training policy	No	No	No	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	Yes	Yes	Yes	Yes
Number of employees – CSR	—	—	—	877	923	1,033	1,212
Employee turnover pct	—	—	—	—	—	11	11
Total hours spent by firm - employee training	—	—	—	18,038	13,819	17,698	19,113
Social supply chain management	No	No	No	No	No	No	No
<b>Governance</b>							
Board size	—	—	—	9	9	9	10
No. of independent directors (ID)	—	—	—	6	6	6	7
No. of women on board	—	—	—	1	1	1	1
No. of non-executive directors on board	—	—	—	7	7	7	8
Company conducts board evaluations	No	No	No	Yes	Yes	Yes	Yes
No. of board meetings for the year	—	—	—	7	8	7	9
Board meeting attendance pct	—	—	—	92	99	100	100
Board duration (years)	—	—	—	3	3	3	3
Director share ownership guidelines	No	No	No	No	No	No	No
Age of the youngest director	—	—	—	40	41	42	43
Age of the oldest director	—	—	—	75	76	77	76
No. of executives / company managers	—	—	—	12	20	21	23
No. of female executives	—	—	—	4	6	7	8
Executive share ownership guidelines	No	No	No	No	No	No	No
Size of audit committee	—	—	—	3	3	3	3
No. of ID on audit committee	—	—	—	3	3	3	3
Audit committee meetings	—	—	—	9	10	9	10
Audit meeting attendance %	—	—	—	100	100	100	100
Size of compensation committee	—	—	—	3	3	3	3
No. of ID on compensation committee	—	—	—	3	3	3	3
No. of compensation committee meetings	—	—	—	2	2	2	2
Compensation meeting attendance %	—	—	—	100	100	100	100
Size of nomination committee	—	—	—	3	3	3	3
No. of nomination committee meetings	—	—	—	2	2	2	2
Nomination meeting attendance %	—	—	—	100	100	100	100
<b>Sustainability governance</b>							
Verification type	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 <b>SETESG inclusion</b> , 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. <b>SETESG Index</b> 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&amp;A. The third involves the meeting minutes that should contain discussion issues, resolutions and voting results.)</i>	The scores are classified into four categories: 5 for Excellent (100), 4 for Very Good (90-99), 3 for Fair (80-89), and not rated for scores below 79.																				
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 Sustainabilitycs	The Sustainabilitycs' ESG risk rating provides an overall company score based on an assessment of how much of a company's exposure to ESG risk is unmanaged. <i>Sources to be reviewed include corporate publications and regulatory filings, news and other media, NGO reports/websites, multi-sector information, company feedback, ESG controversies, issuer feedback on draft ESG reports, and quality &amp; peer reviews.</i>	A company's ESG risk rating score is the sum of unmanaged risk. The more risk is unmanaged, the higher ESG risk is scored. <table><tr><th>NEGL</th><th>Low</th><th>Medium</th><th>High</th><th>Severe</th></tr><tr><td>0-10</td><td>10-20</td><td>20-30</td><td>30-40</td><td>40+</td></tr></table>	NEGL	Low	Medium	High	Severe	0-10	10-20	20-30	30-40	40+										
NEGL	Low	Medium	High	Severe																		
0-10	10-20	20-30	30-40	40+																		
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; &gt;25 to 50 = satisfactory; &gt;50 to 75 = good; and &gt;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

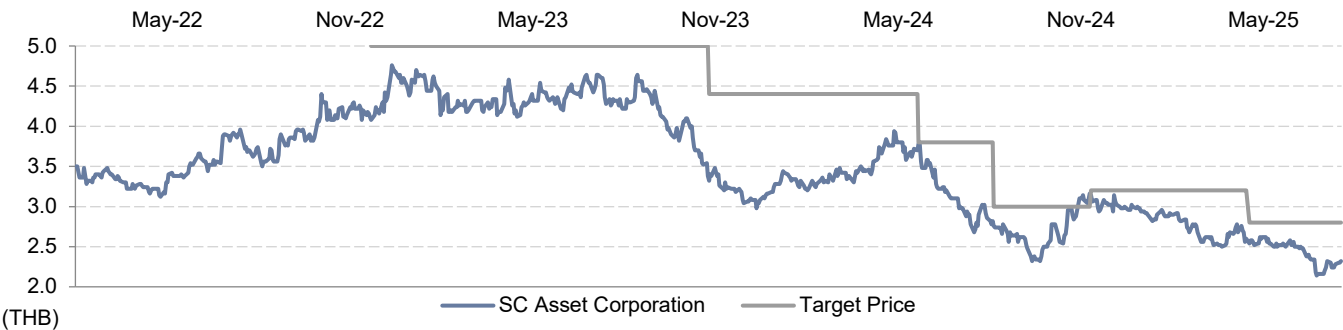
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) 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

SC Asset Corporation (SC TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
12-Jan-2023	BUY	5.00	03-Jul-2024	HOLD	3.00	07-Feb-2025	HOLD	2.80
31-Oct-2023	BUY	4.40	25-Sep-2024	HOLD	3.20			
29-Apr-2024	HOLD	3.80	16-Dec-2024	BUY	3.20			

Thanyatorn Songwutti started covering this stock from 12-Jan-2023

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
SC Asset Corporation	SC TB	THB 2.32	HOLD	Downside and upside risks to our P/E-based TP include 1) a weaker or stronger-than-expected take-up rate, 2) lower or higher-than-expected new launches, 3) slower or faster-than-expected economy and purchasing power recovery, 4) higher or lower-than-expected rejection and cancellation rates, and 5) higher or lower-than-expected competition.

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 30-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.