

# CENTRAL PATTANA CPN TB

## THAILAND / PROPERTY DEVELOPMENT

BUY

UNCHANGED

### ธุรกิจ Retail แกร่ง รับมือกับความเสี่ยงได้ดี

- ปรับกำไรปกติปี 2025 ลงเล็กน้อย 3% จากสถานการณ์เศรษฐกิจท้าทายมากขึ้น
- การเติบโตปี 2025 ชะลอแต่จะเร่งตัวขึ้นในปี 2026
- เราชอบ CPN ที่ปรับกลยุทธ์เร็วภายใต้ความเสี่ยง ฐานะการเงินแกร่ง ROE รักษาได้ในระดับ 16-17% และคาดว่าจะเงินปันผลไม่ต่ำกว่าปีก่อน

#### ปรับลด Guidance ของธุรกิจที่อยู่อาศัย แต่ภาพรวมไม่เปลี่ยน

จากสถานการณ์เศรษฐกิจที่มีความท้าทายมากขึ้นในช่วงที่เหลือของปี โดยเฉพาะธุรกิจอสังหาริมทรัพย์ ประกอบกับคอนโดที่จะเริ่มโอนในปีของ CPN มีค่อนข้างน้อย โดย ณ สิ้น 1Q25 บริษัทมี Backlog 6.3 พันล้านบาท (แนวสูง 92% แนวราบ 8%) ส่วนที่จะเริ่มโอนในช่วงที่เหลือของปีมีเพียง 21% (1.4 พันล้านบาท) บริษัทจึงปรับลด Guidance รายได้ของธุรกิจที่อยู่อาศัยจากเดิมตั้งเป้าทรงตัวใกล้เคียงปี 2024 ที่ 6.2 พันล้านบาทเป็นทรงตัวถึงลดลง 10% แต่ยังคงเป้าธุรกิจอื่น ทำให้รายได้รวมในปี 2025 คาดว่าจะเติบโต 5-7%

#### ปรับประมาณการเล็กน้อย ธุรกิจค้าปลีกแข็งแกร่ง ชดเชยธุรกิจอสังหาฯได้

เราปรับประมาณการกำไรปกติปี 2025 ลงเล็กน้อย 3% โดย 1) ปรับลดรายได้ธุรกิจที่อยู่อาศัยปี 2025 ลง 20% เหลือ 5.0 พันล้านบาท บริษัทอาจเร่งโอน Escent นครปฐม (มูลค่าเกือบ 2 พันล้านบาท) ในปีนี้จากเดิมที่จะโอนปี 2026 และปรับเพิ่มรายได้ปี 2026 เล็กน้อยเพราะมีคอนโดโอนจำนวนมาก 2) ปรับอัตรากำไรขั้นต้นของธุรกิจที่อยู่อาศัยลงเป็น 33% ตลอด 3 ปีข้างหน้า จากเดิม 35% เท่ากับ 1Q25 3) ปรับเพิ่มอัตรากำไรขั้นต้นของธุรกิจเช่าและโรงแรมเพราะทำได้ดีกว่าคาเฟ่ 1Q25 และ 4) ปรับลดรายได้อื่นเพราะไม่มีการบันทึกรายได้ส่วนแบ่งกำไรจาก Grab Thailand ตั้งแต่ 1Q25

#### การเติบโตปี 2025 ชะลอแต่จะเร่งตัวขึ้นในปี 2026

ภายหลังปรับประมาณการ รายได้รวมปี 2025 คาดเติบโต 3.1% y-y ต่ำกว่าเป้าของบริษัท และคาดว่าจะกำไรปกติ +2.3% y-y (จากเดิม +5.7% y-y) ปี 2026 การเติบโตจะเร่งขึ้น +8.5% y-y เพราะมีคอนโดราว 5 พันล้านบาทเริ่มโอน รับรู้รายได้เต็มปีจาก 2 ศูนย์การค้าที่เปิดปีนี้และมีเปิดศูนย์ใหม่ 2 แห่งปีนี้ ท่ามกลางเศรษฐกิจที่ท้าทาย เรายังเชื่อว่า CPN ยังประคองตัวได้ไม่จะเป็นการช่วยร้านค้าทำการตลาด การปรับร้านค้าเข้า-ออกเมื่อหมดสัญญา ควบคุมค่าใช้จ่ายของตัวเองอย่างเข้มงวด

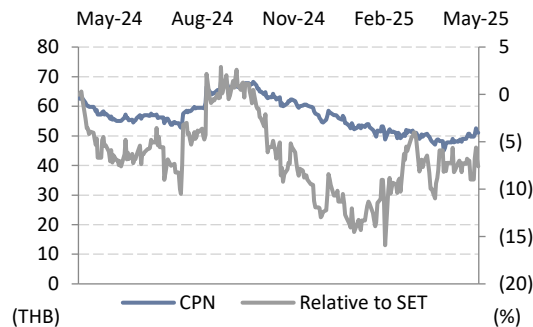
#### ปรับราคาเป้าหมายเล็กน้อย ยังมีมุมมองบวกต่อบริษัท

เราปรับลดการเติบโตระยะยาวจาก 3% เป็น 2.5% ทำให้ราคาเป้าหมายลดลงจากเป็น 73 บาท (DCF, WACC 7.4% LTG 2.5%) จาก 83 บาท ยังแนะนำซื้อ เราชอบ CPN ที่ปรับกลยุทธ์เร็วภายใต้ความเสี่ยง ฐานะการเงินแข็งแกร่ง ROE รักษาได้ในระดับ 16-17% ใกล้เคียงค่าเฉลี่ย 3 ปีที่ผ่านมา และคาดว่าจะเงินปันผลไม่ต่ำกว่าปีก่อน ซึ่งคิดเป็น Dividend yield 4-5%

TARGET PRICE	THB73.00
CLOSE	THB51.00
UP/DOWNSIDE	+43.1%
PRIOR TP	THB83.00
CHANGE IN TP	-12.0%
TP vs CONSENSUS	+5.4%

### KEY STOCK DATA

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	49,615	51,149	55,464	57,767
Net profit	16,729	17,424	18,908	19,871
EPS (THB)	3.73	3.88	4.21	4.43
vs Consensus (%)	-	0.5	(0.9)	(3.2)
EBITDA	27,118	26,296	28,396	30,008
Recurring net profit	17,028	17,424	18,908	19,871
Core EPS (THB)	3.79	3.88	4.21	4.43
Chg. In EPS est. (%)	-	(3.2)	0.0	0.4
EPS growth (%)	13.6	2.3	8.5	5.1
Core P/E (x)	13.4	13.1	12.1	11.5
Dividend yield (%)	4.1	4.3	4.6	4.9
EV/EBITDA (x)	12.9	13.5	12.5	11.6
Price/book (x)	2.3	2.1	2.0	1.8
Net debt/Equity (%)	101.1	99.8	93.6	81.9
ROE (%)	17.7	16.7	16.8	16.4



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	10.9	(1.4)	(18.7)
Relative to country (%)	(0.4)	4.3	(8.1)
Mkt cap (USD m)	6,932		
3m avg. daily turnover (USD m)	12.6		
Free float (%)	66		
Major shareholder	Chirathivat Family (37%)		
12m high/low (THB)	68.75/44.25		
Issued shares (m)	4,488.00		

Sources: Bloomberg consensus; FSSIA estimates



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Investment thesis

Although we trim our 2025 core profit due to an increasingly challenging economic situation in the remainder of the year, especially in the real estate sector, we continue to like CPN for its agile strategic response under uncertainty, solid financial position, and ability to sustain ROE at 16-17%, in line with its three-year average. We also expect CPN to maintain at least the same level of dividend per share as last year, implying a dividend yield of 4-5%.

We lower our long-term growth assumption from 3% to 2.5%, resulting in a decrease in our TP to THB73 (DCF, WACC 7.4%, LTG 2.5%) from THB83. We maintain our BUY rating.

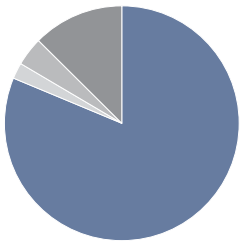
Company profile

Central Pattana PCL is the largest retail property developer in Thailand, with over 40 years of experience. At end-2Q24, CPN managed 42 shopping centers and 17 community malls, seven office buildings, nine hotels, and 35 residential projects. It has a net retail leasable area of 2.3m sqm, with an average 90% occupancy rate.

[www.centralpattana.co.th](http://www.centralpattana.co.th)

Principal activities (revenue, 2024)

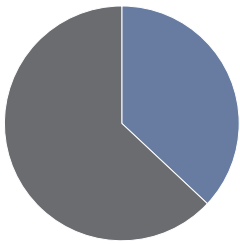
- Revenue from rent and services - 81.3 %
- Revenue from food and beverage - 2.2 %
- Revenue from hotel operation - 4.0 %
- Revenue from residential project - 12.6 %



Source: Central Pattana

Major shareholders

- Chirathivat Family - 37.0 %
- Others - 63.0 %



Source: Central Pattana

Catalysts

Key potential catalysts include 1) NLA expansion with new shopping malls; 2) effective cost control or the ability to pass through increased costs to tenants; and 3) the success of its housing projects.

Risks to our call

Key downside risks to our DCF-derived TP are deviations from our estimates on rental and occupancy rates, returns on its new investments, capex, and interest rates.

Event calendar

Date	Event
19 May 2025	Dividend payment

Key assumptions

	2025E	2026E	2027E
NLA (sqm m)	2.38	2.48	2.61
Retail rental rate (THB/sqm/month)	1,835	1,909	1,985
Rental revenue (THB m)	43,087	45,914	48,203
Hotel revenue (THB m)	1,983	2,156	2,320
Residential revenue (THB m)	4,961	6,209	6,000
Total revenue (THB m)	51,149	55,464	57,767
Blended GPM (%)	54.9	55.0	55.6
SG&A to sales (%)	16.6	16.9	17.0

Source: FSSIA estimates

Earnings sensitivity

- For every 5% increase in rental rates, we project 2025 earnings to rise by 3%, and vice versa, all else being equal.
- For every 1% increase in occupancy rate, we project 2025 earnings to rise by 1%, and vice versa, all else being equal.
- For every 1% increase in SG&A to sales, we project 2025 earnings to drop by 2.8%, and vice versa, all else being equal.

Source: FSSIA estimates

## Exhibit 1: Key changes in assumptions

		Current				Previous			Change		
		2024A	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
<b>Total revenue</b>	<b>(THB m)</b>	<b>49,615</b>	<b>51,149</b>	<b>55,464</b>	<b>57,767</b>	<b>52,923</b>	<b>55,254</b>	<b>57,754</b>	<b>(3.4)</b>	<b>0.4</b>	<b>0.0</b>
NLA	(m sqm)	2.29	2.38	2.48	2.61	2.38	2.48	2.61	0.0	0.0	0.0
Retail rental rate	(THB/month)	1,782	1,835	1,909	1,985	1,835	1,909	1,985	0.0	0.0	0.0
Revenue from rental and service	(THB m)	40,327	43,087	45,914	48,203	43,086	45,912	48,190	0.0	0.0	0.0
Revenue from hotels	(THB m)	1,965	1,983	2,156	2,320	1,983	2,156	2,320	0.0	0.0	0.0
Revenue from residential	(THB m)	6,231	4,961	6,209	6,000	6,236	6,000	6,000	(20.4)	3.5	0.0
<b>Blended GPM</b>	<b>(%)</b>	<b>53.6</b>	<b>54.9</b>	<b>55.0</b>	<b>55.6</b>	<b>54.2</b>	<b>54.7</b>	<b>55.0</b>	<b>0.7</b>	<b>0.3</b>	<b>0.5</b>
Rental and service unit	(%)	56.0	57.0	57.6	57.9	56.7	56.9	57.1	0.3	0.7	0.8
Hotel business	(%)	66.9	66.5	67.0	67.0	65.6	65.4	65.4	0.9	1.6	1.6
Residential property	(%)	34.6	33.0	33.0	33.0	35.5	35.0	35.0	(2.5)	(2.0)	(2.0)
SG&A to sales	(%)	15.1	16.6	16.9	17.0	16.6	16.9	17.0	0.0	0.0	0.0
Investment and other income	(THB m)	3,441	2,991	3,094	3,137	3,271	3,238	3,206	(8.6)	(4.4)	(2.1)
Interest expense	(THB m)	2,506	3,722	3,705	3,768	3,722	3,705	3,768	0.0	0.0	0.0
<b>Core profit</b>	<b>(THB m)</b>	<b>17,028</b>	<b>17,424</b>	<b>18,908</b>	<b>19,871</b>	<b>17,997</b>	<b>18,908</b>	<b>19,785</b>	<b>(3.2)</b>	<b>0.0</b>	<b>0.4</b>
Core profit growth	(%)	14.8	2.3	8.5	5.1	5.7	5.1	4.6			

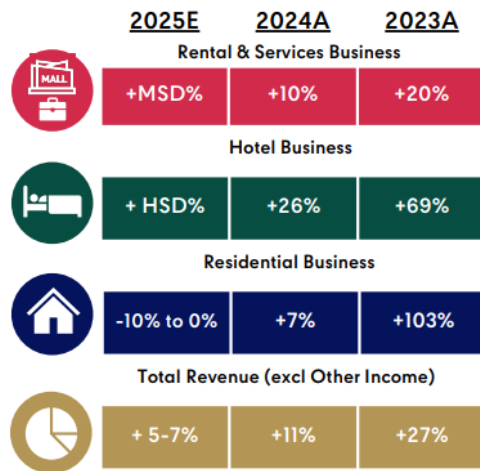
Sources: CPN, FSSIA estimates

## Exhibit 2: DCF-based valuation

Cost of equity assumptions		(%)	Cost of debt assumptions		(%)
Risk-free rate		3.0	Pre-tax cost of debt		3.5
Market risk premium		12.0	Tax rate		20.0
Stock beta		1.0			
Cost of equity, Ke		14.6	Cost of debt, Kd		1.1
Weight applied		38.6	Weight applied		61.4
WACC		7.4			
Terminal growth		2.5			
Sum of PV of FCF		89,470			
PV of Terminal value		312,236			
Enterprise value		401,706			
Net debt		(117,069)			
Investment		52,089			
Minority interest		(9,102)			
Equity value		327,623			
No. of shares		4,488			
<b>Equity value per share</b>		<b>73.00</b>			

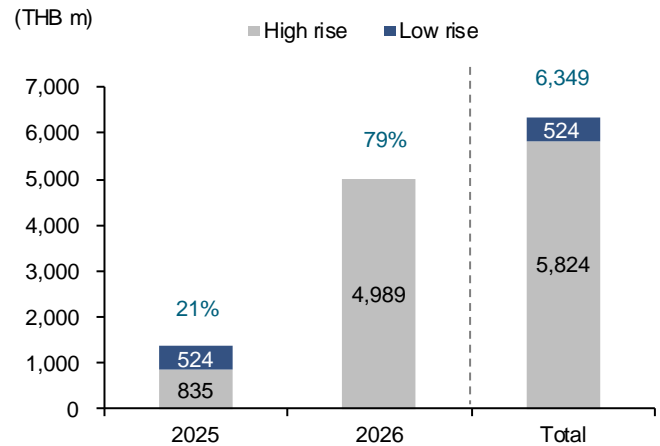
Source: FSSIA estimates

Exhibit 3: Revenue guidance



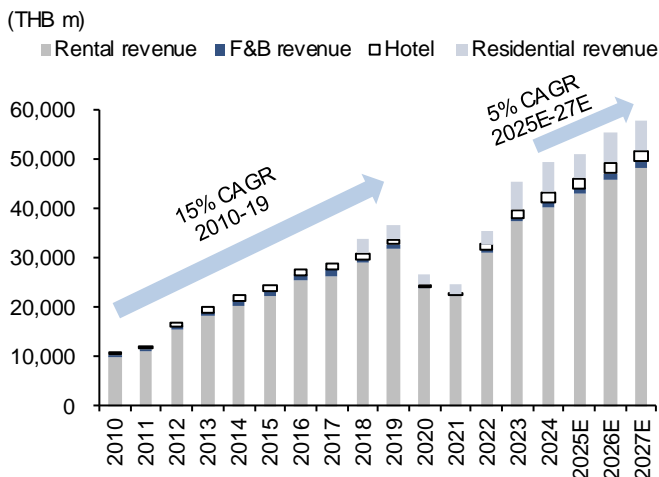
Source: CPN

Exhibit 4: Backlog as of end-1Q25



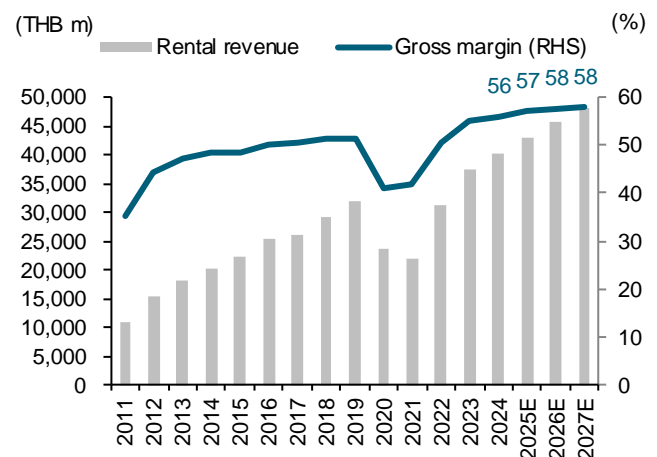
Source: CPN

Exhibit 5: Total revenue structure



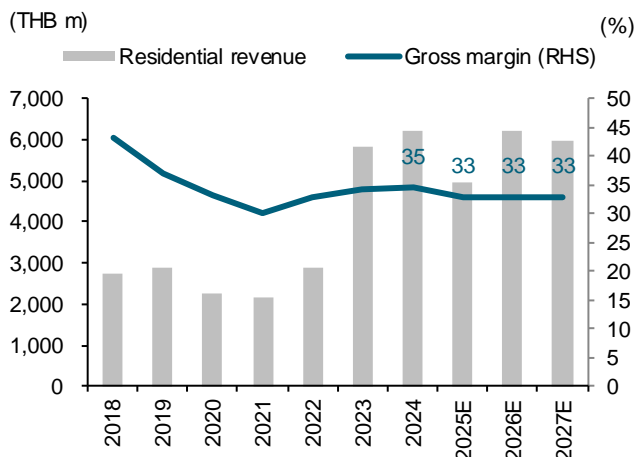
Sources: CPN, FSSIA estimates

Exhibit 6: Rental revenue and gross margin



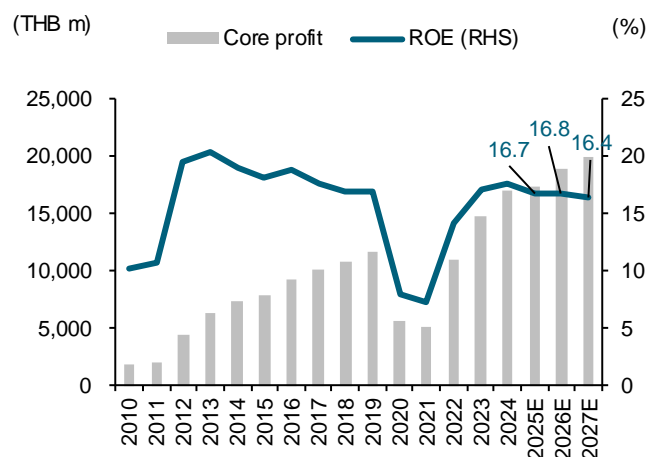
Sources: CPN, FSSIA estimates

Exhibit 7: Residential revenue and gross margin



Sources: CPN, FSSIA estimates

Exhibit 8: Core profit and ROE



Sources: CPN, FSSIA estimates

## Financial Statements

### Central Pattana

Profit and Loss (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Revenue	45,613	49,615	51,149	55,464	57,767
Cost of goods sold	(21,509)	(23,012)	(23,090)	(24,948)	(25,664)
<b>Gross profit</b>	<b>24,104</b>	<b>26,603</b>	<b>28,059</b>	<b>30,516</b>	<b>32,103</b>
Other operating income	-	-	-	-	-
Operating costs	(7,726)	(8,693)	(8,506)	(9,373)	(9,820)
<b>Operating EBITDA</b>	<b>24,924</b>	<b>27,118</b>	<b>26,296</b>	<b>28,396</b>	<b>30,008</b>
Depreciation	(8,546)	(9,208)	(6,743)	(7,254)	(7,725)
Goodwill amortisation	0	0	0	0	0
<b>Operating EBIT</b>	<b>16,379</b>	<b>17,910</b>	<b>19,553</b>	<b>21,143</b>	<b>22,283</b>
Net financing costs	(2,613)	(2,506)	(3,722)	(3,705)	(3,768)
Associates	2,133	2,292	2,221	2,271	2,339
Recurring non-operating income	4,857	5,734	5,212	5,364	5,476
Non-recurring items	71	(300)	0	0	0
<b>Profit before tax</b>	<b>18,693</b>	<b>20,838</b>	<b>21,043</b>	<b>22,802</b>	<b>23,990</b>
Tax	(3,461)	(3,880)	(3,764)	(4,106)	(4,330)
<b>Profit after tax</b>	<b>15,233</b>	<b>16,958</b>	<b>17,279</b>	<b>18,696</b>	<b>19,660</b>
Minority interests	(171)	(229)	145	212	212
Preferred dividends	0	0	0	0	0
Other items	0	0	0	0	0
<b>Reported net profit</b>	<b>15,062</b>	<b>16,729</b>	<b>17,424</b>	<b>18,908</b>	<b>19,871</b>
<b>Non-recurring items &amp; goodwill (net)</b>	<b>(71)</b>	<b>300</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recurring net profit</b>	<b>14,991</b>	<b>17,028</b>	<b>17,424</b>	<b>18,908</b>	<b>19,871</b>
<b>Per share (THB)</b>					
Recurring EPS *	3.34	3.79	3.88	4.21	4.43
Reported EPS	3.36	3.73	3.88	4.21	4.43
DPS	1.80	2.10	2.17	2.36	2.48
Diluted shares (used to calculate per share data)	4,488	4,488	4,488	4,488	4,488
<b>Growth</b>					
Revenue (%)	28.2	8.8	3.1	8.4	4.2
Operating EBITDA (%)	27.1	8.8	(3.0)	8.0	5.7
Operating EBIT (%)	48.1	9.4	9.2	8.1	5.4
Recurring EPS (%)	37.0	13.6	2.3	8.5	5.1
Reported EPS (%)	40.0	11.1	4.2	8.5	5.1
<b>Operating performance</b>					
Gross margin inc. depreciation (%)	52.8	53.6	54.9	55.0	55.6
Gross margin exc. depreciation (%)	71.6	72.2	68.0	68.1	68.9
Operating EBITDA margin (%)	54.6	54.7	51.4	51.2	51.9
Operating EBIT margin (%)	35.9	36.1	38.2	38.1	38.6
Net margin (%)	32.9	34.3	34.1	34.1	34.4
Effective tax rate (%)	21.0	20.0	20.0	20.0	20.0
Dividend payout on recurring profit (%)	53.9	55.3	56.0	56.0	56.0
Interest cover (X)	8.1	9.4	6.7	7.2	7.4
Inventory days	-	-	-	-	-
Debtor days	37.7	27.9	28.8	30.6	31.2
Creditor days	234.2	235.6	206.3	207.7	215.9
Operating ROIC (%)	7.2	7.4	7.7	8.1	8.5
ROIC (%)	6.6	7.0	7.2	7.7	8.0
ROE (%)	17.3	17.7	16.7	16.8	16.4
ROA (%)	6.2	6.6	6.7	7.1	7.3

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

Revenue by Division (THB m)	2023	2024	2025E	2026E	2027E
Revenue from rent and services	37,303	40,327	43,087	45,914	48,203
Revenue from food and beverage	921	1,092	1,118	1,185	1,244
Revenue from hotel operation	1,554	1,965	1,983	2,156	2,320
Revenue from residential project	5,835	6,231	4,961	6,209	6,000

Sources: Central Pattana; FSSIA estimates

## Financial Statements

### Central Pattana

Cash Flow (THB m) Year Ending Dec	2023	2024	2025E	2026E	2027E
Recurring net profit	14,991	17,028	17,424	18,908	19,871
Depreciation	8,546	9,208	6,743	7,254	7,725
Associates & minorities	0	0	0	0	0
Other non-cash items	1,505	(2,154)	(145)	(212)	(212)
Change in working capital	(3,694)	11,983	(263)	(789)	(480)
<b>Cash flow from operations</b>	<b>21,348</b>	<b>36,065</b>	<b>23,759</b>	<b>25,161</b>	<b>26,905</b>
Capex - maintenance	(13,447)	(15,115)	(10,285)	(10,727)	(8,620)
Capex - new investment	0	-	0	0	0
Net acquisitions & disposals	3,760	(530)	(9,731)	(4,246)	623
Other investments (net)	-	-	-	-	-
<b>Cash flow from investing</b>	<b>(9,687)</b>	<b>(15,645)</b>	<b>(20,016)</b>	<b>(14,973)</b>	<b>(7,997)</b>
Dividends paid	(5,182)	(8,179)	(9,757)	(10,588)	(11,128)
Equity finance	(6,494)	825	0	0	0
Debt finance	(33,111)	(12,845)	8,800	232	(7,943)
Other financing cash flows	32,225	-	-	-	-
<b>Cash flow from financing</b>	<b>(12,562)</b>	<b>(20,200)</b>	<b>(957)</b>	<b>(10,356)</b>	<b>(19,071)</b>
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	10,283	0	0	0
<b>Net other adjustments</b>	<b>(160)</b>	<b>10,283</b>	<b>(4,628)</b>	<b>0</b>	<b>0</b>
<b>Movement in cash</b>	<b>(1,061)</b>	<b>10,503</b>	<b>(1,843)</b>	<b>(168)</b>	<b>(163)</b>
Free cash flow to firm (FCFF)	14,273.65	22,925.99	7,463.85	13,892.75	22,676.68
Free cash flow to equity (FCFE)	10,614.75	17,857.09	7,914.25	10,420.04	10,965.06
<b>Per share (THB)</b>					
FCFF per share	3.18	5.11	1.66	3.10	5.05
FCFE per share	2.37	3.98	1.76	2.32	2.44
Recurring cash flow per share	5.58	5.37	5.35	5.78	6.10
<b>Balance Sheet (THB m) Year Ending Dec</b>					
	2023	2024	2025E	2026E	2027E
Tangible fixed assets (gross)	269,554	296,231	306,516	317,243	325,863
Less: Accumulated depreciation	(93,756)	(102,964)	(109,707)	(116,961)	(124,686)
<b>Tangible fixed assets (net)</b>	<b>175,798</b>	<b>193,267</b>	<b>196,809</b>	<b>200,282</b>	<b>201,177</b>
<b>Intangible fixed assets (net)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Long-term financial assets	0	0	0	0	0
Invest. in associates & subsidiaries	42,282	48,165	48,165	48,165	48,165
Cash & equivalents	5,059	15,563	13,720	13,552	13,389
A/C receivable	4,027	4,084	4,926	5,303	5,503
Inventories	0	0	0	0	0
Other current assets	16,459	19,104	19,695	21,357	22,243
<b>Current assets</b>	<b>25,546</b>	<b>38,751</b>	<b>38,342</b>	<b>40,211</b>	<b>41,135</b>
Other assets	36,247	24,053	21,078	19,427	20,234
<b>Total assets</b>	<b>279,873</b>	<b>304,236</b>	<b>304,393</b>	<b>308,086</b>	<b>310,711</b>
Common equity	92,273	100,582	108,248	116,568	125,311
Minorities etc.	8,309	9,247	9,102	8,891	8,679
<b>Total shareholders' equity</b>	<b>100,582</b>	<b>109,829</b>	<b>117,350</b>	<b>125,458</b>	<b>133,990</b>
Long term debt	83,656	103,080	108,623	108,816	102,076
Other long-term liabilities	41,767	53,043	40,337	34,441	35,871
<b>Long-term liabilities</b>	<b>125,423</b>	<b>156,123</b>	<b>148,960</b>	<b>143,257</b>	<b>137,947</b>
A/C payable	9,018	8,799	9,681	10,460	10,760
Short term debt	39,196	23,537	22,166	22,205	21,002
Other current liabilities	5,654	5,948	6,236	6,706	7,014
<b>Current liabilities</b>	<b>53,868</b>	<b>38,284</b>	<b>38,083</b>	<b>39,371</b>	<b>38,775</b>
<b>Total liabilities and shareholders' equity</b>	<b>279,873</b>	<b>304,236</b>	<b>304,393</b>	<b>308,086</b>	<b>310,712</b>
Net working capital	5,815	8,441	8,705	9,494	9,973
Invested capital	260,142	273,927	274,757	277,368	279,549
* Includes convertibles and preferred stock which is being treated as debt					
<b>Per share (THB)</b>					
Book value per share	20.56	22.41	24.12	25.97	27.92
Tangible book value per share	20.56	22.41	24.12	25.97	27.92
<b>Financial strength</b>					
Net debt/equity (%)	117.1	101.1	99.8	93.6	81.9
Net debt/total assets (%)	42.1	36.5	38.5	38.1	35.3
Current ratio (x)	0.5	1.0	1.0	1.0	1.1
CF interest cover (x)	5.1	8.1	3.1	3.8	3.9
<b>Valuation</b>					
	2023	2024	2025E	2026E	2027E
<b>Recurring P/E (x) *</b>	<b>15.3</b>	<b>13.4</b>	<b>13.1</b>	<b>12.1</b>	<b>11.5</b>
<b>Recurring P/E @ target price (x) *</b>	<b>21.9</b>	<b>19.2</b>	<b>18.8</b>	<b>17.3</b>	<b>16.5</b>
Reported P/E (x)	15.2	13.7	13.1	12.1	11.5
Dividend yield (%)	3.5	4.1	4.3	4.6	4.9
Price/book (x)	2.5	2.3	2.1	2.0	1.8
Price/tangible book (x)	2.5	2.3	2.1	2.0	1.8
EV/EBITDA (x) **	14.2	12.9	13.5	12.5	11.6
EV/EBITDA @ target price (x) **	18.2	16.5	17.3	16.0	14.9
EV/invested capital (x)	1.4	1.3	1.3	1.3	1.2
* Pre-exceptional, pre-goodwill and fully diluted    ** EBITDA includes associate income and recurring non-operating income					

Sources: Central Pattana; FSSIA estimates

# Central Pattana PCL (CPN TB)

## FSSIA ESG rating


**81.38 /100**

### Exhibit 3: 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 4: 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
AWC	71.74	--	Y	Y	5.00	5.00	Certified	Low	55.63	AA	--	69.90	73.00	2.11	60.03
CPN	81.38	Y	Y	Y	5.00	5.00	Certified	Low	56.02	BBB	35.00	69.83	81.00	3.67	--
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 5: ESG score by Bloomberg

FY ending Dec 31	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>ESG financial materiality scores - ESG score</b>	<b>2.24</b>	<b>2.42</b>	<b>2.76</b>	<b>3.13</b>	<b>3.12</b>	<b>3.35</b>	<b>3.67</b>	<b>—</b>
BESG environmental pillar score	0.97	1.31	1.29	1.93	1.90	2.22	2.60	—
BESG social pillar score	3.25	3.25	6.78	6.78	6.78	6.78	6.78	—
BESG governance pillar score	4.03	3.91	3.95	3.86	3.90	4.01	4.31	—
<b>ESG disclosure score</b>	<b>50.21</b>	<b>53.42</b>	<b>57.94</b>	<b>58.14</b>	<b>59.45</b>	<b>60.66</b>	<b>60.66</b>	<b>—</b>
Environmental disclosure score	40.65	52.85	54.82	52.85	56.78	56.78	56.78	—
Social disclosure score	28.75	26.18	31.53	34.10	34.10	37.73	37.73	—
Governance disclosure score	81.10	81.10	87.36	87.36	87.36	87.36	87.36	—
<b>Environmental</b>								
Emissions reduction initiatives	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Climate change opportunities discussed	No	No	No	No	No	No	No	No
Risks of climate change discussed	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
GHG scope 1	4	4	4	4	6	7	3	2
GHG scope 2 location-based	202	255	250	258	278	220	185	239
GHG Scope 3	191	270	284	300	305	246	167	365
Carbon per unit of production	0	0	0	0	0	75	54	0
Biodiversity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Energy efficiency policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Total energy consumption	846	930	909	956	1,003	810	718	1,030
Renewable energy use	0	0	1	6	9	13	19	22
Electricity used	846	923	904	951	998	806	715	922
Fuel used - natural gas	—	—	—	—	—	—	—	—

Sources: Bloomberg; FSSIA's compilation



**Exhibit 6: 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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Hazardous waste	—	—	9	—	0	0	0	—
Total waste	67	77	107	84	70	52	45	65
Waste recycled	—	0	0	0	2	2	2	6
Waste sent to landfills	—	—	—	—	68	49	42	53
Environmental supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No
Water policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Water consumption	—	2,536	2,489	2,573	3,071	2,475	2,378	—
<b>Social</b>								
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	No	No	No	No	No	No
Equal opportunity policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Gender pay gap breakout	No	No	Yes	Yes	Yes	Yes	Yes	No
Pct women in workforce	49	49	50	50	50	49	49	—
Pct disabled in workforce	—	—	—	—	—	—	—	—
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	—	—	0	0	0	0	0	—
Training policy	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Fair remuneration policy	No	No	No	No	No	No	No	No
Number of employees – CSR	4,099	4,301	4,658	4,911	5,093	4,863	4,712	4,991
Employee turnover pct	—	—	—	—	—	—	—	—
Total hours spent by firm - employee training	81,980	90,321	116,450	132,597	122,232	53,593	117,800	49,910
Social supply chain management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>Governance</b>								
<b>Board size</b>	<b>12</b>	<b>12</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>14</b>
<b>No. of independent directors (ID)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
No. of women on board	2	1	1	1	1	2	3	4
No. of non-executive directors on board	11	11	10	10	10	11	9	13
Company conducts board evaluations	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
No. of board meetings for the year	6	8	8	8	10	10	9	8
Board meeting attendance pct	96	86	90	99	90	96	98	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	53	54	55	56	57	58	59	—
Age of the oldest director	75	76	77	78	79	80	79	—
<b>No. of executives / company managers</b>	<b>11</b>	<b>12</b>	<b>8</b>	<b>8</b>	<b>9</b>	<b>6</b>	<b>5</b>	<b>7</b>
No. of female executives	6	5	5	5	5	2	2	2
Executive share ownership guidelines	No	No	No	No	No	No	No	No
<b>Size of audit committee</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>
No. of ID on audit committee	4	4	4	4	4	4	4	3
Audit committee meetings	11	11	11	11	11	11	11	8
Audit meeting attendance %	97	98	95	100	100	100	100	96
<b>Size of compensation committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>3</b>
No. of ID on compensation committee	2	2	2	2	2	2	2	2
No. of compensation committee meetings	3	3	2	3	4	3	5	4
Compensation meeting attendance %	89	88	80	100	100	100	100	100
<b>Size of nomination committee</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>3</b>
No. of nomination committee meetings	3	3	2	3	4	3	5	4
Nomination meeting attendance %	89	88	80	100	100	100	100	100
<b>Sustainability governance</b>								
Verification type	No	No	Yes	Yes	Yes	Yes	Yes	Yes

Sources: Bloomberg; FSSIA's compilation



## Disclaimer for ESG scoring

ESG score	Methodology	Rating																			
The Dow Jones Sustainability Indices ( <a href="#">DJSI</a> ) 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 ( <a href="#">SETESG</a> ) by The Stock Exchange of Thailand ( <a href="#">SET</a> )	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.																			
<b>CG Score</b> 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%).																			
<b>AGM level</b> 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.																			
<a href="#">Thai CAC</a> 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.																			
<a href="#">Morningstar Sustainalytics</a>	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 &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+																	
<a href="#">ESG Book</a>	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.																			
<a href="#">MSCI</a>	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><b>AAA</b></td><td>8.571-10.000</td><td rowspan="3"><b>Leader:</b></td><td rowspan="3">leading its industry in managing the most significant ESG risks and opportunities</td></tr><tr><td><b>AA</b></td><td>7.143-8.570</td></tr><tr><td><b>A</b></td><td>5.714-7.142</td></tr><tr><td><b>BBB</b></td><td>4.286-5.713</td><td rowspan="3"><b>Average:</b></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><b>BB</b></td><td>2.857-4.285</td></tr><tr><td><b>B</b></td><td>1.429-2.856</td></tr><tr><td><b>CCC</b></td><td>0.000-1.428</td><td><b>Laggard:</b></td><td>lagging its industry based on its high exposure and failure to manage significant ESG risks</td></tr></table>	<b>AAA</b>	8.571-10.000	<b>Leader:</b>	leading its industry in managing the most significant ESG risks and opportunities	<b>AA</b>	7.143-8.570	<b>A</b>	5.714-7.142	<b>BBB</b>	4.286-5.713	<b>Average:</b>	a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers	<b>BB</b>	2.857-4.285	<b>B</b>	1.429-2.856	<b>CCC</b>	0.000-1.428	<b>Laggard:</b>	lagging its industry based on its high exposure and failure to manage significant ESG risks
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<a href="#">Moody's ESG solutions</a>	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.																				
<a href="#">Refinitiv ESG rating</a>	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>																				
<a href="#">S&amp;P Global</a>	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.																				
<b>Bloomberg</b>	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

Jitra Amornthum FSS International Investment Advisory Securities Co., Ltd

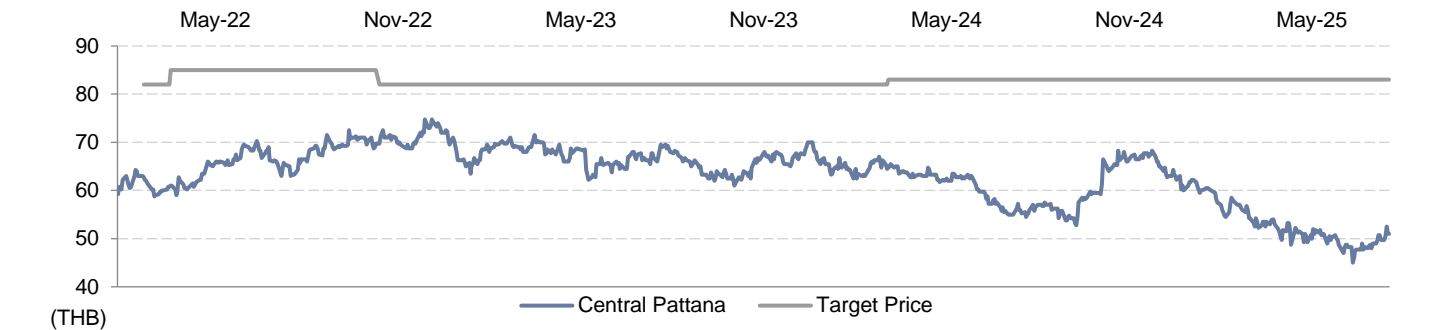
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s)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

Central Pattana (CPN TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
06-Jun-2022	BUY	82.00	23-Dec-2022	BUY	82.00	-	-	-
29-Jun-2022	BUY	85.00	05-Mar-2024	BUY	83.00			

Jitra Amornthum started covering this stock from 23-Dec-2022

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Central Pattana	CPN TB	THB 51.00	BUY	Key downside risks to our DCF-derived TP are deviations from our estimates on rental and occupancy rates, returns on its new investments, capex, and interest rates.

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 09-May-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.