

# LH Hotel

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Leasehold Real Estate Investment Trust

# LHHOTEL

Bloomberg LHHOTEL TB  
Reuters LHHOTEL.BK



## A Grande yield play

We initiate coverage of LHHOTEL with an **OUTPERFORM** rating and DDM-based TP of Bt15/sh (7.1% WACC and no terminal value). We like LHHOTEL for three reasons: 1) five hotels in the trust (three in Bangkok and two in Pattaya) with high-quality as reflected in historical performance, 2) attractive yield at 9.8% in 2024F and 9.5% IRR based on our conservative assumptions and 3) benefit from tourism recovery and a policy rate cut. In the worst case where the rate cut comes later than expected, the recovery in tourism will continue to help support share price. LHHOTEL is now our top pick in the REIT & IFF sector.

**Largest Hotel REIT in Thailand.** LHHOTEL is the largest hotel REIT in Thailand in terms of total asset value and market capitalization. It is invested in five hotels, all in prime locations: *Grande Centre Point Terminal 21* (462 keys with 16 years remaining life), *Grande Centre Point Ratchadamri* (497 keys with 14 years remaining life), *Grande Centre Point Sukhumvit 55* (442 keys with 23 years remaining life), *Grande Centre Point Pattaya* (396 keys with 25 years remaining life) and *Grande Centre Point Space Pattaya* (490 keys with 28 years remaining life). The weighted average life for all properties in the fund is 22.3 years.

**Benefit from tourism recovery and policy rate cut.** The trust has three points of interest. Firstly, it benefits from more tourism. INVX expects international tourists to jump from 28mn in 2023 to 35mn in 2024F and 40mn in 2025F. Secondly, the new assets diversify both its location and target group. After the most recent transaction last year, its EBITDA is almost evenly split between Pattaya and Bangkok from wholly Bangkok in the past. Since the new assets are in Pattaya, also popular with domestic tourists, the trust will be less dependent on international tourists. Lastly, we believe bond yield is at peak and is on the cusp of a downtrend. The peaking of bond yield helps limit downside, while a rate cut is a catalyst.

**Expect 2024F DPU to rise further.** Investors may be concerned that the strong 2023 performance may not hold firm in 2024F. On the contrary, we see continuous and ongoing recovery of the tourism industry. Our assumptions assume DPU of Bt1.16/sh in 2024F from Bt1.15/sh in 2023 based on occupancy rate for all its assets at 80% from 2024F from 85-92% in 2023. This is more conservative than its guidance of a stable occupancy rate. For room rate, we assume 4% growth in 2024F which is in line with guidance of 4-5% growth. Each 5ppt change in occupancy rate either direction in 2024F will affect earnings 8.3%.

**Leading indicator implies strong 1Q24F performance.** Based on the preliminary data from Ministry of Tourism and Sport, the occupancy rate for hotels in Bangkok in 2M24 was 82.9%, improving from 75.5% in 2M23. For Chonburi, the occupancy rate was 85.5% in 2M24, improving from 76.7% in 2M23. This data suggests a strong 1Q24F performance.

**Risks and concerns.** 1) Rising bond yield, 2) special events such as COVID-19 and 3) Strong performance in 2023 may not continue into 2024F.

### Forecasts and valuation

Year to 31 Dec	Unit	2022	2023	2024F	2025F	2026F
Revenue	(Btmn)	674	1,321	1,957	2,014	2,074
EBITDA	(Btmn)	612	1,228	1,794	1,847	1,903
Core profit	(Btmn)	417	949	1,381	1,439	1,542
Reported profit	(Btmn)	711	1,577	1,381	1,439	1,542
Core EPS	(Bt)	0.77	1.58	1.32	1.37	1.47
DPS	(Bt)	0.70	1.15	1.16	1.19	1.11
P/E, core	(x)	15.2	7.5	9.0	8.6	8.0
EPS growth, core	(%)	na.	103.5	(16.5)	4.2	7.2
P/BV, core	(x)	1.0	1.0	1.0	1.0	0.9
ROE	(%)	6.9	10.2	11.1	11.2	11.8
Dividend yield	(%)	5.9	9.7	9.8	10.1	9.4
EV/EBITDA	(x)	19.8	18.4	12.2	11.8	11.3
EBITDA growth	(%)	na.	100.8	46.1	2.9	3.1

Source: InnovestX Research

## Tactical: OUTPERFORM (3-month)

### Stock data

Last close (Mar 28) (Bt)	11.80
Target price (Bt)	15.00
Mkt cap (Btmn)	12.38
Mkt cap (US\$m)	339
Mkt cap (% SET)	0.07
Sector % SET	1.63
Shares issued (mn)	1,049
Par value (Bt)	10.00
12-m high / low (Bt)	12.8 / 9.9
Avg. daily 6m (US\$m)	0.29
Dividend policy (%)	≥ 90

### Share performance

(%)	1M	3M	12M
Absolute	(1.7)	(0.8)	(5.5)
Relative to SET	(1.6)	2.5	11.0

Source: SET, InnovestX Research

### 2023 Sustainability/2022 ESG Score

SET ESG Ratings	n.a.
ESG Bloomberg Score	n.a.
Environmental Score	n.a.
Social Score	n.a.
Governance Score	n.a.

### ESG comment

REIT manager has clear ESG policies, so we do not have see significant issue on ESG for the trust.

Source: Bloomberg Finance L.P.

### Analyst

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### Value proposition

LHHOTEL invests in rights to hotel properties to gain rental, service income and any other type of income offered by these properties with the objective of long-term sustainable return for unitholders. It is regularly investigating further investment to expand its asset base to ensure income growth. Currently LHHOTEL is invested in five hotels.

### Business outlook

LHHOTEL is invested in five hotels (three in Bangkok and two in Pattaya), positioning it to gain as the hotel business continues to recover, particularly given the most recent acquisition of two assets in the tourist destination Pattaya, which also diversifies revenue. INVX expects international tourists to come back to pre-COVID level in 2025F. All its assets are in prime locations and targeted for the luxury segment, where recovery is strong and rapid.

Bullish views	Bearish views
1. Benefits from tourism recovery, which all assets are positioned to capture as they are in prime locations.	1. Although bond yield has peaked, the timing of interest rate cuts is still uncertain.
2. Decent IRR and yield.	2. Strong 2023 operating performance may not continue into 2024F.

### Key catalysts

Factor	Event	Impact	Comment
Latest development	Trust acquired two new hotels in Pattaya.	Positive	This diversifies its income stream and client base.
Near-term earnings outlook	1Q24F earnings momentum.	Stronger QoQ and YoY	Backed by full quarter contribution from new assets acquired in 4Q23.
Factor to be aware in 2024	Number of tourist arrival	Positive/Negative	High tourist arrivals benefit in terms of occupancy and room rate.

### Sensitivity Analysis

Factor	Earnings impact	TP impact
5ppt change in occupancy rate	8.3% in 2024F	Bt0.1/sh.

**Our view on ESG**

The REIT manager recognizes its social obligation and adheres to the policies of business conduct with fairness, anticorruption practice, respect for human rights, fair treatment of employees, consumer responsibility, environmental protection and stewardship, social and community development collaboration, and obtaining and sharing of innovation derived from responsible operation to the society, environment, and the stakeholders.

**ESG Disclosure Score**

<b>Bloomberg ESG Score</b>	<b>n.a.</b>	<b>CG Rating</b>	<b>DJSI</b>	<b>SETESG</b>	<b>SET ESG Ratings</b>
Rank in Sector	n.a.	LHHOTEL	-	No	Yes

Source: Thai Institute of Directors (IOD), SET

**Environmental Issue (E)**

- The Management Company, as the REIT Manager, is committed to preserving and taking good care of the environment as part of its social responsibility policies.
- The Company cooperates in social and community development, with a focus on the environment.
- The Company is dedicated to gaining and disseminating innovation acquired from responsible operations to the environment, as well as to society and its stakeholders.

**Social Issue (S)**

- The Management Company, as the REIT Manager, is aware of its social responsibility and is committed to conducting business with fairness and anti-corruption practices.
- The Company values human rights, treats its workforce fairly, takes responsibility for its consumers, preserves the environment, and cooperates in social and community development.
- The Company is dedicated to gaining and disseminating innovation acquired from responsible operations to society, the environment, and its stakeholders.

**Governance Issue (G)**

- The Management Company adheres strictly to securities laws and regulations set forth by the SEC, the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange of Thailand.
- The Company has established an Investment Advisory Committee and an Investment Committee to deliberate investment matters, and a Fund Supervisor to review its operations.
- The Company is committed to good corporate governance through the preparation of reports on conflicts of interest, the establishment of an appropriate asset management operating system, a code of ethics in asset management business, and other related measures.

**ESG Disclosure Score**

	<b>2022</b>
<b>ESG Disclosure Score</b>	<b>n.a.</b>
<b>Environment</b>	<b>n.a.</b>
<b>Social</b>	<b>n.a.</b>
<b>Governance</b>	<b>n.a.</b>

Source: Bloomberg Finance L.P.

**Disclaimer**

Bloomberg ESG Disclosure Scores rate companies on their level of disclosure of ESG data. Bloomberg offers four disclosure scores, for overall ESG, as well as Environmental, Social, and Governance. To review the fully transparent methodology, calculate disclosure scores for any company, and compare a company's scores vs its peers, see ESG Disclosure Score Model in Bloomberg.

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total revenue	(Btmn)	813	185	19	674	1,321	1,957	2,014	2,074
Cost of goods sold	(Btmn)	(23)	(4)	(3)	(38)	(33)	(109)	(112)	(115)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>789</b>	<b>181</b>	<b>15</b>	<b>636</b>	<b>1,287</b>	<b>1,848</b>	<b>1,902</b>	<b>1,959</b>
SG&A	(Btmn)	(69)	(29)	(21)	(27)	(64)	(55)	(56)	(57)
Other income	(Btmn)	4	2	1	3	5	1	1	1
Interest expense	(Btmn)	(78)	(183)	(184)	(195)	(279)	(413)	(408)	(361)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>647</b>	<b>(29)</b>	<b>(188)</b>	<b>417</b>	<b>949</b>	<b>1,381</b>	<b>1,439</b>	<b>1,542</b>
Corporate tax	(Btmn)	0	0	0	0	0	0	0	0
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
<b>Core profit</b>	<b>(Btmn)</b>	<b>670</b>	<b>(29)</b>	<b>(188)</b>	<b>417</b>	<b>949</b>	<b>1,381</b>	<b>1,439</b>	<b>1,542</b>
Extra-ordinary items	(Btmn)	16	(456)	(236)	295	628	0	0	0
<b>Net Profit</b>	<b>(Btmn)</b>	<b>686</b>	<b>(485)</b>	<b>(424)</b>	<b>711</b>	<b>1,577</b>	<b>1,381</b>	<b>1,439</b>	<b>1,542</b>
EBITDA	(Btmn)	724	154	(5)	612	1,228	1,794	1,847	1,903
<b>Core EPS</b>	<b>(Btmn)</b>	<b>1.24</b>	<b>(0.05)</b>	<b>(0.35)</b>	<b>0.77</b>	<b>1.58</b>	<b>1.32</b>	<b>1.37</b>	<b>1.47</b>
Net EPS	(Bt)	1.27	(0.90)	(0.81)	1.32	2.62	1.32	1.37	1.47
DPS	(Bt)	1.11	0.10	0.00	0.70	1.15	1.16	1.19	1.11

### Balance Sheet

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Total current assets	(Btmn)	243	7	51	309	468	1,032	969	912
Total fixed assets	(Btmn)	0	0	0	0	0	0	0	0
<b>Total assets</b>	<b>(Btmn)</b>	<b>12,669</b>	<b>11,970</b>	<b>11,672</b>	<b>12,320</b>	<b>22,567</b>	<b>23,131</b>	<b>23,068</b>	<b>23,011</b>
Total loans	(Btmn)	5,788	5,788	5,788	5,779	10,168	10,073	9,946	9,626
Total current liabilities	(Btmn)	3,079	3,075	3,214	233	154	345	201	128
Total long-term liabilities	(Btmn)	2,728	2,728	2,728	5,779	10,168	10,073	9,946	9,626
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>5,807</b>	<b>5,802</b>	<b>5,942</b>	<b>6,013</b>	<b>10,322</b>	<b>10,418</b>	<b>10,147</b>	<b>9,754</b>
Paid-up capital	(Btmn)	6,052	6,052	6,052	6,052	11,129	11,129	11,129	11,129
<b>Total equity</b>	<b>(Btmn)</b>	<b>6,862</b>	<b>6,167</b>	<b>5,730</b>	<b>6,307</b>	<b>12,245</b>	<b>12,712</b>	<b>12,921</b>	<b>13,257</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>12.76</b>	<b>11.46</b>	<b>10.65</b>	<b>11.72</b>	<b>11.67</b>	<b>12.12</b>	<b>12.32</b>	<b>12.64</b>

### Cash Flow Statement

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Core Profit	(Btmn)	670	(29)	(188)	417	949	1,381	1,439	1,542
Depreciation and amortization	(Btmn)	0	0	0	0	0	0	0	0
Operating cash flow	(Btmn)	693	347	97	365	918	1,965	1,691	1,819
Investing cash flow	(Btmn)	(4,280)	24	(53)	(385)	(9,671)	(413)	(408)	(361)
Financing cash flow	(Btmn)	3,588	(371)	0	(8)	8,740	(1,009)	(1,357)	(1,526)
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>1</b>	<b>(0)</b>	<b>44</b>	<b>(29)</b>	<b>(13)</b>	<b>542</b>	<b>(74)</b>	<b>(68)</b>

### Key Financial Ratios

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Gross margin	(%)	97.1	97.8	82.0	94.4	97.5	94.4	94.4	94.4
Operating margin	(%)	88.6	82.1	na.	90.5	92.6	91.6	91.7	91.7
EBITDA margin	(%)	89.1	83.2	na.	90.8	93.0	91.7	91.7	91.8
EBIT margin	(%)	89.1	83.2	na.	90.8	93.0	91.7	91.7	91.8
Net profit margin	(%)	84.4	na.	na.	105.6	119.4	70.6	71.5	74.4
ROE	(%)	10.0	na.	na.	11.3	12.9	10.9	11.1	11.6
ROA	(%)	6.1	na.	na.	3.5	5.4	6.0	6.2	6.7
Net D/E	(x)	0.8	0.9	1.0	0.9	0.8	0.7	0.7	0.7
Interest coverage	(x)	9.3	0.8	na.	3.1	4.4	4.3	4.5	5.3
Debt service coverage	(x)	0.2	0.0	na.	3.1	4.4	4.3	4.5	5.3
Payout Ratio	(%)	87.1	na.	0.0	52.9	43.9	88.0	86.6	75.3

### Main Assumptions

FY December 31	Unit	2019	2020	2021	2022	2023	2024F	2025F	2026F
Occ rate. GCPT21	(%)	89	89	27	77	87	80	80	80
ADR GCPT21	(Bt/room/night)	4,048	3,718	3,201	3,749	5,228	5,437	5,600	5,768
Occ rate. GCPRD	(%)	81.5	23.2	20.5	73.4	85.0	80.0	80.0	80.0
ADR GCPRD	(Bt/room/night)	3,824	3,548	3,776	3,467	4,850	5,044	5,195	5,351
Occ rate. GCP55	(%)	83.3	41.2	31.0	68.6	88.0	80.0	80.0	80.0
ADR GCP55	(Bt/room/night)	3,147	2,632	2,813	2,801	3,512	3,652	3,762	3,875
Occ rate. GCPSP	(%)	na.	na.	na.	na.	88.0	80.0	80.0	80.0
ADR GCPSP	(Bt/room/night)	na.	na.	na.	na.	5,861	6,095	6,278	6,467
Occ rate. GCPPTY	(%)	na.	na.	na.	na.	92.0	80.0	80.0	80.0
ADR GCPPTY	(Bt/room/night)	na.	na.	na.	na.	4,177	4,344	4,474	4,609

## Financial statement

### Profit and Loss Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total revenue	(Btmn)	0	158	229	287	291	277	313	440
Cost of goods sold	(Btmn)	(1)	(1)	(14)	(22)	(9)	(16)	(5)	(3)
<b>Gross profit</b>	<b>(Btmn)</b>	<b>(1)</b>	<b>157</b>	<b>215</b>	<b>264</b>	<b>282</b>	<b>261</b>	<b>308</b>	<b>437</b>
SG&A	(Btmn)	(5)	(7)	(7)	(7)	(11)	(13)	(17)	(24)
Other income	(Btmn)	0	1	0	1	0	1	0	3
Interest expense	(Btmn)	(42)	(43)	(43)	(68)	(60)	(62)	(64)	(93)
<b>Pre-tax profit</b>	<b>(Btmn)</b>	<b>(48)</b>	<b>109</b>	<b>165</b>	<b>190</b>	<b>212</b>	<b>187</b>	<b>228</b>	<b>323</b>
Corporate tax	(Btmn)	0	0	0	0	0	0	0	0
Equity a/c profits	(Btmn)	0	0	0	0	0	0	0	0
Minority interests	(Btmn)	0	0	0	0	0	0	0	0
<b>Core profit</b>	<b>(Btmn)</b>	<b>(48)</b>	<b>109</b>	<b>165</b>	<b>190</b>	<b>212</b>	<b>187</b>	<b>228</b>	<b>323</b>
Extra-ordinary items	(Btmn)	0	162	132	1	1	199	147	281
<b>Net Profit</b>	<b>(Btmn)</b>	<b>(48)</b>	<b>271</b>	<b>297</b>	<b>191</b>	<b>212</b>	<b>386</b>	<b>375</b>	<b>604</b>
EBITDA	(Btmn)	(6)	152	208	258	271	248	292	416
<b>Core EPS</b>	<b>(Btmn)</b>	<b>(0.09)</b>	<b>0.20</b>	<b>0.31</b>	<b>0.35</b>	<b>0.39</b>	<b>0.35</b>	<b>0.42</b>	<b>0.42</b>
Net EPS	(Bt)	(0.09)	0.50	0.55	0.35	0.39	0.72	0.70	0.81

### Balance Sheet

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Total current assets	(Btmn)	17	175	240	309	318	293	323	468
Total fixed assets	(Btmn)	0	0	0	0	0	0	0	0
<b>Total assets</b>	<b>(Btmn)</b>	<b>11,668</b>	<b>11,983</b>	<b>12,320</b>	<b>12,320</b>	<b>12,269</b>	<b>12,482</b>	<b>12,653</b>	<b>22,567</b>
Total loans	(Btmn)	5,788	5,788	5,788	5,779	5,770	5,753	5,739	10,168
Total current liabilities	(Btmn)	3,258	3,301	3,341	233	222	199	349	154
Total long-term liabilities	(Btmn)	2,728	2,728	2,728	5,779	5,770	5,753	5,739	10,168
<b>Total liabilities</b>	<b>(Btmn)</b>	<b>5,986</b>	<b>6,029</b>	<b>6,069</b>	<b>6,013</b>	<b>5,992</b>	<b>5,953</b>	<b>6,088</b>	<b>10,322</b>
Paid-up capital	(Btmn)	6,052	6,052	6,052	6,052	6,052	6,052	6,052	11,129
<b>Total equity</b>	<b>(Btmn)</b>	<b>5,683</b>	<b>5,954</b>	<b>6,251</b>	<b>6,307</b>	<b>6,277</b>	<b>6,529</b>	<b>6,565</b>	<b>12,245</b>
<b>BVPS</b>	<b>(Bt)</b>	<b>10.56</b>	<b>11.07</b>	<b>11.62</b>	<b>11.72</b>	<b>11.67</b>	<b>12.14</b>	<b>12.20</b>	<b>11.67</b>

### Cash Flow Statement

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Core Profit	(Btmn)	(48)	109	165	190	212	187	228	323
Depreciation and amortization	(Btmn)	0	0	0	0	0	0	0	0
Operating cash flow	(Btmn)	23	24	165	133	235	223	388	47
Investing cash flow	(Btmn)	32	67	(79)	(29)	(142)	(141)	(302)	(5,034)
Financing cash flow	(Btmn)	(91)	(91)	(91)	(91)	(91)	(91)	(91)	4,986
<b>Net cash flow</b>	<b>(Btmn)</b>	<b>(36)</b>	<b>(1)</b>	<b>(5)</b>	<b>13</b>	<b>2</b>	<b>(9)</b>	<b>(6)</b>	<b>(1)</b>

### Key Financial Ratios

FY December 31	Unit	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23
Gross margin	(%)	na.	99.5	93.9	92.2	96.9	94.2	98.4	99.2
Operating margin	(%)	na.	95.2	90.8	89.6	93.3	89.5	93.2	93.8
EBITDA margin	(%)	na.	95.9	91.0	89.9	93.3	89.8	93.3	94.6
EBIT margin	(%)	na.	95.9	91.0	89.9	93.3	89.8	93.3	94.6
Net profit margin	(%)	na.	171.5	129.8	66.6	73.0	139.4	119.6	137.3
ROE	(%)	na.	7.3	10.9	12.6	14.2	12.0	14.2	13.9
ROA	(%)	na.	3.7	5.5	6.3	7.1	6.1	7.3	7.4
Net D/E	(x)	1.0	1.0	0.9	0.9	0.9	0.9	0.9	0.8
Interest coverage	(x)	na.	3.6	4.8	3.8	4.6	4.0	4.5	4.5
Debt service coverage	(x)	na.	0.2	0.3	3.8	4.6	4.0	4.5	4.5

**Leader in Thailand hotel REIT**  
**Current assets under the trust**

**1) Grande Center Point Terminal 21 (GCPT21):** The trust invested in the leasehold rights of *Grande Center Point Terminal 21 Hotel*, a 28-storey building with two basement floors in Bangkok. The building is currently being used as a hotel and has a total rental area of 47,298 sq.m., including parking spaces and utility systems. These systems include electrical, water, telephone, elevators, escalators, air conditioning and other engineering systems typically installed and used in hotels. The remaining leasehold life is approximately 16 years and will expire on August 31, 2040.

GCPT21 is located near Terminal 21 Shopping Center, close to the Asoke intersection, BTS Asoke station and MRT Sukhumvit station. It is conveniently located on Sukhumvit Road, near office buildings, department stores, hotels, and residential buildings, as well as a park and convention center in the city center.

The hotel has a total of 462 rooms. Room types include studio, with 359 rooms and an area of 30-43 sq.m., one-bedroom with 91 rooms and an area of 63-66 sq.m. and superior with 12 rooms and an area of 126 sq.m.

**Figure 1: GCPT21 is located in central Bangkok**



Source: Trust data and InnovestX Research

**Figure 2: GCPT21 is adjacent to shopping malls**



Source: Trust data and InnovestX Research

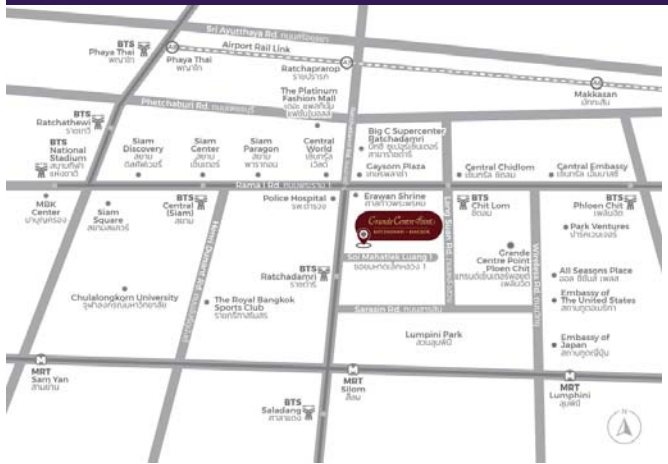
**2) Grande Centre Point Hotel Ratchadamri (GCPRD):** The trust also invested in GCPRD, a 49-storey residential building in Bangkok used as a hotel. The remaining sublease right is 14 years.

GCPRD is located on Ratchadamri Road in Bangkok, near the Ratchadamri BTS station and surrounded by office buildings, shopping malls, hotels, and residential buildings. It is also close to public parks and convention centers in the heart of the city, making it a convenient location for travelers.

GCPRD has a total of 497 rooms: 181 are studio, with an area of 44-54 sq.m., 255 are one-bedroom with an area of 65-72 sq.m., 36 are two-bedroom with an area of 111 sq.m., 15 are three-bedroom with an area of 147-179 sq.m., and 10 are superior with an area of 200-232 sq.m.



**Figure 3: GCPRD located in city center**



Source: Trust data and InnovestX Research

**Figure 4: GCPRD building**



Source: Trust data and InnovestX Research

**3) Grande Centre Point Hotel Sukhumvit 55 (GCPS55):** The trust's second investment was the leasehold rights of *Grande Centre Point Hotel Sukhumvit 55*. The leasehold rights are owned by LHMH until March 31, 2047. The hotel is situated in Thonglor, an upscale neighborhood in Bangkok, providing easy access to high-end restaurants, cafes, bars and clubs, as well as luxury condominiums, shopping malls, and office buildings. The hotel is located near a BTS skytrain station, providing convenient access to other parts of the city.

There are a total of 442 rooms which are divided into two types: 374 are studios, with an area of 40 sq.m. each, and 68 rooms are one-bedroom, with an area of 70 sq.m. each.

**Figure 5: GCPRD located in city center**



Source: Trust data and InnovestX Research

**Figure 6: GCPRD building**



Source: Trust data and InnovestX Research

**4) Grande Centre Point Space Pattaya (GCSPT):** The trust leased immovable properties, excluding land, from LHMH. The lease term is ~28 years with the lease ending on August 31, 2052. Currently, this property is used for a hotel and related activities, offering 490 rooms with a total area of ~73,057 sq.m.

*Grande Center Point Space Pattaya Hotel* is located in the prime business district of Chonburi Province with restaurants, shopping centers, and high-end hotels and only 700 meters from Pattaya Beach, as shown in the map below.

**Figure 7: The project is in a prime location in Pattaya**



Source: Trust data and InnovestX Research

**Figure 8: Exterior of the project**



Source: Trust data and InnovestX Research

**5) Grande Centre Point Hotel Pattaya (GCPPTY):** The trust leased the facility (excluding land) from LHMH, including buildings and other structures located on the hotel’s grounds. This hotel is a 25-storey building. The lease encompasses all components of the hotel building, including all utilities work and facilities, as well as any rights associated with or related to the property. The lease term is set for ~25 years, expiring on January 13, 2049. The property is currently used for a 396-room hotel and related businesses and covers a total area of ~41,022 sq.m.

*Grande Center Point Pattaya Hotel* is situated in the same area as Terminal 21 Pattaya Shopping Center, as shown in the map below.

**Figure 9: The project is in a prime location in Pattaya**



Source: Trust data and InnovestX Research

**Figure 10: Exterior of the project**



Source: Trust data and InnovestX Research

**Rental structure**

The rental structure is broken down into fixed and variable rent. For GCPT21, GCPRD and GCPS55, the fixed rent ranges from Bt215-275mn per year and the variable rent is set at 85% of EBITDA after deducting the fixed rent. For GCPSP and GCPPTY, the fixed rent is Bt136-270mn per year and the variable rent will be 90% of EBITDA after deducting the fixed rent.



**Figure 11: Rental structure**

	GCPT21, GCPRD and GCPS55	GCPSPT and GCPPTY
<b>Fixed Rent</b>	<b>Year 2024:</b> GCPT21 = Bt275mn per year GCPRD = Bt215mn per year GCPS55 = Bt224mn per year Fixed rent under each sublease contract renewal will be an average of the preceding 3-year fixed rent	<b>Year 2024:</b> GCPSPT = Bt270mn per year GCPPTY = Bt136mn per year Fixed rent under each sublease contract renewal will increase by 2% every 3 years (i.e., from the preceding contract's fixed rent)
<b>Variable Rent</b>	85% x (EBITDA – fixed rent)	90% x (EBITDA – fixed rent)

Source: Trust data and InnovestX Research

The rental structure also has conditions that cover occurrences that negatively impact revenue such as COVID-19, fire and flood, etc. Details are provided in the table below.

**Figure 12: Rental structure under special events**

Conditions for rental payment		
	LHHOTEL asset Room revenue (YoY)	Peers RevPAR (YoY)
<b>Impact on LHHOTEL but not industry-wide (property damage e.g., fire, flood)</b>		
Postponement	- 20% to - 50%	N/A
Waiver	≥ - 50%	N/A
<b>Impact on LHHOTEL and industry-wide (e.g., COVID-19)</b>		
Postponement	- 20% to - 50%	≥ - 15%
	≥ - 50%	- 15% to - 30%
Waiver	≥ - 50%	≥ - 30%

Source: Trust data and InnovestX Research

## Industry outlook

### Thai tourism industry: 2024 arrivals growth hinges on China market recovery.

According to official data from the Ministry of Tourism and Sports, Thai tourism recovery is clearly on track with international tourist arrivals in 2023 of 28.2mn, 71% of pre-COVID-19 level. By market, recovery in source markets ex-China is stronger at 24.6mn in 2023 (85% of pre-COVID-19 level) while the China market was at 3.5mn arrivals in 2023 (32% of pre-COVID-19 level). Malaysia is the largest source market for Thai tourism at 4.6mn arrivals, 110% of pre-COVID-19 level and at 16% of total arrivals in 2023 (above 2019's 11%), followed by China (13% of arrivals in 2023), South Korea (6%), India (6%), Russia (5%) and Vietnam (4%).

**Figure 13: Strong recovery in source markets ex-China while China market is improving**

	No. of arrivals	% contribution		% to pre-COVID-19 level												
		2019	2023	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	2023
Malaysia	4,626,422	11%	16%	106%	94%	114%	122%	111%	117%	118%	114%	117%	99%	109%	106%	110%
China	3,521,095	28%	13%	9%	15%	27%	37%	36%	37%	42%	34%	33%	35%	39%	50%	32%
Korea	1,660,042	5%	6%	81%	85%	80%	81%	92%	87%	91%	81%	91%	85%	95%	106%	88%
India	1,628,542	5%	6%	63%	81%	73%	81%	86%	82%	78%	76%	91%	88%	86%	93%	82%
Russia	1,482,611	4%	5%	88%	97%	91%	107%	105%	110%	139%	144%	132%	101%	97%	92%	100%
Vietnam	1,033,688	3%	4%	127%	92%	100%	89%	100%	88%	97%	113%	105%	97%	87%	103%	99%
Singapore	1,027,424	3%	4%	93%	86%	97%	89%	102%	104%	98%	91%	102%	97%	104%	96%	97%
USA	930,206	3%	3%	71%	85%	77%	77%	75%	79%	82%	76%	78%	79%	85%	88%	80%
Laos	919,401	5%	3%	57%	41%	42%	47%	52%	47%	49%	51%	49%	53%	52%	56%	50%
United Kingdom	817,220	2%	3%	79%	81%	89%	74%	80%	75%	75%	73%	76%	80%	92%	102%	82%
Japan	805,768	5%	3%	30%	40%	38%	30%	46%	45%	49%	51%	52%	43%	56%	52%	45%
Hong Kong	802,368	3%	3%	99%	52%	75%	76%	70%	74%	87%	82%	79%	77%	73%	77%	77%
Indonesia	762,118	2%	3%	83%	94%	87%	108%	133%	96%	107%	112%	120%	114%	112%	127%	107%
Germany	729,163	2%	3%	75%	79%	79%	73%	113%	74%	73%	85%	89%	90%	96%	102%	85%
Taiwan	724,594	2%	3%	78%	60%	73%	86%	91%	102%	100%	102%	97%	96%	101%	115%	92%
Australia	687,745	2%	2%	81%	88%	93%	79%	86%	90%	85%	90%	87%	88%	104%	107%	89%
Cambodia	583,708	2%	2%	62%	62%	66%	62%	60%	74%	72%	72%	53%	59%	72%	63%	64%
France	545,003	2%	2%	68%	65%	62%	63%	82%	74%	74%	70%	78%	79%	90%	89%	73%
Philippines	461,251	1%	2%	85%	85%	90%	71%	85%	102%	106%	97%	99%	89%	94%	99%	92%
Myanmar	394,134	1%	1%	104%	78%	82%	90%	100%	112%	109%	121%	114%	107%	113%	130%	105%
Markets ex. China	24,628,921	72%	87%	78%	77%	80%	81%	89%	87%	89%	87%	90%	85%	91%	92%	85%
China	3,521,095	28%	13%	9%	15%	27%	37%	36%	37%	42%	34%	33%	35%	39%	50%	32%
Total	28,150,016	100%	100%	58%	59%	65%	68%	74%	73%	75%	71%	73%	71%	79%	83%	71%

Source: Ministry of Tourism and Sports and InnovestX Research

Thailand welcomed 3.0mn international tourists in January and 3.4mn in February, reaching 82% and 93% of pre-COVID-19 level, respectively. The Thai government continues to focus on boosting Thai tourism to stimulate the economy, particularly in China. Thailand originally waived visas for Chinese tourists for September 2023–February 2024, but has now agreed with China for a permanent bilateral visa-free entry from March 1, 2024, which is likely to boost tourists even more. The current visa waiver met with strong response, with tourists from China climbing from 34% of pre-COVID-19 in August 2023 to 50% in December 2023 and 63% in February 2024.

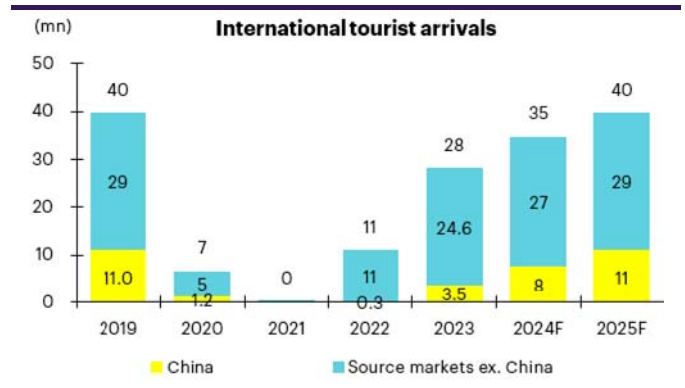
We maintain our forecast of 35mn international tourist arrivals in 2024, up 24% YoY to 87% of pre-COVID-19. This is spurred by recovery in the China market (at 8mn arrivals, 70% of pre-COVID-19 level); other source markets ex-China will continue to grow, but at a more normal growth of 27mn arrivals (94% of pre-COVID-19 level). We expect the number of international tourist arrivals to return to pre-COVID-19 level of 40mn in 2025.

**Figure 14: International arrivals continue to rise**



Source: Ministry of Tourism and Sports and InnovestX Research

**Figure 15: INVX expects tourists to reach pre-COVID level in 2025F**



Source: Ministry of Tourism and Sports and InnovestX Research

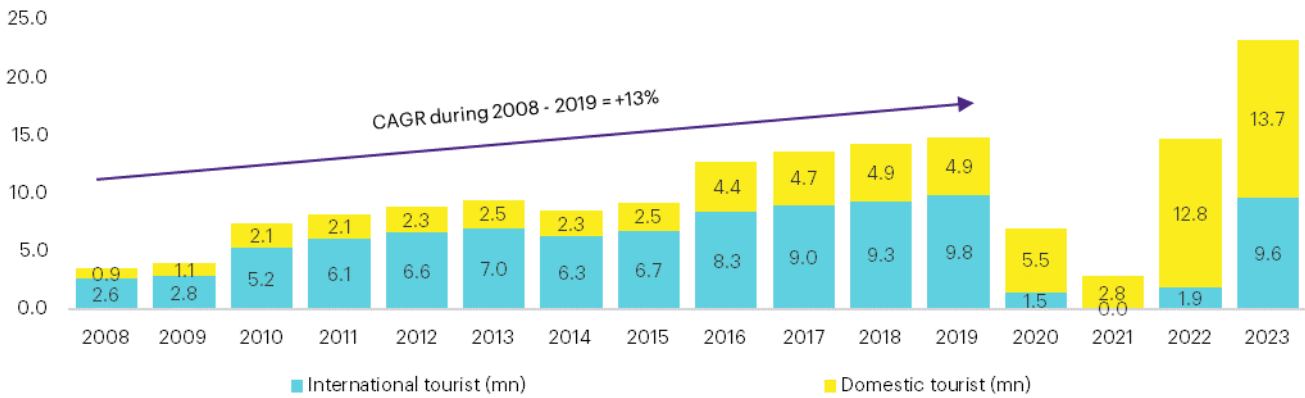
**Pattaya tourism market is in recovery mode**

Pattaya is one of Thailand’s primary tourist destinations, famous for its nightlife, beach activities and lively tourist attractions. Each area of Pattaya has a specific character and charm. It is easily accessible at only 1.5 hours from Bangkok.

Pattaya City was severely impacted by the COVID-19 outbreak, as were tourist attractions throughout Thailand and the rest of the world. In 2021, only 2.8mn tourists visited, 99% domestic. However, once travel restrictions in Thailand were lifted, Chonburi saw a significant recovery in 2022, bouncing back to pre-COVID-19 levels. Over 14.6mn tourists visited, 87% of them domestic. Historically, the Pattaya tourism market relies heavily on foreign tourists at an average 70% of total visitors. Domestic demand has been on the rise since 2016, with Pattaya seen as an excellent way to get a break from Bangkok’s traffic. It also offers opportunities for affordable conferences and seminars. The majority of hotel bookings are made by leisure travelers, with business tourists in Pattaya quite low. Typically, stays are short, averaging 4.1 days for domestic visitors and 2.4 days for international in 2019. Pattaya also has some serviced apartments that primarily cater to Japanese working in nearby industrial estates.

After the COVID-19 outbreak, Pattaya's primary tourist market is expected to shift to visitors from nearby countries (flights of less than six hours) such as India, South Korea, Taiwan, and Japan. Although China reopened in January 2023, a surge in Chinese tourists to Thailand and Pattaya is not expected until the latter half of 2023 as Chinese travelers face various challenges, including passport renewals, limited flight availability, and labor shortages.

**Figure 16: Number of tourists to Pattaya**



Source: Trust data and InnovestX Research

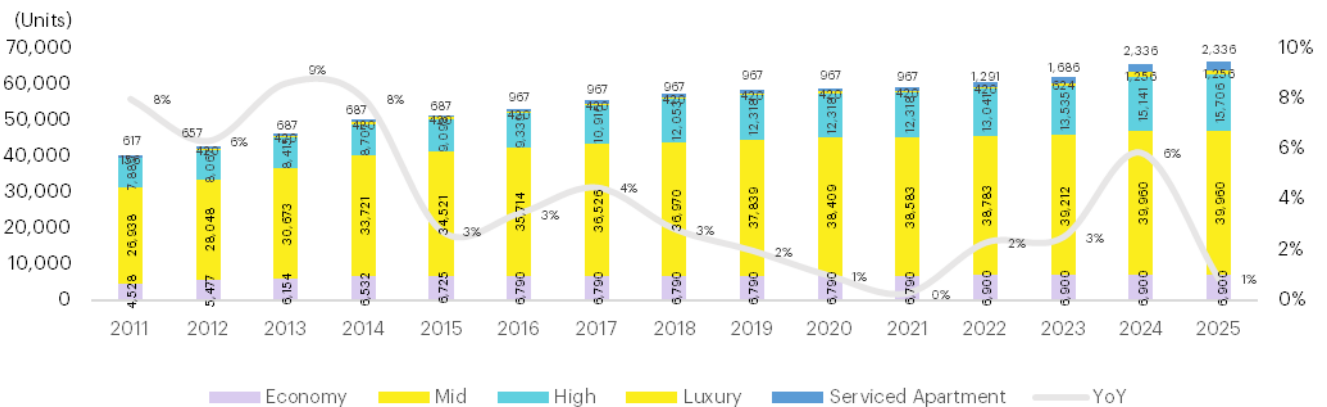
**New hotel supply in Pattaya is increasing**

From 2011 to 2022, hotel rooms affiliated with international brands (or their equivalent) grew at an average annual rate of 3.5%. By end-2022, there were 60,435 hotel rooms, some at newly established hotels. Launches in 2022 included *Grand Centre Point Space Pattaya* (490 rooms), *Courtyard by Marriott North Pattaya* (233 rooms) and *TJ Hotel Pattaya* (110 rooms).

Between 2023 and 2025, the supply of hotel rooms in Pattaya is projected to grow at an average annual rate of 2.2%, with the most material growth in luxury hotels and serviced apartments at 26% and 11.5% respectively. In total, over 5,700 new hotel rooms are anticipated to be added to the Pattaya market by 2025. 2023 brought over 3,636 new rooms, largely attributed to the *Aquatique The Beachfront Pattaya* project, currently under construction in Central Pattaya. This development will feature three hotels: *JW Marriott The Pattaya Beach Resort and Spa* (398 rooms), *Pattaya Marriott Marquis* (900 rooms), and *Aquatique Pattaya, Autograph Collection Hotel* (306 rooms).

Over the next three years, three new luxury hotel projects are slated to open in Pattaya, two of which are part of the Aquatique project: *Andaz Pattaya Jomtien* (211 rooms) and *Vineyard Collection Pattaya* (234 rooms). The third is *JW Marriott The Pattaya Beach Resort & Spa*, with 398 rooms.

**Figure 17: Hotel supply outlook in Pattaya**



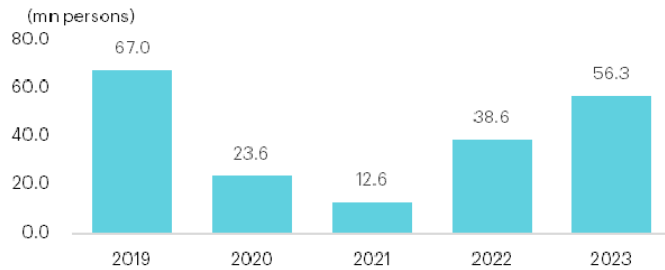
Source: Trust data and InnovestX Research

## Investment highlights

### Capturing the tourism recovery with strong asset performance

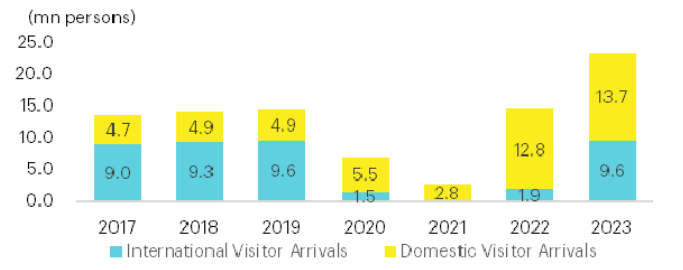
The relaxation of international travel restrictions has led Thailand’s tourism sector to a strong recovery, with an upward trend in the number of flights arriving from overseas, especially when China reopened, allowing more travelers to visit from China.

**Figure 18: No. of visitors to Bangkok (mn persons)**



Source: Ministry of Tourism and Sports

**Figure 19: No. of visitors to Pattaya (mn persons)**



Source: Ministry of Tourism and Sports

With LHHOTEL's assets positioned in the upper and luxury hotel segment, performance has been strong from 2022 to 2023, with notable gains in key performance metrics including occupancy rates and ADRs, outperforming pre-COVID level, reflecting robust growth and demonstrating resilience in the post-COVID landscape.

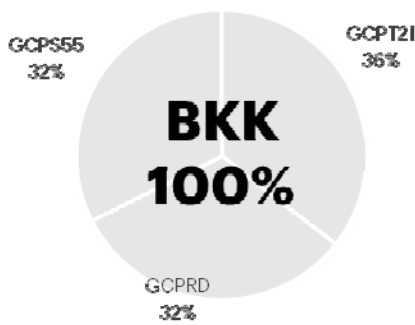
### More diversified income stream

All the existing assets are located in prime areas of Bangkok, able to capture traffic in different locations, but all close to public transportation and key attractions.

The new assets are located in the heart of North Pattaya, a prime tourism destination for both Thai and foreign tourists.

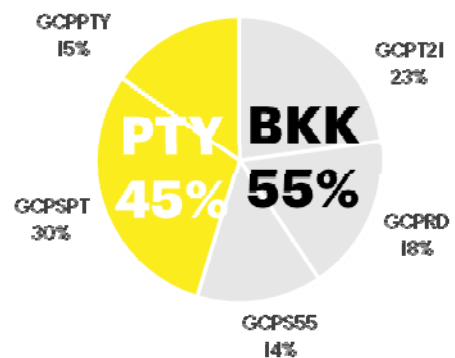
LHHOTEL’s portfolio after the transaction will be well-balanced between city hotels in Bangkok and resort hotels in Pattaya.

**Figure 20: Pre-transaction assets**



Source: Trust data

**Figure 21: Post-transaction assets (based on EBITDA)**

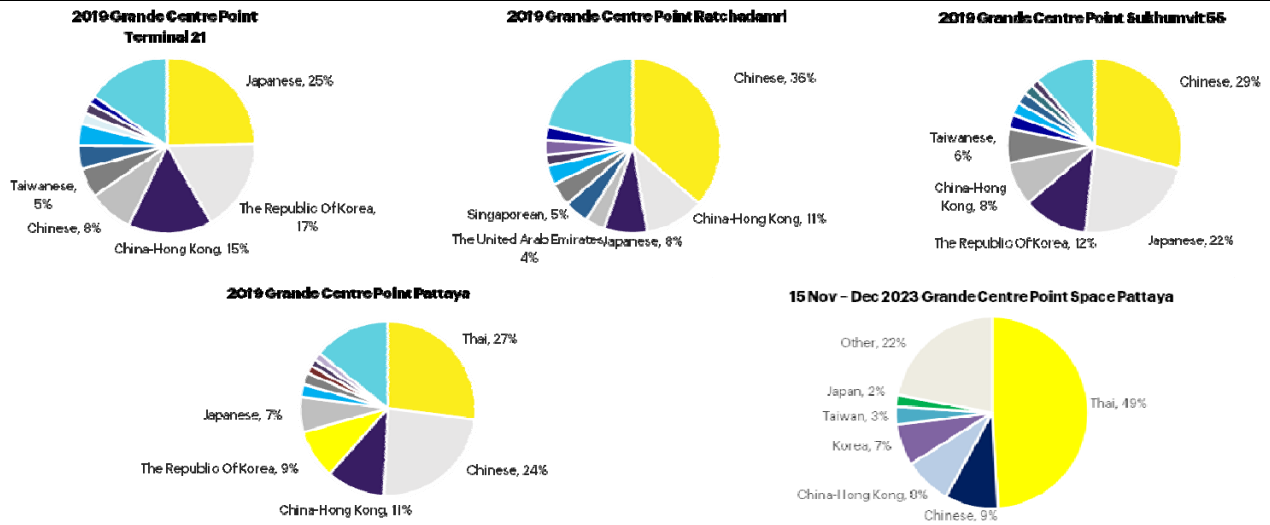


Source: Trust data

The new assets will not only offer the benefit of location diversification, but also diversify the target group. Since the new assets are located outside of Bangkok, they will attract more Thai domestic tourists and be less dependent on tourists from outside the country. Historically, most of its guests pre-COVID were from China and Japan. Following China’s reopening, tourists from China are expected to return and further enhance the performance of LHHOTEL from 2023 going forward.



**Figure 22: More target group diversification after acquiring new assets**



Source: Trust data

**Bond yield is getting closer to a downtrend and yield spread is attractive**

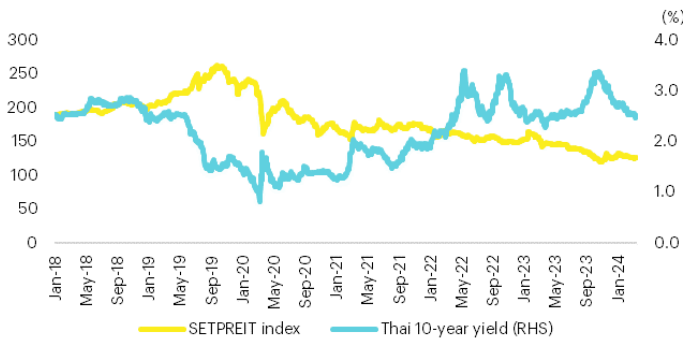
Historically, rising bond yield is negative for REIT stocks as it makes REIT yield less attractive. Since 10-year Thai government bond yield is highly correlated with 10-year US government bond yield and INVX expects Fed to start cutting rates in June this year, with four cuts in 2024, a peaking in bond yield helps limit the downside for REIT stocks. In Thailand, INVX expects the central bank to cut policy rate by 50bps in 2024, with a 25bps cut in April and another 25bps cut in June. A peaked yield helps limit downside while a rate cut would be a catalyst.

**Figure 23: High correlation between US and Thai 10-year bond yield**



Source: Bloomberg Finance L.P., InnovestX Research

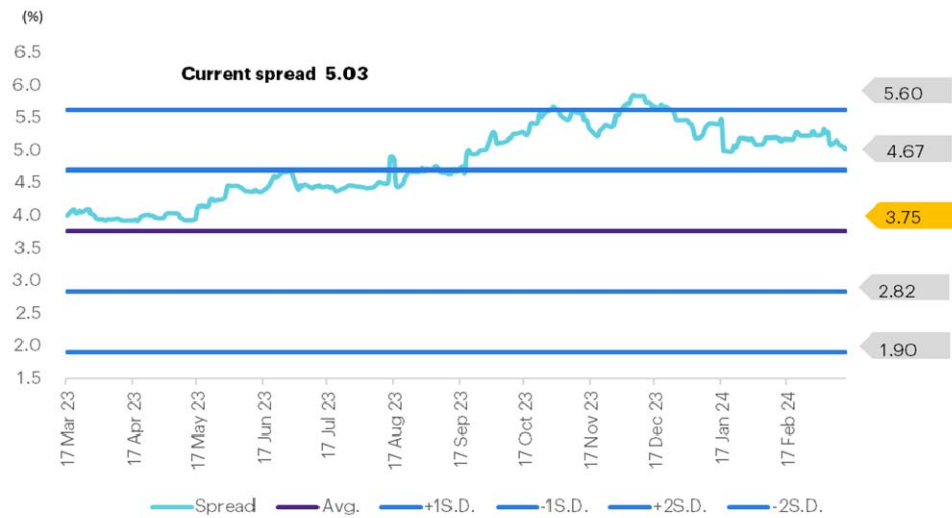
**Figure 24: Rising bond yield is negative to REIT stocks**



Source: Bloomberg Finance L.P., InnovestX Research

In addition to limited downside, we see the current dividend yield level as also attractive. We look at the yield spread (the difference between dividend yield of the REIT sector and 10-year Thai government bond yield) and see it is at +1.5SD or at 5%, suggesting that the current yield level is decent. Note that the higher the spread, the more attractive the dividend yield.

**Figure 25: Yield spread is attractive**



Source: Bloomberg Finance L.P., InnovestX Research

**Financial outlook**

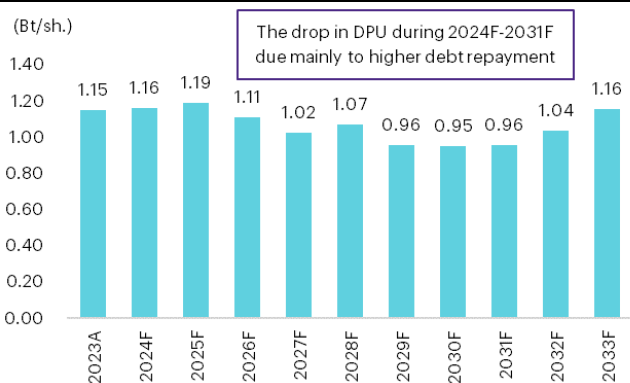
**Expected DPU of Bt0.95-1.19/sh during 2024F-2033F and IRR of 9.5%**

Both existing assets and proposed new assets performed strongly in 2023 with occupancy and room rates surpassing 1H19 (pre-COVID) level, backed by robust demand from both domestic and international tourists, as well as each hotel’s specific selling points.

In our model, we conservatively assume a decline in the occupancy rate for all the assets to 80% from 2024F. We believe 2023 was exceptional due to pent-up demand as tourism enters recovery mode. In 2024F-2025F, we expect the tourism industry to continue growing, but at a more moderate rate before international arrivals returns to pre-COVID level of 40mn, expected in 2025F.

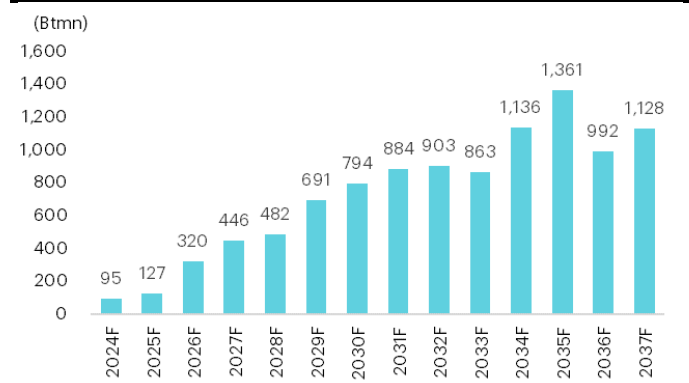
For rental rate, we project 4% growth in 2024F (in line with LHHOTEL guidance of 4-5%), which will then normalize to 3% in years following. This leads to a forecast DPU for the trust post-transaction of Bt0.95-1.19/sh from 2024F-2033F. The drop in DPU in 2024F-2030F reflects higher debt repayment, as hotel revenue is still in an uptrend. Despite the dip in DPU, yield is still decent.

**Figure 26: Decent DPU**



Source: Trust data., InnovestX Research

**Figure 27: Debt repayment schedule**



Source: Trust data, InnovestX Research

**Figure 28: Key assumptions**

	2019	2020	2021	2022	2023	2024F	2025F	2026F	2027F
<b>Existing assets</b>									
<b>Grande Centre Point Terminal 21</b>									
Occupancy rate (%)	89	89	27	77	87	80	80	80	80
ADR (Bt/room/night)	4,048	3,718	3,201	3,749	5,228	5,437	5,600	5,768	5,941
%YoY growth		(8.1)	(13.9)	17.1	39.4	4.0	3.0	3.0	3.0
<b>Grande Centre Point Hotel Ratchadamri</b>									
Occupancy rate (%)	81	23	21	73	85	80	80	80	80
ADR (Bt/room/night)	3,824	3,548	3,776	3,467	4,850	5,044	5,195	5,351	5,512
%YoY growth		(7.2)	6.4	(8.2)	39.9	4.0	3.0	3.0	3.0
<b>Grande Centre Point Hotel Sukhumvit 55</b>									
Occupancy rate (%)	83	41	31	69	88	80	80	80	80
ADR (Bt/room/night)	3,147	2,632	2,813	2,801	3,512	3,652	3,762	3,875	3,991
%YoY growth		(16.4)	6.9	(0.4)	25.4	4.0	3.0	3.0	3.0
<b>Recently acquired assets in 2023</b>									
<b>Grande Centre Point Space Pattaya</b>									
Occupancy rate (%)					88	80	80	80	80
ADR (Bt/room/night)					5,861	6,095	6,278	6,467	6,661
%YoY growth					10.3	4.0	3.0	3.0	3.0
<b>Grande Centre Point Pattaya</b>									
Occupancy rate (%)					92	80	80	80	80
ADR (Bt/room/night)					4,177	4,344	4,474	4,609	4,747
%YoY growth					19.5	4.0	3.0	3.0	3.0

Source: Trust data and InnovestX Research

### Rate OUTPERFORM with DDM-based TP of Bt15/sh.

We use the dividend discount model to value the trust in order to capture the decent dividend. We use a 7.1% discount rate and no terminal value and derive an end-2024F TP of Bt15/sh. We like LHHOTEL for three factors: 1) assets under the trust are high quality as reflected in historical performance, 2) yield and IRR are attractive based on our conservative assumptions and 3) the trust benefits from the ongoing tourism recovery and anticipated policy rate cut. In the worst case where the rate cut does not take place as soon as expected, tourism recovery should continue to help support share price.

### Risks

#### Rising bond yield

Since an REIT is considered a dividend stock, rising bond yield reduces its attractiveness as it narrows the yield gap. However, INVX believes bond yield is approaching peak and will begin to head down. We thus see the risk of rising bond yield as limited.

#### Special events such as COVID-19, fire damage, etc.

Special events such as COVID-19, fire damage, etc. would damage hotel operations. The trust will take out property all-risk insurance to cover no less than the replacement cost of the assets.

For a situation similar to COVID-19 that slashed hotel revenue, the trust will also take out business interruption insurance to cover at least two years of projected revenue after variable costs such as marketing. This insurance should help protect against downside.

#### Strong operating performance may not sustain

The trust benefitted from the tourism recovery in 2023 and distributed a high DPU to its unitholders. However, this performance may not be repeated in 2024F and beyond. The market is concerned that DPU may drop in 2024F off the high base in 2023. Still, we believe the trust will be able to raise DPU in 2024F, thanks to the ongoing tourism recovery. All of its assets are in excellent locations to capture the revival of tourism.

**Figure 29: Valuation summary** (price as of Mar 28, 2024)

	Price (Bt)	PE (x)			EPS Growth (%)			PBV (x)			Div. Yield (%)			ROE (%)			EV/EBITDA (x)		
	28-Mar-24	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F	24F	25F	26F
3BBIF *	5.8	7.5	7.3	7.1	(26.4)	2.5	2.8	0.7	0.6	0.6	11.2	10.4	10.7	8.7	8.8	9.0	8.9	8.5	8.2
BTSGIF *	3.6	4.5	3.4	3.2	33.8	32.1	8.2	0.6	0.6	0.8	21.9	28.9	31.2	11.9	17.5	21.9	4.5	3.4	3.2
CPNREIT	10.6	9.4	10.4	9.5	(10.5)	(9.6)	9.8	0.8	1.0	0.9	10.3	10.3	10.7	7.2	5.0	10.1	15.8	14.6	13.1
DIF *	7.6	6.9	6.7	6.5	(0.0)	0.0	0.0	0.5	0.5	0.5	12.1	12.3	12.8	6.8	6.9	7.1	7.6	7.3	6.8
GVREIT *	5.4	6.2	7.0	6.8	(0.6)	(11.7)	3.1	0.5	0.5	0.5	14.6	12.9	13.3	8.0	7.0	7.2	7.8	8.7	8.4
IMPACT	11.8	20.2	17.0	15.1	(10.0)	18.8	12.2	1.1	1.1	1.1	5.3	5.3	5.2	5.3	6.3	5.8	21.0	17.9	18.7
LHHOTEL*	11.8	9.0	8.6	8.0	45.5	4.2	7.2	1.0	1.0	0.9	9.8	10.1	9.4	11.1	11.2	11.8	12.2	11.8	11.3
WHART	9.5	12.0	11.9	12.0	21.6	1.3	(0.9)	0.9	0.9	0.9	8.1	8.1	8.3	7.5	7.5	7.8	14.1	13.9	13.8
		<b>9.5</b>	<b>9.0</b>	<b>8.5</b>	<b>6.7</b>	<b>4.7</b>	<b>5.3</b>	<b>0.7</b>	<b>0.8</b>	<b>0.8</b>	<b>11.7</b>	<b>12.3</b>	<b>12.7</b>	<b>8.3</b>	<b>8.8</b>	<b>10.1</b>	<b>11.5</b>	<b>10.8</b>	<b>10.5</b>

Source: InnovestX Research

\* InnovestX estimates

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**CG Rating 2023 Companies with CG Rating**

**Companies with Excellent CG Scoring**

7UP, AAV, ABM, ACE, ACG, ADB, ADD, ADVANC, AEONTS, AF, AGE, AH, AHC, AIRA, AIT, AJ, AKP, AKR, ALL, ALA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, APCO, APCS, ARIP, ARROW, ASEFA, ASK, ASP, ASW, ATP30, AUCTION, AWC, AYUD, B, BA, BAFS, BAM, BANPU, BAY, BBGI, BBIK, BBL, BC, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BH, BIZ, BJC, BJCHI, BKI, BLA, BOL, BPP, BRI, BROOK, BRR, BTS, BTW, BWG, BYD, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHG, CHOW, CIMBT, CIVIL, CK, CKP, CM, CNT, COLOR, COM7, COTTO, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CRD, CSC, CSS, CV, DCC, DDD, DELTA, DEMCO, DMT, DOHOME, DRT, DUSIT, EA, EASTW, ECF, ECL, EE, EGCO, EPG, ERW, ETC, ETE, FE, FLOYD, FN, FPI, FPT, FSX, FVC, GBX, GC, GCAP, GENCO, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, ICN, III, ILINK, ILM, IMH, IND, INET, INTUCH, IP, IRC, IRPC, ITC, ITEL, IVL, JAS, JTS, KBANK, KCC, KCE, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, KUN, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MATCH, MBK, MC, M-CHAI, MCOT, MEGA, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NC, NCH, NCL, NDR, NER, NKI, NOBLE, NRF, NTV, NVD, NWR, NYT, OCC, OISHI<sup>1</sup>, ONEE, OR, ORI, OSP, OTO, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PJW, PLANB, PLAT, PLUS, PM, POLY, PORT, PPP, PPS, PR9, PRG, PRINC, PRM, PRTR, PSH, PSL, PT, PTC, PTT, PTTEP, PTGCG, Q-CON, QH, QTC, RATCH, RBF, RPH, RS, RT, S, S&J, SA, SABINA, SAK, SAMART, SAMTEL, SAPPE, SAT, SBNEXT, SC, SCB, SCC, SCCC, SCG, SCGP, SCM, SDC, SEAFCO, SEAOL, SECURE, SELIC, SENA, SENX, SFP<sup>2</sup>, SFT, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKR, SM, SMPC, SMT, SNC, SNNP, SNP, SO, SPALI, SPC, SPCG, SPI, SPRC, SR, SSC, SSF, SSSC, STA, STC, STEC, STGT, STI, SUC, SUN, SUSCO, SUTHA, SVI, SVT, SYMC, SYNEX, SYNTEC, TACC, TAE, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPH, TISCO, TK, TKN, TKS, TKT, TLI, TM, TMC, TMD, TMT, TNDT, TNITY, TNL, TNR, TOA, TOG, TOP, TPBI, TPCS, TPIPL, TPIPP, TPS, TQM, TQR, TRT, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TURTLE, TVDH, TVH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UP, UPF, UPOIC, UV, VCOM, VGI, VIBHA, VIH, VL, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, XPG, YUASA, ZEN

**Companies with Very Good CG Scoring**

2S, A5, AAI, AIE, ALUCON, AMR, APURE, ARIN, AS, ASIA, ASIAN, ASIMAR, ASN, AURA, BR, BSBM, BTG, CEN, CGH, CH, CHIC, CI, CIG, CMC, COMAN, CSP, DOD, DPAINT, DV8, EFORL, EKH, ESSO, ESTAR, EVER, FORTH, FSMART, FTI, GEL, GPI, HEALTH, HUMAN, IFS, INSET, IT, J, JCKH, JDF, JKN, JMART, JUBILE, K, KCAR, KGI, KIAT, KISS, KK, KTIS, KWC, KWM, LDC, LEO, LHK, MACO, METCO, MICRO, MK, MVP, NCAP, NOVA, NTSC, PACO, PIN, PQS, PREB, PRI, PRIME, PROEN, PROS, PROUD, PSTC, PTECH, PYLON, RCL, SALEE, SANKO, SCI, SCN, SE, SE-ED, SFLEX, SINGER, SKN, SONIC, SORKON, SPVI, SSP, SST, STANLY, STP, SUPER, SVOA, SWC, TCC, TEKA, TFM, TMILL, TNP, TPLAS, TPOLY, TRC, TRU, TRUBB, TSE, VRANDA, WAVE, WFX, WIJK, WIN, WP, XO

**Companies with Good CG Scoring**

24CS, AMANAH, AMARC, AMC, APP, ASAP, BCT, BE8, BIG, BIOTEC, BLESS, BSM, BVG, CAZ, CCET, CHARAN, CHAYO, CHOTI, CITY, CMAN, CMR, CRANE, CWT, DHOUSE, DTCENT, EASON, FNS, FTE, GIFT, GJS, GTB, GTV, GYT, HL, HTECH, HYDRO, IIG, INGRS, INSURE, IRCP, ITD, ITNS, JCK, JMT, JR, JSP, KBS, KGEN, KJL, L&E, LEE, MASTER, MBAX, MEB, MENA, META, MGT, MITSIB, MJD, MOSHI, MUD, NATION, NNCL, NPK, NSL, NV, OGC, PAF, PCC, PEACE, PICO, PK, PL, PLANET, PLE, PMTA, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PSG, RABBIT, READY, RJH, RSP, RWI, S11, SAAM, SAF, SAMCO, SAWAD, SCAP, SCP, SIAM, SKE, SKY, SMART, SMD, SMIT, SOLAR, SPA, STECH, STPI, SVR, TC, TCCC<sup>3</sup>, TEAM, TFI, TIGER, TITLE, TKC, TMI, TNH, TPA, TPAC, TRITN, UBA, UMI, UMS, UTP, VARO, VPO, W, WARRIX, WORK, WPH, YONG, ZIGA

**Corporate Governance Report**

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The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date. InnovestX Securities Company Limited does not conform nor certify the accuracy of such survey result.

To recognize well performers, the list of companies attaining "Good", "Very Good" and "Excellent" levels of recognition (Not including listed companies qualified in the "no announcement of the results" clause from 1 January 2022 to 31 October 2023) is publicized.

<sup>1</sup>OISHI was voluntarily delisted from the Stock Exchange of Thailand, effectively on September 6, 2023

<sup>2</sup>SFP was voluntarily delisted from the Stock Exchange of Thailand, effectively on July 19, 2023

<sup>3</sup>TCCC was voluntarily delisted from the Stock Exchange of Thailand effectively on August 25, 2023

**Anti-corruption Progress Indicator**

**Certified (ได้ผ่านการรับรอง)**

2S, 7UP, AAI, ADVANC, AF, AH, AI, AIE, AIRA, AJ, AKP, AMA, AMANAH, AMATA, AMATAV, AP, APCS, AS, ASIAN, ASK, ASP, AWC, AYUD, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BE8, BEC, BEYOND, BGC, BGRIM, BKI, BLA, BPP, BROOK, BRR, BSBM, BTS, BWG, CEN, CENTEL, CFRESH, CGH, CHEWA, CHOTI, CHOW, CIG, CIMBT, CM, CMC, COM7, CPALL, CPAXT, CPF, CPI, CPL, CPN, CPW, CRC, CSC, DCC, DELTA, DEMCO, DIMET, DOHOME, DRT, DUSIT, EA, EASTW, ECF, EGCO, EP, EPG, ERW, ESTAR, ETC, ETE, FNS, FPI, FPT, FSMART, FTE, GBX, GC, GCAP, GEL, GFPT, GGC, GJS, GPI, GPSC, GSTEEL, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HTC, ICC, ICHI, IFS, III, ILINK, ILM, INET, INOX, INSURE, INTUCH, IRPC, ITEL, IVL, JAS, JKN, JR, JTS, KASET, KBANK, KBS, KCAR, KCC, KCE, KGEN, KGI, KKP, KSL, KTB, KTC, L&E, LANNA, LHFG, LHK, LPN, LRH, M, MAJOR, MALEE, MATCH, MBAX, MBK, MC, MCOT, META, MFC, MFEC, MILL, MINT, MONO, MOONG, MSC, MST, MTC, MTI, NATION, NCAP, NEP, NKI, NOBLE, NRF, NWR, OCC, OGC, OR, ORI, PAP, PATO, PB, PCSGH, PDG, PDJ, PG, PHOL, PIMO, PK, PL, PLANB, PLANET, PLAT, PM, PPP, PPM, PPS, PR9, PREB, PRG, PRINC, PRM, PROS, PSH, PSL, PSTC, PT, PTECH, PTG, PTT, PTTEP, PTGCG, PYLON, Q-CON, QH, QLT, QTC, RABBIT, RATCH, RML, RS, RWI, S&J, SAAM, SABINA, SAK, SAPPE, SAT, SC, SCC, SCCC, SCG, SCGP, SCM, SCN, SEAOL, SE-ED, SELIC, SENA, SGC, SGP, SIRI, SITHAI, SKR, SMIT, SMK, SMPC, SNC, SNP, SORKON, SPACK, SPALI, SPC, SPI, SPRC, SRICHA, SSF, SSP, SSSC, SST, STA, STGT, STOWER, SUSCO, SVI, SYMC, SYNTEC, TAE, TAKUNI, TASCO, TCAP, TCMC, TFG, TFI, TFMAMA, TGE, TGH, THANI, THCOM, THIP, THRE, THREL, TIDLOR, TIPCO, TISCO, TKS, TKT, TMD, TMILL, TMT, TNITY, TNL, TNP, TNR, TOG, TOP, TOPP, TPA, TPCS, TRT, TRU, TSC, TSI, TSTE, TSTH, TTA, TTB, TTCL, TU, TVDH, TVO, TWPC, UBE, UBIS, UEC, UKEM, UOBKH, UV, VCOM, VGI, VIH, WACOAL, WHA, WHAUP, WICE, WIJK, XO, YUASA, ZEN, ZIGA

**Declared (ประกาศเจตจำนง)**

ACE, ADB, ALT, AMC, ASW, BLAND, BTG, BYD, CAZ, CBG, CV, DEXON, DMT, EKH, FSX, GLOBAL, GREEN, ICN, IHL, ITC, J, JMART, JMT, LEO, LH, MENA, MITSIB, MODERN, NER, NEX, OSP, PEER, PLUS, POLY, PQS, PRIME, PROEN, PRTR, RBF, RT, SA, SANKO, SCB, SENX, SFLEX, SIS, SKE, SM, SVOA, TBN, TEGH, TIPH, TKN, TPAC, TPLAS, TQM, TRUE, W, WPH, XPG

**N/A**

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALL, ALLA, ALPHAX, ALUCON, AMARC, AMARIN, AMR, ANAN, ANI, AOT, APCO, APX, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASAP, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCTION, AURA, B52, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BLC, BLESS, BLISS, BM, BOL, BR, BRI, BROCK, BSM, BSRC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHARAN, CHASE, CHAYO, CHG, CHIC, CHO, CI, CITY, CIVIL, CK, CKP, CMAN, CMO, CMR, CNT, COCOCO, COLOR, COMAN, CPANEL, CPH, CPR, CPT, CRANE, CRD, CREDIT, CSP, CSR, CSS, CTW, CWT, D, DCON, DDD, DHOUSE, DITTO, DOD, DPAINT, DTCENT, DTICI, DV8, EASON, ECL, EE, EFORL, EMC, ETL, EURO, EVER, F&D, FANCY, FE, FLOYD, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HEALTH, HFT, HL, HPT, HTECH, HUMAN, HYDRO, I2, IFEC, IIG, IMH, IND, INGRS, INSET, IP, IRC, IRCP, IT, ITD, ITNS, ITTHI, JAK, JCK, JCKH, JCT, JDF, JPARK, JSP, JUBILE, K, KAMART, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KJL, KK, KKC, KLINI, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LDC, LEE, LIT, LOXLEY, LPH, LST, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEGA, METCO, MGC, MGI, MGT, MICRO, MIDA, MJD, MK, ML, MORE, MOSHI, MTW, MUD, MVL, PVP, NAM, NAT, NC, NCH, NCL, NDR, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTSC, NTV, NUSA, NV, NVD, NYT, OHTL, ONEE, ORN, PACE, PACO, PAF, PANEL, PCC, PEACE, PERM, PF, PHG, PIN, PIJ, PLE, PLT, PMTA, POLAR, PORT, POST, PPM, PRAKIT, PRAPAT, PRECHA, PRI, PRIN, PRO, PROUD, PSG, PSP, PTC, PTL, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SAUCE, SAV, SAWAD, SAWANG, SBNEXT, SCAP, SCGD, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SFT, SGF, SHANG, SHR, SIAM, SICT, SIMAT, SINGER, SINO, SISB, SJWD, SK, SKN, SKY, SLM, SLP, SMART, SMD, SMT, SNNP, SO, SOLAR, SONIC, SPA, SPCG, SPG, SPVI, SQ, SR, SRS, SSC, STANLY, STARK, STC, STEC, STECH, STHAI, STI, STP, STPI, SUC, SUN, SUPER, SUTHA, SVR, SVT, SWC, SYNEX, TACC, TAN, TAPAC, TC, TCC, TCJ, TCOAT, TEAM, TEAMG, TEKA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMU, TIGER, TITLE, TK, TKC, TLI, TM, TMC, TMI, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPP, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTI, TTT, TTW, TURTLE, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UMI, UMS, UNI, UP, UPF, UPOIC, UREKA, UTP, UVAN, VARO, VIBHA, VL, VNG, VPO, VRANDA, WARRIX, WAVE, WELL, WFX, WGE, WIN, WINDOW, WINMED, WINNER, WORK, WORLD, WP, YGG, YONG, ZAA

**Explanations**

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of November 1, 2023) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.