Tourism (Hotel)

SET TOURISM index	Close: 27/12/2024	498.63	+5.29 / +1.07%	Bt529mn
Bloomberg ticker:	SETHOT			

High season check

We believe that by end-2024, Thailand will have welcomed ~35.3mn international arrivals or 89% of pre-COVID-19 level, achieving our forecast; we maintain our 2025 forecast of 40mn arrivals to reach 100% of pre-COVID-19 level. Continuing from 2024, with visa exemptions as a foundational support, Thailand remains focused on boosting tourism to stimulate the economy. The high season for Thai tourism in 4Q24-1Q25 will support the sector. AWC and MINT are our top picks, backed by strong earnings outlook in 2025.

2024 forecast of 35mn arrivals achievable. In the 51st week of 2024 (December 16-22) 886,472 international tourists entered Thailand, up 15% WoW to make it the year's highest week. From January 1–December 22, Thailand welcomed 34.4mn international tourists, growing 27% YoY to ~89% of pre-COVID-19 level. Backing this was 27.8mn arrivals from source markets (ex-China), up 17% YoY to ~100% of pre-COVID-19 level; China supplied 6.6mn arrivals, jumping 94% YoY to ~61% of pre-COVID-19 level. Despite robust growth in the Chinese market driven by pent-up demand and visa exemption measure, recovery has been slower than our estimate of 8mn tourists from China in 2024, primarily due to the slow economy in China. However, with strong recovery in other source markets (ex-China), we believe by the end of 2024, Thailand will have seen ~35.3mn international tourist arrivals, achieving our forecast of 35mn.

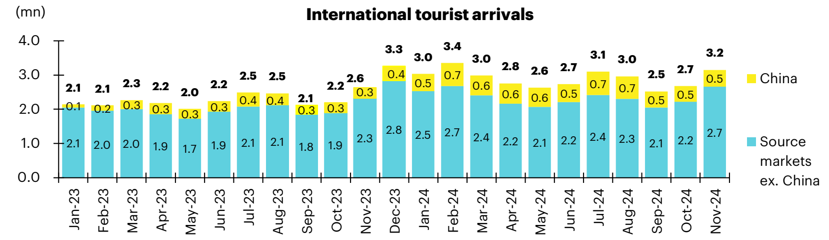
Expect 40mn international tourist arrivals in 2025. We maintain our forecast of 40mn international tourist arrivals in 2025 to reach 100% of pre-COVID-19 level but adjust the components to reflect the 2024 data. We now assume tourists from other source markets (ex-China) at 32mn, up 11% YoY to 110% of pre-COVID-19 level and from China at 8mn, up 20% YoY to 73% of pre-COVID-19 level. Continuing from 2024, with the visa exemption as a foundational support, the Thai government remains focused on boosting tourism to stimulate the economy. This includes collaboration with the governments and airlines of target countries to increase flight frequencies plus market campaigns specific to each country.

Operational stats suggest high season in 4Q24. The operational data from hotels shows QoQ growth in RevPar, indicating that the fourth quarter has been high season for AWC, CENTEL and ERW; MINT is the exception since its operations are heavily tied to hotels in Europe, where off-season RevPar will drop QoQ. At the same time, we believe there are company-specific factors to consider, especially for CENTEL, whose net profit in 4Q24 will be dragged by pre-operating expenses for its third and fourth new hotels in Maldives.

AWC and MINT are our top picks. In 2025, Thai tourism will continue to grow but hotelier earnings will be mixed in line with company-specific factors. We expect AWC to deliver the strongest core earnings growth in 2025 at 23% YoY underwritten by ramping up hotel operations. MINT's core earnings are expected to grow 8% YoY in 2025. We view 2025 as an unexciting year for ERW (operations will have a short-term hiccup from a hotel renovation) and CENTEL (initial cost burden at two new hotels in Maldives.

Risks. Key risks are a global economic slowdown that would hurt consumer spending and willingness to travel, workforce shortage and cost inflation that would damage profitability. We see ESG risk as effective environmental management of greenhouse gases, energy, wastewater, and waste (E).

Thai tourism recovery



Source: Ministry of Tourism and Sports and InnovestX Research

Valuation summary

	Rating	Price (Bt)	TP (Bt)	ETR (%)	P/E (x) 24F	P/E (x) 25F	P/BV (x) 24F	P/BV (x) 25F
AAV	Neutral	2.7	2.8	4.5	11.3	10.6	3.8	2.8
AOT	Outperform	59.8	72.0	21.8	43.7	37.0	6.9	6.3
AWC	Outperform	3.6	4.4	25.2	68.6	55.9	1.2	1.2
CENTEL	Neutral	35.5	39.0	11.0	31.8	31.5	2.3	2.2
ERW	Neutral	3.9	4.6	20.7	24.8	24.1	2.3	2.2
MINT	Outperform	26.5	36.0	37.4	25.3	22.9	2.3	2.1
Average					**34.3**	**30.3**	**3.1**	**2.8**

Source: InnovestX Research

Price performance

	Absolute			Relative to SET		
(%)	1M	3M	12M	1M	3M	12M
AAV	(5.0)	(5.0)	34.7	(3.2)	(1.7)	36.1
AOT	(2.4)	(6.6)	0.0	(0.6)	(3.4)	1.0
AWC	(0.6)	(5.3)	0.0	1.3	(2.0)	1.0
CENTEL	(5.3)	(11.3)	(18.9)	(3.5)	(8.2)	(18.0)
ERW	(3.0)	(14.8)	(25.7)	(1.1)	(11.9)	(25.0)
MINT	(1.9)	(7.0)	(10.2)	0.0	(3.8)	(9.2)

Source: SET, InnovestX Research

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35mn international tourist arrivals in 2024 achievable. According to the Ministry of Tourism and Sports, in the 51st week of 2024 (December 16-22) 886,472 international tourist arrivals entered Thailand, up 15% WoW to make it the year's highest week. From January 1–December 22, Thailand welcomed 34.4mn international tourist arrivals, growing 27% YoY to ~89% of pre-COVID-19 level. Backing this was 27.8mn arrivals from source markets (ex-China), up 17% YoY to ~100% of pre-COVID-19 level; China supplied 6.6mn arrivals, jumping 94% YoY to ~61% of pre-COVID-19 level. Despite robust growth in the Chinese market driven by pent-up demand and visa exemption measure, recovery has been slower than our estimate of 8mn tourists from China in 2024, primarily due to the slow economy in China. However, with strong recovery in other source markets (ex-China), we believe by the end of 2024, Thailand will have seen ~35.3mn international tourist arrivals, achieving our forecast of 35mn.

Expect 40mn international tourist arrivals in 2025. We maintain our forecast of 40mn international tourist arrivals in 2025 to reach 100% of pre-COVID-19 level but adjust the components to reflect the 2024 data. We now assume tourists from other source markets (ex-China) at 32mn, up 11% YoY to 110% of pre-COVID-19 level and from China at 8mn, up 20% YoY to 73% of pre-COVID-19 level. Continuing from 2024, with the visa exemption as a foundational support, the Thai government remains focused on boosting tourism to stimulate the economy. This includes collaboration with the governments and airlines of target countries to increase flight frequencies plus market campaigns specific to each country (Figure 4).

Figure 1: Thai tourism recovery

Source: Ministry of Tourism and Sports and InnovestX Research

Figure 2: We forecast international tourist arrivals at 40mn in 2025

Source: Ministry of Tourism and Sports and InnovestX Research

Figure 3: Recovery of key source markets

	No. of arrivals	% contribution		% to pre-COVID-19 level											
	11M24	2019	11M24	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	11M24
China	6,197,947	28%	22%	48%	63%	58%	66%	70%	63%	70%	64%	55%	56%	61%	61%
Malaysia	4,499,941	11%	16%	118%	154%	109%	122%	132%	121%	136%	106%	143%	114%	98%	122%
India	1,908,432	5%	7%	99%	121%	99%	104%	115%	103%	97%	96%	110%	104%	117%	106%
Korea	1,679,621	5%	6%	107%	103%	101%	102%	111%	94%	95%	87%	92%	94%	99%	98%
Russia	1,495,417	4%	5%	95%	107%	102%	133%	146%	158%	178%	169%	148%	122%	112%	119%
Laos	1,052,996	5%	4%	69%	73%	76%	65%	71%	66%	70%	50%	49%	43%	57%	62%
Taiwan	1,000,812	2%	4%	132%	131%	142%	138%	142%	135%	143%	141%	129%	141%	141%	138%
Vietnam	920,400	3%	3%	99%	99%	95%	87%	110%	88%	92%	101%	86%	93%	86%	94%
Japan	946,292	5%	3%	48%	64%	59%	42%	58%	56%	56%	62%	61%	54%	71%	58%
USA	906,526	3%	3%	83%	95%	84%	80%	82%	87%	88%	84%	84%	94%	98%	87%
Singapore	877,998	3%	3%	87%	94%	98%	89%	105%	95%	98%	100%	85%	98%	96%	95%
UK	838,464	2%	3%	98%	97%	115%	80%	95%	90%	87%	83%	84%	96%	110%	95%
Hong Kong	793,544	3%	3%	79%	84%	106%	67%	77%	80%	91%	89%	77%	83%	84%	83%
Indonesia	790,057	2%	3%	129%	155%	103%	126%	161%	107%	112%	118%	120%	118%	117%	122%
Germany	761,753	2%	3%	99%	102%	112%	80%	116%	75%	89%	97%	98%	108%	113%	100%
Australia	684,845	2%	2%	93%	91%	107%	84%	89%	100%	97%	96%	98%	102%	124%	98%
France	640,996	2%	2%	99%	92%	79%	91%	105%	92%	92%	90%	97%	104%	116%	95%
Philippines	538,371	1%	2%	109%	118%	113%	95%	106%	126%	136%	119%	118%	122%	133%	118%
Cambodia	503,877	2%	2%	64%	67%	67%	58%	55%	73%	73%	59%	48%	54%	63%	61%
Myanmar	486,590	1%	2%	121%	137%	154%	151%	147%	148%	140%	154%	136%	134%	145%	143%
Markets ex. China	25,720,325	72%	81%	95%	105%	97%	94%	107%	100%	103%	95%	100%	99%	104%	100%
China	6,197,947	28%	19%	48%	63%	58%	66%	70%	63%	70%	64%	55%	56%	61%	61%
Total	31,918,272	100%	100%	82%	93%	86%	86%	97%	90%	93%	85%	87%	87%	94%	89%

Source: Ministry of Tourism and Sports and InnovestX Research

Figure 4: Thai government remains focused on boosting tourism to stimulate the economy in 2025

	No. of arrivals (mn) 2019	11M24	Thailand's strategy to boost the market
China	11.0	6.2	• Discussions with airlines such as China Eastern Airlines and Spring Airlines about increasing flight frequencies and diversifying destinations, extending until after the Songkran festival, especially regular flights from new secondary tier 2 cities in China. • Focusing on targeting new areas (new first tier cities), new tourist groups (incentive groups, fan meetings and summer camps), as well as stimulating spending.
Short-haul (Ex-China)	19.4	17.3	• Malaysia: The Tourism Authority of Thailand has collaborated with the Ministry of Tourism, Arts, and Culture of Malaysia to promote interconnected tourism through cross-border tourism by car between Thailand and Malaysia. • India: Thailand and India agreed to increase weekly seat capacity by 7,000 seats each (up ~20%), starting in Nov 2024.
Long-haul	9.4	8.5	• Planning to collaborate with the governments and airlines of target countries such as the United Kingdom, Germany, Eastern Europe, and the Middle East to increase flight frequencies. • Focusing on sustainable tourism, which is of interest to long-haul market tourists. • Initiating the introduction of a new selling point focused on film tourism.

Source: InnovestX Research

Update on operational statistics in 4Q24TD. The operational data from hotels show QoQ growth in RevPar, indicating that the fourth quarter has been high season for AWC, CENTEL and ERW; MINT is the exception since its operations are heavily tied to hotels in Europe, where off-season RevPar will drop QoQ. At the same time, we believe there are company-specific factors to consider, especially for CENTEL, whose net profit in 4Q24 will be dragged by pre-operating expenses for its third and fourth new hotels in Maldives.

Figure 5: Update on operational statistics in 4Q24TD

	4Q23	1Q24	2Q24	3Q24	Oct-Nov	YoY*	QoQ**
AWC							
Hospitality							
Occupancy rate (%)	65.3	74.8	66.0	72.0	73	8%	1%
ARR (Bt/room)	5,733	6,298	5,409	5,467	~6,000	6%	11%
RevPar (Bt/room)	3,767	4,711	3,589	3,918	~4,400	18%	13%
Office							
Occupancy rate (%)	68.0	67.0	66.0	66.0	66.0	-2%	0%
Rental rate (Bt/sq.m.)	800	813	806	813	~800	0%	-2%
Retail							
Occupancy rate (%)	70.3	69.3	69.0	69.3	70.0	0%	1%
Rental rate (Bt/sq.m.)	795	820	834	865	~860	8%	-1%
	4Q23	**1Q24**	**2Q24**	**3Q24**	**Oct-Nov**	**YoY***	**QoQ****
CENTEL							
Hotel: Bangkok							
Occupancy rate (%)	77	78	81	83	79	4%	-4%
ARR (Bt/room)	4,154	4,035	3,892	4,060	~4,200	8%	3%
RevPar (Bt/room)	3,205	3,140	3,144	3,388	~3,300	14%	-2%
Hotel: Upcountry							
Occupancy rate (%)	66	75	61	57	60	-3%	3%
ARR (Bt/room)	4,716	6,124	4,218	4,440	~4,300	7%	-3%
RevPar (Bt/room)	3,121	4,569	2,569	2,535	~2,600	2%	2%
Hotel: Maldives							
Occupancy rate (%)	72	92	59	64	55	-11%	-9%
ARR (Bt/room)	14,030	16,640	11,717	10,051	~12,000	-6%	20%
RevPar (Bt/room)	10,127	15,237	6,887	6,409	~6,600	-22%	3%
Hotel: Japan							
Occupancy rate (%)	77	67	88	78	83	4%	5%
ARR (Bt/room)	7,094	7,045	7,166	7,096	~7,700	17%	9%
RevPar (Bt/room)	5,457	4,740	6,284	5,549	~6,300	23%	15%
Food business							
SSS (%)	2.0	1.0	2.0	2.0	-2.0		

	4Q23	1Q24	2Q24	3Q24	Oct-mid Dec	YoY*	QoQ**
ERW							
Hotel: 5-star							
Occupancy rate (%)	81	83	79	72	78	-3%	6%
ARR (Bt/room)	6,711	7,030	6,600	6,847	~7,000	5%	3%
RevPar (Bt/room)	5,416	5,830	5,192	4,906	~5,400	1%	12%
Hotel: 4-star							
Occupancy rate (%)	79	79	74	76	84	5%	8%
ARR (Bt/room)	3,177	3,346	3,142	3,234	~3,500	12%	10%
RevPar (Bt/room)	2,513	2,633	2,323	2,453	~2,900	19%	22%
Hotel: 3-star							
Occupancy rate (%)	87	90	87	87	90	3%	3%
ARR (Bt/room)	1,611	1,721	1,489	1,535	~1,700	8%	13%
RevPar (Bt/room)	1,406	1,543	1,289	1,336	~1,600	11%	17%
Hotel: HOP INN Japan							
Occupancy rate (%)	N.A.	48	73	68	80		12%
ARR (Bt/room)	N.A.	2,919	3,179	2,872	~3,800		30%
RevPar (Bt/room)	N.A.	1,404	2,322	1,964	~3,000		52%
	4Q23	**1Q24**	**2Q24**	**3Q24**	**Oct-Nov**	**YoY***	**QoQ****
MINT							
Hotel: NHH							
Occupancy rate (%)	68	62	74	72	70	2%	-2%
ARR (Euro/room)	138	121	160	152	~140	2%	-7%
RevPar (Euro/room)	94	75	118	110	~100	5%	-10%
Hotel: Thailand							
Occupancy rate (%)	70	81	65	66	72	2%	6%
ARR (Bt/room)	8,163	9,011	6,812	6,853	~9,100	12%	33%
RevPar (Bt/room)	5,714	7,278	4,438	4,489	~6,500	15%	46%
Food business							
SSS	(2.2)	(3.4)	(2.8)	(2.7)	2.0		

Source: Company data and InnovestX Research
**Compared to the same period last year **Compared to 3Q24*

- AWC: We expect AWC's core earnings to grow both YoY and QoQ in 4Q24, backed by the hospitality business, where occupancy rate and ARR are growing against stable operations of office and retail businesses. Factoring in an extra accounting gain from a change in fair value of investment properties will make AWC's net 4Q24 profit flat YoY but rise QoQ.
- CENTEL: We expect CENTEL's 4Q24 core earnings to grow YoY and QoQ on seasonality and completion of renovation at *Centara Grand Mirage Beach Resort Pattaya* in December. However, net profit will be dragged down YoY and QoQ by pre-operating expenses for its third and fourth new hotels in Maldives.
- ERW: We estimate flat core earnings in 4Q24 YoY due to rising interest expense despite the YoY revenue growth, but improve QoQ on seasonality and the completion of renovation at *Holiday Inn Pattaya Tower 1*. Note that ERW's net profit in 4Q23 was dragged down by pre-operating expenses related to new hotels in Japan. Therefore, net profit in 4Q24 should grow YoY and QoQ.
- MINT: MINT's core earnings in 4Q24 are forecast to grow YoY but drop QoQ due to lower season for hotels in Europe. However, we view MINT's net profit will reflect unrealized FX gain on currency derivatives due to a weakening baht against the US$ that will lead 4Q24 net profit to growth YoY and QoQ.

Figure 6: Preview of 4Q24F hotelier earnings

(Bt mn)	4Q23	1Q24	2Q24	3Q24	4Q24F YoY	4Q24F QoQ	Key notes
AWC							
Revenue	3,814	4,252	3,478	3,765	Up	Up	
Core earnings	481	681	203	288	Up	Up	Key driver is hospitality business with growing occupancy rate and ARR while operations of office and retail businesses will be stable.
Net profit	1,358	1,605	1,247	1,139	Flat	Up	(+) An extra gain of a change in fair value of investment properties
CENTEL							
Revenue	5,751	6,100	5,532	5,398	Up	Up	
Core earnings	284	749	258	187	Up	Up	Core earnings are expected to grow YoY and QoQ on seasonality and completion of renovation at *Centara Grand Mirage Beach Resort Pattaya* in December.
Net profit	425	755	168	163	Down	Down	(-) Pre-operating expense for its third and fourth new hotels in Maldives in 4Q24
ERW							
Revenue	1,874	1,974	1,834	1,849	Up	Up	
Core earnings	233	289	126	124	Flat	Up	Expected to be flat YoY (higher interest expense) but rise QoQ (seasonality and the completion of renovation at *Holiday Inn Pattaya Tower 1*).
Net profit	214	417	361	124	Up	Up	4Q23 net profit was dragged down by pre-operating expenses related to new hotels in Japan.
MINT							
Revenue	39,439	36,121	43,840	40,625	Up	Down	
Core earnings	2,502	(352)	3,230	2,637	Up	Down	Expected to grow YoY but drop QoQ due to lower season in Europe.
Net profit	984	1,146	2,823	149	Up	Up	(+) Unrealized FX gain on currency derivatives from the weakening of the baht against the US$

Source: InnovestX Research

Earnings sensitivity to rising labor cost. Effective January 1, 2025, Thailand's minimum wage will increase by an average of 2.9%. Our data collection suggests that key tourist destinations - Bangkok, Chiang Mai, Phuket, Chonburi, and Samui - will see an average increase of 9%. Labor cost accounts for 20-22% of total revenue for hoteliers. However, most employees are paid above minimum wage. Our study suggests an insignificant earnings impact on hoteliers at 0.6-2.8% of 2025 projections if minimum wage goes up 10%. CENTEL will have the largest impact from rising labor cost due to its high proportion of minimum wage staffing in its food business in Thailand.

Figure 7: Thailand's minimum wage will increase as of January 1, 2025

(Bt/day)	Current	Effective Jan 1, 2025	Change
Bangkok	363	372	2.5%
Chiang Mai	350	380	8.6%
Phuket	370	400	8.1%
Chonburi	361	400	10.8%
Samui	345	400	15.9%
Average key tourist destinations	358	390	9.1%
Average: Thailand	345	355	2.9%

Source: Royal Thai Government and InnovestX Research

Figure 8: Earnings sensitivity to rising labor cost

	% labor cost to revenue	% minimum wage staff to total staff	2025 earnings impact from 10% increase in minimum wage
Hotel			
AWC	20%	5%	-0.6%
CENTEL	22%	11%	-2.8%
ERW	20%	5%	-0.7%
MINT	22%	3%	-1.1%

Source: Company data and InnovestX Research

AWC and MINT are our top picks. In 2025, Thai tourism will continue to grow but hoteliers' earnings outlook is mixed depending on hotel-specific factors. We expect AWC to deliver the strongest core earnings growth at 23%, underwritten by ramping up hotel operations, with MINT growing core earnings by 8%, based on our assumed 6% revenue growth, which is more conservative than its target of 8-10%. We see 2025 as an unexciting year for ERW (operations will have a short-term hiccup from renovations at *The Grand Hyatt Erawan Hotel*, expected during 3Q25-4Q26) and CENTEL (initial losses at two new hotels in Maldives).

Figure 9: Earnings outlook

	Core earnings (Btmn)			Core earnings growth		
	2023	2024F	2025F	2023	2024F	2025F
AWC	1,058	1,661	2,039	Turnaround	57.0%	22.8%
MINT	7,132	7,747	8,368	255.8%	8.6%	8.0%
ERW	746	770	790	Turnaround	3.1%	2.7%
CENTEL	1,118	1,507	1,522	264.1%	34.7%	1.0%

Source: InnovestX Research

Figure 10: Rating and target prices

	Rating	End-2025 TP	Valuation method
AWC	Outperform Top pick	Bt4.4/share	DCF: WACC at 6.6% and long-term growth at 2% Bt4.0/based on projects in the pipeline in 2024-26 and additional Bt0.4/share from long-term projects after 2026
MINT	Outperform Top pick	Bt36/share	DCF: WACC at 7.1% and long-term growth at 2%
ERW	Neutral	Bt4.6/share	DCF: WACC at 6.2% and long-term growth at 2%
CENTEL	Neutral	Bt39/share	DCF: WACC at 6.3% and long-term growth at 2%

Source: InnovestX Research

Figure 11: Valuation summary (price as of Dec 27, 2024)

	Rating	Price	Target	ETR	P/E (x)			EPS growth (%)			P/BV (x)			ROE (%)			Div. Yield (%)			EV/EBITDA (x)		
		(Bt/Sh)	(Bt/Sh)	(%)	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F	23A	24F	25F
AAV	Neutral	2.68	2.8	4.5	n.m.	11.3	10.6	97	n.m.	7	3.9	3.8	2.8	(3)	35	30	0.0	0.0	0.0	10.5	7.2	6.6
AOT	Outperform	59.75	72.0	21.8	92.3	43.7	37.0	n.m.	111.0	18.2	7.7	6.9	6.3	8.6	16.4	17.5	0.6	1.3	1.6	36.3	21.4	18.4
AWC	Outperform	3.56	4.4	25.2	107.7	68.6	55.9	n.m.	57.0	22.8	1.3	1.2	1.2	1.2	1.9	2.2	1.4	1.6	0.7	38.3	31.7	28.0
CENTEL	Neutral	35.50	39.0	11.0	42.9	31.8	31.5	264.1	34.7	1.0	2.4	2.3	2.2	5.7	7.4	7.2	1.2	1.1	1.4	12.7	12.9	12.3
ERW	Neutral	3.90	4.6	20.7	25.6	24.8	24.1	n.m.	3.1	2.7	3.0	2.3	2.2	12.3	10.6	9.4	1.8	2.7	1.8	14.5	12.5	13.1
MINT	Outperform	26.50	36.0	37.4	27.3	25.3	22.9	831.2	8.1	10.5	2.6	2.3	2.1	8.4	8.4	8.4	2.2	1.6	1.7	7.7	7.3	7.1
Average					**59.2**	**34.3**	**30.3**	**397.5**	**42.8**	**10.3**	**3.5**	**3.1**	**2.8**	**5.6**	**13.2**	**12.5**	**1.2**	**1.4**	**1.2**	**20.0**	**15.5**	**14.3**

Source: InnovestX Research

Figure 12: ESG summary

	AOT	AAV	AWC	CENTEL	ERW	MINT
Bloomberg ESG Financial Materiality Score	3.22	2.92	3.00	2.93	3.20	5.08
Rank in Sector	6/30	8/30	10/61	3/16	2/16	1/16
SET ESG ratings	A	-	AA	AAA	-	AA
Environmental Issue	AOT targets to achieve carbon neutrality goal by 2030 and net zero carbon emission by 2032. AOT conducted the Airport Carbon Accreditation (ACA) to monitor GHG emissions at all 6 airports. There were 5 airports that were certified ACA level 3 Optimization and 1 airport at level 1 Mapping. These indicated the data collection and mitigation of GHG emission throughout the supply chain. All 6 airports of AOT have implemented according to the Carbon Management Plan.	Thai AirAsia has aligned itself with the International Civil Aviation Organization's Long Term Aspirational Goal to reach net zero by 2050. Thai AirAsia's decarbonization strategy leverages on four main approaches; 1) fleet renewal, 2) operational efficiency program, 3) adoption of sustainable aviation fuels (SAF) and 4) purchase of carbon offsets.	AWC has a roadmap and strategic initiative to achieve its carbon neutral goal (Scope 1 and 2) by 2030. In 2023, AWC reduced 11.7% of GHG Emissions (Scope 1 and 2) compared to 2022. Key initiatives are; 1) optimizing energy efficiency and increasing investment proportions in energy-saving technology, 2) utilizing clean energy, 3) adopting international green building certification standards and 4) implementing carbon offset projects that create value for the environment and society.	CENTEL targets to achieve Net Zero by 2050. The goal of Phase 1 by 2029 is to reduce the amount of greenhouse gas emissions, energy and water consumption, and the amount of general waste going to landfills by 20% compared to the base year of 2019. In 2023, the hotel business reduced greenhouse gas emissions (Scope 1 and 2) by 32% (compared to the base year of 2019).	Every hotel brand expressly commits to zero greenhouse gas emission by 2050 through efficient energy, water and waste management as well as environmental-friendly procurement, which are practice guidelines for GHG emission reduction. All hotels will offer services that help reducing energy consumption and compensating carbon by 2027.	To achieve a Net-Zero Carbon organization by 2050, for Minor Hotels, MINT sets goals of 15% reduction in energy intensity and 15% reduction in carbon dioxide emission intensity by 2025 (Baseline 2019).
Social Issue	AOT has made a strong commitment on safety and security of its airports in compliance with the national and international standards. AOT has formulated concise safety measures with the strict enforcement and audit process according to the International Civil Aviation Organization (ICAO) under the Universal Security Audit Programme - Continuous Monitoring Approach (USAP-CMA).	Thai AirAsia is committed to operating in complete compliance with regulations prescribed by the Civil Aviation Authority of Thailand (CAAT) and the International Civil Aviation Organization (ICAO) and with the IATA Operational Safety Audit (IOSA) and ISO 9001:2015.	AWC is accredited to the Occupational Health and Safety Management System (ISO 45001) in the scope of project management, design management, cost and contract management, construction management of all projects. AWC has set a target to achieve and maintain zero accidents that lead to fatalities and physical disabilities for both employees and contractors.	CENTEL has established the five-year human resource strategic plan (2022-2026) to change the organizational leadership and culture to be in line with new economic environment, improve work efficiency, create leadership and promote sustainability for the organization and governance, encourage employee engagement, and become Thailand Best Employer.	ERW commits to oversee the OHS elements and provides training on self protection through online doctor consultation, telemedicine for staffs. It also provides an annual health check-up, supports immunization booster vaccination, regularly conducts office space sterilization and performs an annual fire drill and fire prevention event to prepare for emergency situation. During 2020-23, there was no labor dispute that accounted for a significant ratio.	In 2023, MINT achieved its target with no work-related employee fatalities. MINT assesses the effectiveness of its Occupational Health and Safety Management System (OHSMS) by establishing a target of zero annual work-related fatalities among employees to ensuring the highest standards of workplace safety and health for all employees.
Governance Issue	As of 30 September 2023, the AOT Board of Directors consisted of 13 directors; 3 of whom were female directors (23% of total members). There were 9 independent directors (69% of total members), which exceeded one-third of the total number of directors. The chairman is not an independent director.	As of December 31, 2023, the Board of Directors comprises 12 directors, 4 of which are independent directors, equal 33% of all directors. The chairman is an independent director. Major shareholders control ~40.7% of total issued and paid-up shares	As of December 31, 2023, the Board of Directors comprises of 13 directors that consists of eight independent directors equal to 61.5% of the total number of directors. The chairman is not an independent director. Major shareholders control ~75% of total issued and paid-up shares.	As of December 31, 2023, the board of directors comprises 12 directors, consisting of 4 independent directors equal to 33% of the total number of directors. The chairman is not an independent director. Major shareholders control ~62.9% of total issued and paid-up shares.	As of December 31, 2023, the board of directors comprises 12 directors, four independent directors equal to 33.33% of the total number of directors. We view the structure is appropriate as independent directors are not less than one-third of the total members. The chairman is not an independent director. Major shareholders control ~57% of total issued and paid-up shares.	As of December 31, 2023, the Board consists of 10 directors, of which four are independent, equal to 40% of the total number of directors, thus not less than one-third (1/3) of the Board of Directors. The Chairman is not an independent director. The major shareholder controls ~34% of total issued and paid-up shares.

Source: Company data and InnovestX Research

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CG Rating 2024 Companies with CG Rating

Companies with Excellent CG Scoring

AAV, ABM, ACE, ACG, ADVANC, AE, AF, AGE, AH, AIT, AJ, AKP, AKR, ALLA, ALT, AMA, AMARIN, AMATA, AMATAV, ANAN, AOT, AP, ASIMAR, ASK, ASP, ASW, AURA, AWC, B, BAFS, BAM, BANPU, BAY, BBGI, BBL, BCH, BCP, BCPG, BDMS, BEC, BEM, BEYOND, BGC, BGRIM, BJC, BKIH, BLA, BPP, BR, BRI, BRR, BSRC, BTG, BTS, BTW, BWG, CBG, CENTEL, CFRESH, CHASE, CHEWA, CHOW, CIMBT, CIVIL, CK, CKP, CNT, COLOR, COM7, CPALL, CPAXT, CPF, CPL, CPN, CPW, CRC, CRD, CREDIT, CSC, CV, DCC, DDD, DELTA, DEMCO, DITTO, DMT, DOHOME, DRT, DUSIT, EASTW, ECF, ECL, EGCO, EPG, ERW, ETC, ETE, FLOYD, FN, FPI, FPT, FVC, GABLE, GC, GCAP, GFC, GFPT, GGC, GLAND, GLOBAL, GPSC, GRAMMY, GULF, GUNKUL, HANA, HARN, HENG, HMPRO, HPT, HTC, ICC, ICHI, III, ILINK, ILM, IND, INET, INSET, INTUCH, IP, IRC, IRPC, IT, ITC, ITEL, ITTHI, IVL, JAS, JTS, K, KBANK, KCC, KCE, KCG, KEX, KKP, KSL, KTB, KTC, KTMS, KUMWEL, LALIN, LANNA, LH, LHFG, LIT, LOXLEY, LPN, LRH, LST, M, MAJOR, MALEE, MBK, MC, M-CHAI, MCOT, MFC, MFEC, MINT, MODERN, MONO, MOONG, MOSHI, MSC, MST, MTC, MTI, MVP, NCH, NER, NKI, NOBLE, NRF, NSL, NTSC, NVD, NWR, NYT, OCC, OR, ORI, OSP, PAP, PB, PCC, PCSGH, PDJ, PEER, PG, PHOL, PIMO, PLANB, PLAT, PLUS, PM, PORT, PPP, PPS, PR9, PRG, PRIME, PRM, PRTR, PSH, PSL, PTT, PTTEP, PTTGC, Q-CON, QH, QTC, RATCH, RBF, RPC, RPH, RS, RT, RWI, S, S&J, SA, SAAM, SABINA, SAK, SAMART, SAMTEL, SAT, SAV, SAWAD, SC, SCAP, SCB, SCC, SCCC, SCG, SCGD, SCGP, SCM, SCN, SDC, SEAFCO, SEAOIL, SELIC, SENA, SENX, SGC, SGF, SGP, SHR, SICT, SIRI, SIS, SITHAI, SJWD, SKE, SKR, SM, SMPC, SNC, SNNP, SNP, SO, SONIC, SPALI, SPC, SPI, SPRC, SR, SSC, SSF, SSP, SSSC, STA, STEC, STGT, STI, SUC, SUN, SUTHA, SVI, SYMC, SYNEX, SYNTEC, TASCO, TBN, TCAP, TCMC, TEAMG, TEGH, TFG, TFMAMA, TGE, TGH, THANA, THANI, THCOM, THG*, THIP, THRE, THREL, TIPH, TISCO, TK, TKS, TKT, TLI, TM, TMILL, TMT, TNDT, TNITY, TNL, TOA, TOG, TOP, TPAC, TPBI, TPIPL, TPIPP, TPS, TQM, TQR, TRP, TRUBB, TRUE, TRV, TSC, TSTE, TSTH, TTA, TTB, TTCL, TTW, TU, TVDH, TVO, TVT, TWPC, UAC, UBE, UBIS, UKEM, UPF, UPOIC, UV, VARO, VGI, VIH, WACOAL, WGE, WHA, WHAUP, WICE, WINMED, WINNER, ZEN

Companies with Very Good CG Scoring

2S, AAI, ADB, AEONTS, AHC, AIRA, APCO, APCS, APURE, ARIP, ARROW, ASIAN, ATP30, AUCT, AYUD, BA, BBIK, BC, BE8, BH, BIZ, BOL, BSBM, BTC, CH, CI, CIG, CM, COCOCO, COMAN, CPI, CSS, DTCENT, EVER, FE, FORTH, FSMART, FSX, FTI, GEL, GIFT, GPI, HUMAN, IFS, INSURE, JCK, JDF, JMART, KGI, KJL, KTIS, KUN, L&E, LHK, MATCH, MBAX, MEGA, METCO, MICRO, NC, NCAP, NCL, NDR, ONEE, PATO, PDG, PJW, POLY, PQS, PREB, PROUD, PSG, PSP, PSTC, PT, PTECH, PYLON, QLT, RABBIT, RCL, SAPPE, SECURE, SFLEX, SFT, SINO, SMT, SPCG, SPVI, STANLY, STPI, SUPER, SUSCO, SVOA, SVT, TACC, TAE, TCC, TEKA, TFM, TITLE, TKN, TMD, TNR, TPA, TPCH, TPCS, TPLAS, TPOLY, TRT, TURTLE, TVH, UBA, UP, UREKA, VCOM, VIBHA, VRANDA, WARRIX, WIN, WP

Companies with Good CG Scoring

A5, ADD, AIE, ALUCON, AMC, AMR, ARIN, ASEFA, ASIA, ASN, BIG, BIOTEC, BIS, BJCHI, BLC, BVG, CEN, CGH, CHARAN, CHAYO, CHIC, CHOTI, CITY, CMC, CPANEL, CSP, DEXON, DOD, DPAINT, DV8, EASON, EE, EFORL, EKH, ESTAR, ETL, FNS, GBX, GENCO, GTB, GYT, ICN, IIG, IMH, IRCP, J, JCKH, JMT, JPARK, JR, JSP, JUBILE, KBS, KCAR, KIAT, KISS, KK, KWC, LDC, LEO, MCA, META, MGC, MITSIB, MK, NAM, NOVA, NTV, NV, OGC, PACO, PANEL, PHG, PIN, PRAPAT, PRI, PRIN, PROEN, PROS, PTC, READY, ROCTEC, SABUY, SALEE, SAMCO, SANKO, SCI, SE, SE-ED, SINGER, SISB, SKN, SKY, SMD100, SMIT, SORKON, SPG, SST, STC, STOWER, STP, SVR, SWC, TAKUNI, TC, TFI, TMC, TMI, TNP, TOPP, TRU, UEC, UOBKH, VL, WAVE, WFX, WIIK, XO, XPG, YUASA, ZAA

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 2023 to 28 October 2024) is publicized.

*บริษัทหรือกรรมการหรือผู้บริหารของบริษัทที่มีข่าวด้านการกำกับดูแลกิจการ เช่น การกระทำผิดเกี่ยวกับหลักทรัพย์ การทุจริต คอร์รัปชัน เป็นต้น ซึ่งการใช้ข้อมูล CGR ควรตระหนักถึงข่าวดังกล่าวประกอบด้วย

Anti-corruption Progress Indicator

Certified (ได้รับการรับรอง)

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

Declared (ประกาศเจตนารมณ์)

ACE, ALT, AMARIN, AMC, ANI, APCO, ASAP, B52, BLAND, BYD, CFARM, CHASE, CHG, DEXON, DITTO, ECL, EVER, FLOYD, GREEN, HL, HUMAN, ICN, IHL, IP, ITC, JDF, JMART, K, KJL, LDC, LIT, MITSIB, MJD, MOSHI, NEX, NTSC, PLE, PLUS, POLY, PQS, PRI, PRIME, PROEN, PROUD, PTC, RT, S, SAWAD, SCAP, SCGD, SFT, SHR, SINGER, SINO, SJWD, SKE, SNNP, SOLAR, SONIC, SUPER, TBN, TMI, TPAC, TPP, TQM, UOBKH, UREKA, VNG, WELL, WIN, XPG

N/A

24CS, 3K-BAT, A, A5, AAV, ABM, ACAP, ACC, ACG, ADD, ADVICE, AEONTS, AFC, AGE, AHC, AIT, AJA, AKR, AKS, ALLA, ALPHAX, ALUCON, AMARC, AMR, ANAN, AOT, APO, APP, APURE, AQUA, ARIN, ARIP, ARROW, ASEFA, ASIA, ASIMAR, ASN, ATP30, AU, AUCT, AURA, BA, BBIK, BC, BCT, BDMS, BEAUTY, BEM, BGT, BH, BIG, BIOTEC, BIS, BIZ, BJC, BJCHI, BKD, BKGI, BKIH, BLC, BLESS, BLISS, BM, BOL, BPS, BR, BROCK, BSM, BSRC, BTC, BTNC, BTW, BUI, BVG, CCET, CCP, CEYE, CGD, CH, CHAO, CHARAN, CHAYO, CHIC, CHO, 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, DOD, DPAINT, DTCENT, DTCI, DV8, EASON, EE, EFORL, EKH, EMC, ESTAR, ETL, EURO, F&D, FANCY, FE, FM, FMT, FN, FORTH, FTI, FVC, GABLE, GENCO, GFC, GIFT, GL, GLAND, GLOCON, GLORY, GRAMMY, GRAND, GSC, GTB, GTV, GYT, HFT, HPT, HTECH, HYDRO, I2, IIG, IMH, IND, INGRS, INSET, IRC, IRCP, IROYAL, IT, ITD, ITNS, ITTHI, IVF, J, JAK, JCK, JCKH, JCT, JKN, JMT, JPARK, JSP, JUBILE, KAMART, KBS, KC, KCG, KCM, KDH, KEX, KIAT, KISS, KK, KKC, KLINIQ, KOOL, KTIS, KTMS, KUMWEL, KUN, KWC, KWI, KWM, KYE, LALIN, LEE, LEO, LOXLEY, LPH, LST, LTS, MAGURO, MANRIN, MASTER, MATI, MCA, M-CHAI, MCS, MDX, MEB, MEDEZE, METCO, MGC, MGI, MGT, MICRO, MIDA, MK, ML, MORE, MPJ, MST, MTW, MUD, MVP, NAM, NAT, NC, NCH, NCL, NCP, NDR, NEO, NETBAY, NEW, NEWS, NFC, NL, NNCL, NOK, NOVA, NPK, NSL, NTV, NUSA, NV, NVD, NWR, NYT, OHTL, OKJ, ONEE, ORN, PACO, PAF, PANEL, PCC, PCE, PEACE, PEER, PERM, PF, PHG, PICO, PIN, PJW, PLT, PMC, PMTA, POLAR, PORT, PPM, PRAKIT, PRAPAT, PRECHA, PRIN, PRO, PSG, PSP, PTL, QTCG, RAM, RCL, READY, RICHY, RJH, ROCK, ROCTEC, ROH, ROJNA, RP, RPC, RPH, RSP, S11, SABUY, SAF, SAFARI, SAFE, SALEE, SAM, SAMART, SAMCO, SAMTEL, SANKO, SAUCE, SAV, SAWANG, SBNEXT, SCI, SCL, SCP, SDC, SE, SEAFCO, SECURE, SEI, SGF, SHANG, SIAM, SICT, SIMAT, SISB, SK, SKN, SKY, SLP, SMART, SMD100, SMT, SNPS, SO, SPA, SPCG, SPG, SPREME, SPVI, SQ, SR, SRS, SSC, STANLY, STC, STECH, STECON, STHAI, STI, STP, STPI, STX, SUC, SUN, SUTHA, SVR, SWC, SYNEX, TACC, TAN, TAPAC, TATG, TC, TCC, TCJ, TCMC, TCOAT, TEAM, TEAMG, TEKA, TERA, TFM, TGPRO, TH, THAI, THANA, THE, THG, THMUI, TIGER, TITLE, TK, TKC, TLI, TM, TMAN, TMC, TMW, TNDT, TNH, TNPC, TOA, TPBI, TPCH, TPIPL, TPIPP, TPL, TPOLY, TPS, TQR, TR, TRC, TRITN, TRP, TRUBB, TRV, TSE, TTA, TTI, TTT, TTW, TVH, TVT, TWP, TWZ, TYCN, UAC, UBA, UBE, UMI, UMS, UNIQ, UP, UPOIC, UTP, UVAN, VARO, VL, VPO, VRANDA, W, WARRIX, WAVE, WFX, WGE, WINDOW, WINMED, WINNER, WORK, WP, YGG, YONG, ZAA, ZIGA

Explanations

Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of October 14, 2024) are categorised into: companies that have declared their intention to join CAC, and companies certified by CAC.