

<b>Neutral · Upgraded</b>	
Price as of 6 Sep 2024	18.20
12M target price (Bt/shr)	17.30
Unchanged/Revised up(down)(%)	15.3
Upside/downside (%)	(4.9)

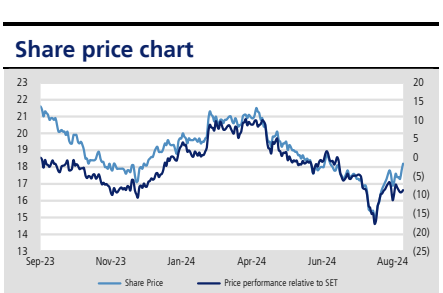
**Key messages**

เราคงว่าถึงแม้แนวโน้มกำไรปี 2567F อาจชะลอตัว โอกาสของหุ้นกลุ่มอสังหาฯ ปีหน้าดูจะสดใสขึ้นเป็นเพราะเรคาดธนาคารพาณิชย์หลายแห่งยกเลิกปล่อยสินเชื่อเพื่อที่อยู่อาศัยเมื่อสินเชื่อไม่ก่อให้เกิดรายได้ (NPL) อาจสูงสุดใน 2H67 ท่ามกลางอัตราดอกเบี้ยจะเริ่มลดลงใน 1Q67 อย่างไรก็ตาม เราคงประมาณการกำไรปี 2567F ไว้ที่ 5 พันล้านบาท (-16% YoY) แต่ปรับเพิ่มกำไรปี 2568F ขึ้นราว 11% เพื่อรวมประเด็นที่คาดการณ์ได้เติบโตขึ้นและมีส่วนแบ่งกำไรเพิ่มจาก 12 บริษัทร่วมค้า (JV) ใหม่ที่จะเข้าซื้อได้ก่อนสิ้นปี 2567 ทั้งนี้ เราปรับเพิ่มคำแนะนำขึ้นเป็น “ถือ” (จากขาย) พร้อมปรับราคาเป้าหมายใหม่สูงขึ้นที่ 17.30 บาท (จากเดิม 15.00 บาท) บนสมมติฐาน PE สูงขึ้นที่ 6.5x เท่ากับค่าเฉลี่ย EPS ปี 2567F-68F -0.5 S.D

Mkt cap (Btbn/US\$m)	36/889		
Outstanding shares (mn)	1,953		
Foreign ownership (mn)	324		
3M avg. daily trading (mn)	5		
52-week trading range (Bt)	14.9-21.6		
Performance (%)	3M	6M	12M
Absolute	-1.1	-12.5	-15.7
Relative	-7.7	-15.0	-8.5

**Quarterly EPS**

EPS	Q1	Q2	Q3	Q4
2022	0.55	0.97	1.28	1.01
2023	0.55	0.87	0.61	1.03
2024	0.31	0.82		



Source: SET

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# Supalai

(SPALI.BK/SPALI.TB)\*



## การซื้อ JV ใหม่ในออสเตรเลียใกล้จะปิดดีลแล้ว

### Event

อัปเดตธุรกิจและปรับประมาณการกำไรและราคาเป้าหมายใหม่

### Impact

แผนจะซื้อ JV ใหม่เพิ่ม 12 โครงการในออสเตรเลียที่รอคอยมานานใกล้ปิดดีลแล้ว

SPALI ได้ร่วมเซ็นสัญญากับ Stockland Communities Partnership ซึ่งเป็นบริษัทย่อยของบริษัท Stockland Corp ที่เป็นหนึ่งในบริษัทอสังหาฯ จดทะเบียนรายใหญ่ที่สุดในหลายแห่งของประเทศออสเตรเลีย โดย ณ สิ้นปี 2566 จะลงทุน 49.9% ใน JV ซึ่งจะซื้อโครงการอสังหาฯ เพิ่มอีก 12 โครงการ มูลค่ารวมราว 1.2 หมื่นล้านบาท อย่างไรก็ตาม ดีลดังกล่าวนี้หน่วยงานราชการประเทศออสเตรเลียอยู่ระหว่างทบทวนมาตรฐานพอสมควรแล้ว ในขณะที่ SPALI หวังว่าจะได้ขอสรุปก่อนปลาย 3Q67 หรือต้น 4Q67 ในท้ายที่สุดแล้ว SPALI จะมี 24 โครงการรวมใน 4 รัฐและอีก 6 เมืองหลักในประเทศออสเตรเลีย ดังนั้น เราคาดส่วนแบ่งกำไรจาก JV ดัง ๆ น่าจะเพิ่มเป็นสองเท่า YoY ได้เกินกว่า 500 ล้านบาทในปีหน้า

### ลดกำไร 3Q67F เดบิตทั้ง YoY และ QoQ

ในกลุ่มบริษัทพัฒนาอสังหาฯ ที่เราศึกษาอยู่ มีความเป็นไปได้สูงที่จะเห็นกำไร 3Q67 ของ SPALI เดบิต YoY และ QoQ หนูนจากการเปิดโครงการใหม่ ๆ มูลค่ารวมราว 1.5 หมื่นล้านบาท, โครงการคอนโดฯ ใหม่สร้างเสร็จที่ สุราษฎร์ ลอฟท์ สถานีภาภูมิเจริญ (ขายได้แล้ว 96%) มูลค่า 1.1 พันล้านบาทและยอดโอนจากโครงการ สุราษฎร์ ไอคอน สาทร เนื่องจากกำไร 1H67 ที่ 2.2 พันล้านบาท (-20% YoY) คิดเป็น 44% จากประมาณการกำไรเต็มปีนี้ของเรา จึงจึงเป็นนัยว่ากำไร 2H67 จะแข็งแกร่งขึ้นกว่า 1H67 ดังนั้น เราคงประมาณการกำไรปี 2567F ไว้ที่ 5 พันล้านบาท (-16% YoY)

### ปรับเพิ่มประมาณการกำไรปี 2568F ขึ้น

เราปรับเพิ่มคาดการณ์กำไรปี 2568Fของเราขึ้น 11% หลัก ๆ จาก i) รายได้โตดีขึ้นจากภาวะอุตสาหกรรมที่น่าจะดีขึ้น และ ii) รับส่วนแบ่งกำไรมากขึ้นหลังจากการเราซื้อ JV เพิ่มอีก 12 โครงการในปลายปี 2567 ดังนั้น กำไรปี 2568F อาจเพิ่มขึ้น 5% YoY เป็น 5.3 พันล้านบาท เราตั้งข้อสงสัยความยืดหยุ่นของรายได้ (backlog) ที่ 1.65 หมื่นลบ. โดย 2.2 พันลบ. (14% จาก backlog รวม) จะถูกรับรู้เป็นรายได้ปีหน้ากรณีเป็นนัยว่าเป็นเพียง 8.5% ของรายได้จากการขายบ้านที่มีหลักประกันแล้ว ฉะนั้น SPALI จำเป็นต้องเร่งขายและโอนบ้านคงค้างสร้างเสร็จที่มีอยู่ออกไปเพื่อดันรายได้ปีหน้าขึ้น

### Valuation & Action

เราปรับเพิ่มราคาเป้าหมายของเราขึ้นเป็น 17.30 บาท (จากเดิม 15.00 บาท) เพราะเราตั้งสมมติฐาน PE สูงขึ้นที่ 6.5x ณ -0.5 S.D และขยับ valuation ไปเป็นกลางปี 2568 ทั้งนี้ เราปรับเพิ่มคำแนะนำขึ้นเป็น “ถือ” จากขาย

### Risks

ภาวะเศรษฐกิจ ความหวังนโยบายกระตุ้นเศรษฐกิจจากรัฐบาล มาตรการปล่อยสินเชื่อเข้มงวดขึ้น ท่ามกลางการยึดหนี้สินในระดับสูงของภาคครัวเรือนรวมทั้งการขึ้นอัตราดอกเบี้ยขึ้น

### Key financials and valuations

	Dec - 21A	Dec - 22A	Dec - 23A	Dec - 24F	Dec - 25F
Revenue (Btmn)	29,160	34,486	31,177	26,891	27,266
Gross Profit (Btmn)	11,642	13,416	11,106	9,689	9,825
SG&A (Btmn)	3,321	4,029	3,857	3,361	3,272
Net Profit (Btmn)	7,070	8,173	5,989	5,056	5,300
Normalized Profit (Btmn)	7,070	8,173	5,989	5,056	5,300
EPS (Bt)	3.30	4.18	3.07	2.59	2.71
Normalized EPS (Bt)	3.30	4.18	3.07	2.59	2.71
DPS (Bt)	1.25	1.45	1.45	1.22	1.28
EPS Growth (%)	66.3	26.8	(26.7)	(15.6)	4.8
Normalized EPS Growth	66.3	26.8	(26.7)	(15.6)	4.8
P/E (X)	6.9	5.8	6.1	7.0	6.7
P/B (X)	1.1	1.0	0.7	0.7	0.6
EV/EBITDA (X)	7.6	7.2	7.9	11.5	12.1
Net Debt to Equity (%)	42.5	48.9	43.6	74.7	83.4
Dividend Yield (%)	5.5	6.0	7.8	6.7	7.0
Return on Average Equity (%)	16.5	17.2	11.6	9.4	9.4

Source: Company data, KGI Securities Research

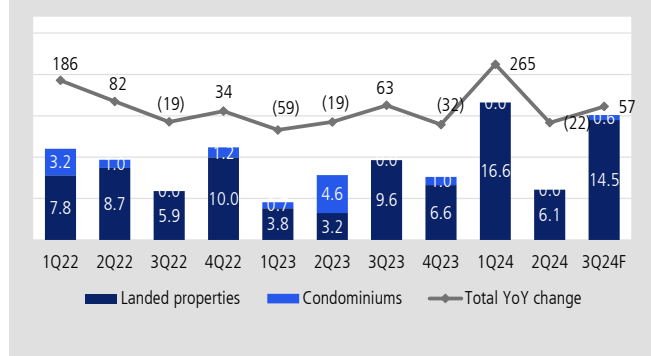
**Figure 1: 2024F-25F earnings revisions**

Year to 31 Dec (Btm)	2024F previous	2024F New	Chg (%)	2025F Current	2025F New	Chg (%)
<b>Total revenue</b>	<b>26,891</b>	<b>26,891</b>	<b>0.0</b>	<b>25,536</b>	<b>27,266</b>	<b>6.8</b>
<b>Residential revenue</b>	<b>26,483</b>	<b>26,483</b>	<b>0.0</b>	<b>25,079</b>	<b>26,809</b>	<b>6.9</b>
Low-rise	17,299	17,299	0.0	18,164	19,894	9.5
High-rise	9,184	9,184	0.0	6,915	6,915	0.0
EBIT	6,798	6,798	0.0	6,585	7,030	6.8
Share income	296	296	0.1	341	518	52.0
<b>Net profit</b>	<b>5,056</b>	<b>5,056</b>	<b>0.0</b>	<b>4,773</b>	<b>5,300</b>	<b>11.1</b>
<b>Normalized profit</b>	<b>5,056</b>	<b>5,056</b>	<b>0.0</b>	<b>4,773</b>	<b>5,300</b>	<b>11.1</b>
<b>Key financials</b>	<b>2024F previous</b>	<b>2024F New</b>	<b>Chg (ppts)</b>	<b>2025F Current</b>	<b>2025F New</b>	<b>Chg (ppts)</b>
SG&A to sales (%)	12.5	12.5	0.0	12.0	12.0	0.0
Residential gross margin (%)	36.0	36.0	0.0	36.0	36.0	0.0
Net margin (%)	18.8	18.8	0.0	18.7	19.4	0.7

Source: Company data, KGI Securities Research

**Figure 2: Quarterly launches**

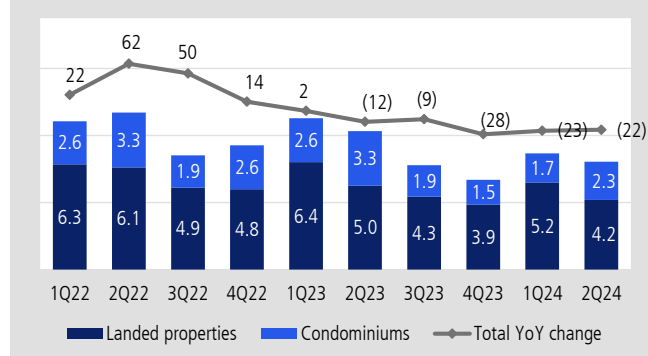
Launches of high-rise and low-rise, Btbn; YoY change, percent



Source: Company data, KGI Securities Research

**Figure 3: Quarterly presales**

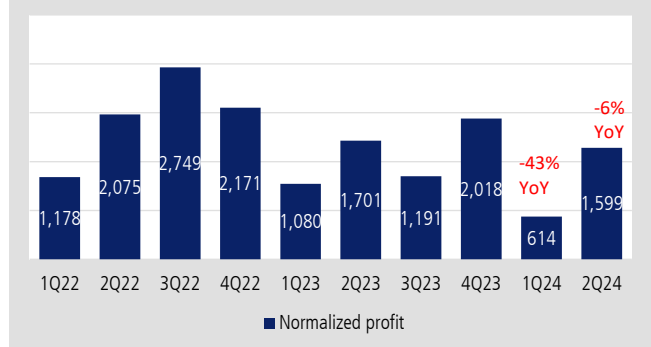
Presales of high-rise and low-rise, Btbn; YoY change, percent



Source: Company data, KGI Securities Research

**Figure 4: Quarterly net profit**

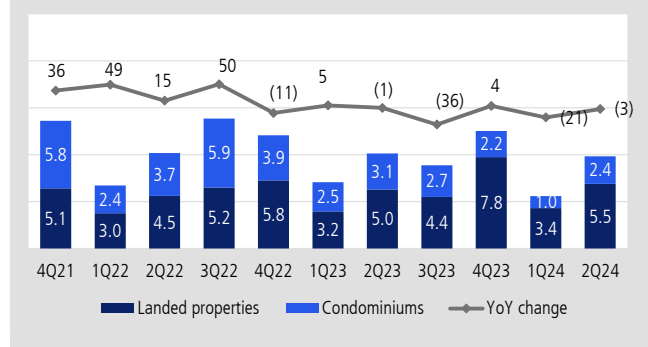
Btmn



Source: Company data, KGI Securities Research

**Figure 5: Quarterly transfers**

Transfers of high-rise and low-rise, Btbn; YoY change, percent

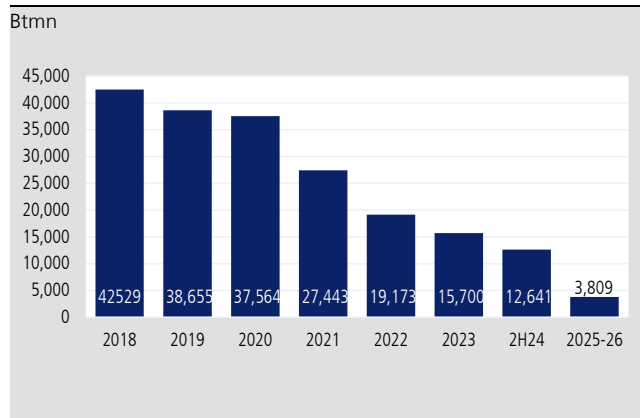


Source: Company data, KGI Securities Research

**Figure 6: Condominiums ready to start transfer in 2022-26F**

Project	Value (Btmn)	Sold (%)	Transfer
Supalai Veranda Sukhumvit 117	2,800	44%	1Q22
Supalai Veranda Ramkamhaeng	6,222	86%	2Q22
Supalai Park Fai Chai Station	2,270	57%	2Q22
Supalai City Resort Sukhumvit 107	2,000	27%	1Q22
Supalai Lite ThaPhra-WongwianYai	1,300	70%	2Q22
Supalai City Resort Charan 91	2,100	86%	3Q22
Supalai Loft Sathorn Ratchapruak	1,465	99%	2Q23
Supalai Premier Si Phraya-Samyang	2,310	99%	3Q23
Supalai City Home Rayong	300	20%	1Q24
Supalai Samsen Rachawat	1,600	62%	2Q24
Supalai Icon Sathorn	12,308	23%	2Q24
Supalai Loft Phasi Charoen Station	1,050	88%	3Q24
City Home Sanambin Nam	730	37%	3Q24
Blue Whale Huahin	1,200	63%	2025
Sense Srinakarin	1,000	20%	2025
Parc Ekkamai	4,600	25%	2026

Source: Company data, KGI Securities Research

**Figure 7: Backlog**


Source: Company data, KGI Securities Research

**Figure 8: Summary of SPALI's total investments in Australia (equity value of AUD945mn)**

Project	Status	Type	Location	Stake%	Value (mn AUD)	Sold %
Balmoral Quay	Subsidiary	Townhouse/Apartment	Geelong	100	244	46
Officer	JV	Land plot	Melbourne	25	551	96
Arena	JV	Land plot	Melbourne	25	535	72
GenFyansford	JV	Land plot	Geelong	50	335	70
Eden's crossing	JO	Land plot	Brisbane	50	309	64
Whole Green	JV	Land plot	Melbourne	49.9	807	54
Narangba	JV	Land plot	Brisbane	16.95	225	71
Eglinton	JV	Land plot	Perth	18.55	252	19
Ballarat Street	JV	Apartment	Melbourne	50	102	75
Madora Bay	JV	Land plot	Perth	11.11	487	31
Donnybrook Road	JO	Land plot	Melbourne	50	495	49
Smiths Lane	JO	Land plot	Melbourne	50	1,205	21
Augusta (12 projects)	JV	Land plot	6 cities	49.9	11,593	NA
<b>Total</b>					<b>17,140</b>	

Source: Company data

**Figure 9: Breakdown of SPALI's recent new investments in Australia (equity value of AUD530mn)**

Project	Status	Type	Location	Stake%	Value (mn AUD)
Springfield	JV	Land plot	Brisbane	49.9	483
Yarrabilba	JV	Land plot	Brisbane	49.9	4,509
Shoreline	JV	Land plot	Brisbane	49.9	1,071
Kinma Valley	JV	Land plot	Brisbane	49.9	1,098
Calderwood	JV	Land plot	Wollongong	49.9	1,450
FigtreeHill	JV	Land plot	Sydney	49.9	914
Atherstone	JV	Land plot	Melbourne	49.9	494
Aurora	JV	Land plot	Melbourne	49.9	473
Harpley	JV	Land plot	Melbourne	49.9	501
Averley	JV	Land plot	Melbourne	49.9	448
Alkimos Beach	JV	Land plot	Perth	49.9	123
Alkimos Beach P1	JV	Land plot	Perth	49.9	29
<b>Total</b>					<b>11,593</b>

Source: Company data

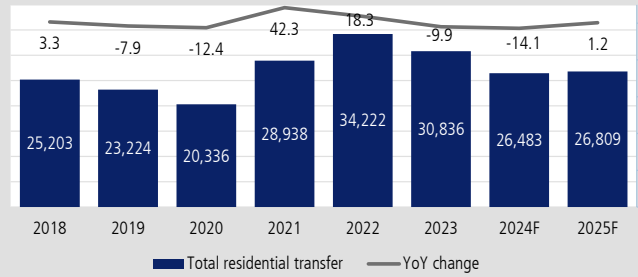
**Figure 10: Company profile**

Supalai Plc. (SPALI) is a real estate developer specialized in residential projects and commercial (office, hotels, senior home) properties. The company develops single-detached houses, townhomes and condominiums in Bangkok (60%) and nationwide (40%). Primary target segment is the mid-range to low end (75% of total on-going projects) with broad-based brands to serve the target. Also, it joins with top Australian developers to develop residential projects in Australia. Combined profit contribution from its JVs in Australia represents 5% of its bottom line over the past 5-years.

Source: Company data

**Figure 11: Residential revenue forecast**

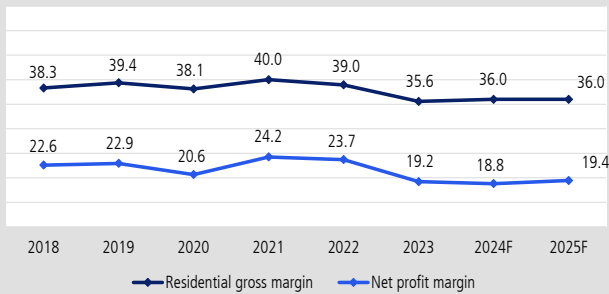
Residential revenues forecast, Btmn; YoY change, percent



Source: Company data, KGI Securities Research

**Figure 12: Margins**

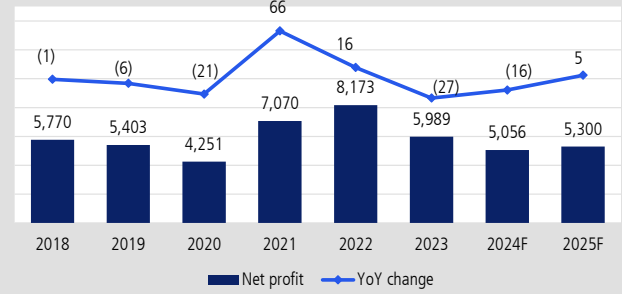
Residential gross margin and net margin, percent



Source: Company data, KGI Securities Research

**Figure 13: Net profit**

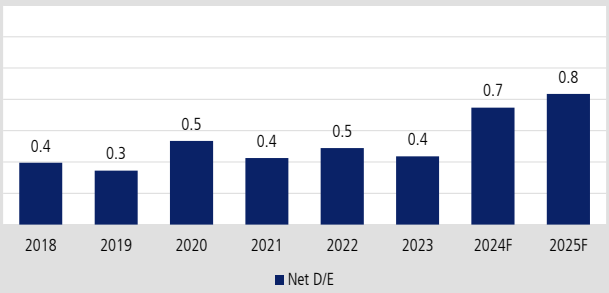
Net profit, Btmn and YoY change, percent



Source: Company data, KGI Securities Research

**Figure 14: Net D/E ratio**

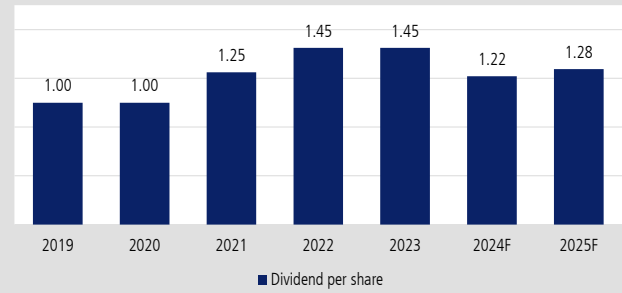
Times



Source: Company data, KGI Securities Research

**Figure 15: Company dividend per share (DPS)**

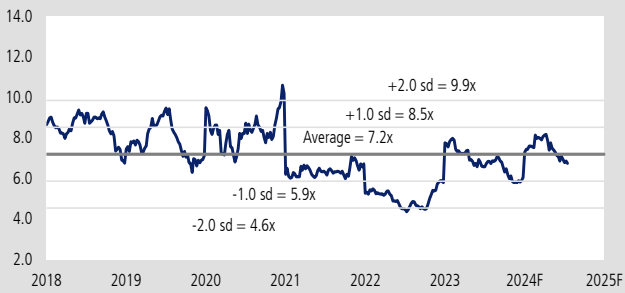
Bt



Source: Company data, KGI Securities Research

**Figure 16: Company trading P/E**

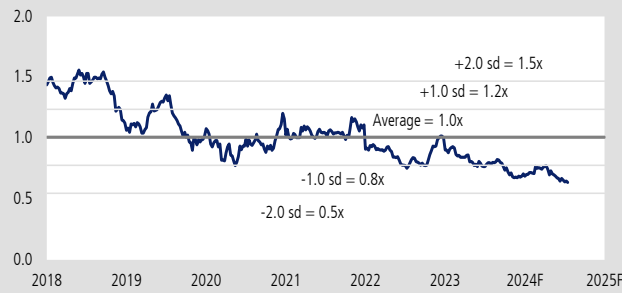
Times



Source: KGI Securities Research

**Figure 17: Company trading P/BV**

Times



Source: KGI Securities Research

**Balance Sheet**

As of 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
<b>Total Assets</b>	<b>71,432</b>	<b>79,924</b>	<b>86,126</b>	<b>102,285</b>	<b>112,582</b>
<b>Current Assets</b>	<b>65,188</b>	<b>69,093</b>	<b>77,734</b>	<b>90,620</b>	<b>100,065</b>
Cash & ST Investment	1,626	1,315	4,711	1,382	1,623
Inventories	62,104	65,675	71,125	88,142	97,332
Account Receivable	51	38	60	24	24
Others	1,407	2,065	1,838	1,072	1,085
<b>Non-current Assets</b>	<b>6,244</b>	<b>10,831</b>	<b>8,391</b>	<b>11,666</b>	<b>12,517</b>
LT Investment	1,161	1,137	1,072	1,565	1,669
Net fixed Assets	344	389	388	650	765
Others	4,740	9,304	6,932	9,451	10,082
<b>Total Liabilities</b>	<b>28,506</b>	<b>32,461</b>	<b>34,661</b>	<b>48,540</b>	<b>55,979</b>
<b>Current Liabilities</b>	<b>23,817</b>	<b>27,772</b>	<b>27,157</b>	<b>33,357</b>	<b>37,960</b>
Account Payable	2,469	2,939	3,192	2,825	2,860
ST Borrowing	15,913	20,650	20,480	27,065	31,511
Others	5,435	4,182	3,486	3,468	3,590
<b>Long-term Liabilities</b>	<b>4,689</b>	<b>4,690</b>	<b>7,504</b>	<b>15,183</b>	<b>18,018</b>
Long-term Debts	3,976	3,886	6,684	14,455	17,335
Others	713	804	819	727	684
<b>Shareholders' Equity</b>	<b>42,926</b>	<b>47,463</b>	<b>51,465</b>	<b>53,746</b>	<b>56,603</b>
Common Stock	2,143	1,953	1,953	1,953	1,953
Capital Surplus	1,499	1,499	1,499	1,499	1,499
Retained Earnings	38,039	44,101	47,615	50,295	53,104

Source: KGI Securities Research

**Key Ratios**

Year to 31 Dec	2021	2022	2023	2024F	2025F
<b>Growth (%YoY)</b>					
Sales	41.6	18.3	(9.6)	(13.7)	1.4
OP	56.5	18.1	(24.1)	(13.8)	3.4
EBITDA	55.5	17.9	(23.8)	(13.3)	3.6
NP	66.3	15.6	(26.7)	(15.6)	4.8
Normalized Profit	66.3	26.8	(26.7)	(15.6)	4.8
EPS	66.3	26.8	(26.7)	(15.6)	4.8
Normalized EPS	66.3	26.8	(26.7)	(15.6)	4.8
<b>Profitability (%)</b>					
Gross Margin	39.9	38.9	35.6	36.0	36.0
Operating Margin	30.2	30.2	25.3	25.3	25.8
EBITDA Margin	30.6	30.5	25.7	25.9	26.4
Net Margin	24.2	23.7	19.2	18.8	19.4
ROAA	9.9	10.2	7.0	4.9	4.7
ROAE	16.5	17.2	11.6	9.4	9.4
<b>Stability</b>					
Gross Debt/Equity (%)	66.4	68.4	67.3	90.3	98.9
Net Debt/Equity (%)	42.5	48.9	43.6	74.7	83.4
Interest Coverage (x)	34.0	37.6	16.9	10.5	8.3
Interest & ST Debt Coverage (x)	0.5	0.5	0.4	0.2	0.2
Cash Flow Interest Coverage (x)	12.4	11.0	0.6	(18.0)	(4.8)
Cash Flow/Interest & ST Debt (x)	0.2	0.1	0.0	(0.4)	(0.1)
Current Ratio (x)	2.7	2.5	2.9	2.7	2.6
Quick Ratio (x)	0.1	0.1	0.2	0.1	0.1
Net Debt (Bt mn)	18,264.0	23,221.2	22,453.3	40,138.6	47,222.2
<b>Per Share Data (Bt)</b>					
EPS	3.3	4.2	3.1	2.6	2.7
Normalized EPS	3.3	4.2	3.1	2.6	2.7
CFPS	1.5	1.6	0.1	(6.0)	(2.1)
BVPS	20.0	24.3	26.4	27.5	29.0
SPS	13.6	17.7	16.0	13.8	14.0
EBITDA/Share	4.2	5.4	4.1	3.6	3.7
DPS	1.3	1.5	1.5	1.2	0.0
<b>Activity</b>					
Asset Turnover (x)	0.4	0.4	0.4	0.3	0.2
Days Receivables	0.6	0.4	0.7	0.3	0.3
Days Inventory	1,294.0	1,137.7	1,293.5	1,870.2	2,036.9
Days Payable	51.4	50.9	58.0	59.9	59.8
Cash Cycle	1,243.2	1,087.2	1,236.1	1,810.6	1,977.4

Source: KGI Securities Research

**Profit & Loss**

Year to Dec 31 (Btmn)	2021	2022	2023	2024F	2025F
<b>Revenue</b>	<b>29,160</b>	<b>34,486</b>	<b>31,177</b>	<b>26,891</b>	<b>27,266</b>
Cost of Goods Sold	(17,518)	(21,070)	(20,071)	(17,202)	(17,441)
<b>Gross Profit</b>	<b>11,642</b>	<b>13,416</b>	<b>11,106</b>	<b>9,689</b>	<b>9,825</b>
Operating Expenses	(3,321)	(4,029)	(3,857)	(3,361)	(3,272)
Other Incomes	487	1,015	641	471	477
<b>Operating Profit</b>	<b>8,809</b>	<b>10,402</b>	<b>7,890</b>	<b>6,798</b>	<b>7,030</b>
Depreciation of fixed assets	(123)	(127)	(138)	(164)	(181)
<b>Operating EBITDA</b>	<b>8,931</b>	<b>10,529</b>	<b>8,028</b>	<b>6,962</b>	<b>7,211</b>
<b>Non-Operating Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Interest Income	0	0	0	0	0
Other Non-op Income	0	0	0	0	0
<b>Non-Operating Expense</b>	<b>(259)</b>	<b>(277)</b>	<b>(467)</b>	<b>(646)</b>	<b>(849)</b>
Interest Expense	(259)	(277)	(467)	(646)	(849)
Other Non-op Expense	0	0	0	0	0
<b>Equity Income/(Loss)</b>	<b>533</b>	<b>390</b>	<b>247</b>	<b>296</b>	<b>518</b>
<b>Pretax Profit</b>	<b>9,083</b>	<b>10,515</b>	<b>7,670</b>	<b>6,449</b>	<b>6,699</b>
Current Taxation	(1,943)	(2,212)	(1,586)	(1,344)	(1,351)
Minorities	(69)	(130)	(94)	(48)	(48)
Extraordinaries items	0	0	0	0	0
<b>Net Profit</b>	<b>7,070</b>	<b>8,173</b>	<b>5,989</b>	<b>5,056</b>	<b>5,300</b>
<b>Normalized Profit</b>	<b>7,070</b>	<b>8,173</b>	<b>5,989</b>	<b>5,056</b>	<b>5,300</b>
EPS (Bt)	3.30	4.18	3.07	2.59	2.71
Normalized EPS (Bt)	3.30	4.18	3.07	2.59	2.71

Source: KGI Securities Research

**Cash Flow**

Year to 31 Dec (Bt mn)	2021	2022	2023	2024F	2025F
<b>Operating Cash Flow</b>	<b>3,210</b>	<b>3,042</b>	<b>285</b>	<b>(11,628)</b>	<b>(4,036)</b>
Net Profit	7,070	8,173	5,989	5,056	5,300
Depreciation & Amortization	123	127	138	164	181
Change in Working Capital	(3,519)	(4,998)	(5,689)	(16,600)	(9,047)
Others	(464)	(260)	(153)	(248)	(470)
<b>Investment Cash Flow</b>	<b>132</b>	<b>(4,232)</b>	<b>2,564</b>	<b>(3,234)</b>	<b>(556)</b>
Net CAPEX	(716)	(4,637)	2,420	(1,713)	(475)
Change in LT Investment	688	316	134	(1,434)	(37)
Change in Other Assets	160	89	11	(87)	(44)
<b>Free Cash Flow</b>	<b>3,342</b>	<b>(1,190)</b>	<b>2,849</b>	<b>(14,862)</b>	<b>(4,592)</b>
<b>Financing Cash Flow</b>	<b>(3,051)</b>	<b>880</b>	<b>547</b>	<b>11,532</b>	<b>4,834</b>
Change in Share Capital	0	(582)	0	0	0
Net Change in Debt	(1,442)	4,646	2,628	14,356	7,325
Change in Other LT Liab.	255	(1,074)	394	(447)	0
<b>Net Cash Flow</b>	<b>291</b>	<b>(311)</b>	<b>3,396</b>	<b>(3,329)</b>	<b>241</b>

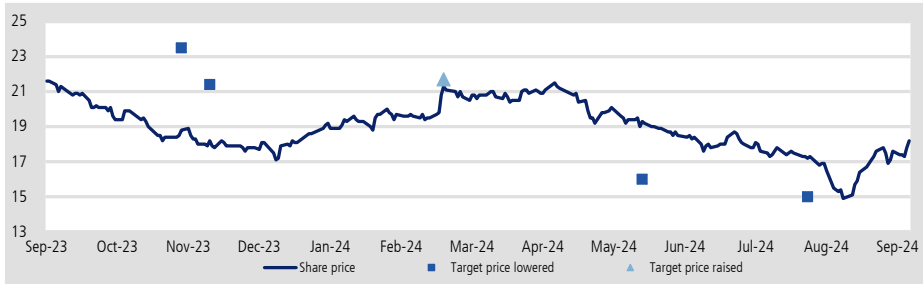
Source: KGI Securities Research

**Rates of Return on Invested Capital**

Year	1- Revenue	+ COGS Revenue	+ Depreciation Revenue	+ Operating Exp. Revenue	= Operating Margin
2021	60.1%		0.4%	11.4%	28.1%
2022	61.1%		0.4%	11.7%	26.9%
2023	64.4%		0.4%	12.4%	22.8%
2024F	64.0%		0.6%	12.5%	22.9%
2025F	64.0%		0.7%	12.0%	23.4%
Year	1/ Working Capital Revenue	+ Net PPE Revenue	+ Other Assets Revenue	= Capital Turnover	
2021	1.4	0.0	2.4	0.3	
2022	1.2	0.0	2.3	0.3	
2023	1.6	0.0	2.8	0.2	
2024F	2.1	0.0	3.8	0.2	
2025F	2.3	0.0	4.1	0.2	
Year	Operating Margin	x Capital Turnover	x Cash Tax Rate	= After-tax Return on Inv. Capital	
2021	28.1%	0.3	21.4%	1.6%	
2022	26.9%	0.3	21.0%	1.6%	
2023	22.8%	0.2	20.7%	1.1%	
2024F	22.9%	0.2	20.8%	0.8%	
2025F	23.4%	0.2	20.2%	0.7%	

Source: KGI Securities Research

Supalai – Recommendation & target price history



Date	Rating	Target	Price
25-Jul-24	Underperform	15.00	17.20
16-May-24	Underperform	16.00	19.30
22-Feb-24	Neutral	21.70	21.30
26-Jan-24	Neutral	21.40	19.70
15-Nov-23	Outperform	21.40	18.20
3-Nov-23	Outperform	23.50	18.80

Source: KGI Securities Research

## Company's ESG details

### Environment

#### Pollution & Waste

- The use of replacement materials for packaging in collaboration with Westcon Co., Ltd. and SMART BLOCK by Smart Concrete Public Company Limited.
- Constructing buildings in accordance with project design and relevant laws. Arranging construction sites and keeping materials orderly in stacks. Installing opaque fencing about 6 meters high and canvas fencing about 6 meters high or metal sheeting fencing around the construction sites.
- Engineers supervise and monitor construction to ensure compliance with the approved design.
- Construction activity must not exceed the atmospheric dust standard set at 0.330 milligram/cubic meter.
- Spraying water over the construction site and its entries at least twice a day.
- When the concentration of dust up to 2.5 microns (PM2.5) in the air exceeds the standard, the project stops activities that cause dust up to 2.5 microns (PM2.5).

#### Environment opportunity

- Conservation of existing trees within projects and planting 20 rai of new trees, 4,000 trees by 2023.
- More than 90% of the main utility space has air ventilation channels on both sides.
- Using Light Emitting Diode (LED) bulbs instead of fluorescent light bulbs.
- Using renewable energy, using solar energy for lighting within the construction areas of the projects.
- Using concrete leftovers from the construction work to make column posts for brick wall work.
- Using residual concrete from structural work to produce steel models for casting barricade dams.
- Using remaining concrete from work to make walkway slabs.

### Social

#### Human capital

- The company recognizes the importance of human resource development and fair treatment of workers.
- Ensures employees operate safely with good workplace hygiene by providing measures to prevent accidents and increase their safety

#### Product liability

- For construction, the company attaches importance on the preparation of the area, specifically, the soil used for land reclamation and compaction has to be tested and verified that its pH value is in the medium level.
- The company takes into account the quality and standards of its products by focusing on the use of quality materials.

#### Stakeholders

- Employees can give comments or complaints on unfair practices or misconduct in the company.
- Employee engagement at 70% in 2023 and average training hours of at least 20 hours/person/year.
- The company adheres to fair contract practices with its suppliers and compliance with prescribed anti-corruption measures.
- In addition, the company conducts fair business competition with no bullying, depriving or doing any act in violation of unfair competition.

### Governance

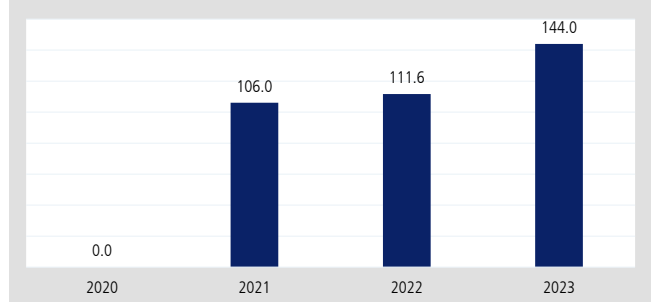
- The company maintains annual "Excellent" CG scoring From Thai Institute of Directors Association (IOD).

### Climate Management (Subset of Environment)

- The company aims to reduce greenhouse gases by 40% by 2030 via installing more solar rooftops, EV chargers, growing more trees, recycling water, zero waste campaigns, green procurement, etc.

Source: Company data, KGI Securities Research

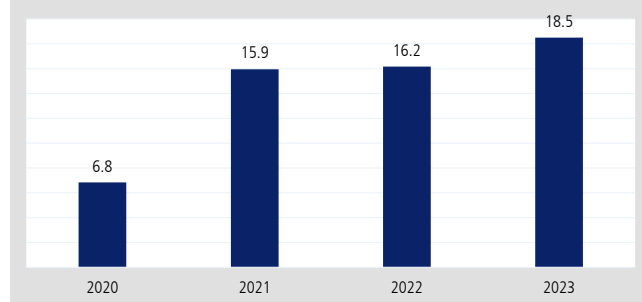
**Total GHG emissions**

 GHG emissions, '000 tons of CO<sub>2</sub>e


Source: Company data, SETSMART, KGI Securities Research

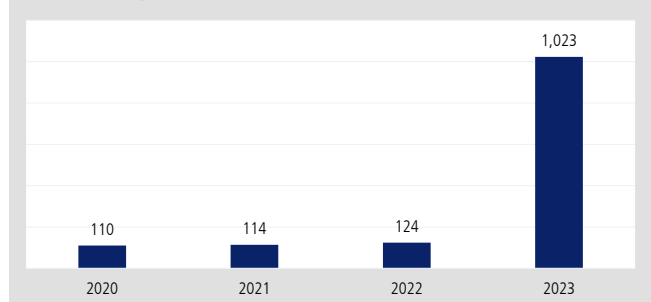
**Total electricity consumption**

Electricity consumption, mn GWh



Source: Company data, SETSMART, KGI Securities Research

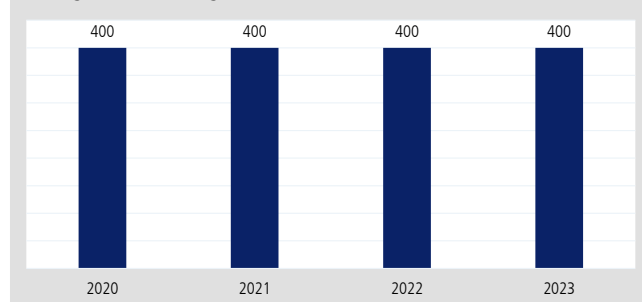
**Total water consumption**

 Water consumption, m<sup>3</sup>


Source: Company data, SETSMART, KGI Securities Research

**Total waste**

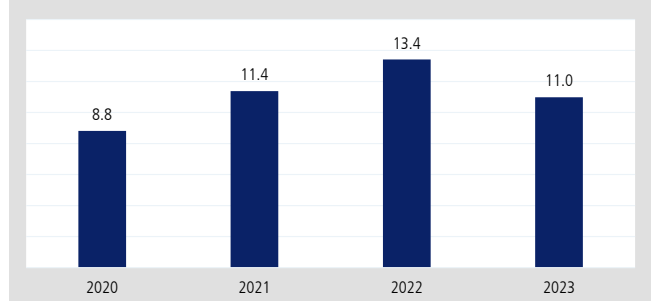
Waste generated, Kilograms



Source: Company data, SETSMART, KGI Securities Research

**Employee turnover**

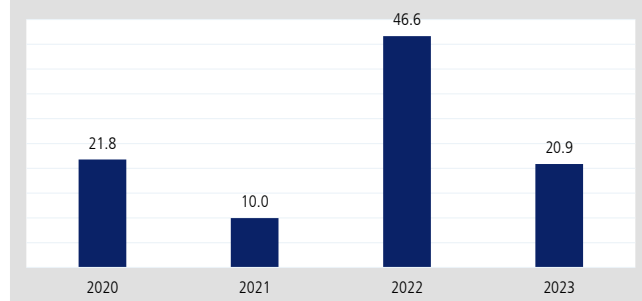
Employee turnover, percent



Source: Company data, SETSMART, KGI Securities Research

**Average employee training hours**

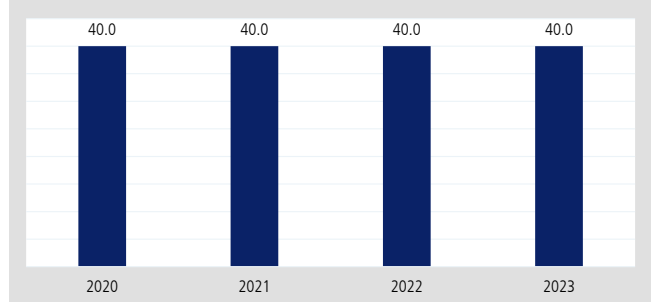
Average employee training hour, hours per person per year



Source: Company data, SETSMART, KGI Securities Research

**Proportion of independent directors**

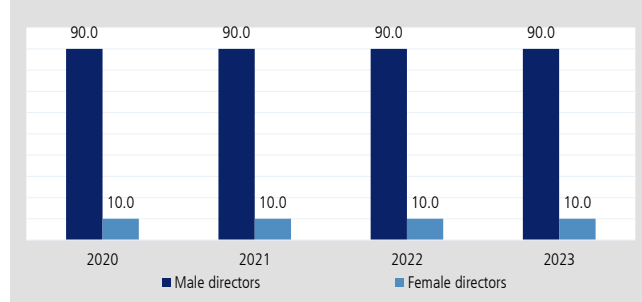
Independent directors, percent



Source: Company data, SETSMART, KGI Securities Research

**Gender diversification of directors**

Gender diversification, percent



Source: Company data, SETSMART, KGI Securities Research



## SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B.GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALAI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GFPT	GFPT	SAK	SAKSAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	GLOBAL GREEN CHEMICALS	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	SIAM GLOBAL HOUSE	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GLOBAL POWER SYNERGY	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	GULF ENERGY DEVELOPMENT	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HENG LEASING AND CAPITAL	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	HOME PRODUCT CENTER	SEAFECO	SEAFECO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	INTUCH	INTOUCH HOLDINGS	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IRPC	IRPC	SHR	S HOTELS AND RESORTS
BANPU	BANPU	ITC	i-Tail Corporation	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	IVL	INDORAMA VENTURES	SMPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KCE	KCE ELECTRONICS	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SPALI	SUPALAI
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	KTC	KRUNGTHAI CARD	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LH	LAND AND HOUSES	SUN	SUNSWEEP
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	M	MK RESTAURANT GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MBK	MBK	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MEGA	MEGA LIFESCIENCES	THCOM	THAICOM
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	ORI	ORIGIN PROPERTY	TOP	THAI OIL
CPALL	CP ALL	OSP	OSOTSPA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	VGI	VGI
CPN	CENTRAL PATTANA	PTT	PTT	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTEP	PTT EXPLORATION AND PRODUCTION	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOME	PTTGC	PTT GLOBAL CHEMICAL	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	QH	QUALITY HOUSES		
ERW	THE ERAWAN GROUP	RATCH	RATCH GROUP		



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BSRC	BANGCHAK SRIRACHA	JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
CHG	CHULARAT HOSPITAL	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		
NETBAY	NETBAY	SISB	SISB		

Source: www.thai-iod.com

**Disclaimer:** The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. 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 or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

## Anti-corruption Progress Indicator

### Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	KASIKORN BANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

### Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFSCO	SEAFSCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

### Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

### No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: [www.cgthailand.org](http://www.cgthailand.org)

**Disclaimer:** The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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<b>Rating</b>	<b>Definition</b>
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances.  Excess return = 12M target price/current price-
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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