

Thailand's Capital Market: Enhancing Market Quality



Enhancing market quality through various measures aligned with international standards and accompanied by ongoing evaluation


Objectives


1 Level Playing Field


2 Mitigate Excessive Volatility


3 Prevent Fraudulent and Misconduct

Measures

 Enhance the supervision process and regulatory standards^[1]

 Measures to reduce abnormal price volatility^[2]

 Measures to monitor and control improper trading behavior^[3]

 Measures to enhance investor protection^[4]

International Standards

Proportionate Measures

Dynamic Evaluation

Principles

[1] Strengthen new listing requirements (1 Jan 2025), provide more caution sign, add criteria for delisting [2] Implement Uptick rule, review securities eligible for short selling and introduce individual stock circuit breaker (Dynamic Price Band)
[3] Register HFT users, disclose information of investors placing improper orders, introduce auto halt and minimum resting time [4] Report outstanding short position, disclose NVDR holdings, revise penalties on members wrongdoing

Thailand's Capital Market: Adapting to a Changing World

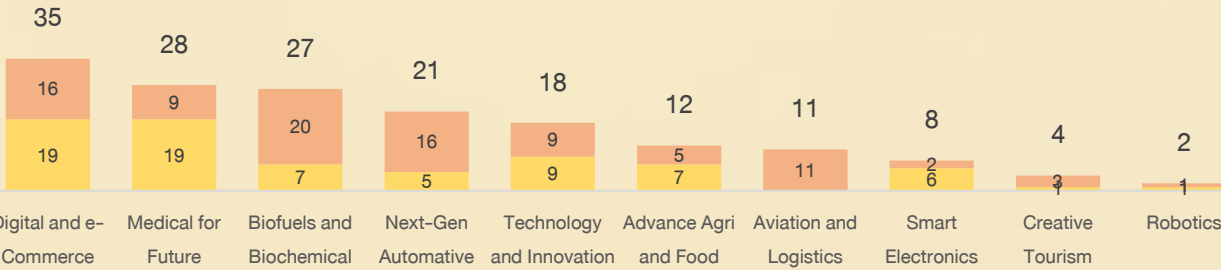


SET-listed companies are adapting to new economic opportunities across various industries and are ready to embrace a wide range of investment opportunities in emerging sectors and asset classes.

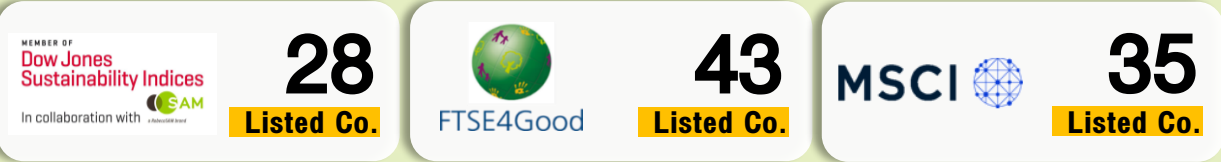
Thai Listed Companies in the New Economy

165 (20%) Listed Companies in New Economy
From 855 Listed Companies

Core Business: 73 (44%)
Non-Core Business: 92 (56%)



Thai Listed Companies in Leading Sustainability Indices



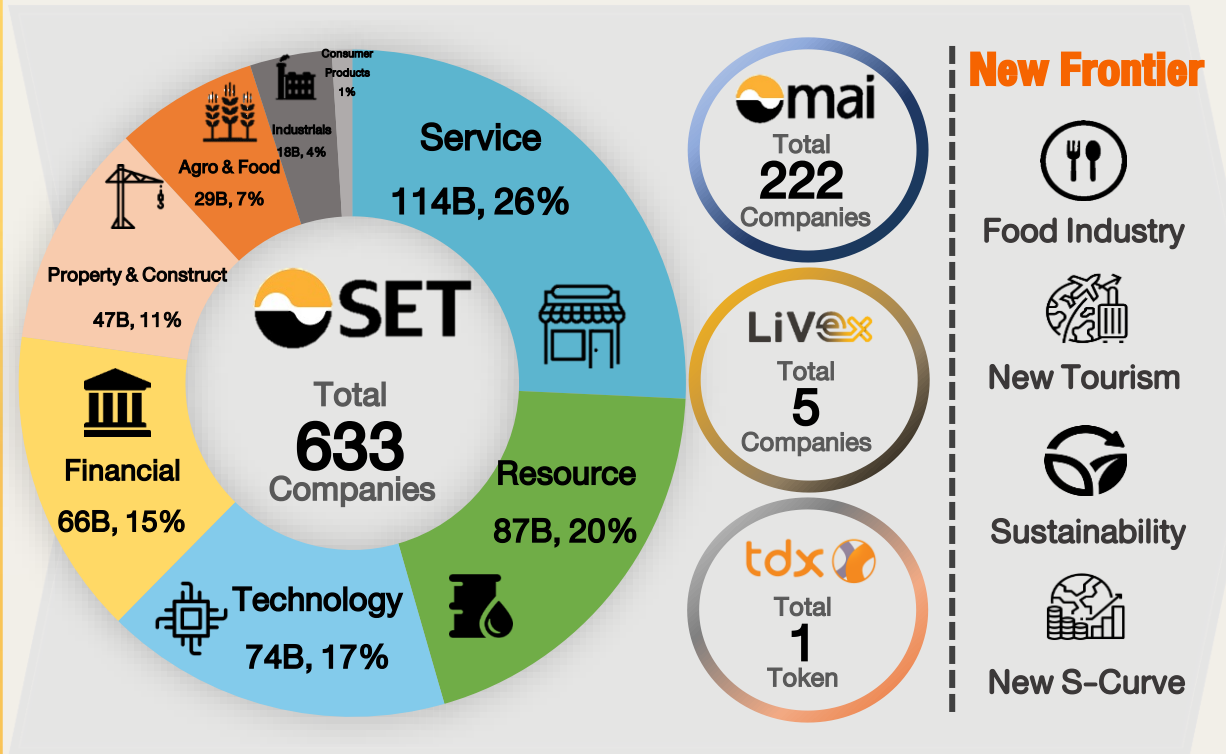
S&P Global 2024 Sustainability Yearbook

14 Companies in Gold Class

The world's highest number for the best performing sustainable companies in their industry.*



Ready to Embrace New Opportunities



Market Capitalization

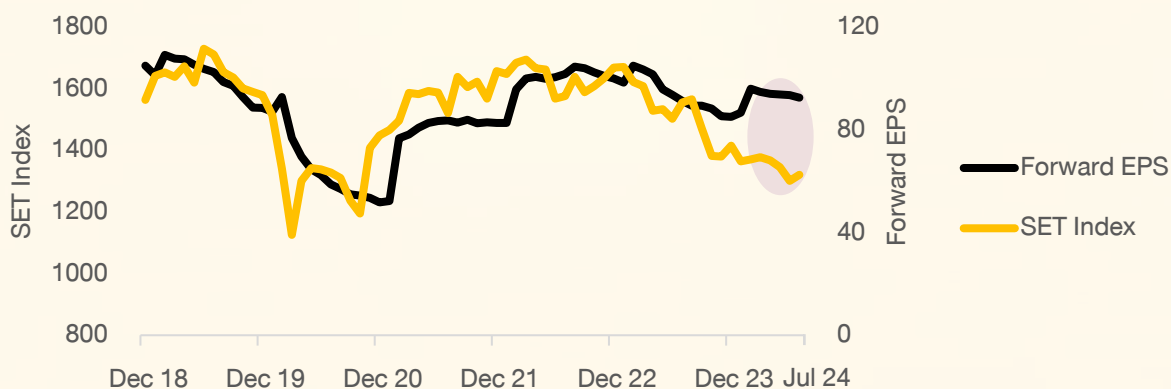
SET: \$439 billion **mai**: \$10 billion **LiVex**: \$1 billion

Thailand's Capital Market: Investing Opportunities



The SET Index moves fairly in line with earnings per share (EPS) performance. However, current EPS remains below the 5-year average, with upward revisions in several sectors.

SET Index moves fairly in line with EPS



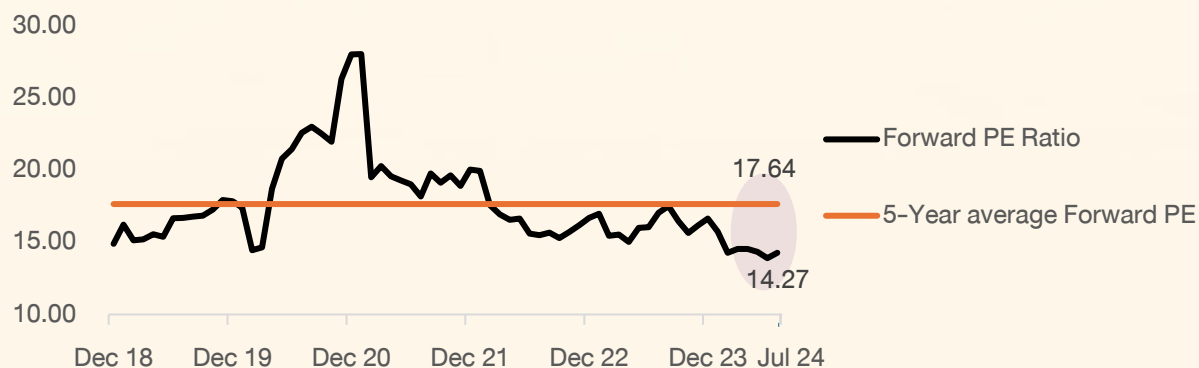
Upward Revisions of Forward EPS

Forward EPS Growth Revision (%YoY) of Selected Sectors and the forward P/E ratio below the 5-year average.

Source: Bloomberg, data as of July 2024

Sector	Forward EPS Growth Revision (%YoY)	Forward P/E	
		Current	5-Year Average
Petro	287%	19.8	23.0
Food	144%	17.3	25.8
Transportation	33.9%	27.0	62.4
Construction	28.0%	18.2	42.3
Hotel	26.7%	23.5	33.1
Commerce	24.8%	22.3	31.9
Insurance	16.5%	9.2	16.9
Health	10.5%	25.7	35.9
SET Index	8.7%	14.3	17.6
Property	6.8%	11.5	15.9
Bank	1.5%	6.9	8.2
Finance	1.4%	11.6	17.6
PREIT	0.6%	10.8	16.6
Auto	0.5%	7.4	10.1

Forward P/E below 5-year average





www.set.or.th

Thailand's Capital Market: Market Growth & Quality



SET aims to enhance market quality, maintain high liquidity and steady IPO flow to strengthen the overall resilience and attractiveness of the Thai capital market.

Measures to Boost Capital Market Confidence



Enhance the supervision process and regulatory standards across all 5 steps^[1]



Measures to reduce abnormal price volatility^[2]



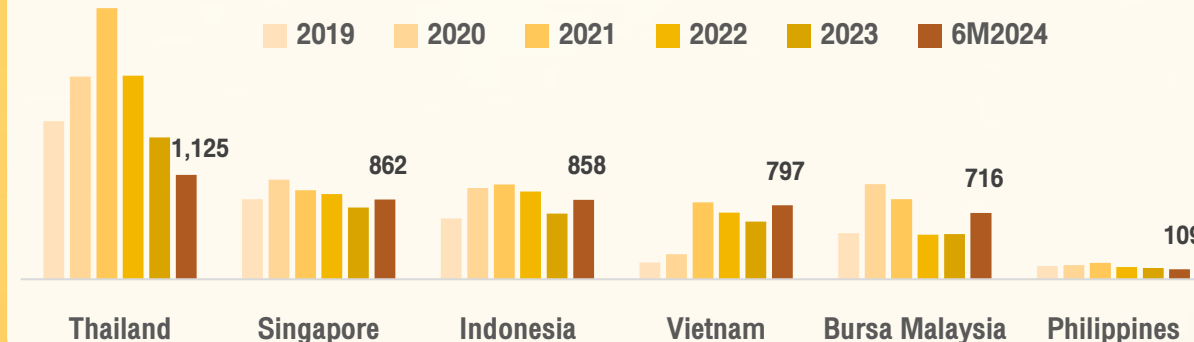
Measures to monitor and control improper trading behavior^[3]



Measures to enhance investor protection^[4]

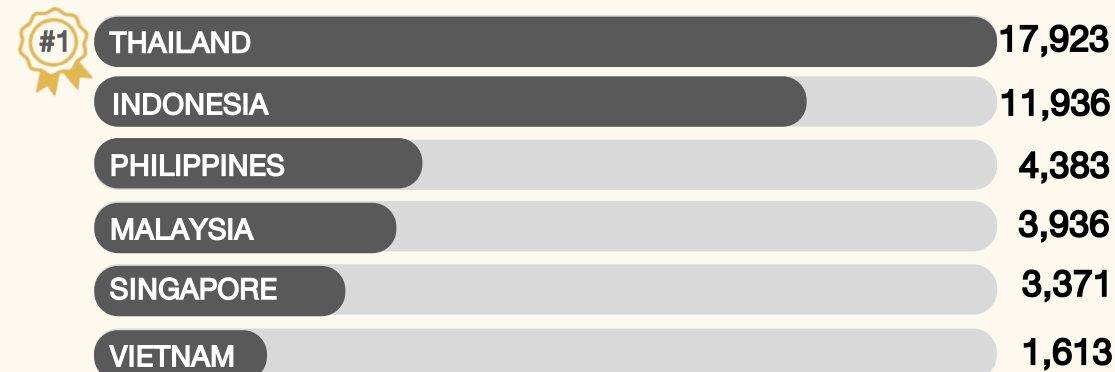
Maintain ASEAN's Top Liquidity Position

Average Daily Turnover (million USD)



Foster a Robust and Steady IPO Flow

Accumulated IPO Value in ASEAN Market (million USD, 2019 – July2024)



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Thailand's Capital Market: Technology & Innovation



Innovative solutions for improved market quality, transparency and accessibility for all stakeholders.

Purpose

Creativity + Innovation

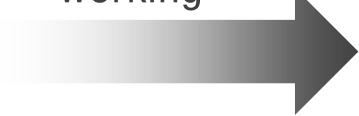
Precise & Decisive decision making



Data-driven



New way of working



Digitalization



Open-mindset



Partnership



Value Creation

Machine Readable & A.I.



AI help programmer 32% increased in productivity



AI (RPA) in purchasing, invoice and billing process



AI in market supervision (SPA)

Streamlined Processes



SETLink



Flexible structure



SVH holds 100% of the shares



Market Innovations

- International Exposure Products
- ESG Data Platform
- Digital Asset Exchange
- Integrated investment portal
- Comprehensive e-services

Panel Discussion 1: "How Thailand's Capital Market Can Adapt to the Changing World" (50 minutes):

1. Questions for the market participant:

- Round 1 (7-8 minutes): How do you assess Thailand's capital market development in terms of depth, breadth, and liquidity, and what key growth opportunities do you see in the near to medium term?
- Round 2 (7-8 minutes): What critical challenges, such as regulatory hurdles, market infrastructure, or investor education, need to be addressed to further strengthen investor confidence and participation in Thailand's capital market?

2. Questions for the Stock Exchange of Thailand representative:

- Round 1 (7-8 minutes): What strategic initiatives has the SET undertaken to improve market quality, liquidity, and attract a diverse range of domestic and international investors?
- Round 2 (7-8 minutes): How is the SET harnessing technology, such as AI and blockchain, to enhance market quality, transparency, and accessibility for investors?

3. Questions for the Secretary-General of The Securities and Exchange Commission:

- Round 1 (7-8 minutes): What key regulatory reforms have been implemented to enhance market integrity, transparency, and investor protection in Thailand's capital market, and how do they align with international best practices?
- Round 2 (7-8 minutes): How is the SEC fostering a balance between market innovation, such as fintech and digital assets, and maintaining stability and investor confidence?