

# LANNA RESOURCES PLC

No. 6/2024  
28 August 2024

## CORPORATES

Company Rating: A-  
CreditAlert: Developing

Last Review Date: 22/09/23

### Company Rating History:

Date	Rating	Outlook/Alert
09/12/21	A-	Stable

### Contacts:

Pravit Chaichamnapai, CFA

pravit@trisrating.com

Tern Thitinuang, CFA

tern@trisrating.com

Parat Mahuttano

parat@trisrating.com

Sermwit Sriyotha

sermwit@trisrating.com



WWW.TRISRATING.COM

## RATIONALE

TRIS Rating places CreditAlert with “developing” implications on the company rating on Lanna Resources PLC (LANNA), following the announcement of a tender offer for all outstanding shares of LANNA by Siam City Cement PLC (SCCC) and Sunrise Equity Co., Ltd. (Sunrise), on 23 August 2024. The offer was triggered by Sunrise’s acquisition of a significant stake in SCCC, which then required Sunrise to make a mandatory tender offer for all common shares of LANNA as LANNA is an associated company of SCCC. The CreditAlert reflects our view of the uncertain outcome of the potential acquisition. The developing implication reflects the possibility of affirming, lowering, or raising the rating on LANNA, depending on our assessment of the impact of the transaction on the company’s business and financial risk profiles.

We would apply our “Group Credit Rating Methodology” in determining the rating on LANNA if SCCC eventually holds an equity interest of more than 50% in LANNA and becomes LANNA’s parent company. Our assessment would include evaluation of the group credit profile (GCP) and LANNA’s status within the group. The GCP would be determined by an assessment of SCCC’s post-transaction credit profile, comprising its pro forma financial profile, as well as the group’s structure, operating strategy, and future financial policies. We could raise the rating on LANNA if we believe the acquisition will strengthen LANNA’s credit profile, which could arise from a stronger parent with a likelihood of very high degree of support. In contrast, we may affirm or lower the rating if we assess SCCC’s credit profile as being similar to or weaker than LANNA’s respectively. A significant integration risk could also be a negative rating factor. Currently, SCCC holds a 44.9% shareholding in LANNA.

We expect to resolve the CreditAlert once the transaction is closed and we have sufficient information to assess the GCP and the group’s strategies and policies towards LANNA.

## RELATED CRITERIA

- Group Rating Methodology, 7 September 2022
- Corporate Rating Methodology, 15 July 2022
- Key Financial Ratios and Adjustments for Corporate Issuers, 11 January 2022

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Lanna Resources PLC (LANNA)

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<b>Company Rating:</b>	A-
<b>CreditAlert:</b>	Developing

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**TRIS Rating Co., Ltd.**

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand Tel: +66 2 098 3000

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