

Quality Houses

(QH.BK/QH TB)*

Neutral - Maintained

Price as of 5 Jul 2023	2.22
12M target price (Bt/shr)	2.45
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	10.36

Key messages

ราคาผลประกอบการ 2Q66F ยังไม่น่าตื่นเต้นท่ามกลางยอดจอง (presales) ลดลง 15-16% ทั้ง QoQ และ YoY ขณะที่ราคาหุ้นลดลง 12% QoQ และทรงตัว YoY สำหรับ 1H66F คาด presales ลดลงราว 7-8% YoY อยู่ที่ 3.8 พันล้านบาท ส่วนกำไรทรงตัวอยู่ที่ 1.1 พันล้านบาท แต่คาด presales และกำไร 2H66F ดีขึ้น HoH จากการเปิดโครงการใหม่มูลค่ารวม 7.6 พันล้านบาทใน 2H66 เทียบกับ 2.2 พันล้านบาทใน 1H66 ทั้งนี้ เรายังคงคำแนะนำถือ ราคาเป้าหมาย SOTP ที่ 2.45 บาท (ประเมินมูลค่าธุรกิจหลักที่ 0.60 บาท อิง PE ที่ 9.6x (-0.5 S.D) และธุรกิจการลงทุนที่ 1.85 บาท) และคาดการณ์จ่ายเงินปันผลต่อหุ้นระหว่างกาล 1H66 ที่ 0.04 บาท (คิดเป็นอัตราผลตอบแทนจากเงินปันผลราว 2%)

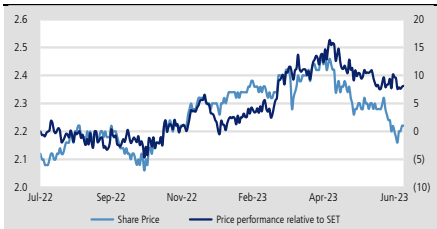
Trading data

Mkt cap (Btmn/US\$m)	23.8/595		
Outstanding shares (mn)	10,714		
Foreign ownership (mn)	1144		
3M avg. daily trading (mn)	16		
52-week trading range (Bt)	2.1/2.5		
Performance (%)	3M	6M	12M
Absolute	-8.3	-3.5	5.7
Relative	-4.8	6.7	7.7

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2021	0.20	0.22	0.12	0.23
2022	0.27	0.24	0.30	0.31
2023	0.28			

Share price chart



Source: SET

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ประมาณการ 2Q66F : ทั้ง presales และกำไรยังไม่ตื่นเต้น

Event

ประมาณการ 2Q66F ด้าน presales และกำไรสุทธิ

Impact

คาด presales 2Q66F ลดลง 15-16% ทั้ง QoQ และ YoY

เราคาด presales 2Q66 อยู่ที่ 1.7-1.8 พันล้านบาท (ลดลงราว 15-16% ทั้ง QoQ และ YoY) จะเป็นเพราะ i) ความล่าช้าในการเปิดโครงการแนวราบใหม่ที่ ลัดครมัย พุทธมณฑลสาย 3 มูลค่า 804 ล้านบาทจากสิ้น 2Q66 ไปเป็นกลางเดือนกรกฎาคม 2566 ii) จำนวนผู้มาเยี่ยมชมโครงการที่อยู่อาศัยน้อยลง และ iii) การยกเลิกในโครงการคอนโดมิเนียมคว สุมวิทหนึ่งยูนิตที่ขายไปแล้วเมื่อ 1Q66 (Figure 2-3)

คาดการณ์ 2Q66F แผลง QoQ แต่ทรงตัว YoY

เราคาดรายได้ 2Q66F อยู่ที่ 1.9-2.0 พันล้านบาท (ทรงตัว YoY และ +15% QoQ) และอัตรากำไรขั้นต้น (GPM) ลดลงอยู่ที่ 30-31% (จาก 34% ใน 2Q65 และ 35% ใน 1Q66) เนื่องจาก i) มีรายจ่ายการส่งเสริมการขายสูงขึ้นอย่างมีนัยสำคัญเพื่อกระตุ้นการขายโครงการคอนโดมิเนียมที่มี margin ต่ำออกไปให้หมดโดยเร็ว และ ii) รายได้จากกำไรโฆษณาและบริการมี margin ต่ำลงตามธุรกิจโรงแรมในช่วงนอกฤดูการท่องเที่ยว (low season) ใน 2Q-3Q รวมทั้งคาดได้รับส่วนแบ่งกำไรจากบริษัทในเครือ QH ลดลงเล็กน้อยหลังจากได้รับเงินปันผลไปแล้วใน 2Q66 โดยสรุป เราคาดว่ากำไรสุทธิ 2Q66F ที่ 520 ล้านบาท (+1% YoY แต่ -12% QoQ ดังแสดงใน Figure 1)

คาดการณ์การดำเนินงาน 2H66F พื้นตัวจากฐาน 1H66 ต่ำ

เราคาด presales 1H66 ลดลงราว 7-8% YoY อยู่ที่ 3.8 พันล้านบาท (คิดเป็น 42% จาก guidance เต็มปีใหม่ของ QH) ในทางกลับกัน เราคาดว่ากำไร 1H66F ทรงตัวอยู่ที่ 1.1 พันล้านบาท (คิดเป็น 45% ของประมาณการเราเต็มปี 2.47 พันล้านบาท) มองด้านบวก เราคาด presales และกำไร 2H66F ดีขึ้น HoH ได้แรงหนุนจากการเปิดโครงการใหม่มูลค่าสูงขึ้นมาที่ 7.6 พันล้านบาทเทียบกับ 2.2 พันล้านบาทใน 1H66

Valuation & action

เราคงคำแนะนำถือ ราคาเป้าหมาย SOTP ที่ 2.45 บาท (ประเมินมูลค่าธุรกิจหลักที่ 0.60 บาท อิง PE ที่ 9.6x (-0.5 S.D) และธุรกิจการลงทุนที่ 1.85 บาท) (Figure 8) นอกจากนี้ คาดการจ่ายเงินปันผลต่อหุ้นระหว่างกาล 1H66 ที่ 0.04 บาท (คิดเป็นอัตราผลตอบแทนจากเงินปันผลที่ราว 2%)

Risks

ภาวะเศรษฐกิจอ่อนแอและโอกาสการปฏิรูปนโยบายจากภาครัฐ

Key financials and valuations

	Dec - 20A	Dec - 21A	Dec - 22A	Dec - 23F	Dec - 24F
Revenue (Btmn)	9,138	8,120	9,226	9,380	9,648
Gross Profit (Btmn)	2,820	2,418	3,129	3,182	3,254
SG&A (Btmn)	1,790	1,816	1,994	2,204	2,316
Net Profit (Btmn)	2,123	1,670	2,396	2,467	2,639
Normalized Profit (Btmn)	2,123	1,670	2,396	2,467	2,639
EPS (Bt)	0.20	0.16	0.22	0.23	0.25
Normalized EPS (Bt)	0.20	0.16	0.22	0.23	0.25
DPS (Bt)	0.12	0.10	0.14	0.14	0.15
EPS Growth (%)	(25.6)	(21.4)	43.5	3.0	6.9
Normalized EPS Growth	(25.6)	(21.4)	43.5	3.0	6.9
P/E (X)	11.7	14.5	10.3	9.6	9.0
P/B (X)	0.9	0.9	0.9	0.8	0.8
EV/EBITDA (X)	23.7	29.8	20.1	22.6	23.0
Net Debt to Equity (%)	54.7	44.2	35.5	41.1	48.1
Dividend Yield (%)	5.2	4.4	6.1	6.4	6.9
Return on Average Equity (%)	8.0	6.2	8.6	8.5	8.7

Source: Company data, KGI Securities Research

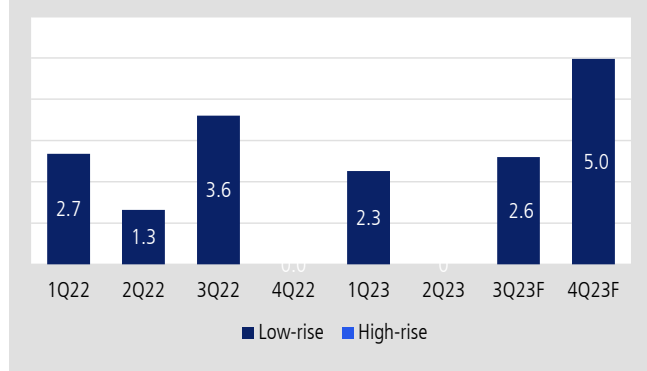
Figure 1: QH's 2Q23F earnings preview

Preview	2Q23F		2Q22	YoY (%)	1Q23	QoQ (%)	6M23F		6M22	YoY (%)
Bt mn										
Revenue	2,194	2,195	2,195	(0.1)	1,903	15.2	4,097	4,285	4,285	(4.4)
Revenue from sales of real estate	1,950	1,970	1,970	(1.0)	1,590	22.6	3,540	3,885	3,885	(8.9)
Revenue from rental and services	244	225	225	8.4	313	(22.2)	557	401	401	38.9
Gross Profit	667	754	754	(11.5)	666	0.2	1,333	1,473	1,473	(9.5)
SG&A	548	531	531	3.3	482	13.7	1,031	981	981	5.1
Operating EBIT	169	288	288	(41.3)	246	(31.3)	415	608	608	(31.8)
Equity Income/(Loss)	437	363	363	20.1	452	(3.5)	889	763	763	16.5
Net Profit	520	515	515	0.9	592	(12.3)	1,112	1,100	1,100	1.1
Normalized profit	520	515	515	0.9	592	(12.3)	1,112	1,100	1,100	1.1
Percent	2Q23F	2Q22	YoY (ppts)	1Q23	QoQ (ppts)	6M23F	6M22	YoY (ppts)		
Gross margin	30.4	34.3	(3.9)	35.0	(4.6)	32.5	34.4	(1.8)		
EBIT margin	7.7	13.1	(5.4)	12.9	(5.2)	10.1	14.2	(4.1)		
SG&A/sales	25.0	24.2	0.8	25.3	(0.3)	25.2	22.9	2.3		

Source: Company data, KGI Securities Research

Figure 2: Quarterly launches

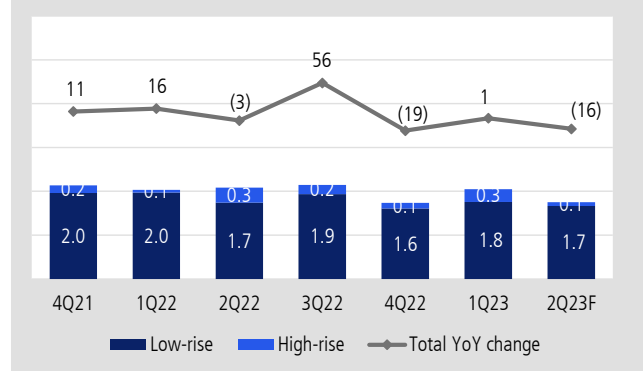
Launches of high-rise and low-rise, Btbn



Source: Company data, KGI Securities Research

Figure 3: Quarterly presales

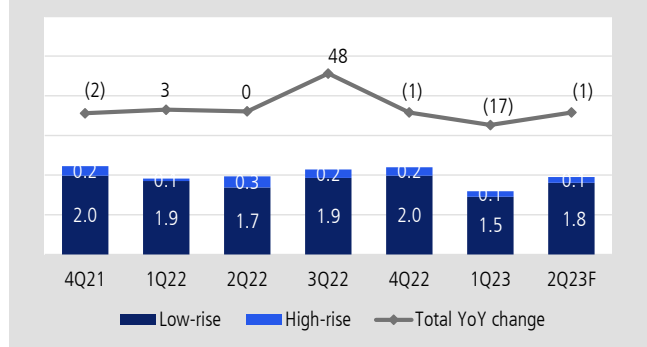
Presales of high-rise and low-rise, Btbn; YoY change, percent



Source: Company data, KGI Securities Research

Figure 4: Quarterly transfers

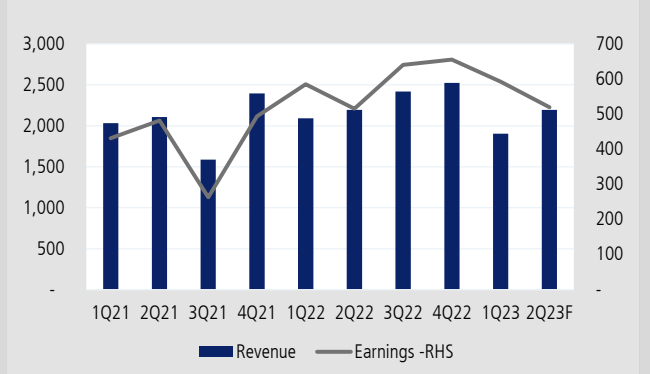
Transfer of high-rise and low-rise, Btbn; YoY change in total launches, percent



Source: Company data, KGI Securities Research

Figure 5: Quarterly revenue and earnings

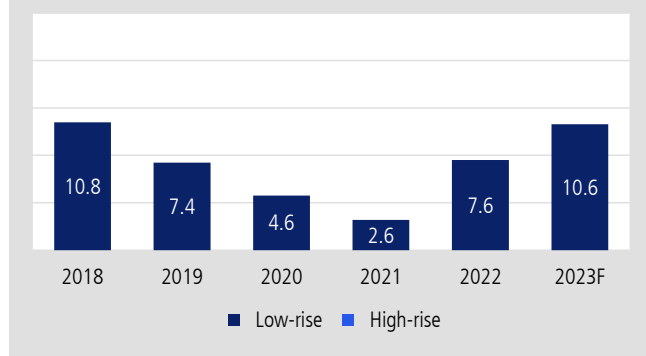
Revenue and earnings: Btmn



Source: Company data, KGI Securities Research

Figure 6: Yearly launches

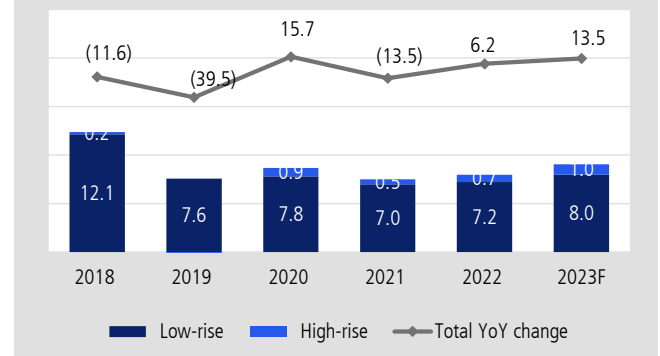
Launches of high-rise and low-rise, Btbn



Source: Company data, KGI Securities Research

Figure 7: Yearly presales

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



Source: Company data, KGI Securities Research

Figure 8: SOTP valuation

SOTP Valuation	2023F Revised
<u>Real estate and rental business</u>	
EPS (Bt/share)	0.06
PE multiple (x): -0.5SD level	9.6
Target price for core business (Bt)	0.6
<u>Investments</u>	
Investment value -60% discount (Btmn)	19,612
Shares (mn)	10,714
Investment value per share (Bt)	1.85
SOTP value (Bt)	2.45

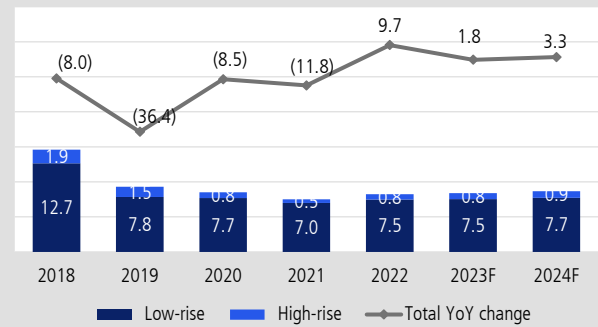
Figure 9: Company profile

Quality Houses Plc. (QH) focuses on both landed properties and condominiums. It also has several sources of income including residential sales (90% of revenue), investment (2/3 of bottom line) and rents (10% of revenue). Thus, its portfolio appears to be pretty diversified. The company targets a wide range of customers as it has a broad-based brand to serve its customers using mixed business approach through different economic cycles.

Source: Company data

Figure 10: Residential revenue forecast

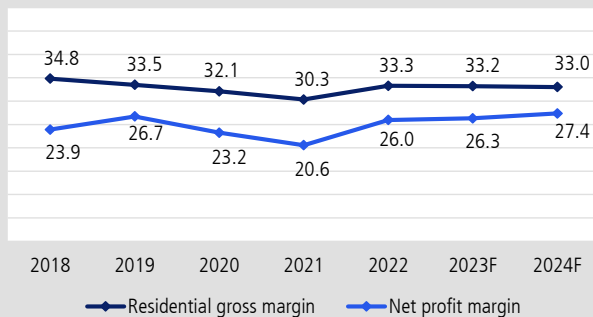
Residential revenues forecast, Btbn and YoY change, percent



Source: Company data, KGI Securities Research

Figure 11: Margins

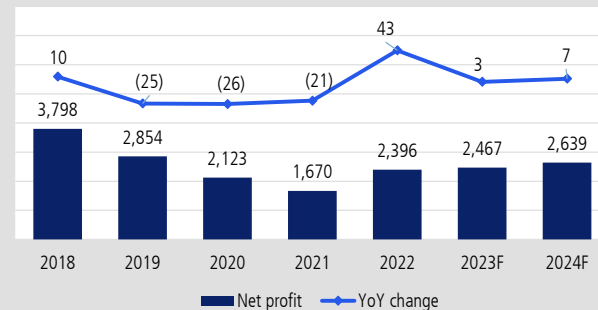
Residential gross margin and net margin, percent



Source: Company data, KGI Securities Research

Figure 12: Net profit

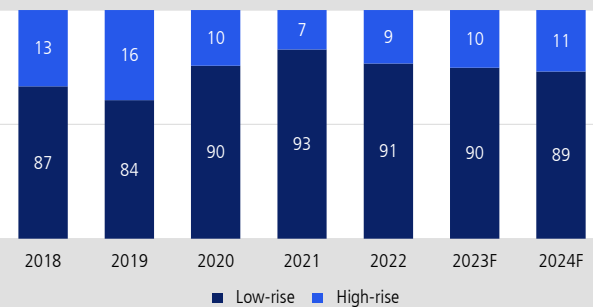
Net profit, Btbn; YoY change, percent



Source: Company data, KGI Securities Research

Figure 13: Transfer breakdown by segment

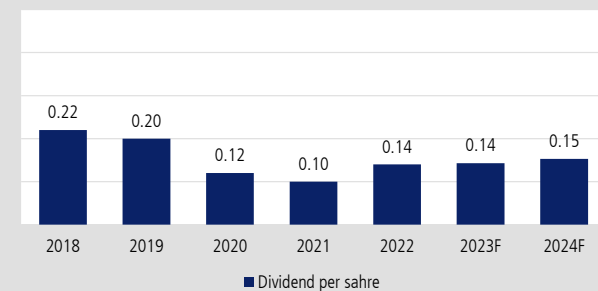
Percent



Source: Company data, KGI Securities Research

Figure 14: Company dividend per share (DPS)

DPS, Bt



Source: Company data, KGI Securities Research

Figure 15: Company trading PER

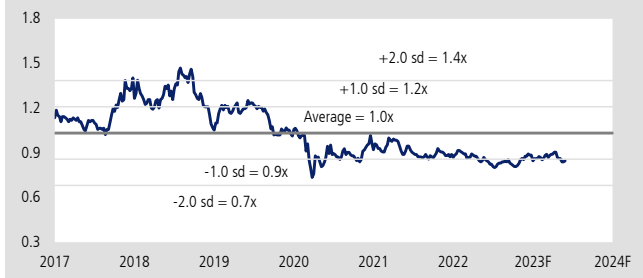
PER, times



Source: KGI Securities Research

Figure 16: Company trading PB

PB, times



Source: KGI Securities Research

Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A
Income Statement (Bt mn)													
Revenue	1,890	2,336	2,490	2,422	2,032	2,106	1,588	2,394	2,091	2,195	2,417	2,524	1,903
Cost of Goods Sold	(1,251)	(1,636)	(1,765)	(1,665)	(1,452)	(1,477)	(1,127)	(1,647)	(1,371)	(1,441)	(1,624)	(1,661)	(1,237)
Gross Profit	638	699	725	758	580	629	461	748	719	754	793	862	666
Operating Expense	(473)	(449)	(456)	(412)	(466)	(447)	(428)	(475)	(450)	(531)	(476)	(538)	(482)
Other incomes	59	52	60	59	63	58	57	52	51	63	58	47	62
Operating Profit	224	302	329	404	176	241	90	325	320	286	376	371	246
Depreciation of fixed asset	(98)	(98)	(98)	(97)	(95)	(95)	(93)	(92)	(90)	(91)	(91)	(90)	(84)
Operating EBITDA	323	404	427	505	271	338	184	420	411	378	467	463	330
Non-Operating Income	0	4	1	4	0	2	0	3	1	2	0	2	0
Interest Income	0	4	1	4	0	2	0	3	1	2	0	2	0
Other Non-op Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating Expense	331	209	312	287	303	300	203	246	328	301	344	353	392
Interest Expense	(100)	(102)	(98)	(93)	(84)	(82)	(84)	(80)	(71)	(62)	(62)	(64)	(61)
Other Non-op Expense													
Equity Income/(Loss)	431	311	409	379	387	381	288	326	399	363	407	417	452
Pre-tax profit	125	205	231	316	92	161	6	248	250	225	314	309	185
Current Taxation	(45)	(58)	(66)	(115)	(48)	(61)	(31)	(81)	(64)	(73)	(80)	(70)	(45)
Minorities	0	0	0	0	0	0	0	0	0	0	0	0	0
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit	511	458	575	580	431	482	263	494	585	515	640	655	592
Normalized Profit	511	458	575	580	431	482	263	494	585	515	640	655	592
EPS (Bt)	0.24	0.21	0.27	0.27	0.20	0.22	0.12	0.23	0.27	0.24	0.30	0.31	0.28
Normalized EPS (Bt)	0.24	0.21	0.27	0.27	0.20	0.22	0.12	0.23	0.27	0.24	0.30	0.31	0.28
Margins													
Gross profit margin	33.8	29.9	29.1	31.3	28.5	29.9	29.0	31.2	34.4	34.3	32.8	34.2	35.0
Operating EBIT margin	11.9	12.9	13.2	16.7	8.7	11.4	5.7	13.6	15.3	13.0	15.5	14.7	12.9
Operating EBITDA margin	17.1	17.3	17.1	20.9	13.3	16.0	11.6	17.6	19.6	17.2	19.3	18.4	17.3
Net profit margin	27.0	19.6	23.1	23.9	21.2	22.9	16.6	20.6	28.0	23.5	26.5	26.0	31.1
Growth (YoY)													
Revenue growth	(45.0)	1.1	(5.5)	5.3	7.5	(9.8)	(36.2)	(1.2)	2.9	4.2	52.2	5.4	(9.0)
Operating EBIT growth	(63.9)	19.0	(20.5)	35.1	(21.4)	(20.4)	(72.5)	(19.7)	81.4	18.7	315.4	14.4	(9.8)
Operating EBITDA growth	(52.6)	23.2	(8.8)	38.2	(16.1)	(16.4)	(56.9)	(16.8)	51.6	12.0	154.2	10.2	(7.4)
Net profit growth	(34.6)	(47.4)	(3.0)	(19.1)	(36.1)	(5.7)	(42.5)	(14.1)	0.9	19.5	32.9	149.3	7.1
Normalized profit growth	(41.2)	(22.8)	(19.8)	(14.1)	(15.6)	5.3	(54.3)	(14.8)	35.7	7.0	143.4	32.7	21.5

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Total Assets	47,667	46,236	43,626	48,966	51,493
Current Assets	25,227	23,364	20,974	25,105	26,410
Cash & ST Investment	2,510	3,206	1,530	3,416	2,369
Inventories	22,545	19,987	19,267	21,512	23,861
Account Receivable	37	26	42	31	32
Others	136	145	134	146	148
Non-current Assets	22,440	22,871	22,652	23,861	25,084
LT Investment	586	527	472	418	364
Net fixed Assets	1,645	1,546	1,533	2,404	3,242
Others	20,209	20,798	20,647	21,039	21,477
Total Liabilities	21,099	19,251	15,793	19,790	21,315
Current Liabilities	8,663	11,322	5,482	10,339	11,085
Account Payable	502	556	673	509	527
ST Borrowing	6,658	9,220	3,083	8,124	8,833
Others	1,502	1,546	1,726	1,706	1,725
Long-term Liabilities	12,436	7,929	10,311	9,451	10,229
Long-term Debts	10,639	6,038	8,504	7,289	8,067
Others	1,797	1,890	1,807	2,162	2,162
Shareholders' Equity	26,568	26,985	27,833	29,176	30,179
Common Stock	10,714	10,714	10,714	10,714	10,714
Capital Surplus	379	379	379	379	379
Retained Earnings	16,031	16,486	17,701	18,639	19,642
Preferred Stock					

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2020	2021	2022	2023F	2024F
Growth (%YoY)					
Sales	(14.4)	(11.1)	13.6	1.7	2.9
OP	(20.7)	(33.9)	62.6	(10.4)	1.2
EBITDA	(9.9)	(26.9)	41.8	(7.9)	5.1
NP	(25.6)	(21.4)	43.5	3.0	6.9
Normalized Profit	(25.6)	(21.4)	43.5	3.0	6.9
EPS	(25.6)	(21.4)	43.5	3.0	6.9
Normalized EPS	(25.6)	(21.4)	43.5	3.0	6.9
Profitability (%)					
Gross Margin	30.9	29.8	33.9	33.9	33.7
Operating Margin	13.8	10.2	14.7	12.9	12.7
EBITDA Margin	18.2	14.9	18.6	16.9	17.3
Net Margin	23.2	20.6	26.0	26.3	27.4
ROAA	4.5	3.6	5.5	5.0	5.1
ROAE	8.0	6.2	8.6	8.5	8.7
Stability					
Gross Debt/Equity (%)	79.4	71.3	56.7	67.8	70.6
Net Debt/Equity (%)	54.7	44.2	35.5	41.1	48.1
Interest Coverage (x)	3.2	2.5	5.2	4.5	4.0
Interest & ST Debt Coverage (x)	0.2	0.1	0.4	0.1	0.1
Cash Flow Interest Coverage (x)	8.2	10.1	8.4	(5.2)	(4.0)
Cash Flow/Interest & ST Debt (x)	0.5	0.3	0.7	(0.2)	(0.1)
Current Ratio (x)	2.9	2.1	3.8	2.4	2.4
Quick Ratio (x)	0.3	0.3	0.3	0.3	0.2
Net Debt (Bt mn)	14,527.6	11,931.8	9,892.5	11,997.3	14,530.9
Per Share Data (Bt)					
EPS	0.2	0.2	0.2	0.2	0.2
Normalized EPS	0.2	0.2	0.2	0.2	0.2
CFPS	0.3	0.3	0.2	(0.1)	(0.1)
BVPS	2.5	2.5	2.6	2.7	2.8
SPS	0.9	0.8	0.9	0.9	0.9
EBITDA/Share	0.2	0.1	0.2	0.1	0.2
DPS	0.1	0.1	0.1	0.1	0.2
Activity					
Asset Turnover (x)	0.2	0.2	0.2	0.2	0.2
Days Receivables	1.5	1.2	1.7	1.2	1.2
Days Inventory	1,302.5	1,279.4	1,153.4	1,266.9	1,362.0
Days Payable	29.0	35.6	40.3	30.0	30.1
Cash Cycle	1,275.0	1,245.0	1,114.8	1,238.2	1,333.2

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmm)	2020	2021	2022	2023F	2024F
Revenue	9,138	8,120	9,226	9,380	9,648
Cost of Goods Sold	(6,318)	(5,702)	(6,097)	(6,198)	(6,394)
Gross Profit	2,820	2,418	3,129	3,182	3,254
Operating Expenses	(1,790)	(1,816)	(1,994)	(2,204)	(2,316)
Other Incomes	230	230	219	235	289
Operating Profit	1,260	832	1,353	1,212	1,228
Depreciation of fixed assets	(390)	(375)	(362)	(366)	(433)
Operating EBITDA	1,659	1,213	1,719	1,584	1,665
Non-Operating Income	9	6	4	5	5
Interest Income	9	6	4	5	5
Other Non-op Income	0	0	0	0	0
Non-Operating Expense	(392)	(330)	(259)	(268)	(308)
Interest Expense	(392)	(330)	(259)	(268)	(308)
Other Non-op Expense	0	0	0	0	0
Equity Income/(Loss)	1,530	1,382	1,586	1,803	1,992
Pretax Profit	2,407	1,890	2,684	2,752	2,916
Current Taxation	(284)	(220)	(288)	(285)	(277)
Minorities	0	0	0	0	0
Extraordinaries items	0	0	0	0	0
Net Profit	2,123	1,670	2,396	2,467	2,639
Normalized Profit	2,123	1,670	2,396	2,467	2,639
EPS (Bt)	0.20	0.16	0.22	0.23	0.25
Normalized EPS (Bt)	0.20	0.16	0.22	0.23	0.25

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Operating Cash Flow	3,205	3,320	2,183	(1,399)	(1,234)
Net Profit	2,123	1,670	2,396	2,467	2,639
Depreciation & Amortization	390	375	362	366	433
Change in Working Capital	2,222	2,657	1,011	(2,430)	(2,314)
Others	(1,530)	(1,382)	(1,586)	(1,803)	(1,992)
Investment Cash Flow	2,803	669	1,360	582	336
Net CAPEX	337	(743)	(89)	(1,593)	(1,655)
Change in LT Investment	1,753	1,288	1,520	1,864	1,992
Change in Other Assets	713	124	(71)	312	0
Free Cash Flow	6,008	3,989	3,543	(817)	(897)
Financing Cash Flow	(5,710)	(3,292)	(5,219)	2,702	(149)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	(3,291)	(2,039)	(3,671)	3,826	1,487
Change in Other LT Liab.	(470)	(38)	(367)	406	0
Net Cash Flow	298	697	(1,676)	1,885	(1,047)

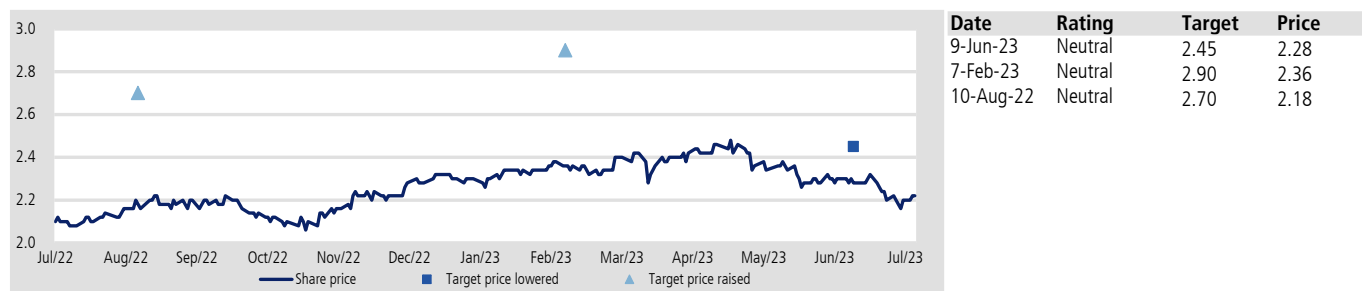
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
2019		66.3%		2.1%		21.1%		10.4%
2020		69.1%		4.2%		19.6%		7.1%
2021		70.2%		4.5%		22.4%		2.9%
2022		66.1%		3.8%		21.6%		8.5%
2023F		66.1%		3.8%		23.5%		6.6%
Year	1/	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
2019		1.6		0.2		4.6		0.2
2020		1.8		0.2		5.0		0.1
2021		1.5		0.2		5.5		0.1
2022		1.7		0.2		4.6		0.2
2023F		1.6		0.3		5.0		0.1
Year		Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2019		10.4%		0.2		9.3%		0.2%
2020		7.1%		0.1		11.8%		0.1%
2021		2.9%		0.1		11.7%		0.0%
2022		8.5%		0.2		10.7%		0.1%
2023F		6.6%		0.1		10.3%		0.1%

Source: KGI Securities Research

Quality Houses – Recommendation & target price history



Source: KGI Securities Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	EGCO	ELECTRICITY GENERATING	PTTEP	PTT EXPLORATION AND PRODUCTION
ADVANC	ADVANCED INFO SERVICE	GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL
AMA	AMA MARINE	GGC	GLOBAL GREEN CHEMICALS	PYLON	PYLON
AMATA	AMATA CORPORATION	GPSC	GLOBAL POWER SYNERGY	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	RS	RS
AP	ASIAN PROPERTY DEVELOPMENT	INTUCH	SHIN CORPORATION	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	IRPC	IRPC	SCC	THE SIAM CEMENT
BCP	THE BANGCHAK PETROLEUM	IVL	INDORAMA VENTURES	SCCC	SIAM CITY CEMENT
BCPG	BCPG	KBANK	KASIKORNBANK	SEAFCO	SEAFCO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BEC	BEC WORLD	KKP	KIATNAKIN BANK	SPALI	SUPALAI
BEM	BANGKOK EXPRESSWAY AND METRO	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B.GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
CK	CH. KARNCHANG	MBK	MBK	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	MINT	MINOR INTERNATIONAL	TOP	THAI OIL
CPALL	CP ALL	MTC	MUANGTHAI CAPITAL	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PSH	PRUKSA HOLDING	VGI	VGI GLOBAL MEDIA
DELTA	DELTA ELECTRONICS (THAILAND)	PTG	PTG ENERGY	WHA	WHA CORPORATION
DTAC	TOTAL ACCESS COMMUNICATION	PTT	PTT	WHAUP	



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	GULF	GULF ENERGY DEVELOPMENT	SAPPE	SAPPE
BBL	BANGKOK BANK	JMT	JMT NETWORK SERVICES	SAWAD	SRI SAWAD POWER 1979
CBG	CARABAO GROUP	LPH	LADPRAO GENERAL HOSPITAL	SINGER	SINGER THAILAND
CHG	CHULARAT HOSPITAL	M	MK RESTAURANT GROUP	SPA	SIAM WELLNESS GROUP
COM7	COM7	MAJOR	MAJOR CINEPLEX GROUP	TFG	THAIFOODS GROUP
DOHOME	DOHOME	MEGA	MEGA LIFESCIENCES	TKN	TAOKAENOI FOOD & MARKETING
ERW	THE ERAWAN GROUP	NETBAY	NETBAY	ZEN	ZEN CORPORATION GROUP
GLOBAL	SIAM GLOBAL HOUSE	OSP	OSOTSPA		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	ESSO	ESSO (THAILAND)	SF	SIAM FUTURE DEVELOPMENT
BH	BUMRUNGRAD HOSPITAL	HUMAN	HUMANICA	SISB	SISB
EKH	EKACHAI MEDICAL CARE	RBF	R&B FOOD SUPPLY	TPCH	TPC POWER HOLDING

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	OR	PTT OIL AND RETAIL BUSINESS	STGT	SRI TRANG GLOVES (THAILAND)
KEX	KERRY EXPRESS (THAILAND)	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION		

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	SEAFCO	SEAFCO
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

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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Rating	Definition
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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