

Home Product Center

(HMPRO.BK/HMPRO TB)*

Outperform • Maintained

Price as of 4 Aug 2023	13.70
12M target price (Bt/shr)	16.00
Unchanged/Revised up(down)(%)	(3.0)
Upside/downside (%)	16.8

Key messages

เราคาดว่าการขึ้นราคาของ HMPRO จะฟื้นตัวขึ้นในปีนี้ และอัตราการเติบโตของกำไรต่อปีจะกลับไปอยู่ระดับปกติ (ประมาณเลขหลักเดียวระดับกลางถึงสูง) เรายังคงคำแนะนำ “ซื้อ” และประเมินราคาเป้าหมาย 1H67 ที่ 16.00 บาท อิงจาก PER ที่ 29.0X (-0.5 S.D.)

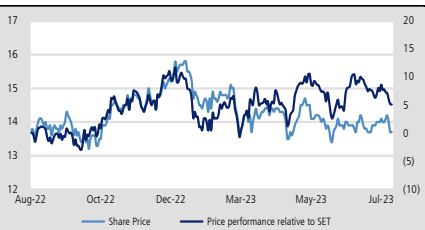
Trading data

Mkt cap (Btbn/US\$m)	180/4,504		
Outstanding shares (mn)	13,151		
Foreign ownership (mn)	2,040		
3M avg. daily trading (mn)	19		
52-week trading range (Bt)	13.2 – 15.8		
Performance (%)	3M	6M	12M
Absolute	-3.5	-8.1	1.5
Relative	-3.3	1.4	6.2

Quarterly EPS

	1Q	2Q	3Q	4Q
2021	0.10	0.11	0.07	0.14
2022	0.11	0.12	0.12	0.13
2023	0.12	0.12		

Share price chart



Source: SET

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แนวโน้มไม่แน่นอน

Event

ประชุมนักวิเคราะห์

Impact

โมเมนตัมฟื้นตัวขึ้นอย่างต่อเนื่อง

SSSG ของ HMPRO ใน 2Q66 อยู่ที่ 4.9% ทำให้ SSSG ในงวด 1H66 อยู่ที่ 5.4% (สูงกว่าสมมติฐานปี 2566 ของเราที่ 4%) ถึงแม้ว่าภาวะตลาดจะอ่อนแอในเดือนกรกฎาคม (กำลังซื้อลดลงจากปัญหาการเมือง และภาวะภัยแล้ง) แต่ HMPRO ยังคงคาดว่า SSSG ใน 2H66 จะอยู่ในช่วง 3-5% เนื่องจาก i) มีการขยายสาขาอย่างต่อเนื่อง (จะเปิดร้านใหม่อีก 5 ร้านในงวด 2H66) และ ii) มีการเพิ่มประเภทสินค้า (อย่างเช่น ที่นอนและสุขภัณฑ์) ที่รวมโครงการสินค้าเก่าแลกใหม่ (trade-in program) ของบริษัท ทั้งนี้ เนื่องจากยอดขายในงวด 1H66 คิดเป็น 51% ของประมาณการยอดขายเต็มปีของเรา ดังนั้น เราจึงยังคงสมมติฐานยอดขายเอาไว้เท่าเดิม โดยคาดว่า SSSG จะอยู่ที่ 4% (ยอดขายรวมจะโต 6%)

อัตรากำไรขั้นต้นเพิ่มขึ้นตามคาด

อัตรากำไรขั้นต้นของบริษัทเพิ่มขึ้นถึง 60bps YoY ใน 2Q66 (จาก 25.7% ใน 2Q65 เป็น 26.3% ใน 2Q66) สูงเกินเป้าของบริษัทที่ 10-30bps เนื่องจาก i) rebase จาก supplier จากปริมาณยอดขายเครื่องใช้ไฟฟ้าสูงในช่วงหน้าร้อน และ ii) สัดส่วนยอดขายสินค้า private brand ในร้าน Mega home สูงขึ้น อย่างไรก็ตาม เราคาดว่าอัตรากำไรขั้นต้นจะชะลอตัวลงในไตรมาสหน้า และอาจจะกลับลงมาอยู่ในช่วง 10-30bps เนื่องจากมีการขยายสาขาในรูปแบบ Mega home เพิ่มขึ้นอย่างต่อเนื่อง (อัตรากำไรขั้นต้นของร้าน MegaHome จะต่ำกว่า HomePro ประมาณ 3-4ppts) ในขณะที่เดียวกัน เราคาดว่าสัดส่วน SG&A ต่อยอดขายจะลดลงใน 2H66 เนื่องจาก i) ค่าใช้จ่ายก่อนเปิดดำเนินการของร้านใหม่ลดลง เพราะบริษัทมีแผนจะเปิดสาขาใหม่ใน 2H66 น้อยลงเมื่อเทียบกับ 1H66 และ ii) ต้นทุนสารเคมีโลกลดลง

กำไรในปีหน้าจะทำได้ตามประมาณการ แต่จะไม่แน่นอน และยังมีปัจจัยที่ต้องติดตามต่อไป

เราเชื่อว่ากำไรสุทธิในปี 2566 น่าจะเป็นไปตามประมาณการของเรา เพราะกำไรในงวด 1H66 คิดเป็น 46% ของประมาณการกำไรเต็มปีของเรา แต่อย่างไรก็ตาม ยังมีบางปัจจัยอย่างเช่นสถานการณ์ทางการเมือง ซึ่งอาจจะทำให้ผู้บริโภคเลื่อน หรือ ลดการใช้จ่ายไซสอย และมุมมองที่ระมัดระวังต่อภาคอสังหาริมทรัพย์ของนักวิเคราะห์กลุ่มอสังหาริมทรัพย์ของเรา (จากยอด presales ที่อ่อนแอ และการเลื่อนเปิดโครงการใหม่) นอกจากนี้ เรายังคาดว่าอัตราการเติบโตของกำไรต่อปีของ HMPRO จะกลับไปอยู่ระดับปกติ (เลขหลักเดียวระดับกลางถึงสูง) เพราะจะไม่ได้อานิสงส์จากฐานที่ต่ำเพราะ COVID-19 อีกต่อไป ดังนั้น เราจึง de-rate PER จากเดิม 31.0X (ค่าเฉลี่ย) เป็น 29.0X (-0.5 S.D.)

Valuation & action

เราขยับไปใช้ราคาเป้าหมาย 1H67 ที่ 16.00 บาท จากเดิมที่ 16.50 บาท อิงจาก PER ที่ 29.0x (ค่าเฉลี่ยในอดีตระหว่าง Siam Global House (GLOBAL.BK/GLOBAL TB)* และ HMPRO -0.5 S.D.) และคงคำแนะนำ “ซื้อ” HMPRO

Risks

เศรษฐกิจชะลอตัวลง, ขยายสาขาได้น้อยกว่าที่วางแผนเอาไว้, ราคาพืชผลอ่อนแอ, ภัยธรรมชาติ, สินค้าค้างสต็อกเป็นจำนวนมาก

Key financials and valuations

Year end Dec 31	Dec-19A	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Btmn)	63,046	58,347	60,568	65,091	69,257	73,318
Gross profit (Btmn)	16,221	14,749	15,643	17,013	18,198	19,383
Net profit (Btmn)	6,177	5,155	5,441	6,217	7,079	7,723
Normalized profit (Btmn)	6,177	5,155	5,441	6,217	7,079	7,723
EPS (Bt)	0.47	0.39	0.41	0.47	0.54	0.59
Normalized EPS (Bt)	0.47	0.39	0.41	0.47	0.54	0.59
DPS (Bt)	0.38	0.30	0.32	0.38	0.43	0.47
EPS growth (%)	10.0	(16.5)	5.5	14.3	13.9	9.1
Normalized EPS growth (%)	10.0	(16.5)	5.5	14.3	13.9	9.1
P/E (X)	34.1	35.0	35.1	32.8	25.5	23.3
P/B (X)	10.0	8.4	8.3	8.4	6.9	6.5
EV/EBITDA (X)	20.2	19.4	19.4	19.0	14.5	13.5
Net debt to Equity (%)	49.7	46.8	38.5	40.8	44.7	40.0
Dividend yield (%)	2.4	2.2	2.2	2.5	3.2	3.4
Return on Equity (%)	30.1	24.1	24.5	26.4	28.2	28.7

Source: Company data, KGI Securities Research

*The Company may be issuer of Derivative Warrants on these securities.

http://research.kgi.com; Bloomberg: KGI <GO> Please see back page for disclaimer

Figure 1: Key assumptions

Key Assumption	unit	2017	2018	2019	2020	2021	2022	2023F	2024F
New Stores	Stores	7.0	3.0	5.0	2.0	2.0	3.0	10.0	6.0
HMPRO Classic - Thailand	Stores	0.0	1.0	2.0	2.0	1.0	0.0	2.0	1.0
HMPRO S - Thailand	Stores	2.0	2.0	1.0	0.0	0.0	(1.0)	0.0	2.0
Mega Home - Thailand	Stores	1.0	0.0	2.0	0.0	0.0	4.0	8.0	3.0
HMPRO Classic - Malaysia	Stores	4.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0
Total stores, year end	Stores	102.0	105.0	110.0	112.0	114.0	117.0	127.0	133.0
HMPRO Classic - Thailand	Stores	81.0	82.0	84.0	86.0	87.0	87.0	89.0	90.0
HMPRO S - Thailand	Stores	3.0	5.0	6.0	6.0	6.0	5.0	5.0	7.0
Mega Home - Thailand	Stores	12.0	12.0	14.0	14.0	14.0	18.0	26.0	29.0
HMPRO Classic - Malaysia	Stores	6.0	6.0	6.0	6.0	7.0	7.0	7.0	7.0
SSSG	%	(0.8)	1.1	0.8	(8.5)	3.4	5.0	4.0	3.0
Gross Margin	%	26.4	25.5	25.7	25.3	25.8	26.1	26.3	26.4
EBIT margin	%	10.7	11.8	12.7	11.4	11.6	12.4	13.2	13.5

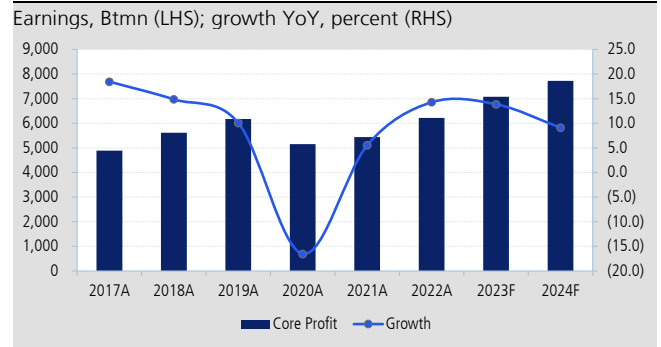
Source: Company data, KGI Securities Research

Figure 2: Company profile

Home Product Center Company Limited (HMPRO) was established on June 27, 1995, as a joint venture between Land and House PCL (LH.BK/LH TB)* and Quality House PCL (QH.BK/QH TB)*. It became a listed company on October 30, 2011. It operates a retail business in the home improvement segment by offering a wide range of services related to construction, extension, refurbishment, renovation, home makeover, and improvement of building house, and residential. It has three main store platforms: i) HomePro Classic, ii) HomePro S, and iii) Mega Home.

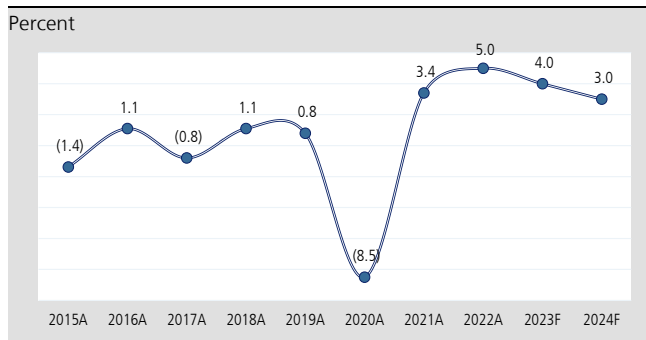
Source: Company data

Figure 3: Earnings



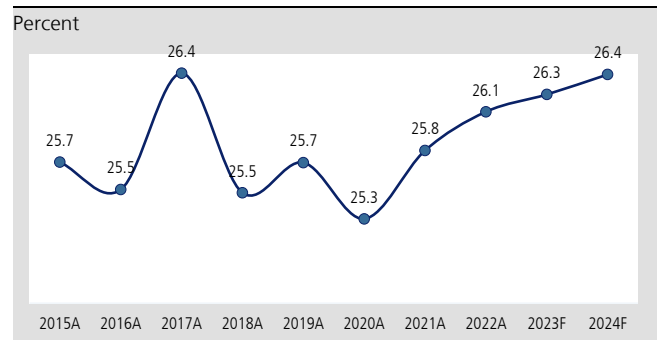
Source: Company data, KGI Securities Research

Figure 4: SSSG assumption



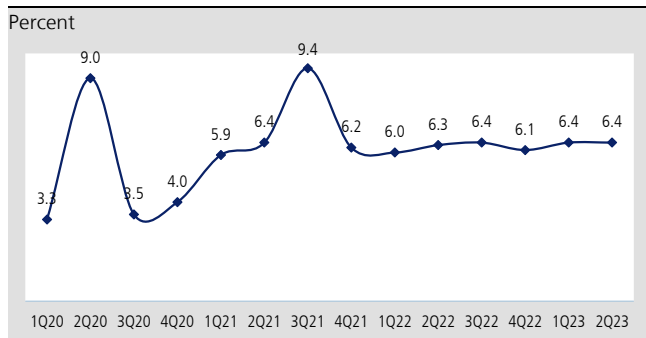
Source: Company data, KGI Securities Research

Figure 5: Gross margin assumption



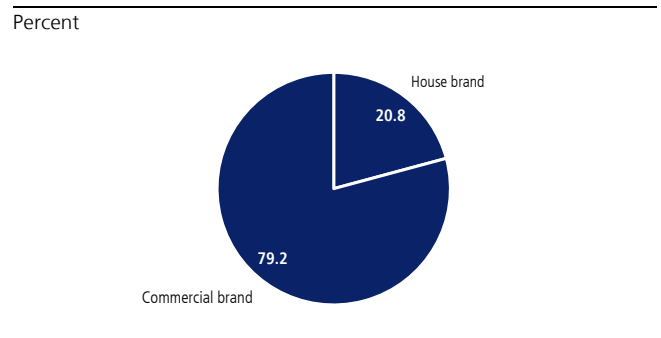
Source: Company data, KGI Securities Research

Figure 6: E-commerce sales mix



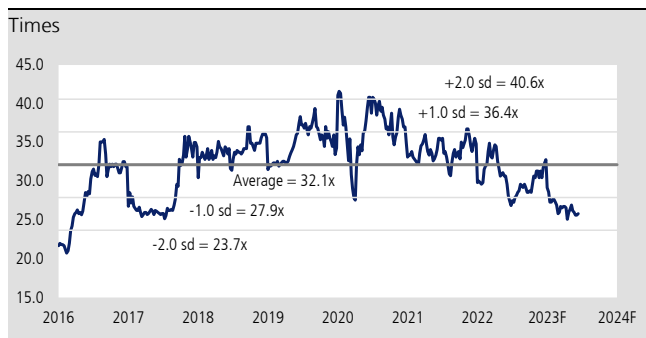
Source: Company data, KGI Securities Research

Figure 7: Housebrand contribution



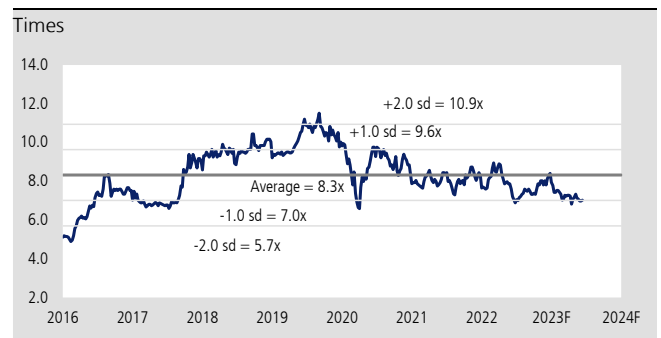
Source: Company data, KGI Securities Research

Figure 13: PER Band



Source: KGI Securities Research

Figure 14: PBV Band



Source: KGI Securities Research

Quarterly Income Statement

Btmn	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A
Income Statement (Btmn)										
Revenue	15,052	16,154	13,170	16,191	15,761	16,319	15,897	17,115	17,223	17,789
Cost of good sold	11,179	12,089	9,852	11,806	11,664	12,123	11,637	12,654	12,731	13,109
Gross profit	3,873	4,066	3,319	4,385	4,097	4,195	4,260	4,461	4,492	4,680
Operating expense	2,686	2,859	2,560	3,220	2,870	3,026	3,130	3,493	3,192	3,466
Other income	452	492	357	817	503	582	609	899	553	661
Operating profit	1,800	1,845	1,189	2,216	1,985	1,981	1,993	2,144	2,137	2,138
Depreciation of fixed asset	800	796	809	802	773	779	780	823	819	868
Operating EBITDA	2,601	2,641	1,998	3,018	2,758	2,760	2,773	2,967	2,956	3,006
Non-Operating income	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	0	0	0	0	0	0
Non-Operating expense	(107)	(102)	(108)	(99)	(94)	(99)	(123)	(130)	(133)	(130)
Interest expense	(107)	(102)	(108)	(99)	(94)	(99)	(123)	(130)	(133)	(130)
Other non-op. expense	0	0	0	0	0	0	0	0	0	0
Equity income	0	0	0	0	0	0	0	0	0	0
Pre-tax profit	1,694	1,743	1,081	2,117	1,891	1,882	1,870	2,015	2,004	2,009
Current taxation	(331)	(311)	(212)	(340)	(380)	(362)	(337)	(362)	(393)	(388)
Minorities	0	0	0	0	0	0	0	0	0	0
Extra items	0	0	0	0	0	0	0	0	0	0
Net profit	1,362	1,433	869	1,776	1,511	1,520	1,533	1,653	1,611	1,620
Normalized profit	1,362	1,433	869	1,776	1,511	1,520	1,533	1,653	1,611	1,620
EPS (Bt)	0.10	0.11	0.07	0.14	0.11	0.12	0.12	0.13	0.12	0.12
Normalized EPS (Bt)	0.10	0.11	0.07	0.14	0.11	0.12	0.12	0.13	0.12	0.12
Margin (%)										
Gross profit margin	25.7	25.2	25.2	27.1	26.0	25.7	26.8	26.1	26.1	26.3
Operating EBIT margin	12.0	11.4	9.0	13.7	12.6	12.1	12.5	12.5	12.4	12.0
Operating EBITDA margin	17.3	16.4	15.2	18.6	17.5	16.9	17.4	17.3	17.2	16.9
Net profit margin	9.1	8.9	6.6	11.0	9.6	9.3	9.6	9.7	9.4	9.1
Growth (%YoY)										
Revenue growth	3.5	16.9	(12.6)	8.6	4.7	1.0	20.7	5.7	9.3	9.0
Operating EBIT growth	8.0	45.0	(34.4)	16.8	10.3	7.4	67.6	(3.2)	7.7	8.0
Operating EBITDA growth	4.8	27.3	(22.8)	12.3	6.1	4.5	38.8	(1.7)	7.2	8.9
Net profit growth	7.6	52.0	(37.9)	15.0	10.9	6.1	76.4	(7.0)	6.6	6.6
Normalized profit growth	7.6	52.0	(37.9)	15.0	10.9	6.1	76.4	(7.0)	6.6	6.6
SSSG	0.6%	13.7%	-11.0%	11.0%	3.1%	-1.1%	17.8%	2.9%	5.8%	4.9%

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Btmn)	2020	2021	2022	2023F	2024F
Total Assets	56,091	58,586	65,185	65,817	68,566
Current Assets	15,828	18,920	21,430	18,505	19,928
Cash&ST Investment	3,283	4,546	5,420	1,498	1,957
Inventories	10,345	12,572	13,630	14,475	15,291
Account Receivable	1,769	1,675	2,069	2,201	2,330
Other	432	127	311	331	350
Non-current Assets	40,262	39,666	43,755	47,312	48,638
LT Investment	3,880	3,675	4,329	4,334	4,338
Net Fixed Assets	28,741	27,584	29,469	32,384	33,085
Others	7,641	8,407	9,957	10,594	11,215
Total Liabilities	34,526	35,696	40,939	39,799	40,747
Current liabilities	20,610	20,511	24,485	20,481	21,566
Account Payable	13,050	13,973	15,812	16,792	17,738
ST borrowing	1,249	1,232	1,074	1,074	1,074
Others	6,311	5,306	7,599	2,614	2,754
Long-term liabilities	13,916	15,185	16,454	19,318	19,181
Long-term debts	8,056	8,943	9,056	12,010	11,964
Others	5,860	6,242	7,398	7,309	7,217
Shareholders' Equity	21,565	22,890	24,246	26,017	27,819
Common stock	13,151	13,151	13,151	13,151	13,151
Capital surplus	646	646	646	646	646
Retained earnings	6,508	7,806	9,158	10,929	12,731
Preferred stock	0	0	0	0	0

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2020	2021	2022	2023F	2024F
Growth (%YoY)					
Sales	(7.5)	3.8	7.5	6.4	5.9
OP	(17.0)	6.0	14.9	13.1	8.3
EBITDA	(10.2)	4.3	9.8	17.6	7.4
NP	(16.5)	5.5	14.3	13.9	9.1
Normalized profit	(16.5)	5.5	14.3	13.9	9.1
EPS	(16.5)	5.5	14.3	13.9	9.1
Normalized EPS	(16.5)	5.5	14.3	13.9	9.1
Profitability (%)					
Gross margin	25.3	25.8	26.1	26.3	26.4
Operating margin	11.4	11.6	12.4	13.2	13.5
EBITDA margin	16.8	16.9	17.3	19.1	19.4
Net margin	8.8	9.0	9.6	10.2	10.5
ROAA	9.5	9.5	10.0	10.8	11.5
ROAE	24.1	24.5	26.4	28.2	28.7
Stability					
Gross debt/equity (%)	160.1	155.9	168.8	153.0	146.5
Net debt/equity (%)	46.8	38.5	40.8	44.7	40.0
Interest coverage (x)	14.5	17.0	18.2	20.8	24.4
Interest&ST debt coverage (x)	3.9	4.3	5.3	6.0	6.7
Cash flow interest coverage (x)	9.4	16.3	19.2	24.4	28.7
Cash flow/interest&ST debt (x)	2.5	4.1	5.6	7.1	7.9
Current ratio (x)	0.8	0.9	0.9	0.9	0.9
Quick ratio (x)	0.3	0.3	0.3	0.2	0.2
Net debt (Btmn)	10,097	8,812	9,883	11,632	11,127
Per share data (Bt)					
EPS	0.4	0.4	0.5	0.5	0.6
Normalized EPS	0.4	0.4	0.5	0.5	0.6
CFPS	0.3	0.5	0.6	0.8	0.9
BVPS	1.6	1.7	1.8	2.0	2.1
Sales/share	4.6	4.7	5.1	5.4	5.8
EBITDA/share	0.7	0.8	0.9	1.0	1.1
DPS	0.3	0.3	0.4	0.4	0.5
Activity					
Asset turnover (x)	1.0	1.0	1.0	1.1	1.1
Days of receivables	11.1	10.1	11.6	11.6	11.6
Days of inventory	85.5	100.8	102.0	101.6	101.6
Days of payable	107.9	112.0	118.3	117.9	117.8
Cash cycle	(11.3)	(1.1)	(4.7)	(4.7)	(4.7)

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Revenue	58,347	60,568	65,091	69,257	73,318
Cost of good sold	43,598	44,925	48,078	51,058	53,935
Gross profit	14,749	15,643	17,013	18,198	19,383
Operating expense	10,957	11,326	12,519	13,157	13,867
Other income	1,883	2,119	2,593	2,770	2,933
Operating Profit	6,649	7,050	8,103	9,160	9,920
Depreciation of fixed asset	3,182	3,208	3,156	4,084	4,299
Operating EBITDA	9,831	10,258	11,259	13,245	14,219
Non-operating income	0	0	0	0	0
Interest income	0	0	0	0	0
Other non-op income	0	0	0	0	0
Non-operating expense	(459)	(416)	(445)	(441)	(407)
Interest expense	(459)	(416)	(445)	(441)	(407)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	0	0	0	0	0
Pretax profit	6,190	6,634	7,658	8,719	9,513
Current taxation	(1,035)	(1,194)	(1,441)	(1,641)	(1,790)
Minorities	0	0	0	0	0
Extra item	0	0	0	0	0
Net profit	5,155	5,441	6,217	7,079	7,723
Normalized profit	5,155	5,441	6,217	7,079	7,723
EPS (Bt)	0.39	0.41	0.47	0.54	0.59
Normalized EPS (Bt)	0.39	0.41	0.47	0.54	0.59

Source: KGI Securities Research

Cash Flow

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Operating cash flow	4,290	6,772	8,534	10,782	11,650
Net profit	5,155	5,441	6,217	7,079	7,723
Depreciation&Amortization	3,182	3,208	3,156	4,084	4,299
Change in working capital	(4,046)	(1,876)	(840)	(381)	(373)
Others					
Investment cash flow	(3,754)	(1,862)	(5,661)	(7,035)	(5,034)
Net CAPEX	(2,286)	(2,051)	(5,041)	(7,000)	(5,000)
Change in LT investment	(1,455)	205	(655)	(4)	(4)
Change in other assets	(13)	(16)	34	(30)	(30)
Free cash flow	536	4,910	2,873	3,747	6,616
Financing cash flow	(114)	(3,647)	(1,998)	(7,670)	(6,157)
Change in share capital	0	0	0	0	0
Net change in debt	4,614	468	2,863	(2,363)	(235)
Change in other liabs	(4,728)	(4,115)	(4,862)	(5,307)	(5,922)
Net cash flow	423	1,263	874	(3,923)	459

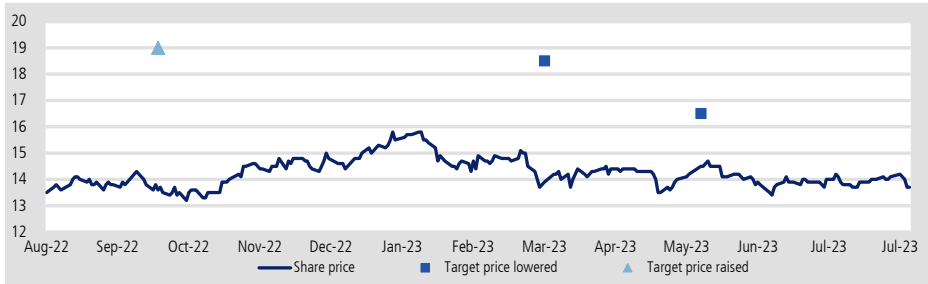
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- Revenue	+ COGS Revenue	+ Depreciation Revenue	+ Operating expense Revenue	= Operating margin
2020		73.7%	5.3%	18.3%	2.6%
2021		73.7%	5.2%	18.3%	2.8%
2022		73.0%	4.7%	18.7%	3.5%
2023F		72.7%	5.7%	18.4%	3.2%
2024F		72.5%	5.7%	18.3%	3.5%
Year	1/ Revenue	+ Working capital Revenue	+ Net PPE Revenue	+ Other assets Revenue	= Capital Turnover
2020		(0.1)	0.5	0.5	1.2
2021		(0.0)	0.4	0.5	1.1
2022		(0.0)	0.4	0.5	1.0
2023F		(0.0)	0.5	0.5	1.1
2024F		(0.0)	0.4	0.5	1.1
Year	1/ Operating margin	x Capital turnover	x Cash tax rate	= After-tax return on Inv.capital	
2020		2.6%	1.2	16.7%	0.5%
2021		2.8%	1.1	18.0%	0.5%
2022		3.5%	1.0	18.8%	0.7%
2023F		3.2%	1.1	18.8%	0.7%
2024F		3.5%	1.1	18.8%	0.7%

Source: KGI Securities Research

Home Product Center – Recommendation & target price history



Date	Rating	Target	Price
8-May-23	Outperform	16.50	14.50
3-Mar-23	Outperform	18.50	13.90
21-Sep-22	Outperform	19.00	13.60

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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KGI's Ratings

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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