

# MK Restaurant Group

(M.BK/M TB)\*

**Neutral · Maintained**

|                               |           |
|-------------------------------|-----------|
| Price as of 19 Jul 2023       | 46.00     |
| 12M target price (Bt/shr)     | 52.00     |
| Unchanged/Revised up(down)(%) | Unchanged |
| Upside/downside (%)           | 13.0      |

**Key messages**

เราคาดว่ากำไรสุทธิของ M ใน 2Q66F จะอยู่ที่ 428 ล้านบาท (-3% YoY, +31% QoQ) โดยกำไรที่ลดลง YoY จะเป็นเพราะสัดส่วน SG&A/sales เพิ่มขึ้น ในขณะที่กำไรที่เพิ่มขึ้น QoQ จะเป็นเพราะรายได้ และ GPM เพิ่มขึ้น เรายังคงประมาณการกำไรปี 2566F เอาไว้ที่ 1.8 พันล้านบาท (+23% YoY) และคงราคาเป้าหมายปี 2566 เอาไว้เท่าเดิมที่ 52.00 บาท (PE 27x เท่ากับค่าเฉลี่ยในอดีต) โดยยังคงคำแนะนำถือ M

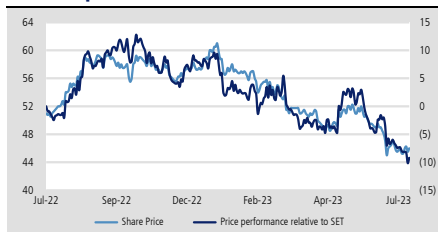
**Trading data**

|                            |              |       |      |
|----------------------------|--------------|-------|------|
| Mkt cap (Btbn/US\$m)       | 42,360/1,059 |       |      |
| Outstanding shares (mn)    | 921          |       |      |
| Foreign ownership (mn)     | 33           |       |      |
| 3M avg. daily trading (mn) | 1            |       |      |
| 52-week trading range (Bt) | 45.0-61.0    |       |      |
| Performance (%)            | 3M           | 6M    | 12M  |
| Absolute                   | -7.5         | -19.3 | -9.4 |
| Relative                   | -5.7         | -11.9 | -9.2 |

**Quarterly EPS**

|      | 1Q   | 2Q     | 3Q     | 4Q   |
|------|------|--------|--------|------|
| 2021 | 0.10 | (0.11) | (0.28) | 0.43 |
| 2022 | 0.29 | 0.48   | 0.44   | 0.35 |
| 2023 | 0.45 |        |        |      |

**Share price chart**



Source: SET

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**ประมาณการ 2Q66F: กำไรจะลดลง YoY แต่เพิ่มขึ้น QoQ**

**Event**

ประมาณการ 2Q66F.

**Impact**

คาดว่ากำไรจะลดลง 3% YoY แต่เพิ่มขึ้นถึง 31% QoQ

เราคาดว่ากำไรสุทธิของ M ใน 2Q66F จะอยู่ที่ 428 ล้านบาท (-3% YoY, +31% QoQ) โดยกำไรที่ลดลง YoY จะเป็นเพราะสัดส่วน SG&A/sales เพิ่มขึ้นตามต้นทุนพนักงาน และสาธารณูปโภคที่สูงขึ้น ส่วนกำไรที่เพิ่มขึ้น QoQ จะเป็นเพราะ i) ยอดขายเพิ่มขึ้นเนื่องจากการจับจ่ายใช้สอยมากขึ้นในช่วงวันหยุดยาว และมีการปรับขึ้นราคาขาย 3-4% ii) GPM ดีขึ้นเล็กน้อย ทั้งนี้ เราคาดว่ากำไรสุทธิในงวด 1H66F จะเพิ่มขึ้น 6% YoY เป็น 753 ล้านบาท คิดเป็น 43% ของประมาณการกำไรเต็มปีของเรา

**ยอดขาย และ margin จะดีขึ้นเล็กน้อย**

M น่าจะยังรักษายอดการเติบโตของยอดขายเอาไว้ได้ เราคาดว่ารายได้จะเพิ่มขึ้น 9% YoY และ 7% QoQ ใน 2Q66F โดยใช้สมมติฐาน SSSG ของร้านสุกี้ MK ที่ 10+% (จาก +60%/+16% ใน 2Q65/1Q66), รานยาโยตี้ +8% (จาก +58%/+11% ใน 2Q65/1Q66) ถึงแม้ว่าราคาวัตถุดิบของ M จะกำหนดขายแล้ว แต่เราคาดว่า GPM ใน 2Q66F จะเพิ่มขึ้นเล็กน้อย QoQ เป็น 65.3% (จาก 65.1% ใน 1Q66) เนื่องจากการปรับขึ้นราคาขาย 3-4% เมื่อเดือนกุมภาพันธ์ที่ผ่านมา ซึ่งจะทำให้ GPM ในงวด 1H66F อยู่ที่ 65.2% เรายังคงใช้สมมติฐาน GPM ปีนี้แบบอนุรักษ์นิยมที่ 64.5% เนื่องจากการทำสัญญากำหนดราคาคงที่เอาไว้หนึ่งปี นอกจากนี้ บริษัทยังบอกว่าราคาเป็นขยับขึ้นมา 5% และ suppliers น่าจะปรับขึ้นราคาขายเปิดใน 2H66F

**ค่าใช้จ่าย SG&A น่าจะเพิ่มขึ้นใน 2Q66F**

เราคาดว่าค่าใช้จ่าย SG&A จะเพิ่มขึ้น 9% YoY และ 8% QoQ ใน 2Q66F เนื่องจากต้นทุนค่าแรง และค่าไฟฟ้าสูงขึ้น ในขณะที่คาดว่าสัดส่วน SG&A/ยอดขายในปี 2566F จะอยู่ที่ 54.2% (จาก 56.4% ใน 1Q66 และ 52.7% ใน 2565) ซึ่งจะทำให้สัดส่วน SG&A/ยอดขายใน 1H66F อยู่ที่ 55.3% ทั้งนี้ ค่าไฟฟ้ามีแนวโน้มจะลดลงใน 2H66F ดังนั้นสมมติฐานสัดส่วน SG&A/ยอดขายปีนี้ของเราที่ 53.3% อาจจะอนุรักษ์นิยมเกินไป ซึ่งจากการวิเคราะห์ sensitivity เราพบว่าสัดส่วน SG&A/ยอดขายที่เปลี่ยนไปทุก ๆ 1% จะส่งผลกระทบต่อกำไรสุทธิของ M ที่ 8%

**Valuation & action**

เรายังคงประมาณการกำไรปีนี้อาไว้ที่ 1.8 พันล้านบาท (+23% YoY) โดยคาดว่ารายได้จะเพิ่มขึ้น HoH แต่มองว่ายังมีความเสี่ยงด้าน downside จากค่าใช้จ่าย SG&A ที่เพิ่มขึ้น เรายังคงราคาเป้าหมายปี 2566 เอาไว้เท่าเดิมที่ 52.00 บาท (PE 27x เท่ากับค่าเฉลี่ยในอดีต) และแนะนำถือ M

**Risks**

เศรษฐกิจฟื้นตัวช้ากว่าที่คาดไว้, SSSG ชะลอตัวเกินคาด, การแข่งขันในธุรกิจอาหาร

**Key financials and valuations**

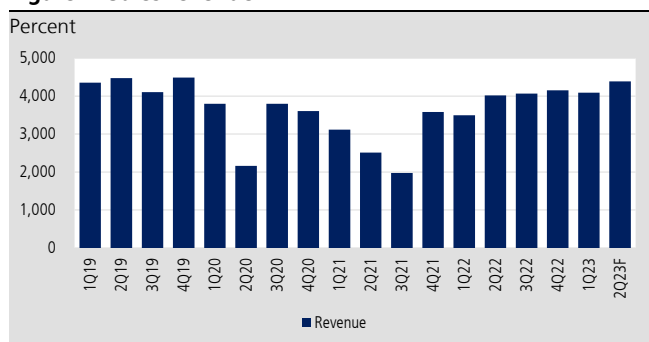
|                              | Dec - 20A | Dec - 21A | Dec - 22A | Dec - 23F | Dec - 24F |
|------------------------------|-----------|-----------|-----------|-----------|-----------|
| Revenue (Btmn)               | 13,361    | 11,182    | 15,728    | 17,163    | 17,734    |
| Net Profit (Btmn)            | 907       | 131       | 1,439     | 1,766     | 2,136     |
| Normalized Profit (Btmn)     | 907       | 131       | 1,439     | 1,766     | 2,136     |
| EPS (Bt)                     | 0.99      | 0.14      | 1.56      | 1.92      | 2.32      |
| EPS Growth (%)               | (64.9)    | (85.6)    | 998.5     | 22.8      | 20.9      |
| DPS (Bt)                     | 1.8       | 0.8       | 1.4       | 1.7       | 2.1       |
| P/E (X)                      | 51.5      | 365.6     | 29.4      | 24.0      | 19.8      |
| P/B (X)                      | 3.4       | 3.5       | 3.1       | 3.0       | 3.0       |
| EV/EBITDA (X)                | 11.7      | 17.1      | 9.7       | 8.2       | 7.1       |
| Net Debt to Equity (X)       | Net cash  | Net cash  | Net cash  | Net cash  | Net cash  |
| Dividend Yield (%)           | 3.5       | 1.5       | 3.0       | 3.8       | 4.5       |
| Return on Average Equity (%) | 6.6       | 1.0       | 10.5      | 12.7      | 15.1      |

Source: Company data, KGI Securities Research

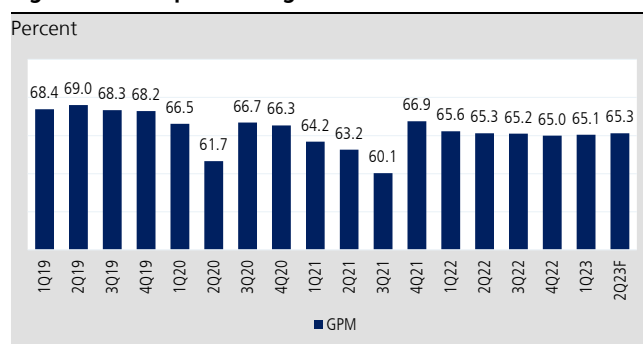
**Figure 1: M's 2Q23F earnings preview**

| Bt mn                    | 2Q23F        | 2Q22         | YoY (%)      | 1Q23         | QoQ (%)     | 1H23F        | 1H22         | YoY (%)     |
|--------------------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|-------------|
| <b>Revenue</b>           | <b>4,388</b> | <b>4,016</b> | <b>9.3</b>   | <b>4,089</b> | <b>7.3</b>  | <b>8,477</b> | <b>7,511</b> | <b>12.9</b> |
| Gross Profit             | 2,866        | 2,623        | 9.3          | 2,663        | 7.6         | 5,528        | 4,914        | 12.5        |
| SG&A                     | 2,378        | 2,118        | 12.3         | 2,307        | 3.1         | 4,685        | 4,126        | 13.5        |
| Operating Profit         | 487          | 505          | (3.5)        | 356          | 36.8        | 843          | 788          | 7.0         |
| Operating EBITDA         | 982          | 999          | (1.7)        | 851          | 15.4        | 1,832        | 1,771        | 3.4         |
| Pre-tax Profit           | 532          | 534          | (0.4)        | 401          | 32.8        | 933          | 860          | 8.5         |
| <b>Net Profit</b>        | <b>428</b>   | <b>439</b>   | <b>(2.7)</b> | <b>325</b>   | <b>31.4</b> | <b>753</b>   | <b>710</b>   | <b>6.0</b>  |
| <b>Normalized profit</b> | <b>428</b>   | <b>439</b>   | <b>(2.7)</b> | <b>325</b>   | <b>31.4</b> | <b>753</b>   | <b>710</b>   | <b>6.0</b>  |
| EPS (Bt)                 | 0.46         | 0.48         | (2.7)        | 0.35         | 31.4        | 0.82         | 0.77         | 6.0         |
| Normalized EPS (Bt)      | 0.46         | 0.48         | (2.7)        | 0.35         | 31.4        | 0.82         | 0.77         | 6.0         |
| Percent                  | 2Q23F        | 2Q22         | YoY (ppts)   | 1Q23         | QoQ (ppts)  | 1H23F        | 1H22         | YoY (ppts)  |
| Gross margin             | 65.3         | 65.3         | 0.0          | 65.1         | 0.2         | 65.2         | 65.4         | (0.2)       |
| EBIT margin              | 11.1         | 12.6         | (1.5)        | 8.7          | 2.4         | 9.9          | 10.5         | (0.5)       |
| SG&A/sales               | 54.2         | 52.7         | 1.5          | 56.4         | (2.2)       | 55.3         | 54.9         | 0.3         |

Source: Company data, KGI Securities Research

**Figure 2: Sales revenue**


Source: Company data, KGI Securities Research

**Figure 3: Gross profit margin**


Source: Company data, KGI Securities Research

**Figure 4: Raw material costs**

| Raw materials         | Assume Portion | 1Q23 | 2Q23 | Jul-23 | %QoQ in price | %QoQ in costs |
|-----------------------|----------------|------|------|--------|---------------|---------------|
| <b>Meats</b>          |                |      |      |        |               |               |
| Pork (Bt/Kg)          | 20%            | 152  | 130  | 117    | -14%          | -3%           |
| Chicken (Bt/Kg)       | 10%            | 68   | 70   | 69     | 3%            | 0%            |
| Shrimp (Bt/Kg)        | 10%            | 255  | 235  | 235    | -8%           | -1%           |
| Egg (unit)            | 5%             | 4.0  | 4.3  | 4.6    | 7%            | 0%            |
| <b>Vegetables</b>     |                |      |      |        |               |               |
| Cabbage (Bt/Kg)       | 5%             | 19   | 23   | 23     | 17%           | 1%            |
| Water spinach (Bt/Kg) | 5%             | 22   | 16   | 18     | -27%          | -1%           |
| <b>Total</b>          | <b>55%</b>     |      |      |        | <b>-22%</b>   | <b>-3%</b>    |

Source: MOC, KGI Securities Research

**Figure 5: Key assumptions**

|                          | Unit   | 2019   | 2020   | 2021   | 2022   | 2023F  | 2024F  |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|
| Restaurant Revenue       | Btmn   |        |        |        |        |        |        |
| MK Suki/MK Gold/MK Live  |        | 13,580 | 9,898  | 8,274  | 11,639 | 12,473 | 12,608 |
| Yayoi                    |        | 3,320  | 2,440  | 2,124  | 2,831  | 3,078  | 3,155  |
| Laem Charoen Seafood     |        | 117    | 748    | 559    | 944    | 1,236  | 1,595  |
| Others                   |        | 392    | 276    | 244    | 315    | 377    | 377    |
| Total Restaurant Revenue |        | 17,409 | 13,362 | 11,182 | 15,728 | 17,163 | 17,734 |
| Number of branches       | Branch |        |        |        |        |        |        |
| MK Suki/MK Gold/MK Live  |        | 463    | 458    | 452    | 455    | 460    | 465    |
| Yayoi                    |        | 198    | 194    | 193    | 195    | 200    | 205    |
| Laem Charoen Seafood     |        | 27     | 29     | 31     | 36     | 41     | 46     |
| Others                   |        | 45     | 41     | 27     | 24     | 24     | 24     |
| Overseas                 |        | 58     | 48     | 43     | 43     | 43     | 43     |
| Total branches           |        | 791    | 770    | 746    | 753    | 768    | 783    |
| SSSG                     | %      |        |        |        |        |        |        |
| MK                       |        | 0.0    | (28.7) | (15.7) | 39.0   | 5.0    | 1.0    |
| Yayoi                    |        | (4.8)  | (28.5) | (13.2) | 39.0   | 5.0    | 1.0    |
| GPM                      | %      | 68.5   | 65.7   | 64.1   | 65.3   | 64.5   | 66.4   |
| SG&A to sales            | %      | 52.7   | 59.5   | 64.1   | 55.0   | 53.3   | 53.2   |

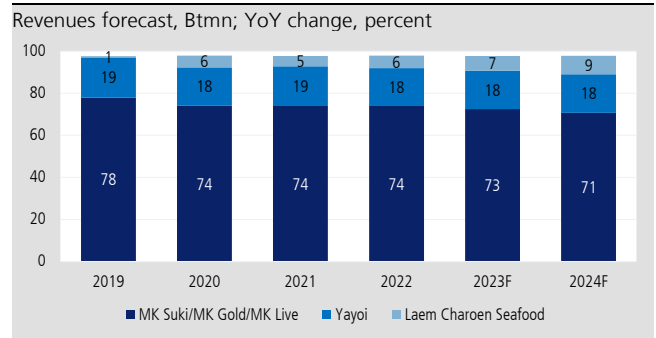
Source: Company data, KGI Securities Research

**Figure 7: Company profile**

MK Restaurant Group (M) is a food services company. As of 2022, M operated 710 restaurant outlets, comprising MK suki (at 455 stores), Yayoi (at 195 stores), Laem Charoen Seafood (at 36 stores), and others in Thailand. The company also has franchise business in Laos, Vietnam, and JV in Singapore.

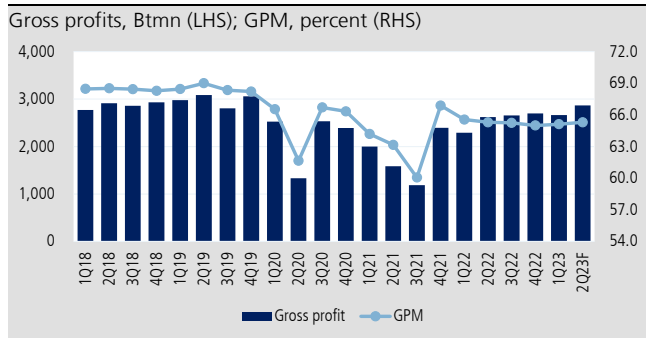
Source: Company data

**Figure 8: Revenue breakdown**



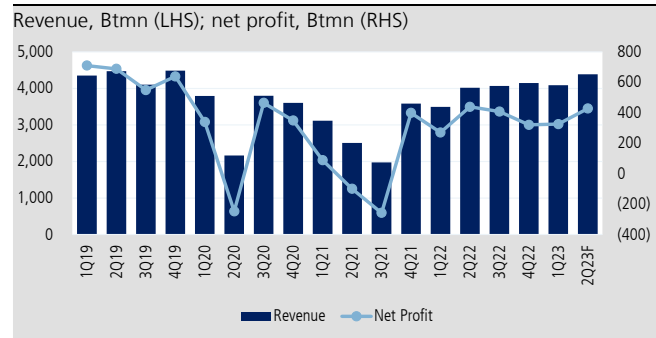
Source: Company data, KGI Securities Research

**Figure 9: Gross profits and GPM**



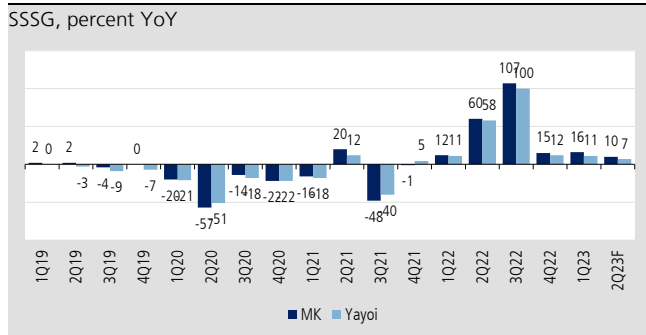
Source: Company data, KGI Securities Research

**Figure 10: Revenue and net profit**



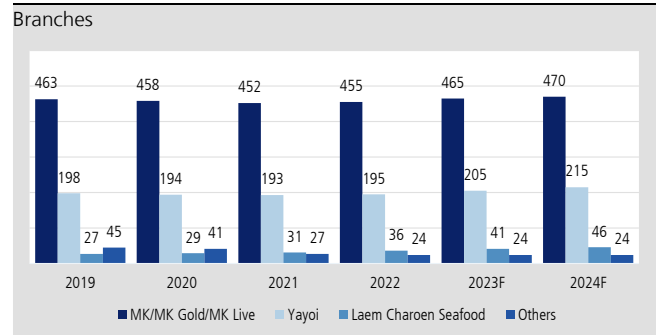
Source: Company data, KGI Securities Research

**Figure 11: Same store sales growth (SSSG)**



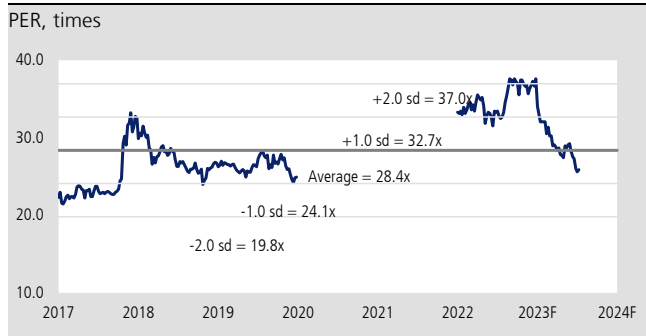
Source: Company data, KGI Securities Research

**Figure 12: Outlet breakdown by type**



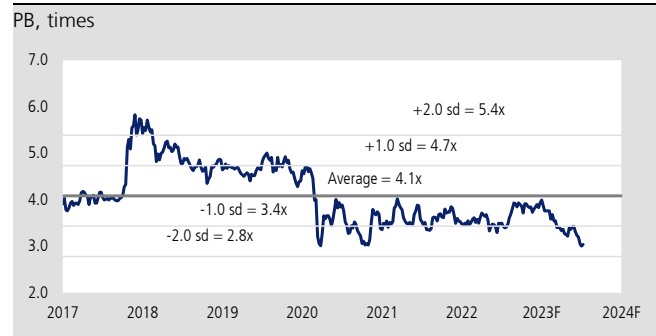
Source: Company data, KGI Securities Research

**Figure 13: PER**



Source: KGI Securities Research

**Figure 14: PB**



Source: KGI Securities Research

**Quarterly Income Statement**

|                               | Mar-19A      | Jun-19A      | Sep-19A      | Dec-19A      | 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      | Jun-23F      |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Income Statement (Bt mn)      |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| <b>Revenue</b>                | <b>4,352</b> | <b>4,470</b> | <b>4,102</b> | <b>4,485</b> | <b>3,795</b> | <b>2,163</b> | <b>3,799</b> | <b>3,604</b> | <b>3,116</b> | <b>2,509</b> | <b>1,973</b> | <b>3,583</b> | <b>3,495</b> | <b>4,016</b> | <b>4,067</b> | <b>4,149</b> | <b>4,089</b> | <b>4,388</b> |
| Cost of Goods Sold            | (1,373)      | (1,386)      | (1,298)      | (1,426)      | (1,270)      | (829)        | (1,265)      | (1,213)      | (1,116)      | (924)        | (788)        | (1,186)      | (1,204)      | (1,394)      | (1,413)      | (1,450)      | (1,426)      | (1,523)      |
| <b>Gross Profit</b>           | <b>2,979</b> | <b>3,085</b> | <b>2,804</b> | <b>3,059</b> | <b>2,525</b> | <b>1,333</b> | <b>2,534</b> | <b>2,391</b> | <b>2,000</b> | <b>1,585</b> | <b>1,185</b> | <b>2,397</b> | <b>2,291</b> | <b>2,623</b> | <b>2,654</b> | <b>2,699</b> | <b>2,663</b> | <b>2,866</b> |
| Operating Expenses            | (2,218)      | (2,344)      | (2,269)      | (2,352)      | (2,188)      | (1,657)      | (2,004)      | (2,098)      | (1,925)      | (1,770)      | (1,544)      | (1,931)      | (2,008)      | (2,118)      | (2,182)      | (2,337)      | (2,307)      | (2,378)      |
| Other incomes                 | 70           | 77           | 100          | 83           | 82           | 33           | 66           | 80           | 40           | 60           | 46           | 40           | 57           | 41           | 44           | 68           | 55           | 55           |
| <b>Operating Profit</b>       | <b>831</b>   | <b>818</b>   | <b>634</b>   | <b>790</b>   | <b>420</b>   | <b>(291)</b> | <b>596</b>   | <b>373</b>   | <b>115</b>   | <b>(125)</b> | <b>(312)</b> | <b>506</b>   | <b>340</b>   | <b>546</b>   | <b>515</b>   | <b>430</b>   | <b>411</b>   | <b>542</b>   |
| Depreciation of fixed assets  | 196          | 191          | 192          | 198          | 538          | 534          | 536          | 528          | 510          | 500          | 501          | 499          | 490          | 494          | 490          | 524          | 495          | 495          |
| <b>Operating EBITDA</b>       | <b>1,027</b> | <b>1,009</b> | <b>826</b>   | <b>988</b>   | <b>958</b>   | <b>244</b>   | <b>1,132</b> | <b>901</b>   | <b>624</b>   | <b>375</b>   | <b>188</b>   | <b>1,005</b> | <b>830</b>   | <b>1,040</b> | <b>1,005</b> | <b>954</b>   | <b>905</b>   | <b>1,037</b> |
| <b>Non-Operating Income</b>   | <b>35</b>    | <b>38</b>    | <b>34</b>    | <b>25</b>    | <b>16</b>    | <b>12</b>    | <b>9</b>     | <b>(3)</b>   | <b>5</b>     | <b>5</b>     | <b>5</b>     | <b>6</b>     | <b>7</b>     | <b>9</b>     | <b>12</b>    | <b>12</b>    | <b>13</b>    | <b>13</b>    |
| Interest Income               | 35           | 38           | 34           | 25           | 16           | 12           | 9            | (3)          | 5            | 5            | 5            | 6            | 7            | 9            | 12           | 12           | 13           | 13           |
| Other Non-op Income           | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Non-Operating Expenses</b> | <b>0</b>     | <b>0</b>     | <b>(0)</b>   | <b>(0)</b>   | <b>(25)</b>  | <b>(11)</b>  | <b>(19)</b>  | <b>(19)</b>  | <b>(19)</b>  | <b>(20)</b>  | <b>(12)</b>  | <b>(18)</b>  | <b>(21)</b>  | <b>(21)</b>  | <b>(21)</b>  | <b>(23)</b>  | <b>(23)</b>  | <b>(23)</b>  |
| Interest Expenses             | 0            | 0            | (0)          | (0)          | (25)         | (11)         | (19)         | (19)         | (19)         | (20)         | (12)         | (18)         | (21)         | (21)         | (21)         | (23)         | (23)         | (23)         |
| Other Non-op Expenses         | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Equity Income/(Loss)</b>   | <b>(2)</b>   | <b>(7)</b>   | <b>(5)</b>   | <b>(27)</b>  | <b>(2)</b>   | <b>(6)</b>   | <b>(0)</b>   | <b>2</b>     | <b>(6)</b>   | <b>(8)</b>   | <b>(8)</b>   | <b>(1)</b>   | <b>(9)</b>   | <b>(4)</b>   | <b>(7)</b>   | <b>(9)</b>   | <b>(7)</b>   | <b>(7)</b>   |
| <b>Pre-tax Profit</b>         | <b>863</b>   | <b>850</b>   | <b>663</b>   | <b>787</b>   | <b>409</b>   | <b>(297)</b> | <b>586</b>   | <b>353</b>   | <b>95</b>    | <b>(148)</b> | <b>(328)</b> | <b>493</b>   | <b>317</b>   | <b>530</b>   | <b>498</b>   | <b>410</b>   | <b>393</b>   | <b>526</b>   |
| Current Taxation              | (154)        | (144)        | (114)        | (141)        | (65)         | 41           | (113)        | (2)          | (8)          | 42           | 65           | (90)         | (51)         | (89)         | (86)         | (82)         | (65)         | (96)         |
| Minorities                    | 0            | 0            | 0            | (7)          | (3)          | 8            | (8)          | (1)          | 2            | 7            | 5            | (4)          | 5            | (2)          | (4)          | (7)          | (3)          | (2)          |
| Extraordinary items           | 0            | (17)         | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            | 0            |
| <b>Net Profit</b>             | <b>710</b>   | <b>689</b>   | <b>549</b>   | <b>639</b>   | <b>340</b>   | <b>(247)</b> | <b>465</b>   | <b>349</b>   | <b>89</b>    | <b>(99)</b>  | <b>(257)</b> | <b>399</b>   | <b>271</b>   | <b>439</b>   | <b>408</b>   | <b>321</b>   | <b>325</b>   | <b>428</b>   |
| <b>Normalized Profit</b>      | <b>710</b>   | <b>706</b>   | <b>549</b>   | <b>639</b>   | <b>340</b>   | <b>(247)</b> | <b>465</b>   | <b>349</b>   | <b>89</b>    | <b>(99)</b>  | <b>(257)</b> | <b>399</b>   | <b>271</b>   | <b>439</b>   | <b>408</b>   | <b>321</b>   | <b>325</b>   | <b>428</b>   |
| EPS (Bt)                      | 0.77         | 0.75         | 0.60         | 0.69         | 0.37         | (0.27)       | 0.50         | 0.38         | 0.10         | (0.11)       | (0.28)       | 0.43         | 0.29         | 0.48         | 0.44         | 0.35         | 0.35         | 0.46         |
| Normalized EPS (Bt)           | 0.77         | 0.77         | 0.60         | 0.69         | 0.37         | (0.27)       | 0.50         | 0.38         | 0.10         | (0.11)       | (0.28)       | 0.43         | 0.29         | 0.48         | 0.44         | 0.35         | 0.35         | 0.46         |
| <b>Margins</b>                |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Gross profit margin           | 68.4         | 69.0         | 68.3         | 68.2         | 66.5         | 61.7         | 66.7         | 66.3         | 64.2         | 63.2         | 60.1         | 66.9         | 65.6         | 65.3         | 65.2         | 65.0         | 65.1         | 65.3         |
| Operating EBIT margin         | 19.1         | 18.3         | 15.5         | 17.6         | 11.1         | (13.4)       | 15.7         | 10.3         | 3.7          | (5.0)        | (15.8)       | 14.1         | 9.7          | 13.6         | 12.7         | 10.4         | 10.0         | 12.4         |
| Operating EBITDA margin       | 23.6         | 22.6         | 20.1         | 22.0         | 25.2         | 11.3         | 29.8         | 25.0         | 20.0         | 14.9         | 9.5          | 28.0         | 23.8         | 25.9         | 24.7         | 23.0         | 22.1         | 23.6         |
| Net profit margin             | 16.3         | 15.4         | 13.4         | 14.2         | 9.0          | (11.4)       | 12.2         | 9.7          | 2.8          | (4.0)        | (13.0)       | 11.1         | 7.7          | 10.9         | 10.0         | 7.7          | 8.0          | 9.7          |
| <b>YoY growth</b>             |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
| Revenue growth                | 7.5          | 5.2          | (1.8)        | 4.4          | (12.8)       | (51.6)       | (7.4)        | (19.6)       | (17.9)       | 16.0         | (48.1)       | (0.6)        | 12.2         | 60.1         | 106.1        | 15.8         | 17.0         | 9.3          |
| Operating EBIT growth         | 11.0         | 5.1          | (19.3)       | 13.0         | (49.5)       | (135.5)      | (6.1)        | (52.8)       | (72.6)       | 57.0         | (152.4)      | 35.8         | 196.6        | N.A          | N.A          | (15.0)       | 20.6         | (0.7)        |
| Operating EBITDA growth       | 7.3          | 2.5          | (16.4)       | 9.7          | (6.7)        | (75.8)       | 36.9         | (8.8)        | (34.8)       | 53.8         | (83.4)       | 11.5         | 32.9         | 177.3        | 433.9        | (5.1)        | 9.0          | (0.3)        |
| Net profit growth             | 12.3         | 4.4          | (18.7)       | 5.4          | (52.1)       | (135.9)      | (15.4)       | (45.3)       | (73.9)       | N.A          | N.A          | 14.2         | 205.0        | N.A          | N.A          | (19.7)       | 20.1         | (2.7)        |
| Normalized profit growth      | 12.3         | 7.0          | (18.7)       | 5.4          | (52.1)       | (135.0)      | (15.4)       | (45.3)       | (73.9)       | N.A          | N.A          | 14.2         | 205.0        | N.A          | N.A          | (19.7)       | 20.1         | (2.7)        |

Source: KGI Securities Research

**Balance Sheet**

| As of 31 Dec (Bt mn)         | 2019          | 2020          | 2021          | 2022          | 2023F         | 2024F         |
|------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total Assets</b>          | <b>17,942</b> | <b>20,353</b> | <b>19,569</b> | <b>19,901</b> | <b>18,923</b> | <b>18,658</b> |
| <b>Current Assets</b>        | <b>8,740</b>  | <b>8,310</b>  | <b>8,418</b>  | <b>8,426</b>  | <b>9,821</b>  | <b>11,146</b> |
| Cash & ST Investments        | 8,033         | 7,663         | 7,689         | 7,779         | 9,157         | 10,483        |
| Inventories                  | 358           | 418           | 392           | 414           | 401           | 392           |
| Accounts Receivable          | 158           | 110           | 167           | 121           | 141           | 146           |
| Others                       | 191           | 119           | 170           | 111           | 121           | 125           |
| <b>Non-current Assets</b>    | <b>9,201</b>  | <b>12,044</b> | <b>11,151</b> | <b>11,475</b> | <b>9,102</b>  | <b>7,512</b>  |
| LT Investments               | 2,121         | 4,851         | 4,325         | 4,726         | 3,053         | 2,448         |
| Net fixed Assets             | 3,769         | 3,254         | 2,842         | 2,747         | 1,816         | 739           |
| Others                       | 3,311         | 3,939         | 3,984         | 4,002         | 4,233         | 4,324         |
| <b>Total Liabilities</b>     | <b>3,315</b>  | <b>6,506</b>  | <b>6,036</b>  | <b>6,136</b>  | <b>4,972</b>  | <b>4,483</b>  |
| <b>Current Liabilities</b>   | <b>2,467</b>  | <b>2,845</b>  | <b>2,706</b>  | <b>2,938</b>  | <b>1,557</b>  | <b>1,452</b>  |
| Accounts Payable             | 519           | 416           | 1,355         | 1,449         | 568           | 555           |
| ST Borrowings                | 0             | 1,126         | 1,075         | 1,071         | 533           | 426           |
| Others                       | 1,948         | 1,303         | 276           | 417           | 455           | 471           |
| <b>Long-term Liabilities</b> | <b>848</b>    | <b>3,661</b>  | <b>3,331</b>  | <b>3,198</b>  | <b>3,415</b>  | <b>3,031</b>  |
| Long-term Debts              | 0             | 2,565         | 2,207         | 2,023         | 2,132         | 1,706         |
| Others                       | 848           | 1,096         | 1,124         | 1,175         | 1,282         | 1,325         |
| <b>Shareholders' Equity</b>  | <b>14,627</b> | <b>13,847</b> | <b>13,509</b> | <b>13,765</b> | <b>13,952</b> | <b>14,175</b> |
| Common Stock                 | 921           | 921           | 921           | 921           | 921           | 921           |
| Capital Surplus              | 8,785         | 8,785         | 8,785         | 8,785         | 8,785         | 8,785         |
| Retained Earnings            | 3,845         | 3,064         | 2,735         | 2,976         | 3,153         | 3,367         |

Source: KGI Securities Research

**Key Ratios**

| Year to 31 Dec                   | 2019     | 2020     | 2021     | 2022     | 2023F    | 2024F    |
|----------------------------------|----------|----------|----------|----------|----------|----------|
| <b>Growth (% YoY)</b>            |          |          |          |          |          |          |
| Sales                            | 3.8      | (23.3)   | (16.3)   | 40.7     | 9.1      | 3.3      |
| OP                               | 2.3      | (64.7)   | (82.0)   | 816.8    | 22.5     | 19.0     |
| EBITDA                           | 0.8      | (17.9)   | (32.3)   | 74.7     | 12.8     | 9.6      |
| NP                               | 0.5      | (64.9)   | (85.6)   | 1,214.6  | 33.8     | 33.8     |
| Normalized Profit                | 1.2      | (65.1)   | (85.6)   | 1,214.6  | 33.8     | 33.8     |
| EPS                              | 0.5      | (64.9)   | (85.6)   | 1,214.6  | 33.8     | 33.8     |
| Normalized EPS                   | 1.2      | (65.1)   | (85.6)   | 1,214.6  | 33.8     | 33.8     |
| <b>Profitability (%)</b>         |          |          |          |          |          |          |
| Gross Margin                     | 68.5     | 65.7     | 64.1     | 65.3     | 64.5     | 66.4     |
| Operating Margin                 | 18.4     | 8.5      | 1.8      | 11.9     | 13.3     | 15.4     |
| EBITDA Margin                    | 22.9     | 24.5     | 19.8     | 24.6     | 25.4     | 27.0     |
| Net Profit Margin                | 14.9     | 6.8      | 1.2      | 9.1      | 10.3     | 12.0     |
| ROAA                             | 14.4     | 4.5      | 0.7      | 7.2      | 9.3      | 11.4     |
| ROAE                             | 17.7     | 6.6      | 1.0      | 10.5     | 12.7     | 15.1     |
| <b>Stability</b>                 |          |          |          |          |          |          |
| Gross Debt/Equity (%)            | 22.7     | 47.0     | 44.7     | 44.6     | 35.6     | 31.6     |
| Net Debt/Equity (%)              | Net cash | Net cash | Net cash | Net cash | Net cash | Net cash |
| Interest Coverage (x)            | N.A.     | 15.4     | 2.9      | 21.6     | 24.0     | 34.4     |
| Interest & ST Debt Coverage (x)  | N.A.     | 15.4     | 2.9      | 21.6     | 24.0     | 34.4     |
| Cash Flow Interest Coverage (x)  | N.A.     | 28.0     | 28.0     | 43.9     | 24.9     | 51.4     |
| Cash Flow/Interest & ST Debt (x) | N.A.     | 28.0     | 28.0     | 43.9     | 24.9     | 51.4     |
| Current Ratio (x)                | 4.5      | 6.4      | 30.5     | 20.2     | 21.6     | 23.7     |
| Quick Ratio (x)                  | 4.3      | 6.1      | 29.1     | 19.2     | 20.7     | 22.9     |
| Net Debt (Bt mn)                 | (8,033)  | (3,972)  | (4,407)  | (4,685)  | (6,492)  | (8,351)  |
| <b>Per Share Data (Bt)</b>       |          |          |          |          |          |          |
| EPS                              | 2.8      | 1.0      | 0.1      | 1.6      | 1.9      | 2.3      |
| Normalized EPS                   | 2.8      | 1.0      | 0.1      | 1.6      | 1.9      | 2.3      |
| CFPS                             | 4.2      | 2.2      | 2.1      | 4.1      | 2.6      | 4.4      |
| BVPS                             | 15.9     | 15.0     | 14.7     | 14.9     | 15.2     | 15.4     |
| SPS                              | 18.9     | 14.5     | 12.1     | 17.1     | 18.6     | 19.3     |
| EBITDA/Share                     | 4.3      | 3.5      | 2.4      | 4.2      | 4.7      | 5.2      |
| DPS                              | 2.6      | 1.8      | 0.8      | 1.4      | 1.7      | 2.1      |
| <b>Activity</b>                  |          |          |          |          |          |          |
| Asset Turnover (x)               | 1.0      | 0.7      | 0.6      | 0.8      | 0.9      | 1.0      |
| Days Receivables                 | 3.3      | 3.0      | 5.4      | 2.8      | 3.0      | 3.0      |
| Days Inventory                   | 23.8     | 33.3     | 35.7     | 27.7     | 24.0     | 24.0     |
| Days Payable                     | 34.5     | 33.2     | 123.2    | 96.8     | 34.0     | 34.0     |
| Cash Cycle                       | (7.4)    | 3.2      | (82.1)   | (66.4)   | (7.0)    | (7.0)    |

Source: KGI Securities Research

**Profit & Loss**

| Year to 31 Dec (Bt mn)        | 2019          | 2020          | 2021          | 2022          | 2023F         | 2024F         |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Revenue</b>                | <b>17,409</b> | <b>13,361</b> | <b>11,182</b> | <b>15,728</b> | <b>17,163</b> | <b>17,734</b> |
| Cost of Goods Sold            | (5,483)       | (4,577)       | (4,015)       | (5,461)       | (6,101)       | (5,959)       |
| <b>Gross Profit</b>           | <b>11,926</b> | <b>8,784</b>  | <b>7,167</b>  | <b>10,267</b> | <b>11,062</b> | <b>11,776</b> |
| Operating Expenses            | (9,183)       | (7,947)       | (7,170)       | (8,646)       | (9,139)       | (9,435)       |
| Other Incomes                 | 330           | 261           | 186           | 210           | 283           | 293           |
| <b>Operating Profit</b>       | <b>3,074</b>  | <b>1,097</b>  | <b>183</b>    | <b>1,831</b>  | <b>2,205</b>  | <b>2,634</b>  |
| Depreciation of fixed assets  | (777)         | (2,137)       | (2,009)       | (1,997)       | (2,072)       | (2,055)       |
| <b>Operating EBITDA</b>       | <b>3,851</b>  | <b>3,234</b>  | <b>2,192</b>  | <b>3,828</b>  | <b>4,278</b>  | <b>4,688</b>  |
| <b>Non-Operating Income</b>   | <b>132</b>    | <b>34</b>     | <b>21</b>     | <b>39</b>     | <b>85</b>     | <b>92</b>     |
| Interest Income               | 132           | 34            | 21            | 39            | 85            | 92            |
| Other Non-op Income           | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>Non-Operating Expenses</b> | <b>(1)</b>    | <b>(73)</b>   | <b>(69)</b>   | <b>(87)</b>   | <b>(95)</b>   | <b>(79)</b>   |
| Interest Expenses             | (1)           | (73)          | (69)          | (87)          | (95)          | (79)          |
| Other Non-op Expenses         | 0             | 0             | 0             | 0             | 0             | 0             |
| <b>Equity Income/(Loss)</b>   | <b>(41)</b>   | <b>(6)</b>    | <b>(23)</b>   | <b>(29)</b>   | <b>(25)</b>   | <b>(25)</b>   |
| <b>Pre-tax Profit</b>         | <b>3,163</b>  | <b>1,051</b>  | <b>111</b>    | <b>1,755</b>  | <b>2,170</b>  | <b>2,621</b>  |
| Current Taxation              | (553)         | (140)         | 10            | (308)         | (395)         | (476)         |
| Minorities                    | (7)           | (4)           | 10            | (8)           | (9)           | (9)           |
| Extraordinary items           | (17)          | 0             | 0             | 0             | 0             | 0             |
| <b>Net Profit</b>             | <b>2,587</b>  | <b>907</b>    | <b>131</b>    | <b>1,439</b>  | <b>1,766</b>  | <b>2,136</b>  |
| <b>Normalized Profit</b>      | <b>2,604</b>  | <b>907</b>    | <b>131</b>    | <b>1,439</b>  | <b>1,766</b>  | <b>2,136</b>  |
| EPS (Bt)                      | 2.81          | 0.99          | 0.14          | 1.56          | 1.92          | 2.32          |
| Normalized EPS (Bt)           | 2.83          | 0.99          | 0.14          | 1.56          | 1.92          | 2.32          |

Source: KGI Securities Research

**Cash Flow**

| Year to 31 Dec (Bt mn)      | 2019         | 2020           | 2021         | 2022           | 2023F          | 2024F          |
|-----------------------------|--------------|----------------|--------------|----------------|----------------|----------------|
| <b>Operating Cash Flow</b>  | <b>3,851</b> | <b>2,049</b>   | <b>1,938</b> | <b>3,806</b>   | <b>2,375</b>   | <b>4,067</b>   |
| Net Profit                  | 2,587        | 907            | 131          | 1,439          | 1,766          | 2,136          |
| Depreciation & Amortization | 777          | 2,137          | 2,009        | 1,997          | 2,072          | 2,055          |
| Change in Working Capital   | 1,877        | (616)          | (185)        | 338            | (1,341)        | (74)           |
| Others                      | (1,390)      | (379)          | (17)         | 33             | (123)          | (49)           |
| <b>Investment Cash Flow</b> | <b>0</b>     | <b>(3,854)</b> | <b>(531)</b> | <b>(790)</b>   | <b>531</b>     | <b>(373)</b>   |
| Net CAPEX                   | (414)        | (84)           | (30)         | (388)          | (500)          | (400)          |
| Change in LT Investment     | (165)        | (3,770)        | (501)        | (402)          | 1,031          | 27             |
| Change in Other Assets      | 579          | 0              | 0            | 0              | 0              | 0              |
| <b>Free Cash Flow</b>       | <b>3,851</b> | <b>(1,805)</b> | <b>1,407</b> | <b>3,017</b>   | <b>2,906</b>   | <b>3,695</b>   |
| <b>Financing Cash Flow</b>  | <b>0</b>     | <b>2,035</b>   | <b>(879)</b> | <b>(1,369)</b> | <b>(2,009)</b> | <b>(2,446)</b> |
| Change in Share Capital     | 0            | (0)            | 0            | 0              | 0              | 0              |
| Net Change in Debt          | 0            | 3,691          | (410)        | (187)          | (429)          | (533)          |
| Change in Other LT Liab.    | (0)          | (1,656)        | (470)        | (1,182)        | (1,580)        | (1,913)        |
| <b>Net Cash Flow</b>        | <b>3,851</b> | <b>229</b>     | <b>527</b>   | <b>1,647</b>   | <b>897</b>     | <b>1,249</b>   |

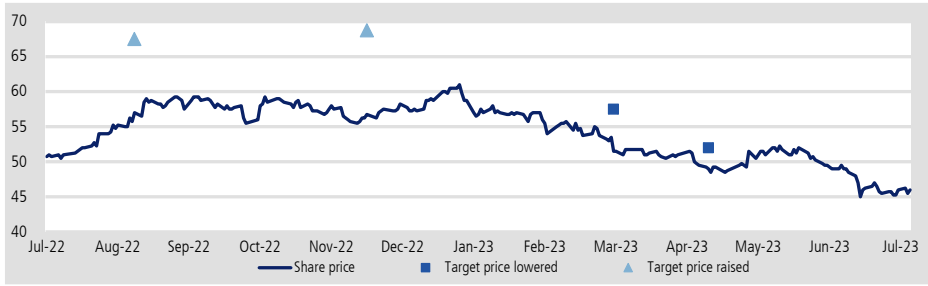
Source: KGI Securities Research

**Rates of Return on Invested Capital**

| Year  | 1-<br>Revenue       | +<br>COGS<br>Revenue            | +<br>Depreciation<br>Revenue | +<br>Operating Exp.<br>Revenue | =<br>Operating<br>Margin |  |
|-------|---------------------|---------------------------------|------------------------------|--------------------------------|--------------------------|--|
| 2019  | 27.0%               |                                 | 4.5%                         |                                | 50.1%                    |  |
| 2020  | 18.3%               |                                 | 16.0%                        |                                | 57.3%                    |  |
| 2021  | 17.9%               |                                 | 18.0%                        |                                | 62.3%                    |  |
| 2022  | 22.0%               |                                 | 12.7%                        |                                | 53.4%                    |  |
| 2023F | 23.5%               |                                 | 12.1%                        |                                | 51.1%                    |  |
| 2024F | 21.9%               |                                 | 12.1%                        |                                | 51.1%                    |  |
| Year  | 1/<br>Revenue       | +<br>Working Capital<br>Revenue | +<br>Net PPE<br>Revenue      | +<br>Other Assets<br>Revenue   | =<br>Capital<br>Turnover |  |
| 2019  | 0.1                 |                                 | 0.2                          |                                | 0.8                      |  |
| 2020  | 0.0                 |                                 | 0.2                          |                                | 1.3                      |  |
| 2021  | 0.0                 |                                 | 0.3                          |                                | 1.5                      |  |
| 2022  | 0.0                 |                                 | 0.2                          |                                | 1.1                      |  |
| 2023F | -0.1                |                                 | 0.1                          |                                | 1.0                      |  |
| 2024F | -0.1                |                                 | 0.1                          |                                | 1.0                      |  |
| Year  | Operating<br>Margin | x                               | Capital<br>Turnover          | x                              | Cash<br>Tax Rate         | =<br>After-tax Return<br>on Inv. Capital |
| 2019  | 18.4%               |                                 | 0.9                          |                                | 17.3%                    | 2.8%                                     |
| 2020  | 8.5%                |                                 | 0.7                          |                                | 13.2%                    | 0.8%                                     |
| 2021  | 1.8%                |                                 | 0.6                          |                                | -7.1%                    | -0.1%                                    |
| 2022  | 11.9%               |                                 | 0.8                          |                                | 17.3%                    | 1.6%                                     |
| 2023F | 13.3%               |                                 | 1.0                          |                                | 17.3%                    | 2.2%                                     |
| 2024F | 14.9%               |                                 | 1.0                          |                                | -2.6%                    | -0.4%                                    |

Source: KGI Securities Research

**MK Restaurant Group – 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 ERWAN 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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| <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)..   |
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| Not Rated (NR)    | The stock is not rated by KGI.  |
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| 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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