

Hana Microelectronics PCL

(HANA.BK/HANA TB)*

Underperform · Maintained

Price as of 19 May 2023	38.75
12M target price (Bt/shr)	35.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	(9.7)

Key messages

ถึงแม้เราจะคาดว่าอุปสงค์น่าจะดีขึ้นบ้างใน 2H66 แต่อัตราค่าไถ่ยังเป็นประเด็นท้าทาย เราแนะนำให้นักลงทุนรอดูสถานการณ์ไปก่อน เพื่อให้เห็นว่าผลประกอบการดีขึ้นใน 2Q66 ซึ่งจะเป็นการยืนยันแนวโน้มใน 2H66 เรายังคงคำแนะนำ “ขาย” และประเมินราคาเป้าหมายสิ้นปี 2566 ที่ 35.00 บาท

Trading data

Mkt cap (Btmn/US\$mn)	31,189/780		
Outstanding shares (mn)	805		
Foreign ownership (mn)	422		
3M avg. daily trading (mn)	10		
52-week trading range (Bt)	33.5 – 65.0		
Performance (%)	3M	6M	12M
Absolute	-32.3	-23.3	-17.6
Relative	-26.2	-18.1	-11.7

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2021	0.37	0.92	0.70	-0.07
2022	0.45	0.30	0.52	1.34
2023	0.33			

Share price chart



Source: SET

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ยังคงมีอุปปัจจัยที่ต้องเฝ้าดู

Event

ประชุมนักวิเคราะห์

Impact

คาดว่ายอดขายจะดีขึ้นใน 2H66

อุปสงค์ที่อ่อนแอของ smartphone และ PC ทำให้ลูกค้าของ HANA ลดสต็อกลง และกดดันยอดขายของ HANA ใน 1Q66 (รายได้จากธุรกิจ IC ใน 1Q66 อยู่ที่ประมาณ 75 ล้านดอลลาร์ฯ (-4% YoY, -11% QoQ)) ซึ่งบริษัทคาดว่าสต็อกที่ระดับนั้นจะเข้าใกล้จุดต่ำสุดแล้ว และน่าจะเห็นการกลับมาเพิ่มสต็อกอีกครั้งในครึ่งหลังของปี ในขณะเดียวกัน คำสั่งซื้อจากกลุ่มยานยนต์ยังคงแข็งแกร่ง (สัดส่วนรายได้จากกลุ่มยานยนต์คิดเป็น 23% ของรายได้รวมใน 1Q66 เพิ่มขึ้นจาก 19% ใน 1Q65) อย่างไรก็ตาม มีความกังวลอยู่บ้างจากการที่อัตราดอกเบี้ยสูงขึ้น ซึ่งอาจจะทำให้อุปสงค์ลดลงใน 2H66 นอกจากนี้ ทางผู้บริหารยังคาดว่ารายได้จาก PMS (power master semiconductors) จะดีขึ้นใน 2H66 (ตั้งเป้ารายได้ปีนี้ที่ 25-30 ล้านดอลลาร์ฯ) เนื่องจากจะมีอุปกรณ์ใหม่เพิ่มเข้ามา

อัตราค่าไถ่ยังเป็นประเด็นท้าทาย

อัตราค่าไถ่ยังเป็นประเด็นท้าทายเนื่องจากมีปัจจัยลบบางตัว ซึ่งได้แก่ i) อัตราแลกเปลี่ยน (เฉลี่ย QTD อยู่ที่ 34 บาท/ดอลลาร์ฯ จาก 34.4 บาท/ดอลลาร์ฯ ใน 2Q65 และ 33.9 บาท/ดอลลาร์ฯ ใน 1Q66) ii) ต้นทุนสารเคมีโลกสูงขึ้น และ iii) อาจจะมีการปรับขึ้นค่าแรงขั้นต่ำ ทั้งนี้ เนื่องจากอัตราค่าไถ่ขึ้นต้นอ่อนแอใน 1Q66 (อยู่ที่ 8.6%) เราจึงคาดว่าอัตราค่าไถ่ขึ้นต้นไม่แน่ว่าจะเพิ่มขึ้นได้มากนัก ดังนั้น เราจึงยังคงสมมติฐานอัตราค่าไถ่ขึ้นต้นในปี 2566 เอาไว้เท่าเดิมที่ 12.1% (ลดลงจาก 13.5% ในปี 2565)

คาดว่ากำไรจะลดลง YoY ใน 2Q66

ถึงแม้เราจะคาดว่ายอดขาย และอัตราค่าไถ่จะดีขึ้นบ้าง เนื่องจากระดับสต็อกน่าจะถึงจุดต่ำสุดแล้ว ในขณะที่อัตราการใช้กำลังการผลิตและอัตราแลกเปลี่ยนดีขึ้น แต่เราคาดว่ากำไรจากธุรกิจหลักของ HANA จะลดลง YoY โดยเราคาดว่าจะเห็นการกลับมาเพิ่มสต็อกในช่วงครึ่งหลังของปี ซึ่งจะทำให้กำไรเพิ่มขึ้น HoH แต่จะยังคงลดลง YoY

Valuation & action

เราคงราคาเป้าหมายสิ้นปี 2566 ลงจากเดิมที่ 35.00 บาท อิงจาก PER เท่าเดิมที่ 15.0X (ค่าเฉลี่ยในอดีต - 0.25 S.D.) และ คงคำแนะนำ “ขาย”

Risks

ภัยธรรมชาติ, มีการปิดโรงงานนอกแผน, ลูกค้าเปลี่ยนไปสั่งสินค้าจาก supplier รายอื่น, ขาดแคลนวัตถุดิบ, เงินบาทแข็งค่าขึ้น (เราใช้สมมติฐานอัตราแลกเปลี่ยนปี 2566-67 ที่ 33.80 บาท/ดอลลาร์ฯ)

Key financials and valuations

Year end Dec 31	Dec - 19A	Dec - 20A	Dec - 21A	Dec - 22A	Dec - 23F	Dec - 24F
Revenue (Btmn)	20,384	19,283	23,780	27,167	26,190	26,972
Gross Profit (Btmn)	2,357	2,548	3,287	3,661	3,169	3,540
Net Profit (Btmn)	1,805	1,908	1,545	2,078	1,865	2,184
Normalized Profit (Btmn)	1,523	1,796	2,272	2,396	1,865	2,184
EPS (Bt)	2.24	2.37	1.92	2.58	2.32	2.71
Normalized EPS (Bt)	1.89	2.23	2.82	2.98	2.32	2.71
DPS (Bt)	1.30	1.40	2.00	1.00	1.00	2.00
EPS Growth (%)	(24.0)	5.7	(19.0)	34.5	(10.3)	17.1
Normalized EPS Growth	(35.4)	17.9	26.6	5.4	(22.1)	17.1
P/E (X)	17.4	17.8	32.1	13.0	16.7	14.3
P/B (X)	1.3	1.5	3.2	1.3	1.3	1.2
EV/EBITDA (X)	7.3	8.2	9.6	7.7	5.5	4.9
Net Debt to Equity (%)	(41.5)	(25.0)	(14.3)	(10.0)	(34.7)	(39.7)
Dividend Yield (%)	3.9	3.5	2.2	2.6	2.6	5.2
Return on Average Equity (%)	8.7	9.1	6.9	8.9	7.6	8.6

Source: Company data, KGI Securities Research

Figure 1: Key assumptions

Assumption	Unit	2016	2017	2018	2019	2020	2021	2022	2023F	2024F
Sales	US\$m	581	635	689	656	616	743	775	775	798
Sales growth	percent	(3.0)	9.3	8.5	(4.8)	(6.1)	20.6	4.3	(0.0)	3.0
GPM	Percent	14.0	14.9	14.4	11.6	13.2	13.8	13.5	12.1	13.1
Exchange rate	Bt/US\$	35.3	33.9	32.3	31.1	31.3	32.0	35.1	33.8	33.8

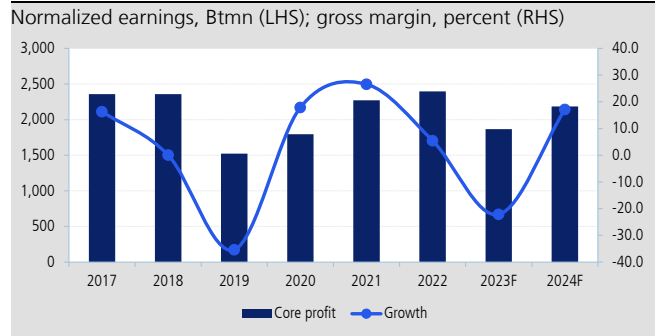
Source: KGI Securities Research

Figure 2: Company profile

Hana Group is one of Southeast Asia's leading independent electronics manufacturing service (EMS) producers. The company's headquarters are in Bangkok and there are six manufacturing facilities located in Lamphun and Ayutthaya provinces in Thailand, Jiaxing, China, Ohio, US, Koh Kong, Cambodia.

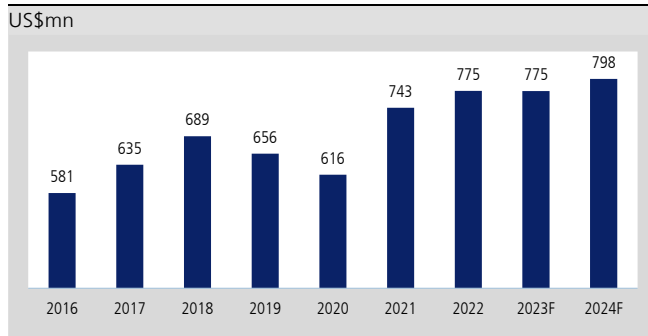
Source: Company data

Figure 3: Core profit



Source: Company data, KGI Securities Research

Figure 4: Sales Assumption



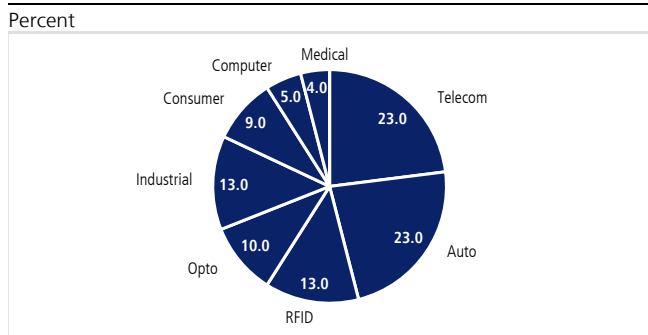
Source: Company data, KGI Securities Research

Figure 5: Gross margin



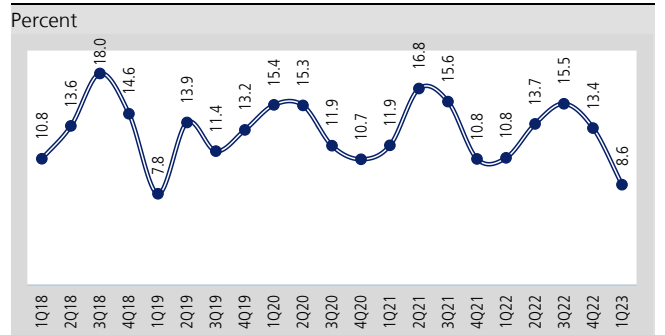
Source: Company data, KGI Securities Research

Figure 6: Sales breakdown by ending application



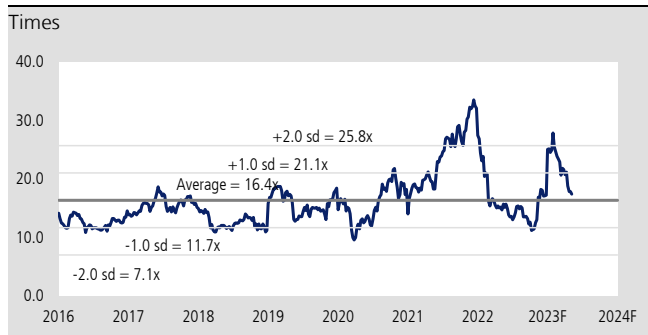
Source: Company data, KGI Securities Research

Figure 7: Gross margin quarterly



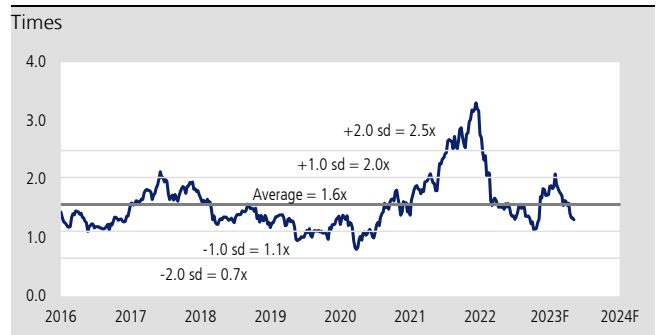
Source: Company data, KGI Securities Research

Figure 8: Company's PER



Source: KGI Securities Research

Figure 9: Company's PBV



Source: KGI Securities Research

Quarterly Income Statement

	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A
Income Statement (Bt mn)									
Revenue	5,214	6,065	6,241	6,260	6,107	6,390	7,545	7,125	6,466
Cost of Goods Sold	(4,593)	(5,048)	(5,265)	(5,587)	(5,445)	(5,512)	(6,378)	(6,171)	(5,913)
Gross Profit	621	1,016	976	673	663	878	1,167	954	553
Operating Expense	(312)	(373)	(376)	(362)	(381)	(401)	(408)	(505)	(382)
Other incomes	77	117	95	66	108	120	109	119	120
Operating Profit	386	760	696	377	390	597	868	567	291
Depreciation of fixed asset	(314)	(299)	(327)	(345)	(346)	(368)	(405)	(409)	(405)
Operating EBITDA	700	1,059	1,023	722	736	965	1,273	976	696
Non-Operating Income	99	(2)	(82)	(173)	54	(302)	(359)	414	5
Interest Income	29	29	29	28	25	23	24	23	17
Other Non-op Income	69	(32)	(111)	(201)	29	(326)	(384)	391	(12)
Non-Operating Expense	179	(0)	25	244	61	29	40	(137)	14
Interest Expense	(1)	(2)	(2)	(3)	(1)	(3)	(3)	(6)	(2)
Other Non-op Expense	181	1	27	246	63	32	43	(131)	16
Equity Income/(Loss)	0	0	0	0	0	0	0	0	0
Pre-tax profit	303	754	586	(45)	380	260	463	1,107	278
Current Taxation	(2)	(18)	(22)	(11)	(15)	(15)	(46)	(31)	(12)
Minorities	0	0	0	0	0	0	0	0	0
Extraordinary items									
Net Profit	301	737	564	(56)	365	245	417	1,075	266
Normalized Profit	413	770	701	391	399	603	843	553	295
EPS (Bt)	0.37	0.92	0.70	(0.07)	0.45	0.30	0.52	1.34	0.33
Normalized EPS (Bt)	0.51	0.96	0.87	0.49	0.50	0.75	1.05	0.69	0.37
Margins									
Gross profit margin	11.9	16.8	15.6	10.8	10.8	13.7	15.5	13.4	8.6
Operating EBIT margin	7.4	12.5	11.1	6.0	6.4	9.3	11.5	8.0	4.5
Operating EBITDA margin	13.4	17.5	16.4	11.5	12.1	15.1	16.9	13.7	10.8
Net profit margin	5.8	12.1	9.0	(0.9)	6.0	3.8	5.5	15.1	4.1
Growth (YoY)									
Revenue growth	13.1	32.1	29.7	18.9	17.1	5.4	20.9	13.8	5.9
Operating EBIT growth	(16.1)	60.4	89.9	(11.2)	1.0	(21.4)	24.8	50.6	(25.3)
Operating EBITDA growth	(5.5)	39.8	57.1	(2.2)	5.1	(8.8)	24.5	35.1	(5.5)
Net profit growth	48.1	8.1	76.6	(107.9)	21.2	(66.8)	(26.1)	(2,005.7)	(27.0)
Normalized profit growth	(14.9)	62.1	92.4	(17.1)	(3.3)	(21.7)	20.3	41.5	(26.1)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Total Assets	25,180	27,853	29,703	30,554	31,637
Current Assets	17,720	17,570	18,243	20,055	21,923
Cash & ST Investment	5,400	3,304	2,375	8,649	10,283
Inventories	4,496	6,857	9,457	5,676	5,778
Account Receivable	3,461	4,553	4,981	4,305	4,434
Others	4,363	2,856	1,431	1,424	1,429
Non-current Assets	7,460	10,283	11,460	10,499	9,714
LT Investment	72	72	72	72	72
Net fixed Assets	6,938	9,663	10,853	9,914	9,141
Others	450	548	534	513	501
Total Liabilities	3,567	4,795	5,841	5,632	5,738
Current Liabilities	2,806	4,029	5,027	4,574	4,657
Account Payable	2,355	3,506	4,161	3,784	3,852
ST Borrowing	0	0	0	0	0
Others	451	523	866	789	805
Long-term Liabilities	760	766	814	1,058	1,081
Long-term Debts	0	0	0	0	0
Others	760	766	814	1,058	1,081
Shareholders' Equity	21,614	23,058	23,862	24,923	25,899
Common Stock	805	805	805	805	805
Capital Surplus	1,723	1,723	1,723	1,723	1,723
Retained Earnings	19,240	19,344	20,234	21,295	22,271
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	(5.4)	23.3	14.2	(3.6)	3.0
OP	18.1	28.6	9.2	(22.2)	17.7
EBITDA	1.1	(7.9)	28.9	10.4	4.1
NP	5.7	(19.0)	34.5	(10.3)	17.1
Normalized Profit	17.9	26.6	5.4	(22.1)	17.1
EPS	5.7	(19.0)	34.5	(10.3)	17.1
Normalized EPS	17.9	26.6	5.4	(22.1)	17.1
Profitability (%)					
Gross Margin	13.2	13.8	13.5	12.1	13.1
Operating Margin	8.9	9.3	8.9	7.2	8.2
EBITDA Margin	16.3	12.2	13.7	15.7	15.9
Net Margin	9.9	6.5	7.7	7.1	8.1
ROAA	7.7	5.8	7.2	6.2	7.0
ROAE	9.1	6.9	8.9	7.6	8.6
Stability					
Gross Debt/Equity (%)	16.5	20.8	24.5	22.6	22.2
Net Debt/Equity (%)	(25.0)	(14.3)	(10.0)	(34.7)	(39.7)
Interest Coverage (x)	218.1	214.3	175.7	163.8	186.1
Interest & ST Debt Coverage (x)	218.1	214.3	175.7	163.8	186.1
Cash Flow Interest Coverage (x)	(113.9)	277.9	222.4	662.5	324.1
Cash Flow/Interest & ST Debt (x)	(113.9)	277.9	222.4	662.5	324.1
Current Ratio (x)	6.3	4.4	3.6	4.4	4.7
Quick Ratio (x)	4.7	2.7	1.7	3.1	3.5
Net Debt (Bt mn)	(5,400)	(3,304)	(2,375)	(8,649)	(10,283)
Per Share Data (Bt)					
EPS	2.4	1.9	2.6	2.3	2.7
Normalized EPS	2.2	2.8	3.0	2.3	2.7
CFPS	(1.3)	2.6	3.5	9.9	5.0
BVPS	26.9	28.6	29.6	31.0	32.2
SPS	24.0	29.5	33.8	32.5	33.5
EBITDA/Share	3.9	3.6	4.6	5.1	5.3
DPS	1.4	2.0	1.0	1.0	2.0
Activity					
Asset Turnover (x)	0.8	0.9	0.9	0.9	0.9
Days Receivables	66	70	67	60	60
Days Inventory	98	122	147	90	90
Days Payable	51	62	65	60	60
Cash Cycle	112	130	149	90	90

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Revenue	19,283	23,780	27,167	26,190	26,972
Cost of Goods Sold	(16,734)	(20,493)	(23,506)	(23,021)	(23,432)
Gross Profit	2,548	3,287	3,661	3,169	3,540
Operating Expenses	(1,211)	(1,423)	(1,695)	(1,676)	(1,726)
Other Incomes	249	241	362	303	312
Operating Profit	1,725	2,219	2,422	1,885	2,218
Depreciation of fixed assets	(1,162)	(1,285)	(1,528)	(2,140)	(1,973)
Operating EBITDA	3,139	2,891	3,726	4,115	4,284
Non-Operating Income	277	(158)	(224)	90	93
Interest Income	140	114	94	90	93
Other Non-op Income	138	(272)	(318)	0	0
Non-Operating Expense	16	448	(13)	(12)	(12)
Interest Expense	(9)	(7)	(13)	(12)	(12)
Other Non-op Expense	26	455	0	0	0
Equity Income/(Loss)	0	0	0	0	0
Pretax Profit	1,968	1,598	2,186	1,964	2,299
Current Taxation	(60)	(53)	(107)	(98)	(115)
Minorities	0	0	0	0	0
Extraordinaries items	10	2	2	0	0
Net Profit	1,908	1,545	2,078	1,865	2,184
Normalized Profit	1,796	2,272	2,396	1,865	2,184
EPS (Bt)	2.37	1.92	2.58	2.32	2.71
Normalized EPS (Bt)	2.23	2.82	2.98	2.32	2.71

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2020	2021	2022	2023F	2024F
Operating Cash Flow	(1,032)	2,082	2,782	7,989	4,025
Net Profit	1,908	1,545	2,078	1,865	2,184
Depreciation & Amortization	1,162	1,285	1,528	2,140	1,973
Change in Working Capital	(4,102)	(749)	(825)	3,984	(132)
Others					
Investment Cash Flow	2,319	(4,069)	(2,700)	(1,183)	(1,184)
Net CAPEX	(1,199)	(4,010)	(2,719)	(1,200)	(1,200)
Change in LT Investment	3,719	0	0	0	0
Change in Other Assets	(201)	(60)	19	17	16
Free Cash Flow	1,286	(1,987)	81	6,806	2,841
Financing Cash Flow	(1,321)	(109)	(1,011)	(532)	(1,207)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	(481)	(8)	263	273	0
Change in Other LT Liab.	(840)	(101)	(1,274)	(805)	(1,207)
Net Cash Flow	(35)	(2,096)	(929)	6,275	1,633

Source: KGI Research

Rates of Return on Invested Capital

Year	1 - $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	=	Operating Margin
2020	86.8%	6.0%	8.3%		-1.1%
2021	86.2%	5.4%	7.5%		0.9%
2022	86.5%	5.6%	7.9%		-0.1%
2023F	87.9%	8.2%	7.9%		-4.0%
2024F	86.9%	7.3%	7.9%		-2.1%

Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	=	Capital Turnover
2020	(0.2)	0.4	0.9		0.9
2021	(0.0)	0.4	0.8		0.9
2022	(0.0)	0.4	0.7		0.9
2023F	(0.0)	0.4	0.7		0.9
2024F	0.2	0.4	0.8		0.8

Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2020	-1.1%		0.9		3.1%		0.0%
2021	0.9%		0.9		3.3%		0.0%
2022	-0.1%		0.9		4.9%		0.0%
2023F	-4.0%		0.9		4.9%		-0.2%
2024F	-2.1%		0.8		5.0%		-0.1%

Source: KGI Securities Research

Hana Microelectronics PCL - Recommendation & target price history



Date	Rating	Target	Price
16-May-23	Underperform	35.00	36.50
7-Mar-23	Underperform	43.00	54.50
21-Nov-22	Neutral	47.00	49.75
4-Oct-22	Neutral	38.00	37.00
15-Aug-22	Neutral	47.00	46.50
4-Jul-22	Neutral	40.00	38.25

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	THAI COM
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	SEAFICO	SEAFICO
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
CENDEL	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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