

KCE Electronics

(KCE.BK/KCE TB)*

Neutral · Upgraded

Price as of 29 Mar 2023	46.25
12M target price (Bt/shr)	43.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	(7.0)

Key messages

เราคาดว่าผลกระทบของ KCE จะแผ่วในไตรมาสแรก ก่อนที่จะฟื้นตัวขึ้นได้ในไตรมาสต่อไปจากการฟื้นตัวของ ยอดขายรถทั่วโลก และการกลับมาตุนสต็อกใน 2H66 เนื่องจาก เข้าสู่ช่วงปลายของ correction phase แล้ว เราคิดว่าราคาหุ้นที่ ลดลงไปถึง 20% ในช่วงสองเดือนที่ผ่านมาสะท้อนแนวโน้มที่ อ่อนแอไปเรียบร้อยแล้ว ดังนั้น เราจึงปรับเพิ่มคำแนะนำจาก “ขาย” เป็น “ถือ” และประเมินราคาเป้าหมายสิ้นปี 2566 ที่ 43 บาท อิงจาก PER ที่ 22.0x

Trading data

Mkt cap (Btmn/US\$mn)	54,672/1,367
Outstanding shares (mn)	1,182
Foreign ownership (mn)	230
3M avg. daily trading (mn)	21
52-week trading range (Bt)	40.3 – 66.5
Performance (%)	3M 6M 12M
Absolute	-1.1 6.9 -29.4
Relative	2.1 5.5 -25.5

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2020	0.36	0.06	0.21	0.32
2021	0.43	0.52	0.51	0.60
2022	0.50	0.49	0.56	0.42

Share price chart



Source: SET

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อุตสาหกรรมยานยนต์จะดีขึ้น

Event

อัปเดตอุตสาหกรรม, ประมาณการ 1Q66 และปรับคำแนะนำ

Impact

ยอดขายรถเพิ่มขึ้นจากการฟื้นตัวของสายโซ่อุปทาน

ตามบทวิเคราะห์ของ KGI Taiwan ฉบับ “Auto parts sector: Mounting pricing pressure in China’s auto supply chain” ที่เผยแพร่เมื่อวันที่ 25 มีนาคม 2566 ยอดขายรถทั่วโลกเพิ่มขึ้น 1% YoY ในช่วงเดือน มกราคม-กุมภาพันธ์ (Figure 1) ในขณะที่ยอดขายรถยนต์ในยุโรปเพิ่มขึ้น 4% YoY growth YTD (Figure 2) ซึ่งฟื้นตัวขึ้นจากสงครามรัสเซีย-ยูเครน ทั้งนี้ แม้ว่าจะมีปัจจัยหลายประการที่ไม่เอื้ออำนวย อย่างเช่น ภาวะเศรษฐกิจมหภาค และภาครัฐลดการสนับสนุนในหลาย ๆ ตลาดลง แต่ที่มวิจัย KGI Taiwan ยังคง คาดว่ายอดขายรถทั่วโลกจะยังโตได้ 3% ในปี 2566 จากการฟื้นตัวของสายโซ่อุปทานหลัง COVID-19 และอุปทาน IC ที่เพิ่มขึ้น ซึ่งจะช่วยหนุนยอดขายในตลาดรถหลัก ๆ ทุกตลาดยกเว้นจีนในปี 2566F

ผลกระทบต่อราคาหุ้นจะยังแผ่วในไตรมาสแรกของปี

เราคาดว่ากำไรสุทธิหลักของ KCE ใน 1Q66 จะอยู่ที่ 424 ล้านบาท (-24% YoY, -16% QoQ) จากการ ลดลงของทั้งยอดขาย และอัตรากำไรขั้นต้น เราคาดว่ายอดขายใน 1Q66 จะอยู่ที่ 127 ล้านดอลลาร์ฯ (-8% YoY, -1% QoQ) จากยอด backlog ในมือที่ค่อนข้างน้อย ในขณะที่ค่าตัวอัตรากำไรขั้นต้นใน 1Q66 จะ ลดลงมาที่ 20% (-2.8ppts YoY, -1.2ppts QoQ) จาก i) การลดราคาขายลง 1-2% ii) ต้นทุนวัตถุดิบสูงจาก ความผันผวนของอัตราแลกเปลี่ยน และ iii) เงินบาทแข็งค่าขึ้น (อัตราแลกเปลี่ยนเฉลี่ยอยู่ที่ 33.80 บาท/ ดอลลาร์ฯ ใน 1Q66 จาก 36.00 บาท/ดอลลาร์ฯ ใน 4Q65 และ 32.90 บาท/ดอลลาร์ฯ ใน 1Q65)

คาดว่าผลกระทบจะดีขึ้นในไตรมาสถัดไป

เราคาดว่าผลกระทบของ KCE ในรอบปีนี้จะต่ำสุดใน 1Q66 และจะดีขึ้นในไตรมาสที่เหลือของปี เนื่องจาก i) ต้นทุนวัตถุดิบลดลง (ราคาทองแดงเฉลี่ยอยู่ที่ 8,200 บาท/ตันใน 3Q65-1Q66 ซึ่งลดลง 15% YoY) โดยจะมีช่วงเหลื่อมเวลา (time lag) ประมาณ 1-2 ไตรมาส ii) ยอดขายเพิ่มขึ้นจากกลับมาการตุน สต็อกหลังจากที่สายโซ่อุปทานคลายความตึงตัวลง และเป็นเข้าสู่ช่วงท้ายของ correction phase (เราคาดว่า correction phase ของอุตสาหกรรมจะจบลงใน 4Q66) และ iii) ประสิทธิภาพการผลิตที่ขึ้นจาก สายการผลิตล่าสุด

Valuation & action

เรายังคงราคาเป้าหมายสิ้นปี 2566 ที่ 43 บาท อิงจาก PER ที่ 22.0x (ค่าเฉลี่ยในอดีต -0.25 S.D.) ราคาหุ้น KCE ปรับลดลงมาแล้ว 20% หลังจากที่เราปรับลดคำแนะนำเป็นขายเมื่อวันที่ 8 กุมภาพันธ์ 2566 เราเชื่อ ว่าราคาหุ้นน่าจะสะท้อนผลกระทบที่คาดว่าจะแผ่วใน 1Q66 ไปเรียบร้อยแล้ว ทั้งนี้ เนื่องจากเราคาดว่า ผลประกอบการจะดีขึ้นในระยะต่อไป และมี downside จากราคาปิดล่าสุดอีกไม่มากแล้ว เราจึงปรับ เพิ่มคำแนะนำจาก “ขาย” เป็น “ถือ”

Risk

ภัยธรรมชาติ, มีการปิดโรงงานนอกแผน, ถูกค่าเปลี่ยนไปส่งสินค้าจาก supplier รายอื่น, ขาดแคลน วัตถุดิบ, เงินบาทแข็งค่าขึ้น (เราใช้สมมติฐานอัตราแลกเปลี่ยนปี 2565-66 ที่ 34.50 บาท/ดอลลาร์ฯ)

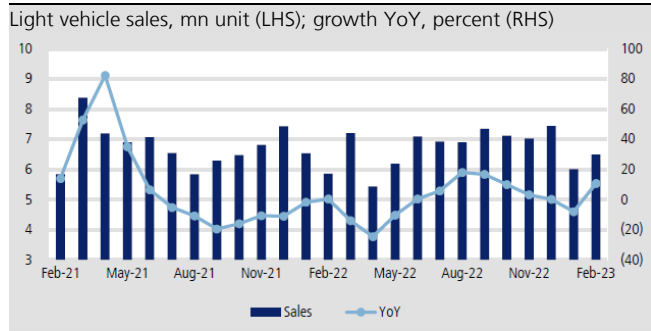
Key financials and valuations

Year end Dec 31	Dec-19A	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Btmn)	12,097	11,527	14,938	18,456	17,473	18,457
Gross profit (btmn)	2,454	2,512	3,973	4,202	4,213	4,450
SG&A (Btmn)	1,569	1,449	1,656	1,898	1,835	1,938
Net profit (Btmn)	934	1,127	2,426	2,317	2,343	2,501
Normalized profit (Btmn)	879	1,018	2,237	2,302	2,343	2,501
EPS (Bt)	0.80	0.96	2.05	1.96	1.98	2.12
Normalized EPS (Btmn)	0.75	0.86	1.89	1.95	1.98	2.12
DPS (Btmn)	0.8	0.8	1.6	1.7	1.7	1.8
EPS growth (%)	(53.6)	20.0	114.7	(4.5)	1.1	6.7
Normalized EPS growth (%)	(50.2)	15.3	119.0	2.9	1.8	6.7
P/E (X)	32.7	48.0	46.5	23.7	23.3	21.9
P/B (X)	2.4	4.1	7.7	4.1	4.0	3.8
EV/EBITDA (X)	14.4	21.3	28.5	15.9	14.9	14.4
Net debt to Equity (%)	9.3	0.0	12.6	19.9	15.6	13.2
Dividend yield (%)	3.3	1.9	1.8	3.6	3.6	3.9
Return on Equity (%)	7.9	9.5	19.0	17.2	17.2	17.8

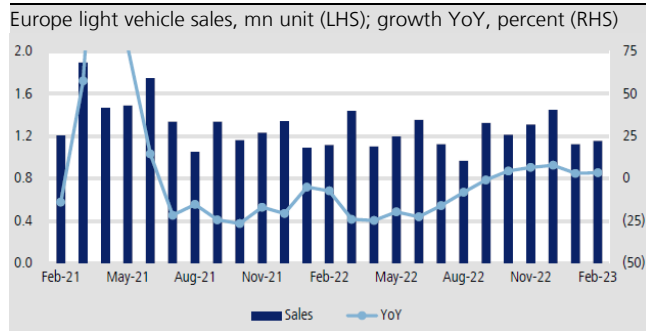
Source: Company data, KGI Research

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

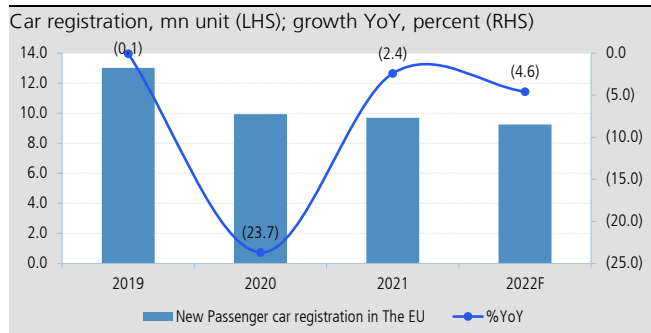
http://research.kgi.com; Bloomberg: KGIT <GO> Please see back page for disclaimer

Figure 1: Global auto sales grew 1% YoY YTD


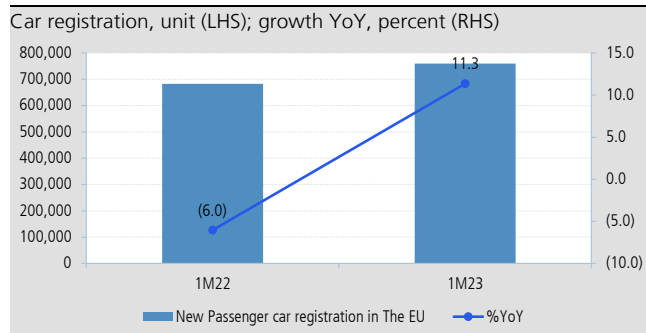
Source: LMC Automotive, KGI Securities Research (Taiwan)

Figure 2: Europe auto sales


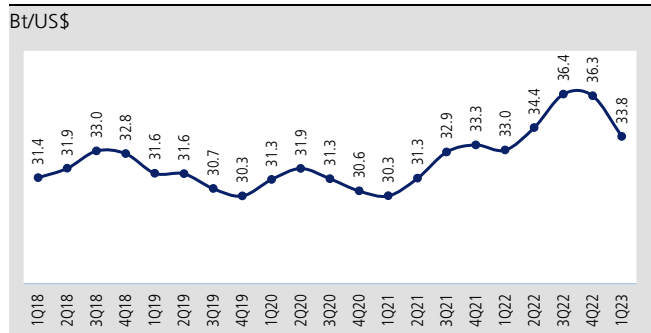
Source: LMC Automotive, KGI Securities Research (Taiwan)

Figure 3: EU passenger car registrations


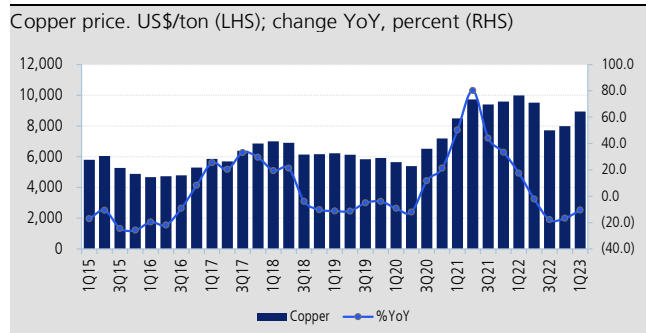
Source: Company data, KGI Securities Research

Figure 4: EU passenger car registrations


Source: Company data, KGI Securities Research

Figure 5: Exchange rate


Source: Biznews, KGI Securities Research

Figure 6: Copper price


Source: Biznews, KGI Securities Research

Figure 7: 1Q23 earnings preview

Btmn	1Q23F	1Q22	%YoY	4Q22	%QoQ
Revenue from sales	4,291	4,532	(5.3)	4,623	(7.2)
Cost of goods sold	3,433	3,498	(1.8)	3,645	(5.8)
Gross profit	858	1,035	(17.1)	978	(12.2)
SG&A expense	434	479	(9.5)	467	(7.2)
EBIT	479	646	(25.9)	562	(14.9)
Non-op inc/(exp)	0	32	(100.0)	(7)	(100.0)
Net profit	424	589	(28.0)	501	(15.2)
Normalized profit	424	557	(23.9)	507	(16.3)
EPS (Bt)	0.36	0.50	(28.0)	0.42	(15.2)
Normalized EPS (Bt)	0.36	0.47	(23.9)	0.43	(16.3)
Percent	1Q23F	1Q22	YoY ppts	4Q22	QoQ ppts
Gross margin	20.0	22.8	(2.8)	21.2	(1.2)
SG&A to sales	10.1	10.6	(0.5)	10.1	0.0
EBIT margin	11.2	14.3	(3.1)	12.2	(1.0)
Net margin	9.9	13.0	(3.1)	10.8	(0.9)
Assumption	1Q23F	1Q22	%YoY	4Q22	%QoQ
Sales in US\$mn	127	138	(7.8)	128	(1.0)
FX	33.8	32.9	2.7	36.0	(6.2)

Source: Company data, KGI Research

Figure 8: Key assumptions

Assumption	Unit	2015	2016	2017	2018	2019	2020	2021	2022	2023F	2024F
Sales	US\$m	365	378	421	436	393	372	469	530	506	535
Sales growth	%YoY	6.4	3.5	11.4	3.4	(9.8)	(5.3)	25.9	13.1	(4.5)	5.6
Gross margin	Percent	31.4	34.9	30.0	26.0	20.3	21.8	26.6	22.8	24.1	24.1
Exchange rate	Bt/US\$	34.1	36.5	33.7	32.1	30.8	31.0	31.9	34.8	34.5	34.5

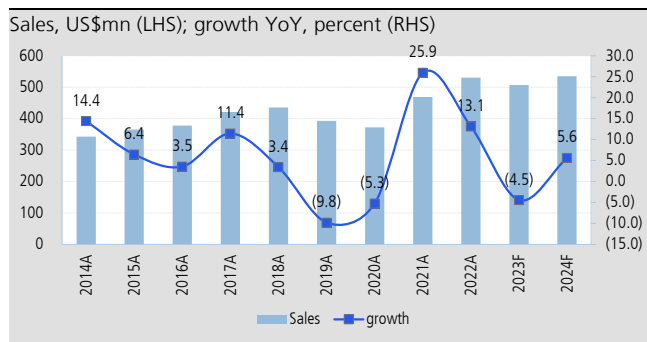
Source: KGI Securities Research

Figure 9: Company profile

KCE Electronics PCL (KCE), originally known as Kuang Charoen Electronics Company Limited, was listed on November 5, 1985, with initial registered capital of Bt12mn. The company's core business is to produce and distribute custom printed circuit boards (PCBs), which are manufactured from copper clad laminate under the KCE trademark. KCE's PCB products are well-known and used in a variety of applications such as automotive, industrial, computer, and telecom system. Its customers include some of the world's biggest names.

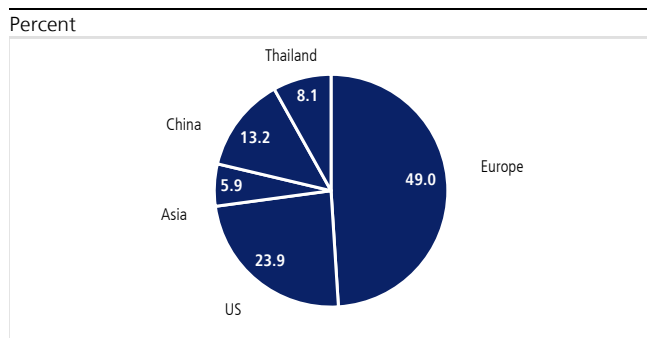
Source: Company data

Figure 11: Sales assumption



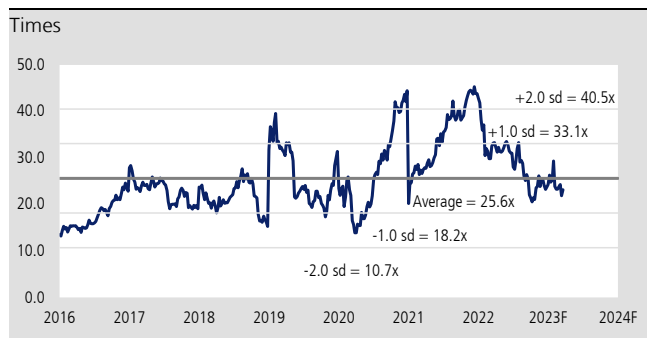
Source: Company data, KGI Securities Research

Figure 12: Sales breakdown



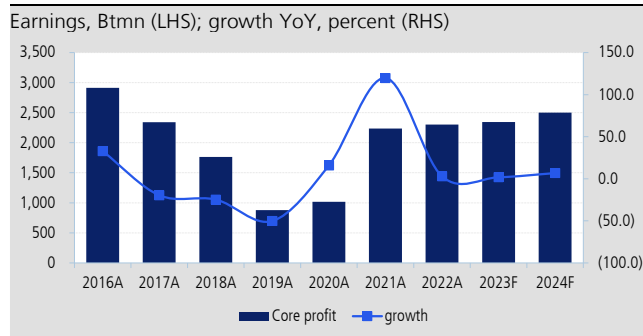
Source: Company data, KGI Securities Research

Figure 13: PER Band



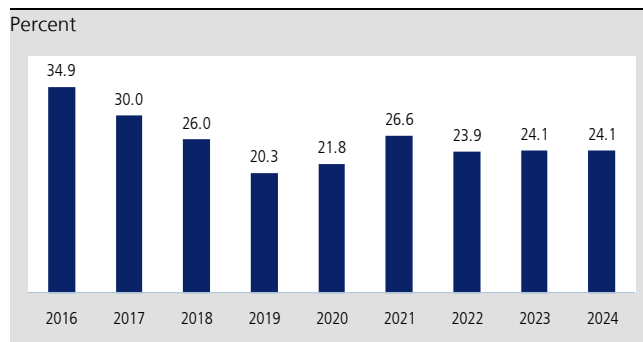
Source: KGI Securities Research

Figure 10: Core profit



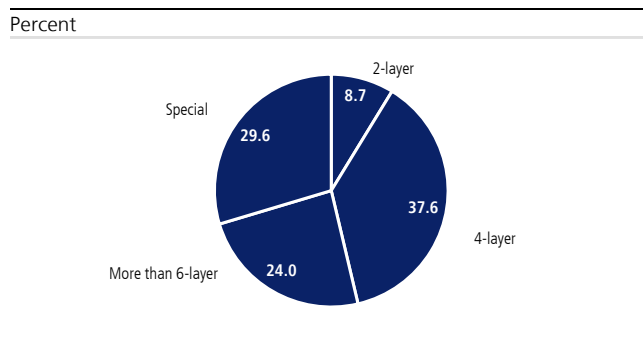
Source: Company data, KGI Securities Research

Figure 12: Gross margin assumption



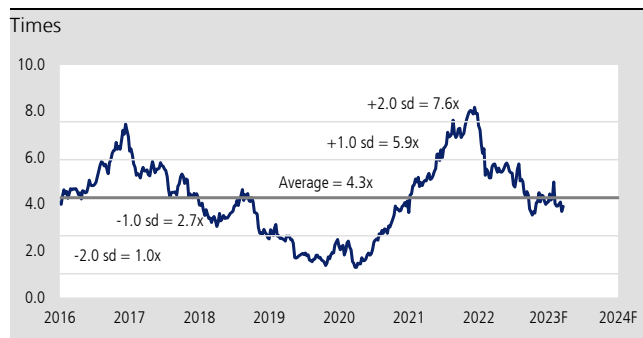
Source: Company data, KGI Securities Research

Figure 13: Sales breakdown



Source: Company data, KGI Securities Research

Figure 14: PBV Band



Source: KGI Securities Research

Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-22A	Jun-22A	Sep-22A	Dec-22A
Income Statement (Btmn)												
Revenue	3,260	2,127	2,722	3,418	3,415	3,536	3,789	4,198	4,532	4,667	4,634	4,623
Cost of good sold	2,478	1,741	2,204	2,592	2,560	2,509	2,760	3,136	3,498	3,603	3,509	3,645
Gross profit	782	387	518	826	855	1,027	1,029	1,062	1,035	1,064	1,125	978
Operating expense	430	322	309	389	402	457	395	401	479	450	501	467
Other income	22	77	25	(19)	40	64	27	72	53	63	54	54
Operating profit	375	142	234	419	492	633	661	733	609	677	678	565
Depreciation of fixed asset	262	261	261	226	251	254	258	219	259	268	276	236
Operating EBITDA	636	402	495	645	743	887	918	952	868	945	954	801
Non-Operating income	0	0	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating expense	(12)	(16)	(17)	(13)	(10)	(13)	(9)	(12)	18	22	2	(24)
Interest expense	(12)	(16)	(17)	(13)	(10)	(13)	(9)	(12)	(12)	(17)	(19)	(24)
Other non-op. expense	0	0	0	0	0	0	0	0	30	39	22	0
Equity income	4	3	1	3	4	4	4	5	5	4	5	4
Pre-tax profit	444	70	288	428	559	684	658	781	634	635	683	538
Current taxation	(15)	5	(34)	(43)	(49)	(56)	(45)	(71)	(35)	(54)	(22)	(32)
Minorities	5	3	4	5	7	11	9	9	10	9	5	6
Extra items	78	(58)	70	19	73	59	2	55	62	10	41	(7)
Net profit	425	71	250	381	503	618	604	701	589	572	655	501
Normalized profit	347	130	180	362	430	559	602	646	557	602	636	507
EPS (Bt)	0.4	0.1	0.2	0.3	0.4	0.5	0.5	0.6	0.5	0.5	0.6	0.4
Normalized EPS (Bt)	0.3	0.1	0.2	0.3	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4
Margin (%)												
Gross profit margin	24.0	18.2	19.0	24.2	25.0	29.0	27.2	25.3	22.8	22.8	24.3	21.2
Operating EBIT margin	11.5	6.7	8.6	12.2	14.4	17.9	17.4	17.5	13.4	14.5	14.6	12.2
Operating EBITDA margin	19.5	18.9	18.2	18.9	21.8	25.1	24.2	22.7	19.2	20.2	20.6	17.3
Net profit margin	13.0	3.4	9.2	11.1	14.7	17.5	15.9	16.7	13.0	12.3	14.1	10.8
Growth (%YoY)												
Revenue growth	4.7	(28.9)	(11.9)	17.8	4.8	66.2	39.2	22.8	32.7	32.0	22.3	10.1
Operating EBIT growth	36.6	(34.8)	(2.2)	70.1	31.4	347.2	182.4	75.0	23.7	6.9	2.6	(22.9)
Operating EBITDA growth	22.8	(13.1)	1.6	32.6	16.8	120.4	85.7	47.7	16.9	6.5	3.9	(15.9)
Net profit growth	58.2	(55.1)	(2.0)	51.2	18.5	766.0	141.6	84.2	17.1	(7.4)	8.5	(28.6)
Normalized profit growth	39.7	(35.0)	(17.1)	68.9	24.1	330.5	234.4	78.6	29.5	7.7	5.7	(21.5)

Source: Company data, KGI Research

Balance Sheet

As of 31 Dec (Btmn)	2020	2021	2022	2023F	2024F
Total Assets	17,377	21,951	20,993	20,979	20,908
Current Assets	8,185	11,794	11,079	10,369	10,441
Cash&ST Investment	2,342	1,966	1,145	920	460
Inventories	2,594	4,841	4,908	4,541	4,797
Account Receivable	3,174	4,394	4,900	4,787	5,057
Other	74	592	127	121	127
Non-current Assets	9,192	10,157	9,914	10,610	10,467
LT Investment	187	195	190	189	190
Net Fixed Assets	8,107	8,979	8,864	9,590	9,417
Others	898	983	860	831	860
Total Liabilities	5,315	8,509	7,548	7,165	6,652
Current liabilities	4,216	6,948	6,244	6,624	6,257
Account Payable	2,458	4,246	3,249	3,633	3,838
ST borrowing	1,283	1,798	2,173	2,173	2,173
Others	475	904	822	818	247
Long-term liabilities	1,099	1,561	1,305	541	395
Long-term debts	676	1,117	904	165	0
Others	423	444	401	376	395
Shareholders' Equity	12,062	13,442	13,445	13,814	14,256
Common stock	589	591	591	591	591
Capital surplus	2,050	2,146	2,157	2,157	2,157
Retained earnings	9,375	10,621	10,616	10,984	11,426
Preferred stock	0	0	0	0	0

Source: KGI Research

Key Ratios

Year to 31 Dec	2020	2021	2022	2023F	2024F
Growth (%YoY)					
Sales	(4.7)	29.6	23.6	(5.3)	5.6
OP	19.7	115.5	0.4	2.5	5.6
EBITDA	10.8	61.5	(2.9)	5.6	3.3
NP	20.6	115.3	(4.5)	1.1	6.7
Normalized profit	15.8	119.7	2.9	1.8	6.7
EPS	20.0	114.7	(4.5)	1.1	6.7
Normalized EPS	15.3	119.0	2.9	1.8	6.7
Profitability (%)					
Gross margin	21.8	26.6	22.8	24.1	24.1
Operating margin	10.1	16.9	13.7	14.8	14.8
EBITDA margin	19.9	24.8	19.5	21.8	21.3
Net margin	9.8	16.2	12.6	13.4	13.5
ROAA	6.7	12.3	10.8	11.2	11.9
ROAE	9.5	19.0	17.2	17.2	17.8
Stability					
Gross debt/equity (%)	44.1	63.3	56.1	51.9	46.7
Net debt/equity (%)	0.0	12.6	19.9	15.6	13.2
Interest coverage (x)	22.4	62.4	35.5	28.2	39.3
Interest&ST debt coverage (x)	1.0	1.5	1.1	1.2	1.2
Cash flow interest coverage (x)	43.1	27.7	30.5	47.5	47.9
Cash flow/interest&ST debt (x)	1.9	0.7	1.0	1.9	1.5
Current ratio (x)	1.9	1.7	1.8	1.6	1.7
Quick ratio (x)	1.3	1.0	1.0	0.9	0.9
Net debt (Btmn)	4	1,689	2,670	2,156	1,877
Per share data (Bt)					
EPS	1.0	2.1	2.0	2.0	2.1
Normalized EPS	0.9	1.9	1.9	2.0	2.1
CFPS	2.1	1.0	1.9	3.7	2.8
BVPS	10.2	11.4	11.4	11.7	12.1
Sales/share	9.8	12.6	15.6	14.8	15.6
EBITDA/share	1.9	3.1	3.0	3.2	3.3
DPS	0.8	1.6	1.7	1.7	1.8
Activity					
Asset turnover (x)	0.7	0.7	0.9	0.8	0.9
Days of receivables	101	107	97	100	100
Days of inventory	105	161	126	125	125
Days of payable	100	141	83	100	100
Cash cycle	106	127	139	125	125

Source: KGI Research

Profit & Loss

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Revenue	11,527	14,938	18,456	17,473	18,457
Cost of good sold	9,015	10,965	14,254	13,260	14,007
Gross profit	2,512	3,973	4,202	4,213	4,450
Operating expense	1,449	1,656	1,898	1,835	1,938
Other income	106	202	224	212	224
Operating Profit	1,169	2,519	2,529	2,591	2,736
Depreciation of fixed asset	1,009	982	1,039	1,195	1,173
Operating EBITDA	2,178	3,501	3,568	3,785	3,909
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	(57)	(44)	(163)	(92)	(70)
Interest expense	(57)	(44)	(72)	(92)	(70)
Other non-op expense	0	0	(91)	0	0
Equity income/(loss)	10	17	19	18	19
Pretax profit	1,230	2,683	2,490	2,516	2,685
Current taxation	(87)	(221)	(144)	(145)	(155)
Minorities	16	35	29	28	29
Extra item	109	190	106	0	0
Net profit	1,127	2,426	2,317	2,343	2,501
Normalized profit	1,018	2,237	2,302	2,343	2,501
EPS (Bt)	0.96	2.05	1.96	1.98	2.12
Normalized EPS (Bt)	0.86	1.89	1.95	1.98	2.12

Source: KGI Research

Cash Flow

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Operating cash flow	2,480	1,210	2,198	4,390	3,365
Net profit	1,127	2,426	2,317	2,343	2,501
Depreciation&Amortization	1,009	982	1,039	1,195	1,173
Change in working capital	344	(2,198)	(1,159)	852	(309)
Others					
Investment cash flow	(562)	(1,850)	(1,786)	(977)	(1,023)
Net CAPEX	(197)	(1,849)	(1,850)	(1,000)	(1,000)
Change in LT investment	12	(8)	5	2	(2)
Change in other assets	11	35	42	0	0
Free cash flow	1,918	(640)	411	3,413	2,342
Financing cash flow	(533)	268	(2,158)	(2,717)	(2,801)
Change in share capital	3	2	0	0	0
Net change in debt	294	1,314	156	(743)	(743)
Change in other liabs	(829)	(1,048)	(2,314)	(1,974)	(2,059)
Net cash flow	1,385	(372)	(1,747)	696	(460)

Source: KGI Research

Rates of Return on Invested Capital

Year	1 -	COGS	+	Depreciation	+	Operating expense	=	Operating
	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue		margin
2020		78.2%		8.8%		12.6%		0.5%
2021		73.4%		6.6%		11.1%		8.9%
2022		77.2%		5.6%		10.3%		6.9%
2023F		75.9%		6.8%		10.5%		6.8%
2024F		75.9%		6.4%		10.5%		7.3%
Year	1/	Working capital	+	Net PPE	+	Other assets	=	Capital
	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue		Turnover
2020		0.0		0.7		0.8		0.7
2021		(0.1)		0.6		0.9		0.8
2022		(0.1)		0.5		0.7		0.9
2023F		0.0		0.5		0.7		0.8
2024F		(0.0)		0.5		0.6		0.9
Year	1/	Operating	x	Capital	x	Cash	=	After-tax return
	margin	margin	turnover	turnover	turnover	tax rate		on Inv. capital
2020		0.5%		0.7		7.1%		0.0%
2021		8.9%		0.8		8.3%		0.6%
2022		6.9%		0.9		5.8%		0.4%
2023F		6.8%		0.8		5.8%		0.3%
2024F		7.3%		0.9		5.8%		0.4%

Source: KGI Research

KCE Electronics PCL - Recommendation & target price history


Date	Rating	Target	Price
8-Feb-23	Underperform	43.00	50.50
10-Nov-22	Neutral	43.00	45.25
4-Oct-22	Neutral	47.00	42.75
11-Aug-22	Outperform	66.00	57.00
4-Jul-22	Outperform	69.00	56.50
12-May-22	Outperform	75.00	61.25

Source: KGI 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	THAI FOODS 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
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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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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