

Siam Global House PCL

(GLOBAL.BK/GLOBAL.TB)*



SET ESG Rating of AA

Neutral - Maintained

Price as of 10 July 2024	15.40
12M target price (Bt/shr)	16.20
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	5.2

Key messages

เราคาดว่าผลประกอบการของ GLOBAL จะไม่น่าสนใจในระยะสั้น เพราะความล่าช้าในการเบิกจ่ายงบภาครัฐ และเป็นช่วง low season เราจึงคงคำแนะนำ “ถือ” GLOBAL โดยประเมินราคาเป้าหมายสิ้นปี 2567 ที่ 16.20 บาท อิงจาก PER ที่ 29.0x (-0.5 S.D.)

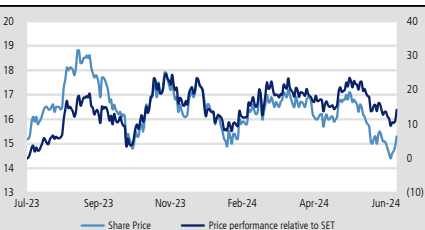
Trading data

Mkt cap (Btmn/US\$m)	79,588/1,990		
Outstanding shares (mn)	5,202		
Foreign ownership (mn)	200		
3M avg. daily trading (mn)	6		
52-week trading range (Bt)	14.8 – 18.8		
Performance (%)	3M	6M	12M
Absolute	-9.5	-3.2	0.0
Relative	-3.4	3.3	13.4

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2022	0.25	0.21	0.16	0.10
2023	0.18	0.14	0.11	0.10
2024	0.15			

Share price chart



Source: SET

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ประมาณการ 2Q67: ไตรมาสที่เงียบเหงา

Event

เราคาดว่ากำไรสุทธิของ GLOBAL ใน 2Q67 จะอยู่ที่ 717 ล้านบาท (+2% YoY, -1% QoQ) เนื่องจากอัตรากำไรขั้นต้นที่เพิ่มขึ้นจากกลยุทธ์การจำหน่ายสินค้า house brand หักล้างไปกับ same-store-sales ที่ติดลบ ส่งผลให้กำไรในงวด 1H67 อยู่ที่ 1.4 พันล้านบาท (-9% YoY) คิดเป็น 50% ของประมาณการกำไรเต็มปีของเรา

Impact

same-store-sales ติดลบ

เราคาดว่ายอดขายของ GLOBAL ใน 2Q67 จะอยู่ที่ 8.8 พันล้านบาท (+4% YoY, +0.4% QoQ) เพราะการขายสาขาใหม่มีน้ำหนักมากกว่า same-store-sales ที่ติดลบ โดยเราคาดว่า same-store-sales ใน 2Q67 จะอยู่ที่ -3% (จาก -9.5% ใน 2Q66 และ -5.4% ใน 1Q67) เพราะอุปสงค์ลดลงเนื่องจาก i) การเบิกจ่ายงบลงทุนของรัฐบาลล่าช้าโดยในเดือนมิถุนายนอัตราการเบิกจ่ายอยู่ที่ 36.5%: Figure 4 และ ii) กำลังจะเข้าสู่ฤดูเพาะปลูก ยอดขายใน 1H67 อยู่ที่ 1.76 หมื่นล้านบาท (+1% YoY) และ คิดเป็น 49% ของประมาณการกำไรเต็มปีของเรา ทั้งนี้ เราคาดว่า GLOBAL จะเปิดสาขาใหม่ 3 แห่งในไตรมาสนี้ ซึ่งจะเพิ่มจำนวนสาขาทั้งหมดเพิ่มขึ้นเป็น 87 ร้านเมื่อสิ้นงวด 2Q67 (จาก 79 ร้านเมื่อสิ้นงวด 2Q66 และ 84 ร้านเมื่อสิ้นงวด 1Q67)

อัตรากำไรขั้นต้นดีขึ้น

เราคาดว่าบริษัทจะยังคงดำเนินกลยุทธ์การจำหน่ายสินค้า house brand และการคัดสินค้า ซึ่งจะช่วยให้อัตรากำไรขั้นต้นใน 2Q67 อยู่ที่ 25.9% (+0.5ppts YoY, +0.9ppts QoQ) และ ทำให้อัตรากำไรขั้นต้นในงวด 1H67 อยู่ที่ 25.4% (+0.2ppts YoY) เทียบสมมติฐานปี 2567 ของเราที่ 25.7% เราคาดว่าสัดส่วน SG&A ต่อยอดขายจะเพิ่มขึ้นเป็น 17.1% (จาก 16.7% ใน 2Q66 และ 16.7% ใน 1Q67) สะท้อนถึงการขยายสาขา

กำไรจะแผ่วตามฤดูกาลใน 3Q67 และ คาดว่าจะดีขึ้นใน 4Q67

เราคาดว่า จะเห็นการเร่งเบิกจ่ายงบลงทุนก่อนสิ้นปีงบประมาณ 2567 ในเดือนกันยายน หลังจากให้อัตราการเบิกจ่ายในเดือนมิถุนายน 2567 อยู่ที่ 36.5% เท่านั้น อย่างไรก็ตาม เราคาดว่าผลประกอบการของ GLOBAL อาจจะไม่น่าสนใจ เพราะกำลังจะเข้าสู่ช่วง low season ในไตรมาสสาม ทั้งนี้ เนื่องจากกำไรในงวด 1H67 จะคิดเป็น 50% ของประมาณการกำไรเต็มปีของเรา และ ตามปกติแล้วผลประกอบการของบริษัทจะมีรูปแบบ front-end load patter (Figure 11) เราจึงมองว่าประมาณการกำไรปี 2567F ของเรามี upside จำกัด

Valuation & action

เราจึงคงคำแนะนำ “ถือ” GLOBAL โดยประเมินราคาเป้าหมายสิ้นปี 2567 ที่ 16.20 บาท อิงจาก PER ที่ 29.0x (ค่าเฉลี่ยในอดีตระหว่าง GLOBAL กับคู่แข่งในประเทศ -0.5 S.D.)

Risks

เศรษฐกิจชะลอตัวลง, ขยายสาขาได้น้อยกว่าที่วางแผนเอาไว้, ราคาพืชผลอ่อนแอ, ภัยธรรมชาติ, สินค้าค้างสต็อกเป็นจำนวนมาก

Key financials and valuations

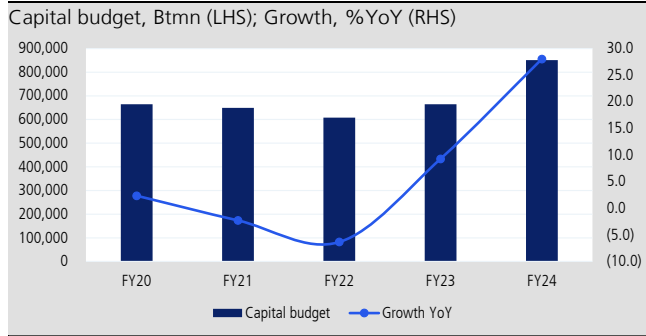
Year end Dec 31	Dec-21A	Dec-22A	Dec-23	Dec-24F	Dec-25F
Revenue (Btmn)	33,498	35,270	32,301	35,618	37,032
Gross profit (Btmn)	8,431	9,104	8,261	9,168	9,593
Net profit (Btmn)	3,344	3,487	2,671	2,905	3,074
Normalized profit (Btmn)	3,344	3,486	2,676	2,905	3,074
EPS (Bt)	0.73	0.73	0.53	0.56	0.59
Normalized EPS (Bt)	0.73	0.73	0.54	0.56	0.59
DPS (Bt)	0.30	0.30	0.21	0.22	0.24
EPS growth (%)	63.5	(0.1)	(26.5)	4.6	5.8
Normalized EPS growth (%)	63.6	(0.1)	(26.3)	4.4	5.8
P/E (X)	25.5	28.1	28.8	27.6	26.1
P/B (X)	4.3	4.4	3.3	3.1	2.9
EV/EBITDA (X)	17.7	19.1	18.1	16.8	16.0
Net debt to Equity (%)	68.3	54.1	41.8	50.3	46.5
Dividend yield (%)	1.6	1.5	1.4	1.5	1.5
Return on Equity (%)	18.0	16.6	11.7	11.8	11.5

Source: Company data, KGI Securities Research

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

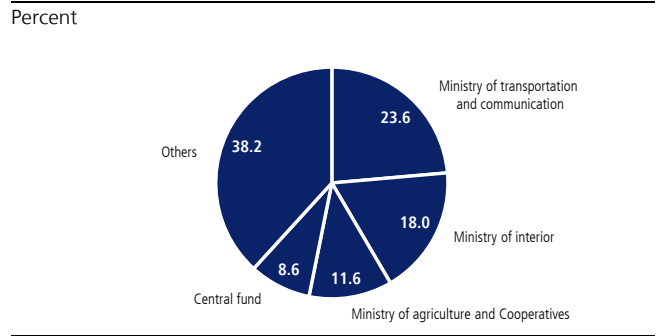
http://research.kgi.com; Bloomberg: KGI <GO> Please see back page for disclaimer

Figure 1: Capital budget grew 28% YoY for FY2024



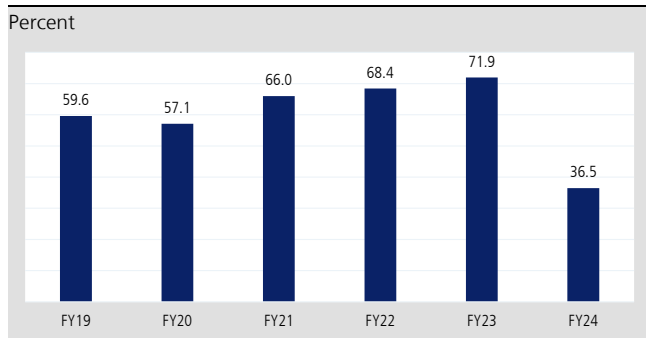
Source: MOF, KGI Securities Research

Figure 2: Capital budget breakdown



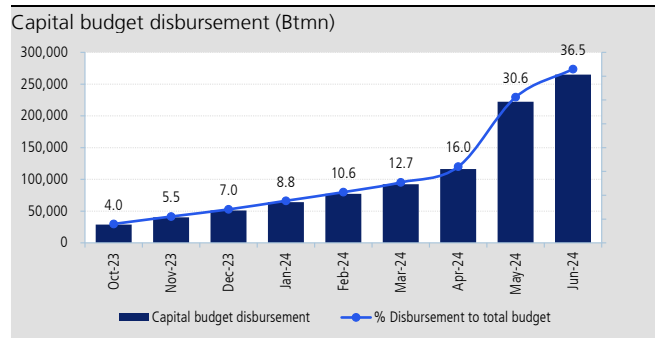
Source: MOF, KGI Securities Research

Figure 3: Capital budget disbursement



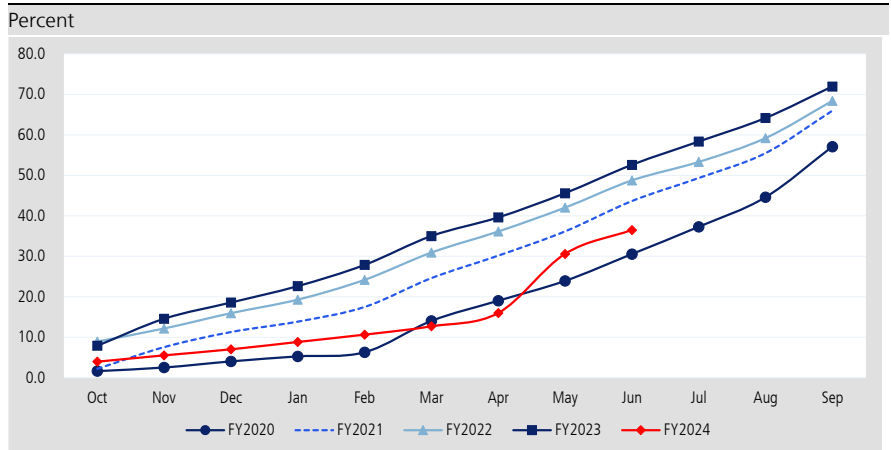
Source: MOF, KGI Securities Research

Figure 4: Capital budget disbursement for FY 2024



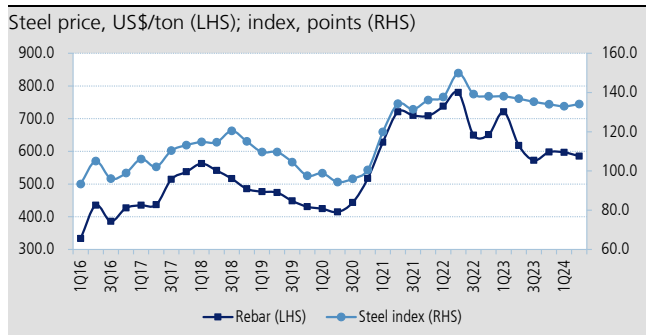
Source: OAE, Biznews, KGI Securities Research

Figure 5: Disbursement rate



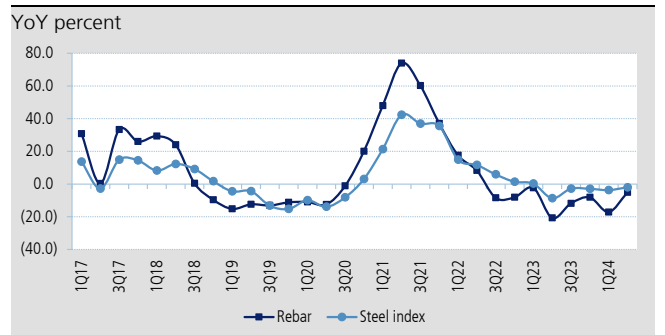
Source: KGI Securities Research

Figure 6: Steel

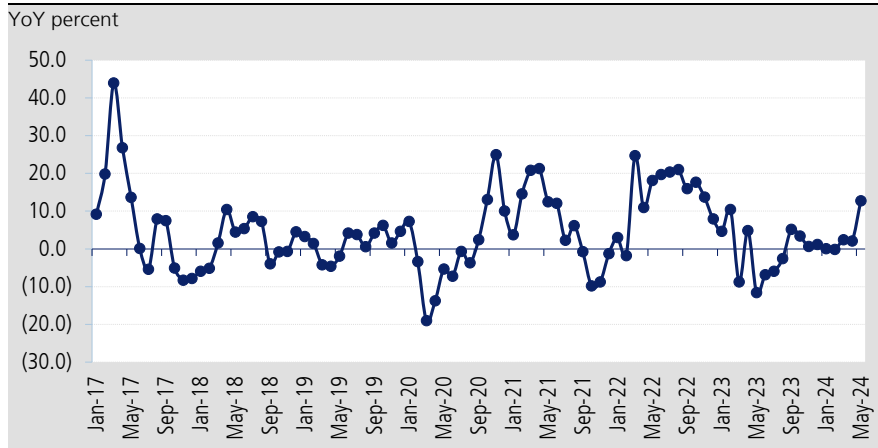


Source: OAE, Biznews, KGI Securities Research

Figure 7: Change in steel price



Source: OAE, Biznews, KGI Securities Research

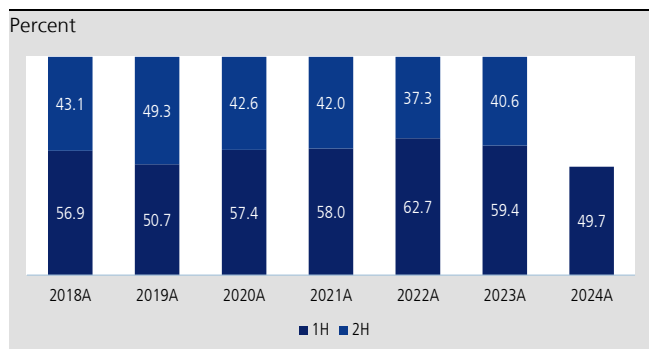
Figure 8: Farm income +3% YoY for 5M24


Source: OAE, KGI Securities Research

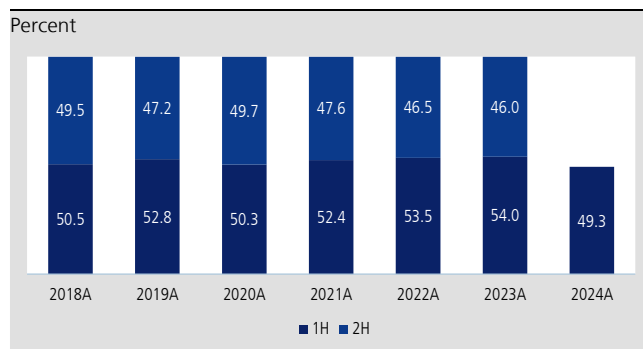
Figure 9: 2Q24 earnings preview

Btmn	2Q24F	2Q23	% YoY	1Q24	%QoQ	1H24	1H23	% YoY
Revenue from sales	8,801	8,503	3.5	8,767	0.4	17,569	17,437	0.8
Cost of goods sold	6,525	6,344	2.8	6,578	(0.8)	13,103	13,040	0.5
Gross profit	2,276	2,159	5.4	2,190	4.0	4,466	4,397	1.6
SG&A expense	1,501	1,423	5.5	1,464	2.5	2,965	2,702	9.7
EBIT	1,033	938	10.2	989	4.4	2,022	2,097	(3.6)
Finance cost	(88)	(65)	35.0	(86)	2.8	(174)	(129)	34.9
Equity income	44	21	105.8	51	(13.1)	95	57	66.7
Net profit	717	703	2.0	726	(1.2)	1,444	1,586	(9.0)
Normalized profit	717	703	2.0	726	(1.1)	1,443	1,591	(9.3)
Percent	2Q24F	2Q23	ppts YoY	1Q24	ppts QoQ	1H24	1H23	% YoY
Gross margin	25.9	25.4	0.5	25.0	0.9	25.4	25.2	0.2
SG&A to sales	17.1	16.7	0.3	16.7	0.4	16.9	15.5	1.4
EBIT margin	11.7	11.0	0.7	11.3	0.5	11.5	12.0	(0.5)
Net margin	8.2	8.3	(0.1)	8.3	(0.1)	8.2	9.1	(0.9)
SSSG	(3.0)	(9.5)	6.5	(5.4)	2.4			

Source: KGI Securities Research

Figure 10: Sales contribution


Source: Company data, KGI Securities Research

Figure 11: Earnings contribution


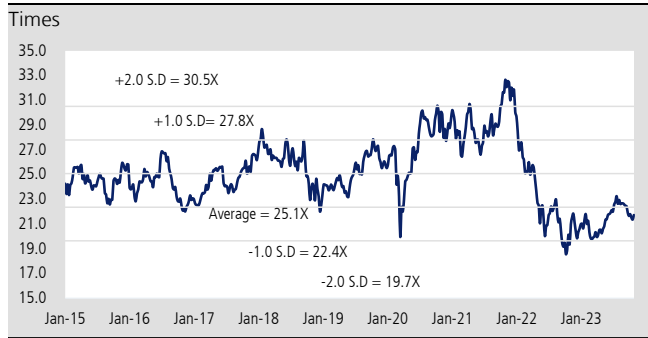
Source: Company data, KGI Securities Research

Figure 12: Assumptions

Key assumption	Unit	2019	2020	2021	2022	2023	2024F	2025F
New store	Stores	5	5	4	2	6	7	5
Total store, year end	Stores	66	71	75	77	83	90	95
SSSG	%	3.0	(9.3)	18.0	2.5	(10.8)	1.0	3.0
GPM	%	20.6	23.9	25.2	25.9	25.6	25.7	25.9

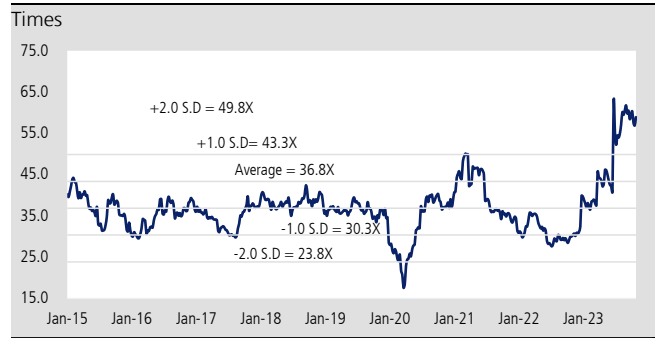
Source: Company data, KGI Securities Research

Figure 13: PER Band (regional)



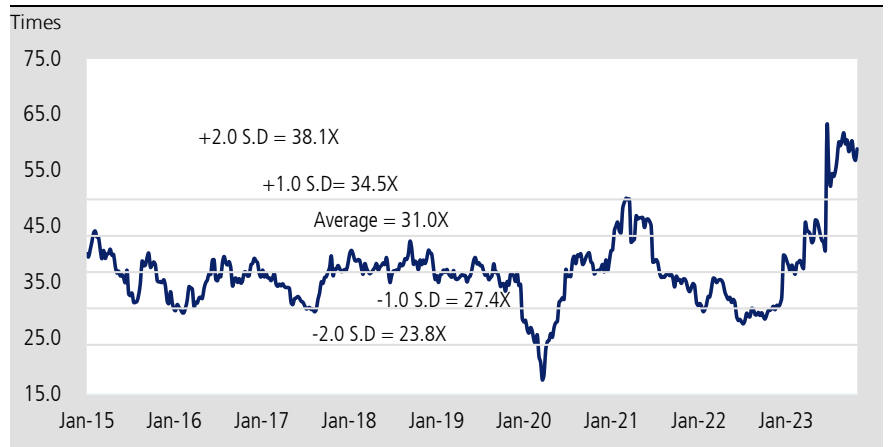
Source: KGI Securities Research

Figure 14: PER Band (HMPRO+GLOBAL+DOHOME)



Source: KGI Securities Research

Figure 15: PER Band (average between regional and Thailand)



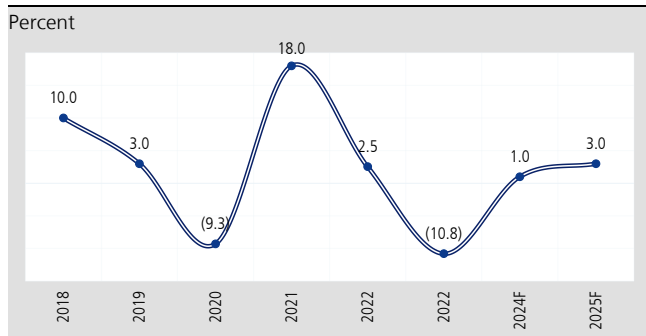
Source: KGI Securities Research

Figure 16: Company profile

Siam Global House PCL (GLOBAL) is the result of the merger between Siam Global House Company Limited and Siam Global House Khon Kaen Company Limited. GLOBAL operates a retail business that sells construction material and light decorative products used in construction, home improvement, and household and gardening decoration under the trade name "Global House". At the end of 2018, it had 61 stores in Thailand covering four regions (19 in Central, 25 in Northeastern, 14 in Northern, and 3 in Southern) as well as one store in Cambodia.

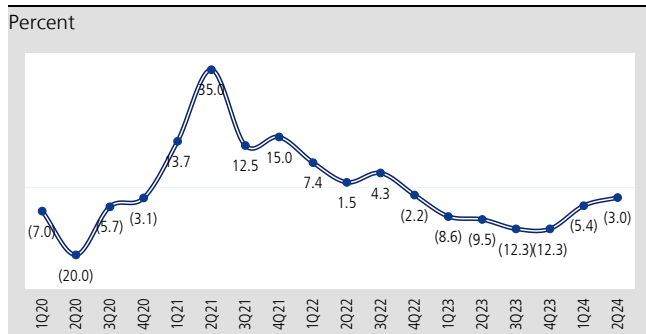
Source: Company data

Figure 18: SSS assumption



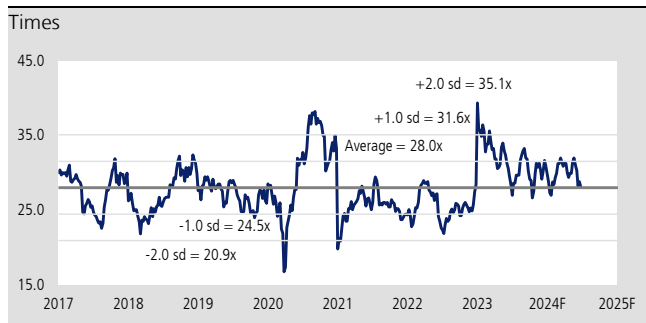
Source: Company data, KGI Securities Research

Figure 20: SSSG quarterly



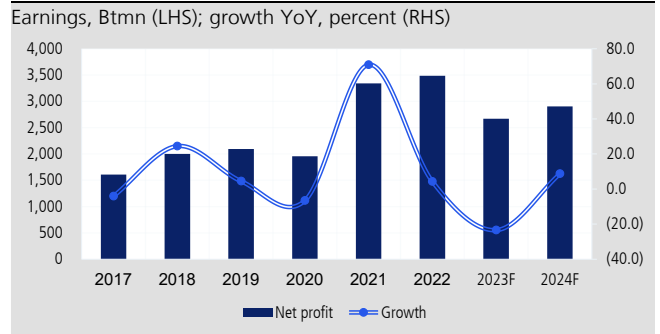
Source: KGI Securities Research

Figure 22: PER Band



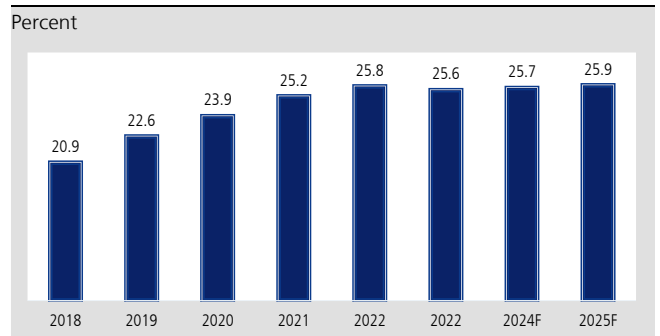
Source: KGI Securities Research

Figure 17: Earnings



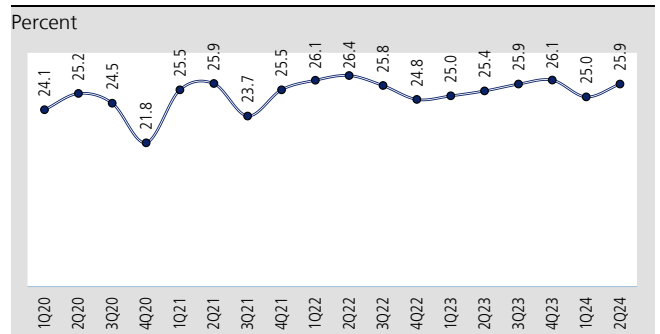
Source: Company data, KGI Securities Research

Figure 19: Gross margin assumption



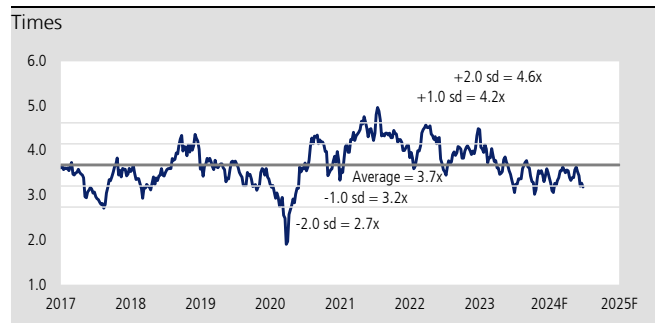
Source: Biznews, KGI Securities Research

Figure 21: Gross margin quarterly



Source: KGI Securities Research

Figure 23: PBV Band



Source: KGI Securities Research

Quarterly Income Statement

	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A	Dec-23A	Mar-24A
Income Statement (Btmn)									
Revenue	9,634	9,220	8,170	8,247	8,933	8,503	7,340	7,523	8,767
Cost of good sold	7,117	6,781	6,066	6,201	6,696	6,344	5,443	5,557	6,578
Gross profit	2,517	2,438	2,104	2,045	2,238	2,159	1,898	1,966	2,190
Operating expense	1,244	1,316	1,320	1,530	1,280	1,423	1,399	1,423	1,464
Other income	171	200	177	160	170	180	173	190	213
Operating profit	1,444	1,322	961	675	1,129	916	672	733	938
Depreciation of fixed asset	312	312	328	351	288	303	318	340	325
Operating EBITDA	1,756	1,634	1,290	1,026	1,416	1,219	990	1,073	1,263
Non-Operating income	0	0	0	0	(5)	0	(0)	(0)	0
Interest income	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	(5)	0	(0)	(0)	0
Non-Operating expense	(45)	(47)	(47)	(54)	(64)	(65)	(71)	(81)	(86)
Interest expense	(45)	(47)	(47)	(54)	(64)	(65)	(71)	(81)	(86)
Other non-op. expense	0	0	0	0	0	0	0	0	0
Equity income	39	9	43	29	35	21	44	35	51
Pre-tax profit	1,439	1,284	958	650	1,096	872	644	686	903
Current taxation	(275)	(253)	(179)	(118)	(209)	(167)	(117)	(126)	(179)
Minorities	7	3	4	5	4	2	2	(1)	(2)
Extra items	0	0	0	0	0	0	0	0	0
Net profit	1,157	1,028	775	527	883	703	525	560	726
Normalized profit	1,156	1,028	774	527	887	703	525	560	726
EPS (Bt)	0.25	0.21	0.16	0.10	0.18	0.14	0.11	0.10	0.15
Normalized EPS (Bt)	0.25	0.22	0.17	0.11	0.19	0.15	0.11	0.12	0.16
Margin (%)									
Gross profit margin	26.1	26.4	25.8	24.8	25.0	25.4	25.9	26.1	25.0
Operating EBIT margin	15.0	14.3	11.8	8.2	12.6	10.8	9.2	9.7	10.7
Operating EBITDA margin	18.2	17.7	15.8	12.4	15.9	14.3	13.5	14.3	14.4
Net profit margin	12.0	11.2	9.5	6.4	9.9	8.3	7.2	7.4	8.3
Growth (%YoY)									
Revenue growth	11.0	3.7	6.3	0.0	(7.3)	(7.8)	(10.2)	(8.8)	(1.9)
Operating EBIT growth	16.9	7.4	14.4	(27.8)	(21.8)	(30.7)	(30.1)	8.5	(16.9)
Operating EBITDA growth	14.0	5.5	10.8	(18.1)	(19.3)	(25.4)	(23.2)	4.5	(10.8)
Net profit growth	19.8	5.8	17.5	(29.4)	(23.7)	(31.6)	(32.2)	6.3	(17.7)
Normalized profit growth	19.7	5.8	17.5	(29.4)	(23.3)	(31.6)	(32.2)	6.3	(18.2)
SSSG	7.4%	1.5%	4.3%	-2.2%	-8.6%	-9.5%	-12.3%	-12.3%	-5.4%

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Btmn)	2021	2022	2023	2024F	2025F
Total Assets	39,275	39,148	39,058	44,703	46,017
Current Assets	18,631	17,568	16,064	20,321	20,418
Cash&ST Investment	1,772	1,147	1,269	1,225	607
Inventories	16,186	15,747	14,038	18,262	18,944
Account Receivable	674	631	757	835	868
Other	0	42	0	0	0
Non-current Assets	20,643	21,580	22,994	24,382	25,599
LT Investment	1,607	2,144	2,187	2,187	2,187
Net Fixed Assets	17,099	17,471	18,804	20,038	21,189
Others	1,937	1,965	2,002	2,156	2,222
Total Liabilities	19,439	17,057	15,511	18,923	18,330
Current liabilities	16,011	13,629	13,120	12,611	13,108
Account Payable	2,543	2,311	3,043	3,349	3,474
ST borrowing	12,066	9,475	7,626	7,908	8,270
Others	1,402	1,843	2,451	1,354	1,364
Long-term liabilities	3,427	3,428	2,390	6,312	5,222
Long-term debts	2,139	2,120	1,075	5,000	3,925
Others	1,289	1,307	1,315	1,312	1,297
Shareholders' Equity	19,836	22,091	23,547	25,780	27,687
Common stock	4,602	4,802	5,002	5,202	5,202
Capital surplus	4,739	4,739	4,739	4,739	4,739
Retained earnings	9,690	11,805	13,012	15,045	16,952
Preferred stock					

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2021	2022	2023	2024F	2025F
Growth (%YoY)					
Sales	25.0	5.3	(8.4)	10.3	4.0
OP	60.0	3.8	(21.6)	14.4	4.9
EBITDA	45.5	3.3	(16.7)	15.4	5.1
NP	70.9	4.3	(23.4)	8.8	5.8
Normalized profit	71.0	4.3	(23.2)	8.6	5.8
EPS	63.5	(0.1)	(26.5)	4.6	5.8
Normalized EPS	63.6	(0.1)	(26.3)	4.4	5.8
Profitability (%)					
Gross margin	25.2	25.8	25.6	25.7	25.9
Operating margin	12.7	12.5	10.7	11.1	11.2
EBITDA margin	16.7	16.4	14.9	15.6	15.7
Net margin	10.0	9.9	8.3	8.2	8.3
ROAA	8.9	8.9	6.8	6.9	6.8
ROAE	18.0	16.6	11.7	11.8	11.5
Stability					
Gross debt/equity (%)	98.0	77.2	65.9	73.4	66.2
Net debt/equity (%)	68.3	54.1	41.8	50.3	46.5
Interest coverage (x)	24.0	23.5	12.7	11.3	12.5
Interest&ST debt coverage	0.4	0.5	0.5	0.5	0.5
Cash flow interest coverage	12.9	25.4	21.8	0.7	11.6
Cash flow/interest&ST debt	0.2	0.5	0.8	0.0	0.5
Current ratio (x)	1.2	1.3	1.2	1.6	1.6
Quick ratio (x)	0.2	0.1	0.2	0.2	0.1
Net debt (Btmn)	13,555	11,960	9,844	12,974	12,879
Per share data (Bt)					
EPS	0.7	0.7	0.5	0.6	0.6
Normalized EPS	0.7	0.7	0.5	0.6	0.6
CFPS	0.5	1.0	1.2	0.0	0.8
BVPS	4.3	4.6	4.7	5.0	5.3
Sales/share	7.3	7.3	6.5	6.8	7.1
EBITDA/share	1.2	1.2	1.0	1.1	1.1
DPS	0.3	0.3	0.2	0.2	0.2
Activity					
Asset turnover (x)	0.9	0.9	0.8	0.8	0.8
Days of receivables	7	7	9	9	9
Days of inventory	236	220	213	252	252
Days of payable	37	32	46	46	46
Cash cycle	206	194	175	214	214

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2021	2022	2023	2024F	2025F
Revenue	33,498	35,270	32,301	35,618	37,032
Cost of good sold	25,067	26,166	24,040	26,450	27,438
Gross profit	8,431	9,104	8,261	9,168	9,593
Operating expense	4,806	5,410	5,524	6,008	6,272
Other income	617	708	713	786	818
Operating Profit	4,242	4,403	3,450	3,946	4,139
Depreciation of fixed asset	1,264	1,246	1,223	1,449	1,532
Operating EBITDA	5,506	5,649	4,673	5,395	5,671
Non-operating income	(0)	1	(5)	0	0
Interest income	0	0	0	0	0
Other non-op income	(0)	1	(5)	0	0
Non-operating expense	(180)	(193)	(282)	(362)	(343)
Interest expense	(180)	(193)	(282)	(362)	(343)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	81	120	135	149	155
Pretax profit	4,142	4,330	3,298	3,733	3,950
Current taxation	(783)	(824)	(620)	(821)	(869)
Minorities	15	19	7	7	8
Extra item	0	0	0	0	0
Net profit	3,344	3,487	2,671	2,905	3,074
Normalized profit	3,344	3,486	2,676	2,905	3,074
EPS (Bt)	0.73	0.73	0.53	0.56	0.59
Normalized EPS (Bt)	0.73	0.73	0.54	0.56	0.59

Source: KGI Securities Research

Cash Flow

Year to Dec 31 (Btmn)	2021	2022	2023	2024F	2025F
Operating cash flow	2,322	4,899	6,159	249	3,969
Net profit	3,344	3,487	2,671	2,905	3,074
Depreciation&Amortization	1,264	1,246	1,223	1,449	1,532
Change in working capital	(2,286)	166	2,264	(4,105)	(637)
Others					
Investment cash flow	(2,051)	(2,075)	(2,812)	(2,683)	(2,683)
Net CAPEX	(1,215)	(1,618)	(2,556)	(2,683)	(2,683)
Change in LT investment	(769)	(537)	(43)	0	0
Change in other assets	(67)	80	(214)	0	0
Free cash flow	270	2,824	3,347	(2,434)	1,285
Financing cash flow	199	(3,370)	(3,441)	2,390	(1,904)
Change in share capital	200	200	200	200	0
Net change in debt	921	(2,138)	(2,226)	3,062	(737)
Change in other liabs	(921)	(1,432)	(1,415)	(873)	(1,167)
Net cash flow	470	(547)	(95)	(44)	(618)

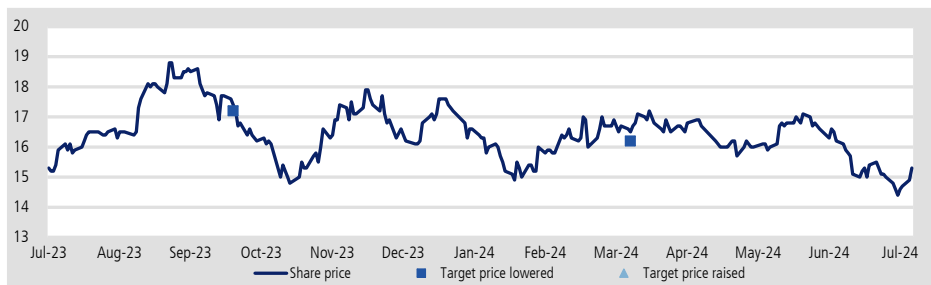
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- COGS Revenue	+ Depreciation Revenue	+ Operating expense Revenue	= Operating margin
2021	74.8%	3.8%	14.3%	7.0%
2022	74.2%	3.5%	15.3%	6.9%
2023	74.4%	3.8%	17.1%	4.7%
2024F	74.3%	4.1%	16.9%	4.8%
2025F	74.1%	4.1%	16.9%	4.8%
Year	1/ Working capital Revenue	+ Net PPE Revenue	+ Other assets Revenue	= Capital Turnover
2021	(0.1)	0.5	0.7	0.9
2022	0.0	0.5	0.6	0.9
2023	0.1	0.6	0.6	0.8
2024F	(0.1)	0.6	0.7	0.9
2025F	(0.0)	0.6	0.7	0.8
Year	1/ Operating margin	x Capital turnover	x Cash tax rate	= After-tax return on Inv.capital
2021	7.0%	0.9	18.9%	1.2%
2022	6.9%	0.9	19.0%	1.2%
2023	4.7%	0.8	18.8%	0.7%
2024F	4.8%	0.9	22.0%	0.9%
2025F	4.8%	0.8	22.0%	0.9%

Source: KGI Securities Research

Siam Global House – Recommendation & target price history



Date	Rating	Target	Price
12-Mar-24	Neutral	16.20	16.50
26-Sep-23	Neutral	17.20	17.40

Source: KGI Securities Research

Company's ESG details

Environment

- The company emphasizes business operations and growth together with environmental management. Although the business operations have no direct impact on the environment or produce pollution like factories, the company realizes the importance of environmental care. Managing the efficient use of resources to reduce and prevent impacts on the environment caused by the operations of the company by setting an "Environmental Policy" to be a guideline for its operations.
- In 2017, the company changed the air-conditioning systems from Misting Fans to Air-Condition and improved lighting systems inside the stores that need to use more electricity and set a policy to install Solar Rooftop systems to generate electricity to save energy in the long term. The company has already installed rooftop systems in all of its stores, reducing the operating expenses of the company. In 2020, the company developed the air-condition control program that also reduced energy consumption.
- Since 2016, the company has installed Automated Storage & Retrieval Systems (ASRS) that are controlled by computer to increase rapidity, accuracy and efficiency in the warehouse management of the company. The ASRS is a closed system and no lighting is required to work, resulting in reduced electricity consumption. In 2023, the company has installed the system in 47 stores.
- The company has collaborated with SCGC to lead a closed-loop recycling project that transforms used plastic within stores into eco-friendly plastic bags. The initiative has promoted the use of eco-friendly plastic bags at Siam Global House Limited (Public Company) headquarters since October 2023.
- The company has installed EV Charger Stations in service areas of stores to support the use of renewable energy and reduce greenhouse gas caused by all stakeholders. At the end of 2023, the company has EV Charger Stations in 12 stores.

Social

- To support the aging society, the company has encouraged Elderly Employment for people aged 60 or older by providing proper work for the elderly. In 2023, there were 55 employees working under this project at 38 stores.
- The company gives importance and supports disability employment with respect to Empowerment of Persons with Disabilities Act, B.E. 2550 (2007) and the revised Disabilities Empowerment Act (No. 2), B.E. 2556 following Articles 33 and 35. In 2023, the company employed 102 people with disabilities in various departments and provided space for the sale of government lottery, representing 0.92% of the total workforce, which consists of 10,985 employees. The company has fully contributed funds to the disability welfare reserve fund to promote and enhance the quality of life for people with disabilities.
- The company promotes and creates opportunities for both fresh graduates and experienced employees who are eager to learn, practice, and develop themselves in the retail business field. This is aimed at enhancing their potential and preparing them for career growth, making them valuable assets for the store management team in the future.
- The company participated in and received "Good Practice Model on Road Safety" award for 2023. This award reflects the company's excellent ability to manage road safety. The project's indicators include ensuring 100% compliance with wearing helmets and seat belts. Moreover, the company has been successful in reducing road accidents to zero.

Governance

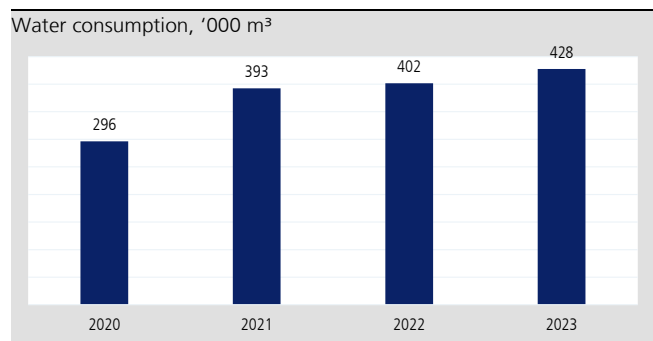
- The company's Corporate Governance rating is at Excellence by an internationally recognized institute.
- Participated in the Corporate Governance Report (CGR) survey for 2023, conducted by the Thai Institute of Directors Association and the Stock Exchange of Thailand. The company received an assessment result at the "Excellent" level, equivalent to 5 stars, for the third consecutive year.
- The company received a SET ESG rating of "AA" in services group, from the announcement of the results of SET ESG Ratings 2023 and has been selected to be one of 193 listed companies listed in Sustainable Stocks 2023 by the Stock Exchange of Thailand.

Climate Management (Subset of Environment)

- The company is committed to helping tackle climate change and is well aware that climate change is an issue that affects sustainability and human well-being. It has joined in reducing Greenhouse Gas (GHG) emissions to mitigate the impacts. In this regard, the company gives importance to the Carbon Footprint for Organization (CFO) assessment by conducting assessments in 2022 in order to know the amount of greenhouse gas generated by the company's activities. As well as monitoring the performance of activities following greenhouse gas emission reduction measures, it has set a goal to reduce GHG emission by at least 10% from the base year (2022) by 2030.

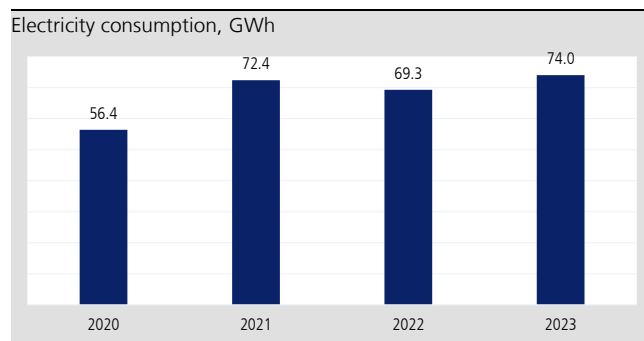
Source: Company data, KGI Securities Research

Total water consumption



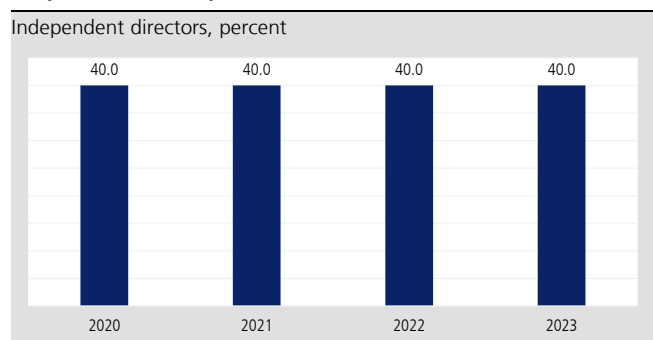
Source: Company data, SETSMART, KGI Securities Research

Total electricity consumption



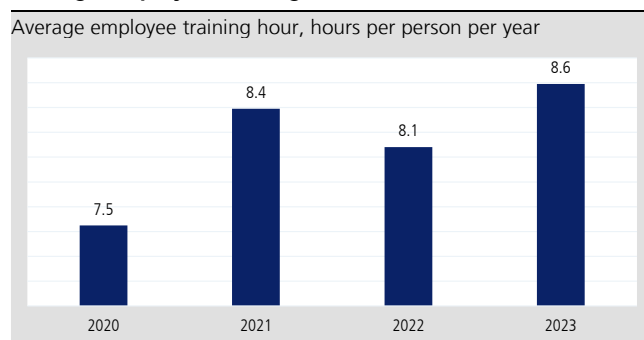
Source: Company data, SETSMART, KGI Securities Research

Proportion of independent directors



Source: Company data, SETSMART, KGI Securities Research

Average employee training hours



Source: Company data, SETSMART, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B. GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

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.

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	GFPT	GFPT	SAK	SAKSAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	GLOBAL GREEN CHEMICALS	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	SIAM GLOBAL HOUSE	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GLOBAL POWER SYNERGY	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	GULF ENERGY DEVELOPMENT	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HANA MICROELECTRONICS	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HENG LEASING AND CAPITAL	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	HOME PRODUCT CENTER	SEAFCO	SEAFCO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	INTUCH	INTOUCH HOLDINGS	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IRPC	IRPC	SHR	S HOTELS AND RESORTS
BANPU	BANPU	ITC	i-Tail Corporation	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	IVL	INDORAMA VENTURES	SNPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KCE	KCE ELECTRONICS	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SPALI	SUPALAI
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	KTC	KRUNGTHAI CARD	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LH	LAND AND HOUSES	SUN	SUNSWEEET
BGRIM	B. GRIMM POWER	LPN	L.P.N. DEVELOPMENT	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	M	MK RESTAURANT GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MBK	MBK	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MEGA	MEGA LIFESCIENCES	THCOM	THAICOM
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	ORI	ORIGIN PROPERTY	TOP	THAI OIL
CPALL	CP ALL	OSP	OSOTSPA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	VGI	VGI
CPN	CENTRAL PATTANA	PTT	PTT	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTEP	PTT EXPLORATION AND PRODUCTION	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOME	PTTGC	PTT GLOBAL CHEMICAL	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	QH	QUALITY HOUSES		
ERW	THE ERAWAN GROUP	RATCH	RATCH GROUP		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BSRC	BANGCHAK SRIRACHA	JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
CHG	CHULARAT HOSPITAL	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		
NETBAY	NETBAY	SISB	SISB		

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	KASIKORNBANK	SIRI	SANSIRI
BIGC	BIG C SUPERCENTER	KCE	KCE ELECTRONICS	SPALI	SUPALAI
CK	CH. KARNCHANG	KKP	KIATNAKIN BANK	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DCC	DYNASTY CERAMIC	KTB	KRUNG THAI BANK	TCAP	THANACHART CAPITAL
DELTA	DELTA ELECTRONICS (THAILAND)	LPH	LADPRAO GENERAL HOSPITAL	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	PACE	PACE DEVELOPMENT CORPORATION	TMT	THAI METAL TRADE
EGCO	ELECTRICITY GENERATING	PTT	PTT	TOP	THAI OIL
GFPT	GFPT	PTTGC	PTT GLOBAL CHEMICAL		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRISAWAD POWER 1979
BA	BANGKOK AIRWAYS	GUNKUL	GUNKUL ENGINEERING	SCB	THE SIAM COMMERCIAL BANK
BANPU	BANPU	ILINK	INTERLINK COMMUNICATION	SCN	SCAN INTER
BCP	THE BANGCHAK PETROLEUM	KTC	KRUNGTHAI CARD	SEAFCO	SEAFCO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
BEM	BANGKOK EXPRESSWAY AND METRO	MTLS	MUANGTHAI LEASING	SPRC	STAR PETROLEUM REFINING
CPALL	CP ALL	SCI	SCI ELECTRIC		

No progress

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	BPP	BANPU POWER	FN	FN FACTORY OUTLET
BCPG	BCPG	BTS	BTS GROUP HOLDINGS	TPCH	TPC POWER HOLDING

Source: www.cgthailand.org

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