



KCE Electronics

(KCE.BK/KCE TB)*

Outperform · Maintained

Price as of 9 Feb 2022	64.75
12M target price (Bt/shr)	80.00
Unchanged/Revised up(down)(%)	(33.3)
Upside/downside (%)	23.6

Key messages

ความล่าช้าในการเดินเครื่องกำลังการผลิตใหม่กดดันผลประกอบการ แต่เราคาดว่าโมเมนตัมจะดีขึ้นใน 2H65 ทั้งนี้ จากกระแส EV โลก รวมถึงผลประกอบการปีนี้ที่คาดว่าจะโตถึง 29% YoY และราคาหุ้นที่ยังมี upside อีก 24% เราจึงยังคงคำแนะนำ “ซื้อ” และประเมินราคาเป้าหมายสิ้นปี 2565 ที่ 80 บาทอิงจาก PER ที่ 33.0X (PEG ที่ 1.1X)

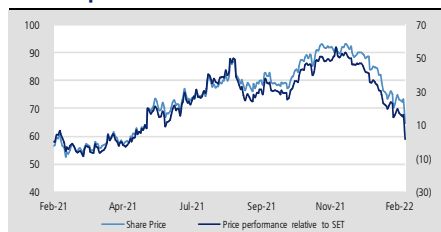
Trading data

Mkt cap (Btbn/US\$m)	76.5/1,913
Outstanding shares (mn)	1,182
Foreign ownership (mn)	236
3M avg. daily trading (mn)	13
52-week trading range (Bt)	52.8 – 93.0
Performance (%)	3M 6M 12M
Absolute	-28.8 -19.1 18.3
Relative	-31.7 -27.4 5.3

Quarterly EPS

	1Q	2Q	3Q	4Q
2019	0.23	0.14	0.22	0.21
2020	0.36	0.06	0.21	0.32
2021	0.43	0.52	0.51	0.60

Share price chart



Source: SET

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ความท้าทายจากปัจจัยภายใน

Event

ประชุมนักวิเคราะห์

Impact

ความล่าช้าในการเพิ่มกำลังการผลิตจะเป็นความท้าทายในการตอบสนองต่ออุปสงค์

จากข้อมูลของ The European Automobile Manufacturers' Association (ACEA) ยอดจดทะเบียนรถยนต์นั่งส่วนบุคคลใน EU ลดลง 2% YoY ในปี 2564 เนื่องจาก COVID-19 ระบาด และเกิดสถานการณ์ขาดแคลน chip ทั้งนี้ เนื่องจากคาดว่าปัญหาขาดแคลน chip จะนิ่งในปี 2565 ACEA จึงคาดว่ายอดจดทะเบียนรถใน EU จะเพิ่มขึ้น 8% YoY ในปี 2565 (Figure 2) ซึ่งจะช่วยหนุนคำสั่งซื้อสินค้าของ KCE เพราะ 70% ของรายได้รวมเกี่ยวกับอุตสาหกรรมยานยนต์ และ 50% ของรายได้รวมมาจากยอดขายในยุโรป อย่างไรก็ตาม ความล่าช้าในการเพิ่มกำลังการผลิตจะทำให้ยอดขายปี 2565 ไปหนักในช่วงปลายปี โดยผู้บริหารคาดว่าจะสามารถเดินเครื่องกำลังการผลิตใหม่ได้อย่างเต็มที่ภายใน 1Q65 ซึ่งจะช่วยหนุนให้ยอดขายโตประมาณ 15-20% ในปี 2565

อัตรากำไรขั้นต้นอาจดีขึ้น

ความล่าช้าในการเพิ่มกำลังการผลิตทำให้อัตรากำไรขั้นต้นลดลงใน 4Q64 (อยู่ที่ 25.3%) ซึ่งน่าจะยังทรงตัวใน 1Q65 อย่างไรก็ตาม เนื่องจากบริษัทสามารถปรับราคาขายได้ประมาณ 3% ซึ่งน่าจะช่วยพยุงอัตรากำไรขั้นต้นใน 1Q65 เอาไว้ เรามองว่าอัตรากำไรขั้นต้นมีศักยภาพที่จะฟื้นตัวได้ในไตรมาสที่เหลือของปีนี้ หลังจากที่เริ่มเดินเครื่องกำลังการผลิตใหม่อย่างเต็มที่แล้ว ซึ่งจะช่วยให้ทั้งประสิทธิภาพในการผลิตและ product mix ของ KCE ดีขึ้นทั้งคู่

ผลประกอบการน่าจะดีขึ้น QoQ ในปี 2565

จากที่กล่าวมาข้างต้น เราคาดว่ากำไรสุทธิใน 1Q65 จะดีขึ้นทั้ง YoY (จากฐานที่ต่ำ) และ QoQ (จากอัตรากำไรขั้นต้นที่เพิ่มขึ้นเนื่องจากการปรับราคาขาย ในขณะที่ยอดขายยังทรงตัวเนื่องจากยังกำลังการผลิตใหม่ยังไม่เพิ่มเข้ามา) เราคาดว่ากำไรของ KCE จะเพิ่มขึ้น QoQ ในปี 2565 เนื่องจากการเดินเครื่องกำลังการผลิตใหม่ดำเนินไปอย่างรวดเร็วมากขึ้น ทั้งนี้ เนื่องจากกำลังการผลิตใหม่เริ่มเดินเครื่องช้ากว่ากำหนด เราจึงปรับสมมติฐานใหม่ รวมถึง ยอดขาย และอัตรากำไรขั้นต้นด้วย ส่งผลให้ประมาณการกำไรปี 2565-2566 ของเราลดลงจากเดิม 10% ซึ่งหลังจากปรับสมมติฐานใหม่แล้ว เราคาดว่ากำไรจากธุรกิจหลักของ KCE จะโต 29% YoY ในปี 2565 และ 19% YoY ในปี 2566

Valuation & action

เรา de-rate PER จากเดิม 44.0X (ค่าเฉลี่ยระหว่าง EV segment ที่ 80.0X เทียบเท่า Tesla และ segment อื่นๆ ที่ 41.0X เทียบเท่า การเติบโตของกำไรปี 2565) เหลือ 33.0X (ค่าเฉลี่ยระหว่าง EV segment ที่ 80.0X เทียบเท่า Tesla และ segment อื่นๆ ที่ 29.0X เทียบเท่า การเติบโตของกำไรปี 2565; คิดเป็น PEG ที่ 1.1X) เพื่อสะท้อนอัตรการเติบโตที่ลดลงของกำไรในปี 2565 ทำให้เราต้องปรับลดราคาเป้าหมายสิ้นปี 2565 ลงจากเดิมที่ 120 บาท เหลือ 80 บาท ทั้งนี้ เนื่องจากเราคาดว่าผลประกอบการในปีนี้จะดีขึ้น และราคาปิดล่าสุดยังเหลือ upside อีกถึง 24% ดังนั้น เราจึงยังคงคำแนะนำ “ซื้อ”

Risks

ภัยธรรมชาติ, มีการปิดโรงงานนอกแผน, ลูกค้าเปลี่ยนไปส่งสินค้าจาก supplier รายอื่น, ขาดแคลนวัตถุดิบ, เงินบาทแข็งค่าขึ้น (เราใช้สมมติฐานอัตราแลกเปลี่ยนปี 2565-66 ที่ 33.50 บาท/ดอลลาร์ฯ)

Key financials and valuations

Year end Dec 31	Dec-18A	Dec-19A	Dec-20A	Dec-21A	Dec-22F	Dec-23F
Revenue (Btmn)	13,982	12,097	11,527	14,938	18,120	20,698
Gross profit (Btmn)	3,631	2,454	2,512	3,973	5,255	6,118
SG&A (Btmn)	1,804	1,569	1,449	1,656	2,211	2,525
Net profit (Btmn)	2,015	934	1,127	2,426	2,888	3,433
Normalized profit (Btmn)	1,763	879	1,018	2,237	2,888	3,433
EPS (Bt)	1.7	0.80	0.96	2.05	2.44	2.91
Normalized EPS (Btmn)	1.5	0.75	0.86	1.89	2.44	2.91
DPS (Btmn)	1.1	0.8	0.8	1.5	2.2	2.6
EPS growth (%)	(20.8)	(53.6)	20.0	114.7	19.0	18.9
Normalized EPS growth (%)	(24.7)	(50.2)	15.3	119.0	29.1	18.9
P/E (X)	17.5	32.7	48.0	46.5	26.5	22.3
P/B (X)	2.6	2.4	4.1	7.7	5.4	5.2
EV/EBITDA (X)	10.3	14.4	21.3	28.5	17.6	15.6
Net debt to Equity (%)	13.7	9.3	0.0	12.6	1.3	0.9
Dividend yield (%)	4.2	3.3	1.9	1.7	3.4	4.0
Return on Equity (%)	17.3	7.9	9.5	19.0	20.9	23.8

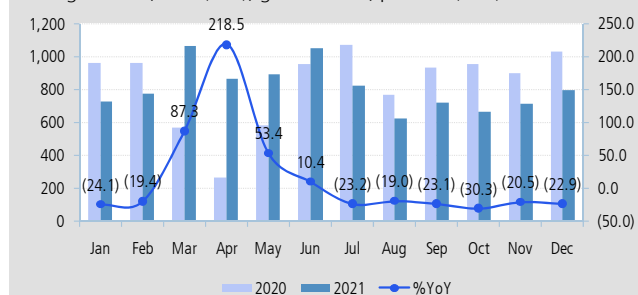
Source: Company data, KGI Securities Research

*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: EU passenger car registration

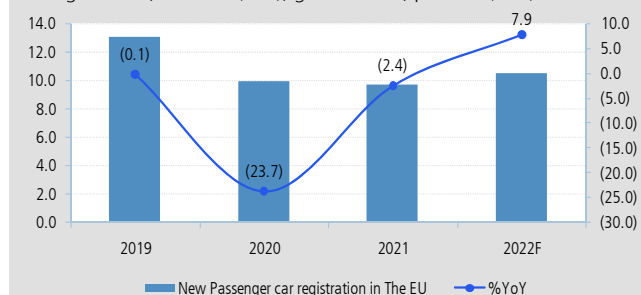
Car registration, unit (LHS); growth YoY, percent (RHS)



Source: Company data, KGI Securities Research

Figure 2: EU passenger car registration

Car registration, mn unit (LHS); growth YoY, percent (RHS)



Source: Company data, KGI Securities Research

Figure 3: Earnings revision

Btmn	2022F			2023F		
	Revised	Previous	% chg	Revised	Previous	% chg
Revenue	18,120	18,346	(1.2)	20,698	21,297	(2.8)
Gross profit	5,255	5,645	(6.9)	6,118	6,602	(7.3)
SG&A	2,211	2,275	(2.8)	2,525	2,641	(4.4)
Net profit	2,888	3,216	(10.2)	3,433	3,794	(9.5)
Normalized profit	2,888	3,216	(10.2)	3,433	3,794	(9.5)
EPS (Bt)	2.4	2.7	(10.5)	2.9	3.2	(9.8)
Normalized EPS (Bt)	2.4	2.7	(10.5)	2.9	3.2	(9.8)
Key financial ratio	Revised	Previous	ppts chg	Revised	Previous	ppts chg
GPM	29.0	30.8	(1.8)	29.6	31.0	(1.4)
SG&A to sales	12.2	12.4	(0.2)	12.2	12.4	(0.2)
Key assumption	Revised	Previous	% chg	Revised	Previous	% chg
Sales in US\$mn	541	548	(1.2)	618	636	(2.8)
Exchange rate (Bt/US\$)	33.5	33.5	0.0	33.5	33.5	0.0

Source: KGI Securities Research

Figure 4: Key assumptions

Assumption	Unit	2015	2016	2017	2018	2019	2020	2021	2022F	2023F
Sales	US\$mn	365	378	421	436	393	372	469	541	618
Sales growth	%YoY	6.4	3.5	11.4	3.4	(9.8)	(5.3)	25.9	15.4	14.2
Gross margin	Percent	31.4	34.9	30.0	26.0	20.3	21.8	26.6	29.0	29.6
Exchange rate	Bt/US\$	34.1	36.5	33.7	32.1	30.8	31.0	31.9	33.5	33.5

Source: KGI Securities Research

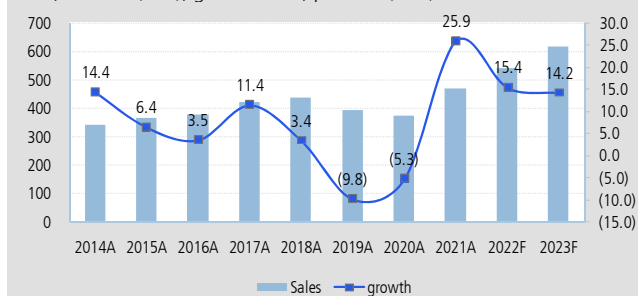
Figure 5: Company profile

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 7: Sales assumption

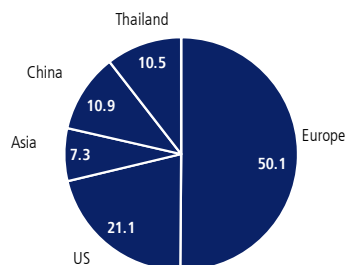
Sales, US\$m (LHS); growth YoY, percent (RHS)



Source: Company data, KGI Securities Research

Figure 9: Sales breakdown

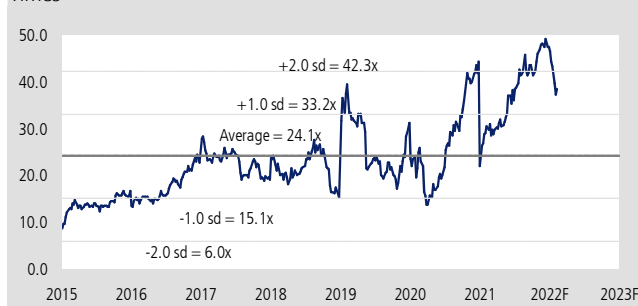
Percent



Source: Company data, KGI Securities Research

Figure 11: PER Band

Times



Source: KGI Securities Research

Figure 6: Core profit

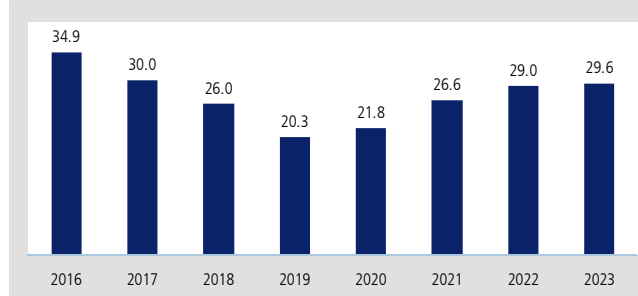
Earnings, Btmn (LHS); growth YoY, percent (RHS)



Source: Company data, KGI Securities Research

Figure 8: Gross margin assumption

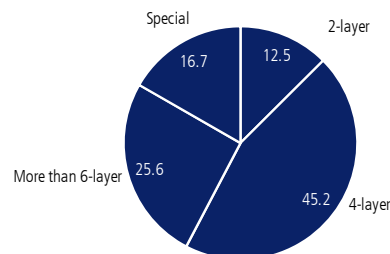
Percent



Source: Company data, KGI Securities Research

Figure 10: Sales breakdown

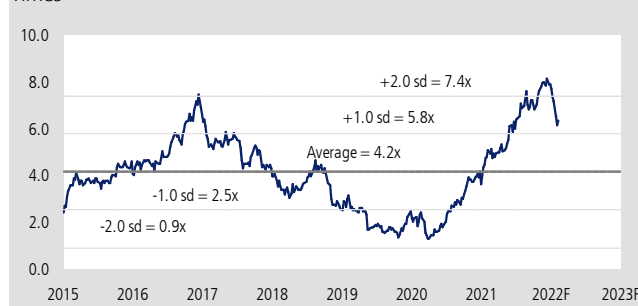
Percent



Source: Company data, KGI Securities Research

Figure 12: PBV Band

Times



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
Income Statement (Btmn)												
Revenue	3,114	2,993	3,088	2,902	3,260	2,127	2,722	3,418	3,415	3,536	3,789	4,198
Cost of good sold	2,457	2,425	2,450	2,311	2,478	1,741	2,204	2,592	2,560	2,509	2,760	3,136
Gross profit	657	568	638	591	782	387	518	826	855	1,027	1,029	1,062
Operating expense	403	372	422	372	430	322	309	389	402	457	395	401
Other income	20	21	23	28	22	77	25	(19)	40	64	27	72
Operating profit	274	217	239	246	375	142	234	419	492	633	661	733
Depreciation of fixed asset	244	246	248	240	262	261	261	226	251	254	258	219
Operating EBITDA	518	463	487	486	636	402	495	645	743	887	918	952
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	(16)	(16)	(15)	(14)	(12)	(16)	(17)	(13)	(10)	(13)	(9)	(12)
Interest expense	(16)	(16)	(15)	(14)	(12)	(16)	(17)	(13)	(10)	(13)	(9)	(12)
Other non-op. expense	0	0	0	0	0	0	0	0	0	0	0	0
Equity income	5	5	5	4	4	3	1	3	4	4	4	5
Pre-tax profit	284	209	267	274	444	70	288	428	559	684	658	781
Current taxation	(12)	(2)	(8)	(18)	(15)	5	(34)	(43)	(49)	(56)	(45)	(71)
Minorities	3	4	4	4	5	3	4	5	7	11	9	9
Extra items	20	(41)	38	38	78	(58)	70	19	73	59	2	55
Net profit	269	159	255	252	425	71	250	381	503	618	604	701
Normalized profit	248	200	217	214	347	130	180	362	430	559	602	646
EPS (Bt)	0.2	0.1	0.2	0.2	0.4	0.1	0.2	0.3	0.4	0.5	0.5	0.6
Normalized EPS (Bt)	0.2	0.2	0.2	0.2	0.3	0.1	0.2	0.3	0.4	0.5	0.5	0.5
Margin (%)												
Gross profit margin	21.1	19.0	20.7	20.4	24.0	18.2	19.0	24.2	25.0	29.0	27.2	25.3
Operating EBIT margin	8.8	7.3	7.7	8.5	11.5	6.7	8.6	12.2	14.4	17.9	17.4	17.5
Operating EBITDA margin	16.6	15.5	15.8	16.7	19.5	18.9	18.2	18.9	21.8	25.1	24.2	22.7
Net profit margin	8.6	5.3	8.3	8.7	13.0	3.4	9.2	11.1	14.7	17.5	15.9	16.7
Growth (%YoY)												
Revenue growth	(9.5)	(17.9)	(16.3)	(9.5)	4.7	(28.9)	(11.9)	17.8	4.8	66.2	39.2	22.8
Operating EBIT growth	(39.1)	(61.3)	(57.7)	(28.1)	36.6	(34.8)	(2.2)	70.1	31.4	347.2	182.4	75.0
Operating EBITDA growth	(23.9)	(41.8)	(39.5)	(17.9)	22.8	(13.1)	1.6	32.6	16.8	120.4	85.7	47.7
Net profit growth	(50.4)	(71.5)	(54.4)	(29.2)	58.2	(55.1)	(2.0)	51.2	18.5	766.0	141.6	84.2
Normalized profit growth	(39.5)	(62.1)	(58.1)	(30.7)	39.7	(35.0)	(17.1)	68.9	24.1	330.5	234.4	78.6

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Btmn)	2019	2020	2021	2022F	2023F
Total Assets	16,501	17,377	21,951	22,006	22,515
Current Assets	6,640	8,185	11,794	11,827	12,325
Cash&ST Investment	957	2,342	1,966	2,730	2,039
Inventories	2,622	2,594	4,841	3,525	3,994
Account Receivable	2,973	3,174	4,394	4,964	5,671
Other	88	74	592	609	622
Non-current Assets	9,861	9,192	10,157	10,179	10,190
LT Investment	199	187	195	237	270
Net Fixed Assets	8,918	8,107	8,979	8,828	8,698
Others	744	898	983	1,114	1,221
Total Liabilities	4,739	5,315	8,509	7,870	7,791
Current liabilities	3,651	4,216	6,948	6,962	7,188
Account Payable	2,293	2,458	4,246	4,230	4,793
ST borrowing	1,067	1,283	1,798	1,798	1,798
Others	292	475	904	935	597
Long-term liabilities	1,088	1,099	1,561	908	603
Long-term debts	724	676	1,117	377	0
Others	364	423	444	532	603
Shareholders' Equity	11,762	12,062	13,442	14,136	14,724
Common stock	586	589	591	591	591
Capital surplus	1,907	2,050	2,146	2,146	2,146
Retained earnings	9,231	9,375	10,621	11,314	11,903
Preferred stock	0	0	0	0	0

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2019	2020	2021	2022F	2023F
Growth (%YoY)					
Sales	(13.5)	(4.7)	29.6	21.3	14.2
OP	(49.1)	19.7	115.5	26.6	17.8
EBITDA	(34.1)	10.8	61.5	17.4	12.7
NP	(53.6)	20.6	115.3	19.0	18.9
Normalized profit	(50.2)	15.8	119.7	29.1	18.9
EPS	(53.6)	20.0	114.7	19.0	18.9
Normalized EPS	(50.2)	15.3	119.0	29.1	18.9
Profitability (%)					
Gross margin	20.3	21.8	26.6	29.0	29.6
Operating margin	8.1	10.1	16.9	17.6	18.2
EBITDA margin	17.1	19.9	24.8	24.0	23.7
Net margin	7.7	9.8	16.2	15.9	16.6
ROAA	5.4	6.7	12.3	13.1	15.4
ROAE	7.9	9.5	19.0	20.9	23.8
Stability					
Gross debt/equity (%)	40.3	44.1	63.3	55.7	52.9
Net debt/equity (%)	9.3	0.0	12.6	1.3	0.9
Interest coverage (x)	17.9	22.4	62.4	43.9	69.4
Interest&ST debt coverage (x)	1.0	1.0	1.5	1.7	2.0
Cash flow interest coverage (x)	36.5	43.1	27.7	66.1	73.5
Cash flow/interest&ST debt (x)	2.0	1.9	0.7	2.6	2.2
Current ratio (x)	1.8	1.9	1.7	1.7	1.7
Quick ratio (x)	1.1	1.3	1.0	1.2	1.2
Net debt (Btmn)	1,092	4	1,689	185	135
Per share data (Bt)					
EPS	0.8	1.0	2.1	2.4	2.9
Normalized EPS	0.7	0.9	1.9	2.4	2.9
CFPS	1.9	2.1	1.0	4.1	3.4
BVPS	10.0	10.2	11.4	12.0	12.5
Sales/share	10.3	9.8	12.6	15.3	17.5
EBITDA/share	1.8	1.9	3.1	3.7	4.2
DPS	0.8	0.8	1.5	2.2	2.6
Activity					
Asset turnover (x)	0.7	0.7	0.7	0.8	0.9
Days of receivables	90	101	107	100	100
Days of inventory	99	105	161	100	100
Days of payable	87	100	141	120	120
Cash cycle	102	106	127	80	80

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2019	2020	2021	2022F	2023F
Revenue	12,097	11,527	14,938	18,120	20,698
Cost of good sold	9,644	9,015	10,965	12,865	14,580
Gross profit	2,454	2,512	3,973	5,255	6,118
Operating expense	1,569	1,449	1,656	2,211	2,525
Other income	92	106	202	145	166
Operating Profit	977	1,169	2,519	3,189	3,758
Depreciation of fixed asset	978	1,009	982	1,146	1,130
Operating EBITDA	1,954	2,178	3,501	4,336	4,888
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	(61)	(57)	(44)	(73)	(54)
Interest expense	(61)	(57)	(44)	(73)	(54)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	19	10	17	18	21
Pretax profit	1,034	1,230	2,683	3,134	3,724
Current taxation	(41)	(87)	(221)	(219)	(261)
Minorities	15	16	35	27	31
Extra item	56	109	190	0	0
Net profit	934	1,127	2,426	2,888	3,433
Normalized profit	879	1,018	2,237	2,888	3,433
EPS (Bt)	0.80	0.96	2.05	2.44	2.91
Normalized EPS (Bt)	0.75	0.86	1.89	2.44	2.91

Source: KGI Securities Research

Cash Flow

Year to Dec 31 (Btmn)	2019	2020	2021	2022F	2023F
Operating cash flow	2,232	2,480	1,210	4,828	4,004
Net profit	934	1,127	2,426	2,888	3,433
Depreciation&Amortization	978	1,009	982	1,146	1,130
Change in working capital	320	344	(2,198)	794	(558)
Others					
Investment cash flow	(500)	(562)	(1,850)	(1,130)	(1,105)
Net CAPEX	(532)	(197)	(1,849)	(1,000)	(1,000)
Change in LT investment	6	12	(8)	(42)	(34)
Change in other assets	26	11	35	0	0
Free cash flow	1,732	1,918	(640)	3,698	2,899
Financing cash flow	(2,157)	(533)	268	(2,939)	(3,590)
Change in share capital	0	3	2	0	0
Net change in debt	(978)	294	1,314	(745)	(745)
Change in other liabs	(1,180)	(829)	(1,048)	(2,194)	(2,844)
Net cash flow	(425)	1,385	(372)	759	(691)

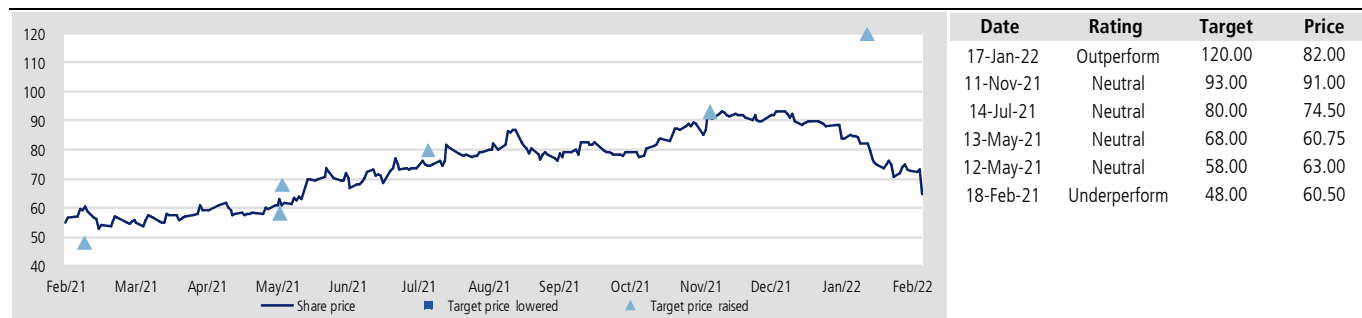
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- COGS	+ Depreciation	+ Operating expense	= Operating margin
	Revenue	Revenue	Revenue	
2019	79.7%	8.1%	13.0%	-0.8%
2020	78.2%	8.8%	12.6%	0.5%
2021	73.4%	6.6%	11.1%	8.9%
2022F	71.0%	6.3%	12.2%	10.5%
2023F	70.4%	5.5%	12.2%	11.9%
Year	1/ Working capital	+ Net PPE	+ Other assets	= Capital
	Revenue	Revenue	Revenue	Turnover
2019	0.0	0.7	0.6	0.7
2020	0.0	0.7	0.8	0.7
2021	(0.1)	0.6	0.9	0.8
2022F	0.0	0.5	0.7	0.8
2023F	(0.0)	0.4	0.7	0.9
Year	1/ Operating margin	x Capital turnover	x Cash tax rate	= After-tax return on Inv. capital
2019	-0.8%	0.7	3.9%	0.0%
2020	0.5%	0.7	7.1%	0.0%
2021	8.9%	0.8	8.3%	0.6%
2022F	10.5%	0.8	7.0%	0.6%
2023F	11.9%	0.9	7.0%	0.8%

Source: KGI Securities Research

KCE Electronics PCL - 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	SEAFECO	SEAFECO
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	KTG	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
CENDEL	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	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 ERWAN GROUP	SAPPE	SAPPE
AP	ASIAN PROPERTY DEVELOPMENT	GLOW	GLOW ENERGY	SAWAD	SRSISAWAD 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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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. <i>Excess return = 12M target price/current price-</i>
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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