

KCE Electronics

(KCE.BK/KCE TB)*

Neutral · Maintained

Price as of 20 Oct 2023	52.00
12M target price (Bt/shr)	49.00
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	(5.8)

Key messages

เราคาดว่าผลการประกอบการของ KCE จะดีขึ้นจากการที่ลูกค้ากลับมาสต็อก (inventory restocking) อีกครั้ง แต่ยังคงจับตามองยอดขายและอัตรากำไรจะดีขึ้นมากน้อยแค่ไหน เรายังคงคำแนะนำ "ถือ" KCE โดยประเมินราคาเป้าหมายสิ้นปี 2567 ที่ 49.00 บาท อิงจาก PER ที่ 29.0x (ค่าเฉลี่ยในอดีต +0.5 S.D.)

Trading data

Mkt cap (Btmn/US\$mn)	61,469/1,537
Outstanding shares (mn)	1,182
Foreign ownership (mn)	220
3M avg. daily trading (mn)	14
52-week trading range (Bt)	36.0 – 58.0
Performance (%)	3M 6M 12M
Absolute	35.9 26.1 23.8
Relative	48.5 40.4 40.8

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2021	0.43	0.52	0.51	0.60
2022	0.50	0.49	0.56	0.42
2023	0.29	0.32		

Share price chart



Source: SET

Chananthorn Pichayapanupat, CFA
66.2658.8888 Ext. 8849
chananthornp@kgi.co.th

ประมาณการ 3Q66: กำไรจะลดลง YoY แต่เพิ่มขึ้น QoQ

Event

เราคาดว่ากำไรจากธุรกิจหลักของ KCE ใน 3Q66 จะอยู่ที่ 480 ล้านบาท (-25% YoY, +50% QoQ) โดยจะได้อานิสงส์จากการฟื้นตัวของทั้งยอดขาย และอัตรากำไรขั้นต้น ซึ่งจะส่งผลให้กำไรจากธุรกิจหลักในงวด 9M66 อยู่ที่ 1.1 พันล้านบาท (-38% YoY) และคิดเป็น 68% ของประมาณการกำไรเต็มปีของเรา

Impact

คาดว่ายอดขายจะดีขึ้นหลังจากที่การลดสต็อก (inventory destocking) ผ่านไปแล้ว

เนื่องจาก i) การลดสต็อกจบรอบไปแล้ว และ ii) ยอดจดทะเบียนรถยนต์ใน EU 8 เดือนของปีนี้ เติบโต 18% YoY เราจึงคาดว่ายอดขายของ KCE จะฟื้นตัวขึ้นในไตรมาสที่สามเป็น 4.3 พันล้านบาท (-6% YoY, +12% QoQ) แต่หากไม่รวมผลกระทบจากอัตราแลกเปลี่ยน ยอดขายใน 3Q66 จะอยู่ที่ 124 ล้านดอลลาร์ฯ (-3% YoY, +9% QoQ) ซึ่งจะทำให้ยอดขายในงวด 9M66 อยู่ที่ 357 ล้านดอลลาร์ฯ (-11% YoY) และคิดเป็น 73% ของประมาณการกำไรเต็มปีของเรา

อัตรากำไรขั้นต้นน่าจะดีขึ้น QoQ

เนื่องจากอัตราการใช้กำลังการผลิตดีขึ้น QoQ เงินบาทมีแนวโน้มอ่อนค่าลง และ ราคาทองแดงปรับตัวลดลง (ราคาทองแดงเฉลี่ยปรับตัวลง 5% QoQ ใน 2Q66 และ 1% QoQ ใน 3Q66 เราจึงมองว่าอัตรากำไรขั้นต้นมีแนวโน้มจะดีขึ้น โดยเราคาดว่าอัตรากำไรขั้นต้นใน 3Q66 จะอยู่ที่ 22% (-2.3ppts YoY, +2.9ppts QoQ) ใกล้เคียงกับช่วงเป้าหมายของบริษัทใน 2H66F ที่ 22-24% ซึ่งจะทำให้อัตรากำไรขั้นต้นในงวด 9M66 อยู่ที่ 20.3% (-3ppts YoY) จากสมมติฐานเต็มปีของเราที่ 21.3%

จัดการฟื้นตัวของยอดขายและอัตรากำไร

เรายังคงคาดว่ากำไรของ KCE จะเติบโต HoH จากการฟื้นตัวของทั้งยอดขาย และ อัตรากำไรขั้นต้น เราคาดว่ากำไรของ KCE จะเพิ่มขึ้น QoQ ใน 4Q66 แต่อย่างไรก็ตาม การเติบโต YoY จะขึ้นอยู่กับว่าอัตรากำไรดีขึ้นมากน้อยแค่ไหน ผู้บริหารตั้งเป้าอัตรากำไรไว้ค่อนข้างสูงในช่วง 22-24% ใน 2H66 และ 26-27% ในปี 2567F จาก 19.4% ใน 1H66 ในขณะที่ตั้งเป้าว่ายอดขายจะหดตัว 5% ในปี 2566 (เราใช้สมมติฐานที่ -7%) และกลับมาขยายตัว 5-10% ในปี 2567 (เราใช้สมมติฐานที่ +7%) เราแนะนำให้นักลงทุนจับตาดูการฟื้นตัวในไตรมาสที่สาม ซึ่งเป็นสิ่งที่บ่งบอกถึงแนวโน้มใน 4Q66 และปี 2567

Valuation & action

เรายังคงราคาเป้าหมายสิ้นปี 2567 ที่ 49.00 บาท อิงจาก PER ที่ 29.0x (ค่าเฉลี่ยในอดีต +0.5 S.D.) และยังคงคำแนะนำถือ KCE

Risks

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

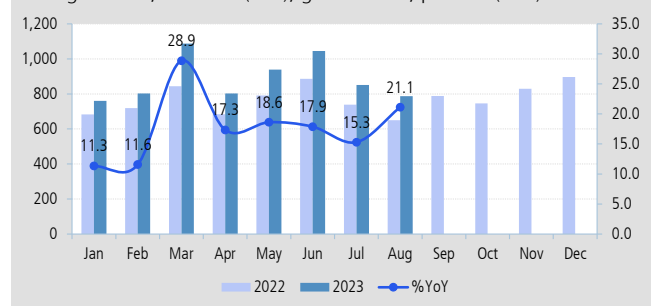
Key financials and valuations

Year end Dec 31	Dec-20A	Dec-21A	Dec-22A	Dec-23F	Dec-24F
Revenue (Btmn)	11,527	14,938	18,456	16,529	17,683
Gross profit (Btmn)	2,512	3,973	4,202	3,515	4,004
SG&A (Btmn)	1,449	1,656	1,898	1,868	1,998
Net profit (Btmn)	1,127	2,426	2,317	1,721	2,011
Normalized profit (Btmn)	1,018	2,237	2,302	1,633	2,011
EPS (Bt)	0.96	2.05	1.96	1.46	1.70
Normalized EPS (Btmn)	0.86	1.89	1.95	1.38	1.70
DPS (Btmn)	0.8	1.6	1.7	1.2	1.4
EPS growth (%)	20.0	114.7	(4.5)	(25.7)	16.9
Normalized EPS growth (%)	15.3	119.0	2.9	(29.1)	23.1
P/E (X)	48.0	46.5	26.7	37.6	30.6
P/B (X)	4.1	7.7	4.6	4.6	4.4
EV/EBITDA (X)	21.3	28.5	17.8	20.2	18.6
Net debt to Equity (%)	0.0	12.6	19.9	9.7	7.9
Dividend yield (%)	1.9	1.8	3.2	2.3	2.8
Return on Equity (%)	9.5	19.0	17.2	12.8	14.7

Source: Company data, KGI Securities Research

Figure 1: EU passenger car registrations

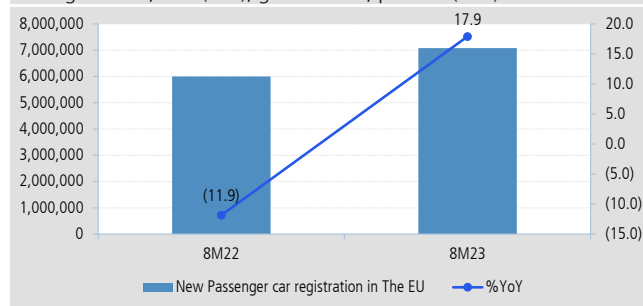
Car registration, '000 unit (LHS); growth YoY, percent (RHS)



Source: ACEA, KGI Securities Research

Figure 2: EU passenger car registrations

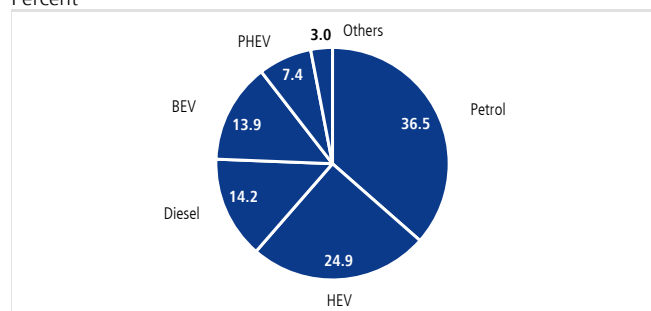
Car registration, unit (LHS); growth YoY, percent (RHS)



Source: ACEA, KGI Securities Research

Figure 3: EU passenger car registrations breakdown by power source (for 8M23)

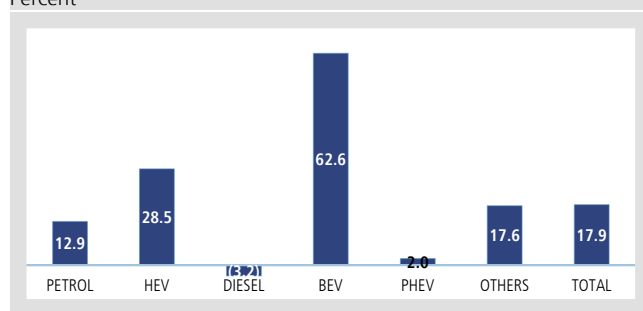
Percent



Source: ACEA, KGI Securities Research

Figure 4: EU passenger car registrations growth by power source (for 8M23)

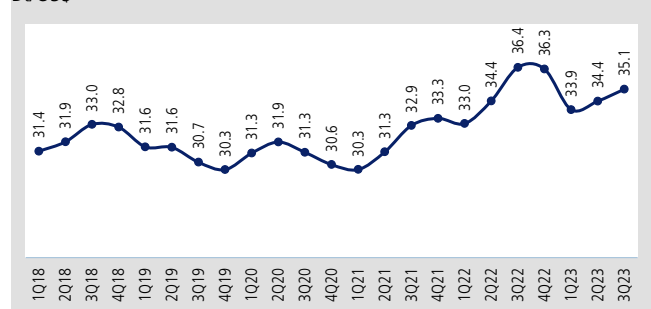
Percent



Source: ACEA, KGI Securities Research

Figure 5: Exchange rate

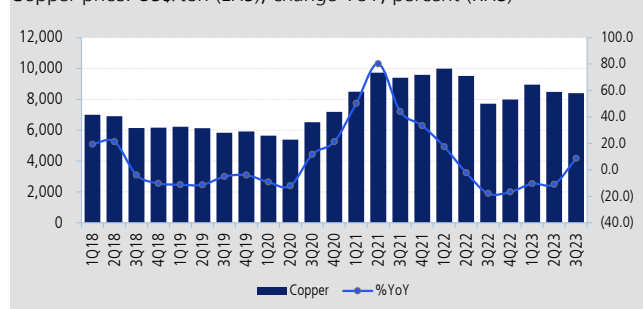
Bt/US\$



Source: Biznews, KGI Securities Research

Figure 6: Copper price

Copper price. US\$/ton (LHS); change YoY, percent (RHS)



Source: Biznews, KGI Securities Research

Figure 7: 3Q23F earnings preview

Btmn	3Q23F	3Q22	%YoY	2023	%QoQ	9M23F	9M22	%YoY
Revenue from sales	4,345	4,634	(6.2)	3,898	11.5	12,268	13,834	(11.3)
Cost of goods sold	3,389	3,509	(3.4)	3,152	7.5	9,777	10,610	(7.8)
Gross profit	956	1,125	(15.0)	746	28.2	2,491	3,224	(22.7)
SG&A expense	465	501	(7.3)	415	12.0	1,361	1,431	(4.9)
EBIT	545	702	(22.4)	435	25.3	1,380	2,000	(31.0)
Net profit	480	655	(26.7)	376	27.6	1,202	1,817	(33.8)
Normalized profit	480	636	(24.5)	320	49.9	1,115	1,795	(37.9)
EPS (Bt)	0.41	0.56	(26.7)	0.32	27.6	1.02	1.54	(33.8)
Normalized EPS (Bt)	0.41	0.54	(24.5)	0.27	49.9	0.95	1.52	(37.9)
Percent	3Q23F	3Q22	YoY ppts	2023	QoQ ppts	9M23F	9M22	YoY ppts
Gross margin	22.0	24.3	(2.3)	19.1	2.9	20.3	23.3	(3.0)
SG&A to sales	10.7	10.8	(0.1)	10.7	0.0	11.1	10.3	0.7
EBIT margin	12.5	15.2	(2.6)	11.1	1.4	11.2	14.5	(3.2)
Net margin	11.0	14.1	(3.1)	9.7	1.4	9.8	13.1	(3.3)
Assumption	3Q23F	3Q22	%YoY	2023	%QoQ	9M23F	9M22	%YoY
Sales in US\$m	124	128	(3.2)	114	9.0	357	402	(11.2)
FX	35.1	36.3	(3.2)	34.3	2.3			

Source: KGI Securities Research

Figure 8: Key assumptions

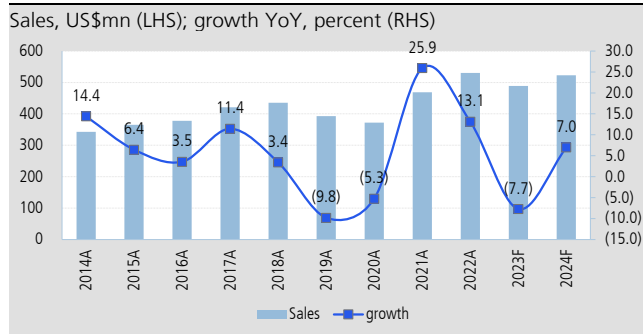
Assumption	Unit	2015	2016	2017	2018	2019	2020	2021	2022	2023F	2024F
Sales	US\$m	365	378	421	436	393	372	469	530	489	523
Sales growth	%YoY	6.4	3.5	11.4	3.4	(9.8)	(5.3)	25.9	13.1	(7.7)	7.0
Gross margin	Percent	31.4	34.9	30.0	26.0	20.3	21.8	26.6	22.8	21.3	22.6
Exchange rate	Bt/US\$	34.1	36.5	33.7	32.1	30.8	31.0	31.9	34.8	33.8	33.8

Source: KGI Securities Research

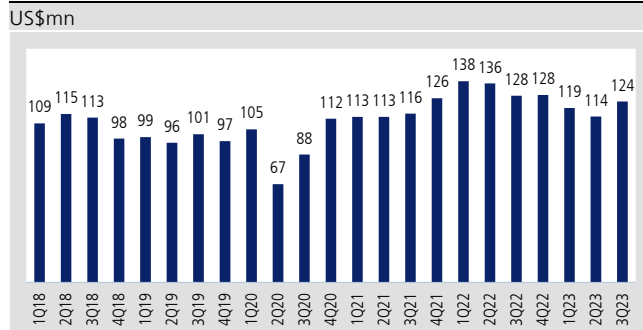
Figure 9: Company profile

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.

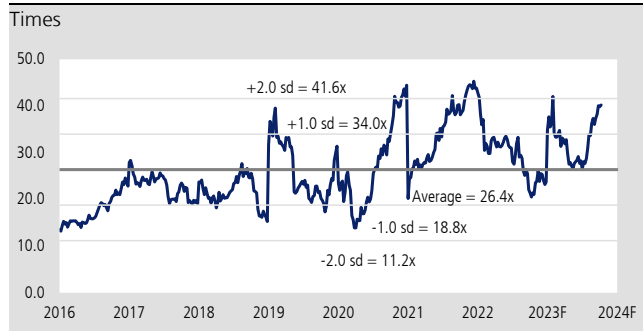
Source: Company data

Figure 11: Sales assumption


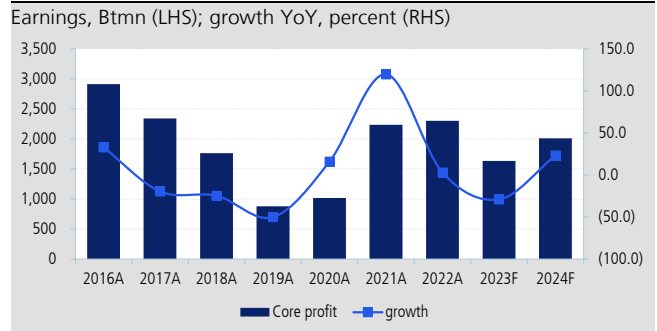
Source: Company data, KGI Securities Research

Figure 13: Sales quarterly


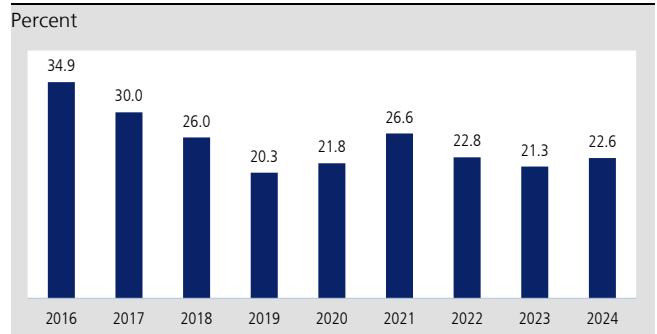
Source: Company data, KGI Securities Research

Figure 15: PER Band


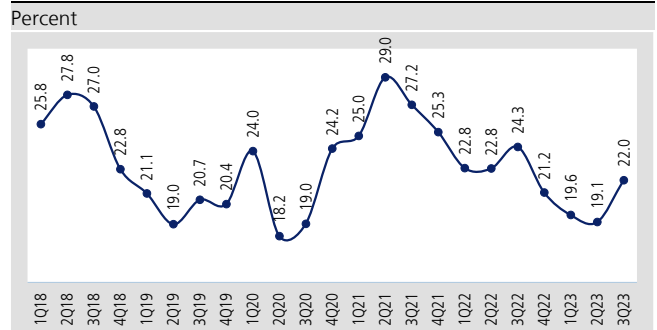
Source: KGI Securities Research

Figure 10: Core profit


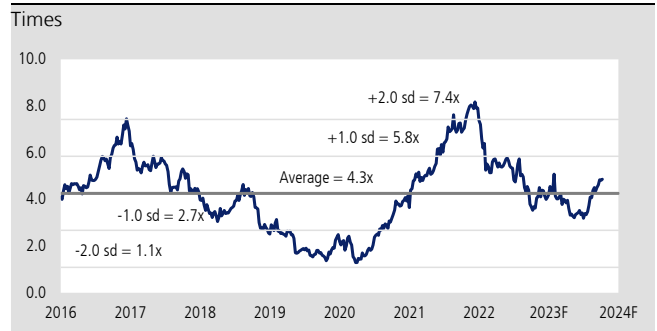
Source: Company data, KGI Securities Research

Figure 12: Gross margin assumption


Source: Company data, KGI Securities Research

Figure 14: Gross margin


Source: Company data, KGI Securities Research

Figure 16: PBV Band


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	Jun-23A
Income Statement (Btmn)										
Revenue	3,415	3,536	3,789	4,198	4,532	4,667	4,634	4,623	4,025	3,898
Cost of good sold	2,560	2,509	2,760	3,136	3,498	3,603	3,509	3,645	3,236	3,152
Gross profit	855	1,027	1,029	1,062	1,035	1,064	1,125	978	789	746
Operating expense	402	457	395	401	479	450	501	467	480	415
Other income	40	64	27	72	53	63	54	54	56	45
Operating profit	492	633	661	733	609	677	678	565	365	376
Depreciation of fixed asset	251	254	258	219	259	268	276	236	272	278
Operating EBITDA	743	887	918	952	868	945	954	801	637	653
Non-Operating income	0	0	0	0	0	0	0	0	0	0
Interest income	0	0	0	0	0	0	0	0	0	0
Other non-op. income	0	0	0	0	0	0	0	0	0	0
Non-Operating expense	(10)	(13)	(9)	(12)	18	22	2	(24)	(24)	(29)
Interest expense	(10)	(13)	(9)	(12)	(12)	(17)	(19)	(24)	(24)	(29)
Other non-op. expense	0	0	0	0	30	39	22	0	0	0
Equity income	4	4	4	5	5	4	5	4	5	3
Pre-tax profit	559	684	658	781	634	635	683	538	377	406
Current taxation	(49)	(56)	(45)	(71)	(35)	(54)	(22)	(32)	(25)	(24)
Minorities	7	11	9	9	10	9	5	6	6	6
Extra items	73	59	2	55	62	10	41	(7)	31	56
Net profit	503	618	604	701	589	572	655	501	345	376
Normalized profit	430	559	602	646	557	602	636	507	314	320
EPS (Bt)	0.4	0.5	0.5	0.6	0.5	0.5	0.6	0.4	0.3	0.3
Normalized EPS (Bt)	0.4	0.5	0.5	0.5	0.5	0.5	0.5	0.4	0.3	0.3
Margin (%)										
Gross profit margin	25.0	29.0	27.2	25.3	22.8	22.8	24.3	21.2	19.6	19.1
Operating EBIT margin	14.4	17.9	17.4	17.5	13.4	14.5	14.6	12.2	9.1	9.6
Operating EBITDA margin	21.8	25.1	24.2	22.7	19.2	20.2	20.6	17.3	15.8	16.8
Net profit margin	14.7	17.5	15.9	16.7	13.0	12.3	14.1	10.8	8.6	9.7
Growth (%YoY)										
Revenue growth	4.8	66.2	39.2	22.8	32.7	32.0	22.3	10.1	(11.2)	(16.5)
Operating EBIT growth	31.4	347.2	182.4	75.0	23.7	6.9	2.6	(22.9)	(40.2)	(44.5)
Operating EBITDA growth	16.8	120.4	85.7	47.7	16.9	6.5	3.9	(15.9)	(26.7)	(30.8)
Net profit growth	18.5	766.0	141.6	84.2	17.1	(7.4)	8.5	(28.6)	(41.4)	(34.2)
Normalized profit growth	24.1	330.5	234.4	78.6	29.5	7.7	5.7	(21.5)	(43.6)	(46.8)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Btmn)	2020	2021	2022	2023F	2024F
Total Assets	17,377	21,951	20,993	20,566	20,497
Current Assets	8,185	11,794	11,079	10,860	10,887
Cash&ST Investment	2,342	1,966	1,145	1,761	1,236
Inventories	2,594	4,841	4,908	4,457	4,684
Account Receivable	3,174	4,394	4,900	4,528	4,845
Other	74	592	127	115	122
Non-current Assets	9,192	10,157	9,914	9,706	9,610
LT Investment	187	195	190	187	189
Net Fixed Assets	8,107	8,979	8,864	8,715	8,584
Others	898	983	860	804	837
Total Liabilities	5,315	8,509	7,548	7,072	6,542
Current liabilities	4,216	6,948	6,244	6,552	6,163
Account Payable	2,458	4,246	3,249	3,565	3,748
ST borrowing	1,283	1,798	2,173	2,173	2,173
Others	475	904	822	814	243
Long-term liabilities	1,099	1,561	1,305	521	378
Long-term debts	676	1,117	904	165	0
Others	423	444	401	356	378
Shareholders' Equity	12,062	13,442	13,445	13,493	13,955
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	10,664	11,126
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	(4.7)	29.6	23.6	(10.4)	7.0
OP	19.7	115.5	0.4	(26.9)	20.1
EBITDA	10.8	61.5	(2.9)	(13.9)	8.7
NP	20.6	115.3	(4.5)	(25.7)	16.9
Normalized profit	15.8	119.7	2.9	(29.1)	23.1
EPS	20.0	114.7	(4.5)	(25.7)	16.9
Normalized EPS	15.3	119.0	2.9	(29.1)	23.1
Profitability (%)					
Gross margin	21.8	26.6	22.8	21.3	22.6
Operating margin	10.1	16.9	13.7	11.2	12.6
EBITDA margin	19.9	24.8	19.5	18.8	19.1
Net margin	9.8	16.2	12.6	10.4	11.4
ROAA	6.7	12.3	10.8	8.3	9.8
ROAE	9.5	19.0	17.2	12.8	14.7
Stability					
Gross debt/equity (%)	44.1	63.3	56.1	52.4	46.9
Net debt/equity (%)	0.0	12.6	19.9	9.7	7.9
Interest coverage (x)	22.4	62.4	35.5	19.8	29.9
Interest&ST debt coverage (x)	1.0	1.5	1.1	0.9	1.0
Cash flow interest coverage (x)	43.1	27.7	30.5	40.4	37.3
Cash flow/interest&ST debt (x)	1.9	0.7	1.0	1.8	1.2
Current ratio (x)	1.9	1.7	1.8	1.7	1.8
Quick ratio (x)	1.3	1.0	1.0	1.0	1.0
Net debt (Btmn)	4	1,689	2,670	1,316	1,101
Per share data (Bt)					
EPS	1.0	2.1	2.0	1.5	1.7
Normalized EPS	0.9	1.9	1.9	1.4	1.7
CFPS	2.1	1.0	1.9	3.4	2.4
BVPS	10.2	11.4	11.4	11.4	11.8
Sales/share	9.8	12.6	15.6	14.0	15.0
EBITDA/share	1.9	3.1	3.0	2.6	2.9
DPS	0.8	1.6	1.7	1.2	1.4
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 Securities Research

Profit & Loss

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Revenue	11,527	14,938	18,456	16,529	17,683
Cost of good sold	9,015	10,965	14,254	13,013	13,678
Gross profit	2,512	3,973	4,202	3,515	4,004
Operating expense	1,449	1,656	1,898	1,868	1,998
Other income	106	202	224	201	215
Operating Profit	1,169	2,519	2,529	1,849	2,221
Depreciation of fixed asset	1,009	982	1,039	1,149	1,131
Operating EBITDA	2,178	3,501	3,568	2,997	3,353
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)	(99)	(75)
Interest expense	(57)	(44)	(72)	(99)	(75)
Other non-op expense	0	0	(91)	0	0
Equity income/(loss)	10	17	19	17	18
Pretax profit	1,230	2,683	2,490	1,854	2,164
Current taxation	(87)	(221)	(144)	(107)	(125)
Minorities	16	35	29	26	28
Extra item	109	190	106	87	0
Net profit	1,127	2,426	2,317	1,721	2,011
Normalized profit	1,018	2,237	2,302	1,633	2,011
EPS (Bt)	0.96	2.05	1.96	1.46	1.70
Normalized EPS (Bt)	0.86	1.89	1.95	1.38	1.70

Source: KGI Securities Research

Cash Flow

Year to Dec 31 (Btmn)	2020	2021	2022	2023F	2024F
Operating cash flow	2,480	1,210	2,198	3,986	2,794
Net profit	1,127	2,426	2,317	1,721	2,011
Depreciation&Amortization	1,009	982	1,039	1,149	1,131
Change in working capital	344	(2,198)	(1,159)	1,117	(348)
Others					
Investment cash flow	(562)	(1,855)	(861)	(955)	(1,027)
Net CAPEX	(197)	(1,854)	(924)	(1,000)	(1,000)
Change in LT investment	12	(8)	5	4	(2)
Change in other assets	11	35	42	0	0
Free cash flow	1,918	(645)	1,337	3,031	1,767
Financing cash flow	(533)	268	(2,158)	(2,415)	(2,292)
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)	(1,673)	(1,549)
Net cash flow	1,385	(377)	(821)	616	(524)

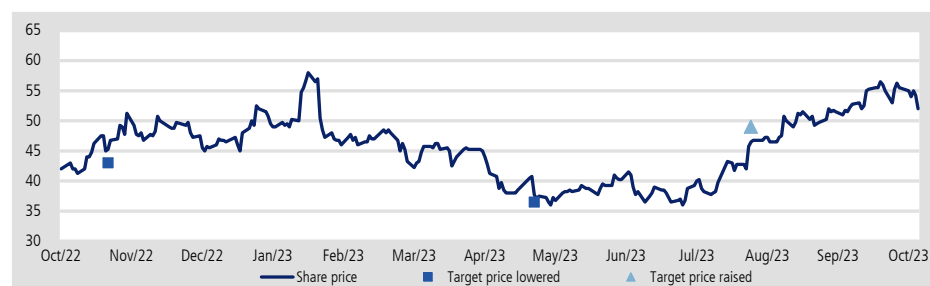
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating expense}}{\text{Revenue}}$	=	Operating 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	78.7%	6.9%	11.3%		3.0%
2024F	77.4%	6.4%	11.3%		4.9%
Year	1/ $\frac{\text{Working capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other assets}}{\text{Revenue}}$	=	Capital 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	0.1	0.5	0.7		0.8
2024F	(0.0)	0.5	0.7		0.9
Year	1/ $\frac{\text{Operating margin}}{\text{Revenue}}$	x $\frac{\text{Capital turnover}}{\text{Revenue}}$	x $\frac{\text{Cash tax rate}}{\text{Revenue}}$	=	After-tax return 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	3.0%	0.8	5.8%		0.1%
2024F	4.9%	0.9	5.8%		0.3%

Source: KGI Securities Research

KCE Electronics PCL - Recommendation & target price history



Date	Rating	Target	Price
10-Aug-23	Neutral	49.00	46.50
10-May-23	Neutral	36.50	37.75
30-Mar-23	Neutral	43.00	46.25
8-Feb-23	Underperform	43.00	50.50
10-Nov-22	Neutral	43.00	45.25

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	GLOBAL	SIAM GLOBAL HOUSE	RATCH	RATCH GROUP
ADVANC	ADVANCED INFO SERVICE	GPSC	GLOBAL POWER SYNERGY	RBF	R&B FOOD SUPPLY
AMA	AMA MARINE	GULF	GULF ENERGY DEVELOPMENT	SAT	SOMBOON ADVANCE TECHNOLOGY
AMATA	AMATA CORPORATION	HANA	HANA MICROELECTRONICS	SCB	SCB X
ANAN	ANANDA DEVELOPMENT	HENG	HENG LEASING AND CAPITAL	SCC	THE SIAM CEMENT
AOT	AIRPORTS OF THAILAND	HMPRO	HOME PRODUCT CENTER	SCCC	SIAM CITY CEMENT
AP	AP (THAILAND)	INTUCH	INTOUCH HOLDINGS	SCGP	SCG PACKAGING
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SEAFCO	SEAFCO
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTG	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEET
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GCG	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AEONTS	AEON THANA SINSAP (THAILAND)	JMT	JMT NETWORK SERVICES	SFT	SHRINKFLEX (THAILAND)
BCH	BANGKOK CHAIN HOSPITAL	LH	LAND AND HOUSES	SINGER	SINGER THAILAND
BEC	BEC WORLD	M	MK RESTAURANT GROUP	SMD	SAINTMED
BH	BUMRUNGRAD HOSPITAL	MEGA	MEGA LIFESCIENCES	SNNP	SRINANAPORN MARKETING
CBG	CARABAO GROUP	NETBAY	NETBAY	SPA	SIAM WELLNESS GROUP
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TFG	THAIFOODS GROUP
ERW	THE ERAWAN GROUP	SAK	SAKSIAM LEASING	TIDLOR	NGERN TID LOR
ESSO	ESSO (THAILAND)	SAPPE	SAPPE	TNP	THANAPIRIYA
HUMAN	HUMANICA	SAWAD	SRI SAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	XO	EXOTIC FOOD



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	LPH	LADPRAO GENERAL HOSPITAL	TPCH	TPC POWER HOLDING
EKH	EKACHAI MEDICAL CARE	MENA	MENA TRANSPORT		
JMART	JAYMART GROUP HOLDINGS	SISB	SISB		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BBGI	BBGI	NTSC	Nutrition SC	TGE	THACHANG GREEN ENERGY
BTG	BETAGRO	PLT	Pilatus Marine		
ITC	i-Tail Corporation	PQS	Premier Quality Starch		

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	KRUNGTHAI 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	SRI SAWAD 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.

KGI Locations

China Shanghai	Room 2703B-2704, Tower A , Shanghai Dawning Centre,500 HongbaoshiRoadShanghai, PRC 201103
Shenzhen	Room 24D1, 24/F, A Unit, Zhen Ye Building,2014 Bao'annan Road, Shenzhen, PRC 518008
Taiwan Taipei	700 Mingshui Road, Taipei, Taiwan Telephone886.2.2181.8888 · Facsimile886.2.8501.1691
Hong Kong	41/F CentralPlaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
Thailand Bangkok	8th - 11th floors, AsiaCentreBuilding 173 South Sathorn Road, Bangkok10120, Thailand Telephone 66.2658.8888 Facsimile 66.2658.8014
Singapore	4 Shenton Way #13-01 SGX Centre 2 Singapore 068807 Telephone 65.6202.1188 Facsimile 65.6534.4826

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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