



# RS

(RS.BK/RS TB)\*

## Outperform • Maintained

Price as of 3 Mar 2021	26.00
12M target price (Bt/shr)	37.75
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	45.2

### Key messages

RS targets revenue of Bt5.7bn in 2021 with growth in all segments, particularly the commerce segment that would be driven by both existing product line and new products such as new food supplements and home generic medicine for a new platform or Exclusive Distribution Network (EDN). The company is also preparing for product containing cannabis sativa. We maintain our net profit forecasts at Bt839mn in 2021 and Bt1.2bn in 2022. Our target price rolled over to 2022 is Bt37.75 (PER 30x, average of commerce sector). We reiterate a rating of Outperform on anticipated strong profit growth in 2021 - 2022 with CAGR of 52% and upside from potential new products with cannabis sativa that are not yet included in our forecast.

### Trading data

Mkt cap (Btbn/US\$mn)	25.3/810
Outstanding shares (mn)	973
Foreign ownership (mn)	80
3M avg. daily trading (mn)	13
52-week trading range (Bt)	8.40 - 28.00
Performance (%)	3M 6M 12M
Absolute	42.1 32.0 136.4
Relative	32.4 12.2 111.1

### Quarterly EPS

	1Q	2Q	3Q	4Q
2018	0.10	0.17	0.11	0.13
2019	0.11	0.09	0.09	0.07
2020	0.19	0.11	0.13	0.11

### Share price chart



Source: SET

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## Strong growth momentum expected

### Event

Analyst meeting and outlook for 2021.

### Impact

#### Targets total revenue of Bt5.7bn in 2021

RS targets sales and service revenue of Bt5.7bn in 2021 with 70%, or around Bt4.0bn, coming from the commerce segment. Breaking down the commerce revenue, Bt3.0bn is targeted to come from existing product while Bt1.0bn is expected to come from new products including new food supplements under existing brand (S.O.M), home generic medicine under a new brand (Thong Eke), products under the brand Well U for the Exclusive Distribution Network (EDN), functional drink and pet food. Note that EDN is a new platform for RS to distribute products from wholesalers to retailers.

#### Preparing for products containing cannabis sativa

The company plans to distribute three product lines containing cannabis sativa, i.e. food, food supplement and functional drink. The company has already contacted all related parties in the supply chain such as i) people who have the right to plant, ii) extractors, iii) and OEM factories. Note that the company is in the process of developing the ingredients for the cannabis sativa products.

#### Upside risk to our 2021 – 2022 earnings forecasts

We maintain our net profit forecast at Bt839mn (+59% YoY) in 2021 and Bt1.2bn (+46% YoY) in 2022. Earnings in 2021 would be driven by increased sales for commerce products and new products and distribution channels. However, we see some upside risk to our forecasts for 2021-2022 from new products containing cannabis sativa, which have not yet been included in our forecast.

### Valuation & Action

Our target price rolled over to 2022 is Bt37.75 (PER 30x, average of commerce sector). We maintain a rating of Outperform due to i) strong earnings growth in 2021 - 2022 with CAGR of 52% and ii) upside from 2021 onward from potential new cannabis sativa products.

### Risks

Lower than expected revenue from commerce segment.

### Key financials and valuations

	Dec-18A	Dec-19A	Dec-20A	Dec-21F	Dec-22F
Revenue (Btmn)	3,827	3,611	3,774	4,876	5,736
Gross Profit (Btmn)	1,621	1,591	2,006	2,534	3,251
EBIT (Btmn)	567	491	689	998	1,473
Net Profit (Btmn)	516	363	528	839	1,224
Normalized Profit (Btmn)	440	363	528	839	1,224
EPS (Bt)	0.51	0.37	0.54	0.86	1.26
DPS (Bt)	0.45	0.30	0.30	0.40	0.45
EPS growth (%)	55.0	(26.9)	45.4	58.7	46.0
P/E (x)	29.0	32.9	31.8	30.2	20.7
P/B (x)	8.94	6.93	8.40	10.07	7.54
EV/EBITDA (x)	12.7	11.2	14.8	16.9	12.6
Net debt/Equity (x)	0.2	0.3	0.3	0.2	Net cash
Dividend yield (%)	3.0	2.4	1.7	1.5	1.7
Return on Average Equity (%)	33.6	21.4	28.3	37.2	41.8

Source: Company data, KGI Research

**Figure 1: New product lines in 1H21**

 <p>Scientific food supplement</p>	 <p>Herbal extract</p>	 <p>Traditional herbal medicine</p>	 <p>Innovative food supplement</p>	Functional drink	Dry pet food
					
 <p>90%</p>		EDN (RS' s network) <p>80%</p>		Modern trade <p>70%</p>	Pet care channel & Traditional trade <p>70%</p>
E-Commerce & Others					

Source: Company data

**Figure 2: Key assumptions**

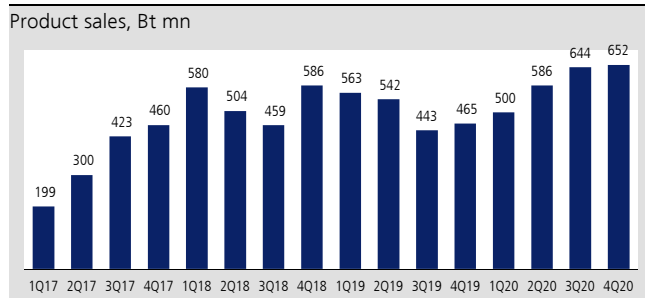
	2018	2019	2020	2021F	2022F
<b>Revenue (Btmn)</b>	<b>3,829</b>	<b>3,611</b>	<b>3,774</b>	<b>4,876</b>	<b>5,736</b>
TV	1,033	803	1,003	1,002	814
Radio	312	266	145	144	129
Music&showbiz	355	530	244	400	450
Product sales	2,130	2,012	2,381	3,331	4,343
<b>Revenue growth (Percent)</b>	<b>10.1</b>	<b>(5.7)</b>	<b>4.5</b>	<b>29.2</b>	<b>17.6</b>
TV	(22.9)	(22.2)	24.9	(0.1)	(18.8)
Radio	(8.2)	(14.7)	(45.4)	(1.1)	(10.0)
Music&showbiz	(13.3)	49.2	(53.9)	63.9	12.5
Product sales	53.3	(5.5)	18.3	39.9	30.4
<b>Gross margin (Percent)</b>	<b>42.4</b>	<b>44.1</b>	<b>53.1</b>	<b>52.0</b>	<b>56.7</b>
<b>SG&amp;A/Sales (Percent)</b>	<b>27.6</b>	<b>30.5</b>	<b>34.9</b>	<b>31.5</b>	<b>31.0</b>

Source: Company data

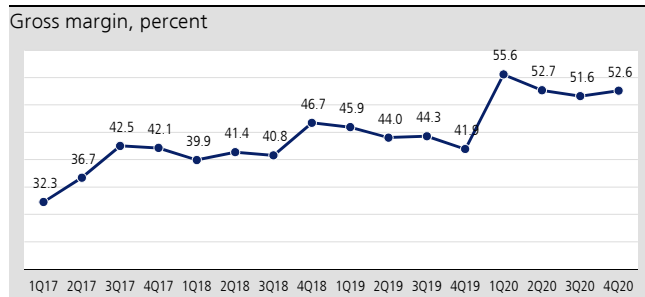
**Figure 3: Company profile**

RS Public Company Limited (RS) started its business in 1976 as a full range music company. It expanded to other media business such as radio station, TV content provider, satellite TV stations, and showbiz. The company started its terrestrial TV business in April 2014 after receiving a digital TV license from the National Broadcasting and Telecommunication Commission (NBTC) in late 2013. RS also expanded into the health & beauty (H&B) segment in late 2014. Currently, the company's existing businesses can be broken down into four segments that are i) media (TV, radio), ii) music, iii) showbiz and iv) Health & Beauty that transform to RS Mall (product sales).

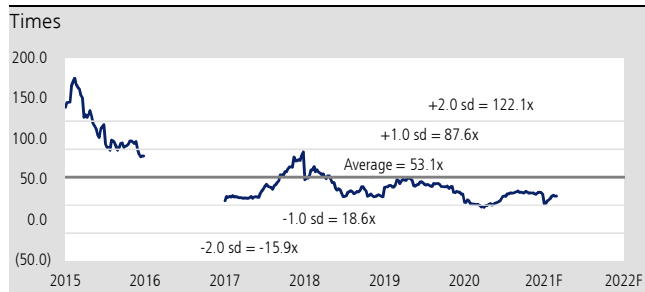
Source: Company data

**Figure 5: Product sales**


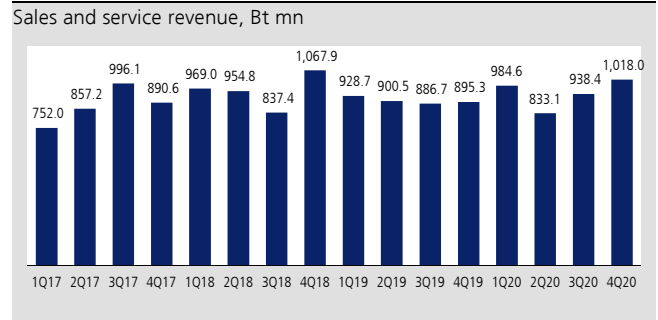
Source: Company data

**Figure 7: Gross margin**


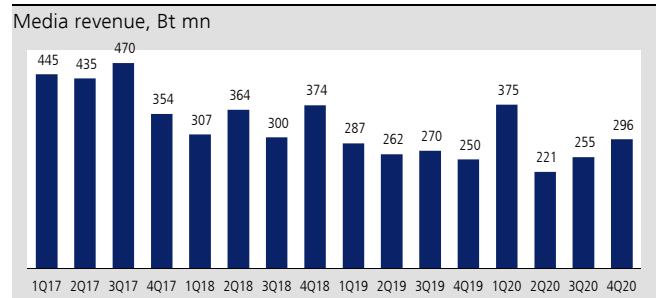
Source: Company data

**Figure 9: PER band**


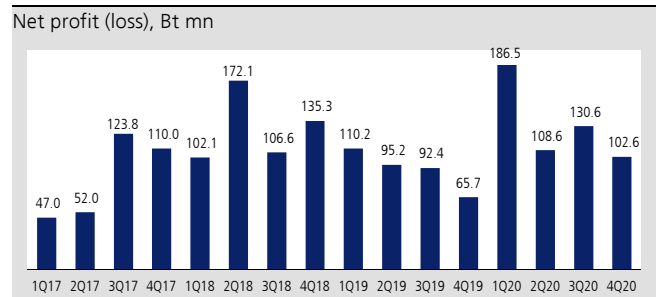
Source: KGI Research

**Figure 4: Sales and service revenue**


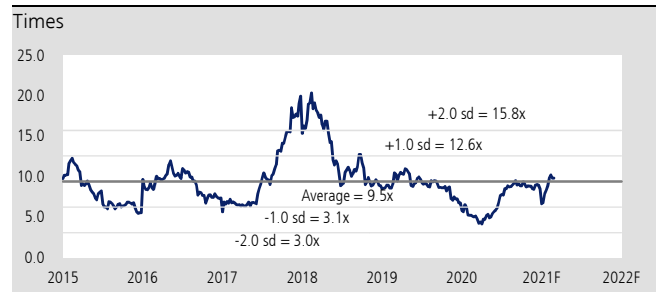
Source: Company data

**Figure 6: Media (TV, radio) revenue**


Source: Company data

**Figure 8: Net profit**


Source: Company data

**Figure 10: PBV band**


Source: KGI Research

## Quarterly Income Statement

	Mar-18A	Jun-18A	Sep-18A	Dec-18A	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A
<b>Income Statement (Bt mn)</b>												
<b>Revenue</b>	<b>969</b>	<b>955</b>	<b>837</b>	<b>1,066</b>	<b>929</b>	<b>900</b>	<b>887</b>	<b>895</b>	<b>985</b>	<b>833</b>	<b>938</b>	<b>1,018</b>
Cost of Goods Sold	(582)	(560)	(496)	(568)	(502)	(504)	(494)	(520)	(437)	(394)	(454)	(483)
<b>Gross Profit</b>	<b>387</b>	<b>395</b>	<b>341</b>	<b>498</b>	<b>427</b>	<b>396</b>	<b>393</b>	<b>375</b>	<b>547</b>	<b>439</b>	<b>484</b>	<b>535</b>
<b>Operating Expenses</b>	<b>(244)</b>	<b>(261)</b>	<b>(230)</b>	<b>(319)</b>	<b>(274)</b>	<b>(276)</b>	<b>(267)</b>	<b>(283)</b>	<b>(309)</b>	<b>(293)</b>	<b>(312)</b>	<b>(402)</b>
Other incomes	-	-	-	-	-	-	-	-	-	-	-	-
<b>Operating Profit</b>	<b>143</b>	<b>133</b>	<b>111</b>	<b>179</b>	<b>153</b>	<b>121</b>	<b>125</b>	<b>93</b>	<b>238</b>	<b>146</b>	<b>172</b>	<b>134</b>
Depreciation of fixed assets	(156)	(119)	(171)	(163)	(161)	(139)	(144)	(133)	(122)	(122)	(133)	(157)
<b>Operating EBITDA</b>	<b>299</b>	<b>253</b>	<b>283</b>	<b>343</b>	<b>313</b>	<b>259</b>	<b>270</b>	<b>226</b>	<b>360</b>	<b>268</b>	<b>305</b>	<b>290</b>
<b>Non-Operating Income</b>	<b>4</b>	<b>98</b>	<b>15</b>	<b>11</b>	<b>1</b>	<b>5</b>	<b>7</b>	<b>-</b>	<b>6</b>	<b>0</b>	<b>3</b>	<b>8</b>
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	4	98	15	11	1	5	7	-	6	0	3	8
<b>Non-Operating Expenses</b>	<b>(20)</b>	<b>(16)</b>	<b>(18)</b>	<b>(19)</b>	<b>(15)</b>	<b>(10)</b>	<b>(9)</b>	<b>(9)</b>	<b>(11)</b>	<b>(10)</b>	<b>(10)</b>	<b>(9)</b>
Interest Expense	(19)	(16)	(17)	(17)	(15)	(8)	(6)	(6)	(9)	(10)	(9)	(9)
Other Non-op Expenses	(1)	-	(1)	(2)	(0)	(2)	(3)	(3)	(2)	(0)	(1)	(1)
<b>Net investment Income/(Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Pre-tax Profit</b>	<b>127</b>	<b>216</b>	<b>109</b>	<b>172</b>	<b>139</b>	<b>116</b>	<b>123</b>	<b>84</b>	<b>232</b>	<b>137</b>	<b>164</b>	<b>132</b>
Current taxation	(25)	(44)	(2)	(37)	(29)	(20)	(30)	(18)	(46)	(28)	(34)	(30)
Minorities	0	0	(0)	0	0	0	(1)	(0)	(0)	(0)	0	0
Extraordinary items	-	-	-	-	0	-	-	-	13	-	-	-
<b>Net Profit</b>	<b>102</b>	<b>172</b>	<b>107</b>	<b>135</b>	<b>110</b>	<b>95</b>	<b>92</b>	<b>66</b>	<b>186</b>	<b>109</b>	<b>131</b>	<b>103</b>
EPS (Bt)	0.10	0.17	0.11	0.13	0.11	0.09	0.09	0.07	0.19	0.11	0.13	0.11
<b>Margins (%)</b>												
Gross profit margin	39.9	41.4	40.8	46.7	45.9	44.0	44.3	41.9	55.6	52.7	51.6	52.6
<b>Operating margin</b>	<b>14.7</b>	<b>14.0</b>	<b>13.3</b>	<b>16.8</b>	<b>16.4</b>	<b>13.4</b>	<b>14.2</b>	<b>10.4</b>	<b>24.1</b>	<b>17.5</b>	<b>18.3</b>	<b>13.1</b>
Operating EBITDA margin	30.8	26.5	33.8	32.2	33.7	28.8	30.4	25.3	36.5	32.2	32.5	28.5
Net profit margin	10.5	18.0	12.7	12.7	11.9	10.6	10.4	7.3	18.9	13.0	13.9	10.1
<b>Growth (%)</b>												
Revenue growth	28.9	11.3	(15.9)	18.9	(4.2)	(5.7)	5.9	(16.0)	6.0	(7.5)	5.8	13.7
Operating growth	438.7	68.9	(35.1)	20.4	6.8	(9.7)	12.7	(48.2)	55.8	20.9	36.8	44.1
Operating EBITDA growth	77.3	14.4	(8.7)	20.1	5.0	2.6	(4.6)	(34.0)	14.7	3.4	13.1	28.4
Net profit growth	116.9	230.6	(13.9)	23.1	8.0	(44.7)	(13.4)	(51.5)	69.4	14.1	41.4	56.2

Source: KGI Research

## Peer comparison – Key valuation stats

	Rating	Target price (Bt)	Current price (Bt)	Upside (%)	20A EPS (Bt)	21F EPS (Bt)	22F EPS (Bt)	21F EPS gr. (%)	22F EPS gr. (%)	21F PER (x)	22F PER (x)	21F PBV (X)	22F PBV (X)	21F Div Yield (%)	22F Div Yield (%)	21F ROAE (%)	22F ROAE (%)
CPALL*	N	66.00	64.50	2.3	1.77	1.96	2.31	11.0	17.9	32.9	27.9	4.8	4.4	1.9	2.0	15.1	16.3
DOHOME*	N	18.00	19.90	(9.5)	0.34	0.47	0.53	38.2	12.8	42.3	37.5	5.5	5.0	0.7	0.8	14.2	14.1
GLOBAL*	OP	20.70	21.40	(3.3)	0.50	0.61	0.68	22.0	11.5	35.1	31.5	5.0	4.7	1.4	1.4	15.1	15.2
HMPRO*	OP	17.00	14.10	20.6	0.39	0.43	0.50	10.3	16.3	32.8	28.2	8.2	7.6	2.5	2.8	25.9	27.8
MAKRO	OP	45.00	36.25	24.1	1.40	1.41	1.60	0.7	13.5	25.7	22.7	7.1	6.4	2.8	3.3	28.7	29.7
RS*	OP	37.75	26.00	45.2	0.54	0.86	1.26	58.7	46.0	30.2	20.7	10.1	7.5	1.5	1.7	37.2	41.8
<b>Sector</b>								<b>23.5</b>	<b>19.6</b>	<b>33.2</b>	<b>28.1</b>	<b>6.8</b>	<b>5.9</b>	<b>1.8</b>	<b>2.0</b>	<b>22.7</b>	<b>24.2</b>
<b>Sector ex. RS</b>								<b>16.5</b>	<b>14.4</b>	<b>33.8</b>	<b>29.6</b>	<b>6.1</b>	<b>5.6</b>	<b>1.8</b>	<b>2.1</b>	<b>19.8</b>	<b>20.6</b>

Source: KGI Research

## Balance Sheet

As of 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
<b>Total Assets</b>	<b>4,073</b>	<b>3,378</b>	<b>4,035</b>	<b>5,197</b>	<b>6,022</b>
<b>Current Assets</b>	1,186	1,117	1,174	2,402	3,363
Cash & ST Investments	340	328	200	1,229	1,987
Inventories	285	259	229	366	430
Accounts Receivable	553	516	711	780	918
Others	9	13	33	27	28
<b>Non-current Assets</b>	2,887	2,262	2,861	2,794	2,658
LT Investments	4	4	4	4	4
Net fixed Assets	332	504	642	591	535
Others	2,551	1,754	2,216	2,199	2,119
<b>Total Liabilities</b>	<b>2,401</b>	<b>1,680</b>	<b>2,146</b>	<b>2,814</b>	<b>2,799</b>
<b>Current Liabilities</b>	1,146	1,266	1,814	1,273	1,250
Accounts Payable	733	651	1,040	853	1,000
ST Borrowings	240	450	540	200	100
Others	173	164	234	220	150
<b>Long-term Liabilities</b>	1,255	414	332	1,541	1,549
Long-term Debts	323	239	156	1,359	1,359
Others	932	175	176	183	190
<b>Shareholders' Equity</b>	<b>1,672</b>	<b>1,727</b>	<b>2,004</b>	<b>2,510</b>	<b>3,354</b>
Common Stock	1,010	972	972	972	972
Capital Surplus	258	322	322	322	322
Retained Earnings	403	430	707	1,206	2,041
Others	1	2	2	10	18

Source: KGI Research

## Key Ratios

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
<b>Forecast Drivers</b>					
Commerce segment sales	2,130	2,012	2,381	3,331	4,343
<b>Growth (% YoY)</b>					
Sales	9.3	(5.6)	4.5	29.2	17.6
OP	33.1	(13.3)	40.2	44.8	47.6
EBITDA	19.5	(9.2)	6.6	31.1	34.8
NP	55.0	(29.6)	45.4	58.7	46.0
EPS	55.0	(26.9)	45.4	58.7	46.0
<b>Profitability (%)</b>					
Gross Margin	42.4	44.1	53.1	52.0	56.7
Operating Margin	14.8	13.6	18.3	20.5	25.7
EBITDA Margin	30.7	29.6	30.2	30.6	35.1
Net Profit Margin	13.5	10.1	14.0	17.2	21.3
ROAA	12.5	9.8	14.3	18.2	21.8
ROAE	33.6	21.4	28.3	37.2	41.8
<b>Stability</b>					
Gross Debt/Equity (%)	0.0	0.0	0.0	0.0	0.0
Net Debt/Equity (%)	18.8	25.9	32.9	18.8	(13.8)
Interest Coverage (x)	8.3	14.2	19.1	24.5	27.3
Interest & ST Debt Coverage (x)	1.8	1.0	1.2	4.1	9.6
Cash Flow Interest Coverage (x)	(17.0)	(29.8)	(29.1)	(26.2)	(34.4)
Cash Flow/Interest & ST Debt (x)	6.8	2.5	2.1	6.7	40.3
Current Ratio (x)	1.0	0.9	0.6	1.9	2.7
Quick Ratio (x)	0.8	0.7	0.5	1.6	2.3
Net Debt (Bt mn)	314	447.0	659.3	472.7	Net cash
<b>Per Share Data (Bt)</b>					
EPS	0.5	0.4	0.5	0.9	1.3
CFPS	1.1	1.1	1.1	1.1	1.9
BVPS	1.7	1.8	2.1	2.6	3.4
SPS	3.8	3.7	3.9	5.0	5.9
EBITDA/Share	1.2	1.1	1.2	1.5	2.1
DPS	0.5	0.3	0.3	0.4	0.5
<b>Activity</b>					
Asset Turnover (x)	0.9	1.0	1.0	1.1	1.0
Days Receivables	56.1	54.1	59.4	55.8	54.0
Days Inventory	49.7	49.1	50.3	46.3	58.5
Days Payable	(174.3)	(158.8)	(153.9)	(136.3)	(104.0)
Cash Cycle	280.1	261.9	263.5	238.5	216.5

Source: KGI Research

## Profit & Loss

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
<b>Revenue</b>	<b>3,827</b>	<b>3,611</b>	<b>3,774</b>	<b>4,876</b>	<b>5,736</b>
Cost of Goods Sold	(2,205)	(2,020)	(1,769)	(2,343)	(2,485)
<b>Gross Profit</b>	<b>1,621</b>	<b>1,591</b>	<b>2,006</b>	<b>2,534</b>	<b>3,251</b>
Operating Expenses	(1,054)	(1,100)	(1,317)	(1,536)	(1,778)
Other incomes	-	-	-	-	-
<b>Operating Profit</b>	<b>567</b>	<b>491</b>	<b>689</b>	<b>998</b>	<b>1,473</b>
Depreciation of fixed assets	610	577	450	495	540
<b>Operating EBITDA</b>	<b>1,177</b>	<b>1,068</b>	<b>1,138</b>	<b>1,492</b>	<b>2,012</b>
Non-Operating Income	128	11	17	5	5
Interest Income	-	-	-	-	-
Other Non-op Income	128	11	17	5	5
Non-Operating Expenses	(72)	(40)	(40)	(45)	(58)
Interest Expense	(68)	(35)	(36)	(41)	(54)
Other Non-op Expenses	(3)	(6)	(4)	(4)	(4)
Equity Income/(Loss)	-	-	-	80	97
<b>Pre-tax Profit</b>	<b>624</b>	<b>462</b>	<b>666</b>	<b>1,038</b>	<b>1,516</b>
Current taxation	(108)	(97)	(137)	(192)	(284)
Minorities	0	(1)	(0)	(8)	(8)
Extraordinary items	-	-	-	-	-
<b>Net Profit</b>	<b>516</b>	<b>363</b>	<b>528</b>	<b>839</b>	<b>1,224</b>
EPS (Bt)	0.51	0.37	0.54	0.86	1.26

Source: KGI Research

## Cash Flow

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
<b>Operating Cash Flow</b>	1,161	1,033	1,050	1,065	1,856
Net Profit	624	462	666	1,038	1,516
Depreciation & Amortization	591	577	534	604	679
Change in Working Capital	(62)	(83)	(202)	(577)	(339)
Others	7	77	52	-	-
<b>Investment Cash Flow</b>	(519)	(616)	(797)	(450)	(450)
Net CAPEX	(45)	(230)	(243)	(50)	(50)
Change in LT Investment	-	-	-	-	-
Change in Other Assets	(475)	(386)	(555)	(400)	(400)
<b>Free Cash Flow</b>	642	417	253	615	1,406
<b>Financing Cash Flow</b>	(504)	(407)	(362)	502	(565)
Change in Share Capital	0	70	0	-	-
Net Change in Debt	(256)	118	(106)	842	(176)
Change in Other LT Liab.	(248)	(595)	(256)	(340)	(389)
<b>Net Cash Flow</b>	138	9	(109)	1,117	841

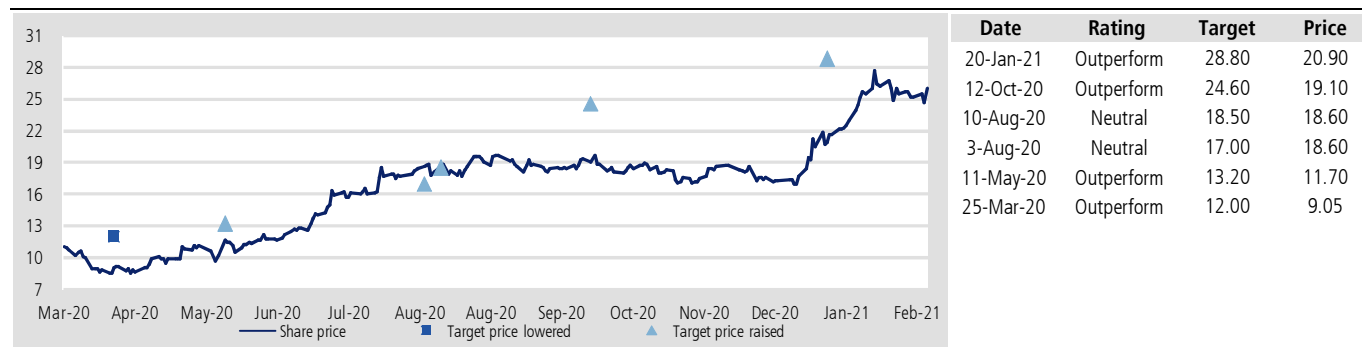
Source: KGI Research

## Rates of Return on Invested Capital

Year	1- $\frac{\text{COGS}}{\text{Revenue}}$	+ $\frac{\text{Depreciation}}{\text{Revenue}}$	+ $\frac{\text{Operating Exp.}}{\text{Revenue}}$	= <b>Operating Margin</b>
Dec-18A	57.6%	15.9%	27.6%	-3.8%
Dec-19A	55.9%	16.0%	30.5%	-1.1%
Dec-20A	46.9%	11.9%	34.9%	-2.4%
Dec-21F	48.0%	10.1%	31.5%	6.3%
Dec-22F	43.3%	9.4%	31.0%	10.3%
Year	1/ $\frac{\text{Working Capital}}{\text{Revenue}}$	+ $\frac{\text{Net PPE}}{\text{Revenue}}$	+ $\frac{\text{Other Assets}}{\text{Revenue}}$	= <b>Capital Turnover</b>
Dec-18A	-0.02	0.09	0.67	1.14
Dec-19A	-0.02	0.14	0.49	1.35
Dec-20A	-0.05	0.17	0.60	1.65
Dec-21F	-0.12	0.12	0.46	1.40
Dec-22F	-0.06	0.09	0.37	2.18
Year	$\frac{\text{Operating Margin}}{\text{Capital Turnover}}$	x $\frac{\text{Cash Tax Rate}}{\text{After-tax Return on Inv. Capital}}$	=	
Dec-18A	-1.1%	1.4	82.7	-5.2
Dec-19A	-2.4%	1.7	78.9	-1.2
Dec-20A	6.3%	1.4	79.4	-3.1
Dec-21F	10.3%	2.2	81.5	7.1
Dec-22F	16.3%	2.4	81.3	18.3

Source: KGI Research

## RS- Recommendation & target price history



Source: KGI Research

# Corporate Governance Report of Thai Listed Companies



## Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	HMPRO	HOME PRODUCT CENTER	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	INTUCH	SHIN CORPORATION	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	IRPC	IRPC	ROBINS	ROBINSON DEPARTMENT STORE
AP	ASIAN PROPERTY DEVELOPMENT	IVL	INDORAMA VENTURES	SAMART	SAMART CORPORATION
BANPU	BANPU	KBANK	KASIKORN BANK	SAMTEL	SAMART TELCOMS
BCP	THE BANGCHAK PETROLEUM	KCE	KCE ELECTRONICS	SCB	THE SIAM COMMERCIAL BANK
BTS	BTS GROUP HOLDINGS	KKP	KIATNAKIN BANK	SCC	THE SIAM CEMENT
CK	CH. KARNCHANG	KTB	KRUNG THAI BANK	SCCC	SIAM CITY CEMENT
CPF	CHAROEN POKPHAND FOODS	KTC	KRUNGTHAI CARD	SPALI	SUPALAI
CPN	CENTRAL PATTANA	LPN	L.P.N. DEVELOPMENT	SPRC	STAR PETROLEUM REFINING
DELTA	DELTA ELECTRONICS (THAILAND)	MINT	MINOR INTERNATIONAL	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DTAC	TOTAL ACCESS COMMUNICATION	MONO	MONO TECHNOLOGY	SVI	SVI
EASTW	EASTERN WATER RESOURCES DEVELOPMENT AND MANAGE	PLANB	PLAN B MEDIA	TCAP	THANACHART CAPITAL
EGCO	ELECTRICITY GENERATING	PSH	PRUKSA HOLDING	THCOM	THAICOM
GFPT	GFPT	PTT	PTT	TISCO	TISCO FINANCIAL GROUP
GPSC	GLOBAL POWER SYNERGY	PTTEP	PTT EXPLORATION AND PRODUCTION	TMB	TMB BANK
GUNKUL	GUNKUL ENGINEERING	PTTGC	PTT GLOBAL CHEMICAL	TOP	THAI OIL
HANA	HANA MICROELECTRONICS	PYLON	PYLON	TRUE	TRUE CORPORATION



## Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAWAD	SRISAWAD POWER 1979
AMATA	AMATA CORPORATION	GLOBAL	SIAM GLOBAL HOUSE	SCI	SCI ELECTRIC
BBL	BANGKOK BANK	GLOW	GLOW ENERGY	SCN	SCAN INTER
BCPG	BCPG	LH	LAND AND HOUSES	SEAFECO	SEAFECO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	MAJOR	MAJOR CINEPLEX GROUP	SIRI	SANSIRI
BEM	BANGKOK EXPRESSWAY AND METRO	MAKRO	SIAM MAKRO	SMT	STARS MICROELECTRONICS (THAILAND)
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MTLS	MUANGTHAI LEASING	TKN	TAOKAENOI FOOD & MARKETING
CKP	CK POWER	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
DCC	DYNASTY CERAMIC	RS	RS	TWPC	THAI WAH



## Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AMA	AMA MARINE	BPP	BANPU POWER	SQ	SAHAKOL EQUIPMENT
BA	BANGKOK AIRWAYS	CBG	CARABAO GROUP	TPCH	TPC POWER HOLDING
BCH	BANGKOK CHAIN HOSPITAL	LPH	LADPRAO GENERAL HOSPITAL		
BH	BUMRUNGRAD HOSPITAL	SAPPE	SAPPE		

## Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BGRIM	B.GRIMM POWER	TOA	TOA PAINT (THAILAND)	WHAUP	WHA UTILITIES AND POWER
CPALL	CP ALL	UNIQ	UNIQUE ENGINEERING AND CONSTRUCTION	WORK	WORKPOINT ENTERTAINMENT
THAI	THAI AIRWAYS INTERNATIONAL	WHA	WHA CORPORATION		

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
CPN	CENTRAL PATTANA	SCC	THE SIAM CEMENT		

## Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IFEC	INTER FAR EAST ENGINEERING	SVI	SVI
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	TCAP	THANACHART CAPITAL
DCC	DYNASTY CERAMIC	KKP	KIATNAKIN BANK	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	KTB	KRUNG THAI BANK	TMB	TMB BANK
EGCO	ELECTRICITY GENERATING	MINT	MINOR INTERNATIONAL		
ERW	THE ERAWAN GROUP	SCB	THE SIAM COMMERCIAL BANK		

## Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	DTAC	TOTAL ACCESS COMMUNICATION	PACE	PACE DEVELOPMENT CORPORATION
ANAN	ANANDA DEVELOPMENT	GFPT	GFPT	PS	PRUKSA REAL ESTATE
AP	ASIAN PROPERTY DEVELOPMENT	GL	GROUP LEASE	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BA	BANGKOK AIRWAYS	GLOW	GLOW ENERGY	ROBINS	ROBINSON DEPARTMENT STORE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	SAMART	SAMART CORPORATION
BIGC	BIG C SUPERCENTER	HMPRO	HOME PRODUCT CENTER	SPALI	SUPALAI
BJCHI	BJC HEAVY INDUSTRIES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CENDEL	CENTRAL PLAZA HOTEL	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MAKRO	SIAM MAKRO	TMT	THAI METAL TRADE
CK	CH. KARNCHANG	MODERN	MODERNFORM GROUP	TPCH	TPC POWER HOLDING
CKP	CK POWER	NOK	NOK AIRLINES	WHA	NOK AIRLINES

## Level 2: Declared

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	GUNKUL	GUNKUL ENGINEERING	QH	QUALITY HOUSES
BH	BUMRUNGRAD HOSPITAL	ILINK	INTERLINK COMMUNICATION	TRT	TIRATHAI
GLOBAL	SIAM GLOBAL HOUSE	MTLS	MUANGTHAI LEASING	TVO	THAI VEGETABLE OIL

## Level 1: Committed

Stock	Company name	Stock	Company name	Stock	Company name
CBG	CARABAO GROUP	RS	RS	SAWAD	SRI SAWAD POWER 1979
MAJOR	MAJOR CINEPLEX GROUP				

## No progress

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	CPALL	CP ALL	WORK	WORKPOINT ENTERTAINMENT
BEM	BANGKOK EXPRESSWAY AND METRO	LPH	LADPRAO GENERAL HOSPITAL		

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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