



RS

(RS.BK/RS TB)*

Neutral • Maintained

Price as of 24 Jan 2022	20.30
12M target price (Bt/shr)	19.90
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	(2.0)

Key messages

We estimate RS's 4Q21 net earnings to continue to show a loss of Bt52mn worsening from a net loss of Bt300k in 3Q21 and a net profit of Bt103mn in 4Q20. The slowdown would be from i) lower revenue (-10% QoQ, -25% YoY) pressured by declines in revenue from both the media and commerce segments and ii) lower gross margin at only 41% from 47.3% in 3Q21 and 50.9% in 4Q20. We cut our earnings forecast for 2021F by 52% to Bt142mn to fine-tune for the expected weak 4Q21 earnings but maintain our forecast for 2022F at Bt645mn due to expected improvement as the economy recovers. We maintain a rating of Neutral with a 2022 target price of Bt19.90 (PER 30x).

Trading data

Mkt cap (Btmn/US\$mn)	19,839/636
Outstanding shares (mn)	973
Foreign ownership (mn)	48
3M avg. daily trading (mn)	13
52-week trading range (Bt)	16.80 – 30.00
Performance (%)	3M 6M 12M
Absolute	15.3 5.2 -8.1
Relative	15.0 -1.4 -15.9

Quarterly EPS

Bt	1Q	2Q	3Q	4Q
2019	0.11	0.09	0.09	0.07
2020	0.19	0.11	0.13	0.11
2021	0.14	0.06	(0.0004)	NA

Share price chart



Source: SET

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4Q21F earnings preview: Slowdown to continue

Event

4Q21 earnings preview and business outlook for 2022.

Impact

Earnings expected to continue to decline in 4Q21

We estimate RS's 4Q21 net earnings to show a loss of Bt52mn, worsening from a net loss of Bt300k in 3Q21 and a net profit of Bt103mn in 4Q20. The slowdown would be from i) lower revenue at Bt766mn (-10% QoQ, -25% YoY) pressured by declines in revenue from both media at Bt246mn (-21% QoQ, -33% YoY) and commerce at Bt520mn (-4% QoQ, -20% YoY) and ii) lower gross margin of only 41%, from 47.3% in 3Q21 and 50.9% in 4Q20 dragged down by climbing TV costs and new products (CAMU C and Lifemate) that contributed low margin.

Target total revenue of Bt5.1bn in 2022

We expect RS's full-year 2021F revenue to be Bt3.6bn while the company targets total sales and service revenue of Bt5.1bn in 2022, up around 42% YoY. Note that 54% of revenue, or around Bt2.75bn, is targeted to come from the commerce segment and 46% or Bt2.35bn, should come from the media segment. Breaking down the media revenue, Bt1.4bn is targeted to come from TV/radio, Bt650mn is planned to come from music, concert/event while Bt300mn is expected to come from Popcoin. Moreover, RS plans to expand its business by acquiring 1-2 companies in 2022 with investment value of Bt0.5bn – Bt1.0bn/deal.

Our 2021 forecast is cut to fine-tune for weak 4Q21 earnings

If 4Q21 earnings come in as expected, the full-year net profit should stand at Bt142mn or 52% below our full-year forecast. Thus, we cut our forecast for 2021F by 52% to Bt142mn to fine-tune for weak 4Q21 earnings. Key assumption changes were i) cut revenue 5%, and ii) trimmed gross margin 4ppts. We maintained our net earnings forecast for 2022F at Bt645mn (+119% YoY) as we foresee downside from existing business but there upside from i) Popcoin, and ii) M&A deals not yet included in our forecast.

Valuation and action

We rate RS Neutral with a 2022 target price of Bt19.90 (PER 30x).

Risks

Lower than expected commerce segment revenue.

Key financials and valuations

	Dec-19A	Dec-20A	Dec-21F	Dec-22F	Dec-23F
Revenue (Btmn)	3,611	3,774	3,603	4,452	5,147
Gross Profit (Btmn)	1,591	2,006	1,812	2,471	2,829
EBIT (Btmn)	491	689	134	691	847
Net Profit (Btmn)	363	528	142	645	778
Normalized Profit (Btmn)	363	528	142	645	778
EPS (Bt)	0.37	0.54	0.15	0.66	0.80
DPS (Bt)	0.30	-	-	0.33	0.40
EPS growth (%)	(26.9)	45.4	(73.1)	353.5	20.5
P/E (x)	32.9	31.8	148.3	30.6	25.4
P/B (x)	6.93	8.40	9.90	7.48	6.37
EV/EBITDA (x)	11.2	14.8	33.6	16.0	13.8
Net debt/Equity (x)	0.3	0.3	0.4	0.1	Net cash
Dividend yield (%)	2.4	-	-	1.6	2.0
Return on Average Equity (%)	21.4	28.3	6.9	27.0	27.1

Source: Company data, KGI Securities Research

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

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

Figure 1: RS's 4Q21F earnings preview

Bt mn	4Q21F	4Q20	YoY (%)	3Q21	QoQ (%)	2021F	2020	YoY (%)
Revenue	766	1,018	(24.8)	852	(10.1)	3,603	3,774	(4.5)
Costs	(452)	(500)	(9.5)	(449)	0.7	(1,791)	(1,769)	1.3
SG&A	(391)	(385)	1.5	(431)	(9.3)	(1,678)	(1,317)	27.4
Operating Profit	(77)	134	(157.3)	(27)	183.3	134	689	(80.6)
Operating EBITDA	76	275	(72.2)	118	(35.3)	716	1,208	(40.7)
Other revenue	26	7	257.7	31	(15.6)	81	13	534.2
Interest Expense	(16)	(9)	74.9	(16)	(2.5)	(58)	(36)	61.6
Current taxation	13	(30)	(144.8)	11	NM	(17)	(137)	(87.9)
Minorities	2	(0)	(10,754.9)	1	138.1	2	(0)	NM
Core Profit	(51.5)	103	(150.2)	(0.3)	NM	142	515	(72.4)
Extra item	-	-	NM	-	NM	-	13	(100.0)
Net Profit	(51.5)	103	NM	(0.3)	NM	142	528	(73.1)
EPS (Bt)	(0.05)	0.11	(150.2)	(0.00)	NM	0.15	0.54	(73.1)
Percent	4Q21F	4Q20	YoY (%)	3Q21	QoQ (%)	2021F	2020	YoY (%)
Gross margin	41.0	50.9	(9.9)	47.3	(6.4)	50.3	53.1	(2.9)
SG&A/sales	51.0	37.8	13.2	33.3	17.7	46.6	34.9	11.7
Net profit margin	(6.7)	10.1	(16.8)	13.9	(20.6)	3.9	14.0	(10.1)

Source: Company, KGI Securities Research

Figure 2: Operational statistics

Bt mn	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21F	QoQ%	YoY%
Revenue	985	833	938	1,018	992	992	852	766	(10.1)	(24.8)
1. Entertainment	485	247	297	365	332	427	311	246	(20.8)	(32.5)
1.1 TV+radio	336	221	221	248	255	383	268	206	(23.0)	(16.9)
1.2 Music+Showbiz	149	26	40	70	77	45	43	40	(7.6)	(42.8)
2.Commerce	500	586	642	654	661	565	542	520	(4.0)	(20.4)
Gross margin (%)	57.3	52.7	51.6	50.9	56.5	53.8	47.3	41.0	(6.4)	(9.9)
1. Entertainment	54.1	34.5	21.8	25.4	36.9	40.3	26.4	5.0	(21.4)	(20.4)
2.Commerce	64.5	68.4	69.3	62.9	66.3	64.0	59.4	58.0	(1.4)	(4.9)
SG&A/Sales (%)	33.1	35.2	33.3	37.8	39.0	47.3	50.5	51.0	0.5	13.2

Source: Company data, KGI Securities Research

Figure 3: Financial highlights

Bt mn	2018A	2019A	2020A	2021F	2022F
Revenue					
Previous	3,827	3,611	3,774	3,790	4,452
Revised	3,827	3,611	3,774	3,603	4,452
Change (%)	-	-	-	(4.9)	-
Costs					
Previous	2,205	2,020	1,769	1,717	1,981
Revised	2,205	2,020	1,769	1,791	1,981
Change (%)	-	-	-	4.3	-
SG&A/sales					
Previous	1,054	1,100	1,317	1,744	1,781
Revised	1,054	1,100	1,317	1,678	1,781
Change (%)	-	-	-	(3.8)	-
Net profit					
Previous	516	363	528	294	645
Revised	516	363	528	142	645
Change (%)	-	-	-	(51.6)	-

Source: Company data, KGI Securities Research

Figure 4: Key assumptions

	2021F		Change	2022F		Change
Bt mn	Previous	Revised	(%)	Previous	Revised	(%)
Revenue	3,790	3,603	(4.9)	4,452	4,452	-
1.Entertainment	1,428	1,316	(7.8)	1,752	1,752	-
1.1 TV+Radio	1,152	1,111	(3.5)	1,352	1,352	-
1.2 Music & Showbiz	160	205	28.1	400	400	-
2.Commerce	2,362	2,287	(3.2)	2,700	2,700	-
Avg. sales/month	197	191	(3.2)	225	225	-
Gross margin (%)	54.7	50.3	(4.4)	55.5	55.5	-
-Entertainment	30.0	30.0	-	27.0	27.0	-
-Commerce	64.5	62.2	(2.3)	65.5	65.5	-
SG&A/Sales	46.0	46.6	0.6	40.0	40.0	-
Operating profit	329	134	(59.2)	691	691	-
Share of profit	70	74	6.2	173	173	-
-Chase	70	74	6.2	100	100	-
-SPG	-	-	NM	74	74	-

Source: Company data, KGI Securities Research

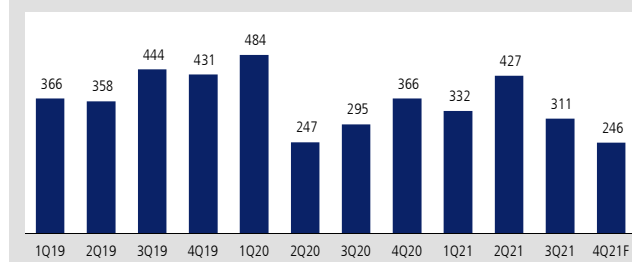
Figure 5: Company profile

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 2 segments that are i) entertainment segment (TV, radio, music & showbiz) and ii) commerce segment.

Source: Company data

Figure 7: Entertainment revenue

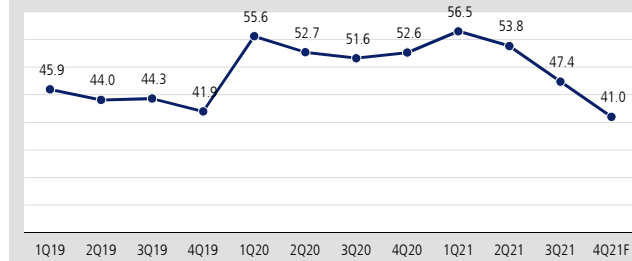
Entertainment revenue, Bt mn



Source: Company data, KGI Securities Research

Figure 9: Gross profit margin

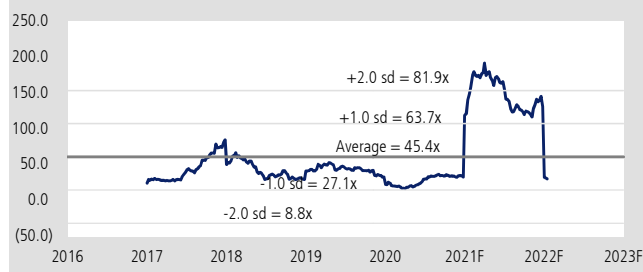
Gross profit margin, percent



Source: Company data, KGI Securities Research

Figure 11: PER band

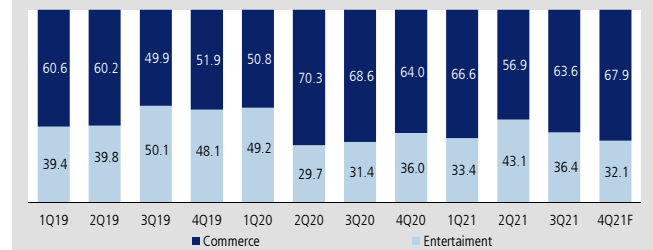
PER, times



Source: KGI Securities Research

Figure 6: Breakdown of sales and service revenue

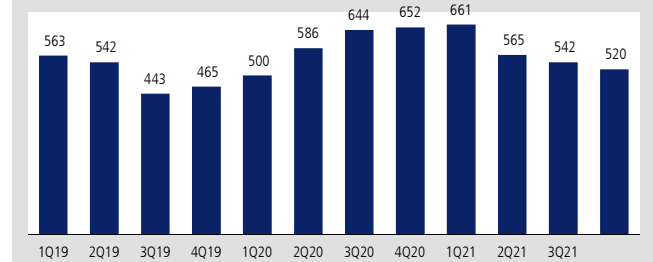
Sales and service revenue, percent



Source: Company data, KGI Securities Research

Figure 8: Commerce revenue

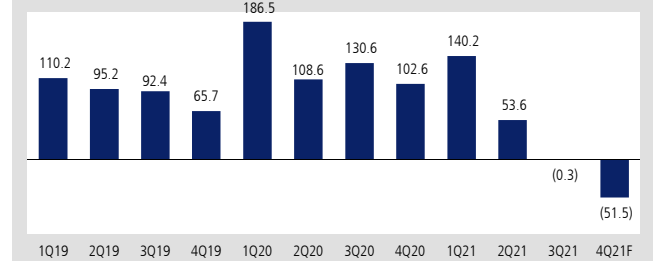
Commerce revenue, Bt mn



Source: Company data, KGI Securities Research

Figure 10: Net profit

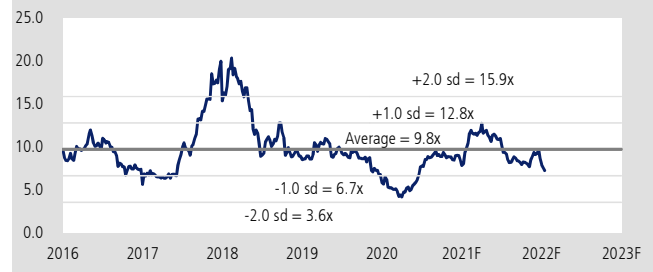
Net profit, Bt mn



Source: Company data, KGI Securities Research

Figure 12: PBV band

PBV, 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-21F
Income Statement (Bt mn)												
Revenue	929	900	887	895	985	833	938	1,018	992	992	852	766
Cost of Goods Sold	(502)	(504)	(494)	(520)	(421)	(394)	(454)	(500)	(432)	(459)	(449)	(452)
Gross Profit	427	396	393	375	564	439	484	518	560	534	404	314
Operating Expenses	(274)	(276)	(267)	(283)	(326)	(293)	(312)	(385)	(387)	(469)	(431)	(391)
Other incomes	-	-	-	-	-	-	-	-	-	-	-	-
Operating Profit	153	121	125	93	238	146	172	134	173	65	(27)	(77)
Depreciation of fixed assets	(161)	(139)	(144)	(133)	(122)	(122)	(133)	(141)	(134)	(150)	(145)	(153)
Operating EBITDA	313	259	270	226	360	268	305	275	307	215	118	76
Non-Operating Income	1	5	7	-	6	0	3	8	12	13	31	27
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	1	5	7	-	6	0	3	8	12	13	31	27
Non-Operating Expenses	(15)	(10)	(9)	(9)	(11)	(10)	(10)	(9)	(11)	(16)	(16)	(16)
Interest Expense	(15)	(8)	(6)	(6)	(9)	(10)	(9)	(9)	(11)	(16)	(16)	(16)
Other Non-op Expenses	(0)	(2)	(3)	(3)	(2)	(0)	(1)	(1)	(0)	(0)	(0)	(1)
Net investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Pre-tax Profit	139	116	123	84	232	137	164	132	174	61	(12)	(66)
Current taxation	(29)	(20)	(30)	(18)	(46)	(28)	(34)	(30)	(34)	(8)	11	13
Minorities	0	0	(1)	(0)	(0)	(0)	0	(0)	(0)	(0)	1	2
Extraordinary items	0	-	-	-	13	-	-	-	-	-	-	-
Net Profit	110	95	92	66	186	109	131	103	140	54	(0)	(51)
EPS (Bt)	0.11	0.09	0.09	0.07	0.19	0.11	0.13	0.11	0.14	0.06	(0.00)	(0.05)
Margins (%)												
Gross profit margin	45.9	44.0	44.3	41.9	57.3	52.7	51.6	50.9	56.5	53.8	47.3	41.0
Operating margin	16.4	13.4	14.2	10.4	24.1	17.5	18.3	13.1	17.4	6.5	(3.2)	(10.0)
Operating EBITDA margin	33.7	28.8	30.4	25.3	36.5	32.2	32.5	27.0	30.9	21.7	13.9	10.0
Net profit margin	11.9	10.6	10.4	7.3	18.9	13.0	13.9	10.1	14.1	5.4	(0.0)	(6.7)
Growth (%)												
Revenue growth	(4.2)	(13.6)	5.9	(8.5)	6.0	(7.5)	5.8	13.7	0.8	19.1	(9.2)	(24.8)
Operating growth	6.8	(45.3)	12.7	0.6	55.8	20.9	36.8	44.1	(27.3)	(55.5)	(115.8)	(157.4)
Operating EBITDA growth	5.0	(23.7)	(4.6)	(11.5)	14.7	3.4	13.1	21.7	(14.7)	(19.8)	(61.3)	(72.2)
Net profit growth	8.0	(63.3)	(13.4)	35.8	69.4	14.1	41.4	56.2	(24.8)	(50.6)	(100.3)	(150.2)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2019A	2020A	2021F	2022F	2023F
Total Assets	3,407	4,516	5,790	6,287	4,728
Current Assets	1,117	1,174	2,483	3,105	1,769
Cash & ST Investments	328	200	1,609	2,031	530
Inventories	259	229	270	334	386
Accounts Receivable	516	711	577	712	824
Others	13	33	27	28	29
Non-current Assets	2,290	3,343	3,307	3,182	2,960
LT Investments	4	4	4	4	4
Net fixed Assets	504	642	591	535	474
Others	1,782	2,697	2,712	2,643	2,481
Total Liabilities	1,680	2,512	3,657	3,648	1,627
Current Liabilities	1,266	1,814	1,057	1,032	1,051
Accounts Payable	651	1,040	637	782	901
ST Borrowings	450	540	200	100	-
Others	164	234	220	150	150
Long-term Liabilities	414	699	2,601	2,616	576
Long-term Debts	239	523	2,418	2,426	378
Others	175	176	183	190	198
Shareholders' Equity	1,727	2,004	2,132	2,639	3,102
Common Stock	972	972	972	972	972
Capital Surplus	322	322	322	322	322
Retained Earnings	430	707	850	1,349	1,804
Others	2	2	(12)	(5)	3

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2019A	2020A	2021F	2022F	2023F
Forecast Drivers					
Commerce segment sales	2,012	2,381	2,287	2,700	3,055
Growth (% YoY)					
Sales	(5.6)	4.5	(4.5)	23.6	15.6
OP	(13.3)	40.2	(80.5)	414.6	22.7
EBITDA	(9.2)	6.6	(44.8)	95.6	16.4
NP	(29.6)	45.4	(73.1)	353.5	20.5
EPS	(26.9)	45.4	(73.1)	353.5	20.5
Profitability (%)					
Gross Margin	44.1	53.1	50.3	55.5	55.0
Operating Margin	13.6	18.3	3.7	15.5	16.5
EBITDA Margin	29.6	30.2	17.4	27.6	27.8
Net Profit Margin	10.1	14.0	3.9	14.5	15.1
ROAA	9.7	13.3	2.8	10.7	14.1
ROAE	21.4	28.3	6.9	27.0	27.1
Stability					
Gross Debt/Equity (%)	0.0	0.0	0.0	0.0	0.0
Net Debt/Equity (%)	25.9	32.9	36.0	6.5	(15.1)
Interest Coverage (x)	14.2	19.1	2.3	8.9	#DIV/0!
Interest & ST Debt Coverage (x)	1.0	1.2	0.5	3.9	#DIV/0!
Cash Flow Interest Coverage (x)	(29.8)	(29.1)	(7.4)	(16.4)	--
Cash Flow/Interest & ST Debt (x)	2.5	2.1	3.0	57.0	--
Current Ratio (x)	0.9	0.6	2.3	3.0	1.7
Quick Ratio (x)	0.7	0.5	2.1	2.7	1.3
Net Debt (Bt mn)	447.0	659.3	767.9	170.5	Net cash
Per Share Data (Bt)					
EPS	0.4	0.5	0.1	0.7	0.8
CFPS	1.1	1.1	0.4	1.3	1.5
BVPS	1.8	2.1	2.2	2.7	3.2
SPS	3.7	3.9	3.7	4.6	5.3
EBITDA/Share	1.1	1.2	0.6	1.3	1.5
DPS	0.3	0.0	0.0	0.3	0.4
Activity					
Asset Turnover (x)	1.0	1.0	0.7	0.7	0.9
Days Receivables	54.1	59.4	65.2	52.8	54.5
Days Inventory	49.1	50.3	50.8	55.7	56.7
Days Payable	(158.8)	(153.9)	(168.8)	(104.7)	(108.5)
Cash Cycle	261.9	263.5	284.9	213.2	219.7

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2019A	2020A	2021F	2022F	2023F
Revenue	3,611	3,774	3,603	4,452	5,147
Cost of Goods Sold	(2,020)	(1,769)	(1,791)	(1,981)	(2,319)
Gross Profit	1,591	2,006	1,812	2,471	2,829
Operating Expenses	(1,100)	(1,317)	(1,678)	(1,781)	(1,982)
Other incomes	-	-	-	-	-
Operating Profit	491	689	134	691	847
Depreciation of fixed assets	577	450	495	540	585
Operating EBITDA	1,068	1,138	629	1,230	1,432
Non-Operating Income	11	17	8	8	5
Interest Income	-	-	-	-	-
Other Non-op Income	11	17	8	8	5
Non-Operating Expenses	(40)	(40)	(59)	(82)	(4)
Interest Expense	(35)	(36)	(58)	(78)	-
Other Non-op Expenses	(6)	(4)	(1)	(4)	(4)
Equity Income/(Loss)	-	-	74	173	107
Pre-tax Profit	462	666	157	790	955
Current taxation	(97)	(137)	(17)	(138)	(170)
Minorities	(1)	(0)	2	(7)	(8)
Extraordinary items	-	-	-	-	-
Net Profit	363	528	142	645	778
EPS (Bt)	0.37	0.54	0.15	0.66	0.80

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2019A	2020A	2021F	2022F	2023F
Operating Cash Flow	1,033	1,050	429	1,276	1,495
Net Profit	462	666	157	790	955
Depreciation & Amortization	577	534	604	679	754
Change in Working Capital	(83)	(202)	(331)	(193)	(214)
Others	77	52	-	-	-
Investment Cash Flow	(616)	(797)	(450)	(450)	(450)
Net CAPEX	(230)	(243)	(50)	(50)	(50)
Change in LT Investment	-	-	-	-	-
Change in Other Assets	(386)	(555)	(400)	(400)	(400)
Free Cash Flow	417	253	(21)	826	1,045
Financing Cash Flow	(407)	(362)	1,517	(322)	(2,463)
Change in Share Capital	70	0	-	-	-
Net Change in Debt	118	(106)	1,517	(176)	(2,140)
Change in Other LT Liab.	(595)	(256)	-	(146)	(323)
Net Cash Flow	9	(109)	1,497	505	(1,418)

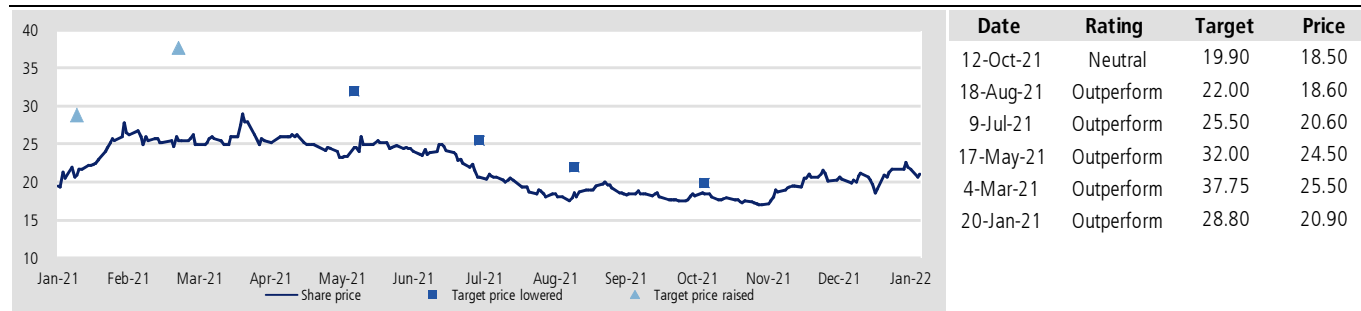
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- Revenue	+	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
Dec-19A			55.9%		16.0%		30.5%		-1.1%
Dec-20A			46.9%		11.9%		34.9%		-2.4%
Dec-21F			49.7%		13.7%		46.6%		6.3%
Dec-22F			44.5%		12.1%		40.0%		-10.0%
Dec-23F			45.0%		11.4%		38.5%		3.4%
Year	1/ Revenue	+	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
Dec-19A			-0.02		0.14		0.50		1.35
Dec-20A			-0.05		0.17		0.72		1.63
Dec-21F			-0.09		0.16		0.76		1.19
Dec-22F			-0.04		0.12		0.60		1.20
Dec-23F			-0.04		0.09		0.49		1.48
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital		
Dec-19A			-2.4%		1.6		78.9		-1.2
Dec-20A			6.3%		1.2		79.4		-3.0
Dec-21F			-10.0%		1.2		89.4		6.0
Dec-22F			3.4%		1.5		82.5		-10.7
Dec-23F			5.1%		1.9		82.5		4.1


Source: KGI Securities Research


RS - 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	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BGRIM	B. GRIMM POWER	KTC	KRUNGTHAI CARD	SVI	SVI
BPP	BANPU POWER	LH	LAND AND HOUSES	TACC	T.A.C. CONSUMER
BTS	BTS GROUP HOLDINGS	LPN	L.P.N. DEVELOPMENT	TCAP	THANACHART CAPITAL
CENTEL	CENTRAL PLAZA HOTEL	MAKRO	SIAM MAKRO	THCOM	THAICOM
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	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	SEAFECO	SEAFECO
BH	BUMRUNGRAD HOSPITAL	LH	LAND AND HOUSES	SVI	SVI
BJCHI	BJC HEAVY INDUSTRIES	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CBG	CARABAO GROUP	MAKRO	SIAM MAKRO	TKN	TAOKAENOI FOOD & MARKETING
CENDEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

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

No progress

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

Source: www.cgthailand.org

Disclaimer: The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by the relevant institution as disclosed by the Office of the Securities and Exchange Commission, is made in order to comply with the policy and sustainable development plan for the listed companies. The relevant institution made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of the assessment result.

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Rating	Definition
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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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