

RS

(RS.BK/RS TB)*

Outperform • Maintained

Price as of 8 Jul 2021	20.70
12M target price (Bt/shr)	25.50
Unchanged/Revised up(down)(%)	(20.3)
Upside/downside (%)	23.2

Key messages

We expect RS to report a 2Q21 net profit of Bt90mn (-36% QoQ, -17% YoY). The decline would be due to increased costs and climbing SG&A. To fine-tune for weak earnings in 1H21 that would account for only 32% of our full-year forecast, we cut our earnings forecasts 31% to Bt496mn for 2021 and 21% to Bt827mn in 2022. Our target price is cut to Bt25.50 (PER 30x), from Bt32.00. We reiterate a rating of Outperform backed by i) expected solid profit growth in 2022 and ii) upside from hemp product that is not yet included in our forecast.

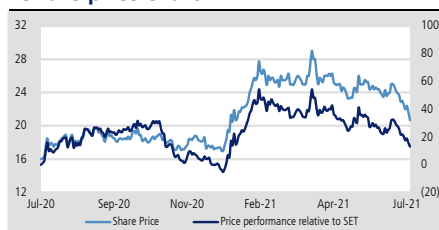
Trading data

Mkt cap (Btmn/US\$mn)	20,131/645		
Outstanding shares (mn)	973		
Foreign ownership (mn)	66		
3M avg. daily trading (mn)	13		
52-week trading range (Bt)	15.30 – 30.00		
Performance (%)	3M	6M	12M
Absolute	-18.8	16.9	24.7
Relative	-17.6	16.3	10.4

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	NA	NA	NA

Share price chart



Piyathida Sonthisombat
66.2658.8888 Ext. 8852
piyathidas@kgi.co.th

2Q21F earnings preview: Cost and expense pressure

Event

2Q21 earnings preview.

Impact

2Q21 earnings to drop both QoQ and YoY

We expect RS to report a 2Q21 net profit of Bt90mn (-36% QoQ, -17% YoY). The decline QoQ would be due to revenue declining to Bt979mn (-1% QoQ) while costs and SG&A are expected to rise 6% and 7%, respectively, due to the launch of new products (Well U and Camu C). Note that revenues from entertainment business (TV, radio, music and showbiz) are expected to climb to Bt344mn (+3% QoQ, +40% YoY) thanks to growth from the TV segment, but this would not be enough to offset revenue from commerce business decreasing to Bt634mn (-4% QoQ, +8% YoY). Meanwhile, revenue is expected to increase 18% YoY but this would be offset by costs increasing 16% YoY and SG&A surging 41% YoY.

Brighter outlook from 4Q21 onward

As the COVID-19 outbreak in Thailand has worsened since late June 2021, we believe that low consumption would continue to pressure the company's commerce segment in 3Q21. The outlook should be brighter from 4Q21 onward backed by seasonality and the company's plan to launch new products in late 3Q21 and 4Q21 i.e., pet food and supplement products that contain hemp.

Cut our 2021 - 2022 forecasts to fine tune for weak earnings in 2Q21

We expect 1H21 net earnings to account for only 32% of our full-year forecast. Hence, we cut our profit forecasts for 2021 – 2022 to fine-tune for expected weak earnings in 2Q21 – 3Q21 and the launch of new products delayed during the new wave of COVID-19. Key assumption changes are i) revenue is cut 13% for 2021 and 6% for 2022 mainly due to a downward revision in sales from the commerce segment, ii) cut costs 8% for 2021 but raised it 7% for 2022, and iii) raised SG&A/sales 5% for 2021 but trimmed for it 4% for 2022. After the revisions, our net profit forecasts are cut by 31% to Bt496mn in 2021 and 21% to Bt827mn in 2022.

Valuation and action

Our 2022 target price is cut to Bt25.50 (PER 30x average), from Bt32.00. Though we anticipate short-term pressures on share prices from weak 2Q21 earnings, we maintain a rating of Outperform on the back of i) expected recovery in 2022 along with a recover in the economy and ii) upside from hemp products not yet included in our forecast

Risks

Lower than expected commerce segment revenue.

Key financials and valuations

	Dec-18A	Dec-19A	Dec-20A	Dec-21F	Dec-22F
Revenue (Btmn)	3,827	3,611	3,774	3,982	4,952
Gross Profit (Btmn)	1,621	1,591	2,006	2,113	2,710
EBIT (Btmn)	567	491	689	567	972
Net Profit (Btmn)	516	363	528	496	827
Normalized Profit (Btmn)	440	363	528	508	827
EPS (Bt)	0.51	0.37	0.54	0.51	0.85
DPS (Bt)	0.45	0.30	-	0.26	0.45
EPS growth (%)	55.0	(26.9)	45.4	(6.0)	66.5
P/E (x)	29.0	32.9	31.8	40.5	24.4
P/B (x)	8.94	6.93	8.40	8.02	6.94
EV/EBITDA (x)	12.7	11.2	14.8	19.0	13.3
Net debt/Equity (x)	0.2	0.3	0.3	0.2	Net cash
Dividend yield (%)	3.0	2.4	-	1.2	2.2
Return on Average Equity (%)	33.6	21.4	28.3	22.0	30.6

Source: Company data, KGI Securities Research

Figure 1: RS's 2Q21F earnings preview

Bt mn	2Q21F	2Q20	YoY (%)	1Q21	QoQ (%)	1H21F	1H20	YoY (%)
Revenue	979	833	17.5	992	(1.4)	1,971	1,818	8.4
Costs	(456)	(394)	15.7	(432)	5.6	(888)	(815)	9.0
SG&A	(414)	(293)	41.2	(387)	6.9	(801)	(619)	29.3
Operating Profit	108	146	(25.6)	173	(37.3)	281	383	(26.6)
Operating EBITDA	250	268	(6.6)	307	(18.4)	557	628	(11.3)
Other revenue	30	0	9,577.4	12	149.6	42	4	1,039.9
Interest Expense	(11)	(10)	17.0	(11)	-	(22)	(18)	22.1
Current taxation	(25)	(28)	(8.8)	(34)	(24.1)	(59)	(74)	(20.1)
Minorities	(0)	(0)	(16.7)	(0)	69.7	(0)	(0)	NM
Core Profit	102	109	(6.2)	140	(27.3)	242	282	(14.2)
Extra item	(12)	-	NM	-	NM	(12)	13	(192.3)
Net Profit	90	109	(17.3)	140	(35.9)	230	295	(22.0)
EPS (Bt)	0.09	0.11	29.1	0.14	(35.9)	0.24	0.30	(22.0)
Percent	2Q21F	2Q20	YoY (%)	1Q21	QoQ (%)	1H21F	1H20	YoY (%)
Gross margin	53.4	52.7	0.7	56.5	(3.1)	54.9	55.2	(0.2)
SG&A/sales	42.3	35.2	7.1	33.3	9.0	40.7	34.1	6.6
Net profit margin	9.2	13.0	(3.9)	13.9	(4.7)	11.7	16.2	(4.6)

Source: Company data, KGI Securities Research

Figure 2: Operational statistics

Bt mn	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21F	Change (%)	
							QoQ	YoY
Revenue	984	833	938	1,019	995	979	(1.7)	17.5
1. Entertainment	484	247	295	367	335	344	2.9	39.6
1.1 TV+radio	375	221	255	297	258	294	14.1	33.1
1.2 Music+Showbiz	109	26	40	70	77	50	(35.0)	95.9
2.Commerce	500	586	644	652	661	634	(4.0)	8.2
Gross margin (%)	57.3	52.7	51.6	50.9	56.5	53.4	(3.1)	0.7
1. Entertainment	54.1	34.4	21.2	25.4	36.9	32.0	(4.9)	(2.4)
2.Commerce	64.5	68.4	69.3	62.8	66.3	65.0	(1.3)	(3.4)
SG&A/Sales (%)	33.1	35.2	33.3	37.8	39.0	42.3	3.3	7.1

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	4,571	5,249
Revised	3,827	3,611	3,774	3,982	4,952
Change (%)	-	-	-	(12.9)	(5.7)
Costs					
Previous	2,205	2,020	1,769	2,036	2,092
Revised	2,205	2,020	1,769	1,870	2,242
Change (%)	-	-	-	(8.2)	7.2
SG&A/sales					
Previous	27.6	30.5	34.9	37.0	36.5
Revised	27.6	30.5	34.9	38.8	35.1
Change (%)	-	-	-	4.9	(3.8)
Net profit					
Previous	516	363	528	715	1,039
Revised	516	363	528	496	827
Change (%)	-	-	-	(30.6)	(20.5)

Source: Company data, KGI Securities Research

Figure 4: Key assumptions

	2021F		Change	2022F		Change
Bt mn	Previous	Revised	(%)	Previous	Revised	(%)
Revenue	4,571	3,982	(12.9)	5,249	4,952	(5.7)
1.Entertainment	1,146	1,166	1.8	943	1,283	36.0
1.1 TV	1,002	1,035	3.3	814	1,158	42.3
-TV ads	762	825	8.3	574	908	58.3
-Content sales	240	210	(12.5)	240	250	4.2
1.2 Radio	144	131	(9.0)	129	124	(4.0)
1.3 Music & show	400	180	(55.0)	450	400	(11.1)
2.Commerce	3,025	2,637	(12.8)	3,856	3,269	(15.2)
GPM (%)	55.5	53.1	(2.4)	60.1	54.7	(5.4)
-Entertainment	35.8	16.0	(19.8)	43.9	16.0	(27.9)
-Commerce	65.5	65.6	0.1	66.0	66.0	-
SG&A/Sales	37.0	38.8	1.8	36.5	35.1	(1.4)

Source: Company data, KGI Securities Research

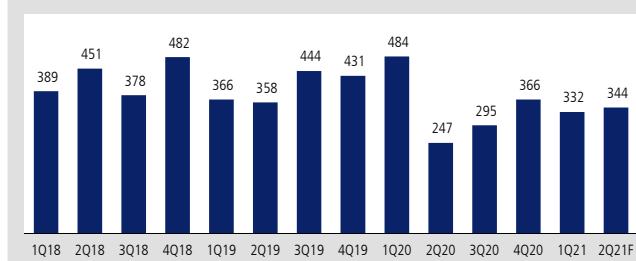
Figure 5: Company profile

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

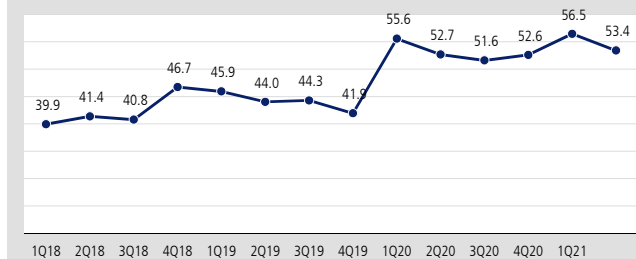
Entertainment revenue, Bt mn



Source: Company data

Figure 9: Gross profit margin

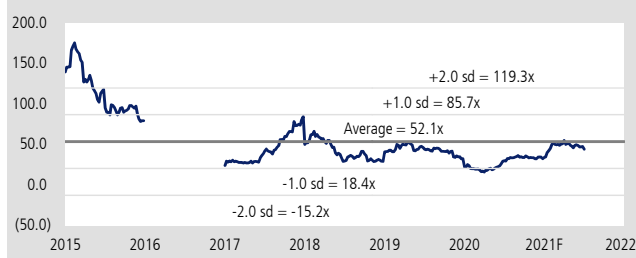
Gross profit margin, percent



Source: Company data

Figure 11: PER band

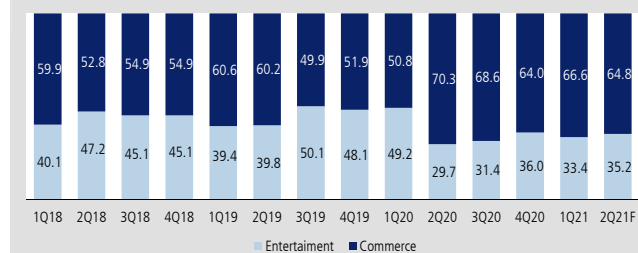
PER, times



Source: Company data

Figure 6: Breakdown of sales and service revenue

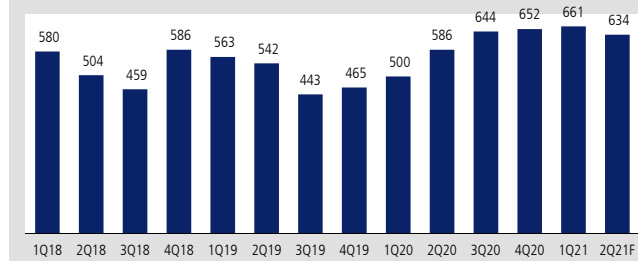
Sales and service revenue, percent



Source: Company data, KGI Research

Figure 8: Commerce revenue

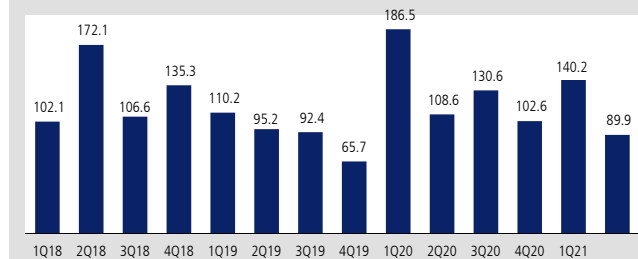
Commerce revenue, Bt mn



Source: Company data

Figure 10: Net profit

Net profit, Bt mn



Source: Company data

Figure 12: PBV band

PBV, times



Source: Company data

Quarterly Income Statement

	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21F
Income Statement (Bt mn)										
Revenue	929	900	887	895	985	833	938	1,018	992	979
Cost of Goods Sold	(502)	(504)	(494)	(520)	(421)	(394)	(454)	(500)	(432)	(456)
Gross Profit	427	396	393	375	564	439	484	518	560	522
Operating Expenses	(274)	(276)	(267)	(283)	(326)	(293)	(312)	(385)	(387)	(414)
Other incomes	-	-	-	-	-	-	-	-	-	-
Operating Profit	153	121	125	93	238	146	172	134	173	108
Depreciation of fixed assets	(161)	(139)	(144)	(133)	(122)	(122)	(133)	(141)	(134)	(142)
Operating EBITDA	313	259	270	226	360	268	305	275	307	250
Non-Operating Income	1	5	7	-	6	0	3	8	12	31
Interest Income	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	1	5	7	-	6	0	3	8	12	31
Non-Operating Expenses	(15)	(10)	(9)	(9)	(11)	(10)	(10)	(9)	(11)	(12)
Interest Expense	(15)	(8)	(6)	(6)	(9)	(10)	(9)	(9)	(11)	(11)
Other Non-op Expenses	(0)	(2)	(3)	(3)	(2)	(0)	(1)	(1)	(0)	(1)
Net investment Income/(Loss)	-	-	-	-	-	-	-	-	-	-
Pre-tax Profit	139	116	123	84	232	137	164	132	174	127
Current taxation	(29)	(20)	(30)	(18)	(46)	(28)	(34)	(30)	(34)	(25)
Minorities	0	0	(1)	(0)	(0)	(0)	0	(0)	(0)	(0)
Extraordinary items	0	-	-	-	13	-	-	-	-	(12)
Net Profit	110	95	92	66	186	109	131	103	140	90
EPS (Bt)	0.11	0.09	0.09	0.07	0.19	0.11	0.13	0.11	0.14	0.09
Margins (%)										
Gross profit margin	45.9	44.0	44.3	41.9	57.3	52.7	51.6	50.9	56.5	53.4
Operating margin	16.4	13.4	14.2	10.4	24.1	17.5	18.3	13.1	17.4	11.1
Operating EBITDA margin	33.7	28.8	30.4	25.3	36.5	32.2	32.5	27.0	30.9	25.6
Net profit margin	11.9	10.6	10.4	7.3	18.9	13.0	13.9	10.1	14.1	9.2
Growth (%)										
Revenue growth	(4.2)	(13.6)	5.9	(8.5)	6.0	(7.5)	5.8	13.7	0.8	17.5
Operating growth	6.8	(45.3)	12.7	0.6	55.8	20.9	36.8	44.1	(27.3)	(25.6)
Operating EBITDA growth	5.0	(23.7)	(4.6)	(11.5)	14.7	3.4	13.1	21.7	(14.7)	(6.6)
Net profit growth	8.0	(63.3)	(13.4)	35.8	69.4	14.1	41.4	56.2	(24.8)	(17.3)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Total Assets	4,073	3,407	4,516	5,555	5,958
Current Assets	1,186	1,117	1,174	2,249	2,777
Cash & ST Investments	340	328	200	1,286	1,585
Inventories	285	259	229	299	371
Accounts Receivable	553	516	711	637	792
Others	9	13	33	27	28
Non-current Assets	2,887	2,290	3,343	3,307	3,182
LT Investments	4	4	4	4	4
Net fixed Assets	332	504	642	591	535
Others	2,551	1,782	2,697	2,712	2,643
Total Liabilities	2,401	1,680	2,512	3,047	3,058
Current Liabilities	1,146	1,266	1,814	1,121	1,117
Accounts Payable	733	651	1,040	701	867
ST Borrowings	240	450	540	200	100
Others	173	164	234	220	150
Long-term Liabilities	1,255	414	699	1,926	1,941
Long-term Debts	323	239	523	1,743	1,751
Others	932	175	176	183	190
Shareholders' Equity	1,672	1,727	2,004	2,509	2,900
Common Stock	1,010	972	972	972	972
Capital Surplus	258	322	322	322	322
Retained Earnings	403	430	707	1,204	1,588
Others	1	2	2	10	18

Source: KGI Securities Research

Key Ratios

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Forecast Drivers					
Commerce segment sales	2,130	2,012	2,381	2,637	3,269
Growth (% YoY)					
Sales	9.3	(5.6)	4.5	5.5	24.3
OP	33.1	(13.3)	40.2	(17.8)	71.5
EBITDA	19.5	(9.2)	6.6	(6.8)	42.4
NP	55.0	(29.6)	45.4	(6.0)	66.5
EPS	55.0	(26.9)	45.4	(6.0)	66.5
Profitability (%)					
Gross Margin	42.4	44.1	53.1	53.1	54.7
Operating Margin	14.8	13.6	18.3	14.2	19.6
EBITDA Margin	30.7	29.6	30.2	26.6	30.5
Net Profit Margin	13.5	10.1	14.0	12.5	16.7
ROAA	12.5	9.7	13.3	9.9	14.4
ROAE	33.6	21.4	28.3	22.0	30.6
Stability					
Gross Debt/Equity (%)	0.0	0.0	0.0	0.0	0.0
Net Debt/Equity (%)	18.8	25.9	32.9	16.6	(2.0)
Interest Coverage (x)	8.3	14.2	19.1	13.9	18.0
Interest & ST Debt Coverage (x)	1.8	1.0	1.2	2.4	6.3
Cash Flow Interest Coverage (x)	(17.0)	(29.8)	(29.1)	(19.2)	(26.9)
Cash Flow/Interest & ST Debt (x)	6.8	2.5	2.1	4.9	31.5
Current Ratio (x)	1.0	0.9	0.6	2.0	2.5
Quick Ratio (x)	0.8	0.7	0.5	1.7	2.2
Net Debt (Bt mn)	314	447.0	659.3	416.3	Net cash
Per Share Data (Bt)					
EPS	0.5	0.4	0.5	0.5	0.9
CFPS	1.1	1.1	1.1	0.8	1.5
BVPS	1.7	1.8	2.1	2.6	3.0
SPS	3.8	3.7	3.9	4.1	5.1
EBITDA/Share	1.2	1.1	1.2	1.1	1.6
DPS	0.5	0.3	0.0	0.3	0.5
Activity					
Asset Turnover (x)	0.9	1.0	1.0	0.8	0.9
Days Receivables	56.1	54.1	59.4	61.8	52.7
Days Inventory	49.7	49.1	50.3	51.5	54.5
Days Payable	(174.3)	(158.8)	(153.9)	(150.4)	(105.6)
Cash Cycle	280.1	261.9	263.5	263.6	212.8

Source: KGI Securities Research

Profit & Loss

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Revenue	3,827	3,611	3,774	3,982	4,952
Cost of Goods Sold	(2,205)	(2,020)	(1,769)	(1,870)	(2,242)
Gross Profit	1,621	1,591	2,006	2,113	2,710
Operating Expenses	(1,054)	(1,100)	(1,317)	(1,546)	(1,738)
Other incomes	-	-	-	-	-
Operating Profit	567	491	689	567	972
Depreciation of fixed assets	610	577	450	495	540
Operating EBITDA	1,177	1,068	1,138	1,061	1,511
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)	-	-	-	95	100
Pre-tax Profit	624	462	666	622	1,018
Current taxation	(108)	(97)	(137)	(105)	(184)
Minorities	0	(1)	(0)	(8)	(8)
Extraordinary items	-	-	-	(12)	-
Net Profit	516	363	528	496	827
EPS (Bt)	0.51	0.37	0.54	0.51	0.85

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Operating Cash Flow	1,161	1,033	1,050	781	1,451
Net Profit	624	462	666	622	1,018
Depreciation & Amortization	591	577	534	604	679
Change in Working Capital	(62)	(83)	(202)	(445)	(246)
Others	7	77	52	-	-
Investment Cash Flow	(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)
Free Cash Flow	642	417	253	331	1,001
Financing Cash Flow	(504)	(407)	(362)	842	(619)
Change in Share Capital	0	70	0	-	-
Net Change in Debt	(256)	118	(106)	842	(176)
Change in Other LT Liab.	(248)	(595)	(256)	-	(443)
Net Cash Flow	138	9	(109)	1,173	382

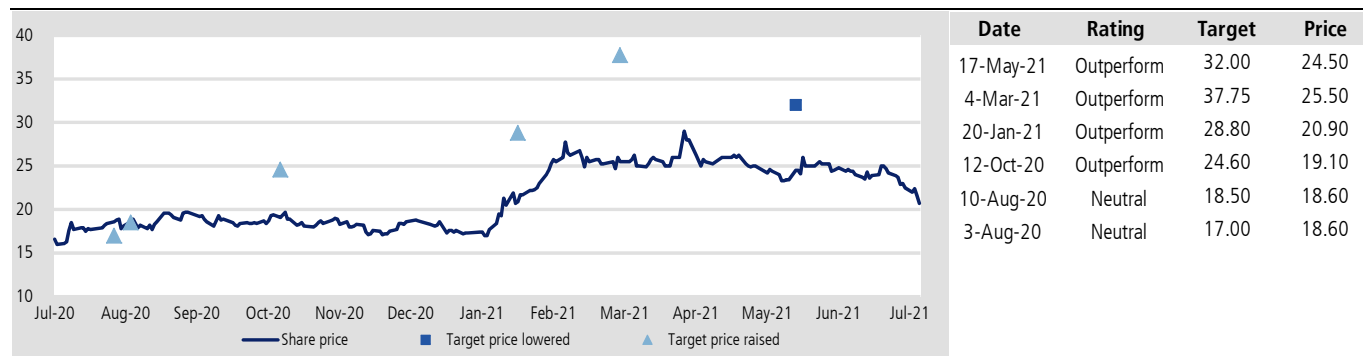
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1- COGS	+ Depreciation	+ Operating Exp.	= Operating
	Revenue	Revenue	Revenue	Margin
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	46.9%	12.4%	38.8%	6.3%
Dec-22F	45.3%	10.9%	35.1%	1.8%
Year	1/ Working Capital	+ Net PPE	+ Other Assets	= Capital
	Revenue	Revenue	Revenue	Turnover
Dec-18A	-0.02	0.09	0.67	1.14
Dec-19A	-0.02	0.14	0.50	1.35
Dec-20A	-0.05	0.17	0.72	1.63
Dec-21F	-0.11	0.15	0.69	1.19
Dec-22F	-0.05	0.11	0.54	1.38
Year	Operating	x Capital	x Cash	= After-tax Return
	Margin	Turnover	Tax Rate	on Inv. Capital
Dec-18A	-1.1%	1.4	82.7	-5.2
Dec-19A	-2.4%	1.6	78.9	-1.2
Dec-20A	6.3%	1.2	79.4	-3.0
Dec-21F	1.8%	1.4	83.1	6.0
Dec-22F	8.7%	1.7	82.0	2.1


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	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
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
BPCG	BPCG	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 Hongbaoshi Road Shanghai, 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 Telephone 886.2.2181.8888 · Facsimile 886.2.8501.1691
Hong Kong		41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
Thailand	Bangkok	8th - 11th floors, Asia Centre Building 173 South Sathorn Road, Bangkok 10120, 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

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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.
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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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