

Neutral • Maintained

Price as of 18 Oct 2023	31.50
12M target price (Bt/shr)	37.00
Unchanged/Revised up(down)(%)	(5.1)
Upside/downside (%)	17.5

Key messages

เราคาดวากำไรสุทธิใน 3Q66F จะอยู่ที่ 1.99 พันล้านบาท (-6% QoQ, -11% YoY) และกำไรหลักที่ 1.71 พันล้านบาท (-5% QoQ, -32% YoY) กำไรที่ลดลง QoQ จะเป็นเพราะมีการปิดชอบบำรุงตามแผนในโครงการ RG และหงสาสวนกำไรที่ลดลง YoY จะเป็นเพราะตนทุนดอกเบี้ยสูงขึ้น และ ผลการดำเนินงาน ของโครงการหลัก ๆ ออนแอลง เรายังแนะนำถือ RATCH โดย ปรับลดราคาเป้าหมายปี 2567 ลงเหลือ 37.00 บาท (เดิมที่ 39.00 บาท) สะท้อนการปรับลดกำไรลง นักลงทุนประเภทที่มองหาการเดิบโต (Growth investor) อาจจะหลีกเลี้ยงหุ้น RATCH ไปกอน แต่นักลงทุนที่มองหาผลตอบแทน (yield seekers) อาจจะ ลงทุนใน RATCH ตอเพราะ yield สูงถึง 5% ต่อปี และราคาหุ้น ถูกโดยกิดเป็น P/E เพียง 9x

Trading data

Mkt cap (Btbn/US\$br		68.5/2.3	
Outstanding shares (r	nn)		2,175
Foreign ownership (m	nn)		159
3M avg. daily trading	(mn)		5
52-week trading rang	ge (Bt)	30.2	25-44.50
Performance (%)	3M	6M	12M
Absolute	(14.9)	(18.2)	(19.7)
Relative	(10.1)	(11.6)	(11.5)

Quarterly EPS

Bt	Q1	Q2	Q3	Q4
2021	1.44	1.46	0.99	1.50
2022	1.09	1.01	1.03	(0.11)
2023	0.67	0.98	0.92	-

Share price chart



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Ratch Group

(RATCH.BK/RATCH TB)*

ประมาณการ 3Q66F: ยังไม**่**ไปใหน

Even

ประมาณการ 3Q66F และปรับลดกำไรเต็มปี

Impact

ประมาณการ 3Q66F - กำไรจะลดลงทั้ง QoQ และ YoY

วันที่ 14 พ.ย. เราคาคว่า RATCH จะรายงานก้ำไรสุทธิใน 3Q66F จะอยู่ที่ 1.99 พันล้านบาท (-6% QoQ, -11% YoY) แต่หากไม่รวมกำไร FX กำไรหลักจะอยู่ที่ 1.71 พันลานบาท (-5% QoQ, -32% YoY) ซึ่งจะทำ ให้กำไรหลักในงวด 9M66F อยู่ที่ 5.2 พันล้านบาท (-13% YoY) คิดเป็น 78% ของกำไรปี 2566F ของเรา ทั้งนี้ กำไรที่ลดลงเป็นเพราะรายไดลคลง ตนทุนการคำเนินงานเพิ่มขึ้น และตนทุนคอกเบี้ยพุ่งสูงขึ้น แต่ ยังไดอานิสงสจากผลการคำเนินงานที่ดีขึ้นของ SPPs และรับรูสวนแบ่ง NEJV ตั้งแต่ 20 ธ.ค. 65

ประเด็นที่นาสนใจ – เป็นไตรมาสของการปิดซ่อมบำรุงตามแผน

กำไรที่ลดลง QoQ จะเป็นเพราะโครงการหลัก ๆ ปีคุซอมบำรุงตามแผน ซึ่งทำให้กาความพร้อมจาย (available payment หรือ AP) ลดลง และตนทุนในการซอมบำรุง (ทั้ง RG และหงสา) สูงขึ้นตามพร้อมจาย (available payment หรือ AP) ลดลง และตนทุนในการซอมบำรุง (ทั้ง RG และหงสา) สูงขึ้นตามพร้อมจาย การคำเนินงาน แม้จะเป็นช่วง peak ตามฤดูกาลของโรงไฟฟ้าพลังน้ำ (PNPC, NN2) และผลการ คำเนินงานของ SPP (SCG และ RCO) จะดีขึ้นอยางตอเนื่องก็ตาม ส่วนกำไรที่ลดลง YoY จะเป็นเพราะ ตนทุนดอกเบียสูงขึ้น และ ผลการคำเนินงานที่ออนแอลงของ RAC (ค่าไฟฟ้าลดลง) และหงสา (AP ลดลง) แต่ยังไดอานิสงสจากการรับรูกำไรจาก NEJV (LG1&2, SP, CS และ RER) ตั้งแต่เดือนชั้นวาคม 2565 ทั้งนี้ เรายังคงใช้สมมติฐาน GPM ใน 3Q66 ที่ 18.1% (จาก 15.4% ใน 2Q66 และ 5.6% ใน 3Q65)

ปรับลดกำไรลง 1-4% และคาดว่ากำไรใน 4Q66F จะลดลง QoQ

เราปรับลดกำไรสุทธิปี 2566-2568F ลง 1-4% (Figure 2) เพื่อสะทอนถึงคอกเบี้ยที่สูงขึ้น และคา Ft อัตรา ใหม่ ซึ่งหลังปรับกำไรใหม่แล้ว เราคาควากำไรสุทธิปี 2566-2568F จะโต 14% YoY / 20%YoY / 13% YoY จากโครงการ Paiton, การขยายกำลังการผลิตของ Nexif, และ SPP ที่แข็งแกรงขึ้น ระยะสั้นเราคาค วากำไรใน 4Q66F จะลดลง QoQ จากบัจจัยฤดูกาล อยางเชน SG&A, การปิดโรงไฟฟ้าตามแผน และอุป สงค์สาธารณูโภคที่ลดลง ทั้งนี้การวิเคราะห์ sensitivity เราพบวาความลาชาของโครงการคังกลาวทุก ๆ 3 เดือนจะทำใหกำไรเรามี downside 400-500 ล้านบาท และราคาเปาหมายลดลง 0.40-0.50 บาท

Valuation & Action

เรายังคุงคำแนะนำ ถือ RATCH โดยปรับลดราคาเป้าหมายปี 2567 ลงเหลือ 37.00 บาทุ (เดิม 39.00 บาทุ) ถึงแมราคาหุน RATCH จะลงมาแลวถึง 30%YTD และตลาดจะปรับกำไรปีนี้ลงมาแลว 27% แตเรายังไม เห็นปัจจัยที่จะกระตุนใหมีการ re-rate ในชางนี้ นอกจากนี้ นักลงทุนยังไมแนใจกับแนวโนม ROE ของ RATCH เพราะยังรอความชัดเจนจากการปิดดีล Paiton อุยู ดังนั้น นักลงทุนประเภทที่มองหาการเติบโต (Growth investor) อาจจะหลีกเลี่ยงหุน RATCH ไปกอน แตนักลงทุนที่มองหาผลตอบแทน (yield seekers) อาจจะลงทุนใน RATCH ต่อเพราะ yield สูงถึง 5% ต่อปี และราคาหุนถูกโดยมี P/E เพียง 9x

Risks การปิดโรงไฟฟ้านอกแผน, ปัญหา cost overruns, ความผันผวนของอัตราแถกเปลี่ยน และอัตราดอกเบี้ย

Key financials and valuations

	Dec - 21A	Dec-22	Dec - 23F	Dec - 24F	Dec - 25F
Revenue (Btmn)	37,327	74,725	58,369	49,462	57,156
Net Profit (Btmn)	7,819	5,782	6,604	7,953	8,999
Normalized Profit (Btmn)	7,613	5,151	6,604	7,953	8,999
Net Profit Growth (%)	24.4	(26.0)	14.2	20.4	13.2
Normalized Profit Growth (%)	27.3	(32.3)	28.2	20.4	13.2
EPS (Bt)	5.39	2.66	3.04	3.66	4.14
Normalized EPS (Bt)	5.25	2.37	3.04	3.66	4.14
DPS (Bt)	2.50	1.60	1.60	1.60	1.65
P/E (X)	8.3	11.8	10.3	8.5	7.6
P/B (X)	0.8	0.6	0.6	0.6	0.6
EV/EBITDA (X)	12.1	12.4	9.0	8.0	7.4
Dividend Yield (%)	5.6	5.1	5.1	5.1	5.3
Return on Average Equity (%)	10.0	5.4	6.0	6.9	7.5

Source: Company data, KGI Securities Research



Figure 1: RATCH's 3Q23F earnings review

Bt mn	3Q23F	3Q22	YoY (%)	2Q23	QoQ (%)	9M23	9M22	YoY (%) Comments (9M23 vs 9M22)
Revenue	10,512	22,352	(53.0)	11,012	(4.5)	36,644	55,606	(-) RG faced lower energy dispatch from EGAT & lower gas prices, despite full contribution of NEJV since 20 Dec, 2022
Gross Profit	1,906	1,244	<i>53.2</i>	1,701	12.1	4,951	4,453	11.2
SG&A	725	605	19.8	715	1.4	2,060	1,775	16.0 (-) in line with new capacity added and advisory fees
Operating Profit	1,815	930	95.1	1,784	1.8	4,849	3,305	46.7
Operating EBITDA	2,646	1,566	68.9	2,607	1.5	7,328	5,213	40.6
Non-Operating Inc./(Exp.)	325	(113)	387.0	358	(9.1)	724	332	118.0 (-) unreliased Fx gains
Equity Income/(Loss)	1,182	2,229	(47.0)	1,323	(10.7)	3,863	5,337	(27.6) (-) weaker hydro projects, moderated by stronger Hongsa and SPPs
Net Profit	1,994	2,248	(11.3)	2,125	(6.2)	5,566	6,024	(7.6)
Normalized profit	1,714	2,515	(31.8)	1,813	(5.4)	5,151	5,898	(-2.7) (-) higher operating expenses and interest costs, mdoerated by full contrbiution of NEJV, better Hongsa, and stronger SPPs.
EPS (Bt)	1.09	1.55	(29.7)	1.47	(25.6)	3.84	4.15	(7.6)
Normalized EPS (Bt)	0.94	1.73	(46.0)	1.25	(25.1)	3.55	4.07	(12.7)
Percent	3Q23F	3Q22	YoY (ppts)	2Q23	QoQ (ppts)	9M23	9M22	YoY (ppts)
Gross margin	18.1	5.6	12.6	15.4	2.7	13.5	8.0	5.5 (+) due to a steeper Ft rate, widening SPP's margin
EBIT margin	25.2	7.0	18.2	23.7	1.5	20.0	9.4	10.6
SG&A/sales	6.9	2.7	4.2	6.5	0.4	5.6	3.2	2.4
Assumptions			Change		Change			Change
Ending US\$/THB	36.7	38.1	(1.3)	35.7	1.0	36.7	38.1	(1.4)
Ft rate (Bt/kWh)	0.68	0.48	0.2	1.12	(0.4)	0.68	0.48	0.2

Source: Company data, KGI Securities Research

Figure 2: Key assumptions and valuation of RATCH

	Unit	2021	2022	2023F	2024F	2025F
Equity capacity (MWe)	MWe	7,181	7,418	7,430	8,569	8,926
Average Ft rate (Bt/kWh)	Bt/kWh	-0.15	0.40	0.89	0.20	0.20
SPP gas prices (Bt/mmbtu)	Bt/mmbtu	270	500	450	300	300
IPP gas prices (Bt/mmbtu)	Bt/mmbtu	260	480	430	280	280
Ratio:						
GPM	Percent	11.3	7.3	11.5	14.4	15.2
EBITDA	Percent	31.3	16.3	24.7	34.7	32.7
NPM	Percent	20.9	7.7	11.3	16.1	15.7
Valuation	Bt/share	Avg. WACC				
Operating	45.14	5.7				
Developing	12.89	5.3				
Cash	24.97					
Debts	-46.27					
Our DCF-based TP	<u>37.00</u>					
No.shares (mn)	2,175					

Source: KGI Securities Research

Figure 3: RATCH – Earnings revision

		2023F			2024F			2025F	
	Previous	Revised	Change	Previous	Revised	Change	Previous	Revised	Change
Financials (Btmn)			Percent			Percent			Percent
Revenue	58,369	58,369	0.0	49,462	49,462	0.0	57,155.6	57,156	0.0
Gross profit	6,737	6,737	0.0	7,105	7,105	0.0	8,702.1	8,702	0.0
SG&A	2,548	2,548	0.0	2,683	2,683	0.0	2,824.8	2,825	0.0
Equity income	5,710	5,647	(1.1)	9,031	8,873	(1.7)	8,950.8	8,856	(1.1)
Interest expense	3,689	3,689	0.0	4,185	4,473	6.9	4,049.1	4,330	6.9
Tax expenses	1,136	1,126	(0.8)	1,725	1,648	(4.4)	2,291.5	2,217	(3.2)
Net profit	6,658	6,604	(0.8)	8,322	7,953	(4.4)	9,300.2	8,999	(3.2)
Normalized profit	6,658	6,604	(0.8)	8,322	7,953	(4.4)	9,300.2	8,999	(3.2)
Key financial ratio (%)			ppts			ppts			ppts
GPM	11.5	11.5	0.0	14.4	14.4	0.0	15.2	15.2	0.0
SG&A/Sale	4.4	4.4	0.0	5.4	5.4	0.0	4.9	4.9	0.0
ROE	6.0	6.0	(0.0)	7.2	6.9	(0.3)	7.7	7.5	(0.2)
Net profit growth	15.2	14.2	(0.9)	25.0	20.4	(4.6)	11.8	13.2	1.4
Normalized profit growth	29.3	28.2	(1.1)	25.0	20.4	(4.6)	11.8	13.2	1.4

Source: Company data, KGI Securities Research

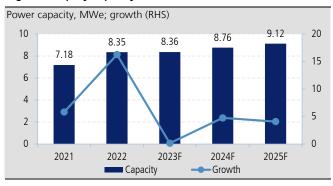


Figure 4: Company profile

Ratch Group (RATCH) is a leading independent power producer in Thailand, with an ambitious vision aiming to be a leading value-oriented integrated energy company in Asia-Pacific. RATCH's investment is mainly focused on fossil fuel power generation projects, renewable projects as well as businesses adjacent to electricity generation and energy both in Thailand and internationally. The company's main incomes are in the forms of dividend and profit sharing from invested companies.

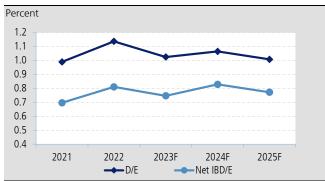
Source: Company data, KGI Securities Research

Figure 6: Equity capacity to hit 9.1GWe



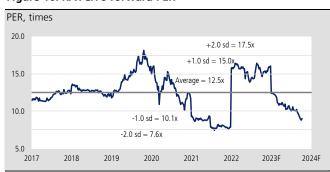
Source: Company data, KGI Securities Research

Figure 8: Net D/E staying low since capital raising in 2022



Source: Company data, KGI Securities Research

Figure 10: RATCH's forward PER



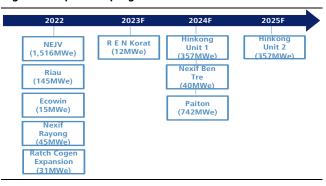
Source: KGI Securities Research

Figure 5: Earnings to rise in 2023-25F before flattening



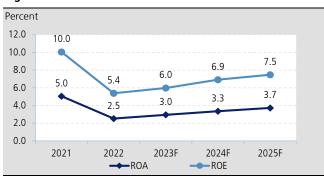
Source: Company data, KGI Securities Research

Figure 7: Expansion program



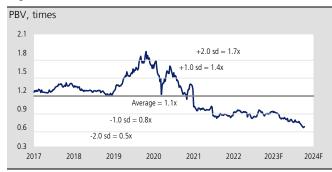
Source: Company data, KGI Securities Research

Figure 9: ROE and ROA



Source: Company data, KGI Securities Research

Figure 11: RATCH's forward PBV



Source: KGI Securities Research



Quarterly Income Statement

	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A	Sep-21A	Dec-21A	Mar-21A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A
Income Statement (Bt mn)															
Revenue	9,610	8,712	8,315	7,569	7,122	8,667	9,142	12,396	16,915	16,339	22,352	19,119	15,120	11,012	10,512
Cost of Goods Sold	(8,636)	(7,577)	(7,405)	(6,612)	(6, 103)	(7,604)	(8,030)	(11,379)	(15,494)	(14,551)	(21,107)	(18, 134)	(13,776)	(9,311)	(8,606)
Gross Profit	974	1,135	910	958	1,018	1,063	1,113	1,016	1,421	1,788	1,244	986	1,344	1,701	1,906
Operating Expenses	(410)	(465)	(387)	(338)	(345)	(407)	(497)	(459)	(502)	(669)	(605)	(1,003)	(620)	(715)	(725)
Other incomes	68	187	181	121	116	197	158	210	101	121	291	(2)	120	362	170
Operating Profit	631	856	704	741	789	853	773	768	1,020	1,240	930	(19)	844	1,348	1,351
Depreciation of fixed assets	(352)	(394)	(391)	(368)	(470)	(332)	(485)	(523)	(723)	(549)	(636)	(648)	(824)	(824)	(831)
Operating EBITDA	1,016	1,275	1,095	1,210	1,311	1,237	1,259	1,392	1,790	1,856	1,566	1,013	2,074	2,607	2,646
Non-Operating Income	(240)	184	134	256	319	37	(76)	502	435	125	(113)	582	449	793	789
Interest Income	33	25	0	101	52	52	0	101	47	67	0	385	407	435	464
Other Non-op Income	(273)	159	134	155	266	(15)	(76)	401	387	58	(113)	196	41	358	325
Non-Operating Expenses	(360)	(429)	(365)	(396)	(411)	(426)	(465)	(566)	(808)	(751)	(664)	(753)	(1,025)	(1,001)	(1,022)
Interest Expenses	(360)	(429)	(365)	(396)	(411)	(426)	(465)	(566)	(808)	(751)	(664)	(753)	(1,025)	(1,001)	(1,022)
Other Non-op Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity Income/(Loss)	1,481	653	1,139	1,328	1,412	1,600	1,306	1,584	1,186	1,922	2,229	54	1,358	1,323	1,182
Pre-tax Profit	1,512	1,263	1,612	1,928	2,108	2,065	1,539	2,288	1,833	2,536	2,382	(137)	1,625	2,463	2,300
Current Taxation	(151)	(189)	111	201	(20)	58	(101)	(114)	(469)	(266)	(105)	(98)	(108)	(239)	(212)
Minorities	0	0	0	0	0	0	0	(4)	215	(74)	(29)	(7)	(70)	(100)	(94)
Extraordinary items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Profit	1,361	1,074	1,722	2,129	2,088	2,123	1,438	2,170	1,579	2,196	2,248	(242)	1,448	2,125	1,994
Normalized Profit	1,984	532	1,585	1,881	1,820	2,189	1,593	2,010	1,166	2,217	2,515	(747)	1,625	1,813	1,714
EPS (Bt)	0.94	0.74	1.19	1.47	1.44	1.46	0.99	1.50	1.09	1.01	1.03	(0.11)	0.67	0.98	0.92
Normalized EPS (Bt)	1.37	0.37	1.09	1.30	1.26	1.51	1.10	1.39	0.80	1.02	1.16	(0.34)	0.75	0.83	0.79
Margins															
Gross profit margin	10.1	13.0	10.9	12.7	14.3	12.3	12.2	8.2	8.4	10.9	5.6	5.2	8.9	15.4	18.1
Operating EBIT margin	6.6	9.8	8.5	9.8	11.1	9.8	8.5	6.2	6.0	7.6	4.2	(0.1)	5.6	12.2	12.9
Operating EBITDA margin	10.6	14.6	13.2	16.0	18.4	14.3	13.8	11.2	10.6	11.4	7.0	5.3	13.7	23.7	25.2
Net profit margin	14.2	12.3	20.7	28.1	29.3	24.5	15.7	17.5	9.3	13.4	10.1	(1.3)	9.6	19.3	19.0
Growth (QoQ)															
Revenue growth	9.6	(9.3)	(4.6)	(9.0)	(5.9)	21.7	5.5	35.6	36.5	(3.4)	36.8	(14.5)	(20.9)	(27.2)	(4.5)
Operating EBIT growth	26.5	35.6	(17.8)	5.2	6.6	8.1	(9.4)	(0.7)	32.9	21.5	(25.0)	(102.1)	4,443.5	59.8	0.2
Operating EBITDA growth	12.0	25.4	(14.1)	10.4	8.4	(5.6)	1.7	10.6	28.6	3.7	(15.6)	(35.3)	104.7	25.7	1.5
Net profit growth	50.4	(21.1)	60.3	23.6	(2.0)	1.7	(32.3)	50.9	(27.2)	39.1	2.4	(110.7)	699.2	46.8	(6.2)
Normalized Profit growth	270.7	(73.2)	197.8	18.6	(3.2)	20.3	(27.3)	26.2	(42.0)	90.1	13.4	(129.7)	317.4	11.6	(5.4)

Source: Company data, KGI Securities Research



As of 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
Total Assets	154,855	229,578	223,847	237,572	241,897
Current Assets	25,316	55,484	64,674	68,001	63,430
Cash & ST Investments	6,961	34,341	49,067	54,305	48,760
Inventories	1	42	0	0	0
Accounts Receivable	10,370	13,694	9,765	8,607	9,607
Others	7,983	7,407	5,843	5,089	5,064
Non-current Assets	129,540	174,094	159,173	169,572	178,466
LT Investments	76,270	85,056	88,658	96,789	103,547
Net fixed Assets	36,228	52,338	40,940	43,207	45,344
Others	17,042	36,701	29,575	29,575	29,575
Total Liabilities	77,046	122,175	113,309	122,551	121,454
Current Liabilities	20,270	29,173	24,040	20,937	26,339
Accounts Payable	7,677	11,577	13,425	11,376	13,146
ST Borrowings	5,365	8,685	7,382	6,275	5,334
Others	7,228	8,911	3,233	3,286	7,860
Long-term Liabilities	56,776	93,002	89,269	101,614	95,115
Long-term Debts	49,421	79,346	80,374	93,074	86,268
Others	7,355	13,656	8,896	8,540	8,847
Shareholders' Equity	77,810	107,403	110,538	115,022	120,443
Common Stock	1,450	2,175	2,175	2,175	2,175
Capital Surplus	1,532	19,280	19,280	19,280	19,280
Retained Earnings	57,878	59,821	62,945	67,418	72,829
Preferred Stock	0	0	0	0	0

Source: KGI Securities Research

Year to 31 Dec	2021	2022	2023F	2024F	2025F
Growth (% YoY)					
Sales	9.1	100.2	(21.9)	(15.3)	15.6
OP	12.8	8.5	62.8	(10.4)	30.3
EBITDA	24.6	4.0	18.6	19.0	9.1
NP	24.4	(26.0)	14.2	20.4	13.2
Normalized Profit	27.3	(32.3)	28.2	20.4	13.2
EPS	24.4	(50.7)	14.2	20.4	13.2
Normalized EPS	27.3	(54.9)	28.2	20.4	13.2
Profitability (%)					
Gross Margin	11.3	7.3	11.5	14.4	15.2
Operating Margin	8.3	4.5	9.4	9.9	11.2
EBITDA Margin	31.3	16.3	24.7	34.7	32.7
Net Profit Margin	20.9	7.7	11.3	16.1	15.7
ROAA	5.0	2.5	3.0	3.3	3.7
ROAE	10.0	5.4	6.0	6.9	7.5
Stability					
Gross Debt/Equity (%)	1.0	1.1	1.0	1.1	1.0
Net Debt/Equity (%)	0.7	0.6	0.4	0.4	0.4
Interest Coverage (x)	5.3	3.2	3.1	3.1	3.6
Interest & ST Debt Coverage (x)	1.4	0.8	1.0	1.3	1.6
Cash Flow Interest Coverage (x)	3.8	2.5	3.2	0.4	1.0
Cash Flow/Interest & ST Debt (x)	1.0	0.6	1.1	0.2	0.5
Current Ratio (x)	1.2	1.9	2.7	3.2	2.4
Quick Ratio (x)	1.2	1.9	2.7	3.2	2.4
Net Debt (Bt mn)	52,657	61,441	40,917	47,343	49,648
Per Share Data (Bt)	32,037	01,	40,517	47,545	45,040
EPS	5.4	2.7	3.0	3.7	4.1
Normalized EPS	5.3	2.4	3.0	3.7	4.1
CEPS	4.9	3.5	5.5	0.8	2.1
BVPS	53.66	49.38	50.82	52.88	55.38
SPS	25.7	34.4	26.8	22.7	26.3
EBITDA/Share	8.1	5.6	6.6	7.9	8.6
DPS	2.5	1.6	1.6	1.6	1.7
Activity	2.5	1.0	1.0	1.0	1.7
Asset Turnover (x)	0.2	0.3	0.3	0.2	0.2
Days Receivables	101.4	66.9	61.1	63.5	61.4
Days Inventory	0.0	0.2	0.0	0.0	0.0
Days Payable	84.6	61.0	94.9	98.0	99.0
Cash Cycle	16.8	6.1	(33.8)	(34.5)	(37.7)
	10.0	0.1	(00.0)	(54.5)	(3/./)
Key drivers	7 101	7 410	7 420	0.500	0.030
Effective capacity (MW)	7,181	7,418	7,430	8,569	8,926
Average US\$/THB	31.50	34.90	34.50	32.70	32.70
Average Ft rate (Bt/kWh)	-0.15	0.40	0.89	0.20	0.20
SPP gas prices (Bt/kWh)	270	500	450	300	300

Source: KGI Securities Research

Profit	O. I	

2021	2022	20225	2024E	2025F
				57,156
•		•		(48,454)
				8,702
(1,708)	(2,779)	(2,548)	(2,683)	(2,825)
603	709	1,294	488	522
3,106	3,369	5,483	4,911	6,399
(1,810)	(2,555)	(2,979)	(3,061)	(3,150)
11,678	12,146	14,409	17,145	18,707
206	(30)	0	0	0
0	0	0	0	0
206	(30)	0	0	0
(1,868)	(2,977)	(3,689)	(4,473)	(4,330)
(1,868)	(2,977)	(3,689)	(4,473)	(4,330)
0	0	0	0	0
5,902	5,391	5,647	8,873	8,856
7,346	5,753	7,441	9,312	10,926
(177)	(937)	(1,126)	(1,648)	(2,217)
(4)	106	(10)	(11)	(11)
0	0	0	0	0
7,819	5,782	6,604	7,953	8,999
7,613	5,151	6,604	7,953	8,999
5.39	2.66	3.04	3.66	4.14
5.25	2.37	3.04	3.66	4.14
	3,106 (1,810) 11,678 206 0 206 (1,868) 0 5,902 7,346 (177) (4) 0 7,819 7,613 5.39	37,327 74,725 (33,116) (69,287) 4,210 5,439 (1,708) (2,779) 603 709 3,106 3,369 (1,810) (2,555) 11,678 12,146 206 (30) (1,868) (2,977) (1,868) (2,977) (1,868) (2,977) (1,868) (2,977) 0 0 5,902 5,391 7,346 5,753 (177) (937) (44) 106 0 0 7,819 5,782 7,613 5,151 5,39 2.66	37,327 74,725 58,369 (33,116) (69,287) (51,632) 4,210 5,439 6,737 (1,708) (2,779) (2,548) 603 709 1,294 3,106 3,369 5,483 (1,810) (2,555) (2,979) 11,678 12,146 14,409 206 (30) 0 206 (30) 0 (1,868) (2,977) (3,689) (1,868) (2,977) (3,689) (1,868) (2,977) (3,689) 0 0 0 5,902 5,391 5,647 7,346 5,753 7,441 (177) (937) (1,126) (4) 106 0 0 0 0 7,819 5,782 6,604 7,613 5,151 6,604 5,39 2,66 3,04	37,327 74,725 58,369 49,462 (33,116) (69,287) (51,632) (42,357) 4,210 5,439 6,737 7,105 (1,708) (2,779) (2,548) (2,683) 603 709 1,294 488 3,106 3,369 5,483 4,911 (1,810) (2,555) (2,979) (3,061) 11,678 12,146 14,409 17,145 0 0 0 0 206 (30) 0 0 206 (30) 0 0 (1,868) (2,977) (3,689) (4,473) (1,868) (2,977) (3,689) (4,473) 0 0 0 0 5,902 5,391 5,647 8,873 7,346 5,753 7,441 9,312 (177) (937) (1,126) (1,648) (4) 106 (10) (11) 0 0 <

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2021	2022	2023F	2024F	2025F
Operating Cash Flow	7,154	7,505	11,855	1,640	4,472
Net Profit	7,819	5,782	6,604	7,953	8,999
Depreciation & Amortization	1,810	2,555	2,979	3,061	3,150
Change in Working Capital	2,847	4,136	7,909	(511)	1,169
Others	(5,321)	(4,969)	(5,636)	(8,863)	(8,846)
Investment Cash Flow	(7,649)	(22,219)	12,138	(4,597)	(3,199)
Net CAPEX	(8,550)	(20, 267)	8,533	(5,328)	(5,287)
Change in LT Investment	(25,074)	(10,716)	(2,031)	(8,132)	(6,758)
Change in Other Assets	25,975	8,763	5,636	8,863	8,846
Free Cash Flow	(495)	(14,714)	23,994	(2,957)	1,273
Financing Cash Flow	2,385	43,198	(9,268)	8,195	(6,819)
Change in Share Capital	0	24,998	0	0	0
Net Change in Debt	17,847	36,164	(5,798)	11,665	(3,241)
Change in Other LT Liab.	(15,463)	(17,964)	(3,470)	(3,469)	(3,578)
Net Cash Flow	1,889	28,484	14,726	5,238	(5,545)

Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1-	COGS	+	Depreciation	+	Operating Exp.	_ =	Operating
		Revenue		Revenue		Revenue	_'	Margin
2021		83.9%		4.8%		6.2%		5.1%
2022		89.3%		3.4%		4.7%		2.6%
2023F		83.4%		5.1%		6.6%		5.0%
2024F		79.4%		6.2%		6.4%		8.0%
2025F		79.3%		5.5%		5.9%		9.4%
Year	1/	Working Capital	+	Net PPE	+	Other Assets	=	Capital
		Revenue		Revenue		Revenue		Turnover
2021		0.1		1.0		3.2		0.2
2022		0.1		0.7		2.4		0.3
2023F		0.1		0.7		3.1		0.3
2024F		0.0		0.9		3.9		0.2
2025F		0.0		0.8		3.4		0.2
Year		Operating	Х	Capital	Х	Cash	=	After-tax Return
		Margin		Turnover		Tax Rate		on Inv. Capital
2021		5.1%		0.2		2.2%		0.0%
2022		2.6%		0.3		14.2%		0.1%
2023F		5.0%		0.3		14.6%		0.2%
2024F		8.0%		0.2		17.2%		0.3%
2025F		9.4%		0.2		19.8%		0.4%

Source: KGI Securities Research



Ratch Group - Recommendation & target price history



Date Rating Target Price 29-Aug-23 Neutral 39.00 36.25 1-Mar-23 Neutral 41.00 39.50 3-Nov-22 Neutral 43.00 41.50

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 MANAGEMEI	√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	,	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	КТВ	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC		STEC	Sino-thai engineering and construction
BGRIM	B.GRIMM POWER	LPN		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	тнсом	THAICOM
сом7	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
	DOHOME	PTTEP		WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC		WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		

Companies with Very Good CG Scoring

	Company Company Default Company		<u> </u>		
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	SRISAWAD CORPORATION	UBE	UBON BIO ETHANOL
IIG	I&I GROUP	SFLEX	STARFLEX	хо	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	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 ERAWAN 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
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TMB	TMB BANK
CHG	CHULARAT HOSPITAL	MINT	MINOR INTERNATIONAL	TRT	TIRATHAI
CKP	CK POWER	MODERN	MODERNFORM GROUP	TRUE	TRUE CORPORATION
CPF	CHAROEN POKPHAND FOODS	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION		
DTAC	TOTAL ACCESS COMMUNICATION	PYLON	PYLON		

Level 3: Established

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

No progress

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

Source: www.cgthailand.org

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



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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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