



True Corporation

(TRUE.BK/TRUE TB)*

Outperform • Maintained

Price as of 7 Jun 2024	8.45
12M target price (Bt/shr)	10.50
Unchanged/Revised up(down)(%)	6.10
Upside/downside (%)	24.30

Key messages

เราคาด TRUE จะมีผลการดำเนินงานดีกว่าตลาดคาดด้วยกำไรที่แข็งแกร่งขึ้นจากการรับรู้ synergy ได้เร็วขึ้นและมากขึ้น อีกทั้งเราคาดกลยุทธ์การใช้จ่ายของ TRUE เพื่อทำให้ net debt/EBITDA ต่ำลง หลังจากมีอัตรากำไรที่แข็งแกร่งขึ้น, เรตติ้งที่ดี และงบลงทุนต่ำลง ขณะที่หลังเกิดการรวมผู้แข่งขันในตลาดเมื่อปี 2566 เราคาดการณ์การแข่งขันในการประมูลคลื่นความถี่ต่างๆ จะลดความรุนแรงลง ดังนั้นเราคงคำแนะนำซื้อ พร้อมประเมินราคาเป้าหมายใหม่สูงขึ้นที่ 10.50 บาท สะท้อนการปรับกำไรเพิ่มขึ้นของเรา เราเลือก TRUE เป็นหุ้นเด่นสุดของกลุ่ม ICT ในไทยสำหรับ 3Q67

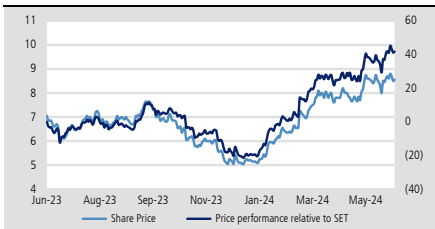
Trading data

Mkt cap (Btbn/US\$bn)	295/7.4
Outstanding shares (mn)	34,552
Foreign ownership (mn)	1,019
3M avg. daily trading (mn)	91
52-week trading range (Bt)	5.1-8.8
Performance (%)	3M 6M 12M
Absolute	14.0 66.0 23.0
Relative	18.8 72.2 44.0

Quarterly EPS

Bt	Q1	Q2	Q3	Q4
2022	0.04	0.07	0.00	(0.29)
2023	(0.01)	(0.07)	(0.05)	(0.33)
2024	(0.02)			

Share price chart



Source: SET

Wetid Tangjindakun, CISA
66.2658.8888 Ext. 8855
wetidt@kgi.co.th

หนทางในการทำกำไรชัดเจนกว่าที่เคย!

Event

ปรับเพิ่มกำไรและราคาเป้าหมาย รวมทั้งอัปเดตธุรกิจ

Impact

ความแข็งแกร่งในการรับรู้ประโยชน์ของการควบรวมเห็นผลมากขึ้น

เราคาดผลการดำเนินงานของ TRUE จะดีกว่าตลาดคาดด้วยกำไรที่แข็งแกร่งจากการรับรู้ synergy ที่ถึงควบรวมได้เร็วและมากขึ้นกว่าคาดก่อนหน้านี้ เราเชื่อว่า TRUE มีศักยภาพด้าน EBITDA margin สูงขึ้น (46% ใน 1Q67 เทียบกับ AIS ที่ 52%) แม้ว่า TRUE ไซคลอปปี 2566 เพื่อหา synergy ทำให้เกิดต้นทุนควบรวมและการสูญเสียสินทรัพย์ยกก่อนใหญ่ แต่ยังคงได้มูลค่า net synergy สุทธิสูงถึง 1 พันลบ. ซึ่งสูงกว่าเป้าที่ 250 ลบ. ทั้งนี้ตั้งแต่ปี 2567 เป็นต้นไป เราคาดเห็นอานิสงส์ของ synergy ชัดเจนขึ้นผ่านการรวมเสาโครงข่าย (35% ของ synergy ทั้งหมด) และการลดต้นทุนหลายด้าน (นำโดยปรับองค์กรใหม่, ลดต้นทุนที่ซ้ำซ้อนกันและอำนาจต่อรองมากขึ้น) ทั้งนี้ TRUE ได้ปรับลดเป้าไปมากกว่า 3,700 เสาจนถึง 1Q67 และมุ่งเพิ่มเป็น 10,000 เสาในปี 2567 (และเป้าหมายสุดท้าย 17,000 เสาในปี 2568) (Figure 1) โดยรวมแล้วความพยายามมุ่งให้ถึง 2.50 แสนลบ. ของ net synergy ปี 2566-73 เป็นนิยาม net synergy (1.6-2.2 หมื่นลบ.ต่อปี) และมีกระแสเงินสดอิสระ (2.2-3.8 หมื่นลบ.ต่อปี) โดยเฉพาะจากปี 2568 เป็นต้นไป

การลดใช้เงินกู้ยืมซึ่งจะมีต้นทุนดอกเบี้ยและต้นทุนของเงินลงทุนเฉลี่ย (WACC) ต่ำลง

ด้วยอัตราการทำกำไรที่แข็งแกร่งขึ้น, เรตติ้งที่ดีขึ้นและ CAPEX ลดลง เราคาดกลยุทธ์ในการลดเงินกู้ของ TRUE จะทำให้ net debt/EBITDA ต่ำลงอยู่ที่ 4.4x / 3.9x / 3.5x ในปี 2567-69F (เทียบกับ 5.0x ใน 1Q67) (Figure 5) เมื่อปลายเดือนพ.ค.67 TRUE ได้ออกหุ้นกู้หลายชุด (ระยะเวลา 1.3-10 ปีและเสนออัตราดอกเบี้ยช่วง 2.95-4.5%) โดยหุ้นกู้ชุดใหม่นี้ให้อัตราดอกเบี้ยต่ำกว่าชุดที่ออกเดือนม.ค. 67 อยู่ราว 10-25bps จึงช่วยให้ต้นทุนหนี้ลดลง (เฉลี่ยที่ 4.9% ในปี 2566) ทั้งนี้ มีความเป็นไปได้สูงที่ TRUE จะเผชิญกับอัตราดอกเบี้ยลดลงของหนี้ที่ต่องอีก 5.7 หมื่นลบ. ซึ่งจะครบกำหนดปี 2567 โดยจากประมาณการของเราอัตราดอกเบี้ยที่ลดลงทุก 25bps จะทำให้ต้นทุนดอกเบี้ยของ TRUE ต่ำลงราว 1.2 พันลบ.ต่อปี

การประมูลคลื่นที่เกิดขึ้นยังใช้ประเด็นที่นำกังวลในขณะนี้

หลังเกิดการควบรวมผู้ประกอบการโทรคมนาคมในปี 2566 เราและผู้ประกอบการ (TRUE และ AIS) คาดการแข่งขันในการประมูลคลื่นความถี่ลดความรุนแรงลง (ใบอนุญาตคลื่น 850, 2100, 2300 และ 3500 MHz) นอกเหนือจาก ARPU เพิ่มขึ้นและการประหยัดรายจ่าย SG&A โดยภายใน 2H24 น่าจะมีการรับฟังประชาพิจารณ์ (public hearing) และการประมูลจาก NBTC ในปัจจุบันนี้ TRUE รวมมีอู่กับ NT ในคลื่นความถี่ 850 และ 2300 MHz ส่วน AIS รวมกับ NT สำหรับคลื่น 2100 MHz โดยเมื่อดูจากต้นทุนรอบการประมูลปี 2561 และปี 2563 ในเบื้องต้นเราคาดว่าค่าการจ่ายค่าคลื่นของ TRUE อาจลดลงเหลือ 1-3.5 พันลบ.ต่อปี (เทียบกับปัจจุบันที่ 4.4 พันลบ.ต่อปี) ทั้งนี้เรคิดว่า TRUE อาจไม่เข้าร่วมประมูลคลื่น 850MHz เนื่องจากปัจจุบันมีเครือข่ายครอบคลุมวงกว้างแล้วในระบบ 3G-4G

Valuation and action

โดยรวมแล้วเราปรับเพิ่มกำไรหลักขึ้นราว 12-19% ในปี 2567-69F (Figure 5) เพื่อสะท้อนต้นทุนดอกเบี้ยและต้นทุนอื่น ๆ ต่ำลง โดยเรากำหนดคำแนะนำซื้อ ปรับราคาเป้าหมาย DCF ใหม่ขึ้นที่ 10.50 บาท (ใช้ WACC ที่ 6.8%) จากเดิม 9.90 บาท ทั้งนี้ TRUE ยังคงเทรดที่ discount จาก AIS โดยมีความเป็นไปได้ที่มีช่องว่างน่าสนใจจาก risk/reward ของ EV/EBITDA ที่ 7.4x (เทียบกับของ AIS อยู่ที่ 8.3x)

Risks

การแข่งขันเข้มข้น, กำไรซื้ออ่อนแอ, งบลงทุนสูงขึ้น และไม่สามารถสร้างมูลค่าจาก synergy ได้

Key financials and valuations

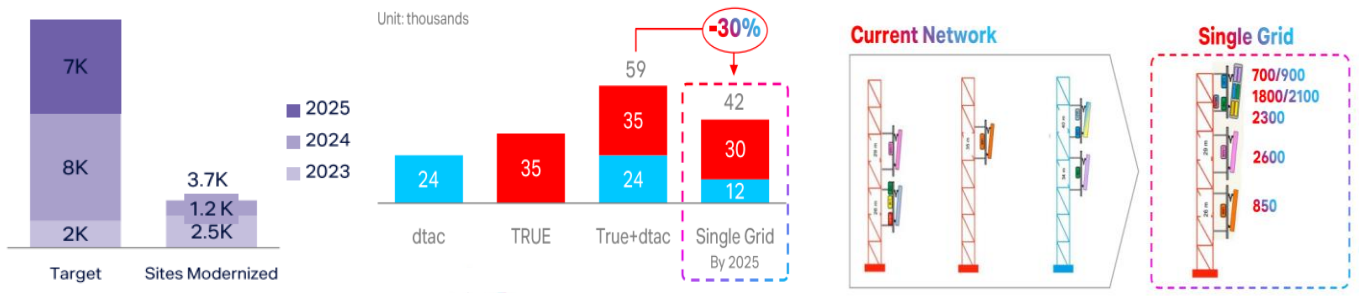
	Dec - 22A	Dec - 23A	Dec - 24F	Dec - 25F	Dec - 26F
Revenue (Btmn)	215,070	202,855	211,220	213,270	213,830
Net Profit (Btmn)	(5,914)	(15,689)	3,506	5,945	7,422
Normalized Profit (Btmn)	(4,722)	(6,849)	3,506	5,945	7,422
Net Profit Growth (%)	N.A.	N.A.	N.A.	69.6	24.8
Normalized Profit Growth (%)	N.A.	N.A.	N.A.	69.6	24.8
EPS (Bt)	(0.14)	(0.45)	0.10	0.17	0.21
DPS (Bt)	0.00	0.00	0.00	0.05	0.09
P/E (X)	N.A.	N.A.	N.A.	49.1	39.3
P/B (X)	2.4	3.4	3.4	3.2	3.1
EV/EBITDA (X)	8.9	8.6	7.4	6.9	6.4
Dividend Yield (%)	0.0	0.0	0.0	0.6	1.0
Return on Average Equity (%)	(5.6)	(17.0)	4.1	6.7	8.0

Source: Company data, KGI Securities Research

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

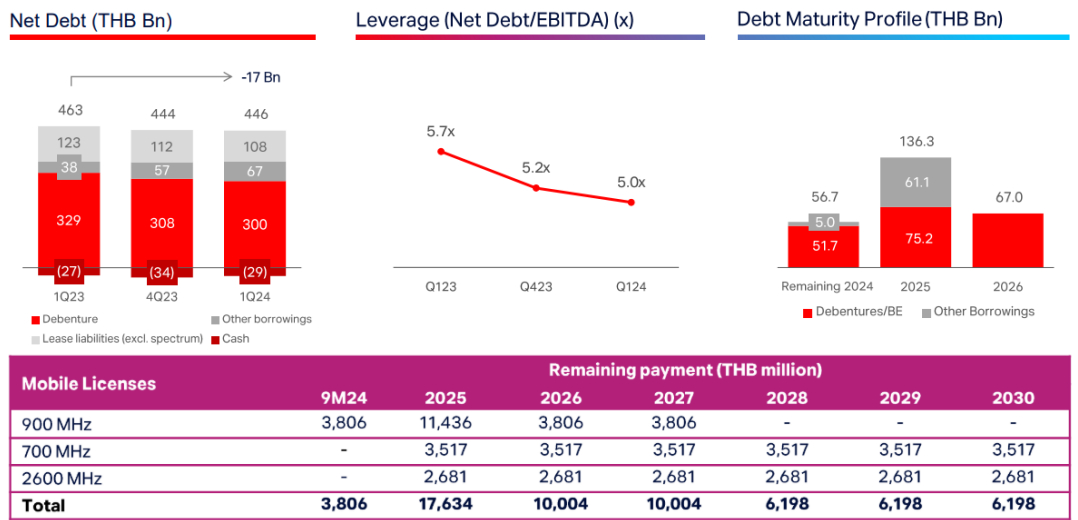
http://research.kgi.com; Bloomberg: KGI <GO> Please see back page for disclaimer

Figure 1: TRUE's single grid consolidation – the main contributor of synergy creation



Source: Company data, KGI Securities Research

Figure 2: Deleveraging – Downward debts and repayments improving free cash flow



Source: Company data, KGI Securities Research

Figure 3: Spectrums (TRUE vs. peers)

SPECTRUM	Low Band (Sub 1 GHz)			Mid Band (Sub 6 GHz)				High Band mmWave	TOTAL MHz
	700 MHz	850 MHz*	900 MHz	1800 MHz	2100 MHz*	2300 MHz*	2600 MHz	26 GHz	
YOZZO www.yozzo.com	700 MHz	850 MHz*	900 MHz	1800 MHz	2100 MHz*	2300 MHz*	2600 MHz	26 GHz	TOTAL MHz
AIS	30 MHz FDD (2 x 15 MHz) Ends in 2036	-	20 MHz FDD (2 x 10 MHz) Ends in 2031	40 MHz FDD (2 x 20 MHz) Ends in 2033	30 MHz FDD (2 x 15 MHz) Ends in 2027 *Rents access to NT's 30 MHz Ends in 2027	-	100 MHz TDD Ends in 2035	1200 MHz TDD Ends in 2036	AIS 1,420 MHz *1,450 MHz
true move	20 MHz FDD (2 x 10 MHz) Ends in 2036	*Rents access to NT's 30 MHz Ends in 2026	20 MHz FDD (2 x 10 MHz) Ends in 2031	30 MHz FDD (2 x 15 MHz) Ends in 2033	30 MHz FDD (2 x 15 MHz) Ends in 2027	-	90 MHz TDD Ends in 2035	800 MHz TDD Ends in 2036	TRUE 990 MHz *1,020 MHz
dtac	20 MHz FDD (2 x 10 MHz) Ends in 2036	-	10 MHz FDD (2 x 5 MHz) Ends in 2031	10 MHz FDD (2 x 5 MHz) Ends in 2033	30 MHz FDD (2 x 15 MHz) Ends in 2027	*Rents access to NT's 60 MHz Ends in 2025	-	200 MHz TDD Ends in 2036	DTAC 270 MHz *330 MHz
ht	20 MHz FDD (2 x 10 MHz) Ends in 2036	30 MHz FDD (2 x 15 MHz) *Used by TRUE Ends in 2026	-	-	30 MHz FDD (2 x 15 MHz) *Used by AIS Ends in 2027	60 MHz TDD *Used by DTAC Ends in 2025	-	400 MHz TDD Ends in 2036	NT 540 MHz

Source: Company data, KGI Securities Research

Figure 4: TRUE – Earnings revision

	2024F			2025F			2026F		
	Previous	Revised	Change Percent	Previous	Revised	Change Percent	Previous	Revised	Change Percent
Financials (Btmn)									
Revenue	214,720	211,220	(1.6)	216,555	213,270	(1.5)	217,185	213,830	(1.5)
COGS	166,124	162,253	(2.3)	167,970	163,909	(2.4)	170,174	165,896	(2.5)
Gross profit	48,596	48,967	0.8	48,585	49,361	1.6	47,010	47,934	2.0
SG&A	24,916	24,556	(1.4)	24,072	23,740	(1.4)	22,936	22,597	(1.5)
Share of profits	2,958	2,958	0.0	3,112	3,112	0.0	3,274	3,274	0.0
Finance costs	23,670	23,240	(1.8)	22,603	21,711	(3.9)	20,497	19,753	(3.6)
Net profit	3,127	3,506	12.1	4,981	5,945	19.4	6,517	7,422	13.9
Normalized profit	3,127	3,506	12.1	4,981	5,945	19.4	6,517	7,422	13.9
Key financial ratio (%)									
			ppts			ppts			ppts
GPM	22.6	23.2	0.6	22.4	23.1	0.7	21.6	22.4	0.8
SG&A/Sale	11.6	11.6	0.0	11.1	11.1	0.0	10.6	10.6	0.0
ROE	3.6	4.0	0.4	5.6	6.6	1.0	7.0	7.8	0.8
Net profit growth	(119.9)	(122.3)	(2.4)	59.3	69.6	10.3	30.8	24.8	(6.0)
Normalised profit growth	(145.7)	(151.2)	(5.5)	59.3	69.6	10.3	30.8	24.8	(6.0)
Key performance driver									
Mobile subs (mn)	51.8	51.8	0.0	52.3	52.3	0.0	52.8	52.8	0.0
Blended ARPU (Bt/month)	206	206	0.0	205	206	0.5	205	205	0.5
FBB subs (mn)	3.7	3.7	0.0	3.9	3.9	0.0	4.1	4.1	0.0
FBB ARPU (Bt/month)	509	509	0.0	512	512	0.0	514	514	0.0

Source: Company data, KGI Securities Research

Figure 5: Key assumptions for our projections

ASSUMPTIONS	2021	2022	2023	2024F	2025F	2026F
Mobile						
Subscribers (mn)	32.2	49.8	51.9	51.8	52.3	52.8
-Postpaid	11.0	15.8	15.6	15.2	15.3	15.3
-Prepaid	21.3	34.0	36.3	36.6	37.0	37.5
Net additional subscriber (mn)	1.6	17.5	2.1	(0.1)	0.5	0.6
-Postpaid	1.3	4.8	(0.2)	(0.4)	0.1	0.1
-Prepaid	0.4	12.7	2.3	0.3	0.4	0.5
Blended ARPU (Bt/subscriber/month)	207	195	201	206	206	205
-Postpaid	448	420	418	424	426	426
-Prepaid	98	96	105	112	113	113
Home FBB						
Subscribers (mn)	4.6	3.8	3.8	3.7	3.9	4.1
Net additional subscriber (mn)	0.4	(0.8)	(0.0)	(0.1)	0.2	0.2
ARPU (Bt/subscriber/month)	523	473	477	509	512	514
PayTV						
Subscribers (mn)	1.7	1.5	1.4	1.3	1.4	1.4
Net additional subscriber (mn)	(0.5)	(0.2)	(0.1)	(0.1)	0.0	0.0
ARPU (Bt/subscriber/month)	253	272	280	286	289	290
Ratio						
GPM	30.4	23.4	21.4	23.2	23.1	22.4
EBITDA	38.8	38.5	42.3	45.2	46.3	47.0
NPM	5.0	(2.7)	(7.7)	1.7	2.8	3.5
Regulatory fee / core revenue	0.0	1.8	2.4	2.4	2.4	2.5
SG&A / core revenue	20.6	14.8	13.7	11.6	11.1	10.6
Effective Tax Rate	8.1	(30.3)	(13.0)	19.0	19.8	19.8

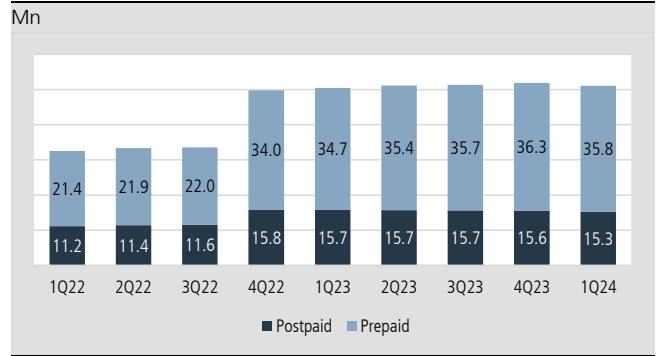
Source: Company data, KGI Securities Research

Figure 6: Company profile

True Corporation (TRUE) was founded in Thailand over 33 years (since 1990) providing telecommunication infrastructure with domestic-based operations in Thailand. After the amalgamation with DTAC since Mar 2023, TRUE currently operates in four key business lines comprising of: Mobile service (70-75% of core service revenue), followed by home fixed board band (13-15%), cable TV business (3-5%), digital services (<5%). TRUE under brand "True and Dtac" now is the largest mobile subscribers in Thai telecom sector now.

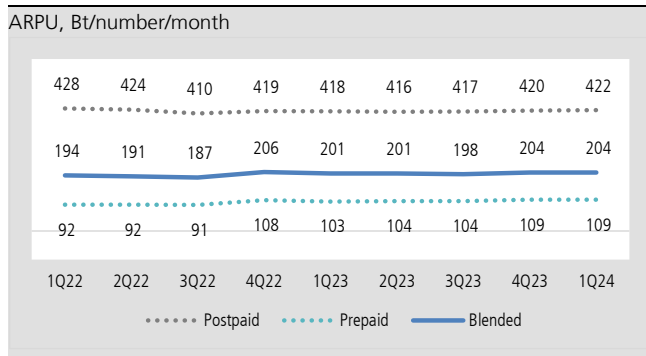
Source: Company data

Figure 7: Breakdown of customers



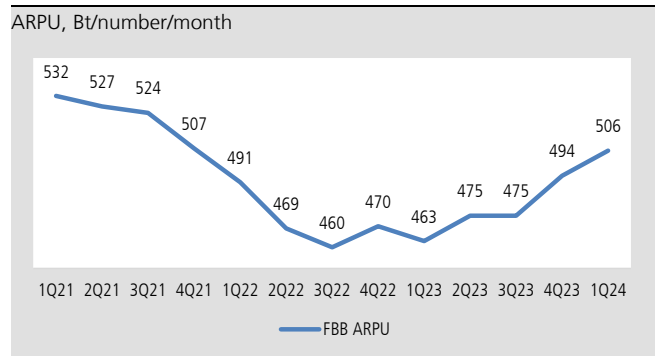
Source: Company data, KGI Securities Research

Figure 8: Average Revenue Per User in Mobile unit



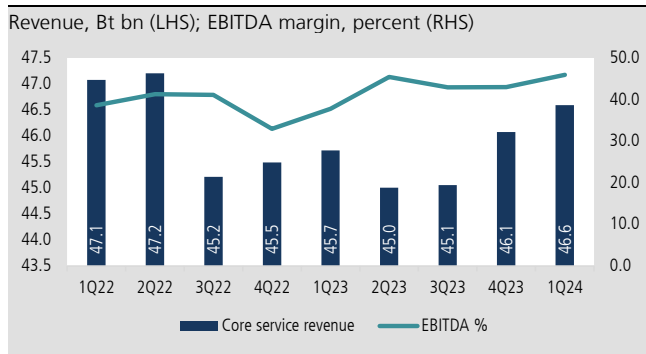
Source: Company data, KGI Securities Research

Figure 9: Average Revenue Per User in FBB unit



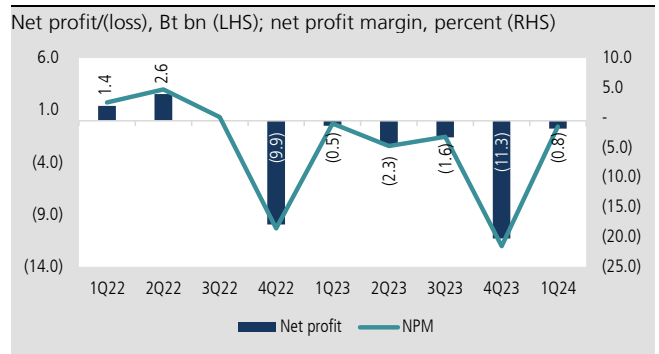
Source: Company data, KGI Securities Research

Figure 10: Quarterly core service revenue



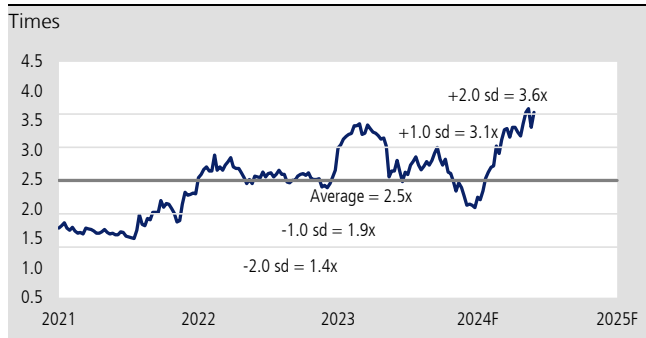
Source: Company data, KGI Securities Research

Figure 11: Quarterly earnings



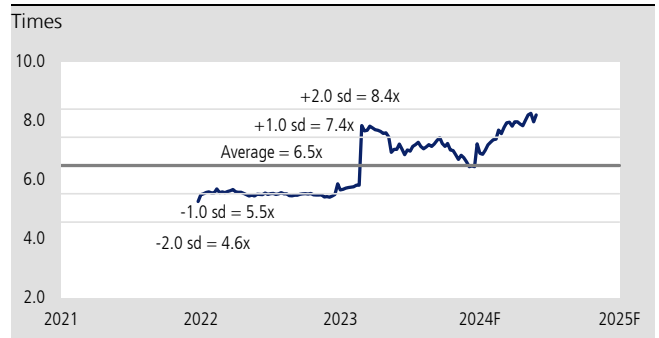
Source: Company data, KGI Securities Research

Figure 12: TRUE's forward P/BV



Source: KGI Securities Research

Figure 13: TRUE's forward EV/EBITDA



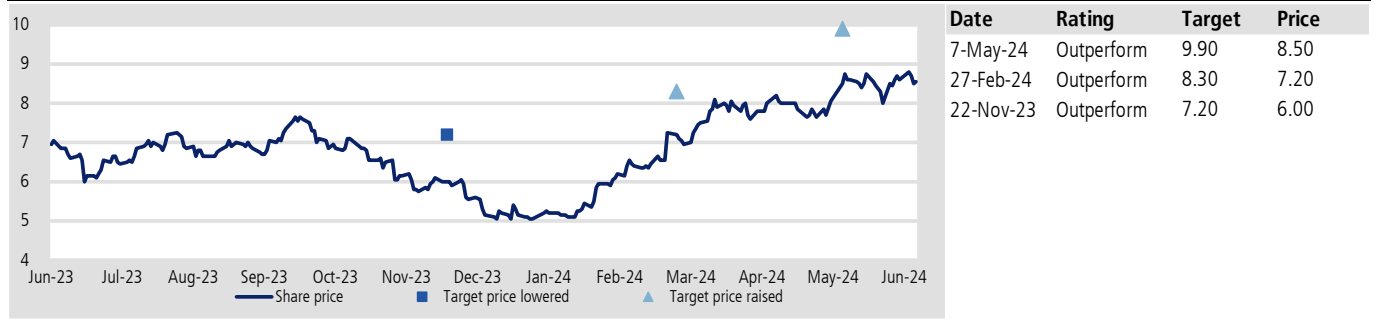
Source: KGI Securities Research

Quarterly Income Statement

	Mar-22A	Jun-22A	Sep-22A	Dec-22A	Mar-23A	Jun-23A	Sep-23A	Dec-23A	Mar-24A
Income Statement (Bt mn)									
Revenue	55,151	53,871	52,488	53,556	51,462	49,112	49,932	52,348	51,347
Cost of Goods Sold	(41,990)	(39,922)	(39,435)	(43,452)	(40,425)	(38,396)	(39,202)	(41,405)	(39,536)
Gross Profit	13,161	13,949	13,053	10,104	11,037	10,716	10,730	10,943	11,811
Operating Expenses	(7,264)	(8,226)	(7,796)	(8,580)	(7,917)	(6,234)	(7,147)	(6,423)	(5,850)
Other incomes									
Operating Profit	5,897	5,723	5,257	1,524	3,120	4,482	3,583	4,520	5,961
Depreciation of fixed assets	15,310	15,856	16,373	16,179	16,169	17,837	17,859	18,000	17,641
Operating EBITDA	21,300	22,249	21,581	17,661	19,452	22,320	21,443	22,520	23,602
Non-Operating Income	532	1,501	(97)	(5,135)	1,365	313	(155)	(9,712)	(1,536)
Interest Income	-	-	-	-	-	-	-	-	-
Other Non-op Income	532	1,501	(97)	(5,135)	1,365	313	(155)	(9,712)	(1,536)
Non-Operating Expenses	-	-	-	-	-	-	-	-	-
Interest Expenses	(5,398)	(5,469)	(5,641)	(5,709)	(5,427)	(5,857)	(5,940)	(6,076)	(5,813)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-
Equity Income/(Loss)	816	1,138	746	(274)	716	687	696	(252)	690
Pre-tax Profit	1,847	2,893	265	(9,594)	(226)	(375)	(1,816)	(11,520)	(698)
Current Taxation	(456)	(356)	(246)	(341)	(264)	(1,986)	202	229	(69)
Minorities	30	16	25	-	(3)	40	16	12	(2)
Extraordinary items	(462)	516	(203)	(8,500)	1,684	275	314	(10,163)	(1,537)
Net Profit	1,421	2,553	44	(9,935)	(493)	(2,321)	(1,598)	(11,279)	(769)
Normalized Profit	1,883	2,037	247	(1,435)	(2,177)	(2,596)	(1,912)	(1,116)	768
EPS (Bt)	0.04	0.07	0.00	(0.29)	(0.01)	(0.07)	(0.05)	(0.33)	(0.02)
Normalized EPS (Bt)	0.05	0.06	0.01	(0.04)	(0.06)	(0.08)	(0.06)	(0.03)	0.02
Margins (%)									
Gross profit margin	23.9	25.9	N.A.	18.9	21.4	21.8	21.5	20.9	23.0
Operating margin	10.7	10.6	N.A.	2.8	6.1	9.1	7.2	8.6	11.6
Operating EBITDA margin	38.6	41.3	N.A.	33.0	37.8	45.4	42.9	43.0	46.0
Net profit margin	2.6	4.7	N.A.	(18.6)	(1.0)	(4.7)	(3.2)	(21.5)	(1.5)
Growth (%) (YoY)									
Revenue growth	N.A.	N.A.	N.A.	N.A.	(6.7)	(8.8)	(4.9)	(2.3)	(0.2)
Operating growth	N.A.	N.A.	N.A.	N.A.	(47.1)	(21.7)	(31.8)	196.6	91.1
Operating EBITDA growth	N.A.	N.A.	N.A.	N.A.	(8.7)	0.3	(0.6)	27.5	21.3
Net profit growth	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Source: Company data, KGI Securities Research

True Corporation – Recommendation & target price history



Source: KGI Securities Research

Company's ESG details

Environment

- Paperless Project has been implemented within and outside the organization to broaden the scope of True e-Billing, True e-Tax Invoice, True Money Kiosk, and e-Form Register in order to reduce work process, facilitate customers, reduce the use of paper and reduce greenhouse gas emissions
- In 2010, True began studying and installing solar cells on islands and in remote areas where the power transmission systems were not available. In 2022, True installed 40 additional solar cell base stations, saving more than 1,971 MWh and reducing greenhouse gas emissions up to 877 tons of CO₂e.
- True Group is committed to reducing waste generation and responsible waste management. The company aims for zero e-waste from operations to landfills and use 100% recyclable or biodegradable packaging by 2030.
- True Group cares about potential biodiversity and ecosystem impacts from its business operations throughout the supply chain. The company is committed to protecting biodiversity and supporting zero deforestation in accordance with the UN Sustainable Development Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems.
- As climate-related risks and opportunities could impact the business operation, True Group has analyzed and assessed both potential risk and opportunities according to the Task Force on Climate-related Financial Disclosures (TCFD) framework and we are a TCFD Supporter. The climate change adaptation has been developed, accordingly.

Social

- In order to support the development of Thailand into a sustainable knowledge-based society, True provides opportunities for teachers and students in schools located in remote areas throughout the country to have access to knowledge building resources.
- True Group is acutely aware that its operations may result in direct and indirect impacts on local communities and society at large. Therefore, the company adopts a precautionary approach in operations to minimize any adverse impact, and endeavors to general positive benefits for all, under the 4H framework: hear/head/hands/heart.
- Long-term sustainability of a business organization depends on its ability to adapt to changing environment through innovations. True Group defines innovation process as one that creates new products, services, or processes, allocate budget for research and product development that in turn generate additional economic, social, or environmental values.
- The company puts emphasis on management of employee safety and health, as it recognizes that safety, security, physical and mental wellbeing of employees are important to drive the business to success.

Governance

- True believes in operating its business in a credible, responsible, transparent and auditable manner. True's Board of Directors is responsible for governing under the Good Corporate Governance framework, which is based on ethical and fair treatment of stakeholders.

Climate Management (Being the subset of Environment)

- True has set True Sustainability Goals 2030 to be in line with its 3Hs sustainability framework (Heart, Health, Home), 17 UN Sustainability Goals and to comply with rules, regulations and international standards.

Source: Company data, KGI Securities Research

SET ESG Ratings

Stock	Company name	SET ESG Ratings	Stock	Company name	SET ESG Ratings
ADVANC	ADVANCED INFO SERVICE	AAA	KTC	KRUNGTHAI CARD	AAA
AMATA	AMATA CORPORATION	AAA	LH	LAND AND HOUSES	A
AOT	AIRPORTS OF THAILAND	A	MAJOR	MAJOR CINEPLEX GROUP	AA
AP	AP (THAILAND)	AA	MEGA	MEGA LIFESCIENCES	A
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	AA	MINT	MINOR INTERNATIONAL	AA
BAM	BANGKOK COMMERCIAL ASSET MANAGEMEN	AA	MTC	MUANGTHAI CAPITAL	A
BANPU	BANPU	AAA	OR	PTT OIL AND RETAIL BUSINESS	AAA
BBGI	BBGI	AA	ORI	ORIGIN PROPERTY	AA
BBL	BANGKOK BANK	AA	OSP	OSOTSPA	AA
BCH	BANGKOK CHAIN HOSPITAL	AA	PLANB	PLAN B MEDIA	AA
BCP	BANGCHAK CORPORATION	AAA	PSH	PRUKSA HOLDING	BBB
BCPG	BCPG	AA	PTT	PTT	AAA
BDMS	BANGKOK DUSIT MEDICAL SERVICES	AA	PTTEP	PTT EXPLORATION AND PRODUCTION	AAA
BEM	BANGKOK EXPRESSWAY AND METRO	AA	PTTGC	PTT GLOBAL CHEMICAL	AAA
BGRIM	B. GRIMM POWER	AAA	RATCH	RATCH GROUP	AA
BPP	BANPU POWER	AAA	RBF	R&B FOOD SUPPLY	BBB
BTS	BTS GROUP HOLDINGS	AA	SAK	SAKSIAM LEASING	A
CBG	CARABAO GROUP	A	SAPPE	SAPPE	BBB
CENTEL	CENTRAL PLAZA HOTEL	A	SAT	SOMBOON ADVANCE TECHNOLOGY	AA
CK	CH. KARNCHANG	A	SAWAD	SRISAWAD CORPORATION	BBB
CKP	CK POWER	AAA	SCB	SCB X	AA
COM7	COM7	A	SCC	THE SIAM CEMENT	AAA
CPALL	CP ALL	AAA	SCCC	SIAM CITY CEMENT	AA
CPAXT	CP AXTRA	AAA	SCGP	SCG PACKAGING	AAA
CPF	CHAROEN POKPHAND FOODS	AAA	SHR	S HOTELS AND RESORTS	A
CPN	CENTRAL PATTANA	AA	SICT	SILICON CRAFT TECHNOLOGY	A
EGCO	ELECTRICITY GENERATING	AA	SMPC	SAHAMITR PRESSURE CONTAINER	AA
ERW	THE ERAWAN GROUP	A	SNC	SNC FORMER	A
GFPT	GFPT	BBB	SPALI	SUPALAI	AA
GLOBAL	SIAM GLOBAL HOUSE	AA	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION	A
GPSC	GLOBAL POWER SYNERGY	AA	STGT	SRI TRANG GLOVES (THAILAND)	AAA
GULF	GULF ENERGY DEVELOPMENT	AA	TCAP	THANACHART CAPITAL	A
HANA	HANA MICROELECTRONICS	AA	TFG	THAIFOODS GROUP	A
HENG	HENG LEASING AND CAPITAL	A	THCOM	THAICOM	AAA
HMPRO	HOME PRODUCT CENTER	AA	TISCO	TISCO FINANCIAL GROUP	AAA
INTUCH	INTOUCH HOLDINGS	AA	TOP	THAI OIL	AAA
IRPC	IRPC	AA	TTB	TMBTHANACHART BANK	AA
IVL	INDORAMA VENTURES	AA	UBE	UBON BIO ETHANOL	A
KBANK	KASIKORNBANK	AAA	VGI	VGI	AA
KEX	KERRY EXPRESS (THAILAND)	BBB	WHA	WHA CORPORATION	AAA
KKP	KIATNAKIN PHATRA BANK	BBB	WHAUP	WHA UTILITIES AND POWER	AAA
KTB	KRUNG THAI BANK	AAA	ZEN	ZEN CORPORATION GROUP	AA

Source: www.setsustainability.com

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.

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	SEAFAC
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	IVL	INDORAMA VENTURES	SHR	S HOTELS AND RESORTS
BANPU	BANPU	KBANK	KASIKORNBANK	SICT	SILICON CRAFT TECHNOLOGY
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SMPC	SAHAMITR PRESSURE CONTAINER
BCP	BANGCHAK CORPORATION	KEX	KERRY EXPRESS (THAILAND)	SNC	SNC FORMER
BCPG	BCPG	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BEM	BANGKOK EXPRESSWAY AND METRO	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BGRIM	B.GRIMM POWER	LPN	L.P.N. DEVELOPMENT	STGT	SRI TRANG GLOVES (THAILAND)
BPP	BANPU POWER	MAJOR	MAJOR CINEPLEX GROUP	SUN	SUNSWEEP
BTS	BTS GROUP HOLDINGS	MBK	MBK	SVI	SVI
CENTEL	CENTRAL PLAZA HOTEL	MINT	MINOR INTERNATIONAL	TACC	T.A.C. CONSUMER
CK	CH. KARNCHANG	MTC	MUANGTHAI CAPITAL	TCAP	THANACHART CAPITAL
CKP	CK POWER	OR	PTT OIL AND RETAIL BUSINESS	THCOM	THAICOM
COM7	COM7	ORI	ORIGIN PROPERTY	TISCO	TISCO FINANCIAL GROUP
CPALL	CP ALL	OSP	OSOTSPA	TKN	TAOKAENOI FOOD & MARKETING
CPAXT	CP AXTRA	PLANB	PLAN B MEDIA	TOP	THAI OIL
CPF	CHAROEN POKPHAND FOODS	PSH	PRUKSA HOLDING	TTB	TMBTHANACHART BANK
CPN	CENTRAL PATTANA	PTG	PTG ENERGY	TU	THAI UNION GROUP
DELTA	DELTA ELECTRONICS (THAILAND)	PTT	PTT	VGI	VGI
DOHOM	DOHOME	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
EGCO	ELECTRICITY GENERATING	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
GFPT	GFPT	PYLON	PYLON	ZEN	ZEN CORPORATION GROUP
GGC	GLOBAL GREEN CHEMICALS	QH	QUALITY HOUSES		



Companies with Very Good CG Scoring

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



Companies with Good CG Scoring

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

Companies classified Not in the three highest score groups

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

Source: www.thai-iod.com

Disclaimer: The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the Market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an assessment of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey result may be changed after that date or when there is any change to the relevant information. Nevertheless, KGI Securities (Thailand) Public Company Limited (KGI) does not confirm, verify, or certify the accuracy and completeness of such survey result.

Anti-corruption Progress Indicator

Level 5: Extended

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	GLOBAL	SIAM GLOBAL HOUSE	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	GPSC	GLOBAL POWER SYNERGY	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BBL	BANGKOK BANK	HMPRO	HOME PRODUCT CENTER	ROBINS	ROBINSON DEPARTMENT STORE
BCH	BANGKOK CHAIN HOSPITAL	IRPC	IRPC	SCC	THE SIAM CEMENT
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KBANK	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
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

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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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