



AP (Thailand)

(AP.BK/AP TB)*

Outperform • Maintained

Price as of 10 Aug 2021	7.70
12M target price (Bt/shr)	11.50
Unchanged/Revised up(down)(%)	Unchanged
Upside/downside (%)	49.4

Key messages

AP reported a 2Q21 normalized profit of Bt1.1bn (-8% YoY, -14% QoQ). The result was 6% above our expectation. Earnings softened both YoY and QoQ due to different timing for new condominium completions. Looking ahead, we expect earnings to gain stronger momentum in 3Q21F due to a solid low-rise backlog (low-rise presales hit a record high in 2Q21) and sizable transfers of two new condominiums. We maintain a rating of Outperform with a 2022F target price of Bt11.50.

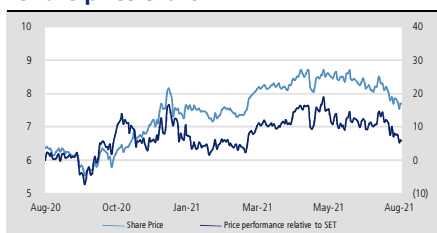
Trading data

Mkt cap (Btmn/US\$mn)	24.2/606
Outstanding shares (mn)	3,146
Foreign ownership (mn)	330
3M avg. daily trading (mn)	14.0
52-week trading range (Bt)	5.6–8.7
Performance (%)	3M 6M 12M
Absolute	-4.9 2.0 21.3
Relative	-3.1 -0.3 5.1

Quarterly EPS

EPS	Q1	Q2	Q3	Q4
2019	0.34	0.16	0.20	0.28
2020	0.20	0.39	0.46	0.30
2021	0.45	0.35		

Share price chart



Source: SET

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2Q21 earnings review: 6% above our expectation

Event

2Q21 earnings review and analyst meeting.

Impact

Net profit was 6% above our expectation

Excluding extraordinary items, AP reported a 2Q21 normalized profit of Bt1.1bn (-8% YoY, -14% QoQ). The result was 6% above our forecast due mainly to greater-than-expected low-rise transfers and share income from JV. Overall, AP's earnings softened both YoY and QoQ due to different timing on new condominium completions, while low-rise transfers remained at a high-level despite the worsening COVID-19 situation.

Residential transfers (excluding JV projects) came in at Bt7.8bn (+3% YoY, -12% QoQ) comprising i) low-rise transfers of Bt7.5bn (+12% YoY, -7% QoQ), and ii) high-rise transfers of Bt321mn (-62% YoY, -62% QoQ). The low-rise transfers have continued to be backed by backlog carried from 1Q21 and an impressive presales performance. Meanwhile, the sharp drop in high-rise transfers was due to slowing transfer momentum from ready-to-move inventories such as Aspire Asoke - Ratchada (Figure 6). In terms of profitability, residential gross margin dropped 1.0ppts QoQ to 30.4% in 2Q21 partly due to product mix being geared toward low-rise.

Share income from JV was sluggish at Bt181mn (-73% YoY, +4% QoQ) as revenue recognition only came from finished projects on hand.

Earnings to gain momentum in 3Q21F

Looking ahead, we expect earnings to gain stronger momentum in 3Q21F due to a solid low-rise backlog (low-rise presales hit a record high in 2Q21) and sizable transfers of two new condominiums including: i) Life Ladprao Valley (68% sold, project value: Bt6.5bn), and ii) Life Asoke Hype (63% sold, project value: Bt5.8bn).

Valuation & action

As earnings momentum is expected to accelerate in 3Q21F and a solid low-rise performance ahead, we re-iterate a rating of Outperform with a 2022F target price of Bt11.50, based on 7.6x 2022F PE or +0.5SD to its long-term mean.

Risks

Weakening economic conditions.

Key financials and valuations

	Dec - 18A	Dec - 19A	Dec - 20A	Dec - 21F	Dec - 22F
Revenue (Btmn)	27,271	23,802	29,888	32,969	34,674
Gross Profit (Btmn)	8,932	8,176	9,430	10,898	11,518
SG&A (Btmn)	5,295	5,443	6,160	6,891	7,178
Net Profit (Btmn)	3,963	3,068	4,227	4,242	4,812
Normalized Profit (Btmn)	3,958	2,991	4,227	4,242	4,812
EPS (Bt)	1.3	1.0	1.3	1.3	1.5
Normalized EPS (Bt)	1.3	1.0	1.3	1.3	1.5
DPS (Bt)	0.4	0.4	0.5	0.5	0.6
EPS Growth (%)	25.5	(22.6)	37.8	0.4	13.4
Normalized EPS Growth	28.9	(24.4)	41.3	0.4	13.4
P/E (X)	4.8	7.9	5.4	5.7	5.0
P/B (X)	0.8	0.9	0.8	0.8	0.7
EV/EBITDA (X)	10.3	17.6	12.0	9.9	9.0
Net Debt to Equity (%)	82.8	105.0	78.8	71.5	62.9
Dividend Yield (%)	6.7	5.2	6.2	7.0	7.9
Return on Average Equity (%)	16.2	11.7	14.4	13.3	13.9

Source: Company data, KGI Securities Research

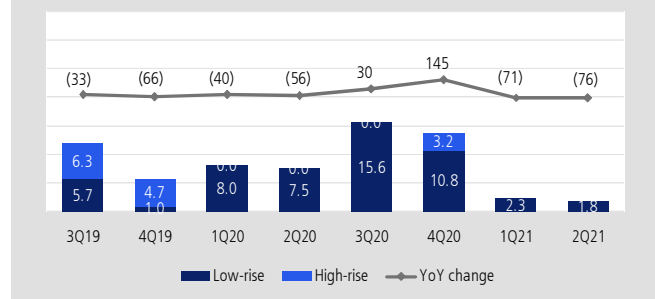
Figure 1: AP's 2Q21 earnings review

Bt mn	2Q21	2Q20	YoY (%)	1Q21	QoQ (%)	2021F	2020	YoY (%)
Revenue	8,035	7,792	3.1	9,106	(11.8)	32,969	29,888	10.3
Revenue from sales of real estate	7,836	7,583	3.3	8,879	(11.8)	31,889	28,949	10.2
Revenue from rental and services	200	209	(4.4)	227	(12.0)	1,080	939	15.0
Gross Profit	2,542	2,305	10.3	2,967	(14.3)	10,898	9,430	15.6
SG&A	(1,392)	(1,521)	(8.4)	(1,425)	(2.3)	(6,891)	(6,160)	11.9
Operating EBIT	1,176	801	46.8	1,560	(24.6)	4,110	3,335	23.2
Operating EBITDA	1,222	867	40.9	1,628	(25.0)	4,234	3,604	17.5
Equity Income/(Loss)	181	664	(72.7)	175	3.8	1,194	1,948	(38.7)
Pre-tax Profit	1,097	700	56.6	1,458	(24.7)	3,899	2,968	31.4
Extraordinary items	-	-	-	100	-	-	-	-
Net Profit	1,115	1,215	(8.3)	1,403	(20.5)	4,242	4,227	0.4
Normalized profit	1,115	1,215	(8.3)	1,303	(14.4)	4,242	4,227	0.4
Percent	2Q21	2Q20	YoY (ppts)	1Q21	QoQ (ppts)	2021F	2020	YoY (ppts)
Total gross margin	31.6	29.6	2.0	32.6	(1.0)	33.1	31.6	1.5
Residential gross margin	30.4	28.3	2.1	31.5	(1.0)	31.6	30.1	1.5
EBIT margin	14.6	10.3	4.4	17.1	(2.5)	12.5	11.2	1.3
SG&A/sales	17.3	19.5	(2.2)	15.6	1.7	20.9	20.6	0.3
Revenue breakdown by segments	2Q21	2Q20	YoY (%)	1Q21	QoQ (%)	2021F	2020	YoY (%)
Low-rise	7,515	6,732	11.6	8,040	(6.5)	30,044	24,035	25.0
High-rise	321	851	(62.3)	839	(61.7)	1,845	4,914	(62.5)

Source: Company data, KGI Securities Research

Figure 2: Quarterly launches

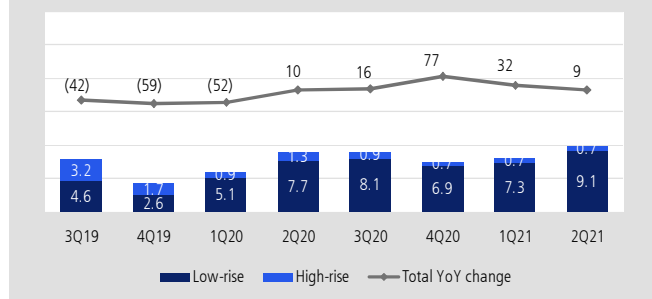
Launches of high-rise and low-rise, Btbn; YoY change of total launches, percent



Source: Company data, KGI Securities Research

Figure 3: Quarterly presales

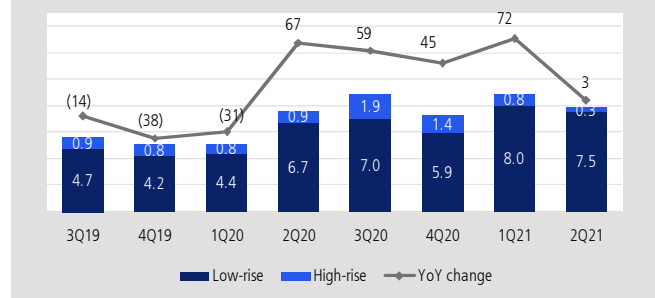
Presales of high-rise and low-rise, Btbn; YoY change of total presales, percent



Source: Company data, KGI Securities Research

Figure 4: Quarterly transfers (AP only)

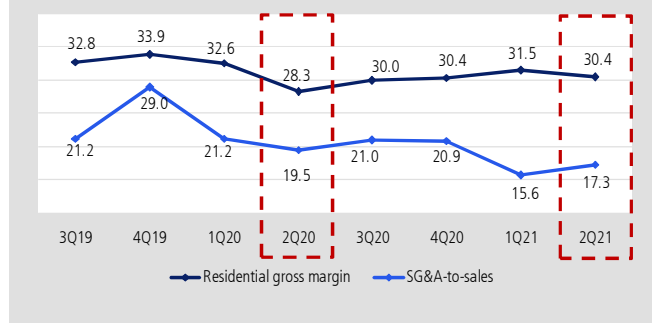
Transfer of high-rise and low-rise, Btbn; YoY change of total launches, percent



Source: Company data, KGI Securities Research

Figure 5: Quarterly margins

Percent



Source: Company data, KGI Securities Research

Figure 6: Condominiums ready to be transferred in 2020-22F (AP + JV)

	Ownership	Project value (Btmn)	% sold	Beg. Transfer
Aspire Sukhumvit - Onnut phase1	AP	1,600	68	1Q20
Life Ladprao	JV	8,300	96	1Q20
Aspire Asoke - Ratchada	AP	2,900	97	3Q20
Life Asoke - Rama 9	JV	9,800	90	3Q20
Life Ladprao Valley	JV	6,500	68	3Q21
Life Asoke Hype	JV	5,800	63	2Q21
Life Sathorn Sierra	JV	6,300	48	2Q22
Rhythm Ekkamamai Estate	JV	3,200	32	3Q22
Aspire Erawan Prime	AP	3,200	32	4Q22
Rhythm Charoenkrung Pavillion	JV	4,700	65	4Q22

Source: Company data, KGI Securities Research

Cautiously optimistic tone at analyst meeting

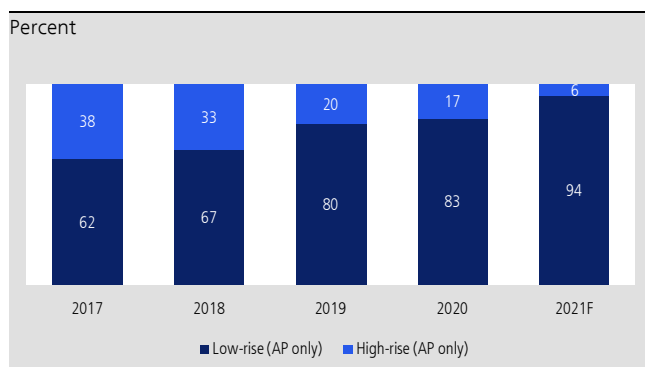
AP's total new launches in 2021F has been revised down from previously Bt43bn to Bt37.5bn due to delays in the launches of three low-rise projects. Meanwhile, four new condominiums (Aspire and Life brands) are scheduled to be launched in 2H21F, collectively worth Bt13bn.

Amid an acceleration in daily new COVID-19 infections, walk-in headcounts in July-21 dropped 30% to 700 visits/week (compared with 1H21 visits of 1,000 visits/week). However, management foresees no significant concerns as low-rise presales have remained at a high level of Bt2.5bn in July 2021. Looking ahead, we believe there would be some drag on sentiment in August 2021, while low-rise should continue to outperform high-rise.

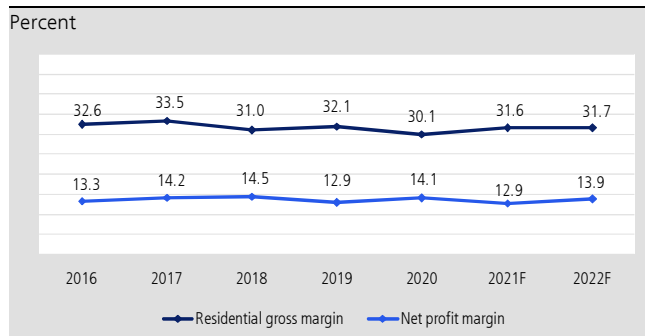
Figure 7: Company profile

AP (Thailand) (AP) develops property in several segments; townhouse, single-detached house and condominium. All property for development focus on prime locations near community and business centers convenient for commuting under various brands with a wide range of prices from Bt1.4mn-Bt30mn. In its market positioning, AP targets the mid-to-high-end market with broad-based brand using mixed business approach through different economic cycles.

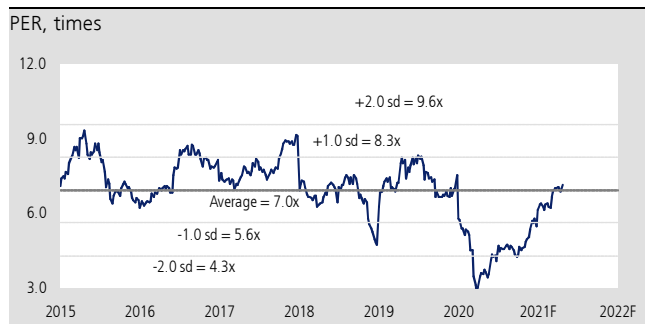
Source: Company data

Figure 9: Transfer breakdown excluding JV


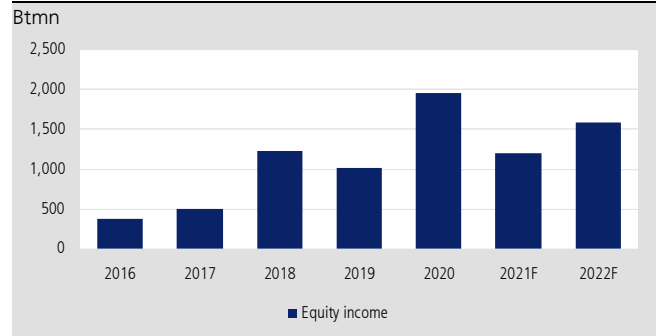
Source: Company data, KGI Securities Research

Figure 11: Residential gross margin (excluding JV)


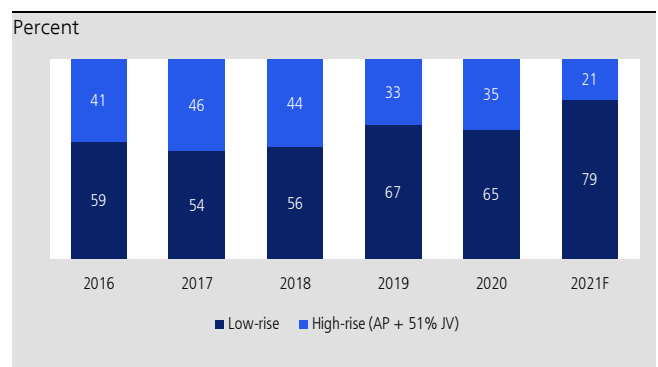
Source: Company data, KGI Securities Research

Figure 13: Company trading PER


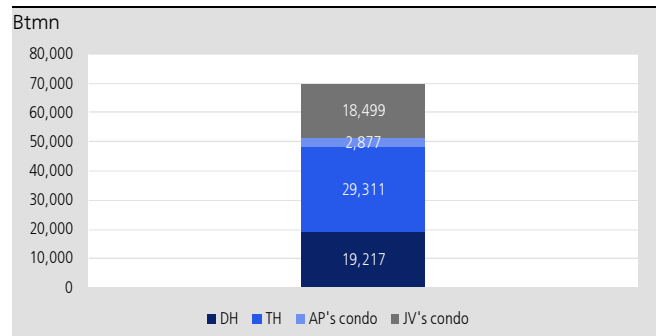
Source: KGI Securities Research

Figure 8: Equity income from JV


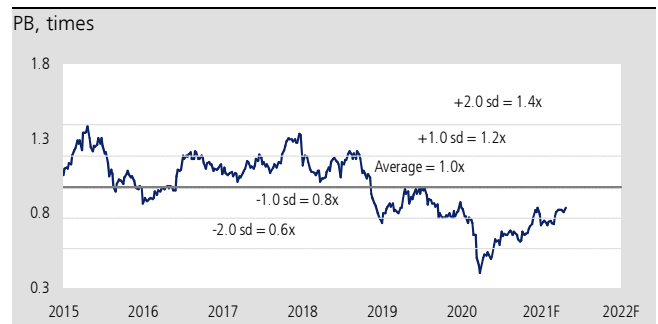
Source: Company data, KGI Securities Research

Figure 10: Transfer breakdown including 51% of JV's revenue


Source: Company data, KGI Securities Research

Figure 12: Ongoing project value


Source: Company data, KGI Securities Research

Figure 14: Company trading PB


Source: KGI Securities Research

Quarterly Income Statement

	Sep-17A	Dec-17A	Mar-18A	Jun-18A	Sep-18A	Dec-18A	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A	Mar-21A	Jun-21A
Income Statement (Bt mn)																
Revenue	4,939	8,238	5,515	6,462	6,776	8,518	7,790	4,762	5,886	5,364	5,399	7,792	9,150	7,547	9,106	8,035
Cost of Goods Sold	(3,130)	(5,157)	(3,630)	(4,282)	(4,589)	(5,839)	(5,230)	(3,177)	(3,818)	(3,402)	(3,537)	(5,487)	(6,281)	(5,154)	(6,139)	(5,494)
Gross Profit	1,809	3,081	1,886	2,180	2,187	2,679	2,561	1,584	2,068	1,962	1,862	2,305	2,870	2,393	2,967	2,542
Operating Expense	(1,087)	(1,539)	(928)	(1,253)	(1,351)	(1,763)	(1,501)	(1,138)	(1,250)	(1,554)	(1,147)	(1,521)	(1,918)	(1,575)	(1,425)	(1,392)
Other Incomes	36	26	7	7	16	19	10	10	29	30	13	13	25	13	20	24
Operating Profit	758	1,568	966	934	853	935	1,070	457	847	438	728	798	977	832	1,562	1,173
Depreciation of fixed asset	(19)	(21)	(21)	(21)	(21)	(24)	(25)	(17)	(25)	(51)	(66)	(66)	(67)	(70)	(68)	(46)
Operating EBITDA	777	1,584	966	900	874	983	1,083	478	870	494	793	867	1,043	900	1,628	1,222
Non-Operating Income	0	3	0	6	0	3	0	4	0	5	0	4	0	3	0	4
Interest Income	0	3	0	6	0	3	0	4	0	5	0	4	0	3	0	4
Other Non-op Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Operating Expense	24	93	91	435	256	248	236	87	(93)	519	33	564	679	299	70	101
Interest Expense	(20)	(34)	(34)	(34)	(25)	(29)	(45)	(81)	(66)	(55)	(75)	(101)	(96)	(95)	(102)	(79)
Other Non-op Expense	0	(9)	(25)	(60)	0	21	(12)	(0)	(1)	0	(1)	0	(1)	(4)	(2)	(1)
Equity Income/(Loss)	43	135	150	530	282	256	293	167	(26)	574	109	664	776	398	175	181
Pre-tax profit	738	1,528	907	845	827	930	1,013	380	779	387	652	700	880	735	1,458	1,097
Current Taxation	(166)	(313)	(192)	(192)	(183)	(213)	(228)	(88)	(178)	(87)	(143)	(150)	(205)	(191)	(329)	(163)
Minorities	1	3	2	2	2	4	0	1	1	1	1	1	(0)	(0)	(0)	0
Extraordinary items	20	5	0	5	0	(0)	0	27	43	0	0	0	0	0	100	0
Net Profit	637	1,359	867	1,191	928	977	1,078	488	619	876	618	1,215	1,450	942	1,403	1,115
Normalized Profit	617	1,354	867	1,186	928	977	1,078	461	576	876	618	1,215	1,450	942	1,303	1,115
EPS (Bt)	0.20	0.43	0.28	0.38	0.30	0.31	0.34	0.16	0.20	0.28	0.20	0.39	0.46	0.30	0.45	0.35
Normalized EPS (Bt)	0.20	0.43	0.28	0.38	0.30	0.31	0.34	0.15	0.18	0.28	0.20	0.39	0.46	0.30	0.41	0.35
Margins																
Gross profit margin	36.6	37.4	34.2	33.7	32.3	31.5	32.9	33.3	35.1	36.6	34.5	29.6	31.4	31.7	32.6	31.6
Operating EBIT margin	15.3	19.0	17.5	14.5	12.6	11.0	13.7	9.6	14.4	8.2	13.5	10.2	10.7	11.0	17.2	14.6
Operating EBITDA margin	15.7	19.2	17.5	13.9	12.9	11.5	13.9	10.0	14.8	9.2	14.7	11.1	11.4	11.9	17.9	15.2
Net profit margin	12.9	16.5	15.7	18.4	13.7	11.5	13.8	10.3	10.5	16.3	11.5	15.6	15.9	12.5	15.4	13.9
Growth (YoY)																
Revenue growth	11.0	14.4	31.3	34.7	37.2	3.4	41.2	(26.3)	(13.1)	(37.0)	(30.7)	63.6	55.4	40.7	68.7	3.1
Operating EBIT growth	14.6	58.7	103.5	43.3	12.5	(40.4)	10.8	(51.1)	(0.7)	(53.2)	(31.9)	74.6	15.4	90.1	114.6	47.1
Operating EBITDA growth	15.3	58.2	98.4	34.2	12.5	(37.9)	12.2	(46.9)	(0.5)	(49.7)	(26.8)	81.4	19.9	82.2	105.3	40.9
Net profit growth	39.5	7.4	58.0	94.3	45.8	(28.1)	24.4	(59.0)	(33.3)	(10.4)	(42.6)	148.9	134.2	7.6	126.8	(8.3)
Normalized profit growth	35.0	9.4	58.0	114.6	50.5	(27.8)	24.4	(61.1)	(37.9)	(10.4)	(42.6)	163.7	151.8	7.6	110.6	(8.3)

Source: Company data, KGI Securities Research

Balance Sheet

As of 31 Dec (Bt mn)	2018	2019	2020	2021F	2022F
Total Assets	49,395	58,794	58,724	60,878	62,975
Current Assets	43,286	51,470	49,897	51,427	52,430
Cash & ST Investment	951	570	2,740	4,880	5,827
Inventories	41,149	49,715	46,140	45,300	45,294
Account Receivable	141	169	80	110	116
Others	1,044	1,016	938	1,137	1,193
Non-current Assets	6,109	7,324	8,827	9,451	10,545
LT Investment	5,251	6,205	7,134	8,339	9,383
Net fixed Assets	408	468	409	392	441
Others	450	651	1,283	721	721
Total Liabilities	24,904	32,498	29,461	29,081	28,302
Current Liabilities	11,247	17,057	13,256	13,034	12,226
Account Payable	1,617	1,753	1,824	1,983	2,079
ST Borrowing	7,035	12,681	7,832	7,471	6,567
Others	2,595	2,623	3,600	3,580	3,580
Long-term Liabilities	13,657	15,441	16,204	16,046	16,076
Long-term Debts	13,241	14,927	15,221	15,250	15,250
Others	417	514	983	796	826
Shareholders' Equity	24,491	26,296	29,263	31,798	34,674
Common Stock	3,146	3,146	3,146	3,146	3,146
Capital Surplus	89	89	89	89	89
Retained Earnings	21,269	23,078	26,046	28,592	31,479
Preferred Stock					

Source: KGI Securities Research

Key Ratios

Year to 31 Dec	2018	2019	2020	2021F	2022F
Growth (%YoY)					
Sales	23.0	(12.7)	25.6	10.3	5.2
OP	5.2	(22.8)	19.0	23.1	5.6
EBITDA	5.7	(21.3)	23.2	17.5	5.9
NP	25.5	(22.6)	37.8	0.4	13.4
Normalized Profit	28.9	(24.4)	41.3	0.4	13.4
EPS	25.5	(22.6)	37.8	0.4	13.4
Normalized EPS	28.9	(24.4)	41.3	0.4	13.4
Profitability (%)					
Gross Margin	32.8	34.3	31.6	33.1	33.2
Operating Margin	13.3	11.8	11.1	12.4	12.5
EBITDA Margin	13.6	12.3	12.1	12.8	12.9
Net Margin	14.5	12.9	14.1	12.9	13.9
ROAA	8.0	5.2	7.2	7.0	7.6
ROAE	16.2	11.7	14.4	13.3	13.9
Stability					
Gross Debt/Equity (%)	101.7	123.6	100.7	91.5	81.6
Net Debt/Equity (%)	82.8	105.0	78.8	71.5	62.9
Interest Coverage (x)	29.6	11.3	9.1	19.5	20.8
Interest & ST Debt Coverage (x)	0.5	0.2	0.4	0.5	0.6
Cash Flow Interest Coverage (x)	(17.5)	(25.5)	20.0	18.6	16.3
Cash Flow/Interest & ST Debt (x)	(0.3)	(0.5)	0.9	0.5	0.5
Current Ratio (x)	3.8	3.0	3.8	3.9	4.3
Quick Ratio (x)	0.2	0.1	0.3	0.5	0.6
Net Debt (Bt mn)	19,324.4	27,037.5	20,313.4	17,841.3	15,989.9
Per Share Data (Bt)					
EPS	1.3	1.0	1.3	1.3	1.5
Normalized EPS	1.3	1.0	1.3	1.3	1.5
CFPS	(0.7)	(2.0)	2.3	1.2	1.1
BVPS	7.8	8.4	9.3	10.1	11.0
SPS	8.7	7.6	9.5	10.5	11.0
EBITDA/Share	1.2	0.9	1.1	1.3	1.4
DPS	0.4	0.4	0.5	0.5	0.6
Activity					
Asset Turnover (x)	0.6	0.4	0.5	0.5	0.6
Days Receivables	1.9	2.6	1.0	1.2	1.2
Days Inventory	819.0	1,161.2	823.2	749.2	714.0
Days Payable	32.2	41.0	32.6	32.8	32.8
Cash Cycle	788.7	1,122.8	791.6	717.6	682.4

Source: KGI Securities Research

Profit & Loss

Year to Dec 31 (Bt mn)	2018	2019	2020	2021F	2022F
Revenue	27,271	23,802	29,888	32,969	34,674
Cost of Goods Sold	(18,339)	(15,627)	(20,458)	(22,071)	(23,156)
Gross Profit	8,932	8,176	9,430	10,898	11,518
Operating Expenses	(5,295)	(5,443)	(6,160)	(6,891)	(7,178)
Other Incomes	50	78	64	165	66
Operating Profit	3,623	2,798	3,328	4,096	4,327
Depreciation of fixed assets	(86)	(118)	(269)	(124)	(141)
Operating EBITDA	3,718	2,925	3,604	4,234	4,482
Non-Operating Income	10	9	7	13	14
Interest Income	10	9	7	13	14
Other Non-op Income	0	0	0	0	0
Non-Operating Expense	(187)	(260)	(373)	(286)	(289)
Interest Expense	(123)	(247)	(367)	(210)	(209)
Other Non-op Expense	(64)	(13)	(6)	(76)	(80)
Equity Income/(Loss)	1,218	1,009	1,948	1,194	1,583
Pretax Profit	4,732	3,645	4,915	5,094	5,714
Current Taxation	(779)	(581)	(690)	(862)	(913)
Minorities	(10)	(4)	(1)	(11)	(12)
Extraordinaries items	5	77	0	0	0
Net Profit	3,963	3,068	4,227	4,242	4,812
Normalized Profit	3,958	2,991	4,227	4,242	4,812
EPS (Bt)	1.26	0.98	1.34	1.35	1.53
Normalized EPS (Bt)	1.26	0.95	1.34	1.35	1.53

Source: KGI Securities Research

Cash Flow

Year to 31 Dec (Bt mn)	2018	2019	2020	2021F	2022F
Operating Cash Flow	(2,150)	(6,304)	7,338	3,911	3,399
Net Profit	3,963	3,068	4,227	4,242	4,812
Depreciation & Amortization	86	118	269	124	141
Change in Working Capital	(4,966)	(8,401)	4,791	749	40
Others					
Investment Cash Flow	1,270	(151)	645	258	377
Net CAPEX	(303)	(294)	(771)	258	(235)
Change in LT Investment	1,516	53	938	194	583
Change in Other Assets	11	(6)	8	(7)	0
Free Cash Flow	(880)	(6,455)	7,982	4,169	3,776
Financing Cash Flow	777	6,074	(5,813)	(2,029)	(2,830)
Change in Share Capital	0	0	0	0	0
Net Change in Debt	1,872	7,332	(4,555)	(332)	(905)
Change in Other LT Liab.	(0)	(0)	0	0	0
Net Cash Flow	(103)	(381)	2,170	2,140	947

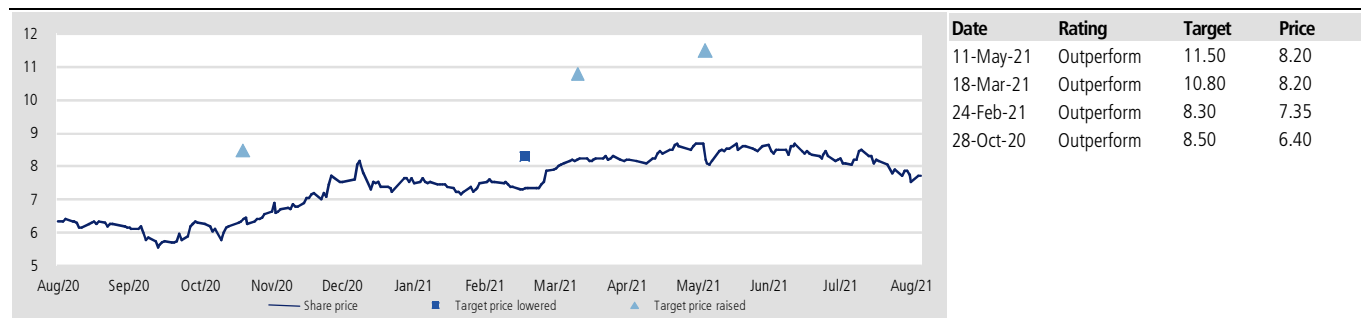
Source: KGI Securities Research

Rates of Return on Invested Capital

Year	1-	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
2018		67.2%		0.3%		19.4%		13.0%
2019		65.7%		0.5%		22.9%		11.0%
2020		68.4%		0.9%		20.6%		10.0%
2021F		66.9%		0.4%		20.9%		11.8%
Year	1/	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
2018		1.2		0.0		1.8		0.3
2019		1.4		0.0		2.5		0.3
2020		1.2		0.0		2.0		0.3
2021F		1.2		0.0		1.8		0.3
Year		Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital
2018		13.0%		0.3		16.5%		0.7%
2019		11.0%		0.3		15.9%		0.4%
2020		10.0%		0.3		14.0%		0.4%
2021F		11.8%		0.3		16.9%		0.7%


Source: KGI Securities Research


AP (Thailand) – 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	KASIKORN BANK	SEAFCO	SEAFCO
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	KTG	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
CENDEL	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	CHARDEN 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	SIRISAWAD 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	KASIKORN BANK	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	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
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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Rating	Definition
Outperform (OP)	The stock's excess return over the next twelve months is ranked in the top 40% of KGI's coverage universe in the related market (e.g. Taiwan)..
Neutral (N)	The stock's excess return over the next twelve months is ranked in the range between the top 40% and the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan)
Under perform (U)	The stock's excess return over the next twelve months is ranked in the bottom 40% of KGI's coverage universe in the related market (e.g. Taiwan).
Not Rated (NR)	The stock is not rated by KGI.
Restricted (R)	KGI policy and/or applicable law regulations preclude certain types of communications, including an investment recommendation, during the course of KGI's engagement in an investment banking transaction and in certain other circumstances. <i>Excess return = 12M target price/current price-</i>
Note	When an analyst publishes a new report on a covered stock, we rank the stock's excess return with those of other stocks in KGI's coverage universe in the related market. We will assign a rating based on its ranking. If an analyst does not publish a new report on a covered stock, its rating will not be changed automatically.

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