

AEON Thana Sinsap

(AEONTS.BK/AEONTS TB)*

Outperform Upgraded

Price as of 5 Sep 2024	136.0
12M target price (Bt/shr)	157.5
Unchanged/Revised up/down(%)	25.1
Upside/downside (%)	15.0

Key messages

AEONTS guided for a similar operation trend from FY1Q24, while NPL sales should bring in some extra revenue in FY2Q24F. We expect to see a gradual recovery in earnings from FY2Q24F and toward the end of the year and a recovery in the grassroots economy from government stimulus. As AEONTS focuses on the low-end segment, it is expected to be an early beneficiary from the recovery in the grassroots economy. We re-rate PE to 14x (from 11.5x) and reach a new 2024 target price of Bt157.50, from Bt125. We upgrade the counter to Outperform, from Neutral.

Trading data

Mkt cap (Btbn/US\$bn)	34,375/1,011
Outstanding shares (mn)	250
Foreign ownership (mn)	n.a.
3M avg. daily trading (mn)	0/36
52-week trading range (Bt)	108/173
Performance (%)	3M 6M 12M
Absolute	-6.8 -6.5 -18.6
Relative	-11.6 -7.7 -10.3

Quarterly EPS

	1Q- May	2Q- Aug	3Q- Nov	4Q- Feb
2022	4.5	3.6	4.4	2.8
2023	2.5	3.4	2.8	4.4
2024	2.1			

Share price chart



Source: SET

Chalie Kueyen
66.2658.8888 Ext. 8851
chaliek@kgi.co.th

COMPANY UPDATE

Thailand

AEON Thana Sinsap

(AEONTS.BK/AEONTS TB)*

Expect slightly better earnings in FY2Q24F

Event

FY2Q24F (ending August) earnings preview, target price and rating upgrade.

Impact

To book extra revenue from NPL sales

AEONTS guided that its operations in FY2Q24F (ending August) were similar to FY1Q24. NPL inflow continued at nearly the same pace and loan growth contracted as loan repayments outpaced new loans. Overall loans should decline around 1% QoQ and 4% YoY, and margin should be flat QoQ and YoY. There should be solid loan growth from CLMV but domestic loans are expected to show a sharp contraction due to cautious lending on credit card loans, which declined 10% YoY, and personal loans, which declined 2% YoY.

NPLs to decrease through selling in FY2Q24F and write-offs in FY3Q24F

Given the unfavorable pricing for selling NPLs in the market, AEONTS has delayed its NPL sales for three quarters, which has caused its overall NPLs to rise. In 2Q24, the company has decided to sell around Bt2-3bn in NPLs, which would allow it to book some gain from this transaction. The pricing pressure would mean the gain on this transaction should be lower and is expected to be around Bt140-150mn in FY2Q24F, down from a gain of Bt167mn from selling bad assets in FY2Q23.

Expect FY2Q24F earnings to improve from lower credit cost and gains on NPL sales

The company guided that cash collection improved slightly in June-July, but turned vulnerable in August due to flooding. As such, credit costs should remain high, but it should be slightly lower than FY1Q24. We assume credit costs would decline to 8.5% in FY2Q24F, down from 9.1% in FY1Q24. Including gains on selling NPLs, we expect the company to report a FY2Q24F net profit of Bt699mn (+33% QoQ, -11% YoY) and FY1H24 net profit of Bt1.2bn (-16%), accounting for around 46% of our full-year forecast.

Upgrade to Outperform with a 2024 target price of Bt157.50, PE 14x

AEONTS is expected to gain an indirect benefit from the recovery in the grassroots economy after the government's stimulus policy kicks off in October. Its earnings have bottomed out and have been improving quarter by quarter, which would provide a trading opportunity. We re-rate PE to 14x to reflect the earnings growth story and recovery in the grassroots economy. We raise our 2024 target price to Bt157.50, from Bt125.00, and upgrade the counter to Outperform, from Neutral.

Risks

Slow economic recovery, regulatory risk pressuring loan yield, NPLs rising.

Key financials and valuations

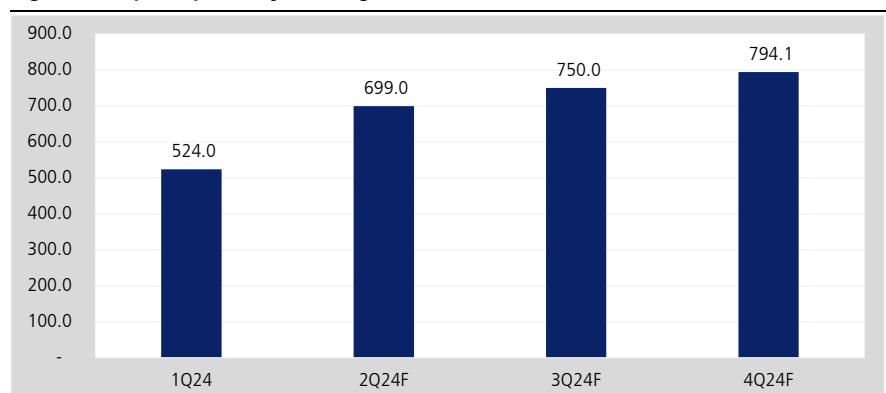
	2020 Feb-21	2021 Feb-22	2022 Feb-23	2023 Feb-24	2024F Feb-25F	2025F Feb-26F
Pre-provision profit (Btmn)	10,882	11,203	12,213	11,402	11,422	12,196
Pretax profit (Btmn)	4,647	4,574	4,950	4,161	3,559	4,132
Net profit (Btmn)	3,690	3,553	3,815	3,259	2,767	3,206
EPS (Bt)	14.76	14.21	15.26	13.04	11.07	12.82
DPS (Bt)	4.50	5.15	5.50	6.50	6.00	6.00
EPS Growth (%)	(7.2)	(3.7)	7.4	(14.6)	(15.1)	15.9
Dividend yield (%)	2.3	2.7	3.0	3.5	3.3	4.6
D/E (%)	4.1	3.5	3.1	2.8	2.7	2.6
P/E (X)	13.5	13.2	11.9	12.3	11.1	9.6
P/BV (X)	2.9	2.4	2.0	1.6	1.1	1.1
ROAA (%)	4.0	4.0	4.1	3.5	2.9	3.2
ROAE (%)	19.5	19.2	17.9	13.8	10.8	11.5

Source: Company data, KGI Securities Research

Figure 1: Key assumptions

	2021 Feb-22A	2022 Feb-23A	2023 Feb-24A	2024F Feb-25F	2025F Feb-26F
Loan (Bt bn)	91,028	93,937	91,305	95,312	99,555
Credit card (Bt bn)	39,324	43,474	41,162	43,632	46,250
P-Loan (Bt bn)	45,695	44,878	43,421	44,290	45,176
Hire purchase	5,891	5,511	6,647	7,312	8,043
Others	117	73	73	78	86
Loan by country					
Domestic	85,508	88,769	84,756	88,146	91,672
CLMV	4,992	5,168	6,549	7,174	7,861
Growth by country					
All country	4.1%	3.2%	-2.8%	4.4%	4.5%
Domestic	4.6%	3.8%	-4.5%	4.0%	4.0%
CLMV	-9.9%	3.5%	26.7%	9.5%	9.6%
Loan yield					
All country	20.1%	20.4%	20.3%	20.1%	20.1%
Domestic	20.7%	20.4%	20.1%	20.1%	20.1%
CLMV	24.3%	25.7%	23.1%	23.5%	24.5%
Cost of fund	2.7	2.9	3.4	3.4	3.4
Loan spread	17.3	17.5	16.9	16.7	16.7
Bad debt write-off	7,649	8,583	9,596	10,222	10,483
Credit cost	728	773	793	825	810
LLR	10,951	10,125	8,288	8,578	8,960
LLR/loan ratio	12.0	10.8	9.1	9.0	9.0
NPL ratio	4.9	5.7	5.0	5.6	5.6
NPL coverage	247	190	183	161	161
Cost-to-income ratio	38.3	37.0	38.5	38.0	37.0
Effective tax rate	21.9%	20.1%	19.8%	20.0%	20.0%
ROA	4.0	4.1	3.5	2.9	3.2
ROE	19.2	17.9	13.8	10.8	11.5
D/E	3.5	3.1	2.8	2.7	2.6

Source: KGI Securities Research

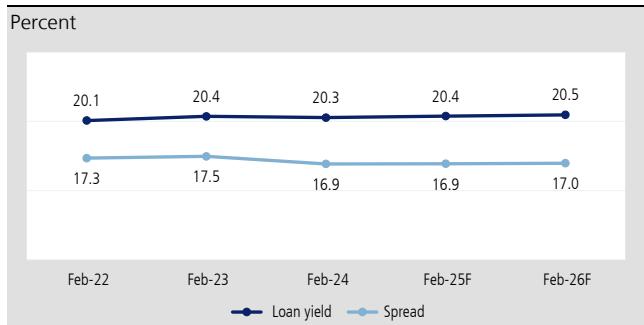
Figure 2: Expect quarterly earnings to continue to rise in FY2024F


Source: KGI Securities Research

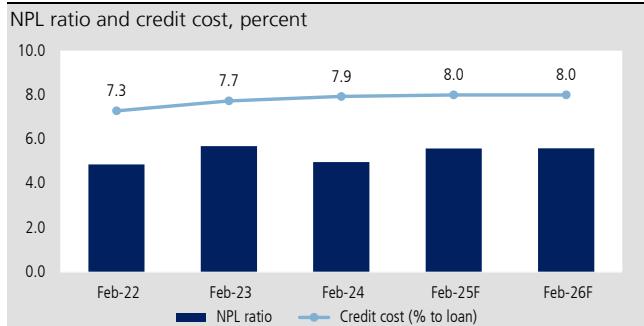
Figure 3: Company profile

AEON Thana Sinsap (AEONTS) is a lending company. Its business segments consist of retail finance (credit card, personal loan, hire-purchase loan) and other business (debt collection and insurance brokerage services). Outside of Thailand it has business operation in Cambodia, Laos, and Myanmar. 71% of AEONTS's customer base are in provincial areas and 29% are in Bangkok.

Source: Company data, KGI Securities Research

Figure 5: Loan yield and spread

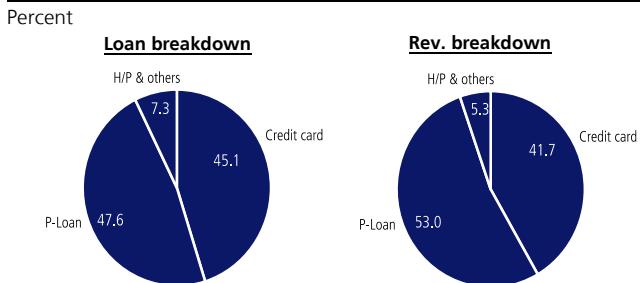
Source: Company data, KGI Securities Research

Figure 7: Asset quality (NPL ratio and credit cost)

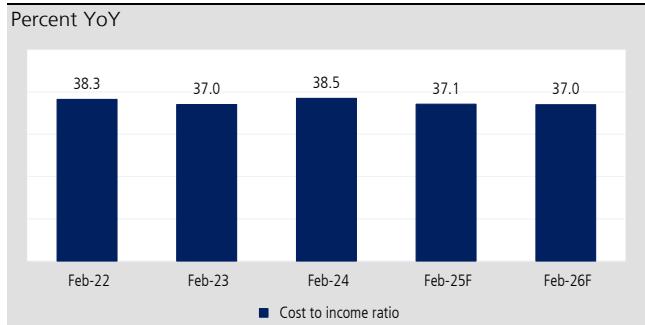
Source: Company data, KGI Securities Research

Figure 9: PBV

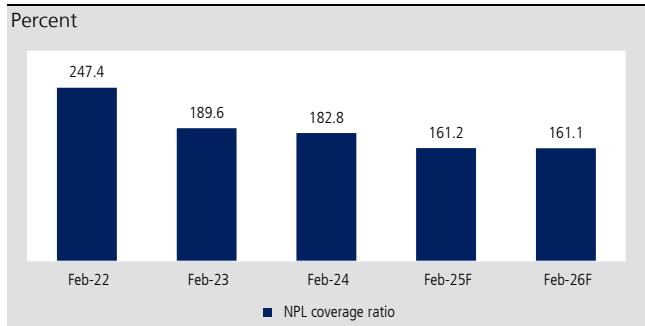
Source: Company data, KGI Securities Research

Figure 4: Loan breakdown (personal loans and credit card)

Source: Company data, KGI Securities Research

Figure 6: Cost to income ratio

Source: Company data, KGI Securities Research

Figure 8: NPL coverage

Source: Company data, KGI Securities Research

Figure 10: PER

Source: KGI Securities Research

Quarterly Income Statement

	May-22	Aug-22	Nov-22	Feb-23	May-23	Aug-23	Nov-23	Feb-24	May-24	May-24F	% chg QoQ	YoY	1H23	1H24F	% chg
Income Statement (Bt mn)															
Interest Income	4,705	4,761	4,803	4,786	4,726	4,770	4,650	4,622	4,657	4,587	-1%	-4%	9,495	9,244	-3%
Credit card	1,810	1,878	1,960	1,993	1,951	1,968	1,989	1,910	1,898	1,860	-2%	-5%	3,919	3,758	-4%
Personal loan	2,628	2,629	2,589	2,538	2,534	2,554	2,411	2,451	2,475	2,445	-1%	-4%	5,089	4,920	-3%
Hire-purchase	267	253	254	255	240	248	249	261	283	282	0%	14%	488	565	16%
Interest Expense	437	469	476	523	527	574	511	550	558	565	1%	-2%	1,101	1,123	2%
Interest Income-net	4,268	4,292	4,328	4,263	4,199	4,196	4,139	4,072	4,098	4,022	-2%	-4%	8,394	8,120	-3%
Collection service income	56	54	55	60	55	58	55	53	51	55	7%	-6%	113	106	-6%
Commission income	179	162	176	172	170	160	157	156	158	160	1%	0%	330	318	-4%
Gain on sale of written-off	105	0	300	0	0	167	0	0	0	150			167	150	-10%
Other income	439	498	486	535	509	521	543	594	641	611	-5%	17%	1,030	1,252	22%
Pre-provision income	4,943	5,007	5,044	5,029	4,932	4,935	4,894	4,875	4,949	4,848	-2%	-2%	9,867	9,797	-1%
Operating expenses	2,033	1,985	2,039	2,060	2,029	2,070	2,114	2,181	2,187	2,206	1%	7%	4,099	4,392	7%
Pre-provision profit	2,910	3,022	3,005	2,969	2,903	2,865	2,780	2,694	2,762	2,642	-4%	-8%	5,769	5,404	-6%
Provision	1,563	1,851	1,884	1,964	2,094	1,949	1,899	1,298	2,089	1,900	-9%	-3%	4,043	3,989	-1%
Pre-tax profit	1,450	1,170	1,421	909	805	1,082	881	1,394	672	892	33%	-18%	1,887	1,564	-17%
Income tax	291	239	286	182	161	218	171	273	132	178	35%	-18%	379	311	-18%
Net profit	1,115	904	1,104	692	617	842	706	1,094	524	699	33%	-17%	1,459	1,223	-16%
EPS (Bt)	4.46	3.61	4.42	2.77	2.47	3.37	2.82	4.37	2.10	2.80	33%	-17%	5.84	4.89	-16%
Profitability (%)															
Loan yield	20.48	20.40	20.32	20.25	20.14	20.32	19.80	19.96	20.38	20.38					
Spread	17.83	17.63	17.54	17.13	16.90	16.75	16.64	16.51	16.84	16.77					
Cost of funds (%)	2.65	2.77	2.78	3.13	3.24	3.57	3.16	3.46	3.55	3.62					
Cost to income ratio (%)	37.1	36.2	35.0	37.1	37.2	36.5	39.1	40.2	39.7	39.6					
Effective tax rate (%)	20.1	20.4	20.1	20.0	20.0	20.2	19.4	19.6	19.7	20.0					
ROAA	4.9	3.8	4.6	2.9	2.6	3.6	3.0	4.7	2.2						
ROAE	21.7	16.9	20.4	12.4	10.7	14.3	11.9	18.2	8.4						
Loan (Bt bn)	92.7	94.0	95.1	93.9	93.8	94.0	93.9	91.3	91.5	90.6	-1%	-4%			
Credit card	40.8	42.2	43.4	43.5	43.6	43.9	43.5	41.2	40.2	39.6	-2%	-10%			
P-Loan	46.2	46.2	46.0	44.9	44.4	44.0	44.0	43.4	43.6	43.2	-1%	-2%			
Hire purchase	5.6	5.5	5.6	5.5	5.7	6.0	6.3	6.6	7.6	7.9	4%	31%			
Asset quality															
LLR	10,772	10,669	10,470	10,125	10,199	10,086	9,487	8,288	8,289	8,988					
Credit card	3,733	3,774	3,644	3,625	3,736	3,641	3,069	2,713	2,598	3,075					
Personal loan	6,280	6,210	6,261	6,000	5,906	5,892	5,813	5,091	5,156	5,774					
Hire-purchase	759	684	565	500	557	553	606	483	535	639					
LLR/loans (%)	11.6	11.4	11.0	10.8	10.9	10.7	10.1	9.08	9.06	10.0					
NPL	4,912	5,149	5,340	5,340	5,541	5,810	5,854	4,534	4,931	4,721	-4%	-19%			
NPL ratio (%)	5.3	5.5	5.6	5.7	5.9	6.2	6.2	5.0	5.4	5.2					
Coverage ratio (%)	219	207	196	190	184	174	162	183	168	160					
Credit cost (%)	6.7	7.9	7.9	8.4	8.9	8.3	8.1	5.7	9.1	8.4					
Net credit cost (%)	5.1	6.1	6.2	6.3	7.0	6.4	6.1	3.5	6.8	6.2					
Bad debt recovery	385	410	406	494	441	451	468	488	525	515					
Bad debt write-off	1,859	2,079	2,214	2,431	2,155	2,196	2,631	2,615	2,178	2,410					

Source: Company data, KGI Securities Research

Balance Sheet

	Feb-21	Feb-22	Feb-23	Feb-24F	Feb-25F
	Ending Feb-22	Ending Feb-23	Ending Feb-24	Ending Feb-25	Ending Feb-26
Loans outstanding	91,028	93,937	91,305	95,312	99,555
Loans growth	4.1	3.2	(2.8)	4.4	4.5
Loans by categories					
Credit card	43	46	45	46	46
Personal loan	50	48	48	46	45
Hire-purchase	6	6	7	8	8
Asset quality					
LLR	10,951	10,125	8,288	8,578	8,960
Credit card	3,880	3,625	2,713	3,431	3,584
Personal loan	6,279	6,000	5,091	4,718	4,928
Hire-purchase	792	500	483	429	448
LLR/loans	12.0	10.8	9.1	9.0	9.0
NPL	4,427	5,340	4,534	5,323	5,562
NPL ratio	4.9	5.7	5.0	5.6	5.6
Coverage ratio (LLR/NPL)	247.4	189.6	182.8	161.2	161.1
Credit cost	728.3	773.1	793.0	825.0	810.0
Net credit cost	569.6	571.9	592.6	590.5	607.8
Profitability					
Loan yield	20.1	20.6	20.3	20.1	20.1
Credit card	17.1	18.5	18.5	18.5	18.5
Personal loan	22.8	22.9	22.5	22.5	22.5
Hire-purchase	18.3	18.0	16.4	16.5	16.5
Spread	17.3	17.5	16.9	16.7	16.7
Cost					
SG&A	7,832	8,117	8,394	8,687	8,862
Cost to income ratio	38.3	37.0	38.5	38.0	37.0

Source: KGI Securities Research

Profit and Loss

Year to Feb 28 (Btmn)	Feb-21	Feb-22	Feb-23	Feb-24F	Feb-25F
Interest Income	17,903	19,055	18,767	18,789	19,613
Credit card	6,462	7,642	7,819	7,891	8,238
Personal loan	10,368	10,385	9,950	9,864	10,297
Hire-purchase	1,073	1,029	998	1,033	1,079
Interest Expense	1,745	1,904	2,162	2,251	2,353
Interest Income-net	16,158	17,151	16,605	16,538	17,260
Collection service income	210	226	221	250	250
Commission income	682	689	643	650	650
Other income	1,997	2,362	2,334	2,670	2,898
Pre-provision income	19,047	20,428	19,803	20,109	21,058
Operating expenses	7,832	8,117	8,394	8,687	8,862
Pre-provision profit	10,323	11,396	10,545	10,522	11,296
Provision	6,629	7,263	7,240	7,863	8,064
Pre-tax profit	4,574	4,950	4,161	3,559	4,132
Income tax	1,000	996	824	712	826
Net profit	3,553	3,815	3,259	2,767	3,206
EPS (Bt)	14.21	15.26	13.04	11.07	12.82

Source: KGI Securities Research

Key Ratios

Year to 28 Feb(Btmn)	Feb-21	Feb-22	Feb-23	Feb-24F	Feb-25F
Growth (YoY %)					
Loans	4.1	3.2	(2.8)	4.4	4.4
Borrowings/Debentures	4.5	1.0	(4.9)	7.6	4.5
Total Assets	3.5	5.2	(2.9)	6.6	4.5
Total Equity	16.6	14.7	7.2	9.3	9.2
Growth (YoY %)					
Net Interest Income	(2.0)	6.1	(3.2)	(0.4)	4.4
Total Revenue	(2.4)	7.4	(1.6)	1.8	4.7
Loan Loss Provision	6.8	9.6	(0.3)	8.6	2.6
Operating Expense	(5.7)	3.6	3.4	3.5	2.0
Pre-provision Profit	(0.8)	7.3	(3.1)	1.5	4.7
Net Profit	(3.7)	7.4	(14.6)	(15.1)	15.9
EPS	(3.7)	7.4	(14.6)	(15.1)	15.9
Profitability (%)					
Yield on loans	20.1	20.6	20.3	20.1	20.1
Cost of Funds	2.7	2.9	3.4	3.4	3.4
Net Interest Margin	18.1	18.5	17.9	17.7	17.7
Bad debt recovery/Rev	6.8	7.6	8.4	9.3	9.8
Cost/Income Ratio	38.3	37.0	38.5	38.0	38.0
ROAA	4.0	4.1	3.5	2.9	3.2
ROAE	19.2	17.9	13.8	10.8	11.5
Capital Adequacy(%)					
Assets/Equity (x)	4.5	4.2	3.8	3.7	3.5
D/E (x)	3.5	3.1	2.8	2.7	2.6
Asset Quality (%)					
NPL Ratio	4.9	5.7	5.0	5.6	5.6
Per Share Data (Bt)					
EPS	14.21	15.26	13.04	11.07	12.82
DPS	5.2	5.5	6.5	6.0	6.0

Source: KGI Securities Research

AEON Thana Sinsap - Recommendation & target price history



Source: KGI Securities Research

Company's ESG details

Environment

The company has joined as a member in Greenhouse Gas Reduction workforce in Aeon Financial Services Group, Japan, which established goals and short-term and long-term action plans to reduce greenhouse gas emissions to Zero CO2 Society as follows;

- 35% reduction within the year 2030
- Zero CO2 by the year 2040

The company has implemented environmental development through strategic plans. The Digitalization Roadmap since 2017 and implementation of resource management in business operations, which are;

1. Reducing the use of paper and plastic;
2. Waste management; and
3. Management of electrical energy, water, and fuel energy.

Social

The company conducts business in accordance to human rights principles, based on its philosophy which places importance on peace, human beings and society, and aims to conduct business with responsibility to both customers; via the development of financial products and services regularly to enhance the financial service accessibility and the use of financial services with safety and fairness, and employees; via our Human Resources Management policy to treat employees equally through recruiting, providing a safe working environment and good occupational healthy environment, performance appraisal, employee development, layoffs, and retirement processes.

In addition, the company supports various social projects through AEON Thailand Foundation with the following objectives:

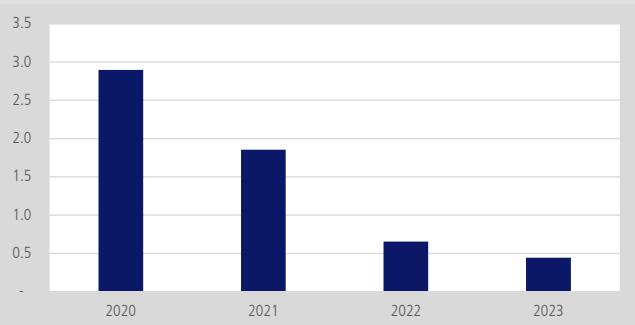
1. Promote and support forest conservation;
2. Promote education, including granting scholarships and/or donations to students and/or schools;
3. Develop Thai society and promote and support general public interests;
4. Conduct or cooperate with other charitable organizations. for public benefit; and
5. Do not engage in any political activities.

Governance

The company is aware of the industry risks, so it places importance on technology development and management as well as financial innovations in response to customer needs by focusing on providing personal loan services responsibly and to achieve customer satisfaction. In addition, the company develops corporate governance and risk management continuously to maintain credibility and trust of all stakeholders. Besides operating under the supervision of the SEC/SET, Bank of Thailand, related laws and regulations, the company also complies ISO world-class standards to control various operational processes to ensure that the company conducts business with transparency and fairness for stakeholders' confidence.

The company maintains annual "Very Good" CG scoring From Thai Institute of Directors Association (IOD)

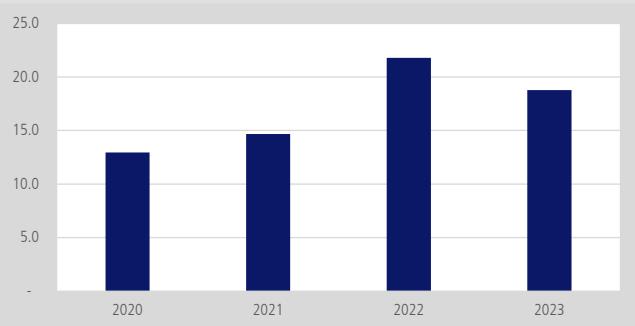
Source: Company data, KGI Securities Research

Total water withdrawWater withdrawal, '000 m³

Source: Company data, SETSMART, KGI Securities Research

Employee turnover

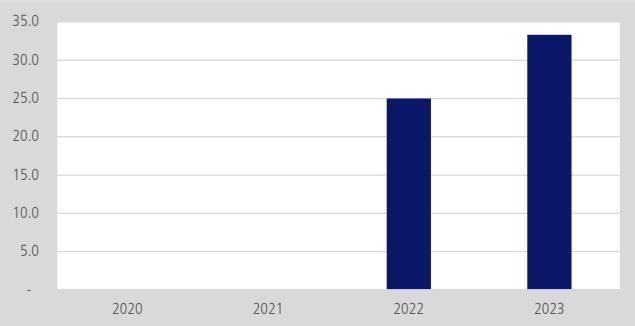
Employee turnover, percent



Source: Company data, SETSMART, KGI Securities Research

Proportion of independent directors

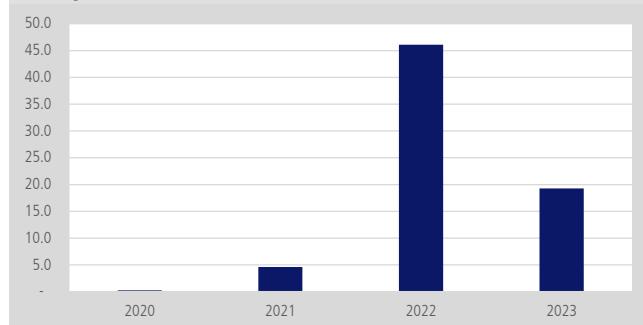
Independent directors, percent



Source: Company data, SETSMART, KGI Securities Research

Total waste

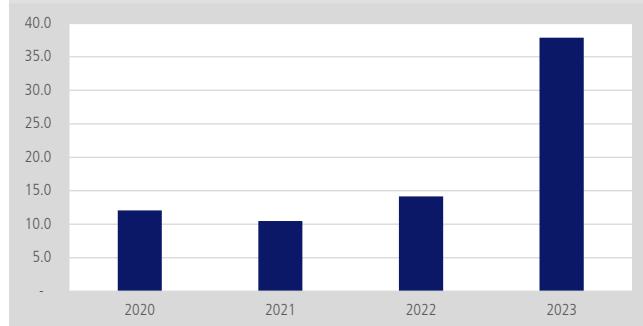
Waste generated, '000 tons



Source: Company data, SETSMART, KGI Securities Research

Average employee training hours

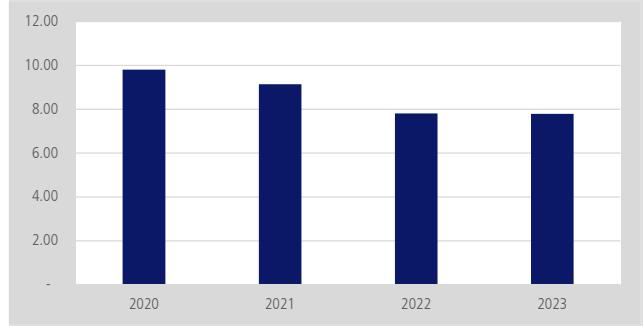
Average employee training hour, hours per person per year



Source: Company data, SETSMART, KGI Securities Research

Total electricity consumption

Electricity consumption, GWh



Source: Company data, SETSMART, 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 MANAGEMENT	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	THAI FOODS 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	KASIKORN BANK	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	GFPT	GLOBAL GREEN CHEMICALS	SAK	SAKSIAM LEASING
ADVANC	ADVANCED INFO SERVICE	GGC	SIAM GLOBAL HOUSE	SAPPE	SAPPE
AEONTS	AEON THANA SINSAP (THAILAND)	GLOBAL	GLOBAL POWER SYNERGY	SAT	SOMBOON ADVANCE TECHNOLOGY
AMA	AMA MARINE	GPSC	GULF ENERGY DEVELOPMENT	SCB	SCB X
AMATA	AMATA CORPORATION	GULF	HANA MICROELECTRONICS	SCC	THE SIAM CEMENT
ANAN	ANANDA DEVELOPMENT	HANA	HENG LEASING AND CAPITAL	SCCC	SIAM CITY CEMENT
AOT	AIRPORTS OF THAILAND	HENG	HOME PRODUCT CENTER	SCGP	SCG PACKAGING
AP	AP (THAILAND)	HMPRO	INTOUCH HOLDINGS	SEAFCO	SEAFCO
BAFS	BANGKOK AVIATION FUEL SERVICES PCL.	IRPC	IRPC	SFT	SHRINKFLEX (THAILAND)
BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT	ITC	i-Tail Corporation	SHR	S HOTELS AND RESORTS
BANPU	BANPU	IVL	INDORAMA VENTURES	SICT	SILICON CRAFT TECHNOLOGY
BBGI	BBGI	KBANK	KASIKORN BANK	SMPC	SAHAMITR PRESSURE CONTAINER
BBL	BANGKOK BANK	KCE	KCE ELECTRONICS	SNC	SNC FORMER
BCH	BANGKOK CHAIN HOSPITAL	KEX	KERRY EXPRESS (THAILAND)	SNNP	SRINANAPORN MARKETING
BCP	BANGCHAK CORPORATION	KKP	KIATNAKIN PHATRA BANK	SPALI	SUPALAI
BCPG	BCPG	KTB	KRUNG THAI BANK	SPRC	STAR PETROLEUM REFINING
BDMS	BANGKOK DUSIT MEDICAL SERVICES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
BEC	BEC WORLD	LH	LAND AND HOUSES	STGT	SRI TRANG GLOVES (THAILAND)
BEM	BANGKOK EXPRESSWAY AND METRO	LPN	L.P.N. DEVELOPMENT	SUN	SUNSWEET
BGRIM	B.GRIMM POWER	M	MK RESTAURANT GROUP	SVI	SVI
BH	BUMRUNGRAD HOSPITAL	MAJOR	MAJOR CINEPLEX GROUP	TACC	T.A.C. CONSUMER
BPP	BANPU POWER	MBK	MBK	TCAP	THANACHART CAPITAL
BTS	BTS GROUP HOLDINGS	MEGA	MEGA LIFESCIENCES	TFG	THAIFOODS GROUP
CBG	CARABAO GROUP	MINT	MINOR INTERNATIONAL	THCOM	THAI COM
CENTEL	CENTRAL PLAZA HOTEL	MTC	MUANGTHAI CAPITAL	TIDLOR	NGERN TID LOR
CK	CH. KARNCHANG	OR	PTT OIL AND RETAIL BUSINESS	TISCO	TISCO FINANCIAL GROUP
CKP	CK POWER	ORI	ORIGIN PROPERTY	TKN	TAOKAENOI FOOD & MARKETING
COM7	COM7	OSP	OSOTSPA	TOP	THAI OIL
CPALL	CP ALL	PLANB	PLAN B MEDIA	TTB	TMBTHANACHART BANK
CPAXT	CP AXTRA	PSH	PRUKSA HOLDING	UBE	UBON BIO ETHANOL
CPF	CHAROEN POKPHAND FOODS	PTT	PTT	VGI	VGI
CPN	CENTRAL PATTANA	PTTEP	PTT EXPLORATION AND PRODUCTION	WHA	WHA CORPORATION
DELTA	DELTA ELECTRONICS (THAILAND)	PTTGC	PTT GLOBAL CHEMICAL	WHAUP	WHA UTILITIES AND POWER
DOHOM	DOHOME	QH	QUALITY HOUSES	ZEN	ZEN CORPORATION GROUP
EGCO	ELECTRICITY GENERATING	RATCH	RATCH GROUP		
ERW	THE ERAWAN GROUP				



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
BTG	BETAGRO	NTSC	Nutrition SC	TNP	THANAPIRIYA
EKH	EKACHAI MEDICAL CARE	PQS	Premier Quality Starch	XO	EXOTIC FOOD
HUMAN	HUMANICA	PYLON	PYLON		
JMART	JAYMART GROUP HOLDINGS	SINGER	SINGER THAILAND		



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
IIG	I&I GROUP	SAWAD	SRISAWAD CORPORATION	SPA	SIAM WELLNESS GROUP
JMT	JMT NETWORK SERVICES	SMD	SAINTMED		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
AU	AFTER YOU	NETBAY	NETBAY	SISB	SISB
CHG	CHULARAT HOSPITAL	PJW	PANJAWATTANA PLASTIC	TGE	THACHANG GREEN ENERGY
ESSO	ESSO (THAILAND)	PLT	Pilatus Marine	TPCH	TPC POWER HOLDING
LPH	LADPRAO GENERAL HOSPITAL	PTG	PTG ENERGY	TU	THAI UNION GROUP
MENA	MENA TRANSPORT	SFLEX	STARFLEX		

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	SEAFCO	SEAFCO
BH	BUMRUNGGRAD 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	MINIT	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.cgithailand.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	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	195 One Bangkok Tower 4 18th - 19th floors Witthayu Road Lumpini, Pathumwan, Bangkok 10330, 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
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.		
Disclaimer	KGI Securities (Thailand) Plc. ("The Company") disclaims all warranties with regards to all information contained herein. In no event shall the Company be liable for any direct, indirect or any damages whatsoever resulting from loss of income or profits, arising by utilization and reliance on the information herein. All information hereunder does not constitute a solicitation to buy or sell any securities but constitutes our sole judgment as of this date and are subject to change without notice.			