

Inter Pharma

(IP.BK/IP TB)

Neutral · Initiate

Price as of 25 Mar 2021	23.50
12M target price (Bt/shr)	25.00
Unchanged/Revised up(down)(%)	NA
Upside/downside (%)	6.4

Key messages

เราเริ่มต้นศึกษาหุ้น บมจ. อินเตอร์ ฟาร์มา (IP.BK/IP TB) ด้วยคำแนะนำ "ถือ" โดยมีราคาเป้าหมายปี 2565 ที่ 25.00 บาท (PER 56 เท่า +0.5 S.D.) ถึงแม้ว่าราคาหุ้นจะเหลือ upside ไม่มาก แต่เราแนะนำให้ "ถือ" IP เนื่องจาก i) ทั้งธุรกิจหลัก และธุรกิจเสริม (ผลิตภัณฑ์เพื่อสุขภาพ/อาหารเสริม และสัตว์เลี้ยง) ยังมีแนวโน้มสดใส ii) ถ้าเรามีแนวโน้มเติบโตอย่างแข็งแกร่งถึง 55% CAGR ในอีกสองปีข้างหน้า และ ii) ยังมี upside จากโครงการใหม่ ๆ ที่เรายังไม่ได้รวมในประมาณการของเรา (การรับจ้างผลิตยาให้กับ เทวา ฟาร์มา (ประเทศไทย) และการนำกฎของมาเป็นส่วนผสมในการผลิตยา/อาหารเสริม)

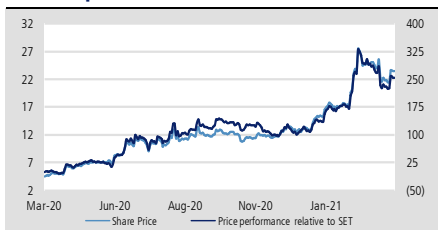
Trading data

Mkt cap (Btbn/US\$mn)	4.8/121
Outstanding shares (mn)	206
Foreign ownership (mn)	2.6
3M avg. daily trading (mn)	2
52-week trading range (Bt)	3.10 - 24.60
Performance (%)	3M 6M 12M
Absolute	78.0 83.6 424.6
Relative	68.4 45.5 264.6

Quarterly EPS

	1Q	2Q	3Q	4Q
2018	0.09	0.12	0.10	(0.02)
2019	0.01	0.11	0.08	0.06
2020	0.07	0.08	0.09	0.02

Share price chart



Source: SET

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

แนวโน้มที่สดใสสะท้อนในราคาหุ้นแล้ว

Event

เราเริ่มต้นศึกษาหุ้น บมจ. อินเตอร์ ฟาร์มา (IP.BK/IP TB) ด้วยคำแนะนำ "ถือ" โดยมีราคาเป้าหมายปี 2565 ที่ 25.00 บาท

Impact

ธุรกิจจัดจำหน่ายสินค้าเพื่อสุขภาพสำหรับทั้งคนและสัตว์ IP เป็นผู้จัดจำหน่ายผลิตภัณฑ์เพื่อสุขภาพในประเทศไทย โดยในปัจจุบัน IP จัดจำหน่าย i) สินค้าเพื่อสุขภาพสำหรับคนภายใต้แบรนด์ของตัวเองอย่างเช่น "Probac 7", "Probac 10 Plus", "PreBO", "YUUV" และแบรนด์ของพันธมิตร อย่างเช่น "TS6-Synbiotic", "Perfectha" และ ii) สินค้าเพื่อสุขภาพสำหรับสัตว์ อย่างเช่น อาหารสัตว์เลี้ยงภายใต้แบรนด์ของตัวเอง (Maria), โภชนเภสัช (Nutraceutical) และยารักษาโรคสำหรับสัตว์เลี้ยง, แหวนพญา และสินค้าปลาคู่สัตว์ โดย 56% ของยอดขายรวมในปี 2563 มาจากสินค้าสำหรับคน และอีก 44% มาจากสินค้าสำหรับสัตว์

เกาะกระแสการเติบโตของธุรกิจสินค้าเพื่อสุขภาพและอาหารเสริมในประเทศไทย

เรามองว่าธุรกิจสินค้าเพื่อสุขภาพและอาหารเสริมของไทยมีแนวโน้มสดใสต่อเนื่องไปไปอีกสองสามปีข้างหน้า เนื่องจาก i) เศรษฐกิจฟื้นตัวตั้งแต่ปี 2564 เป็นต้นไป ซึ่งคาดว่าจะช่วยขับเคลื่อนการบริโภค และ ii) การที่คนมีอายุยืนมากขึ้น และให้ความสำคัญกับสุขภาพมากขึ้นทำให้มีการใช้จ่ายเพื่อซื้อสินค้าเพื่อสุขภาพและอาหารเสริมมากขึ้น เราคิดว่ากระแสการเติบโตของธุรกิจนี้จะส่งผลดีต่อผู้ประกอบการทุกราย ซึ่งรวมถึงผลิตภัณฑ์เพื่อความงาม (wellness) และผลิตภัณฑ์ชะลอวัย (anti-aging) ซึ่งเป็นธุรกิจหลักของบริษัทด้วย

ถ้าอะไรจะโตแรงในปี 2564 และจะยังโตอย่างแข็งแกร่งต่อเนื่องได้อีกปี 2565

เราคาดว่ากำไรสุทธิของ IP จะเพิ่มขึ้นเป็น 98 ล้านบาท (+82% YoY) ในปี 2564 และเป็น 129 ล้านบาท (+32% YoY) ในปี 2565 โดยปัจจัยสำคัญที่จะขับเคลื่อนกำไร คือ รายได้ที่เพิ่มขึ้นทั้งจากสินค้าที่จำหน่ายอยู่แล้ว และกระแสรายได้ใหม่จากการขยายธุรกิจ ซึ่งจะมาจาก i) บริษัทฯสามัญประจำบ้าน (โมเดิร์น ฟาร์มา) ii) การซื้อสูตรยาสัตว์จากบริษัทฯ (เทวา ฟาร์มา) iii) การร่วมทุนกับ ไทยยูเนียน อินทรีย์เคภัณฑ์ ซึ่งเป็นบริษัทลูกของ ไทยยูเนียน กรุ๊ป (TU.BK/TU TB)* วางจำหน่ายผลิตภัณฑ์โภชนเภสัช และอาหารเสริมตัวใหม่ iv) ข้อตกลงกับพันธมิตรใหม่จากประเทศออสเตรเลีย เพื่อจัดจำหน่ายสินค้าอาหารเสริมภายใต้แบรนด์ "Vitahealth" ในประเทศไทย

Valuation and action

เราประเมินราคาเป้าหมายปี 2565 ของ IP ไว้ที่ 25.00 บาท อิงจาก PER ที่ 56 เท่า (+0.5 S.D.) เราแนะนำถือ IP เนื่องจาก i) คาดว่ากำไรจะเติบโตอย่างแข็งแกร่งในปี 2564-65 ถึง 55% CAGR และ ii) ยังมี upside อีกจากโครงการใหม่ๆ

Risks

รายได้จากผลิตภัณฑ์โภชนเภสัชต่ำกว่าที่คาดไว้

Key financials and valuations

	Dec-18A	Dec-19A	Dec-20A	Dec-21F	Dec-22F
Revenue (Btmn)	314	371	442	748	975
Gross Profit (Btmn)	189	214	261	443	580
EBIT (Btmn)	40	57	74	126	168
Net Profit (Btmn)	30	43	54	98	129
Normalized Profit (Btmn)	30	43	54	98	129
EPS (Bt)	0.23	0.21	0.26	0.34	0.45
DPS (Bt)	0.06	0.13	0.02	0.17	0.22
EPS growth (%)	16.2	(7.6)	23.7	30.1	31.8
P/E (x)	-	21.5	35.9	69.5	52.7
P/B (x)	-	2.01	3.95	11.83	10.50
EV/EBITDA (x)	0.0	15.8	24.5	53.9	40.5
Net debt/Equity (x)	Net cash	Net cash	Net cash	Net cash	Net cash
Dividend yield (%)	NA	2.9	0.2	0.7	0.9
Return on Average Equity (%)	32.0	15.2	11.3	18.4	21.1

Source: Company data, KGI 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: Health and beauty products for humans

Figure 2: Health products for animals

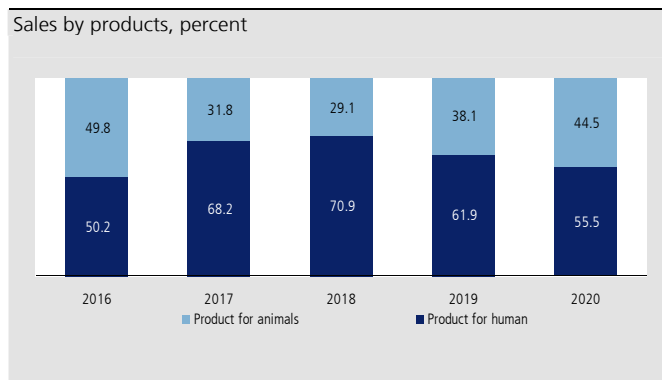
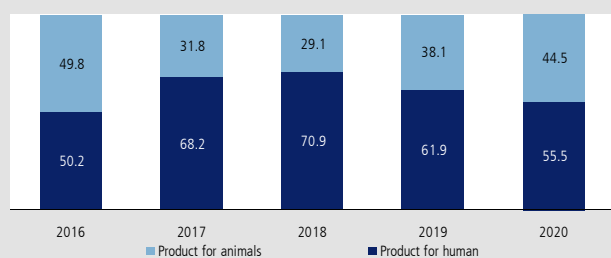
Figure 3: Breakdown sales by products

Figure 4: Customers


Figure 5: Breakdown of revenue by products

Revenue, percent



Source: Company data

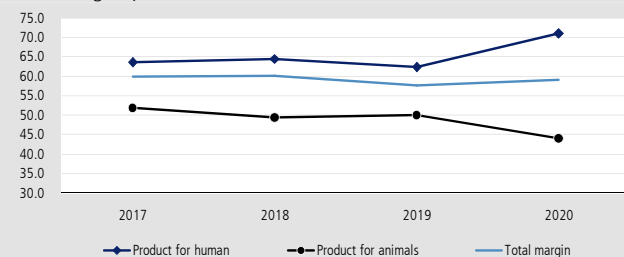
Figure 7: Financial highlights

(Bt mn)	2018A	2019A	2020A	2021F	2022F
Revenue	314	371	442	747	975
Cost of Goods Sold	(125)	(157)	(181)	(305)	(394)
Gross Profit	189	214	261	442	580
SG&A	(148)	(157)	(187)	(316)	(412)
Operating Profit	40	57	74	126	168
Operating EBITDA	42	59	79	126	168
Other revenue	0	4	5	5	5
Interest Expense	(0)	(1)	(1)	(4)	(3)
Pre-tax Profit	40	61	77	127	170
Current taxation	(11)	(14)	(17)	(25)	(34)
Minorities	1	(4)	(7)	(4)	(7)
Net Profit	30	43	54	98	129
No. of share	130	206	206	288.4	288.4
EPS	0.23	0.21	0.26	0.34	0.45

Source: Company data, KGI Research

Figure 6: Breakdown of gross margin by products

Gross margin, percent



Source: Company data

Figure 8: Key assumptions

Key assumptions	2018A	2019A	2020A	2021F	2022F
Revenue (Btmn)	314	371	442	747	975
1.Products for human	222	230	246	511	680
1.1 Existing product line	222	230	234	257	295
1.2 Expansion	-	-	12	254	384
- Modern pharma	-	-	12	158	198
- JV with TU	-	-	-	30	60
- Acquiring Teva's assets	-	-	-	36	89
- Distribution for partner	-	-	-	30	38
2.Products for animal	91	141	197	236	295
Revenue (Percent)	100	100	100	100	100
1.Products for human	71	62	56	68	70
1.1 Existing product line	71	62	53	34	30
1.2 Expansion	-	-	3	21	20
- Modern pharma	-	-	-	4	6
- JV with TU	-	-	-	5	9
- acquiring Teva's assets	-	-	-	4	4
- Distribution for partner	-	-	-	4	4
2.Products for animal	29	38	44	32	30
Gross margin	60.1	57.6	59.0	59.2	59.5
1.Products for human	64.5	62.3	69.6	68.0	68.0
2.Products for animal	49.4	50.0	44.0	40.0	40.0
SG&A/sales	47.3	42.2	42.3	42.3	42.3
Net margin	9.5	11.7	12.2	13.1	13.2

Source: KGI Research

Figure 9: Peer comparison

Ticker	Country	PER		EPS			CAGR 2 YRS
		2021	2022	2020	2021	2022	
ADVENZY IN	India	23.66	19.60	0.16	0.20	0.24	22.5%
603739 CH	China	29.60	24.83	0.10	0.12	0.14	18.3%
300381 CH	China	14.33	11.03	0.07	0.10	0.13	36.3%
300858 CH	China	35.88	27.31	0.18	0.24	0.31	31.2%
300294 CH	China	22.94	18.71	0.15	0.19	0.24	26.5%
MEGA TB	Thailand	21.11	18.82	1.60	1.80	2.01	12.0%
IP TB	Thailand	70.08	53.19	0.26	0.34	0.45	30.9%
Average		31.09	24.78	0.36	0.43	0.50	25.4%

Source: Bloomberg, KGI Research

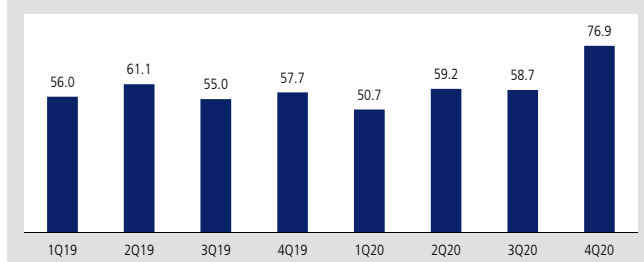
Figure 10: Company profile

Interpharma Public Company Limited (IP) started its business in 2006 as an importer and distributor company for health products. After the restructuring of major shareholders since 2013, the company expanded its business to nutraceuticals products and products for animals. Currently, the company's existing businesses can be categorized into four segments that are i) wellness and anti aging products, ii) aesthetic innovation products, iii) companion animal health products iv) livestock.

Source: Company data

Figure 12: Revenue from products for humans

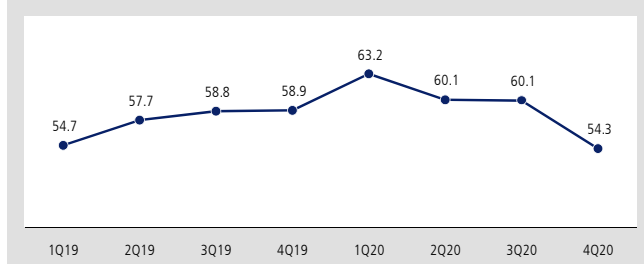
Products for human sales, Bt mn



Source: Company data

Figure 14: Gross profit margin

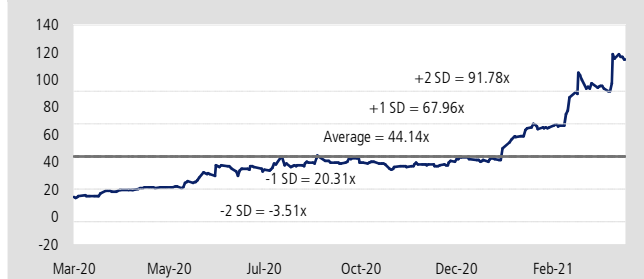
Gross margin, percent



Source: Company data

Figure 16: PER band

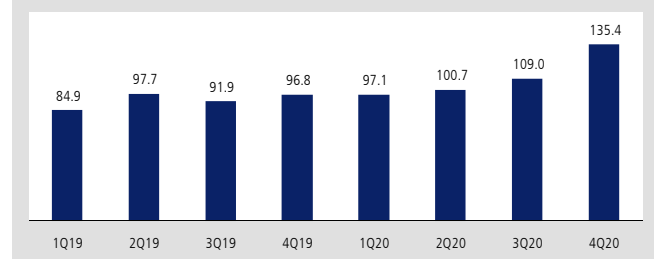
PER, Times



Source: KGI Research

Figure 11: Sales and service revenue

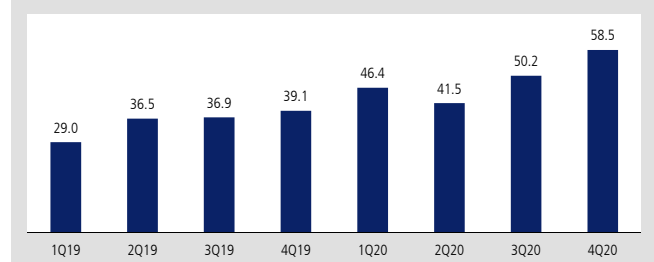
Sales and service revenue, Bt mn



Source: Company data

Figure 13: Revenue from products for animals

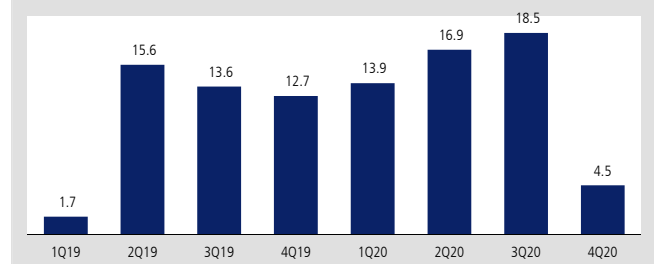
Products for animals sales, Bt mn



Source: Company data

Figure 15: Net profit

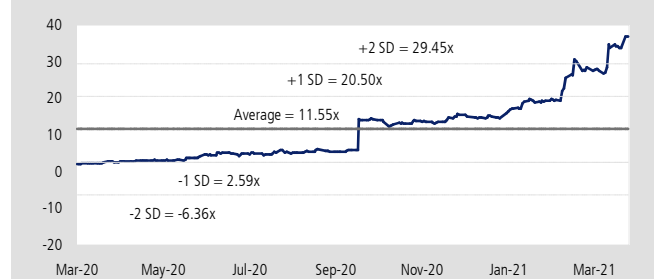
Net profit (loss), Bt mn



Source: Company data

Figure 17: PBV band

PBV, Times



Source: KGI Research

Quarterly Income Statement

	Mar-18A	Jun-18A	Sep-18A	Dec-18A	Mar-19A	Jun-19A	Sep-19A	Dec-19A	Mar-20A	Jun-20A	Sep-20A	Dec-20A
Income Statement (Bt mn)												
Revenue	60	78	86	90	85	98	92	97	97	101	109	135
Cost of Goods Sold	(22)	(29)	(33)	(40)	(38)	(41)	(38)	(40)	(36)	(40)	(44)	(62)
Gross Profit	38	49	53	50	46	56	54	57	61	61	65	74
Operating Expenses	(28)	(31)	(36)	(54)	(45)	(38)	(35)	(39)	(44)	(37)	(42)	(64)
Other incomes	0	0	0	(0)	0	3	1	1	2	1	2	1
Operating Profit	10	18	17	(5)	2	21	19	19	19	24	25	10
Depreciation of fixed assets	(0)	(0)	(0)	(0)	(0)	(1)	(1)	(1)	(1)	(1)	(1)	(3)
Operating EBITDA	10	19	18	(4)	3	22	20	20	20	25	26	13
Non-Operating Income	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-op Income	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Expenses	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)
Interest Expense	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)
Other Non-op Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Net investment Income/(Loss)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Pre-tax Profit	10	18	17	(5)	2	21	19	19	19	24	25	10
Current taxation	(3)	(5)	(4)	0	(1)	(4)	(4)	(5)	(4)	(5)	(5)	(3)
Minorities	0	(1)	(1)	2	0	(1)	(1)	(1)	(1)	(2)	(2)	(2)
Extraordinary items	-	-	-	-	-	-	-	-	-	-	-	-
Net Profit	7	12	13	(3)	2	16	14	13	14	17	18	5
EPS (Bt)	0.09	0.12	0.10	(0.02)	0.01	0.11	0.08	0.06	0.07	0.08	0.09	0.02
Margins (%)												
Gross profit margin	62.8	62.3	61.2	55.5	54.7	57.7	58.8	58.9	63.2	60.1	60.1	54.3
Operating margin	16.8	23.2	20.2	(5.1)	2.4	21.8	21.1	19.6	19.7	23.7	23.3	7.4
Operating EBITDA margin	17.5	23.7	20.7	(4.5)	3.0	22.3	21.7	20.2	20.5	24.4	24.0	9.5
Net profit margin	12.4	15.8	14.6	(3.0)	1.9	15.9	14.8	13.1	14.3	16.8	16.9	3.3
Growth (%)												
Revenue growth	NA	NA	NA	NA	41.8	25.1	6.7	8.1	14.4	3.1	18.5	39.8
Operating growth	NA	NA	NA	NA	(79.6)	17.7	11.8	(518.9)	835.2	11.8	30.9	(47.0)
Operating EBITDA growth	NA	NA	NA	NA	(76.0)	17.9	11.8	(583.9)	691.5	12.7	31.0	(34.0)
Net profit growth	NA	NA	NA	NA	(77.7)	26.1	7.6	(572.2)	739.1	8.8	36.0	(64.4)

Source: KGI Research

Peer comparison – Key valuation stats

	Rating	Target price (Bt)	Current price (Bt)	Upside (%)	20A EPS (Bt)	21F EPS (Bt)	22F EPS (Bt)	21F EPS growth (%)	22F EPS growth (%)	21F PER (x)	22F PER (x)	21F PBV (X)	22F PBV (X)	21F Div Yield (%)	21F ROAE (%)
IP	N	25.00	23.50	6.4	0.26	0.34	0.45	30.1	31.8	69.2	52.5	11.8	10.5	0.7	18.4
MEGA*	UR	NA	35.50	NA	1.60	1.80	2.01	12.3	11.8	19.8	17.7	4.0	3.7	0.0	NA

Source: KGI Research, Bloomberg

Balance Sheet

As of 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Total Assets	192	526	750	906	1,029
Current Assets	172	505	417	409	482
Cash & ST Investments	33	343	152	48	52
Inventories	54	50	103	165	195
Accounts Receivable	84	112	160	195	234
Others	2	0	2	2	2
Non-current Assets	20	21	333	497	546
LT Investments	6	6	8	9	10
Net fixed Assets	11	10	234	395	442
Others	3	5	92	93	94
Total Liabilities	85	60	262	331	380
Current Liabilities	84	56	160	244	309
Accounts Payable	64	41	123	212	276
ST Borrowings	-	-	-	-	-
Others	19	16	37	32	33
Long-term Liabilities	1	4	102	87	72
Long-term Debts	-	-	93	78	62
Others	1	4	9	9	9
Shareholders' Equity	107	466	488	575	649
Common Stock	65	103	103	144	144
Capital Surplus	18	287	287	287	287
Retained Earnings	14	44	59	110	190
Others	10	32	39	35	28

Source: KGI Research

Key Ratios

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021A	2022A
Forecast Drivers					
Products for human (Bt mn)	169	222	230	246	512
Products for animal (Bt mn)	79	91	141	197	236
Growth (% YoY)					
Sales	26.8	18.4	19.1	69.2	30.3
OP	43.7	42.3	28.7	71.4	33.0
EBITDA	50.3	41.0	32.9	68.4	32.7
NP	88.8	46.5	23.7	82.1	31.8
EPS	16.2	(7.6)	23.7	30.1	31.8
Profitability (%)					
Gross Margin	60.1	57.6	59.0	59.2	59.5
Operating Margin	12.8	15.4	16.7	16.9	17.2
EBITDA Margin	13.4	16.0	17.8	17.7	18.1
Net Profit Margin	9.5	11.7	12.2	13.1	13.2
ROAA	5.0	12.1	8.4	11.8	13.3
ROAE	0.1	15.2	11.3	18.4	21.1
Stability					
Gross Debt/Equity (%)	0.0	0.0	0.0	0.0	0.0
Net Debt/Equity (%)	(19.5)	(73.6)	(9.3)	7.7	3.8
Interest Coverage (x)	935.1	97.1	64.7	34.0	53.7
Interest & ST Debt Coverage (x)	935.1	97.1	64.7	34.0	53.7
Cash Flow Interest Coverage (x)	143.9	(8.5)	7.7	(35.2)	(39.7)
Cash Flow/Interest & ST Debt (x)	143.9	(8.5)	7.7	(35.2)	(39.7)
Current Ratio (x)	2.1	9.0	2.6	1.7	1.6
Quick Ratio (x)	1.4	8.1	2.0	1.0	0.9
Net Debt (Bt mn)	-21	-343	-45	44	25
Per Share Data (Bt)					
EPS	0.2	0.2	0.3	0.3	0.4
CFPS	(0.0)	0.0	(0.0)	0.5	0.4
BVPS	0.8	2.3	2.4	2.0	2.2
SPS	2.4	1.8	2.1	2.6	3.4
EBITDA/Share	0.3	0.3	0.4	0.5	0.6
DPS	0.1	0.1	0.0	0.2	0.2
Activity					
Asset Turnover (x)	2.1	1.0	0.7	0.9	1.0
Days Receivables	70.9	96.2	112.0	86.5	80.3
Days Inventory	99.3	121.0	154.1	159.8	166.3
Days Payable	(77.5)	(89.6)	(114.4)	(138.2)	(153.5)
Cash Cycle	247.7	306.8	380.6	384.5	400.1

Source: KGI Research

Profit & Loss

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Revenue	314	371	442	748	975
Cost of Goods Sold	(125)	(157)	(181)	(305)	(394)
Gross Profit	189	214	261	443	580
Operating Expenses	(148)	(157)	(187)	(316)	(412)
Other incomes	-	-	-	-	-
Operating Profit	40	57	74	126	168
Depreciation of fixed assets	2	2	5	6	8
Operating EBITDA	42	59	79	133	176
Non-Operating Income	1	5	5	5	5
Interest Income	-	-	-	-	-
Other Non-op Income	1	5	5	5	5
Non-Operating Expenses	(0)	(1)	(1)	(4)	(3)
Interest Expense	(0)	(1)	(1)	(4)	(3)
Other Non-op Expenses	-	-	-	-	-
Equity Income/(Loss)	(1)	(0)	(0)	(0)	(0)
Pre-tax Profit	40	61	77	127	170
Current taxation	(11)	(14)	(17)	(25)	(34)
Minorities	1	(4)	(7)	(4)	(7)
Extraordinary items	-	-	-	-	-
Net Profit	30	43	54	98	129
EPS (Bt)	0.23	0.21	0.26	0.34	0.45

Source: KGI Research

Cash Flow

Year to 31 Dec (Bt mn)	2018A	2019A	2020A	2021F	2022F
Operating Cash Flow	(6)	5	(9)	131	124
Net Profit	40	61	77	127	170
Depreciation & Amortization	2	2	5	45	8
Change in Working Capital	(53)	(59)	(93)	(34)	(40)
Others	4	1	2	(8)	(13)
Investment Cash Flow	(18)	(3)	(499)	(415)	(111)
Net CAPEX	(9)	(1)	(12)	(207)	(55)
Change in LT Investment	(1)	(0)	(236)	(1)	(1)
Change in Other Assets	(8)	(2)	(250)	(207)	(55)
Free Cash Flow	(24)	2	(508)	(284)	13
Financing Cash Flow	10	307	68	(28)	(65)
Change in Share Capital	27	337	-	41	-
Net Change in Debt	12	(2)	108	(21)	(16)
Change in Other LT Liab.	(28)	(27)	(39)	(48)	(49)
Net Cash Flow	(14)	310	(440)	(312)	(52)

Source: KGI Research

Rates of Return on Invested Capital

Year	1- Revenue	+	COGS Revenue	+	Depreciation Revenue	+	Operating Exp. Revenue	=	Operating Margin
Dec-18A			39.9%		0.6%		47.3%		12.2%
Dec-19A			42.4%		0.6%		42.2%		14.9%
Dec-20A			41.0%		1.2%		42.3%		15.5%
Dec-21F			40.8%		0.9%		42.3%		16.0%
Dec-22F			40.5%		0.8%		42.3%		16.4%
Year	1/ Revenue	+	Working Capital Revenue	+	Net PPE Revenue	+	Other Assets Revenue	=	Capital Turnover
Dec-18A			-0.17		0.03		0.01		-8.3
Dec-19A			-0.25		0.03		0.01		-4.7
Dec-20A			-0.21		0.53		0.21		1.9
Dec-21F			-0.04		0.53		0.13		1.6
Dec-22F			-0.04		0.45		0.10		2.0
Year	Operating Margin	x	Capital Turnover	x	Cash Tax Rate	=	After-tax Return on Inv. Capital		
Dec-18A	12.2%		-8.3		72.2		-73.7		
Dec-19A	14.9%		-4.7		72.2		-50.8		
Dec-20A	15.5%		1.9		72.2		21.2		
Dec-21F	16.0%		1.6		72.2		18.9		
Dec-22F	16.4%		2.0		72.2		23.1		

Source: KGI Research

Inter Pharma– Recommendation & target price history



Source: KGI Research

Corporate Governance Report of Thai Listed Companies



Companies with Excellent CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	HMPRO	HOME PRODUCT CENTER	QH	QUALITY HOUSES
ANAN	ANANDA DEVELOPMENT	INTUCH	SHIN CORPORATION	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
AOT	AIRPORTS OF THAILAND	IRPC	IRPC	ROBINS	ROBINSON DEPARTMENT STORE
AP	ASIAN PROPERTY DEVELOPMENT	IVL	INDORAMA VENTURES	SAMART	SAMART CORPORATION
BANPU	BANPU	KBANK	KASIKORN BANK	SAMTEL	SAMART TELCOMS
BCP	THE BANGCHAK PETROLEUM	KCE	KCE ELECTRONICS	SCB	THE SIAM COMMERCIAL BANK
BTS	BTS GROUP HOLDINGS	KKP	KIATNAKIN BANK	SCC	THE SIAM CEMENT
CK	CH. KARNCHANG	KTB	KRUNG THAI BANK	SCCC	SIAM CITY CEMENT
CPF	CHAROEN POKPHAND FOODS	KT C	KRUNGTHAI CARD	SPALI	SUPALAI
CPN	CENTRAL PATTANA	LPN	L.P.N. DEVELOPMENT	SPRC	STAR PETROLEUM REFINING
DELTA	DELTA ELECTRONICS (THAILAND)	MINT	MINOR INTERNATIONAL	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
DTAC	TOTAL ACCESS COMMUNICATION	MONO	MONO TECHNOLOGY	SVI	SVI
EASTW	EASTERN WATER RESOURCES DEVELOPMENT AND MANAGE	PLANB	PLAN B MEDIA	TCAP	THANACHART CAPITAL
EGCO	ELECTRICITY GENERATING	PSH	PRUKSA HOLDING	THCOM	THAICOM
GFPT	GFPT	PTT	PTT	TISCO	TISCO FINANCIAL GROUP
GPSC	GLOBAL POWER SYNERGY	PTTEP	PTT EXPLORATION AND PRODUCTION	TMB	TMB BANK
GUNKUL	GUNKUL ENGINEERING	PTTGC	PTT GLOBAL CHEMICAL	TOP	THAI OIL
HANA	HANA MICROELECTRONICS	PYLON	PYLON	TRUE	TRUE CORPORATION



Companies with Very Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	ERW	THE ERAWAN GROUP	SAWAD	SRISAWAD POWER 1979
AMATA	AMATA CORPORATION	GLOBAL	SIAM GLOBAL HOUSE	SCI	SCI ELECTRIC
BBL	BANGKOK BANK	GLOW	GLOW ENERGY	SCN	SCAN INTER
BCPG	BCPG	LH	LAND AND HOUSES	SEAFECO	SEAFECO
BDMS	BANGKOK DUSIT MEDICAL SERVICES	MAJOR	MAJOR CINEPLEX GROUP	SIRI	SANSIRI
BEM	BANGKOK EXPRESSWAY AND METRO	MAKRO	SIAM MAKRO	SMT	STARS MICROELECTRONICS (THAILAND)
CENTEL	CENTRAL PLAZA HOTEL	MALEE	MALEE SAMPRAN	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MTLS	MUANGTHAI LEASING	TKN	TAOKAENOI FOOD & MARKETING
CKP	CK POWER	NOK	NOK AIRLINES	TVO	THAI VEGETABLE OIL
DCC	DYNASTY CERAMIC	RS	RS	TWPC	THAI WAH



Companies with Good CG Scoring

Stock	Company name	Stock	Company name	Stock	Company name
AMA	AMA MARINE	BPP	BANPU POWER	SQ	SAHAKOL EQUIPMENT
BA	BANGKOK AIRWAYS	CBG	CARABAO GROUP	TPCH	TPC POWER HOLDING
BCH	BANGKOK CHAIN HOSPITAL	LPH	LADPRAO GENERAL HOSPITAL		
BH	BUMRUNGRAD HOSPITAL	SAPPE	SAPPE		

Companies classified Not in the three highest score groups

Stock	Company name	Stock	Company name	Stock	Company name
BGRIM	B. GRIMM POWER	TOA	TOA PAINT (THAILAND)	WHAUP	WHA UTILITIES AND POWER
CPALL	CP ALL	UNIQ	UNIQUE ENGINEERING AND CONSTRUCTION	WORK	WORKPOINT ENTERTAINMENT
THAI	THAI AIRWAYS INTERNATIONAL	WHA	WHA CORPORATION		

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
CPN	CENTRAL PATTANA	SCC	THE SIAM CEMENT		

Level 4: Certified

Stock	Company name	Stock	Company name	Stock	Company name
ADVANC	ADVANCED INFO SERVICE	IFEC	INTER FAR EAST ENGINEERING	SVI	SVI
BBL	BANGKOK BANK	KBANK	KASIKORN BANK	TCAP	THANACHART CAPITAL
DCC	DYNASTY CERAMIC	KKP	KIATNAKIN BANK	TISCO	TISCO FINANCIAL GROUP
DRT	DIAMOND ROOFING TILES	KTB	KRUNG THAI BANK	TMB	TMB BANK
EGCO	ELECTRICITY GENERATING	MINT	MINOR INTERNATIONAL		
ERW	THE ERWAN GROUP	SCB	THE SIAM COMMERCIAL BANK		

Level 3: Established

Stock	Company name	Stock	Company name	Stock	Company name
AAV	ASIA AVIATION	DTAC	TOTAL ACCESS COMMUNICATION	PACE	PACE DEVELOPMENT CORPORATION
ANAN	ANANDA DEVELOPMENT	GFPT	GFPT	PS	PRUKSA REAL ESTATE
AP	ASIAN PROPERTY DEVELOPMENT	GL	GROUP LEASE	RATCH	RATCHABURI ELECTRICITY GENERATING HOLDING
BA	BANGKOK AIRWAYS	GLOW	GLOW ENERGY	ROBINS	ROBINSON DEPARTMENT STORE
BDMS	BANGKOK DUSIT MEDICAL SERVICES	GPSC	GLOBAL POWER SYNERGY	SAMART	SAMART CORPORATION
BIGC	BIG C SUPERCENTER	HMPRO	HOME PRODUCT CENTER	SPALI	SUPALAI
BJCHI	BJC HEAVY INDUSTRIES	KTC	KRUNGTHAI CARD	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION
CENEL	CENTRAL PLAZA HOTEL	LPN	L.P.N. DEVELOPMENT	TASCO	TIPCO ASPHALT
CHG	CHULARAT HOSPITAL	MAKRO	SIAM MAKRO	TMT	THAI METAL TRADE
CK	CH. KARNCHANG	MODERN	MODERNFORM GROUP	TPCH	TPC POWER HOLDING
CKP	CK POWER	NOK	NOK AIRLINES	WHA	NOK AIRLINES

Level 2: Declared

Stock	Company name	Stock	Company name	Stock	Company name
AOT	AIRPORTS OF THAILAND	GUNKUL	GUNKUL ENGINEERING	QH	QUALITY HOUSES
BH	BUMRUNGRAD HOSPITAL	ILINK	INTERLINK COMMUNICATION	TRT	TIRATHAI
GLOBAL	SIAM GLOBAL HOUSE	MTLS	MUANGTHAI LEASING	TVO	THAI VEGETABLE OIL

Level 1: Committed

Stock	Company name	Stock	Company name	Stock	Company name
CBG	CARABAO GROUP	RS	RS	SAWAD	SRI SAWAD POWER 1979
MAJOR	MAJOR CINEPLEX GROUP				

No progress

Stock	Company name	Stock	Company name	Stock	Company name
BCH	BANGKOK CHAIN HOSPITAL	CPALL	CP ALL	WORK	WORKPOINT ENTERTAINMENT
BEM	BANGKOK EXPRESSWAY AND METRO	LPH	LADPRAO GENERAL HOSPITAL		

Source: www.cgthailand.org

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

KGI Locations

China	Shanghai	Room 1507, Park Place, 1601 Nanjing West Road, Jingan District, Shanghai, PRC 200040
	Shenzhen	Room 24D1, 24/F, A Unit, Zhen Ye Building, 2014 Bao'annan Road, Shenzhen, PRC 518008
Taiwan	Taipei	700 Mingshui Road, Taipei, Taiwan Telephone 886.2.2181.8888 · Facsimile 886.2.8501.1691
Hong Kong		41/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong Telephone 852.2878.6888 Facsimile 852.2878.6800
Thailand	Bangkok	8th - 11th floors, Asia Centre Building 173 South Sathorn Road, Bangkok 10120, Thailand Telephone 66.2658.8888 Facsimile 66.2658.8014
Singapore		4 Shenton Way #13-01 SGX Centre 2 Singapore 068807 Telephone 65.6202.1188 Facsimile 65.6534.4826

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. <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.

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.