

16 FEBRUARY 2021

THAILAND / UTILITIES - CONVENTIONAL

RATCH GROUP RATCH TB

BUY

UNCHANGED

TARGET PRICE	THB76.00
CLOSE	THB51.50
UP/DOWNSIDE	+47.6%
PRIOR TP	THB76.00
CHANGE IN TP	UNCHANGED
TP vs CONSENSUS	+5.7%

HPC นำมาซึ่งผลประกอบการที่ดีใน 4Q20

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RATCH รายงานกำไรสุทธิ (NP) สำหรับไตรมาส 4Q20 ที่ 2.1 พัน ลบ. (+135% y-y, +24% q-q) โดยได้แรงผลักดันหลักจากปัจจัยค่าความพร้อมจ่ายไฟฟ้า (EAF) ที่ดีขึ้นของ Hongsa power plant (HPC) เมื่อหักกำไรจากอัตราแลกเปลี่ยนเงินจำนวน 249 ลบ. กำไรสุทธิจากการดำเนินงานอยู่ที่ 1.9 พัน ลบ. (+173% y-y, +19% q-q) ต่ำกว่าที่เราคาด 2% แต่สูงกว่าที่ตลาดคาดอยู่ 7% โดยมีรายการสำคัญประกอบด้วย: 1) ส่วนแบ่ง NP จาก HPC จำนวน 1.01 พัน ลบ. (รวมผลขาดทุนจากอัตราแลกเปลี่ยน 115 ลบ.) เพิ่มขึ้น 495% y-y; 2) รายได้เงินปันผลเพิ่มเติมจำนวน 0.2 พัน ลบ. จากโครงการรถไฟฟ้ายาสีเหลืองและสีชมพู; 3) รายได้เงินปันผลจำนวน 116 ลบ. จากโรงไฟฟ้าถ่านหินในเวียดนาม; และ 4) ผลขาดทุนสุทธิจำนวน 17 ลบ. จากโรงไฟฟ้าพลังลม Yandin ในออสเตรเลียจากการแพร่ระบาด COVID-19 รายได้จาก RATCH Generating (RG) ลดลง 12% y-y จากค่าความพร้อมจ่าย (AP) ที่ลดลง

ผลประกอบการของบริษัทย่อยมีทั้งดีและไม่ดี

โรงไฟฟ้าหลักของ RATCH กล่าวคือ RG รายงานค่า AP ลดลง 12% y-y ใน 4Q20 จากฐานของค่า AP ที่ต่ำลง ในขณะที่รายได้จาก RATCH-Australia (RAC) เพิ่ม 3% y-y จากความต้องการที่สูงขึ้น อย่างไรก็ตาม RATCH Cogen (RCO) ที่บริษัท ชื้อมาในเดือน ต.ค. 19 ให้ส่วนแบ่งรายได้ 488 ลบ. (-1.4% y-y) และโรงไฟฟ้าพลังลม Yandin รายงานส่วนแบ่งผลขาดทุน 17 ลบ. ลดลงจากที่เคยให้ส่วนแบ่ง NP จำนวน 12 ลบ. ใน 3Q20 โรงไฟฟ้าขนาดเล็ก (SPP) ของ RATCH รายงาน NPs ที่มีทั้งเพิ่มขึ้นและลดลงแม้ว่าจะได้รับผลกระทบจาก COVID-19 ประกอบด้วย Berkprai (+THB2.7m y-y) RW Cogen (-THB84m y-y) และ Navanakorn Electricity (+THB0.12m y-y)

แนวโน้มการเติบโตยังดี

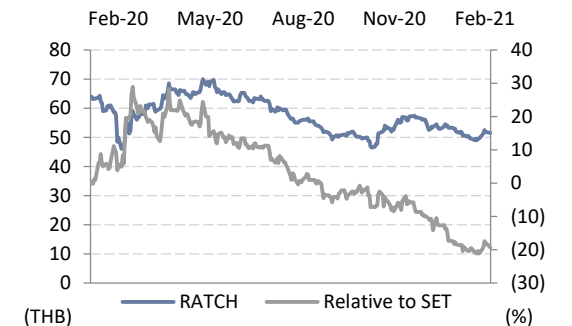
เราเชื่อว่าสินทรัพย์ของ RATCH ที่มีอยู่หลัก ๆ จะเป็น HPC รวมถึงโครงการเพื่อการเติบโตใหม่หลาย ๆ แห่งของบริษัทฯ จะผลักดันการเติบโตของกำไรในปี 2021-22 โดยตั้งอยู่บนสมมติฐานดังต่อไปนี้ 1) ค่า EAF ที่สูงขึ้นเป็น 85-87% ของ HPC ในปี 2021-22; และ 2) ส่วนแบ่งกำลังการผลิต 137MW ตามจำนวนหุ้นที่ถือในโรงไฟฟ้าถ่านหิน Thang Long ขนาด 620MW ผ่าน An Binh Energy and Infrastructure Fund รวมถึงจากโรงไฟฟ้านิวเคลียร์ Guangxi Fangchenggang ในประเทศจีน (+236MW ใน 2021E) โรงไฟฟ้า Riau ในอินโดนีเซีย (+146MW ใน 2021E) และ HKP ในประเทศไทย (+700MW ใน 2024-25E)

หุ้น Defensive Growth

เราคงคำแนะนำซื้อที่ราคาเป้าหมาย 76 บาท (SoTP) เราเห็นว่า RATCH ยังคงเป็นหุ้นโรงไฟฟ้าประเภท Defensive ที่มีระดับการประเมินมูลค่าที่น่าสนใจและมีปัจจัยพื้นฐานที่แข็งแกร่ง พร้อมกับการเติบโตของกำลังการผลิตที่ผูกมัดไว้แล้วในระดับสูงสำหรับในปี 2021-24

KEY STOCK DATA

YE Dec (THB m)	2020E	2021E	2022E	2023E
Revenue	34,482	36,614	39,944	39,990
Net profit	6,287	7,655	9,117	9,451
EPS (THB)	4.34	5.28	6.29	6.52
vs Consensus (%)	-	34.9	33.4	23.8
EBITDA	4,180	7,938	10,211	10,820
Core net profit	5,982	7,655	9,117	9,451
Core EPS (THB)	4.13	5.28	6.29	6.52
Chg. In EPS est. (%)	(7.1)	2.7	(3.5)	nm
EPS growth (%)	(1.9)	28.0	19.1	3.7
Core P/E (x)	12.5	9.8	8.2	7.9
Dividend yield (%)	4.8	6.1	6.6	7.1
EV/EBITDA (x)	21.1	11.1	8.6	8.0
Price/book (x)	1.2	1.2	1.1	1.0
Net debt/Equity (%)	22.2	20.4	18.1	15.5
ROE (%)	10.0	12.2	13.6	13.2



Share price performance	1 Month	3 Month	12 Month
Absolute (%)	(1.0)	(3.7)	(18.9)
Relative to country (%)	0.2	(15.5)	(18.0)
Mkt cap (USD m)	2,499		
3m avg. daily turnover (USD m)	11.9		
Free float (%)	43		
Major shareholder	EGAT (45%)		
12m high/low (THB)	70.75/39.50		
Issued shares (m)	1,450.00		

Sources: Bloomberg consensus; FSSIA estimates



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บทวิเคราะห์ฉบับนี้แปลมาจากบทวิเคราะห์ของ FSSIA ฉบับวันที่ 16 กุมภาพันธ์ 2021

Exhibit 1: Summary of 4Q20/2020 operations

	4Q19	3Q20	----- 4Q20 -----			2019	2020	Chg.	Comments
	(THB m)	(THB m)	(THB m)	(q-q %)	(y-y %)	(THB m)	(THB m)	(y-y %)	
Revenue	8,893	8,360	7,648	(8.5)	(14.0)	38,609	34,482	(10.7)	Lower due to lower tariff
Operating costs	(7,854)	(7,320)	(6,500)	(11.2)	(17.2)	(31,700)	(28,396)	(10.4)	Lower due to gas cost
EBITDA	1,039	1,040	1,148	10.5	10.5	5,445	4,180	(23.2)	Higher due to higher margin
EBITDA margin (%)	11.7	12.4	15.0	nm	nm	14.1	12.1	nm	
Depn & amort.	(429)	(472)	(449)	(4.8)	4.9	(1,528)	(1,833)	19.9	
EBIT	610	568	699	23.1	14.5	3,917	2,348	(40.1)	
Interest expense	(477)	(365)	(396)	8.4	(16.9)	(1,430)	(1,551)	8.5	
Interest & invt inc	42.0	51.6	49.4	(4.3)	17.7	73.0	463.9	535.1	
Other income	193.3	81.8	(0.6)	nm	nm	437.6	149.9	(65.7)	
Associates' contrib	451.1	1,139.2	1,327.7	16.5	194.3	3,968.4	4,600.3	15.9	Higher earnings from HPC
Exceptional	217	137	249	82.0	14.9	(132)	304	(329.9)	
Pretax profit	1,037	1,612	1,928	19.6	86.0	6,833	6,315	(7.6)	Higher due to higher NPs from Hongsa
Tax	(132)	111	201	81.8	(252.7)	(870)	(28)	(96.7)	
Tax rate (%)	12.7	(6.9)	(10.4)	nm	nm	12.7	0.4	nm	
Minority interests	(0.0)	(0.0)	(0.0)	nm	nm	(0.0)	(0.0)	nm	
Net profit	905	1,722	2,129	23.6	135.3	5,963	6,287	5.4	2% below our estimate / 7% above consensus estimate
Non-recurring	217	137	249	82.0	14.9	(132)	304	(329.9)	Gain (loss) on FX - the company and subsidiaries
Core net profit	688	1,585	1,881	18.6	173.2	6,096	5,982	(1.9)	
EPS (THB)	0.62	1.19	1.47	23.6	135.3	4.11	4.34	5.4	
Core EPS (THB)	0.47	1.09	1.30	18.6	173.2	4.20	4.13	(1.9)	

Sources: RATCH; FSSIA estimates

Exhibit 2: 2020 – key performance

	2019	2020	Change
	(THB m)	(THB m)	(y-y%)
Revenue			
RG	4,350.6	3,473.7	(20.2)
RAC	2,990.3	2,684.8	(10.2)
RCO	495.4	2,065.9	317.0
RL	53.7	62.0	15.5
Share of profits from associates and joint ventures			
IPPs	2,904.3	3,288.8	13.2
SPPs	338.7	426.3	25.9
Hydropower plants	66.8	69.0	3.4
Renewable	356.0	403.1	13.2
Others	302.7	413.2	36.5

Sources: RATCH; FSSIA estimates

Financial Statements

Ratch Group

Profit and Loss (THB m) Year Ending Dec	2019	2020	2021E	2022E	2023E
Revenue	38,609	34,482	36,614	39,944	39,990
Cost of goods sold	(31,700)	(28,396)	(27,468)	(27,936)	(27,971)
Gross profit	6,908	6,086	9,146	12,008	12,020
Other operating income	-	-	-	-	-
Operating costs	(1,464)	(1,906)	(1,208)	(1,797)	(1,200)
Operating EBITDA	5,445	4,180	7,938	10,211	10,820
Depreciation	(1,528)	(1,833)	(1,863)	(1,863)	(1,863)
Goodwill amortisation	0	0	0	0	0
Operating EBIT	3,917	2,348	6,075	8,347	8,957
Net financing costs	(1,357)	(1,087)	(1,297)	(1,406)	(1,394)
Associates	3,968	4,600	3,445	3,214	3,005
Recurring non operating income	4,406	4,750	3,974	3,796	3,645
Non recurring items	(132)	304	0	0	0
Profit before tax	6,833	6,315	8,752	10,737	11,207
Tax	(870)	(28)	(1,057)	(1,502)	(1,637)
Profit after tax	5,963	6,287	7,695	9,236	9,570
Minority interests	0	0	(41)	(119)	(119)
Preferred dividends	0	0	0	0	0
Other items	-	-	-	-	-
Reported net profit	5,963	6,287	7,655	9,117	9,451
Non recurring items & goodwill (net)	132	(304)	0	0	0
Recurring net profit	6,096	5,982	7,655	9,117	9,451
Per share (THB)					
Recurring EPS *	4.20	4.13	5.28	6.29	6.52
Reported EPS	4.11	4.34	5.28	6.29	6.52
DPS	2.40	2.45	3.15	3.40	3.65
Diluted shares (used to calculate per share data)	1,450	1,450	1,450	1,450	1,450
Growth					
Revenue (%)	(2.9)	(10.7)	6.2	9.1	0.1
Operating EBITDA (%)	30.3	(23.2)	89.9	28.6	6.0
Operating EBIT (%)	30.8	(40.1)	158.7	37.4	7.3
Recurring EPS (%)	9.1	(1.9)	28.0	19.1	3.7
Reported EPS (%)	6.7	5.4	21.8	19.1	3.7
Operating performance					
Gross margin inc depreciation (%)	13.9	12.3	19.9	25.4	25.4
Gross margin of key business (%)	13.9	12.3	19.9	25.4	25.4
Operating EBITDA margin (%)	14.1	12.1	21.7	25.6	27.1
Operating EBIT margin (%)	10.1	6.8	16.6	20.9	22.4
Net margin (%)	15.8	17.3	20.9	22.8	23.6
Effective tax rate (%)	30.4	1.7	19.9	20.0	20.0
Dividend payout on recurring profit (%)	57.1	59.4	59.7	54.1	56.0
Interest cover (X)	6.1	6.5	7.7	8.6	9.0
Inventory days	22.0	23.5	23.3	22.7	22.9
Debtor days	59.9	55.6	51.5	50.7	54.3
Creditor days	56.2	48.5	47.6	46.4	46.8
Operating ROIC (%)	12.0	5.6	12.2	15.3	15.1
ROIC (%)	8.0	6.1	7.7	9.0	9.0
ROE (%)	10.2	10.0	12.2	13.6	13.2
ROA (%)	7.1	6.5	7.4	8.2	8.1

* Pre-exceptional, pre-goodwill and fully diluted

Revenue By Division (THB m)	2019	2020E	2021E	2022E	2023E
Domestic electricity generating	32,397	27,093	27,733	31,063	31,110
International power projects	3,044	2,456	2,456	2,456	2,456
Revenue from finance lease contracts	2,923	4,682	6,174	6,174	6,174
Others	244	251	251	251	251

Sources: Ratch Group; FSSIA estimates

Financial Statements

Ratch Group

Cash Flow (THB m) Year Ending Dec	2019	2020E	2021E	2022E	2023E
Recurring net profit	6,096	5,982	7,655	9,117	9,451
Depreciation	1,528	1,833	1,863	1,863	1,863
Associates & minorities	3,968	4,600	3,445	3,214	3,005
Other non-cash items	-	-	-	-	-
Change in working capital	(2,019)	(3,066)	(747)	(869)	(405)
Cash flow from operations	9,573	9,349	12,216	13,325	13,914
Capex - maintenance	(1,528)	(1,833)	(1,863)	(1,863)	(1,863)
Capex - new investment	(4,335)	(5,371)	(3,137)	(3,137)	(3,137)
Net acquisitions & disposals	2,271	(7,490)	0	0	0
Other investments (net)	4,627	28,479	3,445	3,214	3,005
Cash flow from investing	1,035	13,785	(1,554)	(1,786)	(1,995)
Dividends paid	(3,255)	(3,254)	(3,553)	(4,568)	(4,930)
Equity finance	0	0	0	0	0
Debt finance	(1,017)	(13,821)	8,232	0	0
Other financing cash flows	(10,891)	(10,572)	(6,849)	(6,309)	(5,890)
Cash flow from Financing	(15,163)	(27,646)	(2,170)	(10,876)	(10,820)
Non-recurring cash flows	-	-	-	-	-
Other adjustments	0	0	0	0	0
Net other adjustments	0	0	0	0	0
Movement in cash	(4,555)	(4,512)	8,492	663	1,098
Free cash flow to firm (FCFF)	12,037.29	24,685.15	12,041.38	13,171.88	13,551.26
Free cash flow to equity (FCFE)	(1,300.95)	(1,258.91)	12,044.32	5,230.74	6,028.43
Per share (THB)					
FCFF per share	8.30	17.02	8.30	9.08	9.35
FCFE per share	(0.90)	(0.87)	8.31	3.61	4.16
Recurring cash flow per share	7.99	8.56	8.94	9.79	9.87
Balance Sheet (THB m) Year Ending Dec					
Tangible fixed asset (gross)	38,452	38,452	43,452	48,452	53,452
Less: Accumulated depreciation	(14,344)	(8,973)	(10,836)	(12,699)	(14,563)
Tangible fixed assets (Net)	24,108	29,479	32,616	35,753	38,889
Intangible fixed assets (Net)	3,797	3,454	3,454	3,454	3,454
Long-term financial assets	-	-	-	-	-
Invest. In associates & subsidiaries	33,545	41,035	41,035	41,035	41,035
Cash & equivalents	9,369	4,857	13,348	14,011	15,110
A/C receivable	5,514	4,982	5,348	5,748	6,148
Inventories	1,880	1,783	1,724	1,754	1,756
Other current assets	3,717	6,863	7,288	7,950	7,960
Current assets	20,480	18,485	27,708	29,463	30,973
Other assets	18,299	19,680	19,680	19,680	19,680
Total assets	100,229	112,132	124,492	129,384	134,030
Common equity	59,413	60,521	64,623	69,173	73,694
Minorities etc.	1	1	41	160	279
Total Shareholders' equity	59,414	60,522	64,665	69,333	73,973
Long term debt	30,441	16,768	25,000	25,000	25,000
Other long-term liabilities	2,801	27,965	27,965	27,965	27,965
Long-term liabilities	33,241	44,733	52,965	52,965	52,965
A/C payable	3,906	3,643	3,524	3,584	3,588
Short term debt	1,694	1,546	1,546	1,546	1,546
Other current liabilities	1,973	1,688	1,792	1,955	1,958
Current liabilities	7,574	6,877	6,862	7,085	7,092
Total liabilities and shareholders' equity	100,229	112,132	124,492	129,384	134,030
Net working capital	5,231	8,297	9,044	9,913	10,317
Invested capital	84,981	101,944	105,828	109,834	113,375
* Includes convertibles and preferred stock which is being treated as debt					
Per share (THB)					
Book value per share	40.97	41.74	44.57	47.71	50.82
Tangible book value per share	38.36	39.36	42.19	45.32	48.44
Financial strength					
Net debt/Equity (%)	38.3	22.2	20.4	18.1	15.5
Net debt/total assets (%)	22.7	12.0	10.6	9.7	8.5
Current ratio (x)	2.7	2.7	4.0	4.2	4.4
CF interest cover (x)	3.2	4.8	12.7	7.0	7.6
Valuation					
Recurring P/E (x) *	12.3	12.5	9.8	8.2	7.9
Recurring P/E @ target price (x) *	18.1	18.4	14.4	12.1	11.7
Reported P/E (x)	12.5	11.9	9.8	8.2	7.9
Dividend yield (%)	4.7	4.8	6.1	6.6	7.1
Price/book (x)	1.3	1.2	1.2	1.1	1.0
Price/tangible book (x)	1.3	1.3	1.2	1.1	1.1
EV/EBITDA (x) **	17.9	21.1	11.1	8.6	8.0
EV/EBITDA @ target price (x) **	24.4	29.6	15.6	12.0	11.3
EV/invested capital (x)	1.1	0.9	0.8	0.8	0.8
* Pre-exceptional & pre-goodwill are fully diluted ** EBITDA includes associate income and recurring non operating income					

Sources: Ratch Group; FSSIA estimates

Corporate Governance report of Thai listed companies 2020

EXCELLENT LEVEL										
AAV	ADVANC	AF	AIRA	AKP	AKR	ALT	AMA	AMATA	AMATAV	ANAN
AOT	AP	ARIP	ARROW	ASP	BAFS	BANPU	BAY	BCP	BCPG	BDMS
BEC	BEM	BGRIM	BIZ	BKI	BLA	BOL	BPP	BRR	BTS	BWG
CENTEL	CFRESH	CHEWA	CHO	CIMBT	CK	CKP	CM	CNT	COL	COMAN
COTTO	CPALL	CPF	CPI	CPN	CSS	DELTA	DEMCO	DRT	DTAC	DTC
DV8	EA	EASTW	ECF	ECL	EGCO	EPG	ETE	FNS	FPI	FPT
FSMART	GBX	GC	GCAP	GEL	GFPT	GGC	GPSC	GRAMMY	GUNKUL	HANA
HARN	HMPRO	ICC	ICHI	III	ILINK	INTUCH	IRPC	IVL	JKN	JSP
JWD	K	KBANK	KCE	KKP	KSL	KTB	KTC	LANNA	LH	LHFG
LIT	LPN	MAKRO	MALEE	MBK	MBKET	MC	MCOT	METCO	MFEC	MINT
MONO	MOONG	MSC	MTC	NCH	NCL	NEP	NKI	NOBLE	NSI	NVD
NYT	OISHI	ORI	OTO	PAP	PCSGH	PDJ	PG	PHOL	PLANB	PLANET
PLAT	PORT	PPS	PR9	PREB	PRG	PRM	PSH	PSL	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QTC	RATCH	RS	S	S & J	SAAM
SABINA	SAMART	SAMTEL	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SDC
SEAFCO	SEOIL	SE-ED	SELIC	SENA	SIRI	SIS	SITHAI	SMK	SMPC	SNC
SONIC	SORKON	SPALI	SPI	SPRC	SPVI	SSSC	SST	STA	SUSCO	SUTHA
SVI	SYMC	SYNTEC	TACC	TASCO	TCAP	TFMAMA	THANA	THANI	THCOM	THG
THIP	THRE	THREL	TIP	TIPCO	TISCO	TK	TKT	TMB	TMILL	TNDT
TNL	TOA	TOP	TPBI	TQM	TRC	TSC	TSR	TSTE	TSTH	TTA
TTCL	TTW	TU	TVD	TVI	TVO	TWPC	U	UAC	UBIS	UV
VGI	VIH	WACOAL	WAVE	WHA	WHAUP	WICE	WINNER	TRUE		
VERY GOOD LEVEL										
2S	ABM	ACE	ACG	ADB	AEC	AEONTS	AGE	AH	AHC	AIT
ALLA	AMANAHA	AMARIN	APCO	APCS	APURE	AQUA	ASAP	ASEFA	ASIA	ASIAN
ASIMAR	ASK	ASN	ATP30	AUCT	AWC	AYUD	B	BA	BAM	BBL
BFIT	BGC	BJC	BJCHI	BROOK	BTW	CBG	CEN	CGH	CHARAN	CHAYO
CHG	CHOTI	CHOW	CI	CIG	CMC	COLOR	COM7	CPL	CRC	CRD
CSC	CSP	CWT	DCC	DCON	DDD	DOD	DOHOME	EASON	EE	ERW
ESTAR	FE	FLOYD	FN	FORTH	FSS	FTE	FVC	GENCO	GJS	GL
GLAND	GLOBAL	GLOCON	GPI	GULF	GYT	HPT	HTC	ICN	IFS	ILM
IMH	INET	INSURE	IRC	IRCP	IT	ITD	ITEL	J	JAS	JCK
JCKH	JMART	JMT	KBS	KCAR	KGI	KIAT	KOOL	KTIS	KWC	KWM
L&E	LALIN	LDC	LHK	LOXLEY	LPH	LRH	LST	M	MACO	MAJOR
MBAX	MEGA	META	MFC	MGT	MILL	MITSI	MK	MODERN	MTI	MVP
NETBAY	NEX	NINE	NTV	NWR	OCC	OGC	OSP	PATO	PB	PDG
PDI	PICO	PIMO	PJW	PL	PM	PPP	PRIN	PRINC	PSTC	PT
QLT	RCL	RICHY	RML	RPC	RWI	S11	SALEE	SAMCO	SANKO	SAPPE
SAWAD	SCI	SCP	SE	SEG	SFP	SGF	SHR	SIAM	SINGER	SKE
SKR	SKY	SMIT	SMT	SNP	SPA	SPC	SPCG	SR	SRICHA	SSC
SSF	STANLY	STI	STPI	SUC	SUN	SYNEX	T	TAE	TAKUNI	TBSP
TCC	TCMC	TEAM	TEAMG	TFG	TIGER	TITLE	TKN	TKS	TM	TMC
TMD	TMI	TMT	TNITY	TNP	TNR	TOG	TPA	TPAC	TPCORP	TPOLY
TPS	TRITN	TRT	TRU	TSE	TVT	TWP	UEC	UMI	UOBKH	UP
UPF	UPOIC	UT	UTP	UWC	VL	VNT	VPO	WIJK	WP	XO
YUASA	ZEN	ZIGA	ZMICO							
GOOD LEVEL										
7UP	A	ABICO	AJ	ALL	ALUCON	AMC	APP	ARIN	AS	AU
B52	BC	BCH	BEAUTY	BGT	BH	BIG	BKD	BLAND	BM	BR
BROCK	BSBM	BSM	BTNC	CAZ	CCP	CGD	CITY	CMAN	CMO	CMR
CPT	CPW	CRANE	CSR	D	EKH	EP	ESSO	FMT	GIFT	GREEN
GSC	GTB	HTECH	HUMAN	IHL	INOX	INSET	IP	JTS	JUBILE	KASET
KCM	KKC	KUMWEL	KUN	KWG	KYE	LEE	MATCH	MATI	M-CHAI	MCS
MDX	MJD	MM	MORE	NC	NDR	NER	NFC	NNCL	NPK	NUSA
OCEAN	PAF	PF	PK	PLE	PMTA	POST	PPM	PRAKIT	PRECHA	PRIME
PROUD	PTL	RBF	RCI	RJH	ROJNA	RP	RPH	RSP	SF	SFLEX
SGP	SISB	SKN	SLP	SMART	SOLAR	SPG	SQ	SSP	STARK	STC
SUPER	SVOA	TC	TCCC	THMUI	TIW	TNH	TOPP	TPCH	TIPIP	TPLAS
TTI	TYCN	UKEM	UMS	VCOM	VRANDA	WIN	WORK	WPH		
Description								Score Range		
Excellent								90-100		
Very Good								80-89		
Good								70-79		

Disclaimer:

The disclosure of the survey results 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 evaluation 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 results may be changed after that date. FSS International Investment Advisory Company Limited does not confirm nor certify the accuracy of such survey results.

* CGR scoring should be considered with news regarding wrong doing of the company or director or executive of the company such unfair practice on securities trading, fraud, and corruption SEC imposed a civil sanction against insider trading of director and executive; ** delisted

Source: Thai Institute of Directors Association (IOD); FSSIA's compilation

Anti-corruption Progress Indicator 2020

CERTIFIED										
2S	ADVANC	AI	AIE	AIRA	AKP	AMA	AMANA	AP	AQUA	ARROW
ASK	ASP	AYUD	B	BAFS	BANPU	BAY	BBL	BCH	BCP	BCPG
BGC	BGRIM	BJCHI	BKI	BLA	BPP	BROOK	BRR	BSBM	BTS	BWG
CEN	CENTEL	CFRESH	CGH	CHEWA	CHOTI	CHOW	CIG	CIMBT	CM	CMC
COL	COM7	CPALL	CPF	CPI	CPN	CSC	DCC	DELTA	DEMCO	DIMET
DRT	DTAC	DTC	EASTW	ECL	EGCO	FE	FNS	FPI	FPT	FSS
FTE	GBX	GC	GCAP	GEL	GFPT	GGC	GJS	GPSC	GSTEEL	GUNKUL
HANA	HARN	HMPRO	HTC	ICC	ICHI	IFS	INET	INSURE	INTUCH	IRPC
ITEL	IVL	K	KASET	KBANK	KBS	KCAR	KCE	KGI	KKP	KSL
KTB	KTC	KWC	L&E	LANNA	LHFG	LHK	LPN	LRH	M	MAKRO
MALEE	MBAX	MBK	MBKET	MC	MCOT	MFC	MFEC	MINT	MONO	MOONG
MPG	MSC	MTC	MTI	NBC	NEP	NINE	NKI	NMG	NNCL	NSI
NWR	OCC	OCEAN	OGC	ORI	PAP	PATO	PB	PCSGH	PDG	PDI
PDJ	PE	PG	PHOL	PL	PLANB	PLANET	PLAT	PM	PPP	PPPM
PPS	PREB	PRG	PRINC	PRM	PSH	PSL	PSTC	PT	PTG	PTT
PTTEP	PTTGC	PYLON	Q-CON	QH	QLT	QTC	RATCH	RML	RWI	S & J
SABINA	SAT	SC	SCB	SCC	SCCC	SCG	SCN	SEAOL	SE-ED	SELIC
SENA	SGP	SIRI	SITHAI	SMIT	SMK	SMPC	SNC	SNP	SORKON	SPACK
SPC	SPI	SPRC	SRICHA	SSF	SSSC	SST	STA	SUSCO	SVI	SYNTEC
TAE	TAKUNI	TASCO	TBSP	TCAP	TCMC	TFG	TFI	TFMAMA	THANI	THCOM
THIP	THRE	THREL	TIP	TIPCO	TISCO	TKT	TMB	TMD	TMILL	TMT
TNITY	TNL	TNP	TNR	TOG	TOP	TPA	TPCORP	TPP	TRU	TSC
TSTH	TTCL	TU	TVD	TVI	TVO	TWPC	U	UBIS	UEC	UKEM
UOBKH	UWC	VGI	VIH	VNT	WACOAL	WHA	WHAUP	WICE	WIJK	XO
ZEN	TRUE									
DECLARED										
7UP	ABICO	AF	ALT	AMARIN	AMATA	AMATAV	ANAN	APURE	B52	BKD
BM	BROCK	BUI	CHO	CI	COTTO	DDD	EA	EFORL	EP	ERW
ESTAR	ETE	EVER	FSMART	GPI	ILINK	IRC	J	JKN	JMART	JMT
JSP	JTS	KWG	LDC	MAJOR	META	NCL	NOBLE	NOK	PK	PLE
ROJNA	SAAM	SAPPE	SCI	SE	SHANG	SINGER	SKR	SPALI	SSP	STANLY
SUPER	SYNEX	THAI	TKS	TOPP	TRITN	TTA	UPF	UV	WIN	ZIGA

Level	
Certified	This level indicates practical participation with thoroughly examination in relation to the recommended procedures from the audit committee or the SEC's certified auditor, being a certified member of Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) or already passed examination to ensure independence from external parties.
Declared	This level indicates determination to participate in the Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC)

Disclaimer:

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute 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 Thaipat Institute that is 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, FSS International Investment Advisory Company Limited does not confirm, verify, or certify the accuracy and completeness of the assessment results.

Note: Companies participating in Thailand's Private Sector Collective Action Coalition Against Corruption programme (Thai CAC) under Thai Institute of Directors (as of June 24, 2019) are categorised into: 1) companies that have declared their intention to join CAC, and; 2) companies certified by CAC.

Source: The Securities and Exchange Commission, Thailand; * FSSIA's compilation

GENERAL DISCLAIMER

ANALYST(S) CERTIFICATION

Suwat Sinsadok FSS International Investment Advisory Securities Co., Ltd

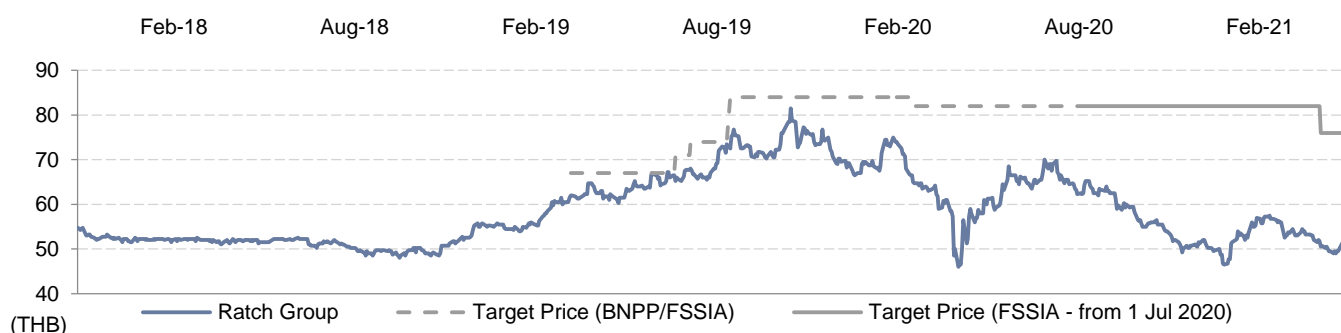
The individual(s) identified above certify(ies) that (i) all views expressed in this report accurately reflect the personal view of the analyst(s) with regard to any and all of the subject securities, companies or issuers mentioned in this report; and (ii) no part of the compensation of the analyst(s) was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed herein.

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History of change in investment rating and/or target price

Ratch Group (RATCH TB)



Date	Rating	Target price	Date	Rating	Target price	Date	Rating	Target price
18-Apr-2019	BUY	67.00	02-Sep-2019	BUY	84.00	14-Aug-2020	BUY	82.00
17-Jul-2019	HOLD	71.00	04-Feb-2020	BUY	82.00	20-Jan-2021	BUY	76.00
30-Jul-2019	HOLD	74.00	26-Jun-2020	BUY	82.00			

Suwat Sinsadok started covering this stock from 18-Apr-2019

Price and TP are in local currency

Source: FSSIA estimates

Company	Ticker	Price	Rating	Valuation & Risks
Ratch Group	RATCH TB	THB 51.50	BUY	The downside risks to our SoTP-based TP include 1) lower-than-expected demand for electricity in Thailand; 2) a lower crude price; and 3) delays in starting new projects.

Source: FSSIA estimates

Additional Disclosures

Target price history, stock price charts, valuation and risk details, and equity rating histories applicable to each company rated in this report is available in our most recently published reports. You can contact the analyst named on the front of this note or your representative at Finansia Syrus Securities Public Company Limited

FSSIA may incorporate the recommendations and target prices of companies currently covered by FSS Research into equity research reports, denoted by an 'FSS' before the recommendation. FSS Research is part of Finansia Syrus Securities Public Company Limited, which is the parent company of FSSIA.

All share prices are as at market close on 15-Feb-2021 unless otherwise stated.

RECOMMENDATION STRUCTURE

Stock ratings

Stock ratings are based on absolute upside or downside, which we define as $(\text{target price}^* - \text{current price}) / \text{current price}$.

BUY (B). The upside is 10% or more.

HOLD (H). The upside or downside is less than 10%.

REDUCE (R). The downside is 10% or more.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

Industry Recommendations

Overweight. The analyst expects the fundamental conditions of the sector to be positive over the next 12 months.

Neutral. The analyst expects the fundamental conditions of the sector to be maintained over the next 12 months.

Underweight. The analyst expects the fundamental conditions of the sector to be negative over the next 12 months.

Country (Strategy) Recommendations

Overweight (O). Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Neutral (N). Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

Underweight (U). Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.